Edmond de Rothschild

Edmond de Rothschild (France)

2023 Annual Financial Report

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A public company with Executive and Supervisory Boards and capital of €83,075,820
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Message from the shareholders

Despite the international turmoil and normalisation of the financial markets that characterised 2023, **Edmond de Rothschild experienced remarkable success, driven by a highly positive trend across all our business lines**, which demonstrates the appeal of our positioning.

On an international level, we must approach this **period of uncertainty** with bravery and realism. International tensions in Europe and in the Middle East, as well as unpredictability over growth in Europe, are now a reality that we will have to contend with. However, this should in no way impact our confidence for the future, as we now live in a world where change occurs on a daily basis. This shifting environment means that we must remain agile and continue to innovate.

Return to economic and financial situation, central banks — and especially the Federal Reserve — can take some pride for bringing inflation back under control. The financial markets had a solid year, with strong stock market performance throughout 2023, and especially in the fourth quarter. This reflects the markets' optimism surrounding the prospect of rate cuts and their confidence in the immense opportunities created by the proliferation of artificial intelligence in our economies.

Edmond de Rothschild does not intend to be a bystander to these developments, but rather has the intention of incorporating them intelligently so that they have a positive impact on what we do. This is precisely what my family has been pursuing for nearly 250 years. Continuing our efforts and commitment towards **finance that serves the real economy and promotes progress** is particularly important to me. When we work to promote sustainable agriculture, develop human capital, limit urban sprawl or fight against deforestation, we provide solutions to genuine problems that societal development is fighting for. I am committed to ensuring that Edmond de Rothschild leads the way in this area. This year's announcement of our plan to move our head office from Geneva to the Quartier de l'Etang, an eco-neighbourhood, is **a key symbol of our societal commitment**. It embodies my ambition to bring all of our teams under one roof to increase cross-business interaction, efficiency and creativity, as we work together to design the investments of tomorrow.

Edmond de Rothschild has achieved remarkable results this year. We are extremely proud to have received 23 awards for the quality of our expertise, which serves as significant recognition of our excellence. Our investor clients were pleased with our investment performance, while our record inflows of over CHF 11 billion are a testament to **our excellent services and the appeal of our Brand**. Our 2023 financial results were extremely strong and the result of a collective effort to provide the best service for our clients. These results will enable us to continue to prepare for the future and be ambitious in our development projects. We owe it to the new generations who are counting on us. Recently, we announced a strategic partnership with BIDV, a leading bank in Vietnam, to drive local development and create the country's leading private bank.

I would like to thank our private and institutional clients who, by entrusting us with the management of their assets, are a key part of our Investment Vision. The strength of what we have built together and the relevance of our positioning give me every confidence in our ability to face the future.

Ariane de Rothschild
Chief Executive Officer Group

Key figures

Key figures

Edmond de Rothschild Group at 31 December 2023

Edmond de Rothschild: unique among banks

The Edmond de Rothschild Group's position in the world of finance is unique. We are fully in tune with the new global landscape but, at the same time, we cultivate values that have fallen by the wayside at many other banks.

The family tradition gives us an acute sense of what the "long term" means, and this is reflected in the way we manage clients' assets: creativity does not preclude cautiousness; and while our business may break new ground, risk is always well managed.
What we do draws on two powerful engines: private banking and asset management. The Group is also expanding in corporate finance, private equity, real estate and institutional & fund services.

The Edmond de Rothschild Group today

The Edmond de Rothschild Group offers bespoke services to an international client base consisting of wealthy families, entrepreneurs and large institutions.

Our lines of business

Private Banking

Corporate Finance

Asset Management

Private Equity

Real estate

Institutional & Fund Services

Our strengths

- The stability and solidity of an independent financial group
- Unsurpassed attention to individual client needs combined with global expertise
- Proactive teams that track and analyse the latest economic developments and adjust our offerings accordingly
- Access to a comprehensive range of financial products and services

The Edmond de Rothschild Group in figures

CHF163 billion in assets under management (€176 billion)

21.2% FINMA capital adequacy ratio

2,600 employees at 31 December 2023

GLOBALLY ACTIVE

MAIN OFFICES

Suisse *Switzerland*
Genève *Geneva*

France
Lille

Luxembourg
Luxembourg

Monaco
Monaco

OTHER OFFICES

Allemagne *Germany*
Berlin, Franckfort *Frankfurt*
Munich *München*

Belgique *Belgium*
Anvers *Antwern*
Bruxelles *Brussels*

Chine *China*
Shangaï *Shangai*

Émirats Arabes unis *UAE*
Dubaï *Dubai*

Espagne *Spain*
Madrid

France
Bordeaux, Lyon, Marseille, Nantes,
Paris, Strasbourg, Toulouse

Israël *Israel*
Tel *Aviv*

Italie *Italy*
Milan

Japon *Japan*
Tokyo

Pays-bas *Netherlands*
Amsterdam

Portugal
Lisbonne *Lisbon*

Royaume-Uni *UK*
Londres *London*

Suisse *Switzerland*
Fribourg, Lausanne, Lugnano, Zurich

Booking centre
Joint venture

Key figures

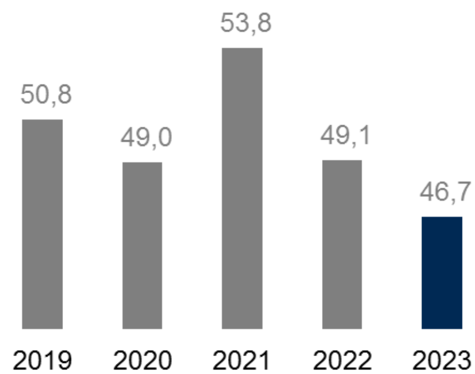
Edmond de Rothschild (France) at 31 December 2023

Shareholders at 31 December 2023

Edmond de Rothschild (France) is wholly-owned by Edmond de Rothschild (Suisse) SA.

Total assets under management

In billions of euros

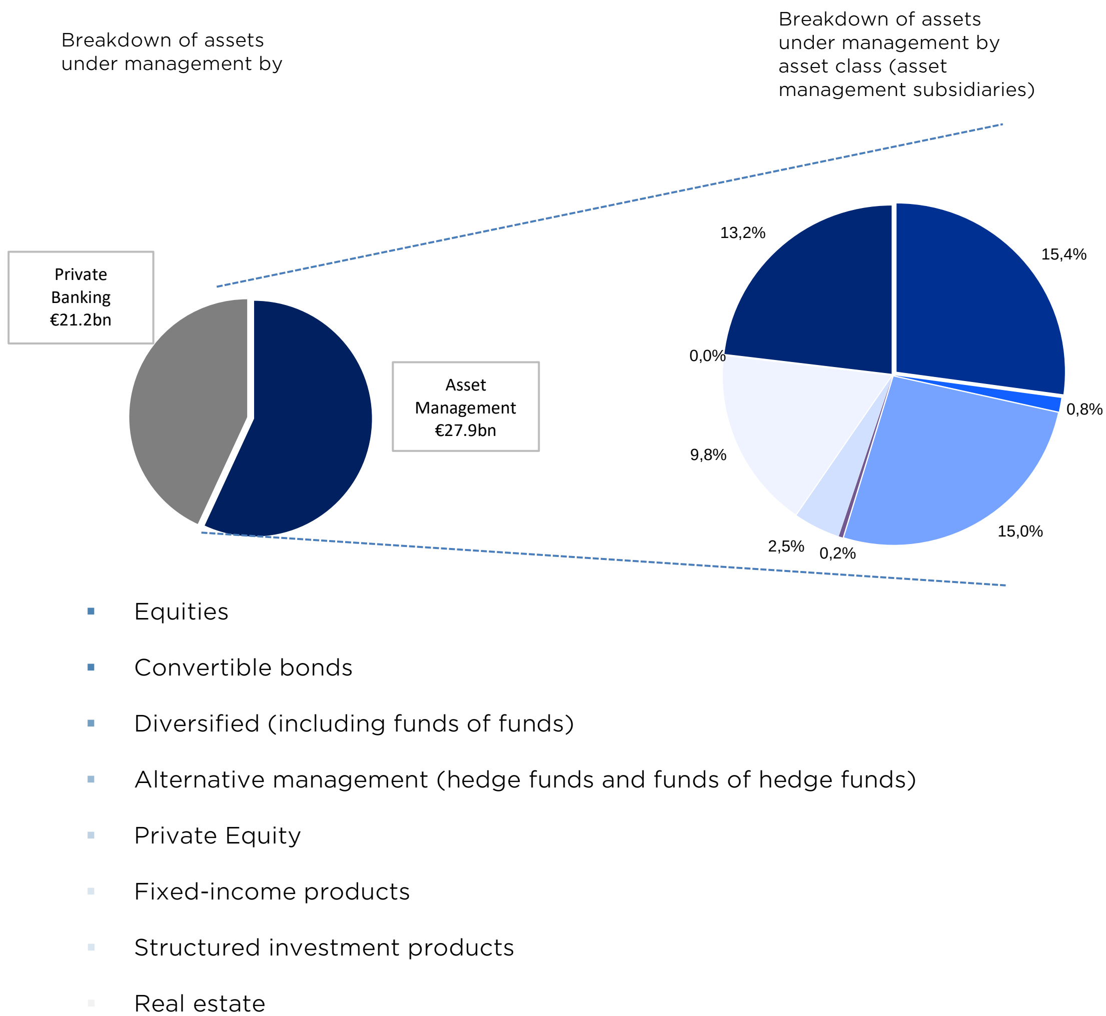


Offices in France

France

Bordeaux, Lille, Lyon, Marseille, Nantes,
Paris, Strasbourg and Toulouse

Breakdown of assets under management by division and asset class (asset management subsidiaries)



Consolidated highlights (in millions of euros)

Balance sheet highlights	2021	2022	2023
Total assets	4,668	6,487	5,014
Equity attributable to equity holders of the parent*	397	407	381
Loans granted	1,422	1,531	1,213
Client deposits	2,488	2,557	1,558

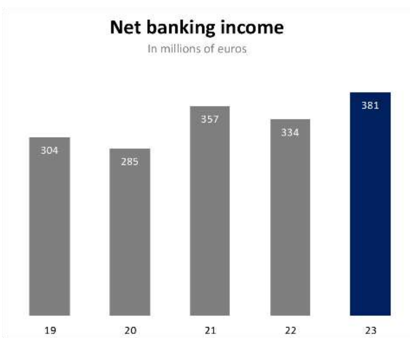
The robustness of the Group's financial position is reflected in its capital ratios**. Its capital adequacy ratio stood at 20% with its Tier One and Core Tier One ratios at 19% at the end of 2023. The minimum regulatory requirement is 11%.
The Liquidity Coverage Ratio (LCR) stood at 247%, comfortably above the minimum regulatory requirement of 100%.
The long-term liquidity ratio (Net Stable Funding Ratio, NSFR) stood at 174%, comfortably above the minimum regulatory requirement of 100%.

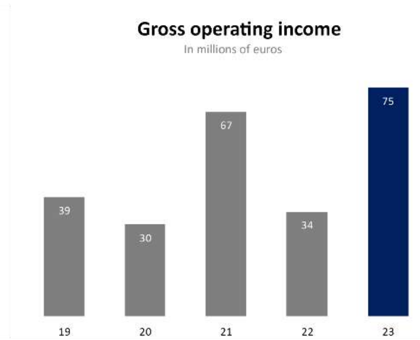
Income statement highlights	2021	2022	2023
Net banking income	357	334	381
Gross operating income	67	34	75
Net income	54	70	60
of which attributable to equity holders of the parent	*57*	*72*	*60*

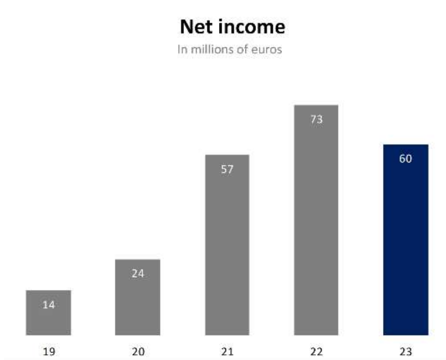
Average headcount (number)	**791**	**785**	**790**

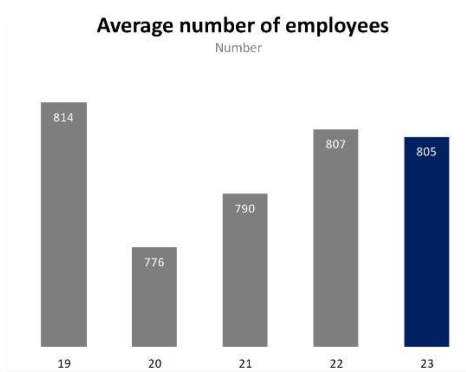
* Excluding net income for the year.

** These ratios are calculated in accordance with prudential regulations on the basis of the consolidated equity of Edmond de Rothschild (France).









Management Report

Report of the Executive Board

In late 2022, *Bloomberg Economics* forecasts predicted a recession in 2023 with a probability of 100%. It has to be said that, in the final analysis, the economic and financial results for 2023 were quite good. In a "worrying" world, the economy has been reassuring, and the recession, despite being considered inevitable in late 2022, has been avoided, with economic growth of over 2% in the United States and lower growth in the eurozone.

In the middle of the year, the US Federal Reserve stopped raising interest rates, followed in the last quarter of 2023 by the European Central Bank.

Despite a persistently difficult international environment (war in Ukraine, conflict in the Middle East), inflation, although still high, is falling and stock markets were up in 2023, with the benchmark French index (CAC 40) up 16.5% over the year.

Edmond de Rothschild (France) remained supremely resilient due to its robust economic model and its strong network of private bankers and asset management sales team, bringing in new fundraising and new management mandates. As 2023 drew to a close, the Edmond de Rothschild Group made a few changes in scope, with the exit of the Private Equity business from Edmond de Rothschild (France).

Edmond de Rothschild (France) posted net income of €59.7 million in the year ended 31 December 2023, down €11.4 million from 31 December 2022. By late 2022, the "real estate" business (REIM) as well as the shares held by Edmond de Rothschild (France) in Edmond de Rothschild (Monaco) had been sold, and by restating the income and gains on disposals, the net income of Edmond de Rothschild (France) was up by almost €33 million.

Full-year sales and financial performances by our business lines were solid compared to the previous year. Private Banking maintained its first-class sales activity, generating €1 billion in net new money in France. Private equity continued to raise funds (including *Amethis Europe Expansion* and Kennet VI). Asset management over 2023 collected nearly €1.4 billion net. Finally, the corporate finance business completed a number of excellent deals, enabling it to achieve a high level of billings, albeit down on the previous year, in a market that was in sharp decline.

In thousands of euros	2023	2022	Change
Net banking income	**380,538**	**334,228**	**13.9%**
Operating expenses	-305,652	-300,036	1.9%
- Personnel expenses	*-181,743*	*-179,887*	
- Other operating expenses	*-100,725*	*-94,900*	
- Depreciation and amortisation	*-23,184*	*-25,250*	
Gross operating income	**74,886**	**34,191**	**119.0%**
Cost of risk	-831	-14	
Operating income	**74,055**	**34,177**	**116.7%**
Associates	-594	16,470	
Net gains or losses on other assets	2,188	33,470	
Change in the value of goodwill	-	-	
Recurring income before tax	**75,649**	**84,117**	**x0.1**
Income tax	-15,927	-13,003	
Net income	**59,723**	**71,114**	**x0.1**
Minority interests	571	1,546	
Net income – Group share	**60,294**	**72,660**	**-17.0%**
Non-recurring transactions	-	-	
Net income – reportable Group share	**60,294**	**72,660**	**-17.0%**
Cost/income ratio*	76.5%	84.9%	

*Personnel expenses and other operating expenses (excluding depreciation and amortisation restated for IFRS 16) as a percentage of net banking income (NBI).

Net banking income

At €380.5 million, NBI was higher than in 2022 (+14%), driven by good market conditions and the positive impact of the increase in refinancing rates. Edmond de Rothschild's deconsolidation of real estate operations (REIM) had a -€9.6 million impact on NBI compared to 2022. At constant scope, i.e. excluding the data from Edmond de Rothschild REIM, NBI increased by +€55.9 million:

- Fees on assets under management excluding REIM rose by 2%, in line with a 3% increase in average assets under management.

- Management generated performance fee income of €11.9 million, vs. €20.7 million in 2022.

- Trading activity rose 8% compared with 2022, including an increase of €9.4 million in the French private banking business (+36%) and a decrease of €3.5 million in the French asset management business.

- On-balance sheet income totalled €91.6 million, compared to €33.2 million in 2022. This €58.4 million increase was mainly due to the rise in interest rates.

- Other revenues declined by €3.1 million to €57.1 million, including a €5.2 million drop in billings from corporate finance.

The resulting gross margin was 85bp, vs. 68bp in 2022 and 67bp excluding REIM.

Operating expenses

Operating expenses stood at €305.7 million, up 2% compared to 2022 (and up 5% excluding costs related to REIM over 2022 to be at constant scope).

- Personnel expenses came to €181.7 million, a 1% increase over the level recorded in 2022, and a 5% increase excluding Edmond de Rothschild REIM costs, mainly due the impact of changes in the workforce on fixed pay.

Other expenses increased by 6% and 9% excluding REIM costs for 2022, primarily due to business expenses and IT fees.

Operating income

Operating income was €74.9 million, compared to €34.7 million in 2022. The cost/income ratio improved (76% vs. 85% a year ago).

Net income attributable to equity holders of the parent

After taking into account the contribution of companies accounted for by the equity method (-€0.6 million), minority interests (+€0.6 million), capital gains and losses on disposals (+€2.2 million, including the impact of removing the Private Equity business from the scope of EdR (France) and the tax charge (-€15.9 million), net income attributable to equity holders of the parent totalled €60.3 million, down by €12.4 million compared to 2022. It should be noted that Edmond de Rothschild (Monaco) is no longer accounted for by the equity method in the Group's results as of the end of 2022 (no income in 2023 compared to €13.5 million in income in 2022 and a capital gain on disposal of €33.5 million).

Business trends and income by division

Private Banking made further headway. Its results advanced sharply in advisory and discretionary management, with another very strong sales performance during the year. As a result of the rise in interest rates, outstanding loans fell, with a negative impact on revenues. Trading activity was strong over the year, generating revenues up 36% compared to 2022.

Amid favourable market conditions, management and advisory fees rose significantly in Asset Management. Although down on the previous year, and thanks to good management performance, almost €12 million in performance fees were recorded over the year (down €8.8 million on 2022).

Private equity continued to grow its assets under management with new funds launched during the year and some additional closings on existing funds continuing to show very good momentum.

Corporate Advisory Services also performed well in 2023 amid a much more complicated economic environment than in 2022. The team has firmly established itself as a respected player in its market segment.

The Bank has the following divisions:

- Private Banking
- *Corp*orate Finance
- Asset Management
- Private Equity
- Real estate
- Institutio*nal & Fund Services*

Overview of income and profitability by division

	Private Banking		Asset Management		Private Equity		Other Activities and Proprietary Trading		Group	
In thousands of euros	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Net banking income	**140,927**	**120,472**	**129,794**	**142,387**	**4,353**	**4,767**	**105,465**	**66,602**	**380,538**	**334,228**
Operating expenses	-109,860	-97,543	-120,387	-130,170	-7,239	-5,488	-68,166	-66,835	-305,652	-300,036
- Personnel expenses	*-67,028*	*-61,630*	*-69,969*	*-73,219*	*-3,586*	*-2,673*	*-41,160*	*-42,364*	*-181,743*	*-179,887*
. direct	*-48,253*	*-44,423*	*-54,758*	*-56,373*	*-2,865*	*-2,045*	*-33,937*	*-35,748*	*-139,814*	*-138,588*
. indirect	*-18,774*	*-17,207*	*-15,211*	*-16,846*	*-721*	*-628*	*-7,223*	*-6,616*	*-41,929*	*-41,298*
- Other operating expenses	*-36,062*	*-28,993*	*-45,594*	*-50,013*	*-3,351*	*-2,600*	*-15,718*	*-13,294*	*-100,725*	*-94,900*
- Depreciation and amortisation	*-6,770*	*-6,920*	*-4,824*	*-6,939*	*-302*	*-215*	*-11,288*	*-11,176*	*-23,184*	*-25,250*
Gross operating income	**31,067**	**22,929**	**9,407**	**12,217**	**-2,886**	**-722**	**37,299**	**-233**	**74,886**	**34,191**
Cost of risk	-	-	-	-	-	-	-831	-14	-831	-14
Operating income	**31,067**	**22,929**	**9,407**	**12,217**	**-2,886**	**-722**	**36,468**	**-247**	**74,055**	**34,177**
Associates	-	13,467	-	-	3,038	3,002	-3,633	-	-594	16,470
Net gains or losses on other assets	-	-	-	-	-	-	2,188	33,470	2,188	33,470
Change in the value of goodwill	-	-	-	-	-	-	-	-	-	-
Recurring income before tax	**31,067**	**36,396**	**9,407**	**12,217**	**152**	**2,281**	**35,023**	**33,223**	**75,649**	**84,117**
Cost/income ratio*	73.2%	75.2%	89.2%	87.0%	159.4%	110.6%	61.9%	96.2%	76.5%	84.9%

*Personnel expenses and other operating expenses (excluding depreciation and amortisation restated for IFRS 16) as a percentage of net banking income (NBI).

Private Banking

Highlights of 2023

- Private Banking assets under management in France exceed €20 billion
- A new organisation of management teams
- Creation of the MFO/CGP desk (multifamily office and wealth management advisers)
- Regional development

Private Banking is the Group's original business. For over 250 years, Edmond de Rothschild has been on hand to support its private clients with looking after, growing and passing on their assets. We offer a range of solutions combining long-term performance with an effective impact. Our task in today's fast-moving world is to deliver bespoke solutions to our clients' current and future needs that accommodate the changes shaping the future.

Our range of products and services embodies this commitment. They are always firmly rooted in the real economy and geared to the challenges that lie ahead.

Private bankers form the cornerstone of relationships with our clients. They build an overview of clients' portfolios and marshal our various areas of expertise and business lines to make sure all their personal and business assets are managed in a completely seamless manner. Our private clients have access to the full range of the Edmond de Rothschild Group's investment, wealth engineering, corporate finance, private equity, real estate and philanthropic solutions.

Drawing on its wide-ranging skills and expertise, Edmond de Rothschild's private banking division in France devises a highly personalised approach. Our solutions fit the needs of our clients like a glove, addressing all the challenges they face at every stage in the wealth management process.

Sales momentum maintained

Brisk business in private banking was the hallmark of 2023. Our growth was based on several highlights:

Firstly, gross new money was maintained despite a tougher economic situation. Split equally between the Paris office and the regional offices, these funds came from the bank's core target: entrepreneurs, all sectors combined, who carried out M&A activity on their companies. Collaboration with corporate finance is being further strengthened, particularly in the regions.

Despite a complex interest rate environment, lending remains a key growth area, supported by the bank's solid balance sheet.

Ambitious lines of development

Our private banking teams have been strengthened in all regions, with the recruitment of a large number of junior bankers to support our business development and ensure that our customers receive the highest quality of service.

2023 was marked by the creation of a team dedicated to supporting Multi-Family Offices and Wealth Management Advisers (known as the "MFO/CGP Desk"). Over and above the banking aspects, this establishes a genuine collaboration, based on an intimate understanding of customers' needs and objectives. Customers will benefit, through their advice, from the concrete solutions offered by the Group.

In addition, in order to strengthen Edmond de Rothschild's presence in the south-east of France, an office was opened in Nice at the end of the year. Finally, in Bordeaux, the team brought on corporate finance experts to offer entrepreneurial clients in the region the full range of expertise they need: private banking, wealth engineering and mergers & acquisitions advice.

The aim of this development strategy is to create ever-closer ties with the Bank's customers, both private individuals and professionals, throughout France.

Value proposition and customer experience

Innovation, the driving force behind our private banking offering

Edmond de Rothschild is constantly refining the range of products and services we offer. These developments and innovations flow from the strong positions we have established in specific areas of expertise and themes in which we have identified long-term growth opportunities. In line with the family's philanthropic tradition, the Group is constantly seeking to promote more responsible finance.

Two years ago, private banking launched a programme to distribute structured products with a charitable component. This investment solution reflects the Group's belief in reconciling the pursuit of performance with social impact, and allows customers to be involved in the process.

In 2023, two new products enabled significant donations to be made to the non-profits Perce-Neige and Linkee. The latter received a cheque for over €123,000 at the end of the product's marketing period.

Additionally, the bank continued to distribute several investment funds that meet the needs of entrepreneur clients looking for 150-0 B ter eligible reinvestment solutions (to retain the tax deferral of the capital gains from the sale of their business), such as ExtendAM and Galion.exe. It is continuing to expand its range, in particular with the distribution of the Nextage Capital Entrepreneurs fund.

The Private Equity mandate continued to open up venture capital for private clients. It gives them exclusive access to the innovative impact strategies of the Group's private equity platform, which is most often restricted to professional clients. Inflows for this mandate exceeded €100 million.

Finally, the Wealth Solutions team has been strengthened to continue to support and advise customers in their search for commitment and their personal philanthropic approach.

Supporting new generations

In 2023, the Bold Builders Program was launched by private banking in France.

Its purpose is to create a link between the Bank and the children of our customers, to introduce them to financial matters (asset engineering and financial markets) and also to give them some food for thought about entrepreneurship. After two successful outings in 2023, the programme will continue in 2024.

In addition, the Bank has entered into a partnership with Albert School, the first Business School to treat data with the importance it deserves. It offers a balance between the teaching provided by leading business and engineering schools, to prepare its students for the world of business. Ariane de Rothschild is patron of the Data for Finance Master's degree and a number of initiatives are underway to support students.

Bespoke offering for entrepreneurs

Entrepreneurs remain the Bank's core target group in France. We are more committed than ever to our distinctive, longstanding approach of "A bank of entrepreneurs working for entrepreneurs". The Group was built around a family of entrepreneurs and offers its customers a similar approach to the one it applies to itself.

Our teams support private clients in their vision of the future that goes beyond financial matters. This is dynamic support through a process built with the entrepreneur to broaden their thinking over the long term. Monitoring is global for all expert assessments: Private equity, management expertise in listed assets, real estate, credit, etc.

The emphasis on this approach in 2023 has been reflected in a reinforced communication campaign aimed at entrepreneurs, comprising events, social media, and dedicated solutions.

In 2023, the Bank renewed its commitment to the tech sector through a number of partnerships in Paris and throughout France: These include the Galion Project, Numeum (the professional association for the digital ecosystem in France) and La French Tech in Lille.

Finally, in 2023, Edmond de Rothschild has proved it is still "ESSENTIAL" by leading the Décideurs ranking of independent private banks.

A record year for life insurance brokers, despite substantial redemptions.

In 2023, Edmond de Rothschild Assurances et Conseils recorded record gross inflows, offset by substantial redemptions linked to debt reduction and strong competition from balance sheet savings (term accounts).

In 2023, contracts also benefited from a substantial increase in the rates paid on EuroFunds, combined with particularly attractive bonus offers, with low constraints on Unit-Linked products.

Breakdown of Private Banking results

In thousands of euros	2023	2022	Change
Net banking income	**140,927**	**120,472**	**17.0%**
Operating expenses	-109,860	-97,543	12.6%
- Personnel expenses	*-67,028*	*-61,630*	
. direct	*-48,253*	*-44,423*	
. indirect	*-18,774*	*-17,207*	
- Other operating expenses	*-36,062*	*-28,993*	
- Depreciation and amortisation	*-6,770*	*-6,920*	
Gross operating income	**31,067**	**22,929**	**35.5%**
Cost of risk	-	-	
Operating income	**31,067**	**22,929**	**35.5%**
Associates	-	13,467	
Net gains or losses on other assets	-	-	
Change in value of goodwill	-	-	
Recurring income before tax	**31,067**	**36,396**	**-14.6%**
Cost/income ratio*	73.2%	75.2%	

*Personnel expenses and other operating expenses (excluding depreciation and amortisation restated for IFRS 16) as a percentage of net banking income (NBI).

Net banking income

Private Banking assets (€22.2 billion) are up 5% year to date. Strong business momentum brought net inflows of close to €1,015 million, and thanks to buoyant markets, assets grew 2% based on end-2022 figures.

For France, this trend breaks down as follows:

- Management and advisory fees rose 1.5% from 2022, reflecting robust sales performance that drove up assets under management, with a high level of net inflows and a positive market impact.
- Very strong transactional activity over 2023 with revenues up 36%.
- On-balance sheet revenue was up in 2023 (+32% / +€7.6 million compared with 2022) due to the introduction of a retrocession of cash revenues to the business lines, a fall in lending revenues in line with the downward trend in assets under management, but also an increase in revenues from structured products.

In Italy, despite a 4% fall in average assets under management, revenues were up 25% thanks to the impact of rising interest rates on liquidity.

Overall, Private Banking's net banking income accounted for 37% of consolidated net banking income in 2023, up from 36% in 2022.

Operating expenses

Private Banking's operating expenses totalled €109.9 million in 2023, up 13% on 2022.

The division's personnel expenses totalled €67 million, up 9% compared to 2022, due to the impacts of changes in the workforce and performance-related variable compensation.

Other expenses were up 24%, with an increase in commercial expenses and including a provisioning charge for the FRU ("Fonds de Résolution Unique") previously included in the "proprietary trading" business line.

Operating income

Private Banking recorded €31.1 million in gross operating income, up from €22.9 million in 2022, thanks to higher revenue due to solid commercial performance and a controlled increase in costs.

Accordingly, the cost/income ratio stood at 73%, which was an improvement on the 75% recorded in 2022.

As in previous years, the cost of risk was very low indeed, reflecting the high quality of the division's loan commitments and its effective risk management.

Recurring income before tax

Recurring income before tax from the Private Banking division was €31.1 million in 2023, down €5.3 million (-15%) on 2022, due to the disposal of EdR (Monaco) in 2022, which had generated €13.5 million in profit by the equity method in 2022. Excluding this impact on the scope of consolidation, recurring income before tax was up 35%.

Asset Management

Highlights of 2023
- €23 billion under management
- A year of rapid development
- Particularly dynamic fundraising
- New commitments to responsible investment

The whole philosophy behind Edmond de Rothschild's Asset Management range is to offer its clients active, conviction-driven management. Edmond de Rothschild Asset Management aims to outperform index-tracking products by focusing on value creation over the long term.

The range of investment solutions available from Edmond de Rothschild Asset Management comprises funds and managed accounts for institutional investors, together with open-ended UCITS marketed to private clients by multiple partner financial institutions (private banks, asset managers, insurers) and independent financial advisors. It consists of an innovative physical assets platform, with strategies focused on responsible investment and impact investing.

A year of rapid development

The year 2023 was marked by a number of successes, despite an uncertain environment, in line with 2022. The wars in Ukraine and the Middle East, stubborn inflation driven by rising energy prices, and interest-rate hikes brought about by monetary tightening on both sides of the Atlantic generated high volatility and a lack of market visibility. The asset management sector has faced major challenges, notably from competition from savings products made more attractive by high interest rates, and more generally from the trend towards reducing risk in portfolios.

Despite these headwinds, Edmond de Rothschild Asset Management (France) performed well and showed exceptional resilience in 2023.

New funds were launched in 2023 to continue to offer investors solutions tailored to their needs.

At the end of June, the management company launched the Edmond de Rothschild Fund EM Climate Bonds fund, an innovative bond strategy, classified as Article 9 under SFDR regulations, dedicated to the fight against climate change in the emerging world. The fund invests primarily in green bonds issued in these markets.

The Edmond de Rothschild SICAV European Improvers European equity fund was launched at the end of August. The management team seeks to select companies that have started the virtuous circle of improvement (based on the principle that financial performance & and ESG practices feed off each other). Based on this complementary relationship between financial performance and improved ESG practices, this strategy aims to identify companies in an improvement phase, offering solid performance potential regardless of the economic cycle or sector of activity.

Following on from the success of the EdR Sicav Millesima World 2028 fund (which raised over €300 million at the end of its marketing period), the management company has launched its 11th maturity fund: EdR Sicav Millesima Select 2028. This fund, which has been available since September, invests principally in a selection of bonds issued by companies in developed countries (Europe and OECD) within the Investment Grade (highest credit ratings) and High-Yield segments, maturing in December 2028 at the latest.

The fund quickly attracted a great deal of interest from customers, and by the end of 2023 had more than €400 million under management.

In terms of recruitment, in 2023 the management company welcomed Nathalie Wallace as Chief Sustainability Officer. She oversees all the Group's sustainable initiatives, in both asset management and private banking. Previously Global Head of Sustainable Investment at Natixis Investment Managers, Nathalie is responsible for continuing the in-depth work on ESG that began several decades ago within our Group. She is also using her vision and experience to further develop the ESG strategic focus of our investment house.

In 2023, the sales team led by Marie Jacot, Global Head of Distribution, was expanded in France and internationally to provide even better service to our customers and broaden our coverage to new markets.

- In Italy, a salesperson has been recruited to develop our business in the retail segment.
- In France, the sales team has been strengthened with the arrival of a saleswoman specialising in private equity sales, whose responsibilities will be all-encompassing.
- In the Middle East and Israel, two salespeople have been recruited to meet our customers' needs and continue to develop these high-potential markets.

Particularly dynamic fundraising

Despite an uncertain market environment and high volatility, 2023 was a year of manifold success for our asset management business. Total inflows and the number of winning bids demonstrate its strong momentum. This new money came from a variety of customer segments and geographical areas, confirming the relevance of our sales strategy.

In **liquid assets**:

Equities and Fixed Income ended the year with largely positive net inflows.

A number of equity strategies stood out for their performance. EdR Fund Big Data now has almost €2 billion in assets under management, boosted by net inflows of around €230 million in 2023, not including the €600 million mandate won from a major Japanese institutional player. This tremendous success reflects investors' strong interest in the theme, as well as the fund's performance to date.

Other equity strategies such as EdR Sicav Euro Sustainable Equity and EdR Fund Healthcare ended the year with inflows of over €50 million. A number of institutional equity mandates also contributed to the good performance of this asset class.

In bond strategies, the inflows were driven by maturity strategies and our fund specialising in hybrid bond strategies. The two open-ended "Millesima" funds and their dedicated versions in France and Spain raised more than €1 billion in 2023.

The EdR Sicav Corporate Hybrid fund raised almost €100 million, which was supplemented by a dedicated version of this fund for a French institutional investor.

Several awards received in 2023 confirmed the quality and strength of our investment performances. Edmond de Rothschild Asset Management topped the podium at H24 Finance's Grand Prix de la Finance 2023 awards for the best management companies with €50-100 billion in AuM. Several of our funds won awards there, including Edmond de Rothschild Fund Big Data and Edmond de Rothschild Fund Bond Allocation. In addition, Edmond de Rothschild Fund Big Data won an award at the Globes de la Gestion 2023 organised by Gestion de Fortune in partnership with Quantalys and received the Label Excellence from Mieux Vivre Votre Argent magazine as part of the Grands Prix Sicav.

The EdR Sicav Euro Sustainable Equity fund was awarded first prize in the Euro Zone Equities category by Investissment Conseil magazine.

AGEFI also awarded the EdR Fund US Value the Grand Prix de la Gestion d'actifs for the quality of its performance.

In **private markets**:

Despite a more difficult environment amid rising interest rates, the private markets platform continued to expand in 2023, with a number of key events in its three business lines of real estate, private equity and infrastructure debt.

The private equity business continued to expand, surpassing €4 billion in assets under management. In 2023, valuations were maintained in a difficult environment, driven by our long-term themes, operational value creation at asset level and moderate portfolio leverage.

Several fundraising campaigns took place during the year in which the sales teams of Edmond de Rothschild Asset Management (France) played an active part. (see private equity section).

Real estate was impacted in 2023 by the rise in interest rates, with an increase in financing costs and pressure on values, which led to less interest in the asset class than in previous years. In France, Edmond de Rothschild Real Estate Investment Management confirmed its position as a major player in the management and structuring of regulated funds on behalf of third parties, particularly for new players on the French market. Edmond de Rothschild REIM's European platform has also invested in the industrial and logistics sector in France, the Netherlands and Germany, as well as in private real estate debt.

Building on the success of its previous funds and the strong appetite for infrastructure debt among investors, particularly in France, the **London-based BRIDGE platform** (Benjamin de Rothschild Infrastructure Debt Generation) launched its sixth edition in the second quarter of 2023. It capitalises on its existing Senior Investment Grade and Junior BB credit quality strategies with higher yields (Yield+) in Europe, but adds an innovative strategy to the range in response to demand from smaller and medium-sized companies to finance the acceleration of their growth in the energy and digital transition sectors. BRIDGE-VI is also expanding geographically by becoming more global, including the United States and the Middle East.

Launched in 2014 with €400 million, BRIDGE has now exceeded €5.5 billion in capital raised, notably from a solid base of French institutional clients.

The platform won the “Infrastructure Asset Manager of the year 2023 - ESG Debt” prize awarded by IJ Global. This award recognises the platform's concrete commitment to ESG integration, including its ability to avoid investing in non-compliant assets, as well as Edmond de Rothschild Asset Management's commitment as a whole. A few weeks later, IJ Global also awarded BRIDGE the title of “Debt Fund Manager - Europe”, in recognition of its innovative and bold strategy and its high level of expertise.

New commitments to responsible investment

Under the responsibility of Nathalie Wallace, Chief Sustainability Officer, 2024 will be an important year for Edmond de Rothschild Asset Management in terms of its ESG initiatives and commitments.
In 2023, the management company joined the Net Zero Asset Managers (NZAM) Initiative, and before the end of the first half of the year, it will have to confirm a number of commitments linked to this membership. Edmond de Rothschild Asset Management will be stepping up its actions on decarbonisation targets, with the ambition of achieving zero net emissions by 2050 or before for all assets under management within the scope of the initiative.

In addition to the NZAM, 2023 was an important milestone in the management company's overall ESG strategy, marked by a significant strengthening of its existing commitments to the energy and environmental transition. After joining the Institutional Investors Group on Climate Change (IIGCC) in the first half of this year and joining the Net Zero Asset Managers (NZAM) initiative, thereby affirming its support for the objective of zero net greenhouse gas emissions by 2050, in line with international efforts to limit global warming to 1.5°C, Edmond de Rothschild Asset Management (France) has become a founding member of the “Nature Action 100” initiative.

Breakdown of Asset Management results

In thousands of euros	2023	2022	Change
Net banking income	**129,794**	**142,387**	**-8.8%**
Operating expenses	-120,387	-130,170	-7.5%
- Personnel expenses	*-69,969*	*-73,219*	
. direct	*-54,758*	*-56,373*	
. indirect	*-15,211*	*-16,846*	
- Other operating expenses	*-45,594*	*-50,013*	
- Depreciation and amortisation	*-4,824*	*-6,939*	
Gross operating income	**9,407**	**12,217**	**-23.0%**
Cost of risk	-	-	
Recurring operating income	**9,407**	**12,217**	**-23.0%**
Associates	-	-	
Net gains or losses on other assets	-	-	
Change in value of goodwill	-	-	
Recurring income before tax	**9,407**	**12,217**	**-23.0%**
Cost/income ratio*	89.2%	87.0%	

*Personnel expenses and other operating expenses (excluding depreciation and amortisation restated for IFRS 16) as a percentage of net banking income (NBI).

Net banking income

At €27.3 billion, the Asset Management division’s assets under management were down 10% compared to the end of 2022. This decline was due to the -€6.5 billion impact of the deconsolidation of the “real estate” (REIM) business. Excluding this scope effect, assets grew by 14% with net inflows of +€1.7 billion and a performance effect of +5%.

Revenues for 2023 amounted to €129.8 million, down 9% on 2022. Restated for REIM fees, NBI was down by 2% with:

- A 5% increase in commissions on loans with a 2% improvement in margins and an increase in average loans.
- Performance fees of €11.8 million versus €20.7 million in 2022.
- A 13% decrease in fees on transactional activity.

Operating expenses

Management fees amounted to €120.4 million in 2023.

- Personnel expenses came to €70 million, up 4% on 2022, mainly reflecting the impact of higher performance-related bonuses.
- Other operating expenses fell 4% on 2022 to €45.6 million.

Operating income

As a result, gross operating income fell by €2.8 million compared to 2022, to €9.4 million. Excluding REIM, operating income fell by €3.3 million.

The cost/income ratio for this business line was 89%, compared with 87% in 2022 and 86% excluding REIM's financial items in 2022.

Recurring income before tax

The Asset Management division’s income before tax stood at €9.4 million, down from €12.2 million in 2022.

Private Equity

Highlights of 2023

- Continued fundraising for the Amethis Europe Expansion I, Kennet VI, PeakBridge II and Privilege 2021 funds
- Portfolio valuations maintained in a difficult market environment, driven by our long-term themes, operational value creation at asset level and moderate portfolio leverage
- Commercial launch of FCPR Edmond de Rothschild Private Equity Opportunities
- Continued the EdRPE 2.0 initiative to digitalise processes

2023 was an extension of 2022, with a number of fundraisings that continued (Amethis Europe Expansion I, Kennet VI, PeakBridge II and Privilège 2021). At the same time, Eres IV, the fourth fund dedicated to midcap buyouts, completed its final closing at €512 million, exceeding its initial target. Another commercial launch was made with the FCPR Edmond de Rothschild Private Equity Opportunities. Simultaneously, portfolio management business activity showed resilience in a precarious market environment. Valuations remained stable overall, underpinned by our long-term themes, operational value creation at asset level and moderate use of leverage in portfolios.

In 2023, we reaffirmed our commitment to our investors and to new generations. Our actions have maintained their momentum, with the aim of redirecting finance to serve industry, mobilising private and public resources to finance the transition and sustainable innovation.

Kennet V, maintaining valuations and continuing to fundraise Kennet VI

Valuations in the portfolio of the Kennet V fund, which specialises in growth capital in the technology sector, remained broadly stable. The portfolio companies benefited from reasonable acquisition prices and sustained revenue growth, due to the importance of the services they deliver to their customers.

At the same time, the new fund, Kennet VI, continued its fundraising period with two new closings during the year, totalling €233 million at the end of December 2023. Given the macroeconomic headwinds, Kennet has been very cautious in selecting companies that show resilience to market conditions and meet growth requirements. An initial investment was made at the end of the year in an Irish-based company providing a marketing content management solution. Final closing of the fund is expected in June 2024.

Privilège 2021: Continued fundraising and finalisation of the portfolio

Privilège 2021 is a fund of funds with a co-investment allocation, targeting buyouts and growth operations in the SME market in Europe (60% of the allocation) and the United States (40% of the allocation). The fund finalised the construction of its portfolio of funds with six new investments (Miura Partners, Wise Equity VI, NetRom, SC V AWW Co-invest LP, CCP Climb LP, AnaCap Bridge Fund 2021 LP) and continued to raise a total of €119 million by the end of 2023. The final closing is scheduled for early 2024, with a target of over €130 million.

Amethis Europe Expansion I: Progress in fundraising and deployment of the portfolio

Amethis Europe Expansion I, a strategy dedicated to investing in medium-sized European companies with international and African growth drivers, has continued its fundraising period and reached €79 million by the end of 2023. The fund continued to build up its portfolio by completing its second transaction in HB Aesthetics, and secured a third investment in a company providing software for the banking and financial sectors.
The portfolio's performance improved, with solid results for the company Group Office Automation. Final closing is expected in Q4 2024.

PeakBridge Growth II: Deployment of the portfolio

The PeakBridge II fund, which specialises in Agro-FoodTech, continued to raise funds and completed its sixth closing during the year, bringing the total amount invested to €155 million. Five new investments were made during the year (Qualitas Health IWI, WNWN, Kern Tec, Inside Tracker & Mediterranean Food Labs). Most of the companies in the portfolio have sufficient cash flow until 2025. Final closing is expected in late January 2024 at around €160 million.

ERES IV: Final closing of the fund, exceeding objectives

The fourth fund dedicated to midcap buy-out transactions, made its final closing at €512 million in March 2023, a sharp difference from its previous edition (€300 million). The fund made two new investments in Areal and Decks & Docks over the course of 2023.

Edmond de Rothschild Private Equity Opportunities

The end of the year also saw the commercial launch of the FCPR Edmond de Rothschild Private Equity Opportunities, a fund specialising in medium-sized companies with strong growth potential in Europe and North America. The aim of this fund is to invest in medium-sized companies with strong growth potential in Europe and North America. The FCPR, advised by Elyan Partners, is co-investing with the Group's historic buy-out strategy and in other private equity deals. With this innovation, the Edmond de Rothschild Group is facilitating access to private equity for private investors by simplifying subscription, in particular through unit-linked life insurance policies.

EdRPE 2.0

Finally, the EdRPE 2.0 initiative, launched at the very end of 2022, continued its course. The aim of this initiative is to strengthen the operating model of the private equity business by overhauling its organisation, processes and tools. The organisation has been strengthened by new recruitment and clarified by an overhaul of the reporting lines. The key processes were reviewed in an assignment given to an external consultancy. Finally, on the digitalisation front, several systems have been selected, including a new Portfolio Management System, and are currently being deployed.

Breakdown of Private Equity results

In thousands of euros	2023	2022	Change
Net banking income	**4,353**	**4,767**	**-8.7%**
Operating expenses	-7,239	-5,488	31.9%
- Personnel expenses	*-3,586*	*-2,673*	
. direct	*-2,865*	*-2,045*	
. indirect	*-721*	*-628*	
- Other operating expenses	*-3,351*	*-2,600*	
- Depreciation and amortisation	*-302*	*-215*	
Gross operating income	**-2,886**	**-722**	**300.0%**
Cost of risk	-	-	
Recurring operating income	**-2,886**	**-722**	**300.0%**
Associates	3,038	3,002	
Net gains or losses on other assets	-	-	
Change in value of goodwill	-	-	
Recurring income before tax	**152**	**2,281**	**-93.33%**
Cost/income ratio*	159.4%	110.6%	

* Personnel expenses and other operating expenses as a percentage of net banking income (NBI).

Net banking income

Private Equity’s net banking income was €4.4 million, down 9% compared with 2022, mainly due to non-recurring income linked to the ERES IV fundraising in 2022.

Operating expenses

Operating expenses were up 32%, including a 34% rise in personnel costs in line with the increase in the workforce.

Operating income

Accordingly, the operating loss increased compared to 2022, reaching €2.9 million (as opposed to €0.7 million in 2022).

Recurring income before tax

Private Equity posted recurring income before tax of €0.2 million, down from €2.3 million in 2022, after the equity-accounted contribution from Elyan Partners.

Corporate, entrepreneur and fund advisory services

Highlights of 2023

- Continued momentum with more than 60 transactions advised on in 2023
- A power team of nine Managing Directors and more than sixty bankers
- Position as a leader on the small- and mid-cap segment
- Three 2023 Gold awards at the Sommet des Leaders de la finance [French finance leaders' summit], in the Investment Banking category: Best LBO Team (small to mid), Best LBO Team (mid to large), Best Growth Dynamic and Honourable Mention M&A (mid to large).

Against darker market skies than 2022, the Edmond de Rothschild Corporate Finance Team had a record year, with sixty-one deals closed.

Adopting a long-term view, the team made the choice very early on to develop strong verticals in key sectors like healthcare, B2B services, new technologies and digital, industry and leisure, which together account for almost 75% of 2023 sales.

The team continued to gain market shares in healthcare by closing landmark deals in the sector. For example, it supported the shareholders of the Delbert laboratory when Vivalto Partners acquired a stake in the company. In this sector, we also advised the shareholders of MonVéto on its capital increase with Ardian, and in Pharmaceuticals, we advised the founders of Médiprix on the opening of minority shareholdings with NextStage, as well as medical devices, with the sale of Théradial to Ardian, Cair IGL to Kartesia and Evolutis to Techlife.

B2B Services has had a very good year, supporting Coutot Roehrig and its financial shareholders in acquiring a stake in Luxempart. This is the second deal we have completed for this client in four years. The team also assisted CNP with its acquisition of Cleeven.

Tech & Digital is continuing to expand, with Magellan Partners assisting with the acquisition of Adone Conseil and the add-on to its syndicated loan. These are the eighth and ninth deals Magellan has advised on in four years. Another example is at the Kickmaker founders' and shareholders' council when MML and BPI France acquired a stake in the company.

The group is increasing its market share, advising PAI on its acquisition of the Looping group, which was the biggest deal of the year in the sector, and advising the shareholders and management of Sodikart on the sale of a majority stake.

In industry, the team has done very well, advising the shareholders and management of Wichard on the reorganisation of its capital and the entry of Azulis, as well as advising the shareholders of Brasserie du Mont Blanc on its sale to the Duval family group and Synov on a reorganisation of its capital with Sagard.

At the same time, the team began to develop a team dedicated to renewable energy, with two major deals, including 2BSI, which was sold to Eurazéo, and Hubency, which reorganised its capital around B & Capital.

The team confirmed its sales expertise (75%) while maintaining a systematic long position with our long-standing clients. In fact, the portion of deals closed with our long-standing clients was stable, making up more than 36% of revenue earned. This result showcases the personalised, long-term support we provide by relying on the synergies of the Edmond de Rothschild Group via our Private Banking, Wealth Engineering and Corporate Finance businesses, and the quality of the teams handling the operations entrusted to us.

The year 2023 will also see the opening of a new office in Bordeaux to continue our development in the region and benefit from synergies with our private banking teams.

Outlook for 2024

After a year of resilience and performance in 2023, Edmond de Rothschild Corporate Finance will continue to forge ahead. In 2024's macroeconomic environment, the team has already built up a promising order book. We can approach the coming months with confidence. The funds continue to be highly active market leaders. Finally, the team has successfully positioned itself on sectors that remain vibrant such as healthcare, B2B services, tech and digital.

Breakdown of Other Activities and Proprietary Trading results

In thousands of euros	2023	2022	Change
Net banking income	**105,465**	**66,602**	**58.3%**
Operating expenses	-68,166	-66,835	2.0%
- Personnel expenses	*-41,160*	*-42,364*	
. direct	*-33,937*	*-35,748*	
. indirect	*-7,223*	*-6,616*	
- Other operating expenses	*-15,718*	*-13,294*	
- Depreciation and amortisation	*-11,288*	*-11,176*	
Gross operating income	**37,299**	**-233**	**nm**
Cost of risk	-831	-14	
Operating income	**36,468**	**-247**	**nm**
Associates	-3,633	-	
Net gains or losses on other assets	2,188	33,470	
Change in the value of goodwill	-	-	
Recurring income before tax	**35,023**	**33,223**	**x0.1**
Cost/income ratio*	61.9%	96.2%	

* Personnel expenses and other operating expenses as a percentage of net banking income (NBI).

Net banking income

Corporate Advisory Services

The Corporate Advisory Services business was very successful once again in 2023, despite a decline in the number of transactions and revenues of €41.8 million, down 11% in a sharply lower market.

Proprietary Trading

Proprietary Trading's net banking income came to €63.7 million, up €44.1 million on 2022 on the back of higher interest rates on cash.

Operating expenses

Corporate Advisory Services

Operating expenses fell 7% relative to 2022, reflecting the decline net banking income generated.

Gross operating income was positive at €2.4 million.

Recurring income before tax

The Other Activities and Proprietary Trading division recorded income before tax of €35 million, up from €33.2 million in 2022. This result includes €2.2 million in capital gains on disposals, compared with €33.5 million in 2022.

Outlook for 2024

2023 was a year of return to normality on the financial markets. Bonds, unlike 2022, were a performance driver. Equities performed well, although there were wide disparities both geographically and thematically. In this respect, the "Magnificent 7" stocks linked to Artificial Intelligence, contributed almost 70% of the S&P 500's annual performance.

Furthermore, central banks, and in particular the Federal Reserve, seem to have succeeded in curbing inflation. Interest rates are high, but central banks once again have room to manoeuvre to support economies in the event of a sudden slowdown. The credibility of central banks and the reduction in their balance sheets are good news for financial stability in the medium term, as the negative interest rate policy was a factor of instability, uncertainty and inequality. The bond asset class as a whole could benefit.

2024 looks to be just as unpredictable. We are proceeding with the utmost care, but also with the peace of mind that comes from knowing our development and organisational model has enabled us to successfully navigate the major challenges of recent years.

Through its commitment to put finance to work serving the real economy, Edmond de Rothschild (France) thus intends to continue its strategy of differentiation founded on conviction-based investments underpinned by strong research capabilities and an innovation strategy that aims to deliver long-run performance. It is firmly focused on a selection of carefully picked strategies, an ambitious responsible roadmap for our socially responsible investments and our theme-based ranges.

Movements in the portfolio of subsidiaries and associates

During 2023, Edmond de Rothschild (France) was involved in some major transactions.

Acquisitions:

- In May 2023, following the liquidation of Financière Eurafrique, Edmond de Rothschild (France) removed the company from its portfolio of investments.
- In November 2023, Edmond de Rothschild (France) subscribed for 100% of the capital increase of Edmond de Rothschild Private Equity (France) by acquiring the 258,130 newly issued shares.

  Following this transaction, Edmond de Rothschild Private Equity (France) remains 100% owned by Edmond de Rothschild (France).

Disposals:

- In December 2023, Edmond de Rothschild (France) sold its entire 100% stake in Edmond de Rothschild Private Equity (France) to Edmond de Rothschild Private Equity S.A., a Group company.

Consolidated balance sheet

Total consolidated assets came to €5,013.5 million at 31 December 2023, down 22.7% from €6,487.4 million at 31 December 2022.

Assets

In thousands of euros	31/12/2023	31/12/2022
Cash, due from central banks and postal accounts	2,475,815	3,844,162
Financial assets at fair value through profit or loss	80,481	87,362
Hedging derivatives	47,755	61,080
Financial assets at fair value through other comprehensive income	990	1,503
Securities at amortised cost	79,218	73,465
Loans and receivables due from credit institutions, at amortised cost	835,091	539,590
Loans and receivables due from clients, at amortised cost	1,212,759	1,530,671
Revaluation differences on interest rate risk-hedged portfolios	-35,377	-54,443
Tax assets and other assets	157.180	251,442
Non-current assets other than financial assets	159,628	152,612
Total assets	**5,013,540**	**6,487,444**

Liabilities

In thousands of euros	31/12/2023	31/12/2022
Financial liabilities at fair value through profit and loss	2,743,145	3,131,947
Hedging derivatives	3,477	1,392
Due to credit institutions	35,263	49,606
Due to clients	1,558,489	2,556,637
Revaluation differences on interest rate risk-hedged portfolios	-	-
Tax liabilities and other liabilities	211,035	251,044
Provisions	19,915	16,377
Subordinated debt	-	-
Equity attributable to equity holders of the parent	441,208	478,795
Minority interests	1,008	1,646
Total liabilities	**5,013,540**	**6,487,444**

Main changes in consolidated assets

Cash, due from central banks and postal accounts shows the Bank's demand deposits with the ECB and the Banque de France.

Financial assets at fair value through profit and loss fell to €80.5 million at 31 December 2023 from €87.4 million at 31 December 2022. At 31 December 2023, this line item consisted of the Group's private equity portfolio (€49.6 million), variable-rate securities valued at €16.3 million and trading derivatives measured at fair value (€14.2 million).

Hedging derivatives came to €47.8 million at 31 December 2023, down 21.8% from €61.1 million at 31 December 2022.

Securities at amortised cost increased to €79.2 million at 31 December 2023 from €73.5 million at 31 December 2022.

Loans and receivables due from credit institutions rose to €835.1 million at 31 December 2023, up from €539.6 million at the end of the previous year. This increase was largely driven by cash transactions with the Group.

Loans and receivables due from clients (net of provisions), consisting of ordinary overdrafts and loans, decreased by 20.8% to €1,212.8 million at 31 December 2023 from €1,530.7 million at 31 December 2022. That decrease was primarily the result of lower client overdrafts excluding UCITS funds, which fell by €258.7 million, and a €57.5 million decrease in lending.

Debit positions on UCITS current accounts fell from €2.8 million at 31 December 2022 to €1 million at 31 December 2023.

Valuation adjustments on portfolios subject to interest-rate hedging were -€35.4 million at 31 December 2023, compared with -€54.4 million at 31 December 2022, a decrease of 35.0%.

Non-current assets other than financial assets totalled €159.6 million at 31 December 2023, up from €152.6 million at 31 December 2022.

Main changes in consolidated liabilities

Financial liabilities at fair value through profit and loss totalled €2,743.1 million at 31 December 2023, down 12.4% from €3,131.9 million at 31 December 2022.

Due to credit institutions reflects demand deposit accounts, which decreased slightly to €35.3 million at 31 December 2023 from €49.6 million at 31 December 2022.

Due to clients includes ordinary accounts in credit, term deposits and savings accounts. This line item fell by 39.0% or €998.1 million overall to reach €1,558.5 million at 31 December 2023. This decrease is mainly due to the €1,019.6 million fall in ordinary credit accounts and €46.4 million in special savings accounts. Additionally, other sundry liabilities rose by €60.2 million.

Provisions rose to €19.9 million at 31 December 2023, from €16.4 million at 31 December 2022.

After 2023 net income of €60.3 million, **equity attributable to equity holders of the parent** fell 7.9% to €441.2 million at 31 December 2023.

Commitments given and received by the Group

In thousands of euros	31/12/2023	31/12/2022
Commitments given		
Financing commitments	445,062	440,603
Guarantee commitments	84,325	131,361
Commitments received		
Financing commitments	-	-
Guarantee commitments	72,393	155,965

Financing commitments given to clients, which include commitments to invest in certain of the Group's private equity funds, amounted to €445.1 million compared with €440.6 million at 31 December 2022. This increase reflected a €21.2 million rise in overdraft authorisations and a €16.7 million reduction in commitments on securities receivable.

Guarantees given by the Group fell 35.8% to €84.3 million from €131.4 million at 31 December 2022. The guarantees mainly consisted of administrative and financial security provided to clients and guarantees to investors in structured, formula and cushion funds, as well as representations and warranties made to companies.

Guarantees received from credit institutions fell to €72.4 million from €156.0 million at the end of 2022.

Parent company balance sheet

At 31 December 2023, the Bank's total assets amounted to €5,016 million. That represented a decrease of 22.65% on the €6,485 million recorded at 31 December 2021.

The main balance sheet items were as follows:

In thousands of euros	31/12/2023	31/12/2022
Assets		
Cash accounts and interbank operations	3,376,374	4,443,143
Loans to clients	1,218,099	1,538,121
Other financial accounts	168,859	245,034
Securities and non-current assets	252,865	258,460
Total	**5,016,197**	**6,484,757**

Liabilities		
Interbank operations	1,870,198	2,462,845
Client deposits	1,668,720	2,663,808
Debt securities	922,125	709,980
Other financial accounts	193,246	252,725
Subordinated debt	21,065	21,047
Equity	340,843	374,352
Total	**5,016,197**	**6,484,757**

On the asset side, cash accounts and interbank operations accounted for 67.31% of the Bank's total assets, or €3,376 million, compared with €4,443 million at 31 December 2022, a decrease of €1,067 million or 24.01%. Cash deposited with the ECB and the Banque de France amounted to €2,475 million at 31 December 2023, or 49.34% of the Bank's total assets (versus €3,844 million and 59.3% at 31 December 2022), reflecting the Bank's intention to improve its financial performance while adhering to a conservative cash management policy in a positive interest-rate environment.

Current accounts with financial institutions increased to €36 million in 2023 from €35 million in 2022.

Term loans stood at €783 million at the end of 2023, compared to €500 million at the end of 2022.

Loans to clients amounted to €1,218 million at 31 December 2023, down 20.8% from €1,538 million at 31 December 2022. That increase derived largely from overdrafts granted to individual clients and non-financial companies.

Other financial accounts fell 31.09% to €168.9 million, down from €245 million in the previous year.

Securities and non-current assets slipped to €253 million at 31 December 2023 from €258 million at 31 December 2022. This 2.2% decrease was chiefly due to the divestments of Edmond de Rothschild Private Equity, sales and redemptions of private equity UCITS funds and the remeasurement of the portfolio of subsidiaries and affiliates.

On the liabilities side, **interbank operations** dropped to €1,870 million at 31 December 2022 from €2,463 million at 31 December 2022. Term loans were the main factor behind this decrease.

Client deposits fell by 37.36% to €1,669 million at 31 December 2023, down from €2,664 million at 31 December 2022. This decrease was chiefly the product of a decline in clients' demand accounts.

Debt securities moved up to €922 million from €710 million one year earlier. They consisted mainly of Euro Medium Term Notes (EMTNs) issued in connection with structured products, Negotiable European Commercial Paper (NEUCP) and Negotiable European Medium Term Notes (NEU MTN).

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Other financial accounts decreased by €60 million, from €253 million at 31 December 2022 to €193 million at 31 December 2023. This change is mainly due to the valuation of tax liabilities (down by €14 million), other accruals and deferred income (down by €10 million), guarantee deposits received (down by €8 million) and currency adjustment accounts (down by €27 million).

Subordinated debt, which amounted to €21.0 million at 31 December 2023 (unchanged from at 31 December 2022), includes only the undated super-subordinated notes issued by the Bank in June 2007 to strengthen the Group's regulatory capital.

The main components of **equity** were as follows:

In thousands of euros	(1) 31/12/2023	(1) 31/12/2022
Share capital	83,076	83,076
Reserves	130,522	130,522
Retained earnings	65,716	34,141
Total	**279,314**	**247,739**

(1) Before appropriation of net income for the year.

Net income for the year came out to €62 million, down from €127 million in 2022.

Parent company income statement

The key line items in the Bank's condensed income statement were as follows (in thousands of euros):

	2023	2022
Net banking income	**241,673**	**194,306**
Personnel expenses	-92,964	-88,884
Other operating expenses	-76,803	-67,293
Depreciation and amortisation	-11,380	-11,748
Gross operating income	**60,526**	**26,381**
Cost of risk	-226	46
Net gains or losses on other assets	4,860	99,777
Non-recurring items	-	-14
Income tax	-3,631	423
Net income	**61,529**	**126,613**

Net banking income

Net banking income amounted to €242 million in 2023, up 24.4% on 2022 (€194 million).

The €47 million increase was due to the following factors:

- Revenue from the securities portfolio and capital markets transactions rose €27.5 million compared with 2022. This was mainly attributable to higher interest rates.

- Income from the asset management business was up by €5 million (€84.7 million compared to €79.7 million in 2022). This change is mainly due to an increase in commissions (management fees, custodian fees, turnover fees) and entry fees.

- Income from interest-earning operations rose by €14.9 million (€34.8 million compared to €19.9 million in 2022). This development is mainly due to the increase in interest rates.

Operating expenses, depreciation and amortisation

Operating expenses, depreciation and amortisation came to €181 million, up 7.9% from the €168 million recorded in 2022.

This €13 million increase breaks down into:

- a 4.6% increase in personnel expenses to €93.0 million in 2023 from €88.9 million in 2022;

- a 14.1% increase in other operating expenses to €76.8 million in 2023 from €67.3 million in 2022; and

- lastly, €11.4 million in depreciation and amortisation in 2023, compared with €11.7 million in 2022.

After operating expenses, depreciation and amortisation, gross operating income totalled €60.5 million in 2022, up from €26.4 million in 2022.

Non-operating items

The cost of risk was -€226,000 in 2023, compared to +€46,000 in 2022 – a real testament to the calibre of the Bank's commitments and its risk management policy.

Net gains or losses on other assets showed a net gain of €4.9 million in 2023 versus a net gain of €99.8 million in 2022. The gains over 2023 were related to the disposal of equity investments in EDR Private Equity.

The net balance of non-recurring items was zero compared to -€14,000 in 2022.

Income tax: Edmond de Rothschild (France) adopted together with some of its subsidiaries the Group tax consolidation regime with effect from 1 January 2020. The parent company and those subsidiaries have agreed that the advantage or disadvantage arising from the tax consolidation (difference between the consolidated tax charge and the total of the tax charges of the companies calculated independently) is to be recognised immediately in the parent company's income statement.

Income tax was -€3.631 million compared with +€423,000 in 2022.

Net income for the year came to €61.5 million, down €65.1 million from €126.6 million in 2022.

Share capital

Ownership of the share capital, which amounted to €83,075,820 at 31 December 2023, was as follows:

EDMOND DE ROTHSCHILD (SUISSE) S.A.	5,538,329	shares, i.e.	100.00%
Other natural persons	59	shares, i.e.	NM
Total	**5,538,388**	**shares, i.e.**	**100.00%**

At 31 December 2023, there were no employee shareholders as the term is defined in Article L. 225-102 of the French Commercial Code.

Disclosures pursuant to Articles 39-04 and 223d and 39-05 and 223e of the French General Tax Code

Edmond de Rothschild (France) recorded a total amount of €360,524 in expenditure covered by Articles 39-04 and 223d of the French General Tax Code (extravagant expenditure), corresponding to €90,131 in corporate income tax, which was duly paid.

No expenditure falling within the scope of Articles 39-05 and 223e of the French General Tax Code was recorded.

Disclosures concerning payment periods* (Article D.441-6 of the French Commercial Code)

At year-end 2023, the amounts owed by the Company to its suppliers and its clients broke down by maturity as follows (in euros):

Overdue invoices received and issued not settled at the balance sheet date. (31/12/2023)

	Article D. 441 I.- 1: overdue invoices received not settled at the balance sheet date						Article D. 441 I.- 2: overdue invoices issued not settled at the balance sheet date					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day and over)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day and over)
(A) Late-payment analysis												
Number of invoices affected	0					6	0					4
Total amount of affected invoices excl. VAT		22 610	0			22 610		1 830 765	0			1 830 765
Percentage of total amount of purchases excl. VAT in the financial year		**0.00**	**0.00**			**0.00**						
Percentage of revenue excl. VAT in the financial year								**0.02**	**0.00**			**0.02**
(B) Invoices excluded from (A) concerning receivables and payables disputed or not accounted for												
Number of invoices excluded												
Total amount of excluded invoices excl. VAT												
(C) Reference payment periods used (contractual or statutory period – Article L. 441-6 or Article L. 443-1 of the French Commercial Code)												
Payment periods used to calculate late payments	☐ *contractual periods: (specify)* ☑ *statutory periods: (specify)*						☐ *contractual periods: (specify)* ☑ *statutory periods: (specify)*					

*Excluding banking and related transactions

Information on dormant bank accounts

Pursuant to French Act no. 2014-617 of 13 June 2014 on dormant bank accounts, Edmond de Rothschild (France) discloses that:

- it identified two dormant accounts as defined in the aforementioned Act on its books in 2023 with a total balance of €305,087.76;

- it did not identify any dormant accounts on its books in respect of 2023 with deposits or other assets transferable under French law to Caisse des Dépôts et Consignations and thus made no such transfers to Caisse des Dépôts et Consignations.

Information on branches (Article L. 232-1 of the French Commercial Code)

Pursuant to Article L. 232-1 of the French Commercial Code, the branches in existence at 31 December 2023 were as follows:

- a branch at Corso Venezia 36 in Milan (Italy)

- regional offices in Bordeaux, Lille, Lyon, Marseille, Nantes, Strasbourg and Toulouse.

Information about offices and activities at 31 December 2023

Article L. 511-45 of the French Monetary and Financial Code as amended by government order no. 2014-158 of 20 February 2014 requires credit institutions to publish information about their offices and business activities within their scope of consolidation, in each state or territory.

Offices by country

Office	Activities
CHINA	
Zhonghai Fund Management Co. Ltd	Asset Management
FRANCE	
Edmond de Rothschild (France)	Bank
Edmond de Rothschild Asset Management (France)	Asset Management
Financière Boréale	Proprietary Trading
Edmond de Rothschild Corporate Finance	Advisory and Financial Engineering
Edmond de Rothschild Private Equity (France)	Asset Management
SAS EDR IMMO MAGNUM	Asset Management
ERAAM SAS	Asset Management
Elyan Partners SAS	Asset Management
ERES IV GP SAS	Asset Management
Financière Eurafrique	Bank
Groupement Immobilière Financière	Other
Edmond de Rothschild Assurances et Conseils (France)	Insurance Brokerage
HONG KONG	
Edmond de Rothschild Asset Management (Hong Kong) Limited	Asset Management
ISRAEL	
Edmond de Rothschild Boulevard Buildings Ltd	Real Estate Portfolio Management
LUXEMBOURG	
Edmond de Rothschild Europportunities Management SàRL	Asset Management
EdR Real Estate (Eastern Europe) Cie SàRL	Proprietary Trading
Edmond de Rothschild Europportunities Invest II SàRL	Proprietary Trading
CFSH Luxembourg SàRL	Proprietary Trading
Bridge Management SàRL	Proprietary Trading
Edmond de Rothschild Europportunities Management II SàRL	Asset Management
EdR Real Estate (Eastern Europe) Management SàRL	Asset Management
Edmond de Rothschild Investment Partners China SàRL	Asset Management

COUNTRY	Revenue	Net banking income	Number of employees	Income before tax	Income tax expense	o/w current tax	o/w deferred taxes
CHINA	-	-	-	-3,633	-	-	-
FRANCE	1,048,513	378,442	789	76,996	-15,850	-14,031	-1,819
HONG KONG	11	9	-	2	-	-	-
ISRAEL	1,604	1,365	1	-267	-	-	-
LUXEMBOURG	1,115	723	-	2,552	-77	-77	-
TOTAL	**1,051,243**	**380,539**	**790**	**75,650**	**-15,927**	**-14,108**	**-1,819**

Post-balance sheet events:

No events occurred after the end of the financial year that had a significant impact on the accounts drawn up on 31 December 2023.

Internal control and risk management procedures relating to the preparation and processing of financial and accounting information

Presentation of the organisation and operation of internal control and risk management

The key principle underpinning the internal control organisation is that operational duties should be kept separate from control responsibilities. Under this approach, front-office units (e.g. sales departments and trading floors) are kept strictly separate from support functions (e.g. back-office, middle-office and accounting). Edmond de Rothschild (France) uses a handbook of internal procedures that underscores this principle of the separation of duties. It also applies a framework of control processes performed by internal controllers within the Compliance and Permanent Control Department and in the business lines and subsidiaries. The internal control procedures aim to ensure that the accounting and financial information provided to the Supervisory Board, shareholders and supervisory authorities is fairly presented and reliable, and that this information is provided and published on a timely basis.

Control levels

Edmond de Rothschild (France)'s internal control framework is underpinned by the following principles:

- significant involvement of the corporate and supervisory bodies, especially the Audit Committee and the Risk Committee;
- a Compliance and Permanent Control Department in charge of the second-level control consisting of 26 employees, including those from subsidiaries and branches. These employees are obliged to report their findings on a regular basis and apply a consistent control methodology

- a Central Risk Department monitoring operating risk, which has a central team of nine staff members plus ten risk controllers at the subsidiaries and branches, plus a network of nine operational risk liaison officers, representing a total of 28 individuals involved in risk management;

- an Internal Audit division, the third level of control, with seven members of staff responsible for periodic control of the Edmond de Rothschild (France) scope, including subsidiaries and branches,

- special attention paid to compliance with the regulations, including the:
    - Government decree of 3 November 2014 on internal control;
        - European Banking Authority's Guidelines on internal governance;
        - AMF's General Regulation;
        - MIFID II rule corpus;
        - Recommendations published by the Basel Committee;
        - Article L. 561-1 of the French Monetary and Financial Code concerning anti-money-laundering and counter terrorist financing obligations;
        - Government decree of 5 October 2015 concerning the automatic exchange of information;
        - FATCA agreement signed on 14 November 2013;
        - IRS Revenue Procedure 2022-43, QI Agreement;
        - DAC 6 (Directive 2018/822/EU).
- clearly separate resourcing of both periodic control (by the Internal Audit Department) and permanent control (by dedicated internal controllers and the Compliance and Control Department).

General risk management policy

Private banking, asset management, private equity and corporate advisory services are Edmond de Rothschild (France)'s main activities.
Accordingly, its risk management policy aims to:
- perform very strict controls on the development of various activities, including market and credit transactions, to ensure that only limited risk exposure is incurred;
- arrange highly liquid financing arrangements, with abundant long-term sources of funds and uses of funds that can be sold easily, should the need arise.
In addition to its own role in monitoring financial risks, the Central Risk Department is tasked with coordinating risk management. In particular, it is responsible for organising cross-functional committees that review all the risks inherent in the Bank's business activities.

It drafts a Risk Policy in conjunction with its liaison officers and in line with the Edmond de Rothschild Group's Risk Charter and Policy (Edmond de Rothschild (Suisse) SA, in Geneva), which is submitted to the Risk Committee, then approved by the Supervisory Board.

The Central Risk Department also submits a preventative recovery plan to the Risk Committee and the Supervisory Board, pursuant to the French government order no. 2015-1024 of 20 August 2015 and the EBA/GL/2021/11 guidelines.
The Central Risk Department reports directly to the Executive Board member responsible for risk supervision and regularly informs the Supervisory Board via the Risk Committee of the controls it performs.

Production of accounting and financial information

The internal control framework also applies to the production of accounting and financial information. The Company's individual and consolidated financial statements are prepared within the Financial Department, respectively by the Corporate Accounting Department and the Group Accounting Department (hereinafter the Accounting Department), which are strictly independent of the operating entities. They also apply the principle that at least two staff members should be in a position to perform every critical task.

The Accounting Department prepares the (parent company and consolidated) financial statements of the Bank and those of majority-owned subsidiaries primarily using information provided by the back offices. It applies the accounting principles and rules in force. The accounts of subsidiaries registered in other countries are prepared locally. The consolidation process relies on the submission of detailed information using a standard reporting package completed by each subsidiary.
The Accounting Department consolidates the income statement every month and carries out a detailed review of each subsidiary's individual financial statements. It ensures that financial statements are published by the relevant deadlines.

Furthermore, a meeting is held at least once a quarter under the authority of an Executive Board member to review doubtful loans and provisions for litigation and to determine the appropriate allocations to and reversals from provisions. The Legal Department, the Chief Financial Officer and, where appropriate, an Internal Auditor also attend this meeting. The Accounting Department has a unit tasked with analysing the financial statements and spotting potential errors. The accounting processes and the quality of the accounting and financial information are also subject to checks by permanent control, with one internal controller assigned solely to the Finance Department, and to periodic audits by the Internal Audit Department. Additionally, the Company's financial statements have to be audited by two independent Statutory Auditors.

The parent company financial statements (Report of the Executive Board, parent company financial statements, management report) and consolidated financial statements (consolidated financial statements, Edmond de Rothschild (France)'s management report) are submitted to the Audit Committee and the Supervisory Board. The Audit Committee conducts a global and summary review of the control framework for accounting and financial risks, and ensures the system for reporting financial information is comprehensive and consistent.
Lastly, the Statutory Auditors review the interim financial statements (for the period to 30 June) and present their work to the Audit Committee ahead of the approval of the financial statements (at least twice a year). They are also invited to meetings of the Audit Committee and of the Supervisory Board that review the financial statements.

Recognition of financial risks associated with climate change effects and measures implemented to reduce them

Edmond de Rothschild (France) has actively pursued efforts to mitigate its environmental footprint since 2011. These efforts form an integral part of Edmond de Rothschild Group’s sustainability strategy. Measures taken by the Edmond de Rothschild Group to reduce risks related to the impacts of climate change. The Group's annual Sustainability Report presents its commitments and the results of its actions to reduce its impact[1].

With regard to the financial risks associated with the effects of climate change, the Risk Policy of the Group and its subsidiaries, approved by the Group's Board of Directors, has included them since December 2022, and the Risk Policy of EdR (France), approved by the Supervisory Board of EdR (France), has since March 2023. These risk policies are regularly reviewed.

The specific measures taken by Edmond de Rothschild (France) are stated in the Statement of Non-Financial Performance section (“Failure to address biodiversity and climate issues in investments”) in Edmond de Rothschild (France)’s annual report.

1-https://www.edmond-de-rothschild.com/fr/Pages/Sustainable-development-report.aspx

Statement of Non-Financial Performance (SNFP)

In accordance with French government order no. 2017-1180 of 19 July 2017 and decree no. 2017-1265 of 9 August 2017, the Edmond de Rothschild Group hereby presents its Statement of Non-Financial Performance (SNFP). The nature of the Group's activities gives it a responsibility to address current environmental, employment and social issues. The Edmond de Rothschild Group's CSR strategy is based on respect for business ethics, strict application of regulations, and constant monitoring of good professional practice. The Edmond de Rothschild Group's family heritage gives it a long-term vision of how it conducts its business, resulting in a desire to have a positive impact on the real economy.

The non-financial issues identified by stakeholders for this statement are grouped into four pillars, as presented below.

Information on societal collaboration, the fifth pillar of the Group's approach to sustainability, is presented in the Group's annual Sustainability Report[1].

This report provides details and key information about all material issues, targets and progress achieved towards the Group's commitments regarding the integration of sustainability matters.

Edmond de Rothschild (France) has been a signatory of the United Nations Global Compact since 2011 and is a member of the United Nations Environment Programme Finance Initiative (UNEP FI).

Through its internal and external, national and international commitments, the Group is committed to strengthening the application of the principles of sustainable development and the effective management of the associated risks.

This SNFP has been verified by an accredited independent third-party organisation. The accuracy and fairness of the information presented are listed in the statutory auditor's report in the appendix to this section.

PRESENTATION OF IDENTIFIED NON-FINANCIAL RISKS

ETHICS AND GOVERNANCE	RESPONSIBLE INVESTING	HUMAN CAPITAL	ENVIRONMENTAL IMPACT
Failure to comply with responsibility commitments in a way that could affect the Group's reputation Failure to comply with legislation and cybercrime Failure to comply with business ethics rules on matters such as bribery and tax avoidance	Failure to take ESG risks into account in our investments Failure to address climate risk in investments Failure to fulfil our responsible investing commitments	Employer brand image risk Operational risk in case of inadequate hiring or departure of key people or skills Regulatory risk in case of non-compliance with legislation	Failure to comply with the commitment to mitigate environmental impact Failure to use resources in a sustainable manner Failure to take into account climate change

[1] Edmond de Rothschild Group Sustainability Report:
https://www.edmond-de-rothschild.com/fr/Pages/Sustainable-development-reports.aspx

Scope of the Statement of Non-Financial Performance

This report covers all the activities of Edmond de Rothschild (France), excluding international subsidiaries and branches.

Business model

The Edmond de Rothschild Group offers bespoke services to an international client base consisting of wealthy families, entrepreneurs and large institutions. It is an independent, family-controlled financial group focused on private banking and asset management. It also operates in corporate finance, private equity, real estate, insurance brokerage and investment fund administration.

The Edmond de Rothschild Group has a Strategy Department that leads strategic discussions with the Executive Committee. It defines a vision that is translated into roadmaps for the Group and each business line.

Its expertise, respect for its commitments and co-ordinated management of all its business lines mean that the Edmond de Rothschild Group maintains a relationship of trust with all of its stakeholders, internal and external.

Edmond de Rothschild (France)'s business model, presented here, reflects that of the Group. Details of Edmond de Rothschild (France)'s various business lines and their financial performance are provided in this management report.

SCOPE OF THE SNFP: FRANCE

The Edmond de Rothschild Group is a conviction-driven investment house founded on the idea that wealth must be used to build the world of tomorrow. Its history as a committed entrepreneur drives it to participate in the advancement of a more sustainable form of finance through innovative and value-creating solutions.

OUR VALUES	OUR RESOURCES	OUR CLIENTS	OUR ACTIVITIES	OUR IMPACT
Our values are based on: • entrepreneurship • innovation • a desire to achieve impact • These values are the legacy of one family's journey, pursued through a pioneering spirit and a committed entrepreneurial approach that run through everything we do. For us, success is built over the long term, through a cautious yet responsive approach that combines hard work with a permanent quest for innovative financial solutions.	797 employees and eight offices in France in 2023 A single shareholder ensuring a long-term commitment Ongoing monitoring of resource usage in order to improve environmental management Internal policies and guidelines that incorporate sustainability issues 3,478 MWh total energy consumption in France in 2023 21.8 tonnes of paper used in France in 2023	Individual private clients Institutional and semi-institutional investors Other banks / financial institutions Family offices Development finance institutions	**Private Banking** Advisory and Custody **Asset Management** Investments for institutional and private clients **Real Estate** Advisory and Investment **Private Equity** Advisory and Investment **Corporate Finance** Advisory **Insurance Brokerage** Advisory	€6.0 billion managed according to SRI strategies in France and 11 SRI-labelled funds 100% of private equity assets under management covered by ESG integration -6% increase in SRI mandates in the French private banking business in 2023 Carbon emissions of 1,192 tonnes of CO_2 equivalent in France in 2023: Joined the international Net Zero Asset Managers (NZAM) initiative in 2023

A growth model based on a strong ecosystem and action themes to support innovation and have a positive impact on the real economy.

Health	Resource management	Changes in living environments	Human capital	Energy transition

Private banking is the Edmond de Rothschild Group's original business. In France, it can proactively put together solutions and expertise to help private clients in a dynamic way and anticipate their needs as effectively as possible. To achieve this, the Group has created a range of products and services tailored closely to the needs of the real economy and entrepreneurs.

It offers investments, advice and expert services:

- M&A transactions
- financial planning
- portfolio analysis
- advice on life insurance
- advice on wealth management issues involved in selling a family-owned business

Entrepreneurs are one of the Bank's main sources of growth in France. Major synergies between the Group's various skills enable it to offer suitable solutions for transfers of ownership, capital increases and acquisitions.
Edmond de Rothschild's asset management offering is designed to manage clients' assets in an active, conviction-based manner. Edmond de Rothschild Asset Management seeks to deliver more than just index-based returns, instead focusing on long-term value creation. Its range of investment solutions consists of funds and managed accounts for institutional investors, along with open-end mutual funds marketed by numerous partner institutions (private banks, asset management companies and insurance companies) and by independent financial advisers to private clients.
The Group's asset management, private equity and real estate activities form part of the same business line, so it can offer an integrated investment service covering all asset classes.

In addition, to increase its international distribution capabilities, the Group has set up an umbrella French SICAV fund: its main open-end FCP funds are now sub-funds of that SICAV.
Private equity is a strategic business at the Edmond de Rothschild Group, delivering value-added investment solutions that conjoin uniquely with private banking services.
In terms of physical assets, we have a diverse skillset covering real estate, private equity and infrastructure debt. All of these skills are orchestrated to create value in a sustainable and profitable way.

Our Global Head of Distribution is also tasked with deploying asset management's commercial strategy across all geographies and promoting the whole asset management range, including liquid and physical assets, covering all client segments (institutional investors, distributor partners and independent wealth management advisors).

Our approach

The non-financial risks listed in this SNFP were reviewed and analysed in November 2023 by all of the relevant teams: Compliance and Permanent Control, Legal, Risk Management, SRI, General Resources and Human Resources. The risks taken into account are assessed as being those most representative of Edmond de Rothschild (France)'s activities.

As a result, due to the nature of its business, the circular economy, the fight against food insecurity and food waste, the promotion of physical exercise and sport, respect for animal welfare, responsible, ethical and sustainable food, links between the nation and the armed forces and support for commitment to the reserves, as well as details of greenhouse gas (GHG) emissions by direct and indirect emissions linked to upstream and downstream transport activities, including through the use of rail and river modes or biofuels and the associated emissions reduction action plan, are not part of the Group's material issues and have not been identified as significant risks for Edmond de Rothschild (France).

FAILURE TO COMPLY WITH RESPONSIBILITY COMMITMENTS IN A WAY THAT COULD AFFECT THE GROUP'S REPUTATION

As an engaged, family-owned group, Edmond de Rothschild believes that its corporate culture, based on ethics and accountability in all circumstances, fundamentally underpins the way we conduct business and how we expect our teams to behave. Ethical and responsible practices in all our lines of business define the way we operate and our development.

Policies

Corporate governance at Edmond de Rothschild (France) is determined by its Corporate Governance Directive, based on the Group Directive on Corporate Governance. It applies to Edmond de Rothschild (France) and Edmond de Rothschild Asset Management (France). Since Edmond de Rothschild SA is no longer a material entity in the Edmond de Rothschild Group, it has not been subject to the Directive since it was updated in December 2020.

The Directive complies with regulatory obligations applicable to credit institutions and asset management companies, along with recommendations made by the French, European and Swiss supervisory authorities.

The Executive Board is responsible for transposing the Group directive into a local directive and for ensuring that the local directive is properly applied. The Directive is published on the French intranet and made available to all staff members. The commitment to communicate regularly on this Directive is one of the Group's ongoing objectives.

The Group's Social Responsibility Policy details the Group's position and the measures it takes to prevent breaches of human rights and fundamental freedoms. It will be reviewed in 2024 and approved by the Group Executive Committee for publication on the website in 2025.

To meet the requirements of Article D533-16-1 of the French Monetary and Financial Code, the Supervisory Board's internal regulations were updated in March 2022 to include the consideration of environmental, social and governance (ESG) criteria by local governance bodies in order to strengthen the management of risks that could impact the Group's reputation and to ensure that sustainability issues are an integral part of the instructions that all local entities are bound to follow.

In addition, as part of a policy to reduce the use of paper, digital versions of Board and General Meeting documents are now sent to participants to replace printouts.

Edmond de Rothschild (France) is a public limited company (société anonyme) governed by a Supervisory Board and an Executive Board. This two-tier structure satisfies the Group's corporate governance principles, whereby executive management must be separate from oversight tasks.

As part of that structure, Edmond de Rothschild (France) is committed to maintaining robust governance bodies, including by ensuring that the members of those bodies have a diverse range of profiles, so that the combined skills of its members allow it to pursue, manage and supervise all of its activities. It also seeks to make those bodies even more robust where required, particularly when it moves into new business areas and when its regulatory obligations change.

Accordingly, the Group appointed or reappointed three members to its Supervisory Board in 2021 to enhance its collective skillset. No new members were appointed in 2022 or 2023. In 2023, the composition of the Supervisory Board remained identical to that of 2022, with the exception of the departure of one member, bringing the number of members to 10.

In addition, to meet new obligations regarding the balanced representation of men and women within its collegial bodies, Edmond de Rothschild (France):

- has since 2020 applied gender diversity rules within its Supervisory Board, whose membership was 50% female and 50% male at 31 December 2023,

- has since 2020 put in place a process for selecting Executive Board members, ensuring that at least one male and one female candidate will be considered in order to seek balanced representation of men and women on the Executive Board.

As announced in 2020, the Group further increased diversity in terms of the profiles of its Supervisory Board members and maintained the proportion of women sitting on the Supervisory Board in 2022 and 2023.

Edmond de Rothschild (France) also ensures that the Supervisory Board has a sufficient number of independent members, in accordance with rules set out in the Middlenext Code, which the Supervisory Board has voluntarily adopted.

The Executive Board relies on the skills of specialist committees dealing with specific business lines and operational functions. It should be noted that, with a view to harmonising the corporate governance rules applicable to the various entities of the Edmond de Rothschild Group and in order to meet the requirements of the Group Directive "Corporate Governance – Rules of Best Practice", the Supervisory Board's internal regulations were updated in March 2023 by introducing an annual self-assessment of the Audit, Risk and Compensation Committees, following the example of what is already done for the Supervisory Board.

A procedure to check the criteria for appointing and renewing the terms of office of governance-body members was adopted in 2017. That work involves assessing the integrity of members, their individual and collective skills, their availability, their compliance with rules about holding multiple corporate roles, their conflicts of interest and their independence, with regard to both Middlenext and UCITS V rules.

Assessments carried out in 2023 before members had their terms of office renewed did not reveal any anomaly resulting in candidates being rejected.

50% of Edmond de Rothschild (France)'s Supervisory Board members were independent at 31 December 2023, compared to 45.45% at 31 December 2022

50% of Supervisory Board members are women, compared to 45.45% at 31 December 2022

In addition, the continuation of certain measures taken by government agencies in France following the COVID-19 pandemic sometimes make it impossible to hold face-to-face governance meetings. Edmond de Rothschild (France) has therefore continued to adapt the organising of these meetings without disrupting the timetable, including those relating to the approval of the accounts for the financial year ending 31 December 2023.

The crisis unit – made up of Executive Board members and people from the Central Risk Department, Human Resources Department, Information Systems Department and General Resources – continued its activities.

Failure to comply with legislation and cybercrime

The Compliance and Permanent Control Department has adopted systems and action plans that ensure compliance with the principles set out by regulations in force in all business areas. In view of the strengthening of legal obligations, we have taken the necessary steps to improve these systems to ensure the smooth running of our operations and the protection of our customers.

As well as complying with and applying regulations and conduct rules applicable to banking and financial activities, the Compliance and Permanent Control Department brings its expertise to bear in a number of areas, monitoring current legal developments as well as changes in regulatory provisions and the case law.

Intelligence, monitoring and development processes enable it to:

- strengthen oversight systems;
- update alert procedures on a regular basis;
- review internal procedures;
- ensure that compliance training is initiated and monitored.

Policies

The Edmond de Rothschild Group has adopted an internal policy in connection with each theme that may affect its business activities, staff members or other stakeholders in areas including:

- Gifts and benefits
- Prevention of money laundering and terrorist financing
- Market abuse
- Conflicts of interest
- Specific mandates
- Employees' personal transactions
- Prevention of bribery
- Employees' whistleblowing rights

The policies are distributed to all Group employees. The Edmond de Rothschild Group is therefore firmly committed to complying with regulations at all times and to ensuring that each staff member behaves responsibly, to ensure that risks are managed strictly.

The Group has a set of policies and procedures that classify information, define the rules for ensuring confidentiality and meet regulatory requirements regarding personal data protection. These documents have been circulated among the Group's staff and may be viewed on the French intranet under "Ma sécurité au quotidien" at any time. The French processing register was compiled before May 2018 and is updated on an ongoing basis through co-ordinated work by the various departments concerned and the Data Protection Officer (DPO).

The Group's main aim is to maintain active communication regarding procedures and directives.

All of Edmond de Rothschild (France)'s compliance-related procedures are available to all staff members via the intranet and categorised by activity or business line according to their content.

At the Edmond de Rothschild Group level, the following documents are made available to staff members:

- Group Code of Ethics;
- Group Directive on Corporate Governance;
- Group Directive on the Swiss Anti-Money Laundering Act;
- Group Directive on higher-risk business relationships and transactions;
- Group Procedure on exchange of information;
- Group Legal & Compliance Charter;
- Group Directive on consolidated supervision;

- Order execution policy;
- Directive on international financial sanctions;
- Group risk policy;
- Group Cross-Border Directive;
- Group Directive on controversial weapons;
- Group Directive on conflicts of interest;
- Group Directive on the prevention of market abuse.

These directives are either directly applicable or transposed by dedicated procedures in each Edmond de Rothschild Group entity.

Various internal control arrangements are used to check that all regulations are complied with. This includes regulatory intelligence work carried out by the Compliance Department. Targeted working groups also assess legislation and establish the right way to ensure compliance with laws. Three levels of control are applied to all activities affected, and they are constantly updated and enhanced.

As part of its control work, the Compliance and Permanent Control Department (CPCD) carries out regulatory intelligence activities in order to improve systems in view of regulatory changes.

Edmond de Rothschild Asset Management (France) has since 2015 used a digital training tool developed by the AFG (Association Française de la Gestion Financière), which is suited more specifically to the asset management business.

Edmond de Rothschild (France) Compliance has developed a tailor-made e-learning course on market abuse. This digital training module has been adapted to all professions for France and has been extended to every relevant Group entity. The training was provided in 2023 for the employees affected. The same applies to training in the fight against money laundering and terrorist financing, which will also be provided in 2023 in an e-learning format for affected employees.

Through these efforts, the Bank actively monitors compliance with regulations and makes all staff members faced with these risks aware of regulatory developments. The CPCD make ongoing efforts to ensure compliance with the Bank's policies and directives.

As regards work-related regulations, operational risk sheets have been prepared for all of the major regulatory risks identified, in which staff members are reminded of the applicable procedures and the risk-prevention arrangements in force. Once per year, the Bank's Risk Committee, assisted by representatives of the Bank's various departments, analyses the indicators related to those risk sheets and ensures that procedures are properly applied. The Bank has also arranged employment law training for managers.

The Head of Human Resources in France reports directly to the Group HR Department and sits on Edmond de Rothschild (France)'s Executive Board. As a result, compliance with employment law is a cross-functional commitment that receives ongoing attention and is the subject of regular updates in Executive Board meetings. The Bank's internal control bodies are also in charge of proposing improvements to ensure optimal risk management.

As regards protecting data and clients, the Bank has various projects and effective tools that increase effectiveness and ensure continuous improvement.

The Group's Information Systems Security Officer (ISSO) and Data Protection Officer (DPO) ensure, among other things, that both the Group's internal policy regarding client data protection and employee best practice are applied and complied with.

Similarly, the DPO helps departments and subsidiaries in their activities as regards GDPR issues, and checks that they comply with GDPR and apply it properly. Awareness-raising campaigns are constantly being developed. Beginning in July 2022, the entire workforce of Edmond de Rothschild (France) was invited to repeat the GDPR e-learning course. It had previously been updated in May 2022. The campaign continued in 2023.

By the end of December 2023, 90% of the workforce had completed the e-learning course, which every employee must complete every 2 years.

In addition, new staff members, including interns, undertake training in relation to cybersecurity, data protection and GDPR. In 2023, eight awareness-raising sessions took place for 327 newcomers trained, i.e. 86% of this population.

Contracts with subcontractors are monitored on an ongoing basis and if necessary are updated in accordance with regulations. All types of processing that use personal data are identified in the "Processing register" kept by Edmond de

Rothschild (France) and its subsidiaries. This register is monitored using a specific application, which was deployed in 2021 and allows the Group to manage GDPR compliance matters.

All processing methods covered by the register were checked and updated by the departments concerned in 2023.

IT projects are analysed jointly by the DPO and the ISSO based on GDPR and Security forms completed by project leaders. The aim is to check, before projects are carried out, that they comply with the principles of minimisation, privacy by design and privacy by default. In 2023, 17 forms were produced and either validated or are in the process of being validated jointly by the ISSO and the DPO. IT applications that manage confidential and personal data are also covered by a compliance plan and are constantly updated to increase security in terms of data and access.

Finally, fourteen Privacy Impact analyses have been carried out since 2018, looking at the ways in which personal data are processed to ensure that they are GDPR-compliant.

A programme to review these analyses every three years, and to update them if necessary, began in 2022. Key performance indicators (KPIs) and key risk indicators (KRIs) have been defined at Group level regarding GDPR compliance, and they are updated every quarter by Edmond de Rothschild (France).

100% of subcontractors have included GDPR clauses in their contracts with Edmond de Rothschild (France).

0 incidents requiring notification to the relevant authority in 2023.

Failure to comply with business ethics rules on matters such as bribery and tax avoidance

The Edmond de Rothschild Group aims to do its work in a responsible and exemplary manner. The conduct of employees and managers with respect to regulations and internal rules is a priority, to ensure that the Group's activities run smoothly and to help it achieve its targets. Ethics, integrity and transparency are intrinsically linked to the Edmond de Rothschild group's values as a family-owned business and its acute sense of responsibility.

Policies

The Group Code of Ethics represents one of the main internal policies applied by the staff members of the entire Edmond de Rothschild Group. Absolute compliance with the ethical rules set out in that Code is achieved through rigorous checks on its application in all of the Bank's business lines.

The ongoing aim is to strengthen internal procedures and raise awareness among all staff members.

The following are currently being reviewed and/or updated: The whistleblowing procedure, the code of conduct, the anti-corruption mechanism and the procedure for gifts, invitations and other benefits offered or received. Refer to the Code of Ethics at all times.

The Code of Ethics, which is available to all employees on the Intranet site, sets out and supplements the legal and regulatory provisions, as well as customs and best ethical practices.

Internal procedures, together with the Audit, Risk and Compliance and Permanent Control Committees, ensure that it is properly applied within the risk tolerance that the Group has defined. The arrangements established by these Committees – such as the risk policy, the internal risk charter and procedures for each specific identified case – facilitate robust management by the management and control bodies.

Edmond de Rothschild (France)'s procedures are based on the fundamental duty to know one's client, and remind employees of the Bank's anti-money laundering and counter terrorist financing obligations. They also cover the prevention of market abuse, ethical provisions applicable to employees as well as rules relating to the use of IT and communication resources.

Compliance has set up whistleblowing procedures that allow all staff members to identify unethical behaviour and breaches of regulations or legislation in force. Internal controls to monitor the systems in place help ensure that the directives and tools provided to all concerned work correctly. The whistleblowing procedure will be updated in 2024.

All employees must, at all times, perform their duties to the required standard in terms of ethical conduct, skill, care and diligence. They are expected to work in the best interests of clients and all stakeholders. The whistleblowing procedure ensures full confidentiality for staff members.

99.55% of the affected employees took at least one anti-money laundering and counter terrorist financing training course in 2023

Training was provided in 2023 on the topics of Market Abuse, Conflicts of interest, MiFID, the Mortgage Credit Directive and the Insurance Distribution Directive.

45% of training sessions in 2023 were related to Ethics and Compliance matters. (56% in 2022)

The Edmond de Rothschild Group's organisation into business segments allows it to strengthen consolidated supervision across each business line by the Group's Swiss holding company Edmond de Rothschild Holding S.A.

Edmond de Rothschild (France) does not have any subsidiaries in tax havens. This choice forms part of the Group's commitment to protecting the financial system, with the aim of maintaining and increasing the public's trust in it. The Edmond de Rothschild Group's duty of disclosure aims to achieve the high level of transparency needed to maintain the trust of its clients and stakeholders over the long term.

The Group Code of Ethics provides a global framework for all themes relevant to its activities, including those concerning tax evasion. The Code also states that "the Edmond de Rothschild Group takes a risk-based approach, intending to initiate business relationships only with clients whose assets are in compliance with their tax obligations." Group employees follow codes of conduct adopted by the entities for that purpose. Every employee's annual performance review includes a mandatory section on adherence to the codes of conduct.

The Group's anti-corruption system includes corruption risk monitoring measures involving an anti-corruption code of conduct, corruption risk-mapping for each entity, an employee whistleblowing procedure and rules regarding gifts and invitations. Awareness-raising emails and digital staff training courses are also used. Edmond de Rothschild (France) has set up a system that complies with French automatic exchange of information (AEoI) standards. The system ensures that all staff members are aware of AEoI principles. In addition, client documentation includes the necessary information about AEoI for countries with which France has signed an information exchange agreement.

The system supplements the anti-money laundering and counter terrorist financing system, which includes tax fraud as one of its criteria for transaction monitoring and suspicious transaction reports. The CPCD and the Legal Department supervise the implementation of these initiatives and ensure that they cover the relevant people.

0 criminal convictions or corruption-related penalties

EMPLOYER BRAND IMAGE RISK

One vital role of the Group's Human Resources department is to reconcile the development of human capital with the Edmond de Rothschild Group's economic performance. The teams' commitment to this development is based on their shared vision and values.

Policies

Attracting, developing, and retaining the best talent is one of the Group's key objectives in becoming a benchmark employer. Various commitments are critical for the company, such as:

- Respect for human rights,
- Hiring processes,
- Compensation, internal transfers and promotions,
- Work/life balance.

The Group's Social Responsibility Policy also addresses these commitments. It will be reviewed in 2024 and approved by the Group Executive Committee for publication on the website in 2025.

Other policies established by Human Resources include the agreements on professional equality and quality of life at work.

To make its employer brand more attractive to talent, Human Resources has the following goals:

- Provide an exemplary hiring process to attract the best candidates,
- Participate in training students and bringing in young graduates,
- Integrate and retain new employees with an active and inclusive onboarding process.

The Human Resources Department has also adopted the target of strengthening the Group's employer brand internally in 2022.

98% of Edmond de Rothschild (France)'s workforce are on permanent contracts at 31 December 2023, including 351 women

All HR-Business Partners in France have completed training in inclusive hiring.

The Human Resources Department of Edmond de Rothschild (France) attended two sessions of the "Hello Handicap" forum which helps employees with disabilities meet with committed employers.

In 2023, Edmond de Rothschild (France) participated in two forums in universities and grade schools and hired 102 interns and 49 work-study students. At the end of their internship or work-study commitment, 20 of these people were hired on permanent contracts and 19 on fixed-term contracts between 2021 and 2023.

Three "new employee" mornings were held, during which they were informed of the Group's business lines, ecosystem, values and HR processes. These events are also an opportunity to introduce the Human Resources Team to the new hires, to connect them directly.

In 2023, a Diversity and Inclusion Charter was adopted at the Group level and communicated to all employees.

An exchange session with female EDHEC students via the EDHEC WinFin association was held to promote careers in finance to them.

46% of executives at Edmond de Rothschild (France) are women

OPERATIONAL RISK IN CASE OF INADEQUATE HIRING OR DEPARTURE OF KEY PEOPLE OR SKILLS

The operational risk of unsuitable hiring or the departure of key individuals or skills is handled very diligently. Working for a family-owned company that has established long-term commitments and values helps to foster employee engagement.

To cultivate employee engagement and secure career pathways, Human Resources has the following goals:

- Train employees throughout their career;
- Promote internal mobility;
- Assess skills so as to improve them;
- Provide engagement programmes in connection with our ecosystem;
- Promote quality employee relations to guarantee an attractive workplace environment.

Policies

The Human Resources department has designed various policies and directives to improve synergies with the aim of meeting its goals.

The Training Policy, containing the professional training guidelines, serves as a basis for the operations so as to provide appropriate responses to strategic challenges and the needs of the business lines.

Each staff member must be able to access learning that is customised and adjusted to their needs.

Formalising the annual performance review process is part of a continuous improvement approach. The criteria adopted in the review process are in line with the Group's leadership model. The Edmond de Rothschild group favours offering in-house career development opportunities and, to achieve that, uses various methods of supporting and communicating with its staff. The Mobility Policy and the International Mobility Policy bring together the processes and are monitored by a dedicated committee.

In addition, a Job and Career Management agreement signed in 2023 completes the system by including a map of professions to anticipate changes in the banking sector and measures to secure career paths.

The Agreement on Quality of Life at Work contains monitoring indicators, and covers a number of subjects such as:

- The right to disconnect to promote work-life balance
- Help for carers
- Teleworking
- Prevention of psychosocial risks

A procedure for preventing psychosocial risks has been in place for several years. It includes the possibility for Management and staff representative bodies to carry out joint surveys and propose ways of improving prevention methods.

The annual performance review and vocational appraisals are key components for measuring employee engagement as well as their expectations for career advancement.

79% of staff members in France completed annual performance reviews in 2023 (accurate as of 22 February 2024)

Talent development is essential and training programmes must provide an appropriate response to business lines' strategic issues and needs. Human Resources has set up special internal training courses such as:

- The managerial training programme, which tackles a number of themes including change management,

- The business expertise programme, which offers technical training for the various functions,
- Training programmes specifically developed for business lines such as Private Banking and Asset Management.

Other training programmes, including regulatory training, are regularly reviewed at the Group level with the aim of enhancing the offering. In 2023, 769 employees completed 10,915 hours of training i.e. 96% of the staff members of the UES. Training is now offered in person, virtually or in hybrid mode according to subject.

96% of staff members in France took at least one training course in 2023

In addition, internal mobility aims to match long-term personal aspirations with the Group's needs. It strengthens employee commitment and helps manage operational risk in the event of unsuitable recruitment or the departure of the brand's key people or skills.

55 employees in France were promoted to internal vacant positions in 2023 (50 in 2022), 33% of whom were women (40% in 2022)

Several appeals were made to employees of the UES to gather volunteers to help with engagement programmes focusing on our ecosystem. All of the programmes launched were made possible by the many employees of the UES who enrolled.

Two new programmes have been launched in 2023: Duo for A JOB, in which senior employees provide support for young people disconnected from the world of employment, and Viens voir mon Taf, which welcomes observation trainees from priority education networks.

The Social and Economic Committee met 14 times in 2023, and six agreements were signed with representative labour unions, demonstrating the vibrancy of employee relations within the UES.

With the implementation of a new HRIS in the Group in 2023, Human Resources have improved the vocational skills appraisal process by including the option for managers and employees to request feedback from others within the Group.

A training programme was launched in 2023 for all Group employees to build a common core of knowledge on the subject of sustainability. Mandatory certification on ESG issues will also be established as a supplement for employees identified as risk-takers.

A digital “engagement platform” will be offered to UES employees in 2024. Our aim with this innovative digital tool is to make it easier for employees who are interested in internal engagement programmes as well as cash or time donation campaigns through our partner MICRODON.

REGULATORY RISK IN CASE OF NON-COMPLIANCE WITH LEGISLATION

All Human Resources processes factor in the principle of non-discrimination, overseen by the Group's Human Resources department and the Executive Committees of its various entities.

When the professional equality index is published, the CSE (Works Council) is consulted annually. It is an opportunity to present the various indicators that make up the index and to discuss the measures taken to develop the index.

Since 2023, employees returning from maternity or adoption leave now receive a raise within a month of their return.

Human Resources identified women's access to top management positions and/or management committees as an area for improvement.

A specific diversity module is included in the employment law training programme that has been offered to managers since 2016.

In the interest of complying with workplace equality and diversity legislation as well as employee health and safety standards, Edmond de Rothschild has set itself these goals:

- Guarantee diversity at every level and in every business line;
- Follow the "equal pay for equal work" rule;
- Increase the number of women in senior management;
- Foster work/life balance and quality of life at work;
- Maintain very high employee health and safety standards;
- Prevent psychosocial risks.

Policies

The Edmond de Rothschild Group considers these goals to be long-term priorities. The Group's Social Responsibility Policy also deals with these themes.

The Professional Equality Agreement formalises these commitments, as does the Agreement on the Integration and Retention in Employment of Persons Recognised as Disabled Workers, which expired on 31 December 2023, but whose main measures should be maintained in the future thanks to a new agreement currently being negotiated on diversity and inclusion.

To manage this risk, the quality of life at work agreement and its monitoring indicators, the policy on prevention of psychosocial risks (PAPRIPACT), and the compensation policy are all essential to the Human Resources Department.

Under this agreement, any employee of the UES who is a family caregiver was eligible for gifts of paid time off. In addition, family carers have been able to benefit from more days of teleworking.

On the issue of preventing and treating psychosocial risks, two manager training sessions were completed. In addition, some fifty employees watched a webinar on psychosocial risk awareness.

Training in psychosocial risk prevention will continue in 2024.

Paternity leave has been paid since 2022, pursuant to a provision in our mandatory annual negotiated agreement. During our annual pay review, special focus was given to workplace gender equality. The process was revised and strengthened.

The Teleworking Charter introduced in 2022 allows employees who so wish to organise their work to include up to two days of working from home per week on average. The review carried out in 2023 confirmed that the system in place is in line with employees' expectations. It will be re-evaluated each year.

More generally, specific measures are still being taken to ensure a high level of safety for people and property. Buildings and staff members are protected by a trained team who is present during all business hours.

Fire hazard and first aid training, as well as skills maintenance training for workplace paramedics, are organised every year.

Information webinars are organised throughout the year on various topics related to quality of life at work, such as help for carers, the health services offered by our mutual and harassment in the workplace.

84 points out of 100: Edmond de Rothschild (France)'s gender equality index score

Efforts to make finance more sustainable by adopting long-term projections fit closely with the Group's values. A signatory to the Principles for Responsible Investment (PRI) since 2010 and to the United Nations Global Compact since 2011, Edmond de Rothschild (France) has made the development of sustainable finance central to its strategy.

FAILURE TO TAKE INTO ACCOUNT ESG RISKS IN INVESTMENTS

The Responsible Investment pillar refers to the following material issues:

- Carbon risk management and energy transition;
- Inclusion of ESG risks in financial analysis;
- Positive screening in asset management;
- Shareholder engagement, dialogue and voting policy;
- The United Nations Sustainable Development Goals (SDGs);
- Impact investing;
- Theme-based investing.

Factoring ESG criteria into investment decisions is regarded as a key priority.

Edmond de Rothschild Asset Management (France) and Edmond de Rothschild Private Equity have also been signatories of the United Nations Principles for Responsible Investment (PRI) since 2010 and 2016 respectively. Edmond de Rothschild Private Equity (France) is also a signatory of France Invest's "charter of commitments for investors in growth", which deals with ESG matters in particular.

Policies

Edmond de Rothschild (France)'s commitment to responsible investment and to taking ESG issues into account is formally set out in the Group's Responsible Investment Policy, which is available online. All subsidiaries refer to this policy when developing their sustainable investing activities. Edmond de Rothschild Private Equity also has a Responsible Investment policy in line with its activities.

Edmond de Rothschild Asset Management (France)'s Responsible Investment Policy takes into account the Group's developments, which give concrete expression to our sustainability ambitions, as well as changes in market standards in terms of RI methodologies and approaches.

This enhanced ESG policy contributes to the sharing of best practice within the various business lines and helps to make methods more robust. At the Group level, in relation to the entry into force of the Sustainability Financial Disclosures Regulation (SFDR) in 2021, the policy has been supplemented by a policy for factoring in sustainability risks and taking into account adverse impacts in relation to sustainability.

This policy was updated at the end of 2023, in particular to take into account new ESG issues, ESG regulatory developments as well as to formalise our progress in terms of exclusions, voting and engagement policy and ESG analysis methodology. The climate aspect of our Responsible Investment policy has been strengthened by our joining the Net Zero Asset Managers Initiative (NZAM) in May 2023. Our Responsible Investment policy has also been enriched by a biodiversity component, an issue that is closely linked to climate change. We have also introduced a normative exclusion policy, targeting violations of the United Nations Global Compact (UNGC).

The Responsible Investment Policy is implemented in various ways:

1. In-house exclusion policy regarding controversial weapons, thermal coal, unconventional fossil fuels, tobacco and breaches of UNGC principles;

2. Integration of ESG risks and opportunities into fundamental analysis regarding equities and credit;

3. Active selection of companies that have sustainability policies, using a proprietary in-house ESG rating system for positive-screening SRI funds;

4. A shareholder engagement policy across all asset classes;

5. Formalisation of a climate roadmap.

The policy means that the Group is able to build SRI portfolios that combine strong ESG impacts with financial returns. Edmond de Rothschild Private Equity also has a Responsible Investment policy, which is available on the Group's website.

Aim: In 2024, we will be making big news by announcing our NZAM targets. We are also planning to step up our capacity for dialogue and engagement. Special attention will also be paid to biodiversity issues.

Strategy and governance

Edmond de Rothschild Asset Management (France)'s Responsible Investment strategy is developed with the support of the RI team's expertise.

The RI strategy is being implemented by investment teams with the help of all support functions. It is being overseen by the Edmond de Rothschild Group's Asset Management Executive Committee and co-ordinated by an Asset Management RI Steering Committee. This committee is chaired by the Global CEO Asset Management and reports to the Asset Management Executive Committee. Its members include the heads of the various departments.

In 2023, the Asset Management Executive Committee signed onto the NZAM (Net Zero Asset Managers) initiative and, in November 2023, the Group strengthened its governance by bringing on a Chief Sustainability Officer (CSO) in charge of overseeing and accelerating the Group's commitments, developments and positioning for sustainability. This new position, held by Nathalie Wallace, reports directly to the CEO Asset Management and to the Group's Deputy CEO. She is a member of the Global Asset Management Executive Committee and the ESG Steering Committee launched in 2023 by the Group's Deputy CEO to strengthen coordination between liquid and illiquid expertise and the effective execution of the Global AM Responsible Investment strategy.

Aim: All asset management businesses will announce their Net Zero targets in May 2024. The Group CSO will keep the Group Executive Committee regularly informed of the progress of the commitment to the NZAM initiative.

ESG analysis and management

Edmond de Rothschild AM (France)'s dedicated RI team is the foundation of the Group's RI expertise. It consists of four experienced specialists, and has more than 60 years of professional experience in this area specifically.

Since 2010, it has developed a proprietary ESG analysis model called EdR BUILD, which is the cornerstone of our approach and allows the RI team to express its non-financial convictions, independently of external databases. The resulting method is detailed:– including the analysis of more than 40 criteria – and balanced across the three pillars (E, S and G). It includes proprietary indicators. The themes assessed represent essential issues such as climate change, water, biodiversity, safety and security, human development, gender equality, business ethics and responsible governance practices.

EdR BUILD is regularly reviewed and improved, and since 2017 has integrated the 17 United Nations Sustainable Development Goals (SDGs), which are pursued in different ways according to how material they are for each company.

Green taxonomy, physical climate risks and biodiversity issues are also integrated into the analysis framework. We carry out formal SRI analysis of issuers in the form of factsheets that are accessible to all asset managers and analysts. EdR BUILD covers around 350 European companies, from small-caps to blue chips, and provides input into research regarding issuers of equities and bonds. It plays a part in determining the overall or partial investment universes of all our equity, fixed-income and diversified SRI funds, by excluding securities with the worst ESG ratings. It is also intended to detect investment opportunities and provides clear signals to asset managers as part of the stock selection process.

In 2023, the RI team participated in 164 company meetings on solely ESG or combined ESG and financial themes. The RI team was also regularly asked to carry out summary ESG go/no-go assessments of companies outside the scope of internal coverage and not covered by external ESG rating agencies.

Since 2022, an alignment of internal versus external ratings was undertaken, applying the E, S and G pillar weights of our EdR BUILD analysis model to the MSCI pillar scores, leading to a proprietary "adjusted MSCI" score. In 2023, this score replaced the Sustainalytics score for companies with external coverage.

in 2023, the RI team also developed a climate rating framework based on Carbon4 Finance's "bottom-up" methodology.

ESG research, along with financial research, is an integral part of all levels of the investment process:

- Definition of the investment universe,
- Fundamental analysis,
- Portfolio building,
- Key criteria for stock selection.

By default, the investment universe of our ESG funds is covered primarily via EdR BUILD and supplemented by the "MSCI adjusted" score if necessary.

Aim: In 2024, various adjustments to the rating grid are planned, such as a review of sector intensities and the criteria for classifying a company as innovative or in transition. Minimum weightings where necessary will be progressively adjusted, setting a limit of less than 20% per E, S or G pillar.

ESG data and tools for monitoring/reporting

The RI team seeks to establish direct contact with companies and also uses a number of external providers of analysis and tools, including Bloomberg, ISS, MSCI, Gaïa for European small- and mid-caps, Carbon4Finance, Proxinvest and Reprisk. Other data may also be used, such as the Access to Medicine index and Banktrack data. Providers are usually selected following a tender process and used for specific themes: for example, ISS is used for governance, Carbone4Finance for climate and biodiversity data and Reprisk for controversies.

In mid-2023 we finalised the replacement of our main ESG data provider, Sustainalytics, by MSCI. This choice was motivated in particular by more detailed information and greater methodological transparency on the part of MSCI. Portfolio managers have access to sophisticated ESG monitoring tools to help them guide the ESG/climate characteristics of their portfolios.

They include for each security, the fund and benchmark, the internal and external ESG ratings, the pillar ratings, any controversies, and the sustainable investment portion of the portfolio. They are supplemented by an individual ESG assignment for each security and a detailed UN Sustainable Development Goals (SDG) exposure dashboard. Another dashboard is dedicated to the climate, with some fifteen indicators including carbon intensity (scopes 1 to 4), emissions avoided and alignment with the Paris Agreement.

In 2023, we continued to extend and enhance these dashboards. For example, the ESG dashboard now includes sustainability ratings for each issuer. This climate dashboard has also been supplemented by a highly detailed biodiversity section based on data from Carbon4 Finance and MSCI. These dashboards are available directly in our portfolio management tool or updated daily. They are effective ESG monitoring and management tools for asset managers. In particular, asset managers can simulate the impact of a change in the portfolio's ESG profile. They can also more easily prioritise analysis work, determine areas for improvement and see progress made.

Aim: In 2024, we will remain very vigilant about any additional data needs that may arise. We will continue to develop the content of the dashboards, paying particular attention to impact.

In particular, we will be finalising specific dashboard projects for negative impact indicators and taxonomy alignment. We will also be adding a dashboard dedicated to impact indicators to the series of steering tools.

Range of SRI funds and ESG strategies

Since 2020, we have rapidly expanded our range of SRI funds. As of 31 December 2023, 11 open-ended funds managed in France received the French government's SRI label, after a full audit by Ernst & Young. They cover European, emerging and international equities, bonds and multi-asset, as well as topics such as healthcare, climate change, technology and human capital.

In addition to generalist SRI funds, we have a range of thematic SRI funds that cover the priority areas of health, energy transition and climate as well as human capital.

The SRI fund range also has ESG key performance indicators. Our SRI funds are jointly managed by a traditional portfolio manager and an SRI specialist, who interact closely with our own SRI specialists. No positions are added to a portfolio without prior verification of the ESG profile required. The impact indicators of our SRI funds are measured relative to each portfolio's benchmark index, and are monitored in the form of key performance indicators (KPIs). With regard to our ESG strategies, in 2023 we launched our first "transition" equity fund, targeting European companies with strong potential to improve their extra-financial and financial quality.

Aim: To support the roll-out of the new SRI funds and capitalise on the recent launches of SRI strategies and the quality of our SRI range, in order to significantly increase our SRI AUM.

Liquid assets managed by Edmond de Rothschild Asset Management (France) according to SRI[1] strategies in 2023:

€5,805 million

Or 21% of Edmond de Rothschild Asset Management (France)'s assets under management (22% in 2022)

The Edmond de Rothschild Group's Responsible Investment methods

IMPACT INVESTING

Practice: impact investing consists of investing in companies, often unlisted, that are seeking to add social or environmental value in a measurable way. A single fund may feature several investment strategies. Although impact investing can be achieved most immediately through physical assets that meet the requirements of intentionality, additionality and measurability, investors are increasingly interested in the ability of liquid strategies to have an impact on the real economy. We identify and publish the most relevant impact indicators for our SRI funds, including proprietary environmental and social impact indicators. We also analyse impact in terms of positive or negative contribution to the SDGs, and from the climate point of view. We regard measuring a portfolio's climate alignment as particularly relevant from this point of view. Impact at portfolio level: systematic impact on all investment decisions, definition of specific impact targets. Impact investing strategies must also show that achieving the established targets would not have been possible without them. The resulting impacts are monitored and measured over time, and are subject to dedicated reporting.
Impact at portfolio level: systematic impact on all investment decisions, definition of improvement targets and of a specific ESG action plan for each investment.

SUSTAINABLE THEMES

Practice: This approach consists of investing in the securities of companies that provide solutions to major sustainability issues, such as health, energy transition, human capital and economic development in emerging countries, while generating growth opportunities linked to the innovative nature of their business models. Although not impact-investing strategies in the formal sense, they factor in ESG criteria at every stage of the decision-making process, and attainment of ESG criteria is monitored over time. These strategies help produce positive impacts and so contribute to the attainment of the United Nations Sustainable Development Goals. The resulting impacts are monitored and measured over time, and are subject to dedicated reporting.
Impact at portfolio level: systematic impact on all investment decisions, definition of specific impact targets.

ESG ASSETS UNDER MANAGEMENT

Practice for Edmond de Rothschild Asset Management regarding liquid assets: since 2017, Edmond de Rothschild Asset Management has been adopting and formalising an ESG approach that has gradually been extended to all asset classes concerned and all geographical regions. In 2021, we strengthened it in line with the AMF's SRI approach and the SFDR, adopting a formal "binding ESG integration" approach allowing the classification of all our ESG funds as SFDR Article 8 funds. ESG portfolio managers always include environmental, social and governance factors in their financial analysis. Relevant criteria are formalised within the investment process depending on the specific features of each investment strategy. Asset managers select companies with an appropriate ESG profile in order to put together a portfolio that has a higher ESG rating than its investment universe. The approach also includes the aforementioned exclusion policy.

Impact at portfolio level: systematic impact on the analysis of issuers and on portfolio construction, without resulting in a stock selection approach.

Principle for Edmond de Rothschild Private Equity (France): ESG integration is achieved through practical steps taken throughout the investment process. Firstly, investments are selected rigorously using two filters: the exclusion list common to all EdRPE strategies and the ESG criteria assessment. Potential investments are subject to systematic ESG due diligence and a sustainability risk assessment tailored to the SFDR classification of the funds and the ESG objectives

pursued. In line with the gradual roll-out of the SFDR Regulation, the main negative impacts are taken into account on a case-by-case basis depending on the SFDR classification of the funds. Information about those impacts is presented to the Risk Management Committee and the Investment Committee, and so forms an integral part of the investment decision. ESG criteria risk is included in risk monitoring. They are reassessed annually and monitored throughout the investment holding period. When a stake is sold, EdRPE (France) aims to ensure that the strategies factor in information about sustainability (risks and the main negative impacts), in order to explain the results of any action taken since the stake was acquired. These procedures are gradually being implemented. Funds present their responsible investment approach directly in their legal and marketing documentation. It is based on the Responsible Investment principles of EdRPE (France) and the Group's Responsible Investment documentation.
Impact at portfolio level: unlike other forms of RI such as positive screening, which involve a performance obligation, ESG involves a best-efforts obligation.

POSITIVE SCREENING AND INTEGRATION STRATEGIES

Principle: Positive screening consists of selecting companies for their good environmental, social and governance practices. The Best-in-Class approach favours companies that have the best ratings in each sector from a non-financial standpoint. The pioneering Best-In-Universe approach used by Edmond de Rothschild Asset Management (France) consists of selecting issuers with the best ESG practices, regardless of their business sector. The Best Efforts approach aims to select issuers that can show an improvement in their ESG practices over time. In line with its conviction-based philosophy, Edmond de Rothschild Asset Management (France) has chosen the Best-in-Universe approach for all of its open-ended SRI funds. Shareholder and bondholder engagement aims to influence companies' decisions in order to encourage them to improve their ESG practices, including via an AGM voting policy. Edmond de Rothschild AM (France) has had an engagement strategy since 2010.
Impact at portfolio level: systematic impact on investment decisions and/or the adoption of ESG commitment initiatives that may affect portfolio composition, such as decisions to add to, reduce or sell positions. The selection-based approach leads to a requirement that investments meet minimum ESG standards.

NEGATIVE SCREENING

Practice: Edmond de Rothschild Asset Management (France) has adopted a formal exclusion policy for sectors that are least compatible with a sustainability-based approach. The policy, which can be viewed on our website and which applies to all our funds, currently excludes companies involved in making and selling controversial weapons, coal, unconventional fossil fuels, tobacco and breaches of the United Nations Global Compact. There is also a list of countries that are banned or under surveillance. The Compliance and Internal Control Department validates investments linked to those countries.
Impact at portfolio level: All securities on these negative screening lists are integrated into the in-house Dimension system and give rise to pre-trade restrictions.

Edmond de Rothschild Private Equity (France) has drawn up its own negative screening list, which adheres as a minimum to Edmond de Rothschild Asset Management's list, covering dangerous activities, sectors and conduct, to which private equity funds or investments are not authorised to have any exposure. However, Edmond de Rothschild Private Equity (France) does not wish to rule out investment opportunities simply because of a company's poor ESG performance at the time of analysis. Because of private equity's long-term investment approach, the focus is on intentions and efforts to improve each investee's financial but also non-financial performance, by generating positive impacts for society.
Investments are therefore directed to innovation and the green economy, as well as sectors undergoing transition that require support and expertise in implementing more sustainable growth models. In 2023, EdRPE revised its exclusion list to strengthen its exclusions with respect to fossil energy exploration, extraction and refining. An indirect exclusion criterion has also been introduced on the indirect financing of excluded activities as a percentage of revenue. In addition to the direct exclusion of thermal coal, applicable to assets held and new investments, Edmond de Rothschild Private Equity (France) undertakes not to hold any indirect exposure to thermal coal through the turnover of companies invested by 2030 in OECD countries and by 2040 in other countries.

Selection of external funds

As regards ESG integration when selecting funds and external asset managers, the Group improves its process continuously as regulations and industry practices develop.

As regards this multi-manager expertise, comprehensive due diligence questionnaires for all types of funds but also for asset management companies were adopted in 2019 based on a simplified procedure dating from 2016. Funds are selected for the whole Edmond de Rothschild group (asset management and private banking), covering investments for institutional and private clients. Hedge fund/alternative asset managers are included, with a simplified questionnaire based on the recommendations of AIMA (Alternative Investment Management Association) and the PRIs (United Nations Principles for Responsible Investment).

The ESG due diligence questionnaire has two sections covering quantitative and qualitative criteria:

1. A questionnaire assessing the funds' ESG approach
2. A questionnaire assessing asset management companies' position on Responsible Investment

Now fully integrated into the fund selection and monitoring process, questionnaires have been sent out to all approved traditional funds since 2016, and to all traditional and alternative funds since 2019. These questionnaires are sent out every two years and every time a new recommendation is made in order to capture changes in ESG practices among funds selected or under consideration, but also to identify the best SRI funds for private banking and asset management mandates. Particular attention is paid to new regulations including SFDR and the AMF Doctrine (Doc 2020-03).

SRI managed account for Private Banking clients

2023 once again proved to be a complicated year in terms of performance for responsible mandates, with a further significant correction in all stocks linked to renewable energy and, once again, a marked absence from certain sectors (technology, luxury goods, fossil fuels).

However, the rally at the end of the year, with central banks aiming to cut interest rates, was a real breath of fresh air for portfolios.

Nevertheless, this year is the first in which we have seen a decline in the number of RI mandates and AUMs, even as the number of clients responding favourably to the questionnaire on their sustainability preferences continues to grow.

The mandate is now very mature, having been under management since late 2016, and is therefore now also subject to the structural and traditional losses that come with the lives of private clients, but the shocks of lower performance have clearly cooled some appetites.

This temporary setback should only be fleeting, given the very positive responses to the questionnaires on sustainability preferences, which show that customers are increasingly sensitive to these issues.

After these corrections and the new situation in terms of key rates, the market should also recreate an environment that is more favourable to this type of investment, which has a strong growth bias.

Edmond de Rothschild Private Equity

The Edmond de Rothschild Group is also a leading player in private equity thanks to its teams of experts and long-term partnerships. Its proven track record in structuring funds, defining investment processes and considering ESG criteria and good governance rules into its strategies ensures that the interests of investors, investment teams and the Edmond de Rothschild Group are aligned.

While all Edmond de Rothschild Private Equity (France) funds take ESG criteria into account in the pre-investment phase and throughout the asset holding period, the funds' equity investments are mainly minority stakes. Managers therefore have little power to influence the sustainability factors of the holdings in their portfolios.

Minority investment funds focus on investment opportunities in which they have obtained sufficient information to assess the target's sustainability performance and ambitions. A company's quality in terms of assessing ESG criteria will be assessed alongside financial considerations.

Those factors are brought to the attention of the risk manager, who will produce specific recommendations, possibly when defining a plan of action. If a target's ESG criteria analysis appears to fall short of Edmond de Rothschild Private Equity (France)'s requirements, the opportunity may be rejected. Subsequently, during the investment holding period, initiatives may be taken to improve the performance of ESG indicators. Those initiatives are easier to implement if the fund holds a majority stake, which is the case with one of the company's strategies.

Assets managed by Edmond de Rothschild Private Equity (France) at December 31, 2023 :

1,052.1 million € of which 100% managed with ESG integration

(€969 million in 2022)

An increase of 9% in 2023

N.B.: in the Edmond de Rothschild (France) annual report, Edmond de Rothschild Private Equity (France)'s assets under management include those of the ERES II SICAR, ERES II FDCI and ERES III SICAR funds, not recognised above, to which it provides investment advice.

FAILURE TO ADDRESS CLIMATE RISK IN INVESTMENTS

Since 2017, Edmond de Rothschild Asset Management has had a climate roadmap aiming to limit global warming to 2°C in line with the Paris Agreement, via the gradual decarbonisation of portfolios between now and 2050. As part of that strategy, it refers to several existing climate initiatives such as the Montreal Carbon Pledge – of which Edmond de Rothschild Asset Management (France) has been a signatory since 2015 – the CDP (Carbon Disclosure Project), the TCFD's 2017 recommendations aimed at supporting companies with their efforts to take climate risks into account, and the Science Based Targets initiative (SBTi).

In May 2023, we joined the "Net Zero Asset Managers" (NZAM), consistent with our pledge to support the energy and environmental transition, having joined the Institutional Investors Group on Climate Change (IIGCC) a few weeks earlier. This membership marks a major milestone in Edmond de Rothschild's global ESG strategy.

The initiative aims to galvanise the asset management industry to commit to a "net zero emission" transition and allows for the implementation of actions and ambitious investment strategies, targeting zero net emissions by 2050 or earlier, for all assets under management within the scope of the initiative.

Policies

To analyse issuers, the Responsible Investment team has developed a proprietary in-house scoring model, based on the TCFD typology, to quantify the main climate risks and opportunities within economic sectors and sub-sectors.

In practice, this means that in relation to climate risks, the roadmap will not become diluted, remaining focused on a limited number of sectors and issuers, because 90% of climate risks arise from 10% of issuers operating in fewer than 10 economic sectors.

Our model analyses five levels of risks and opportunities over three time horizons:

1. short-term
2. medium-term
3. long-term (until 2050)

Implementing the TCFD typology, we have identified five priority sectors:

- energy,
- transport,
- building,
- manufacturing,
- agriculture,

and 11 sub-sectors that present a high level of climate risk including in the short term (2020-2024).

As a result, the TCFD focuses on a limited number of sectors and issuers that present a high level of climate risk, such as coal mining, power generation based on thermal coal, tar sands and Arctic oil and gas, but also airlines and ruminant meat production. At the same time, we have identified eight sectors and 21 sub-sectors that present major climate opportunities, including 13 in the immediate term.

The Edmond de Rothschild Asset Management (France) climate roadmap prioritises two liquid asset classes: equities and corporate bonds. It is entirely consistent with our Responsible Investment philosophy. We are making incremental progress in this area, as methodologies improve and as companies provide better access to data.

The roadmap is updated every 24-36 months as progress is made on measurement methodologies – particularly as regards scope-3 and avoided CO_2 emissions – as well as access to information and maturity impact analyses, in order to reassess the action taken.

It was updated in 2020 to take account of the climate emergency and the responses of the various economic participants and regulators, including the European Union's green taxonomy.

A new update began in 2023, incorporating the roadmap into our NZAM commitment. The update takes into account the climate emergency and responses from various economic participants and regulators, including the European Union's green taxonomy. It draws from the IEA's most recent climate scenario, the Net Zero Emissions by 2050 (NZE), which maps out a way to achieve a 1.5°C stabilisation in the rise in global average temperatures, alongside universal access to modern energy by 2030. It also takes account of biodiversity issues.

Moreover, Edmond de Rothschild Asset Management (France) participates in several initiatives and commissions covering climate and biodiversity issues at local (FIR), European (EFFAS) and global (ICGN, IICCC, PRI) level. After joining the Finance for Biodiversity initiative in 2021, we became a founding member of the Nature 100 initiative in 2023. To make our climate and biodoversity roadmap a reality, we have implemented measurement and oversight tools. Since 2019, the monthly reporting of our funds has included a carbon footprint. Since then, the climate indicators reported this way were significantly enhanced for our Article 8 and 9 SFDR funds. In 2023, biodiversity indicators and exposure to the United Nations Sustainable Development Goals (SDGs) were added to this reporting.

In terms of risk monitoring and management tools, a set of climate indicators – including carbon footprint, carbon intensity and emissions avoided – is now available for asset managers. There is also an indicator that summarises climate risk and implied temperature trajectory, based on the Carbon4Finance methodology.

To understand the biodiversity risk, we have chosen as our main indicator the biodiversity impact intensity (in MSAppb per €mn invested), obtained from Carbon4 Finance.
The indicator is based on daily data and allows asset managers to simulate the impact of an investment decision.

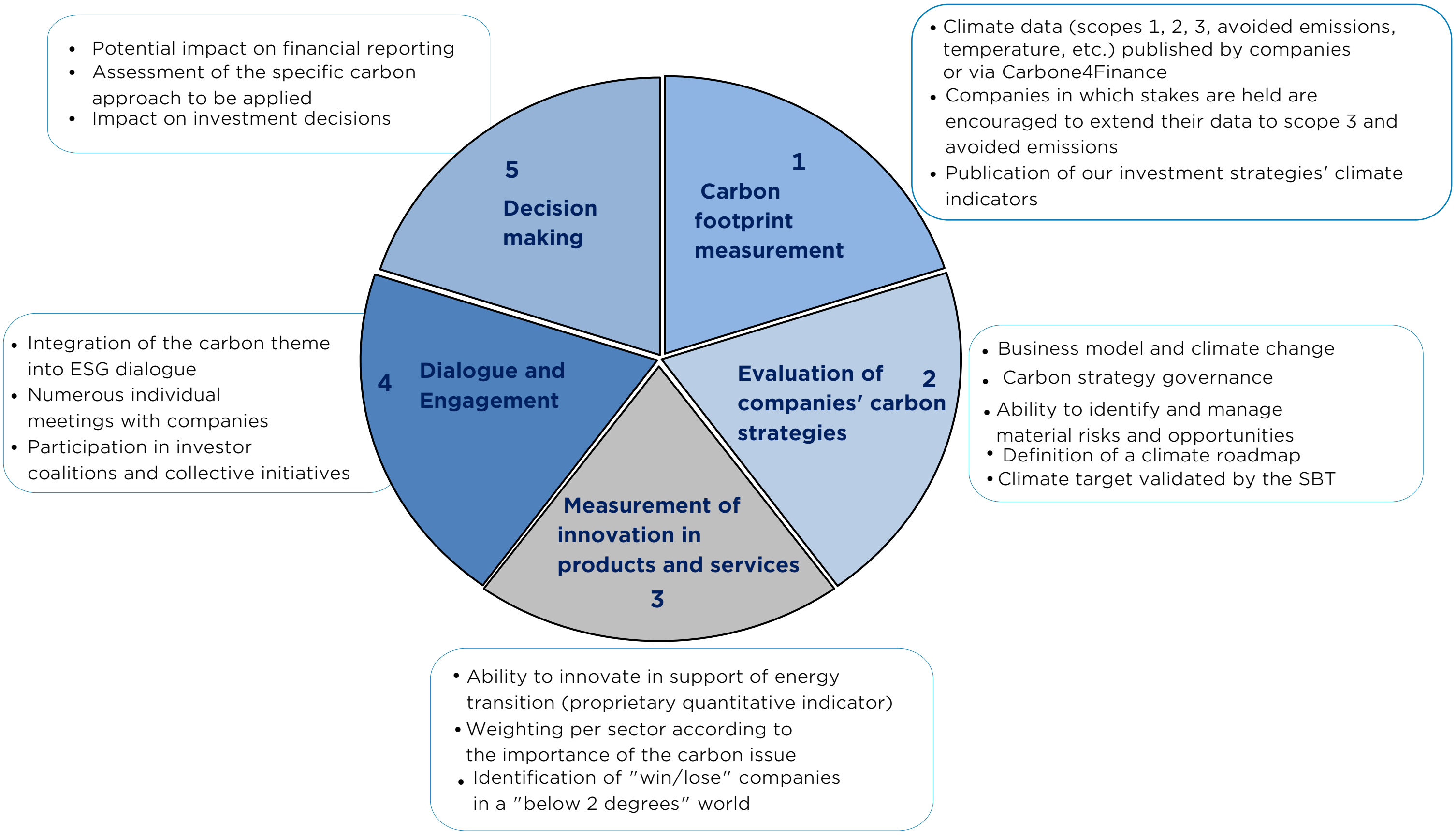
Aim: Edmond de Rothschild Asset Management (France) will update its climate change roadmap in 2024 by extending it to include biodiversity issues.

Under NZAM, in 2024 we will begin reporting:
- The initial percentage of the portfolios aligned with the initiative;
- The interim goals for assets under management managed in accordance with the "Net Zero Initiative";
- The target date for interim goals;
- The methodology used to set these goals.

We shall monitor these commitments carefully over time and will review the goals every 5 years minimum, in order to increase the percentage of assets under management aligned with the initiative, until we reach 100%.

100% of Edmond de Rothschild Asset Management (France) Article 8 and 9 open-ended funds have ESG and climate reporting included in their monthly reporting as at 31 December 2023.

Climate issues: our holistic approach at the portfolio management level



For Edmond de Rothschild Private Equity (France), climate and biodiversity issues are taken into account mainly through the process for integrating the ESG criteria of each investment strategy, adjusted according to its specific features.

Specific indicators are used to assess investment opportunities. In 2023, the Edmond de Rothschild Private Equity platform rolled out a tool for measuring climate and biodiversity risk in the due diligence phase to strengthen its approach.

Axa Climate's Altitude tool can be used to assess the climate and biodiversity risks that could impact target companies. This tool also makes it possible to measure these risks retroactively on existing portfolios and to measure the impact that physical and transition risks linked to climate change would have on holdings. The tool is being deployed internally for the Risk teams and gradually for all the investment teams, with a view to deepening the analyses produced.

FAILURE TO FULFIL OUR RESPONSIBLE INVESTING COMMITMENTS

Shareholder dialogue is an essential part of Edmond de Rothschild's fiduciary duty and role as a responsible investor. It helps to clarify the Group's expectations, as a responsible investor, regarding resolutions tabled in company AGMs. By engaging with companies, the Group can have a positive influence on specific themes and encourage best practice. This constructive dialogue enables it to support companies in their efforts to achieve transparency and improve performance over the long term.

Policies

The voting policy is available on the Edmond de Rothschild Group website. It applies to the entire scope of Edmond de Rothschild Asset Management (France).
It is deployed from the impetus of the Responsible Investment Steering Committee, under the responsibility of the Global CEO Asset Management. The Dialogue and Engagement Committee, headed by the Global CIO Asset Management, frames our process with regard to investees. The Voting and Engagement Committee formalises and implements our voting policy. The voting policy, restricting the age limit for the office, is regularly updated and available on the Group's website.

In 2023, Edmond de Rothschild Asset Management extended the scope of the voting policy to all securities held, with no holding threshold.

Edmond de Rothschild Private Equity (France) updated its shareholder engagement policy in 2021. At EdRPE, engagement consists mainly of being an active shareholder and attending all meetings where it has a seat on investees' management bodies.

Edmond de Rothschild Private Equity (France) seeks to establish dialogue and engage with companies in four areas:

1. strategy, including in terms of sustainability;
2. operational and financial performance, including ESG performance;
3. governance and composition of the management team;
4. transparency in terms of reporting.

Edmond de Rothschild Asset Management (France) is also in favour of companies defining carbon neutrality targets aligned with the Paris Agreement, validated by the SBTi and preferably with intermediate targets for the relevant scopes. If the chair of a board of directors does not have a quantifiable target for reducing greenhouse gas emissions, a recommendation will be made to vote against their re-election.

Asset managers are responsible for exercising voting rights. To facilitate voting and ensure that it is consistent with the general SRI approach, Edmond de Rothschild Asset Management (France) has set up an organisation that centralises and co-ordinates all the information needed to exercise the voting rights attached to securities held by the funds it manages. The principles of that voting policy are consistent with the RI approach adopted by Edmond de Rothschild Asset Management (France) since, aside from fundamental governance-related aspects, they determine in detail the position that Edmond de Rothschild Asset Management (France) will take regarding draft resolutions on environmental and workforce-related matters put to a shareholder vote.

Edmond de Rothschild Asset Management (France) reports on its voting practices – i.e. its use of voting rights attached to shares held by the funds it manages – through a specific annual report, which is prepared within four months of the end of each year and published on the Group's website.

Edmond de Rothschild Asset Management (France)'s engagement policy focuses on three main aspects: its objectives, its engagement processes and the results of its engagement. Asset managers meet regularly with representatives of investee companies to clarify the Group's expectations as a responsible investor and to assess their ESG rating. Edmond de Rothschild Asset Management (France)'s engagement approach is the same for both bond and equity investments, aside from matters concerning pre-AGM dialogue and the submission of draft resolutions. We take the view that engagement is less relevant for money-market investments.

Our engagement efforts included one or more KPIs and a deadline in order to measure progress in terms of dialogue. In 2023, our individual engagement actions covered nine companies, including three actions on climate issues. They have been supplemented by a collective commitment, notably through our participation in three shareholder resolutions and our involvement in various social and environmental initiatives.

Aim: In 2024, we will carry out a dozen or so engagement actions and pursue our climate commitments in a targeted manner. We will also be initiating biodiversity-related commitments by focusing on sectors with high biodiversity implications. In 2024 and beyond, Edmond de Rothschild Asset Management (France) is aiming for a voting rate structurally above 95%.

Environmental impact

Climate change is a major challenge for all businesses. The Edmond de Rothschild Group has been calculating its Bilan Carbone for activities in France since 2010 and for the Group as a whole since 2014. The environmental impact of our activities is therefore analysed in detail. Energy consumption, business travel and office waste have been selected as the most material issues for our Group. Climate risks are taken into account in investment decisions, and those efforts are discussed in the “Responsible Investment” section of this SNFP.

FAILURE TO COMPLY WITH THE COMMITMENT TO MITIGATE ENVIRONMENTAL IMPACT

Since 2010, management of the climate impacts of Edmond de Rothschild (France)'s activities has been systematically analysed, enabling the implementation of concrete actions to better control and reduce our environmental impacts as much as possible. We maintained our improvement targets and monitoring work in 2023.

Policies

Although the impact of Edmond de Rothschild Group's activities on the environment is not a major material issue, we act responsibly and are committed to supporting the preservation of the environment and the energy transition.

We demonstrate our commitment in two ways:

1. Continuous development of actions to reduce our impact.
2. Integrating the risks associated with climate change into all our activities.

These areas are explained in the Group's Environmental Policy and its Responsible Investment Policy. The Group's environmental policy was in the process of being updated in 2023 to bring it into line with the new priorities and objectives linked to a low-carbon trajectory being drawn up in late 2023.

Aim: The Group's new environmental policy will be finalised in 2024, incorporating a "Trajectory 2050" plan. It will be presented to the Group Executive Committee in 2024 for validation.

The Group’s General Resources department teams work with all Group entities to develop projects that contribute to change and ongoing improvements in environmental performance. The teams are involved in the plans and projections studied in order to establish consistency between the content of the Policy and the actions taken within the various entities.

The priorities in terms of managing environmental impact are:

- Monitoring movements in indicators;
- Maintaining pragmatic initiatives;
- Constantly improving business practices;
- Overseeing internal usage.

The General Resources team in France identifies and prioritises improvements and transformations that will enable us to achieve our targets for reducing emissions from operations. It is at the forefront of analyses and studies to enable it to play an active role in the Group's low-carbon trajectory.

With regard to the results for 2023, the carbon footprint has been refined to include data relating to the company's IT assets. This indicator will also be included in the Group's Bilan Carbone report.

This new indicator has been identified as a significant item in the Group's low-carbon trajectory and will be one of the indicators with targets for improvement in the "Trajectory 2050" plan.

As a result, with the inclusion of this new indicator, Edmond de Rothschild (France)'s carbon footprint has increased by 19% in 2023, but when compared on a like-for-like basis with 2022, the Bilan Carbone has decreased by 13%.

19% increase in CO2 emissions in 2023 following the inclusion of IT equipment.

(1,192 tonnes of CO2 equivalent versus 1005 in 2022, but 878 excluding IT equipment, i.e. a 13% reduction on a like-for-like basis)

FAILURE TO USE RESOURCES IN A SUSTAINABLE MANNER

The General Resources team at Edmond de Rothschild (France) is continuing to apply best practices in managing natural resources and reducing waste.

Policies

The Group's Environmental Policy sets out improvement targets for reducing waste and managing paper consumption. Both issues are measured and monitored in detail. The continuation of teleworking has contributed to better control of certain aspects.

In 2023, the "Paperless" project was launched following an analysis of printouts for private customers and the IT processes in place for these. The aim was to reduce printing and improve online processes.

Aim: In 2024, the project will be strengthened to improve the online customer experience and continue to raise awareness among employees and customers of non-essential printing.

The target to reduce as much as possible the consumption of paper that is not 100% recycled or FSP/PEFC certified has been achieved.

The use of "other" paper, i.e. paper that is not certified, fell sharply in 2023. Consumption of this type of paper will fall from 700 kilograms in 2022 to 128 kilograms in 2023.

As a reminder, paper consumption in the "*other*" category had fallen by 33% by 2022 compared with 2021. This type of paper was sometimes supplied despite the demand for recycled paper or because it met a certain standard of quality and whiteness for customer correspondence.

Waste management is difficult to monitor in the services sector, because the cost is often included in the charges levied by the buildings or districts in which entities operate. The General Resources teams keep a close eye on this indicator, as raising awareness of the need to adopt more responsible habits is one of the company's priority concerns. Paper, in particular, is the main source of our waste.

Additionally, Edmond de Rothschild (France) has a recycling system for paper, aluminium, glass and plastic. Glass is recycled when recycling is made available by landlords or the Mairie de Paris. We do not currently have a contract with a private provider that allows us to quantify this category. Glass is recycled when recycling is made available by landlords or the Mairie de Paris.

We do not currently have a contract with a private provider that allows us to quantify this category.

IT waste has a major environmental impact. It is therefore processed by IT teams and recycled by specialist companies. Ink cartridges are also recycled. The sustainable use and management of resources will be an integral part of the "Trajectory 2050" plan.

15% **increase in Edmond de Rothschild (France)'s paper consumption in 2023**
(21.8 tonnes versus 18.9 in 2021)

Failure to take into account climate change

The fight against climate change concerns all of the Group's business activities. Climate change is taken into account in various ways, including through the deployment of the climate roadmap for investments, the gradual decarbonisation of portfolios and the introduction of climate change risk management tools.

The Group's CSR strategy encompasses all aspects of climate change. Our teams drive change within the company by systematically integrating sustainability issues into all our activities.

In November 2023, a new Chief Sustainability Officer, Nathalie Wallace, joined the Group. She is including this risk throughout all areas of the Group. She is a member of the Asset Management Executive Committee and of the Group's ESG Steering Committee, chaired by the Group's Deputy CEO, Cynthia Tobiano. The issue of climate change and the associated risks are therefore reported to the Group's senior management.

Policies

The Group's Environmental Policy addresses this priority. The responsible purchasing policy, created in 2016, was updated in 2023. The process for creating new suppliers has also been reviewed to make it easier for employees. The responsible purchasing charter, co-signed by suppliers, has also been updated.

Aim: The update of the Group's Environmental Policy in 2024 will include details of what taking climate change into account means for the Edmond de Rothschild Group.

Energy consumption is an essential element in controlling and monitoring our CO2 emissions. Since 2010, the General Resources teams have made every effort to reduce these costs.

In 2023, the efficiency plan continued to be in effect. The downward trend continued compared with the pre-Covid period:

16% **reduction in total energy consumption in France in 2023**

(3,478 MWh versus 4,150 MWh in 2022)

Biodiversity

Edmond de Rothschild (France)'s commitment to protecting biodiversity continued in 2023. The Bank still has two insect hotels, which act as places for species like mason bees to lay eggs, but also have dedicated chambers that house auxiliary insects, helping species to reproduce. A large number of nesting boxes and feeders are still in place around Edmond de Rothschild (France)'s buildings.

The spring of 2023 was the ninth-warmest since measurements began in 1900, with an average seasonal temperature 0.6°C warmer than normal (baseline 1991-2020). Many bee colonies succumbed following the winter of 2022-2023 due to a record dry spell at the end of winter 2023. This, combined with chemical contamination from pesticides, has seriously weakened colonies and discouraged many beekeepers, but the rainfall and temperatures in spring 2023 have enabled bees to produce honey from nectar-rich flowers.

The four beehives installed on the roofs of the bank in Paris, which numbered around 220,000 bees at the height of the season, have been moved to the suburbs as a result of refurbishment work and changes to the building's windows. The general condition of all the colonies was judged to be very good, with good provisions. The beekeeper has installed two supers on each of the four hives to increase their size and give the foragers more room to store the pollen and nectar they collect.

In 2023, our four hives produced 39.9 kg of honey in a total of 266 150-gram jars.

There are plans to add two more hives in spring 2024.

Data reporting and validation methods

Reporting scope

This SNFP covers all the activities of Edmond de Rothschild (France), not including its subsidiaries and branches outside France. That scope represents 96% of Edmond de Rothschild (France)'s workforce.

Reporting organisation

The collection of indicators is organised by the Edmond de Rothschild Group's sustainability department. It is supported by the network of experts in France, who contribute the data.

Selection of indicators

In order to monitor the performance of its sustainability commitments since 2011, Edmond de Rothschild (France) has identified the most relevant key performance indicators pertaining to its business dealings, influence and identified main risks.

Organisation, resources and monitoring

Specific tools and procedures, including the definition of each indicator and its calculation methodology, have been defined in reporting protocols: In particular, they explain the data collection and consolidation processes:

workforce-related indicators via the Human Resources Department;
- indicators and information on Responsible Investment activities,
- environmental data, which are consolidated in the carbon audit produced each year by the General Resources Department.

Key performance indicators are monitored and validated at three levels: firstly at the operational level within the entity itself, then by the Sustainability Department and finally by the departments directly concerned by the various subjects. Discrepancies are analysed with the data contributors.

The purpose of this approach is to guarantee that reported information is genuine and consistent over time.

Published key indicators

	Published performance indicators	Pages
Ethics and Governance	% of Edmond de Rothschild (France)’s Supervisory Board members who are independent and women	p. 48
	Number of subcontractors that have included GDPR clauses in their contracts with Edmond de Rothschild (France)	p. 53
	Number of incidents requiring notification to the relevant authority.	p. 54
	Number of unethical behaviour alerts raised during the year	p. 55
Human engagement	% of workforce on permanent contracts	p. 55
	Proportion of staff members who attended at least one training course during the year	p. 58
	Proportion of staff members who took part in an annual performance review	p. 57
	Number of employees promoted to internal vacant positions during the year	p. 57
	Proportion of women among total management-level employees in France	p. 58
	Gender balance index score	p. 60
Responsible investing	Total assets managed according to SRI strategies / % of total assets under management in France	p. 62
	% of open-ended funds covered by a carbon footprint analysis	p. 67
	Number of AGMs in which Edmond de Rothschild Asset Management (France) participated	p. 68
Environmental impact	% change in CO_2 emissions in 2023 according to the carbon audit results	p. 73
	% change in paper consumption in 2023	p. 74
	% change in total energy consumption in 2023	p. 74

5.1.3.7 Information on the Taxonomy Regulation (Regulation (EU) 2020/852)

Regulation (EU) 2020/852 of 18 June 2020, known as the Taxonomy Regulation, establishes criteria for determining whether an economic activity qualifies as environmentally sustainable. According to the regulation, the following constitute environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

Commission Delegated Regulation (EU) 2021/2139, published in the Official Journal of the EU on 9 December 2021, specifies the technical screening criteria for determining sustainable activities in view of the first two environmental objectives. Commission Delegated Regulation (EU) 2021/2178, which relates to Article 8 of the Taxonomy Regulation and was published in the Official Journal of the EU on 10 December 2021, defines the content and presentation of information about sustainable investments for companies subject to the regulation.

Commission Delegated Regulation (EU) 2022/1214 on gas and nuclear energy, published in the Official Journal of the EU on 15 July 2022, adds nuclear and fossil gas economic activities to the first two environmental objectives.
Commission Delegated Regulation (EU) 2023/2486, published in the Official Journal of the EU on 21 November 2023, details the technical screening criteria for determining how aligned activities are with the European Taxonomy's four other environmental objectives.

An economic activity is considered environmentally sustainable, i.e. aligned with the Taxonomy within the meaning of the Regulation, if that activity:

- is eligible, i.e. explicitly mentioned in the delegated regulations supplementing the Taxonomy Regulation;
- contributes substantially to one or more of the environmental objectives;
- does not significantly harm any of the environmental objectives;
- is carried out in compliance with certain minimum safeguards.

The regulation is coming into force gradually. Thus, for the reporting carried out:

- From 1 January 2022 to 31 December 2023, the Group has presented the proportion of assets eligible for the Taxonomy for the first two environmental objectives

- From 1 January 2024 to 31 December 2025, the Group is publishing information concerning the share of assets:
  - Eligible and aligned with the Taxonomy for the first two environmental objectives
  - Eligible for the Taxonomy for new activities linked to the first two environmental objectives and the other four environmental objectives

- From 1 January 2026, the Group must publish information on the proportion of assets eligible and aligned with the Taxonomy for all six Taxonomy objectives. The Group will also publish Tables 6 and 7 of the Delegated Regulation linked to Article 8 of the Taxonomy Regulation relating to Fees and Commissions and the Trading Book respectively.

In 2024, the bank is not required to publish comparative information, which will be published in 2025 for the 2024 financial year.

The list of tables required by the Delegated Regulation relating to Article 8 of the Taxonomy Regulation as at 31 December 2023 is presented below:

Annexe VI du règlement délégué 2021/2178 - Tableaux pour les ICP établissements de crédit

Numéro de tableau	Nom
0	Récapitulatif
1	Actifs entrant dans le calcul du GAR
2	GAR Informations par secteur
3	ICP GAR Encours
4	ICP GAR Flux
5	ICP des expositions de hors bilan

Annexe XII du règlement délégué 2021/2178 - Tableaux concernant le nucléaire et le gaz fossile

Numéro de tableau	Nom
1	Activités liées à l'énergie nucléaire et au gaz fossile
2	Activités économiques alignées sur la taxonomie (dénominateur)
3	Activités économiques alignées sur la taxonomie (numérateur)
4	Activités économiques éligibles à la taxonomie mais non alignées sur celle-ci
5	Activités économiques non éligibles à la taxonomie

The same data is shown in some of the tables when viewed from a sales or CapEx perspective, as the bank only holds Taxonomy eligibility exposures relating to residential loans to households. For these non-corporate players, the concepts of sales and CapEx are not applicable.

I. Tables in Annex VI to Delegated Regulation 2021/2178 - Credit Institutions

Summary of KPIs to be published by credit institutions in accordance with Article 8 of the Taxonomy Regulation

		Total des actifs durables sur le plan environnemental (en MEUR)	ICP (*4) en %	ICP (*5) en %	% de couverture (par rapport au total des actifs) (*3)	% d'actifs exclus du numérateur du GAR (article 7, paragraphes 2 et 3 et section 1.1.2 de l'annexe V)	% d'actifs exclus du dénominateur du GAR (article 7, paragraphe 1 et section 1.2.4 de l'annexe V)
ICP principal	Encours du ratio d'actifs verts (GAR)	0	0%	0%	0%	38%	51%

		Total des actifs durables sur le plan environnemental (en MEUR)	ICP en %	ICP en %	% de couverture (par rapport au total des actifs)	% d'actifs exclus du numérateur du GAR (article 7, paragraphes 2 et 3 et section 1.1.2 de l'annexe V)	% d'actifs exclus du dénominateur du GAR (article 7, paragraphe 1 et section 1.2.4 de l'annexe V)
ICP supplémentaires	*GAR (flux)*	0	0%	0%	0%	14%	-9%
	Portefeuille de négociation (*1)						
	Garanties financières	0	0%	0%			
	Actifs sous gestion	0	0%	0%			
	Frais et commissions perçus (*2)						

(*1) Pour les établissements de crédit ne remplissant pas les conditions de l'article 94, paragraphe 1, ou de l'article 325 bis, paragraphe 1, du CRR

(*2) Frais et commissions sur services autres que prêts et gestion d'actifs .Les établissements fournissent des informations prospectives pour ces ICP, notamment sur les cibles visées, et des explications pertinentes sur la méthode appliquée.

(*3) % d'actifs sur lesquels porte l'ICP, par rapport au total des actifs bancaires

(*4) sur la base de l'ICP du chiffre d'affaires de la contrepartie

(*5) sur la base de l'ICP des CapEx de la contrepartie, sauf pour les activités de prêt générales, pour lesquelles c'est l'ICP du chiffre d'affaires qui est utilisé

The above ratios represent exposures in terms of amount or proportion of total assets covered (for the first 3 columns containing data) or total assets (for the last 3 columns) for the operating entities in the Edmond De Rothschild (France) prudential consolidation scope as at 31 December 2023.

The Group's assets considered eligible are housing loans to individuals that are collateralised by a property or covered by a housing credit guarantee, and used for purchases of residential properties. They represent **1.9% of covered assets**. This eligibility ratio, which is not included in the table above1, is explained by the specific nature of EDR France's business, in particular its exposure to counterparties not subject to the NFRD. This reflects the bank's focus on unlisted companies

1 The "Summary of KPIs" table looks directly at the Taxonomy alignment. The amount and percentage of eligibility are respectively available in the tables "1 - Assets for the Calculation of GAR" and "3 - GaR KPI stock (%)" presented later in this document.

and SMEs/SCIs, whose activities, whatever their nature, cannot therefore be included in the eligible activities aligned with the environmental objectives of the European Taxonomy.

The ratio of assets aligned to the Taxonomy, or KPI (*4) in the sales perspective and KPI (5*) in the CapEx perspective in the table above, **represents 0% of the assets covered**. This ratio can be explained in particular by the following factors:

- Most of the properties financed by the Group are buildings constructed before 31 December 2020, the majority of which have an energy performance certificate other than class A
- The other alignment data collected did not make it possible to precisely identify which assets could meet the technical screening criteria required by the regulation to be considered aligned, particularly with regard to the primary energy consumption of buildings.

As the GAR (Flow) is calculated this year by comparing the Taxonomy 2022 and 2023 alignment, it is therefore equal to 0%2.

Assets excluded from the numerator of the GAR (article 7, paragraphs 2 and 3 and section 1.1.2 of Annex V) represent 38% of total assets and are made up of the following assets:

- Exposures to companies not subject to the NFRD, mainly:
    - investments in equity-accounted companies with fewer than 500 employees (Monaco and Elyan);
    - financial assets at fair value through profit and loss, particularly unlisted private equity funds;
    - investments in non-consolidated companies;
    - loans to non-NFRD companies;
- On-demand interbank loans;
- Cash and cash equivalents;
- Other assets, including:
    - property, plant and equipment and intangible assets;
    - goodwill;
    - accruals;
- Derivatives and hedging derivatives (interest rate swaps/currency forwards).

- The assets excluded from the denominator and numerator of the GAR (article 7, paragraph 1 and section 1.2.4 of Annex V) represent 51% of total assets and are made up of the following assets:

- Sovereign bonds,
- Surplus cash deposited with the Banque de France;
- The trading book, in this case consisting of derivatives.

As there are no off-balance sheet items relating to companies subject to the NFRD due to the intrinsic activity of EDR France, the KPIs relating to Taxonomy alignment to Financial Guarantees and Assets under Management are also 0%.

In accordance with the requirements of the Taxonomy regulation, the KPIs relating to the trading book and fees and commissions income, the cells of which are shown in light grey in the table above, will not be published until the 2026 reporting relating to the financial year ending 31/12/2025.

2 Due to the late publication of the European Commission's FAQ (21 December 2023) providing details on the methods for determining the GAR Flow, the bank has determined the information relating to flows by calculating the variation between eligible/aligned assets in 2022 and those in 2023. The methodology specified in the FAQ will be applied on 31 December 2024.

1. Assets for the calculation of GAR

Sales perspective as at 31/12/2023

	M EUR	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae
		Date de référence des informations 31/12/2023																														
		Valeur comptable brute totale	Atténuation du changement climatique (CCM)					Adaptation au changement climatique (CCA)				Ressources aquatiques et marines (RAM)				Economie circulaire (EC)				Pollution (PRP)				Biodiversité et Ecosystèmes (BIO)				TOTAL (CCM +CCA+RAM+EC+PRP+BIO)				
			Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)					Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				
				Dont durables sur le plan environnemental (alignés sur la taxonomie)					Dont durables sur le plan environnemental (alignés sur la taxonomie)				Dont durables sur le plan environnemental (alignés sur la taxonomie)				Dont durables sur le plan environnemental (alignés sur la taxonomie)				Dont durables sur le plan environnemental (alignés sur la taxonomie)				Dont durables sur le plan environnemental (alignés sur la taxonomie)				Dont durables sur le plan environnemental (alignés sur la taxonomie)			
					Dont financement spécialisé	Dont transitoire	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont transitoire	Dont habilitant
	GAR – Actifs couverts par le numérateur et le dénominateur																															
1	Prêts et avances, titres de créance et instruments de capitaux propres détenus à des fins autres que la vente et éligibles pour le calcul du GAR	516	47	0																								47	0			
2	**Entreprises financières**	0																														
3	**Établissements de crédit**	0																														
4	Prêts et avances	0																														
5	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)	0																														
6	Instruments de capitaux propres	0																														
7	**Autres entreprises financières**	0																														
8	**dont entreprises d'investissement**	0																														
9	Prêts et avances	0																														
10	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)	0																														
11	Instruments de capitaux propres	0																														
12	**dont sociétés de gestion**	0																														
13	Prêts et avances	0																														
14	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)	0																														
15	Instruments de capitaux propres	0																														
16	**dont entreprises d'assurance**	0																														
17	Prêts et avances	0																														
18	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)	0																														
19	Instruments de capitaux propres	0																														
20	**Entreprises non financières**	0																														
21	Prêts et avances	0																														
22	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)	0																														
23	Instruments de capitaux propres	0																														
24	**Ménages**	516	47	0																								47	0			
25	dont prêts garantis par des biens immobiliers résidentiels	516	47	0																								47	0			
26	dont prêts à la rénovation de bâtiments	0																														
27	dont prêts pour véhicules à moteur	0																														
28	**Financement d'administrations locales**	0																														
29	Financement de logements	0																														
30	Autres financements d'administrations locales	0																														
31	**Sûretés obtenues par saisie: biens immobiliers résidentiels et commerciaux**	0																														
32	**Actifs exclus du numérateur pour le calcul du GAR (mais inclus dans le dénominateur)**	1 929																														
33	**Entreprises financières et non financières**	1 558																														
34	PME et entreprises non financières (autres que des PME) non soumises aux obligations de publication de la NFRD	1 558																														
35	Prêts et avances	0																														
36	dont prêts garantis par des biens immobiliers commerciaux	0																														
37	dont prêts à la rénovation de bâtiments	0																														
38	Titres de créance	0																														
39	Instruments de capitaux propres	1 558																														
40	Contreparties de pays tiers non soumises aux obligations de publication de la NFRD	0																														
41	Prêts et avances	0																														
42	Titres de créance	0																														
43	Instruments de capitaux propres	0																														
44	**Dérivés**	12																														
45	**Prêts interbancaires à vue**	50																														
46	**Trésorerie et équivalents de trésorerie**	0,25																														
47	**Autres catégories d'actifs (goodwill, matières premières, etc.)**	308																														
48	**TOTAL DES ACTIFS AU DÉNOMINATEUR (GAR)**	2 445																														
49	**Actifs n'entrant pas dans le calcul du GAR**	2 569																														
50	Administrations centrales et émetteurs supranationaux	79																														
51	Expositions sur des banques centrales	2 476																														
52	Portefeuille de négociation	14																														
53	**Total des actifs**	5 014																														
	Expositions de hors bilan-Entreprises soumises aux obligations de publication de la NFRD	0	0					0				0				0				0				0				0				
54	**Garanties financières**	0	0					0				0				0				0				0				0				
55	**Actifs sous gestion**	0	0					0				0				0				0				0				0				
56	**Dont titres de créance**																															
57	**Dont instruments de capitaux propres**																															

CapEx perspective as at 31/12/2023

	M EUR	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae
		Date de référence des informations 31/12/2023																														
		Valeur comptable brute totale	Atténuation du changement climatique (CCM)					Adaptation au changement climatique (CCA)				Ressources aquatiques et marines (RAM)				Economie circulaire (EC)				Pollution (PRP)				Biodiversité et Ecosystèmes (BIO)				TOTAL (CCM +CCA+RAM+EC+PRP+BIO)				
			Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)					Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Dont vers des secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				
				Dont durables sur le plan environnemental (alignés sur la taxonomie)					Dont durables sur le plan environnemental (alignés sur la taxonomie)				Dont durables sur le plan environnemental (alignés sur la taxonomie)				Dont durables sur le plan environnemental (alignés sur la taxonomie)				Dont durables sur le plan environnemental (alignés sur la taxonomie)				Dont durables sur le plan environnemental (alignés sur la taxonomie)				Dont durables sur le plan environnemental (alignés sur la taxonomie)			
					Dont financement spécialisé	Dont transitoire	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont transitoire	Dont habilitant
	GAR – Actifs couverts par le numérateur et le dénominateur																															
1	Prêts et avances, titres de créance et instruments de capitaux propres détenus à des fins autres que la vente et éligibles pour le calcul du GAR	516	47	0																								47	0			
2	**Entreprises financières**	0																														
3	**Établissements de crédit**	0																														
4	Prêts et avances	0																														
5	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)	0																														
6	Instruments de capitaux propres	0																														
7	**Autres entreprises financières**	0																														
8	**dont entreprises d'investissement**	0																														
9	Prêts et avances	0																														
10	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)	0																														
11	Instruments de capitaux propres	0																														
12	**dont sociétés de gestion**	0																														
13	Prêts et avances	0																														
14	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)	0																														
15	Instruments de capitaux propres	0																														
16	**dont entreprises d'assurance**	0																														
17	Prêts et avances	0																														
18	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)	0																														
19	Instruments de capitaux propres	0																														
20	**Entreprises non financières**	0																														
21	Prêts et avances	0																														
22	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)	0																														
23	Instruments de capitaux propres	0																														
24	**Ménages**	516	47	0																								47	0			
25	dont prêts garantis par des biens immobiliers résidentiels	516	47	0																								47	0			
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27	dont prêts pour véhicules à moteur	0																														
28	**Financement d'administrations locales**	0																														
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31	**Sûretés obtenues par saisie: biens immobiliers résidentiels et commerciaux**	0																														
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38	Titres de créance	0																														
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40	Contreparties de pays tiers non soumises aux obligations de publication de la NFRD	0																														
41	Prêts et avances	0																														
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44	**Dérivés**	12																														
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51	Expositions sur des banques centrales	2 476																														
52	Portefeuille de négociation	14																														
53	**Total des actifs**	5 014																														
	Expositions de hors bilan-Entreprises soumises aux obligations de publication de la NFRD	0	0					0				0				0				0				0				0				
54	**Garanties financières**	0	0					0				0				0				0				0				0				
55	**Actifs sous gestion**	0	0					0				0				0				0				0				0				
56	**Dont titres de créance**																															
57	**Dont instruments de capitaux propres**																															

Total reported assets correspond to those stated in Edmond de Rothschild (France)'s FINREP prudential financial statements at 31 December 2023.

The bank's total assets of €5,014 million as at 31 December 2023, are made up of:

- Covered assets (= present in the denominator) of the GAR, which represent €2,445m, broken down as follows:
    - Assets potentially eligible for the numerator and denominator of the GAR, which are mainly loans to households amounting to €516m. After analysis, this population was broken down as follows:
        - €47m has been selected as eligible for the Taxonomy and is therefore included in the numerator and denominator. They represent home loans granted directly to individuals that are collateralised by a property or covered by a home loan guarantee, and relate to the acquisition of residential property. At 31 December 2023, none of these assets has been aligned with the Taxonomy at this stage.
        - €469 million was not considered eligible because it represented housing loans granted indirectly to individuals through a legal structure not subject to the NFRD.
    - Assets excluded from the numerator (but included in the denominator) for the calculation of the GAR amounting to €1,929 million (see details in the table above);
- Assets excluded from the scope of the GAR amounting to €2,569m (see details in the table above).

2. GAR sector information

This reporting is **not applicable** to the Group as the Bank has **no exposure to non-financial counterparties subject to the NFRD**.

Sales perspective as at 31/12/2023

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac
	Ventilation par secteur - niveau à 4 chiffres de la NACE (code et intitulé)	Atténuation du changement climatique (CCM)				Adaptation au changement climatique (CCA)				Ressources aquatiques et marines (RAM)				Economie circulaire (EC)				Pollution (PRP)				Biodiversité et Ecosystèmes (BIO)				TOTAL (CCM + CCA+ RAM + EC + PRP + BIO)			
		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)	
		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute	
		M EUR	Dont durable sur le plan environnemental (CCM)	M EUR	Dont durable sur le plan environnemental (CCM)	M EUR	Dont durable sur le plan environnemental (CCA)	M EUR	Dont durable sur le plan environnemental (CCA)	M EUR	Dont durable sur le plan environnemental (RAM)	M EUR	Dont durable sur le plan environnemental (RAM)	M EUR	Dont durable sur le plan environnemental (EC)	M EUR	Dont durable sur le plan environnemental (EC)	M EUR	Dont durable sur le plan environnemental (PRP)	M EUR	Dont durable sur le plan environnemental (PRP)	M EUR	Dont durable sur le plan environnemental (BIO)	M EUR	Dont durable sur le plan environnemental (BIO)	M EUR	Dont durable sur le plan environnemental (CCM + CCA + RAM + EC + PRP + BIO)	M EUR	Dont durable sur le plan environnemental (CCM + CCA + RAM + EC + PRP + BIO)
1		0	0																										

CapEx perspective as at 31/12/2023

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac
	Ventilation par secteur - niveau à 4 chiffres de la NACE (code et intitulé)	Atténuation du changement climatique (CCM)				Adaptation au changement climatique (CCA)				Ressources aquatiques et marines (RAM)				Economie circulaire (EC)				Pollution (PRP)				Biodiversité et Ecosystèmes (BIO)				TOTAL (CCM + CCA+ RAM + EC + PRP + BIO)			
		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)		Entreprises non financières (assujetties à la NFRD)		PME et autres entreprises non financières (non assujetties à la NFRD)	
		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute		Valeur comptable brute	
		M EUR	Dont durable sur le plan environnemental (CCM)	M EUR	Dont durable sur le plan environnemental (CCM)	M EUR	Dont durable sur le plan environnemental (CCA)	M EUR	Dont durable sur le plan environnemental (CCA)	M EUR	Dont durable sur le plan environnemental (RAM)	M EUR	Dont durable sur le plan environnemental (RAM)	M EUR	Dont durable sur le plan environnemental (EC)	M EUR	Dont durable sur le plan environnemental (EC)	M EUR	Dont durable sur le plan environnemental (PRP)	M EUR	Dont durable sur le plan environnemental (PRP)	M EUR	Dont durable sur le plan environnemental (BIO)	M EUR	Dont durable sur le plan environnemental (BIO)	M EUR	Dont durable sur le plan environnemental (CCM + CCA + RAM + EC + PRP + BIO)	M EUR	Dont durable sur le plan environnemental (CCM + CCA + RAM + EC + PRP + BIO)
1		0	0																										

3. GAR KPI stock (%)

Sales perspective as at 31/12/2023

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
	% (du total des actifs couverts au dénominateur)	Date de référence des informations 31/12/2023																															
		Atténuation du changement climatique (CCM)					Adaptation au changement climatique (CCA)				Ressources aquatiques et marines (RAM)				Economie circulaire (EC)				Pollution (PRP)				Biodiversité et Ecosystèmes (BIO)				TOTAL (CCM + CCA+RAM+EC+PRP+BIO)						
		Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)					Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)					Part du total des actifs (actifs éligibles / total actifs)	Part du total des actifs (actifs alignés / total actifs)
			Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)					Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				
				Dont financement spécialisé	Dont transitoire	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont transitoire	Dont habilitant		
	GAR – Actifs couverts par le numérateur et le dénominateur																																
1	Prêts et avances, titres de créance et instruments de capitaux propres détenus à des fins autres que la vente et éligibles pour le calcul du GAR	**1,9%**	**0%**																								**1,9%**	**0%**				**0,94%**	**0%**
2	**Entreprises financières**																																
3	Établissements de crédit																																
4	Prêts et avances																																
5	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
6	Instruments de capitaux propres																																
7	Autres entreprises financières																																
8	dont entreprises d'investissement																																
9	Prêts et avances																																
10	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
11	Instruments de capitaux propres																																
12	dont sociétés de gestion																																
13	Prêts et avances																																
14	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
15	Instruments de capitaux propres																																
16	dont entreprises d'assurance																																
17	Prêts et avances																																
18	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
19	Instruments de capitaux propres																																
20	**Entreprises non financières**																																
21	Prêts et avances																																
22	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
23	Instruments de capitaux propres																																
24	**Ménages**	**1,9%**	**0%**																								**1,9%**	**0%**				**0,94%**	**0%**
25	dont prêts garantis par des biens immobiliers résidentiels	1,9%	0%																								1,9%	0%				0,94%	0%
26	dont prêts à la rénovation de bâtiments																																
27	dont prêts pour véhicules à moteur																																
28	**Financement d'administrations locales**																																
29	Financement de logements																																
30	Autres financements d'administrations locales																																
31	**Sûretés obtenues par saisie: biens immobiliers résidentiels et commerciaux**																																
32	**Total des actifs du GAR**	**1,9%**	**0%**																								**1,9%**	**0%**				**0,94%**	**0%**

Capex perspective as at 31/12/2023

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
		Date de référence des informations 31/12/2023																															
		Atténuation du changement climatique (CCM)					Adaptation au changement climatique (CCA)				Ressources aquatiques et marines (RAM)				Economie circulaire (EC)				Pollution (PRP)				Biodiversité et Ecosystèmes (BIO)				TOTAL (CCM + CCA+RAM+EC+PRP+BIO)						
	% (du total des actifs couverts au dénominateur)	Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)					Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)					Part du total des actifs (actifs éligibles / total actifs)	Part du total des actifs (actifs alignés / total actifs)
			Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)					Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				
				Dont financement spécialisé	Dont transitoire	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont transitoire	Dont habilitant		
	GAR – Actifs couverts par le numérateur et le dénominateur																																
1	Prêts et avances, titres de créance et instruments de capitaux propres détenus à des fins autres que la vente et éligibles pour le calcul du GAR	**1,9%**	**0%**																								**1,9%**	**0%**				**0,94%**	**0%**
2	**Entreprises financières**																																
3	Établissements de crédit																																
4	Prêts et avances																																
5	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
6	Instruments de capitaux propres																																
7	Autres entreprises financières																																
8	dont entreprises d'investissement																																
9	Prêts et avances																																
10	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
11	Instruments de capitaux propres																																
12	dont sociétés de gestion																																
13	Prêts et avances																																
14	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
15	Instruments de capitaux propres																																
16	dont entreprises d'assurance																																
17	Prêts et avances																																
18	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
19	Instruments de capitaux propres																																
20	**Entreprises non financières**																																
21	Prêts et avances																																
22	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
23	Instruments de capitaux propres																																
24	**Ménages**	**1,9%**	**0%**																								**1,9%**	**0%**				**0,94%**	**0%**
25	dont prêts garantis par des biens immobiliers résidentiels	1,9%	0%																								1,9%	0%				0,94%	0%
26	dont prêts à la rénovation de bâtiments																																
27	dont prêts pour véhicules à moteur																																
28	**Financement d'administrations locales**																																
29	Financement de logements																																
30	Autres financements d'administrations locales																																
31	**Sûretés obtenues par saisie: biens immobiliers résidentiels et commerciaux**																																
32	**Total des actifs du GAR**	**1,9%**	**0%**																								**1,9%**	**0%**				**0,94%**	**0%**

The proportion of total assets covered devoted to financing sectors relevant to the Taxonomy (eligible for the Taxonomy) is 1.9% and the alignment proportion is 0% as at 31 December 2023. Taxonomy-eligible assets represented 0.94% of total assets and aligned assets 0% as at 31 December 2023.

4. GAR KPI flow

Sales perspective as at 31/12/2023

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
		Date de référence des informations 31/12/2023																															
		Atténuation du changement climatique (CCM)					Adaptation au changement climatique (CCA)				Ressources aquatiques et marines (RAM)				Economie circulaire (EC)				Pollution (PRP)				Biodiversité et Ecosystèmes (BIO)				TOTAL (CCM + CCA+RAM+EC+PRP+BIO)						
	% (des flux de tous les actifs éligibles)	Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)					Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)					Part du total des actifs (actifs éligibles / total actifs)	Part du total des actifs (actifs alignés / total actifs)
			Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)					Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				
				Dont financement spécialisé	Dont transitoire	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont transitoire	Dont habilitant		
	GAR – Actifs couverts par le numérateur et le dénominateur																																
1	Prêts et avances, titres de créance et instruments de capitaux propres détenus à des fins autres que la vente et éligibles pour le calcul du GAR	**-0,5%**	**0%**																								**-0,5%**	**0%**				**-0,02%**	**0%**
2	**Entreprises financières**																																
3	Établissements de crédit																																
4	Prêts et avances																																
5	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
6	Instruments de capitaux propres																																
7	Autres entreprises financières																																
8	dont entreprises d'investissement																																
9	Prêts et avances																																
10	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
11	Instruments de capitaux propres																																
12	dont sociétés de gestion																																
13	Prêts et avances																																
14	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
15	Instruments de capitaux propres																																
16	dont entreprises d'assurance																																
17	Prêts et avances																																
18	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
19	Instruments de capitaux propres																																
20	**Entreprises non financières**																																
21	Prêts et avances																																
22	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
23	Instruments de capitaux propres																																
24	**Ménages**	**-0,5%**	**0%**																								**-0,5%**	**0%**				**-0,02%**	**0%**
25	dont prêts garantis par des biens immobiliers résidentiels	-0,5%	0%																								-0,5%	0%				-0,02%	0%
26	dont prêts à la rénovation de bâtiments																																
27	dont prêts pour véhicules à moteur																																
28	**Financement d'administrations locales**																																
29	Financement de logements																																
30	Autres financements d'administrations locales																																
31	**Sûretés obtenues par saisie: biens immobiliers résidentiels et commerciaux**																																
32	**Total des actifs du GAR**	**-0,5%**	**0%**																								**-0,5%**	**0%**				**-0,02%**	**0%**

Capex perspective as at 31/12/2023

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
		Date de référence des informations 31/12/2023																															
		Atténuation du changement climatique (CCM)					Adaptation au changement climatique (CCA)				Ressources aquatiques et marines (RAM)				Economie circulaire (EC)				Pollution (PRP)				Biodiversité et Ecosystèmes (BIO)				TOTAL (CCM + CCA+RAM+EC+PRP+BIO)						
	%(des flux de tous les actifs éligibles)	Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)					Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)					Part du total des actifs (actifs éligibles / total actifs)	Part du total des actifs (actifs alignés / total actifs)
			Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)					Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				
				Dont financement spécialisé	Dont transitoire	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont transitoire	Dont habilitant		
	GAR – Actifs couverts par le numérateur et le dénominateur																																
1	Prêts et avances, titres de créance et instruments de capitaux propres détenus à des fins autres que la vente et éligibles pour le calcul du GAR	-0,5%	0%																								-0,5%	0%				-0,02%	0%
2	Entreprises financières																																
3	Établissements de crédit																																
4	Prêts et avances																																
5	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
6	Instruments de capitaux propres																																
7	Autres entreprises financières																																
8	dont entreprises d'investissement																																
9	Prêts et avances																																
10	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
11	Instruments de capitaux propres																																
12	dont sociétés de gestion																																
13	Prêts et avances																																
14	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
15	Instruments de capitaux propres																																
16	dont entreprises d'assurance																																
17	Prêts et avances																																
18	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
19	Instruments de capitaux propres																																
20	Entreprises non financières																																
21	Prêts et avances																																
22	Titres de créance, y compris dont l'utilisation du produit de l'émission est spécifique (UoP)																																
23	Instruments de capitaux propres																																
24	Ménages	-0,5%	0%																								-0,5%	0%				-0,02%	0%
25	dont prêts garantis par des biens immobiliers résidentiels	-0,5%	0%																								-0,5%	0%				-0,02%	0%
26	dont prêts à la rénovation de bâtiments																																
27	dont prêts pour véhicules à moteur																																
28	Financement d'administrations locales																																
29	Financement de logements																																
30	Autres financements d'administrations locales																																
31	Sûretés obtenues par saisie : biens immobiliers résidentiels et commerciaux																																
32	Total des actifs du GAR	-0,5%	0%																								-0,5%	0%				-0,02%	0%

Due to the late publication of the European Commission's FAQ (21 December 2023) providing details on the methods for determining the GAR Flow, the bank has determined the information relating to flows by calculating the variation between eligible assets in 2022 and those in 2023. This shows that the percentage of assets eligible for the Taxonomy has fallen by -0.5% in 2023.

Furthermore, the methodology specified in the FAQ3 will be applied on 31 December 2024.

5. KPI off-balance sheet exposures

Sales perspective as at 31/12/2023

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad
		Date de référence des informations 31/12/2023																													
		Atténuation du changement climatique (CCM)					Adaptation au changement climatique (CCA)				Ressources aquatiques et marines (RAM)				Economie circulaire (EC)				Pollution (PRP)				Biodiversité et Ecosystèmes (BIO)				TOTAL (CCM + CCA + RAM + EC + PRP + BIO)				
	% (par rapport au total des actifs hors bilan éligibles)	Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)					Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				
			Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)					Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)			
				Dont financement spécialisé	Dont transitoire	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont transitoire	Dont habilitant
1	Garanties financières (ICP FinGuar)	0%	0%																								0%	0%			
2	Actifs sous gestion (ICP AuM)	0%	0%																								0%	0%			

Capex perspective as at 31/12/2023

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad
		Date de référence des informations 31/12/2023																													
		Atténuation du changement climatique (CCM)					Adaptation au changement climatique (CCA)				Ressources aquatiques et marines (RAM)				Economie circulaire (EC)				Pollution (PRP)				Biodiversité et Ecosystèmes (BIO)				TOTAL (CCM + CCA + RAM + EC + PRP + BIO)				
	% (par rapport au total des actifs hors bilan éligibles)	Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)					Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (éligibles à la taxonomie)				
			Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)					Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)				Part du total des actifs couverts consacrée au financement de secteurs pertinents pour la taxonomie (alignés sur la taxonomie)			
				Dont financement spécialisé	Dont transitoire	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont habilitant			Dont financement spécialisé	Dont transitoire	Dont habilitant
1	Garanties financières (ICP FinGuar)	0%	0%																								0%	0%			
2	Actifs sous gestion (ICP AuM)	0%	0%																								0%	0%			

As at 31 December 2023, the bank did not hold any off-balance sheet assets that were eligible and/or aligned with the Taxonomy.

3 Question 65 of the FAQ of 21 December 2023 states "when computing the flow KPI in template 4 of Annex VI DDA, credit institutions should only consider the gross carrying amount of newly incurred exposures (i.e. new loans and advances, debt securities, equity instruments), that is only new exposures that have been incurred during the year prior to the disclosure reference date, without deducting the amounts of loan repayments or disposals of debt securities/equity instruments that have occurred during the year prior to the disclosure reference date. Credit institutions should therefore not compute the numerator and the denominator of the flow KPI as exposures on the disclosure reference date (T) minus exposures on the disclosure reference date (T-1)."

6. Tables in Annex XII of Delegated Regulation 2021/2178 - Nuclear and fossil gas activities

In accordance with Delegated Regulation 2022/1214 of 9 March 2022, Edmond de Rothschild France publishes the required tables relating to the eligibility and alignment of fossil gas and nuclear energy activities on the basis of stocks, from both Sales and CapEx perspectives.

Template 1 – Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template 2: Taxonomy-aligned economic activities Taxonomy (denominator)

Stocks, Sales perspective as at 31/12/2023

Row	Economic activities	Amount and proportion (information is to be presented in monetary amounts and as					
		CCM+CCA		Climate change mitigation		Climate change adaptation	
		Amount (€)	%	Amount (€)	%	Amount (€)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	0	0%	0	0%	0	0%
8.	**Total applicable KPI**	0	0%	0	0%	0	0%

Template 3: Taxonomy-aligned economic activities (numerator)

Stocks, Sales perspective as at 31/12/2023

Row	Economic activities	Amount and proportion (information is to be presented in monetary amounts and as percentages)					
		(CCM+CCA)		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (€)	%	Amount (€)	%	Amount (€)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0	0	0%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0	0	0%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0	0	0%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0	0	0%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0	0	0%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0	0	0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	0	0%	0	0	0	0%
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	0	0%	0	0	0	0%

Stocks, CapEx perspective as at 31/12/2023

Row	Economic activities	Amount and proportion (information is to be presented in monetary amounts and as percentages)					
		(CCM+CCA)		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (€)	%	Amount (€)	%	Amount (€)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0	0	0%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0	0	0%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0	0	0%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0	0	0%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0	0	0%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0	0	0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	0	0%	0	0	0	0%
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	0	0%	0	0	0	0%

Template 4: Taxonomy-eligible, but not taxonomy-aligned, economic activities

Stocks, Sales perspective as at 31/12/2023

Row	Economic activities	Proportion (information is to be presented in monetary amounts and as percentages)					
		(CCM+CCA)		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (€)	%	Amount (€)	%	Amount (€)	%
1.	Amount and proportion of taxonomy-eligible, but not taxonomy-aligned, economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of taxonomy-eligible, but not taxonomy-aligned, economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of taxonomy-eligible, but not taxonomy-aligned, economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of taxonomy-eligible, but not taxonomy-aligned, economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of taxonomy-eligible, but not taxonomy-aligned, economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6.	Amount and proportion of taxonomy-eligible, but not taxonomy-aligned, economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	0	0%	0	0%	0	0%
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	0	0%	0	0%	0	0%

Stocks, CapEx perspective as at 31/12/2023

Row	Economic activities	Proportion (information is to be presented in monetary amounts and as percentages)					
		(CCM+CCA)		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (€)	%	Amount (€)	%	Amount (€)	%
1.	Amount and proportion of taxonomy-eligible, but not taxonomy-aligned, economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of taxonomy-eligible, but not taxonomy-aligned, economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of taxonomy-eligible, but not taxonomy-aligned, economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of taxonomy-eligible, but not taxonomy-aligned, economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of taxonomy-eligible, but not taxonomy-aligned, economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6.	Amount and proportion of taxonomy-eligible, but not taxonomy-aligned, economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	0	0%	0	0%	0	0%
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	0	0%	0	0%	0	0%

Template 5: Taxonomy non-eligible economic activities

Stocks, Sales perspective as at 31/12/2023

Row	Economic activities	Amount (€)	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	0	0%
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	0	0%

Stocks, CapEx perspective as at 31/12/2023

Row	Economic activities	Amount (€)	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	0	0%
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	0	0%

Report by one of the Statutory Auditors, appointed as an independent third party, on the consolidated Statement of Non-Financial Performance

(For the year ended 31 December 2023)

To the Edmond de Rothschild (France) annual general meeting,

In our capacity as Statutory Auditor of your company EDMOND DE ROTHSCHILD (FRANCE) (hereinafter the “entity”) appointed as an independent third party and accredited by Cofrac (accreditation Cofrac Inspection no. 3-1862, the scope of which is available at www.cofrac.fr), we have carried out work with the aim of formulating a reasoned opinion expressing a limited assurance conclusion on the historical information (ascertained or extrapolated) in the consolidated statement of non-financial performance, prepared according to the entity’s procedures (hereinafter the “Reporting Criteria”), for the financial year ended 31 December 2023 (hereinafter respectively the “Information” and the “Statement”), presented in the Group’s management report in accordance with Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures we implemented, as described in the “Nature and scope of the work” section, and on the information we collected, nothing has come to our attention that causes us to believe that the consolidated statement of non-financial performance is not in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Reporting Criteria.

Preparation of the Statement of Non-Financial Performance

The absence of a generally accepted and commonly used framework or established practice on which to base the assessment and measurement of information allows for the use of different, but acceptable, measurement techniques that may affect comparability between entities and over time.

Accordingly, the information should be read and understood with reference to the Reporting Criteria, the relevant elements of which are available on request from the company's head office.

Limitations inherent in the preparation of information

Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates made in preparing it and presented in the Statement.

The entity’s responsibility

It is the responsibility of the Executive Board to:

- select or establish appropriate criteria for preparing the Information;
- prepare a Statement pursuant to legal and regulatory requirements, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and information provided for by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- prepare the Statement by applying the Entity's Standard as mentioned above; as well as
- set up the internal controls it deems necessary for preparing Information that is free from material misstatements, whether due to fraud or error.

The Statement has been prepared according to the entity's Reporting Criteria as mentioned above.

Responsibility of the Statutory Auditor appointed as independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions of Article R. 225-105 of the French Commercial Code;
- the fairness of the (actual or extrapolated) historical information provided in accordance with Article 225--105(I)(3) and (II) of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks.

Since it is our responsibility to form an independent conclusion on the Information as prepared by management, we are not allowed to be involved in preparing the Information, since this could compromise our independence.

It is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions (in particular with regard to the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy)),
- the fairness of information provided for by Article 8 of Regulation (EU) 2020/852 (green taxonomy),
- the compliance of products and services with the applicable regulations.

Regulatory provisions and applicable professional guidance

Our work described below was carried out in accordance with Articles A.225-1 et seq. of the French Commercial Code, with the professional guidance of the French Institute of Statutory Auditors ("CNCC"), particularly the technical opinion of the CNCC, – Intervention of the statutory auditor – Intervention of the independent third party – Statement of non financial performance, substituting for the verification programme and the international standard ISAE 3000 (revised) "Assurance engagements other than audits or reviews of historical financial information".

Independence and quality control

Our independence is defined by Article L.821-11-28 of the French Commercial Code and the code of ethics of the statutory auditors' profession. In addition, we have implemented a system of quality control including documented policies and procedures aiming to ensure compliance with the applicable legal and regulatory requirements, ethical rules and the CNCC's professional guidance relating to this work.

Means and resources

Our work was carried out by a team of five people between November 2023 and March 2024, and took a total of three weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted 10 interviews with individuals responsible for the preparation of the Statement, representing the Sustainability, Compliance, Human Resources, Responsible Investment Management, Asset Management, Private Equity, Procurement and Overhead, and Legal departments.

Nature and scope of the work

In planning and carrying out our work, we took into account the risk of material misstatements in the Information.

We believe that the work we carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion:

- we familiarised ourselves with all the consolidated entities' activities and the description of the main risks,
- we assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, objectivity and understandability, with due consideration of industry best practices, where appropriate,
- we verified that the Statement covers each category of information provided for in III of Article L.225-102-1 on social and environmental matters, respecting human rights as well as on the fight against corruption and tax evasion,
- we verified that the Statement presents the information required by II of Article R.225-105 when relevant to the principal risks and includes, where applicable, an explanation of the reasons for the absence of the information required by the 2nd paragraph of III of Article L.225-102-1,
- we verified that the Statement presents the business model and a description of the principal risks associated with all the consolidated entities' activities including, where relevant and proportionate, the risks associated with

their business relationships and products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators relating to the main risks,

- we consulted documentary sources and conducted interviews to:
  - assess the process of selecting and validating the main risks and the consistency of results, including the key performance indicators, with the main risks and policies presented; and
  - corroborate the qualitative information (actions and results) that we considered the most important, presented in an appendix. For certain risks, in the categories of “Ethics and Governance” (non-compliance with liability commitments that could impact the Group’s reputation, non-compliance with legislation and cybercrime, non-compliance with business ethics, including corruption and tax evasion), “Human Capital” (employer brand risk, operational risk in the event of an inappropriate hire or the departure of key employees or skills) and “Environmental impact” (non-compliance with the commitment to reduce the environmental impact, non-compliance with sustainable use of resources, non-consideration of climate change), our work was carried out at the level of the consolidating entity. For risks in the "Responsible Investment” category, work has been carried out at the level of the consolidating entity and in a selection of entities: EdR Asset Management (France) and EdR Private Equity (France).
- we verified that the Statement covers the scope of consolidation, i.e., all entities included in the scope of consolidation in accordance with Article L.233-16, where applicable with the limits specified in the Statement,
- we familiarised ourselves with the internal control and risk management procedures put in place by the entity and assessed the data collection process to ensure the completeness and fairness of the Information,
- for the key performance indicators and other quantitative outcomes that we considered to be the most important, set out in an appendix, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - substantive tests, using sampling techniques or other selection methods, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities, i.e. Edmond de Rothschild Asset Management (France) and Edmond de Rothschild Private Equity (France) and covers 20% to 100% of the consolidated data selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

The procedures used as part of a limited assurance assignment are less extensive than those required in a reasonable assurance assignment carried out in accordance with the professional guidance of the CNCC; a higher level of assurance would have required more extensive verification work.

Neuilly-sur-Seine, 28 March 2024

One of the Statutory Auditors
PricewaterhouseCoopers Audit

Philippe Chevalier	**Aurélie Castellino-Cornetto**
Partner	**Sustainable Development Partner**

Appendix: List of information that we considered the most important

Key performance indicators and other quantitative results:

- Percentage of Supervisory Board members who are independent.
- Percentage of Supervisory Board members who are women.
- Percentage of subcontractors that have included GDPR clauses in their contracts with EdR.
- Number of incidents requiring notification to the relevant authority.
- Number of unethical behaviour alerts raised during the year.
- Number of criminal or corruption-related sanctions.
- Percentage of employees who have attended AML/CTF training.
- Percentage of training sessions dealing with Ethics and Compliance.
- Percentage of workforce on permanent contracts.
- Number of women on permanent contracts.
- Percentage of executives and senior managers who are women.
- Proportion of staff members who took part in an annual performance review.
- Number of employees who have been promoted to internal vacant positions with a male/female percentage breakdown.
- Proportion of staff members who attended at least one training course during the year.
- Gender equality index score.
- Share of liquid assets managed by de EdR Asset Management (France) according to SRI strategies (in millions of euros and %).
- Assets under management by EdR Private Equity (France), of which assets covered by ESG integration.
- Percentage of open-ended funds classified as Articles 8 and 9 under SFDR regulations managed by EdR Asset Management (France) that include ESG and climate change reporting in their monthly reports.
- Number of general meetings attended by EdR France.
- Voting rate across the equities scope.
- Change in CO_2 emissions.
- Change in paper consumption.
- Change in total energy consumption.
- Percentage of workforce having completed the GDPR e-learning course by the end of December 2023.
- Number and percentage of new staff members trained in cybersecurity, data protection and GDPR.
- Share of types of processing monitored and updated on the French processing register.
- Number of "GDPR and Security" forms validated/undergoing validation by the CISO and DPO.
- Number of "Privacy Impact" analyses conducted since 2018 on personal data processing. A programme to review these analyses every three years, and to update them if necessary, began in 2022.
- Number of trainees and work-study students hired during university forums. Number of trainees and work-study students hired on fixed-term or permanent contracts at the end of their internship or work-study programme.
- Holding "new employee" mornings during which, among other things, the Group's business lines, ecosystem, values and HR processes were presented.
- Number of CSE (Works Council) meetings held in 2023 and number of agreements signed with representative trade unions.
- Number of training sessions attended for managers on the prevention and treatment of psycho-social risks.
- Number of open-ended funds managed in France that have received the French public SRI label.
- Number of meetings with companies on solely ESG or combined ESG-and-financial themes in which the RI (responsible investment) team participated (Asset management).
- Number of companies involved in individual commitment actions, including number of actions on climate issues.
- Number of shareholder resolutions tabled on ESG issues through a collective engagement process.
- Change in paper consumption in the "*Other*" category.

Qualitative information (actions and results)

- Updated the Supervisory Board's internal rules in March 2023 (introduction of an annual self-assessment of the Audit, Risk and Remuneration Committees).
- No anomalies detected concerning the due diligence carried out in 2023 by EdR France prior to the renewal of the terms of office of the members of the Supervisory Board.
- There were no new appointments to the Supervisory Board in 2023.
- Procedure for reporting incidents to the French data privacy regulator (CNIL).
- Training provided in 2023 on the topics of Market Abuse, Conflicts of interest, MiFID, the Mortgage Credit Directive and the Insurance Distribution Directive.
- Every employee's annual performance review includes a section on adherence to the codes of conduct.
- The employee whistleblowing rights procedure is being updated.
- Inclusive hiring training cycle for HR-Business Partners in France.
- Adopted a Group-wide Diversity and Inclusion Charter in 2023.
- Signed a Job and Career Management agreement in 2023.
- Rolled out a dedicated sustainability training programme in 2023.
- Focus on professional equality as part of the annual pay review.
- Per the Quality of Life at Work agreement, a person employed by the Economic and Social Unit (UES) who is a family carer was allowed to receive donations of paid leave. In addition, family carers have been able to benefit from more days of teleworking.
- Joined NZAM in 2023 and announcing Net Zero targets in 2024.
- Arrival of Nathalie Wallace, Chief Sustainability Officer and member of the Asset Management Executive Committee in November 2023.
- Launched our first "transition" equity fund, targeting European companies with strong potential to improve their extra-financial and financial qualities.
- In 2023, the IR team developed a climate rating framework based on Carbon4 Finance's "bottom-up" methodology.
- Became a member of the Institutional Investors Group on Climate Change (IIGCC) in 2023.
- Founding member of the Nature 100 initiative in 2023.
- Chose the main indicator, biodiversity impact intensity (in MSAppb per €mio invested), obtained from Carbon4 Finance, to assess biodiversity risk.
- In 2023, biodiversity indicators and exposure to the United Nations Sustainable Development Goals (SDGs) were added to monthly reporting of open funds.
- In 2023, Edmond de Rothschild Asset Management extended the scope of the voting policy to all securities held, with no holding threshold.
- Group environmental policy underwent updating in 2023.
- In 2023, the calculation of the carbon footprint included data relating to the company's IT assets.
- Implemented the "Paperless" project in 2023.
- Updated the Responsible Purchasing Charter.

Report of the Supervisory Board on Corporate Governance

(Report prepared pursuant to Article L. 225-68 of the French Commercial Code)

Pursuant to the provisions of Article L. 225-68, the aim of this report is to present the composition of the Supervisory Board, how the principle of balanced gender representation is applied, the preparation and organisation of the Supervisory Board's work, and the Supervisory Board's observations on the report of the Executive Board and the financial statements for the year ended 31 December 2023.

This report was approved at the Supervisory Board meeting on 7 March 2024.

REFERENCE CORPORATE GOVERNANCE CODE

The Company does not formally refer to a specific corporate governance code.

STRUCTURE, COMPOSITION AND OPERATING PROCEDURES OF THE GOVERNANCE FRAMEWORK AT EDMOND DE ROTHSCHILD (FRANCE)

Presentation of the governance framework

Edmond de Rothschild (France) is a public limited company (société anonyme) governed by a Supervisory Board and an Executive Board. In this two-tier governance structure, the executive function of the Executive Board is clearly separated from the oversight and management control function of the Supervisory Board.

Members of the governance bodies

SUPERVISORY BOARD

Chair

Ariane de Rothschild

Vice-Chair

Jean Laurent-Bellue

Members

Louis-Roch Burgard

Philippe Cieutat

Jacques Ehrmann

Véronique Morali

François Pauly (until 4 May 2023)

Sabine Rabald

Cynthia Tobiano

Christian Varin

Josepha Wohnrau

Supervisor Board Secretary

Nicolas Halphen

EXECUTIVE BOARD

Chair

Renzo Evangelista

Member and Chief Executive Officer

Fabrice Coille

Member and Corporate Secretary

Nicolas Giscard d'Estaing

STATUTORY AUDITORS

Principal Statutory Auditors

Grant Thornton Audit

PricewaterhouseCoopers Audit

REPRESENTATIVES OF THE SOCIAL AND ECONOMIC COMMITTEE

Alain Tordjman

Rémy Cabois

Collective decision-making by the Executive Board

At 31 December 2023, the Executive Board had three members with collective responsibility for the Company's management.

All the Executive Board members are effective managers and are declared as such to the ACPR (French Prudential Supervision and Resolution Authority). In accordance with the law and the Company's Articles of Association, the Executive Board must report on its stewardship to the Supervisory Board no fewer than four times per year, or more frequently when so required by particular circumstances.

The Executive Board's structure and the balance of powers between its members were reviewed by the Supervisory Board on 9 March 2022 when the Executive Board's mandate was renewed.

The Executive Board meets whenever the Company's interests so require, and at least on a weekly basis.

The committees with management responsibilities for the Bank are as follows:

- the Executive Board, which has overall responsibility for the conduct of the Company's affairs, meets on a weekly basis,
- the Operations Management Committee, which coordinates businesses, support functions and cross-divisional projects at Edmond de Rothschild (France), meets on a bimonthly basis.

In addition, the Bank has a number of committees overseeing specific functions (Lending, Finance, Complaints, Litigation, etc.) made up of members of the senior management team and the main department managers.

A Supervisory Board providing rigorously structured oversight

Remit of the Supervisory Board

The Board exercises permanent control of the Executive Board's stewardship of the Company. Its role is to make sure on shareholders' behalf that the business is managed as effectively as possible. It helps to promote the Company's values, including ensuring that the conduct of the Company's and Group's activities are conducted to the highest ethical, social, environmental and governance standards in order to maintain the reputation of the Bank and that of the entire Edmond de Rothschild Group. The Chair of the Supervisory Board organises and directs the Board's work and has a specific responsibility for ensuring that Supervisory Board members are able to fulfil their duties.

Pursuant to Article 17 of the Articles of Association, the Executive Board has to consult with and obtain the prior consent of the Supervisory Board for all the following transactions:

- any acquisitions of investments, in any form whatsoever;
- the sale or discontinuation in any form, including by means of the winding-up or liquidation of a company, of all or part of an investment;
- any purchase and any sale of property holdings by nature;
- any bond issue;
- any collateral granted to guarantee commitments given by the Company itself.

The Board also has the power to:

- appoint its Chair and its Vice-Chair;
- appoint the members of the Company's Executive Board, after confirming they are fit-and-proper persons, they do not have any conflicts of interest, they possess sufficient time to perform their duties and they comply with the rules on the number of corporate offices that may be held concurrently, to give the Company's management team the broadest possible range of skills and expertise, and establish a selection process guaranteeing at least one person of each gender among candidates so that the Executive Board can achieve a balanced composition in terms of the number of men and women;
- set the compensation of Executive Board members when it does not take the form of a salary;
- choose a Chair from among the Executive Board members it has appointed;
- decide on the allocation of duties within the Executive Board based on their individual experience, expertise and skills;
- regularly review the strategic direction of the Company and the Group formed of the Company and the entities it consolidates in its financial statements (the Group), its investment, divestment and internal restructuring plans, the Group's general human resources policy, including its employee compensation, profit-sharing and incentive policy;
- regularly review and ensure the fair presentation of the Edmond de Rothschild Group's Responsible Investment and Sustainability Risk Integration Policy, which reflects the consideration of environmental, social and governance quality criteria within the Company;
- ensure the accuracy and fair presentation of the parent company and consolidated financial statements;
- consider the acquisitions and sales of investments or assets, partnership, alliance and/or cooperation agreements, and, generally speaking, any transaction or any commitment liable to have a material impact on the Group's financial position or operations;
- keep shareholders properly informed, including about the controls it performs on the information provided by the Group;
- ensure that the Company has procedures in place identifying, evaluating and monitoring its commitments and risks, including off-balance sheet, and appropriate internal control.

It is kept informed by its Chair and its committees of any significant events concerning business trends, the financial and cash position of the Company and the Group.

Operating procedures of the Supervisory Board

At 31 December 2023, the Supervisory Board had 11 members, of whom 50% are women. It is chaired by Ariane de Rothschild. The Vice-Chair of the Supervisory Board is Jean Laurent-Bellue. Five Supervisory Board members are well-known figures from outside the Edmond de Rothschild Group. All of them qualify as independent members based on the criteria adopted by the Supervisory Board on 24 November 2017.

In addition, since Edmond de Rothschild (France) acts as custodian on behalf of its asset management companies, it also has to comply with the requirements of Directive 2014/91/EU, the so-called UCITS V Directive, concerning the independence of management companies from custodians belonging to the same group. In this respect, the Autorité des Marchés Financiers (AMF), acting under the authority of the ACPR, confirmed that at least two of the Supervisory Board members of Edmond de Rothschild (France) meet the independence criteria laid down in said Directive, thereby satisfying its obligations.

Supervisory Board members are appointed by the Ordinary General Meeting of the Shareholders for a term of three years.

Since 2020, the Company has had to comply with the requirements of Article L. 225-18-1 of the French Commercial Code concerning the relative proportion of men and women among the Supervisory Board members. Its membership meets the stated requirements, as 50% of its members are women and 50% are men. Edmond de Rothschild (France) is ever mindful of its responsibilities to its workforce and society at large and aims to foster diversity at every level of its organisation, especially among its Supervisory Board members. Accordingly, it makes sure that criteria related to skills and expertise, professional experience, age and gender are applied strictly in the selection process for Supervisory Board members in order to create the requisite diversity.

The Supervisory Board has its own rules of procedure (updated most recently on 9 March 2023), which are given to its members in a formal process and are always to hand in the secure document sharing app to which only they have access. The rules of procedure state the role of the Supervisory Board, its operating procedures, the rules and obligations incumbent on its members, including to act as a fit-and-proper person, to apply their skills and expertise, to devote sufficient time and attention, to exercise independent judgement, to hold no more than the permitted number of corporate offices concurrently, to maintain confidentiality and to avoid conflicts of interest. The Supervisory Board evaluates its operating procedures once a year. To this end, the Supervisory Board decided to conduct an annual self-assessment at its meeting on 24 November 2017 and amended its rules of procedure accordingly. The rules of procedure also state the resources available to members, and lay down the remit, role and operating procedures for the Supervisory Board's three Committees, namely the Audit Committee, the Risk Committee and the Remuneration Committee.

The compensation paid to external Supervisory Board members is allocated pursuant to Article L. 225-83 of the French Commercial Code based on rules set by the Supervisory Board, of which one criterion is actual attendance at meetings.

The schedule of Supervisory Board meetings for a given year is set during the preceding year. The four annual meetings usually take place in March, May, August and December. Additional meetings are held whenever events so require.

In 2023, the Supervisory Board met on:

- 9 March
- 4 May
- 19 July (Unanimous Decision),
- 29 August
- 6 December

In 2023, members' attendance rate at Supervisory Board meetings was 95.24%. Supervisory Board meetings are generally scheduled to start at 10am and end at approximately 1pm.

Supervisory Board members are convened to meetings with at least one week's notice by e-mail. They receive the full pack of papers for the meeting a reasonable time in advance by means of a secure IT application tailored to the work of the Supervisory Board and its Committees.

Executive Board members are invited to attend Supervisory Board meetings. The Statutory Auditors are asked to attend Supervisory Board meetings at which the financial statements are reviewed, and generally speaking, they may also be called to a Supervisory Board meeting whenever it is deemed useful for them to attend.

The Supervisory Board members receive notice of and may attend the Ordinary General Meeting of the Shareholders.

Members appointed by the Social and Economic Committee are invited to attend meetings of the Supervisory Board and the Ordinary General Meeting of the Shareholders.

Work performed by the Supervisory Board

As a matter of course, the papers given to Supervisory Board members include the following documents: the draft minutes of the previous Supervisory Board meeting; a presentation of the business trends and the financial results of Edmond de Rothschild (France) over the period since the previous meeting; commentary on each division's business trends and results; a summary of dealings with the regulator; and a list of significant client loans with details of any collateral held. The Chair of the Audit Committee provides an update on the Committee's work concerning its controls on the quality of accounting and financial information, and the Chair of the Risk Committee provides an update on periodic control, compliance, permanent control and risk control. The papers given to Supervisory Board members for the March meeting include the parent company and consolidated financial statements, plus the report on internal control and on risk measurement and monitoring, prepared pursuant to the government decree dated 3 November 2014 concerning internal control, as amended by several decrees, the most recent of which was dated 28 July 2021. The papers given to Supervisory Board members for the August meeting include the audited interim financial statements. The Supervisory Board members may request from the Executive Board any additional information required for the performance of their duties. Such information should be provided to them as swiftly as possible.

List of offices held by members of the Executive Board and Supervisory Board during 2023

Supervisory Board:

Ariane de Rothschild

Chief Executive Officer of:

Edmond de Rothschild (Suisse) SA (since 14 March 2023)

Chair of the Board of Directors:

Holding Benjamin et Edmond de Rothschild SA (Switzerland)

Edmond de Rothschild-Holding SA (Switzerland)

Edmond de Rothschild (Suisse) SA (until 14 March 2023)

Administration et Gestion SA (Switzerland)

Edmond de Rothschild SA

Adolphe de Rothschild Foundation Hospital

Bodegas Benjamin de Rothschild & Vega Sicilia SA (Spain)

Ariane de Rothschild Foundation (Spain)

Domaine de Pregny Foundation (Switzerland)

Edmond Adolphe de Rothschild Foundation (Switzerland)

Maurice and Noémie de Rothschild Foundation (Switzerland) Mémorial Adolphe de Rothschild-association pour le développement de l'ophtalmologie (Switzerland)

The Edmond de Rothschild Foundation (Israel)

OPEJ Foundation

Edmond de Rothschild New York Foundation (USA)

Chair of the Supervisory Board:

Edmond de Rothschild (France), Chair of the Compensation Committee (until 4 May 2023) and member of the Compensation Committee

Société Française des Hôtels de Montagne (SFHM)

Vice-Chair of:
Edmond de Rothschild Foundation for the development of scientific research

Director:
Baron et Baronne Associés (holding company of the S.C.B.A. Société Champenoise des Barons Associés)

Compagnie Fermière Benjamin et Edmond de Rothschild SA

Compagnie Vinicole Benjamin et Edmond de Rothschild SA

EBR Ventures (until 27 April 2023)

Louis-Roch Burgard

Supervisory Board member:
Edmond de Rothschild (France), Audit Committee member and Risk Committee member

Director:
Initiatives et Energies Locales (IEL) (since 20 July 2023)

Manager:
Infranity Equity Investments GP Lux S.à r.l. (since 20 December 2023)

Philippe Cieutat

Chair of the Board of Directors:

Edmond de Rothschild REIM (Europe) SA (since 4 January 2023)

Vice-Chair of the Supervisory Board of Edmond de Rothschild Asset Management (France) and Member of the Audit and Risk Committee

Vice-Chair of the Board of Directors:
EdR REIM Holding SA (formerly EdR Real Estate S.A.)

Supervisory Board member:
Edmond de Rothschild (France)

Director:
Edmond de Rothschild (Monaco), and Audit and Risk Committee member (since 23 March 2023)

Edmond de Rothschild (UK), and Audit and Risk Committee member (since 22 May 2023)

Edmond de Rothschild (Israel), and Audit and Risk Committee member (since 25 May 2023)

Edmond de Rothschild SA's permanent representative on the Board of Directors:
Cogifrance

Member of the Board of Directors, Zhonghai FMC (China)

Jacques Ehrmann

Chief Executive Officer, Altarea Group (operational role)

Chief Executive Officer, ALTAFI 2 (SAS)

Chair, Tamlet (SAS)

Executive Board member, Frojal (SA)

Supervisory Board member:
Edmond de Rothschild (France)
Woodeum SAS (until 21 February 2023)

Permanent representative of Frojal, Supervisory Board member, Lefebvre Sarrut (since 1 November 2023)

Manager:

Altarea Management (SNC)

Cogedim Gestion (SNC)

Co-manager:
SCI Jakevero
SC Testa

Chair of the Fédération des Acteurs du Commerce dans les Territoires (formerly known as CNCC - Conseil National des Centres Commerciaux) (until 28 March 2023)

Jean Laurent-Bellue

Vice-Chair of the Board of Directors:
Edmond de Rothschild (Monaco) and Chair of the Audit and Risk Committee

Vice-Chair of the Supervisory Board:
Edmond de Rothschild (France) and Chair of the Audit and Risk Committee

Director:
Edmond de Rothschild Holding SA (Switzerland)

Edmond de Rothschild (Suisse) SA and Nomination and Compensation Committee member (until 20 April 2023) and Audit and Risk Committee member and Chair of the Audit Committee (since 26 April 2023)

Holding Benjamin et Edmond de Rothschild – Pregny SA (Switzerland)

Edmond de Rothschild SA

Rotomobil

Actions Addictions foundation (until 31 December 2023)

Véronique Morali

Chair of the Management Board of Webedia (until 20 April 2023)

Chair of the Board of Directors of Webedia (since 20 April 2023)

Chair:
Fimalac Développement*(Luxembourg*) (until 25 May 2023)

Chief Executive Officer of Webco (until 29 June 2023)

Director:
Edmond de Rothschild SA (Switzerland) and Chair of the Nomination and Compensation Committee (since 26 April 2023)

Fimalac Dévelopement (Luxembourg)

Fimalac

Paris Institute of Political Studies (SciencesPo)

Lagardère

Interparfums (since 21 April 2023)

The Brandtech Group LLC (USA) (since 31 May 2023), permanent representative of Fimalac

Supervisory Board member:

Edmond de Rothschild (France) and Member of the Audit Committee and the Risk Committee and Chair of the Compensation Committee (since 4 May 2023 previously member)

Chair, Association Force Femmes

Board member of institutions and public-interest entities:
Association Le Siècle

François Pauly **(until 4 May 2023)**

Chief Executive Officer, Edmond de Rothschild (Switzerland) SA (until 14 March 2023)

Chair of the Board of Directors:
Edmond de Rothschild (Europe) (Luxembourg) and Chair of the Nomination and Compensation Committee (until 25 April 2023)

Edmond de Rothschild (UK) Ltd (until 24 April 2023)

Compagnie Financière La Luxembourgeoise

Compagnie Foncière La Luxembourgeoise

Edmond de Rothschild (Monaco), and Audit and Risk Committee member (until 23 March 2023)

Supervisory Board member, Edmond de Rothschild (France) (until 4 May 2023)

Director:
Edmond de Rothschild (Israel), and Audit and Risk Committee member (until 30 May 2023)

Participations CF SA

LaLux Group

LaLux Assurances

LaLux Vie

Immo CF Place d'Armes

Immo CF Les Thermes

Immo CF Pétrusse

HLPA

HLVP

Immo CF Bergfeld

Immo CF Mertert

Altik

Inowai Group

Inowai

Inowai Residentiel

BELAC

Am Beechel

Am Guddebierg

Op der Gaass

Leuvest

Vedipar

Vedihold

Cobepa

Cobehold

IWG PLC Zug

Manager, LUXCO INVEST SARL

Felix Chomé Luxembourg and Brazil foundation

Red Cross Luxembourg

Genève Place Financière foundation, representative of Edmond de Rothschild (until 25 April 2023)

Association of Swiss Asset and Wealth Management Banks, representative of Edmond de Rothschild (until 25 April 2023)

Sabine Rabald

Manager of:
SARL ZenoVelo

Supervisory Board member, Edmond de Rothschild (France)

Director:
Edmond de Rothschild (Europe) (*Luxembourg*), also Audit and Risk Committee member

Nucoro Holdings Limited (UK) (until 8 June 2023)

Cynthia Tobiano

Deputy Chief Executive Officer, Edmond de Rothschild (Switzerland) SA (since 14 March 2023)

Chief Executive Officer, Edmond de Rothschild Holding SA (Switzerland)

Chair of the Supervisory Board, Edmond de Rothschild Asset Management (France)

Vice-Chair of the Board of Directors, Edmond de Rothschild (Israel) Ltd

Supervisory Board member, Edmond de Rothschild (France)

Director:
Holding Benjamin et Edmond de Rothschild Holding, Pregny SA and also Member of the Audit Committee

Edmond de Rothschild (Suisse) SA (until 14 March 2023)

Edmond de Rothschild Buildings Boulevard Limited (Israel)

Edmond de Rothschild (Europe)

Edmond de Rothschild (Monaco)

Edmond de Rothschild REIM (Europe) SA (until 4 January 2023)

Cattleya Finance S.A.

Cogifrance SA

Administration et Gestion SA

Gitana SA

The Caesarea Edmond Benjamin de Rothschild Corporation

Edmond de Rothschild Foundations

Management Board member:
Gitana France S.A.S.

Manager of:
CADR Sàrl (currently being liquidated)
Oli's Lab Sàrl

Christian Varin

Director:
Gingko (Luxembourg)
Josi Group (Belgium)
Fovabis SA (Belgium) (until 10 November 2023)

Supervisory Board member:
Edmond de Rothschild (France), and Compensation Committee member

Strategy Committee member:
Edmond de Rothschild Private Equity SA (Luxembourg)

Josepha Wohnrau

Supervisory Board member:
Edmond de Rothschild (France)

Executive Board:

Renzo Evangelista

Chair of the Executive Board, Edmond de Rothschild (France)

Chair of the Supervisory Board:

Edmond de Rothschild Corporate Finance

Edmond de Rothschild Assurances et Conseils (France)

Permanent representative, Edmond de Rothschild (France), Chair of the Supervisory Board, Edmond de Rothschild Private Equity (France)

Director:

Edmond de Rothschild Assurances et Conseils (Europe)

Edmond de Rothschild Assurances et Conseils (Monaco)

Franco-Israel Chamber of Commerce

Non-voting advisor, Edmond de Rothschild Asset Management (France)

Fabrice Coille

Executive Board member and Chief Executive Officer, Edmond de Rothschild (France)

Chief Executive Officer, Edmond de Rothschild SA

Chair of the Board of Directors:
Financière Boréale
Edmond de Rothschild Immo Premium

Permanent representative, Edmond de Rothschild (France), Vice-Chair of the Supervisory Board, Edmond de Rothschild Corporate Finance

Chair of the Supervisory Board, Edmond de Rothschild REIM (France)

Chair, SAS EDR Immo Magnum

Supervisory Board member, Edmond de Rothschild Private Equity (France)

Permanent representative of Edmond de Rothschild (France) on the Supervisory Board, Edmond de Rothschild Assurances et Conseils (France)

Permanent representative of Edmond de Rothschild SA on the Board of Directors, Financière Eurafrique (since 3 March 2022 and until 21 April 2023)

Non-voting advisor, Edmond de Rothschild Asset Management (France)

Nicolas Giscard d'Estaing

Executive Board member and also Company Secretary, Edmond de Rothschild (France)

Supervisory Board Vice-Chair, Edmond de Rothschild Assurances et Conseils (France)

Director:
Financière Boréale
Groupement Immobilière Financière – GIF

Permanent representative:
Edmond de Rothschild (France), Director, Financière Eurafrique (until 21 April 2023)

Board Committees

The Supervisory Board's rules of procedure lay down the operating procedures for the three Board Committees – the Audit Committee, the Risk Committee and the Remuneration Committee.

With a view to harmonising the corporate governance rules applicable to the various entities of the Edmond de Rothschild Group and in order to meet the requirements of the Group Directive "Corporate Governance - Rules of Best Practice", since 9 March 2023, an annual self-assessment of the Audit, Risk and Remuneration Committees has been in place, following the example of the Supervisory Board.

Audit Committee

The Audit Committee members are chosen from among the Supervisory Board members. It meets at least once a quarter and is convened by its Chair.

At 31 December 2023, the members of Edmond de Rothschild (France)'s Audit Committee were:

- Jean Laurent-Bellue (Chair),
- Véronique Morali and Louis-Roch Burgard.

The role of the Audit Committee, which has its own rules of procedure, is to assist the Supervisory Board. Its remit is to check the quality of accounting and financial information produced within the Group made up of Edmond de Rothschild (France) and its consolidated subsidiaries, and monitor the audit conducted by the Statutory Auditors and their independence.

More specifically, it is tasked with:

- ensuring the relevance and consistency of the accounting methods adopted to prepare the parent company and the consolidated financial statements, reviewing and assessing the scope of consolidation and reviewing and verifying the suitability of the accounting rules applied by the Group;
- reviewing the parent company and consolidated financial statements, the budgets and forecasts prior to their presentation to the Board. To this end, it reviews with the Company's management and Statutory Auditors the quarterly, interim and annual financial statements, the accounting principles and methods, the Group's audit and internal control principles and methods, plus the analysis and the reports related to financial reporting, accounting policy and communications between the Company's management and Statutory Auditors;
- controlling the quality and compliance with internal control procedures, assessing the information received from management, internal committees and internal and external audits concerning the preparation and processing of accounting and financial information;
- overseeing the selection and reappointment of the Statutory Auditors, expressing an opinion on the fees they propose to charge and submitting the results of their work to the Supervisory Board;
- ensuring the independence of the Statutory Auditors and their objectivity in respect of Statutory Auditors belonging to networks providing both audit and consulting services, as well as, more generally, reviewing, controlling and evaluating any and all factors liable to affect the accuracy and fair presentation of the financial statements;
- setting the rules under which the Statutory Auditors may perform non-audit services and entrusting additional audit assignments to external auditors;
- reviewing the details and suitability of the fees paid by the Group to the Statutory Auditors and ensuring that these fees and the corresponding services are not liable to compromise the Statutory Auditors' independence;
- making sure that the statutory and regulatory accounting and financial requirements applicable to the Group are met.

The Audit Committee meets, whenever convened by its Chair, as often as required but no less than once per quarter, prior to each Supervisory Board meeting. In 2023, it met on:

- 8 March
- 3 May
- 28 August
- 5 December

The Executive Board members and the Chief Financial Officer of Edmond de Rothschild (France) both have a standing invitation to attend Audit Committee meetings. The Chief Internal Auditor, the Head of Compliance and Permanent Control and the Head of the Central Risk Department are invited to attend its meetings in an advisory capacity.

The Audit Committee has drawn up a work programme, with the March and August meetings devoted specifically to a review of the full-year and interim financial statements conducted together with the Executive Board members, the Chief Financial Officer and the Statutory Auditors. No less than twice per year, the Audit Committee meets representatives of the Statutory Auditors to review the scope of their audit programme and the services they could be asked to provide.

It may request any information or ask anyone to appear before it as is required or useful for the fulfilment of its duties.

The Audit Committee reports on its work and provides its opinions and recommendations to the Supervisory Board. The Chair of the Audit Committee presents its work to the Supervisory Board.

Minutes of these meetings are circulated to all members of the Committee and of the Executive Board and are made available to members of the Supervisory Board.

Risk Committee

The Risk Committee was established on 15 March 2017, and its members are chosen from among the Supervisory Board members. It meets at least once a quarter and is convened by its Chair. In 2023, it met on the same dates as the Audit Committee.

At 31 December 2023, the members of Edmond de Rothschild (France)'s Risk Committee were:

- Jean Laurent-Bellue (Chair),
- Véronique Morali and Louis-Roch Burgard.

The role of the Risk Committee, which has its own rules of procedure, is to assist the Supervisory Board. Its remit is to monitor the effectiveness of the organisation and implementation of internal control and risk management at the Group formed of Edmond de Rothschild (France) and its consolidated subsidiaries, as well as adherence to the applicable regulations and the related compliance guidelines laid down by the Group.

More specifically, it is tasked with:

- advising the Supervisory Board in a general capacity on the Bank's overall strategy and its existing and future risk appetite, and controlling implementation of this strategy by the Bank's effective managers and by the head of the risk management function
- examining the internal audit's annual audit plan prior to its approval by the Supervisory Board;
- making sure that the statutory and regulatory requirements on internal, permanent and periodic control applicable to the Group are met;
- reviewing the risk control framework as a whole and in summary form;
- without prejudice to the terms of reference of the Compensation Committee, reviewing whether the incentives provided for by the compensation policy and practices are compatible with the Bank's position with regard to its risk exposure, its capital, its liquidity and the probability and timing of the expected profits.

The Executive Board members, the Chief Financial Officer of Edmond de Rothschild (France), the Chief Internal Auditor, the Head of Compliance and Control and the Head of the Central Risk Department have a standing invitation to Risk Committee meetings.

The Risk Committee may request any information or ask anyone to appear before it as is required or useful for the fulfilment of its duties.

The Committee reports on its work and informs the Supervisory Board of its opinions and recommendations. The Chair of the Risk Committee presents its work to the Supervisory Board.

Minutes of these meetings are circulated to all members of the Committee and of the Executive Board and are made available to members of the Supervisory Board.

Compensation Committee

The Compensation Committee issues opinions on the general compensation policy of the Edmond de Rothschild (France) Group as proposed by the Executive Board. Every year, it makes sure this policy is abided by. It makes recommendations to the Supervisory Board on all components of compensation paid to Executive Board members.

The Compensation Committee has three members: Véronique Morali, Ariane de Rothschild and Christian Varin. It meets at least once every year. Under the banking regulations, the Company has to prepare a report on compensation policy and practices every year. This report is filed with the ACPR (French Prudential Supervision and Resolution Authority).

As part of its work, the Compensation Committee verifies that:

- its assessment of compensation includes all the relevant components;
- each proposed element is in the Company's general interest;
- compensation is comparable with general banking and finance industry practices;
- compensation is linked to performance metrics;
- all compensation components comply with the latest applicable regulations.

It also reviews:

- the compensation policy adopted by Edmond de Rothschild (France) and its subsidiaries;
- the compensation awarded to employees in respect of each financial year;
- compensation awarded to senior executives.

COMPENSATION AND COMMITMENTS GIVEN TO CORPORATE OFFICERS

Since Edmond de Rothschild (France) shares are not admitted to trading on a regulated market, they do not fall within the scope of the "say on pay" regime established in Article L. 22-10-26 and Article L. 22-10-34 of the French Commercial Code.

OTHER DISCLOSURES REQUIRED PURSUANT TO ARTICLE L. 225-37-4 OF THE FRENCH COMMERCIAL CODE

Information about the agreements referred to in Article L. 225-37-4(2) of the French Commercial Code

Article L. 225-37-4(2) of the French Commercial Code stipulates that, except where they concern ordinary transactions and are entered into on an arm's length basis, agreements between, on the one hand, one of the corporate officers or one of the shareholders holding over 10% of the voting rights of a company, either directly or via an intermediary, and, on the other hand, another company controlled by the former as defined in Article L. 233-3 of the French Commercial Code, must be disclosed in the report on corporate governance.

No such agreement was brought to the attention of the Company during 2023.

Information about delegations of authority (Article L. 225-37-4(3) of the French Commercial Code

In accordance with Article L. 225-37-4(3) of the French Commercial Code, no delegation of authority or of powers to increase the Company's share capital pursuant to Articles L. 225-129.1 to L. 225-129.2 of said Commercial Code was in force at 31 December 2023.

Arrangements for shareholders to participate at the General Meeting

The arrangements for shareholders to participate at general meetings are set forth in Article 20 of the Articles of Association.

Disclosures required pursuant to Article L. 22-10-11 of the French Commercial Code

Since Edmond de Rothschild (France) shares are not admitted to trading on a regulated market, no public tender or exchange offer can be made for them. Accordingly, the provisions of Article L. 22-10-11 of the French Commercial Code do not apply to Edmond de Rothschild (France).

OBSERVATIONS OF THE SUPERVISORY BOARD ON THE REPORT OF THE EXECUTIVE BOARD AND THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

In accordance with the law, the Company's Executive Board has presented on a timely basis the 2023 financial statements to us for verification and control purposes and provided the report to be presented to you at the General Meeting.

Having examined the report, we have no additional observations to make concerning the Company's management or the 2023 financial statements. The financial statements are in line with the information provided to us during the year.

We recommend that you approve these financial statements at the Annual General Meeting of Shareholders.

The Supervisory Board

Consolidated financial statements and notes

Consolidated financial statements and notes

IFRS consolidated balance sheet (in thousands of euros)

		31/12/2023	31/12/2022 restated (*) (**)
Assets			
Cash, due from central banks and postal accounts	3.1	2,475,815	3,844,162
Financial assets at fair value through profit or loss	3.2	80,481	87,362
Hedging derivatives	3.3	47,755	61,080
Financial assets at fair value through other comprehensive income	3.4	990	1,503
Securities at amortised cost	3.5	79,218	73,465
Loans and receivables due from credit institutions, at amortised cost	3.6	835,091	539,590
Loans and receivables due from clients, at amortised cost	3.7	1,212,759	1,530,671
Revaluation differences on interest rate risk-hedged portfolios	3.3	-35,377	-54,443
Current tax assets		389	5,584
Deferred tax assets		12,625	13,892
Accruals and other assets	3.9	144,166	231,966
Investments in equity-accounted associates	3.10	8.534	16,478
Property, plant and equipment	3.11	34.399	37,182
Right-of-use assets		17,924	20,791
Intangible assets	3.12	48,646	28,036
Goodwill	3.13	50,125	50,125
Non-current assets held for sale		-	-
Total assets		**5,013,540**	**6,487,444**

(*) See note 3.10: Impact of the reclassification of the Zhonghai investment from "Non-current assets held for sale" to "Investments in associates"

(**) On 31 December 2023, Valuation adjustments on portfolios subject to interest-rate hedging were reclassified as assets in accordance with IFRS 9.6.1.3 and IAS 39.81A, 89A, AG 114-132.

		31/12/2023	31/12/2022 restated (*) (**)
Liabilities			
Financial liabilities at fair value through profit and loss	3.14	2,743,145	3,131,947
Hedging derivatives	3.3	3,477	1,392
Due to credit institutions	3.15	35.263	49,606
Due to clients	3.16	1,558,489	2,556,637
Debt securities		-	-
Revaluation differences on interest rate risk-hedged portfolios	3.3	-	-
Current tax liabilities		274	197
Deferred tax liabilities		-	-
Accruals and other liabilities	3.9	210,761	250,847
Provisions	3.17	19,915	16,377

Subordinated debt	3.18	-	-
Shareholders' equity		442,216	480,441
Shareholders' equity, Group share		441,208	478,795
. Capital and related reserves		*201,195*	*201,195*
. Consolidated reserves		*174,118*	*195,469*
. Gains and losses recognised directly in equity		*5,601*	*10,134*
. Results of the financial year		*60,294*	*71,997*
Minority interests		1,008	1,646
Total liabilities		**5,013,540**	**6,487,444**

IFRS consolidated income statement (in thousands of euros)

		31/12/2023	31/12/2022 restated (*)
+ Interest and similar income	4.1	198,256	51,439
- Interest and similar expenses	4.2	-149,435	-50,435
+ Commissions (income)	4.3	388,443	394,792
- Commissions (expenses)	4.3	-98,302	-91,358
+/- Net gains or losses on financial instruments at fair value through profit or loss	4.4	47,415	36,566
+/- Net gains or losses on financial assets at fair value through equity	4.5	96	30
+ Income from other activities	4.6	15,527	13,985
- Expenses from other activities	4.6	-21,461	-20,792
Net banking income		380,539	334,227
- General operating expenses	4.7	-282,468	-274,835
- Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-23,184	-25,250
Gross operating income		74,887	34,142
+/- Cost of risk	4.8	-831	34
Operating income		74,056	34,176
+/- Share of net income of equity-accounted associates	3.10	-594	15,808
+/- Net gains or losses on other assets	4.9	2,188	33,470
+/- Change in the value of goodwill		-	-
Recurring income before tax		75,650	83,454
- Income tax	4.10	-15,927	-13,003
Net income		59,723	70,451
- Minority interests		571	1,546
Net income – Group share		**60,294**	**71,997**
Earnings per share in euros		10.72	12.84
Diluted earnings per share in euros		10.72	12.84

Statement of comprehensive income (in thousands of euros)

	31/12/2023	31/12/2022 restated (*)
Net income	**59,723**	**70,451**
Items relating to changes in currency exchange rates	-1,703	-189
Change in the deferred value of hedging derivatives (***)	-	-
Change in value of financial assets at fair value through other comprehensive income (***)	46	67
Actuarial gains or losses on defined-benefit plans (***)	-1,768	727
Total gains and losses recognised directly in equity	**-3,425**	**605**
Net income and gains and losses recognised directly in equity	**56,298**	**71,056**
o/w Group share	*56,869*	*72,602*
o/w minority interests	*-571*	*-1,546*

(***) Net of tax

IFRS cash flow statement (in thousands of euros)

	31/12/2023	31/12/2022 restated (*)
Cash flow from operating activities		
Net income for the financial year	**59,723**	**70,451**
Net income from disposals of long-term assets	-2,284	-33,500
Net allocations to amortisation and provisions	16,566	13,075
Share of income from equity-accounted entities	594	-15,808
Reclassification of net income from financial instruments at fair value through profit or loss	-47,415	-36,566
Other income and expenses calculated	1,430	2,421
Income tax expense (including deferred taxes)	15,927	13,003
Cash flow before income from financing activities and tax	44,540	13,076
Tax paid	-8,670	-20,891
Net increase/decrease related to transactions with credit institutions	-265,843	-480,131
Net increase/decrease related to customer transactions	-695,076	-40,148
Net increase/decrease related to transactions affecting other financial assets or liabilities	-360,761	1,736,104
Net increase/decrease from transactions in other non-financial assets and liabilities	60,824	-61,169
Net cash from operating activities	**-1,224,986**	**1,146,841**
Cash flows from investing activities		
Cash payments for acquisitions of property, plant and equipment and intangible assets	-34,091	-23,356
Cash payments for acquisitions of financial fixed assets	-	-
Dividends received from equity-accounted associates	490	5,574
Disposals or reductions of fixed assets	11,441	133,057
Net cash from investment activities	**-22,160**	**115,275**
Cash flow from financing activities		
Increase/decrease in cash from transactions with shareholders	-96,264	-50,581
Net cash from financing activities	**-96,264**	**-50,581**
Effect of changes in exchange rates on cash and cash equivalents	-138	-12
Net change in cash and cash equivalents	**-1,343,548**	**1,211,523**
Net balance of cash accounts and central banks	3,844,162	2,629,937
Money market UCITS classified as cash equivalents	-	15
Net balance of sight loans and borrowings with credit institutions	-10,716	-8,030
Opening cash and cash equivalents	**3,833,446**	**2,621,922**
Net balance of cash accounts and central banks	2,475,002	3,844,162
Money market UCITS classified as cash equivalents	-	-
Net balance of demand deposits with and loans from credit institutions	14,896	-10,716
Cash and cash equivalents at year-end	**2,489,898**	**3,833,446**
Change in the net cash position	**-1,343,548**	**1,211,523**

Statement of changes in equity (in thousands of euros)

	31/12/2021	Appropriation of income	Other changes	31/12/2022 restated (*)
Group share				
– Share capital	83,076	-	-	83,076
– Issue premiums	98,244	-	-	98,244
– Equity instruments (TSS)	19,875	-	-	19,875
– Interest on equity instruments (TSS)	-17,443	-	-403	-17,846
– Elimination of treasury shares	-	-	-	-
– Other reserves	204,080	56,562	-47,327	213,315
– Gains and losses recognised directly in other comprehensive income	9,529	-	605	10,134
– 2021 income	56,562	-56,562		-
Sub-Total	**453,923**	**-**	**-47,125**	**406,798**
– 2022 income	-	-	71,997	71,997
Total Shareholders' equity, Group share	**453,923**	**-**	**24,872**	**478,795**
Minority interests				
– Reserves	5,479	-2,287	-	3,192
– 2021 income	-2,287	2,287	-	-
– 2022 income	-	-	-1,546	-1,546
Total minority interests	**3,192**	**-**	**-1,546**	**1,646**

	31/12/2022 restated (*)	Appropriation of income	Other changes	31/12/2023
Group share				
– Share capital	83,076	-	-	83,076
– Issue premiums	98,244	-	-	98,244
– Equity instruments (TSS)	19,875	-	-	19,875
– Interest on equity instruments (TSS)	-17,846	-	-908	-18,754
– Elimination of treasury shares	-	-	-	-
– Other reserves	213,315	71,997	-92,440	192,872
– Gains and losses recognised directly in other comprehensive income	10,134	-	-4,533	5,601
– 2022 income	71,997	-71,997		-
Sub-Total	**478,795**	**-**	**-97,881**	**380,914**
– 2023 income	-	-	60,294	60,294
Total Shareholders' equity, Group share	**478,795**	**-**	**-37,587**	**441,208**
Minority interests				
– Reserves	3,192	-1,546	-67	1,579
– 2022 income	-1,546	1,546	-	-
– 2023 income	-	-	-571	-571
Total minority interests	**1,646**	**-**	**-638**	**1,008**

Notes to the consolidated financial statements

Note 1 – General context for the preparation of the consolidated financial statements

1.1. Background

In compliance with EU Regulation 1606/2002 of 19 July 2002 concerning the application of international accounting standards by entities issuing publicly traded debt securities, and in connection with the regular issue of publicly traded debt securities, Edmond de Rothschild (France) prepared its financial statements in accordance with International Financial Reporting Standards (IFRSs) for the first time in 2007. (International Financial Reporting Standards).
Edmond de Rothschild (France)'s financial statements are prepared in accordance with IAS/IFRS standards and IFRIC interpretations applicable at 31 December 2023 as adopted by the European Union (see http://ec.europa.eu/internal_market/accounting/ias/index_en.htm).

They were approved by the Executive Board on 29 February 2024 and reviewed by the Audit Committee on 7 March 2024 and by the Supervisory Board on 8 March 2024.

1.2. Compliance with accounting standards

New applicable accounting standards

The standards, amendments and interpretations whose application is compulsory for accounting periods beginning on or after 1 January 2023 are listed below:

- IFRS 17 - Insurance Contracts
- Amendments to IFRS 17 - Insurance Contracts and IFRS 9 – Financial Instruments
- Amendments to IAS 1 – Disclosure of Accounting Policies
- Amendments to IAS 8 – Definition of Accounting Estimates
- Amendments to IAS 12 – Income taxes – Deferred tax related to assets and liabilities arising from a single transaction
- Amendments to IAS 12 - Tax, International Tax Reform - Pillar 2 Model Rules

New international tax rules have been established by the OECD, aimed at subjecting large international groups to additional taxation when the Effective Tax Rate (ETR) of a jurisdiction in which they are based is less than 15%.
The aim of these rules is to combat competition between countries based on tax rates, with initial application for tax years beginning in 2024.

At this stage, the Group is continuing its analysis to determine the potential impact of these new rules.

In accordance with the provisions of the amendments to IAS 12, the mandatory and temporary exception not to recognise deferred tax associated with this additional taxation has been applied.

- Amendments to IFRS 16 – Leases – Lease Liability in a Sale and Leaseback

The entry into force of these new standards and amendments had no impact on the consolidated financial statements at 31 December 2023.

New standards published and not yet applicable

The Group did not opt for early application of the new standards, amendments and interpretations adopted by the European Union when their application in 2023 is only optional.

1.3. Use of estimates

The preparation of financial information involves the use of estimates and assumptions regarding future circumstances.

In addition to available information, making estimates requires an element of judgement, particularly as regards the following:

- impairment tests performed on intangible assets;
- impairment tests performed on investments in associates;
- determining whether or not a market is active for the purposes of using a value measurement technique.

The Group also considers that among the other accounting aspects requiring the use of judgement, the most important concern provisions, pension liabilities and share-based payments.

1.4. Consolidation methods

The consolidated financial statements were prepared on the basis of the separate financial statements of Edmond de Rothschild (France) and all controlled subsidiaries and subsidiaries subject to significant influence.

Fully consolidated companies

Companies controlled by Edmond de Rothschild (France) are fully consolidated.
Full consolidation involves replacing the value of shares in the subsidiaries with each item of those companies' financial statements, then eliminating transactions between the parent and subsidiaries and between subsidiaries. Non-controlling interests in the equity and earnings of subsidiaries are stated separately in the consolidated balance sheet and income statement.
The Group has control over a subsidiary where it has power over the entity (generally by holding the majority of voting rights, directly or indirectly), where its relations with the subsidiary expose it or entitle it to variable returns and where it has the ability to influence those returns because of the power it exerts.

Associates

Companies over which the Group exercises significant influence are accounted for under the equity method. Significant influence is defined as the power to participate in the financial and operating policies of a subsidiary but not to control those policies. Significant influence is often exercised by representation on the Board of Directors, Executive Board or Supervisory Board, participation in strategic decisions, interchange of managerial personnel or dependence on technical information.

Significant influence is presumed to exist when a company holds, directly or indirectly, at least 20% of the voting rights in a subsidiary. Investments in associates are initially stated at cost including attributable goodwill and subsequently adjusted to reflect changes in the Group's share of net assets. Gains and losses on transactions between the Group and associates are eliminated to the extent of the investment, unless the transaction results in permanent impairment of the asset transferred.

Special purpose entities

These are legal entities designed so that voting rights are not the determining factor in establishing control over the entity. That is the case where the entities undertake solely administrative tasks and where their relevant activities are managed through contractual arrangements. The main criteria for assessing whether the Group controls a special purpose entity are as follows:

- the activities and purpose of the company;
- the way the entity was structured;
- the risks borne by the company and those transferred and borne by the Group;
- exposure to and ability to control the entity's variable returns.

Groupement Immobilière Financière meets those criteria and is therefore consolidated.

1.5. Changes in the scope of consolidation

Eurafrique was dissolved on 9 May 2023.

As part of a reorganisation of private equity activities within the Edmond de Rothschild Group, the company Edmond de Rothschild Private Equity (France) was sold in late 2023.

1.6. Consolidation principles

Reporting date

The consolidated financial statements were prepared on the basis of the separate financial statements of each Group company at 31 December 2023.

Elimination of inter-company transactions

Receivables, payables and liabilities, as well as income and expenses resulting from transactions between fully consolidated companies, are eliminated. The same applies to capital gains or losses on disposals.
Dividends received from consolidated companies are eliminated from consolidated earnings.

Goodwill

Business combinations completed before 1 January 2010

The Group accounted for business combinations using the purchase method. The acquisition cost was measured as the total fair value, at the date of acquisition, of the assets given, liabilities incurred or assumed and equity instruments issued in exchange for control of the acquiree, plus any costs directly attributable to the business combination.
At the acquisition date, the assets, liabilities, off-balance sheet items and contingent liabilities of the acquired entities that are identifiable under IFRS 3 "Business Combinations" were measured individually at fair value, whatever their purpose.
The analysis and expert assessments necessary for initial measurement of these items, and any corrections resulting from new information, had to take place within 12 months of the date of acquisition.
Upon the first consolidation of an investment, the difference between the acquisition cost of the shares and the share of adjusted net assets acquired was, after analysis, allocated between corrections to the values of balance sheet items and to the commitments of the consolidated company, and intangible assets that meet the criteria defined in IAS 38. The residual balance was treated as goodwill. Positive goodwill was reported in the consolidated balance sheet under the heading "Goodwill". Negative goodwill was immediately recognised in profit and loss. If the Group increases its percentage interest in an entity it already controls, the acquisition of further shares gives rise to recognition of additional goodwill, determined by comparing the purchase price of the shares and the share of net assets acquired.
Goodwill is carried in the balance sheet at cost. Goodwill on acquisitions of associates is included under the heading "Investments in associates".

Business combinations completed after 1 January 2010

The rules set out above have been modified by the adoption of the revised IFRS 3. The main changes are as follows:

- Changes in interests that do not result in a loss of control (additional purchases or disposals that do not result in a loss of control) only affect equity and have no impact on goodwill.
- Contingent liabilities of the acquiree are only recorded in the consolidated balance sheet if they represent a present obligation on the date control is acquired if and their market value can be reliably estimated.
- Costs directly related to the business combination constitute a separate transaction from the combination itself and are recognised in profit and loss.
- Any contingent consideration is included in the purchase price at its market value on the acquisition date. After the 12-month evaluation period following the business combination, changes in the value of any contingent consideration classified as a financial liability are recognised in profit and loss.
- On the date control is acquired over an entity, any previously held interest in the latter is remeasured at market value through profit and loss.

In the case of a step acquisition, goodwill is determined by reference to market value at the date control is acquired, and not by reference to the assets and liabilities acquired at the time of each exchange transaction.

Measurement of goodwill

The Group regularly reviews goodwill and carries out impairment tests at least once a year, or whenever there is evidence of impairment. At the date of acquisition, goodwill is allocated to one or more cash-generating units likely to obtain benefits from the acquisition. Any impairment of goodwill is determined by reference to the recoverable amount of the cash-generating unit(s) (CGU) to which it is allocated.
When the recoverable amount of the CGU, determined by experts on the basis of value in use or fair value less costs to sell, is lower than its carrying amount value, an irreversible impairment loss is recorded in the consolidated income statement, under the heading "Changes in the value of goodwill".

Deferred taxes

Deferred taxes are recognised when temporary differences are identified between the carrying amounts of balance sheet assets and liabilities for reporting and tax purposes, and where those differences will affect future tax payments.
Deferred taxes are determined using the liability method. Under this method, deferred taxes recorded in previous periods are adjusted when tax rates are changed and the resulting difference is taken to profit and loss. Deferred tax assets are only recognised when it is likely that the consolidated company will have sufficient taxable income to utilise the deferred tax asset within a given time horizon.

Translation of foreign currency financial statements

The Group's consolidated financial statements are prepared in euros. The financial statements of entities whose functional currency is not the euro are translated into euros using the closing rate method. Under this method, all assets and liabilities, both cash and non-cash, are translated at the exchange rate on the balance sheet date. Revenues and expenses are translated at the average rate during the period. Translation gains or losses, both on balance sheet and income statement items, are recognised, for the portion attributable to the Group, in shareholders' equity under "Translation differences", and for the portion attributable to third parties, under "Non-controlling interests".

Conversion of foreign currency transactions

Monetary assets and liabilities in foreign currencies are translated into euros using official exchange rates as published by the Banque de France at the balance sheet date. Unrealised or realised exchange differences are recognised in profit or loss. Spot foreign exchange transactions are valued at the spot exchange rate at the end of the period. The resulting revaluation differences are recorded in the income statement. Forex forwards are valued at the forward rate for the remainder of the period, with the impact of changes in fair value through profit or loss.

Non-monetary assets denominated in foreign currencies, and in particular non-consolidated equity investments denominated in foreign currencies, are recorded on the assets side of the balance sheet at their value in foreign currency converted at the exchange rate on the date of acquisition or subscription. Exchange differences relating to these assets are recognised in profit or loss only when they are sold or impaired, or in the case of fair value hedges of foreign exchange risk.

Financial assets and liabilities

On initial recognition, financial assets and liabilities are measured at fair value by including acquisition costs (with the exception of financial instruments recognised at fair value through profit or loss) and are classified in the following categories:

Loans and receivables

- Loans made to clients in the course of commercial banking activities are included in the balance sheet item “Loans and receivables due from clients at amortised cost”. They are initially measured at fair value, and subsequently adjusted at the closing date to their amortised cost based on the effective interest rate, which takes into consideration cash flows resulting from all the contractual terms of the instrument. Impairment losses are recorded on these items (see section on “Impairment of financial assets”). Securities received under repurchase agreements are also classified in this category.

- The value of securities purchased under repurchase agreements for cash is recognised as the relevant amount of cash received. Income from these transactions is recognised at amortised cost in the income statement.

- After initial recognition, loans and receivables due from credit institutions not originally designated as “at fair value through profit and loss” are subsequently measured at amortised cost based on the effective interest rate. Compensation related to securities purchased under repurchase agreements with banks is recorded using the amortised cost method in the same way as repurchase agreements with financial clients.

Financial assets at fair value through profit and loss

These instruments make up a very small proportion of assets held for trading, and are carried at fair value at the closing date, with changes in fair value recorded in profit and loss under the heading “Net gains or losses on financial instruments at fair value through profit and loss”.

This item also includes non-derivative financial assets and liabilities that the Group has designated from the outset as “at fair value through profit and loss”.

The purpose of the Group’s fair value option is:

- to apply fair value measurement to certain hybrid instruments in order to avoid separating embedded derivatives, which need distinct reporting. Structured EMTNs, and NEU CP- NEU MTNs (euro medium-term notes, negotiable commercial paper and negotiable medium-term notes) issued by the Bank belong to this category;
- to eliminate or significantly reduce discrepancies in the accounting treatment of certain financial assets and liabilities. Edmond de Rothschild (France) therefore measures all forward cash management operations at fair value through profit and loss. The Bank’s cash management is based on the following principles:

1. the arrangement of term loans and borrowings with banks or financial clients;
2. the acquisition or issuance of negotiable debt securities on the interbank market;
3. where necessary, the hedging of each of these items using interest-rate derivatives.

When an item recognised at amortised cost is hedged by a financial asset that would be classified as an asset at fair value through other comprehensive income, designating that item as at fair value can eliminate the distortion that arises from different accounting treatments for financial assets and liabilities that share the same interest-rate risk, and experience changes in fair value that tend to be mutually offsetting.

Similarly, when an interbank loan for which the hedging relationship was not initially recognised experiences the same changes in fair value (due to the exposure to interest rate risk), but in the opposite direction, the use of the fair value option mitigates the distortion that would have resulted from the loan being recognised at amortised cost and the derivative as a change in fair value through profit or loss.

Other financial assets at fair value through profit or loss also include:
- debt instruments whose contractual cash flows do not constitute repayments of principal and payments of interest on the principal that remains due (non-SPPI instruments),
- equity instruments that the Group has not opted to classify at fair value through other comprehensive income.

Finally, this category of financial assets and liabilities includes the positive or negative fair values (without offsetting) of derivatives that have not been designated as hedging instruments.

Financial assets at fair value through equity

Debt instruments

The "Financial assets at fair value through other comprehensive income" category includes debt instruments (loans and advances, bonds and other similar securities) with a business model involving the collection of contractual cash flows – representing basic SPPI ("solely payments of principal and interest") loans – and sales of those instruments.
Changes in value, excluding accrued or earned income, are recognised in a specific equity line item entitled "Gains and losses recognised directly in other comprehensive income", and are reclassified to profit and loss when the instruments are sold.
These financial assets are subject to a calculation of expected credit risk losses.

Equity instruments

The Group has opted for the classification at fair value through equity of a portion of its equity securities required for it to carry out certain activities.
That classification, which is irrevocable, must be carried out for each security.
Changes in the fair value of these instruments are recognised in "Gains and losses recognised directly in other comprehensive income", and cannot be recycled to profit and loss.
Assets classified in this category are not subject to impairment. Only dividends are recognised in profit or loss.

Reclassification of financial assets

Reclassification of financial assets provided for by the standard is only required when there is a change in the associated business model.

Impairment of financial assets

Financial assets measured at amortised cost and debt instruments measured at fair value through equity recyclable to profit or loss

Loans and debt instruments classified at amortised cost or at fair value through equity fall within the scope of the impairment model for credit risk. These financial assets are systematically impaired from their trade date (acquired or granted).
The provisioning model is based on monitoring the relative deterioration in credit quality, corresponding to changes in the counterparty's credit risk, without waiting for objective evidence of actual loss.

Stage 1: performing assets that have not significantly deteriorated since inception
Expected credit losses in the next 12 months are calculated on assets that have not undergone any significant deterioration in credit quality since inception.
Stage 2: performing assets that have significantly deteriorated since inception

Within the Group, loans are not scored but monitored according to a Basel approach, depending on the type of eligible security covering the loan granted.
Three indicators are used to gauge a deterioration in credit quality: overdue payments, limit violations or unauthorised debits, and margin calls.
For loans with eligible financial security, the Group has not adopted the rebuttable presumption that loans on which payments are more than 30 days past due have undergone a significant deterioration in credit quality (no defaults have occurred in recent years), and the "Stage 2" classification takes place after 60 days in the event of overdue payments or unauthorised debits.
Mortgages follow the same rules.
Unsecured loans or loans without eligible security are classified as "Stage 2" after 30 days in the event of overdue payments or unauthorised debits.
The provision for impairment corresponds to lifetime expected credit losses on financial assets.
Step 3: Assets in default
Assets classified as non-performing loans are identified on the basis of the occurrence of one or more past due payments for at least 90 days.
Credit risk will be assessed for lifetime expected credit losses.
The amount of the impairment loss is included in "Cost of risk" in the income statement, and the value of the financial asset is reduced through the recognition of impairment. Increases and decreases in impairment provisions due to changes in the probability of recovery are recorded in "Cost of risk", while the reversal over time of the discounting effects is treated as financial income from impaired receivables and included in "Interest and similar income" in profit and loss.

Measurement of expected credit losses

Expected credit losses are defined as the discounted probable expected value of the credit loss (principal and interest). The methodology for measuring these losses is based on the following components:

- Probability of default (PD)
- Probability of default is an estimate of the likelihood that a default will occur.
- Most loans granted to the Group's clients have a 1-year maturity and in the absence of any defaults in recent years, the Group has decided to apply:
- for loans classified in "Stage 1", the average first-quartile 1-year PD shown by the retail mortgage books of major French banks,
- a flat-rate 20% PD for loans on which credit risk has significantly deteriorated.

- Loss given default (LGD)
- The LGD corresponds to the evaluation of the loss incurred in the event of default by a counterparty. This amount takes into account the loan values applied to the market values of assets and securities hedging loans granted by the Bank (discounts established in accordance with the provisions of the Group's risk policy).
- Exposure at default (EAD)
- EAD is the amount owed by the counterparty at the time it defaults on a given commitment.

- Forward-looking approach
- IFRS 9 requires "forward-looking" data to be included in the calculation of expected losses relating to credit risk.
- The aim is to be able to take into account as early as possible forward-looking information and macroeconomic indicators that may affect the risk profile of counterparties.
- The group takes this forward-looking information into account in the context of the loan values used to determine the LGD.

Derecognition of financial assets or liabilities

Derecognition of financial assets

The derecognition (total or partial) of a financial asset on the balance sheet is done on expiry of the contractual rights to the cash flows of the instrument or on transfer to a third party of these flows and of almost all of the risks and rewards of the instrument.

Derecognition of financial liabilities

The Group removes a financial liability from its balance sheet when the obligation specified in the contract is extinguished, discharged or cancelled or expires.

Derivatives and hedges
All derivatives, except derivatives designated for accounting purposes as cash flow hedges (see below), are stated at fair value with changes in fair value recognised in profit and loss. Derivatives are recorded on the balance sheet at the trade date. They are classified into two categories:

Derivative instruments held for trading
Derivatives are automatically classified as held for trading unless they qualify for accounting purposes as hedging instruments. They are carried in the balance sheet under "Financial assets at fair value through profit and loss" where their fair value is positive, and under "Financial liabilities at fair value through profit and loss" where their fair value is negative. Changes in the fair value of derivatives are recorded in profit and loss under "Net gains or losses on financial assets at fair value through profit and loss".

Income and expenses recorded at the time of interim payments of interest differentials or on settlement of the final payment under the derivative contract are recorded in profit and loss under "Interest and similar income" or "Interest and similar expenses". Gains and losses resulting from derivatives being unwound before their contractual expiry date are recorded in profit and loss under "Net gains or losses on financial assets at fair value through profit and loss".

Hedging derivatives
Hedge accounting is an exception to the general principles for recording financial instruments and can only be applied if and only if strict criteria are met:

- the exposure must be generated by specific risks that can be covered for accounting purposes;
- the exposure should potentially affect the outcome;
- the hedge must be formally identified and documented at inception including the strategy and objectives of the company for undertaking the hedge, identification of the hedging instrument and the hedged item, the nature of the risk being hedged, the probability of occurrence of the future transaction, the methodology for assessing effectiveness and measuring ineffectiveness;
- the hedge must be highly effective at inception and over the life of the transaction in offsetting changes in the fair value or cash flows of the hedged risk.

Hedging derivatives are reported in the balance sheet under "Hedging derivatives".
Depending on the nature of the hedged risk, the Group must designate the hedging derivative as a fair-value hedge, a cashflow hedge or a hedge of currency risk related to a net investment in a foreign operation.

The Group does not apply the "hedge accounting" component of IFRS 9 based on the option offered by the standard. All hedging relationships are documented according to the rules of IAS 39, at the latest until the date of application of the text on macro-hedging when it is adopted by the European Union.

Fixed assets
Operating fixed assets are recorded on the assets side of the balance sheet at their acquisition cost.
The depreciation or amortisation period for depreciable property, plant and equipment and intangible assets corresponds to the useful life of the asset in the company.

Intangible assets
Intangible assets include IT software and acquired contract portfolios:

- Intangible assets with an unlimited useful life are subject to annual impairment tests from the end of the second six-month period. These tests may be carried out at any time during the year, provided the date remains unchanged from one year to the next. For intangible assets first recognised during the current period, an impairment test is carried out before the end of the year.
- Intangible assets with a limited useful life are carried at acquisition cost less cumulative amortisation and impairment. They are amortised over their useful life. The useful life is the shorter of the useful life as defined by law and the expected economic life of the asset. Purchased software is amortised over a period of between one and three years.
- Intangible assets are subject to impairment tests if events or new circumstances indicate a risk that the carrying amount may be irrecoverable.

Property, plant and equipment

Equipment, fixtures, fittings and real estate assets are recognised at acquisition cost less depreciation; depreciation is calculated, for the most part, on a straight-line basis, to fully amortise the assets over their useful life, i.e. between 4 and 10 years and 25 years, respectively.
Property, plant and equipment are tested for impairment if events or new circumstances indicate that the carrying amount may not be recoverable.
Capital gains or losses on the disposal of operating fixed assets are recorded under "Net gains or losses on other assets".
The Group does not have any investment property in its fixed assets.

Right-of-use assets
On the date a leased asset is made available to the lessee, a right-of-use asset equal to the initial value of the lease liability is recognised on the balance sheet.
That asset is then amortised on a straight-line basis over the term of the lease.

Financial liabilities at amortised cost
Debts issued by the Group that are not classified as financial liabilities measured at fair value through profit or loss are initially recognised at cost, which corresponds to the fair value of the amounts borrowed net of transaction costs.
These debts are measured at amortised cost at the balance sheet date using the effective interest rate method. Accrued interest on these debts is recorded under accrued interest and related payables and offset in the income statement.

Amounts due to banks and amounts due to customers
Amounts due to credit institutions and customers are broken down according to their initial term or type of debt: demand deposits and term deposits for credit institutions; regulated savings accounts and other deposits for customers. They also cover liabilities on securities sold under demand or term repurchase agreements with credit institutions or customers, which are included in these two headings.

They are recorded at the sale price of the securities. Securities sold under repurchase agreements are kept on the asset side of the balance sheet in their original items and are valued according to the rules specific to the portfolio to which they belong; income from these securities is also recognised as if the securities were still in the portfolio.

Debt securities
Debt securities include in particular certificates of deposit, interbank market securities and debt securities, bonds, excluding subordinated securities classified as subordinated debt. Accrued interest payable on these securities is recorded under accrued interest and related payables and offset in the income statement.

Provisions
Provisions, other than those relating to credit risks or employee benefits, represent liabilities for which the maturity or amount are not precisely set. They are made if a legal or implicit obligation exists for the Group, due to past events with respect to a third party where it is probable or certain that this will result in an outflow of resources to the benefit of this third party, without at least equivalent consideration expected from the latter.
The amount of the expected outflow of resources is then discounted to determine the amount of the provision, if the effect of this discounting is significant.

Allocations to and reversals of these provisions are recorded in profit or loss on the lines corresponding to the type of future expenses thus covered.

Treasury shares
Treasury shares are shares in the parent company Edmond de Rothschild (France) and its fully consolidated subsidiaries. Treasury shares held by the Group for any purpose are deducted from consolidated shareholders' equity, and related gains or losses are eliminated from consolidated profit and loss.

Income tax
Edmond de Rothschild (France) and some of its subsidiaries have opted to form a tax consolidation group. These entities have agreed that the advantage or disadvantage arising from the tax consolidation (difference between the consolidated tax charge and the total of the tax charges of the companies calculated independently) is recognised immediately in the parent company's income statement.

Income tax for the year includes current and deferred taxes. Income tax is recognised in the income statement, with the exception of the portion relating to items directly recognised in equity.

Current taxes are the provisional taxes payable on taxable profits for the financial year, calculated on the basis of the rates in force at the balance sheet date, and any adjustment to taxes due in respect of previous financial years. Current tax assets and liabilities are offset when Edmond de Rothschild (France) intends to settle on a net basis and is legally authorised to do so.
Deferred taxes are recognised on the basis of temporary differences between the carrying amount of assets and liabilities on the balance sheet and the tax value allocated to these assets and liabilities. As a general rule, all taxable temporary differences give rise to the recognition of a deferred tax liability, while deferred tax assets are recognised to the extent that there is a probability of future taxable profits that these deductible temporary differences can be applied to. Deferred tax assets and liabilities are offset when they relate to the same financial consolidation group, fall under the same financial authority and the entity is legally authorised to offset them. Deferred taxes are not discounted.
Deferred taxes relating to actuarial gains and losses on defined benefit plans are recognised directly in equity.
In France, the standard corporate income tax rate is 25%. Additionally, there is the general social security contribution on earnings of 3.3% (after an allowance of €0.763 million) introduced in 2000.
Long-term capital gains on investments in subsidiaries and associates are exempt, subject to fees and charges equal to 12% of the gross amount of the capital gains being taxed at the ordinary rate. In addition, under the regime for parent companies and subsidiaries in which the investment is at least 5%, net income from shareholdings is exempt, subject to taxation at the ordinary rate of a share of 1% of fees and expenses in the tax-integrated groups. For companies that have not opted for the tax consolidation regime, the share of fees and expenses is 5%.

For the 2023 financial year, the tax rate used to determine deferred taxes was 25.83% for income taxed at the ordinary rate. For income taxed at the reduced rate, the rates used were 4.13% and 15.50%.

Methods for determining the fair value of financial instruments

Fair value is the amount for which an asset could be exchanged or a liability settled between well informed, consenting parties in an arm's-length transaction. The Group distinguishes three categories of financial instruments according to the consequences of their characteristics on their valuation method and relies on this classification to present some of the information in the notes to the financial statements:
Level 1 category: financial instruments that are quoted on an active market;
Level 2 category: financial instruments whose value is measured by reference to observable parameters;
Level 3 category: instruments whose value is measured by reference to parameters that are wholly or partly non-observable; a non-observable parameter is defined as a parameter whose value is measured by reliance on assumptions or correlations based neither on trading prices observable on the markets for the given instrument at the valuation date, nor on observable market data available at that date.

A financial instrument is regarded as quoted on an active market if prices are readily and regularly available from a stock exchange, broker, dealer, pricing service or regulatory agency and if those prices represent actual transactions regularly occurring in the market under arm's-length conditions.

Instruments traded on active markets
Where a financial instrument is traded on an active market and quoted prices are available for that instrument, the fair value of the financial instrument is represented by its market price.

Instruments traded on inactive markets
When the market for an instrument is not active, its fair value is determined using observable market data and valuation techniques.
Depending on the financial instrument, they use data from recent transactions and discounted future cash flow models based at the rates in force at the balance sheet date.

Structured debt and indexed derivatives
For the purpose of determining the fair value of structured debt and index-linked derivatives, the valuation parameters are not observable as a whole. The fair value of the financial instrument at the time of the transaction is then deemed to be the transaction price and the commercial margin is recognised in profit or loss over the life of the product.
During its life, as structured debt is not traded on an active market, the valuation parameters established with the counterparties at the set-up of the instruments are not modified. In the event of redemption of negotiable debt securities issued, the transaction price of the redeemed securities constitutes their fair value and the portion of the commercial margin not yet recognised is recognised in profit or loss.

Cash receivables and payables

For fixed-rate liabilities that are generally less than one year, in the absence of an active market, the fair value is assumed to be the present value of future cash flows, at the market rate in force at the balance sheet date. These market rates are determined on the basis of standard internal valuation models using the deposit certificate issue curves.
Similarly, for securities acquired representing fixed-rate debt, the fair value is determined by discounting expected cash flows at market rates.

Client loans
Edmond de Rothschild (France) considers that the fair value of variable-rate loans, due to the multi-year frequency of adjustments, is equivalent to their book value.
For loans with a variable rate adjusted once a year and for fixed-rate loans, the fair value method is calculated as follows: future recoverable capital and interest flows are discounted, over the remaining term at the interest rate on production of the period for loans of the same category and with the same maturities.

Interest rate derivatives
The fair value of interest rate derivatives and the interest rate segment of index-linked derivatives is determined on the basis of internal valuation models incorporating observable market data. Thus, the fair value of interest rate swaps is calculated on the basis of the discounting of future interest flows, at rates derived from zero-coupon swap rate curves.

Forward foreign exchange contracts
Forex forwards are booked as derivative financial instruments recognised on the balance sheet at fair value, with impact of the changes in fair value in the income statement. The fair value of forex forwards is determined by the forward rate remaining at the reporting date.

Cost of risk
In terms of credit risk, the cost of risk includes additions to and reversals of impairment of fixed-income securities and loans and receivables due from clients and credit institutions, additions to and reversals of provisions relating to financing and guarantee commitments given, losses on receivables written off and amounts recovered on receivables formerly written off.

Fees
The Group recognises fee and commission income in the income statement according to the nature of the services to which they relate. Commissions for one-off services are recognised immediately in the income statement. Fees and commissions paid for ongoing services are recognised in income over the duration of the service rendered. Fees and commissions that form an integral part of the effective yield of a financial instrument are recognised as an adjustment to the effective yield of the financial instrument.

Social security commitments
The Group recognises four categories of benefits defined in IAS 19:

1. **Short-term benefits**, for which payments are immediately expensed: compensation, profit-sharing, employee savings and paid leave.

2. **Post-employment benefits**, measured using an actuarial method, with provisions set aside for defined-benefit plans (except French compulsory defined-contribution plans, which are directly expensed): pension benefits, supplementary pension plans and termination benefits for retiring employees.
   Post-employment benefits are classified as either defined-contribution plans or defined-benefit plans, depending on the actual economic impact on the company.

   In defined **contribution plans**, commitments are covered by contributions paid as and when they are paid to independent pension organisations that then manage the payment of pensions.

   The company's obligations are limited to the payment of a contribution, which does not include any commitment by the company to the level of the benefits provided. The contributions paid are expenses for the year.

   In **defined benefit plans**, the company is responsible for the actuarial risk and investment risk. They cover several types of commitment, principally "additional supplementary" pension plans and termination benefits for retiring employees. A provision is recorded in liabilities to cover the total value of those pension commitments. These commitments are valued by an independent actuary, once a year on the annual closing date.

In accordance with IAS 19, the Group uses the projected unit credit method to calculate its employee benefits. Based on actuarial assumptions, this retrospective method, with projection of end-of-career salaries and pro-rata entitlements depending on seniority, takes into account, based on actuarial assumptions, the probability of the length of the employee's future service, the level of future compensation, life expectancy and employee turnover.

Actuarial gains and losses, determined for each plan, include the effect of differences between actuarial assumptions previously adopted and actual outcomes, and the effect of changes in actuarial assumptions.

The Group applies IAS 19 revised regarding the recognition of actuarial gains and losses on defined-benefit pension plans. All such gains and losses are recorded under other comprehensive income in the period in which they are recognised. When the plan is funded by assets, those assets are measured at fair value at the closing date and deducted from the value of the commitments recorded. The annual expense recognised as personnel expenses in respect of defined benefit plans includes:

the additional benefits earned by each employee (current service cost);
the financial cost resulting from the unwinding of discounts;
interest income generated by plan assets (net interest on the net liability or asset);
past service cost;
the effect of plan reductions or liquidations.

The Group recognises as an expense on a straight-line basis the cost of past services over the remaining average term until the rights are definitively vested by the employees. The past service cost is an increase in the present value of the obligation for services rendered in previous years, resulting from the introduction of a new plan or changes made during the year.

3. **Other long-term benefits**, measured in the same way as postemployment benefits and fully provisioned: these include long-service awards, Compte Epargne Temps working-time savings accounts and deferred compensation.

4. **Termination benefits**, redundancy payments and voluntary redundancy payments. These are fully provisioned as soon as the agreement is signed.

Cash flow statement

The balance of cash and similar accounts consists of the net balances of cash, central banks and postal accounts as well as net balances of sight loans and borrowings with credit institutions. Changes in cash generated by operating activities reflect cash flows generated by the Group's activities, including those relating to held-to-maturity financial assets and negotiable debt securities.

Changes in cash flow related to investment transactions result from cash flows related to acquisitions and disposals of subsidiaries and associates, as well as those related to acquisitions and disposals of real estate. Changes in cash flow related to financing transactions include receipts and disbursements from transactions with shareholders, flows related to subordinated and bonds, and debt securities other than TCN debt securities.

Earnings per share

Earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding for the period, with the exception of treasury shares. The diluted earnings per share reflect the impact of the potential dilution of earnings and the number of shares resulting from the implementation of the various plans (allocation of bonus shares, stock options) set up by Edmond de Rothschild (France) and its subsidiaries, in accordance with IAS 33. Plans that do not have a dilutive impact are not taken into account.

Note 3 – Analysis of balance sheet items

In thousands of euros	31/12/2023	31/12/2022
3.1. Cash, due from central banks and postal accounts		
Cash	252	294
Central banks	2,474,750	3,843,868
Postal accounts	-	-
Sub-total	**2,475,002**	**3,844,162**
Related receivables	813	-
Total	**2,475,815**	**3,844,162**

In thousands of euros	31/12/2023	31/12/2022
3.2. Financial assets at fair value through profit or loss		
Interest rate instruments - Firm commitments	672	12
Foreign exchange instruments - Firm commitments	-	-
Equity and index instruments - Firm commitments	11,822	1,832
Related receivables on trading derivatives	1,753	1,225
Sub-total Derivatives	**14,247**	**3,069**
Equities and other variable-income securities	-	-
Sub-total Other financial instruments held for trading	**-**	**-**
Sub-total Trading portfolio	**14,247**	**3,069**
Fair value of loans and related receivables	-	-
Sub-total loans and related receivables designated at fair value through profit or loss	**-**	**-**
Treasury notes and similar securities	-	-
Treasury bills and similar securities - related receivables	-	-
Sub-total Financial assets designated at fair value through profit or loss	**-**	**-**
Equity securities	323	7
Other variable-income securities	16,348	13,345
Sub-total	**16,671**	**13,352**
Debt instruments and similar	49,563	70,941
Sub-total Non-SPPI debt instruments	**49,563**	**70,941**
Sub-total Other financial assets at fair value through profit or loss	**66,234**	**84,293**
Total	**80,481**	**87,362**

The total notional amount of trading derivatives was €1,791.2 million at 31 December 2023 as opposed to €2,134.0 million at 31 December 2022. The notional value of derivatives indicates only the volume of the Group's business on the financial instruments markets, without reflecting the market risks related to those instruments.

Non-SPPI debt instruments include units in non-consolidated funds held by the Group.

	31/12/2023	
In thousands of euros	Positive market value	Negative market value
3.3 Hedging derivatives		
Fair value hedges	**47,755**	**3,477**
– Foreign exchange derivatives	-	-
– Interest rate derivatives	47,755	3,477
Cash flow hedges	**-**	**-**
– Foreign exchange derivatives	-	-
– Interest rate derivatives	-	-
Hedging derivatives	**47,755**	**3,477**

31/12/2023

	Book value	Cumulative change in fair value of the hedged risk	Change in fair value recorded over the period
Interest rate risk hedging (macro-hedge)			
Hedged assets			
Customer loans at amortised cost	326,661	-34,217	19,655
TOTAL	**326,661**	**-34,217**	**19,655**

	31/12/2023				
		Fair value			
	Notional amounts	Assets	Liabilities	Change in fair value recorded over the period	Ineffectiveness recognised in profit or loss for the period
Interest rate risk hedging (macro-hedge)					
Firm commitments					
Interest rate swaps	364,087	590	-20,245	-19,655	-
TOTAL	**364,087**	**590**	**-20,245**	**-19,655**	**-**

The group has decided to apply a fair value hedge of a portfolio of interest rate items (macro fair value hedge) in accordance with the provisions defined by IAS 39 (European Union Carve-out).
More specifically, a macro-hedge model on a portfolio of fixed-rate financial assets based on fixed-floating swaps was implemented.
Changes in fair value attributable to the hedged risk, reflected on the balance sheet by revaluation differences of the portfolios hedged against interest rate risk, offset each other in a symmetrical manner to the changes in the fair value of derivatives with the minimum ineffectiveness.

	In thousands of euros	31/12/2023	31/12/2022
3.4.	**Financial assets at fair value through other comprehensive income**		
	Treasury notes and similar securities	-	-
	Bonds and other fixed income securities	-	-
	Sub-total Debt instruments measured at fair value through equity that may be recycled to profit	**-**	**-**
	Equity securities	990	1,503
	Equities and other variable-income securities	-	-
	Sub-total Equity instruments measured at fair value through equity that will not be recycled to	**990**	**1,503**
	Total	**990**	**1,503**

	In thousands of euros	31/12/2023	31/12/2022
3.5.	**Securities at amortised cost**		
	Treasury notes and similar securities	-	-
	Bonds and other fixed income securities	79,218	73,465
	Total	**79,218**	**73,465**

	In thousands of euros	31/12/2023	31/12/2022
3.6.	**Loans and receivables due from credit institutions, at amortised cost**		
	Due from credit institutions		
	- Demand	*50,165*	*38,895*
	- Term	*783,122*	*500,189*
	Sub-total	**833,287**	**539,084**
	Related receivables	1,804	506
	Gross total	**835,091**	**539,590**

Impairment	-	-
Net total	**835,091**	**539,590**

In thousands of euros	31/12/2023	31/12/2022
3.7. Loans and receivables due from clients, at amortised cost		
Current accounts with overdrafts	707,849	968,316
Other customer loans		
- Credit	*505,006*	*562,496*
- Securities received under repurchase agreements	*-*	*-*
- Trade receivables	*-*	*-*
Gross total	**1,212,855**	**1,530,812**
- O/w related receivables	3,196	1,778
Impairment	-96	-141
Net total	**1,212,759**	**1,530,671**
Fair value of customer loans and receivables	**1,213,066**	**1,530,978**

Impairment of loans and receivables due from clients at amortised cost

In thousands of euros	31/12/2022	Allocations	Reversals	Transfers	31/12/2023
Impairment on performing loans (Stage 1)	-26	-29	8	23	-24
Impairment on loans with deteriorated credit risk (Stage 2)	-25	-13	23	-10	-25
Impairment on non-performing loans (Stage 3)	-90	-18	74	-13	-47
Total	**-141**	**-60**	**105**	**-**	**-96**

3.8. Pledged assets

A-Assets

	31/12/2023			
In thousands of euros	Carrying amount of pledged assets	Fair value of pledged assets	Carrying amount of non-pledged assets	Fair value of non-pledged assets
Assets of the reporting entity	27,072		4,986,468	81,471
Equity instruments			67,224	67,224
Debt securities			79,218	-
Other assets	27,072		4,840,026	14,247

B-Guarantees received

	31/12/2023	
In thousands of euros	Carrying amount of pledged assets	Fair value of pledged assets
Guarantees received by the entity concerned	-	-
Equity instruments		
Debt securities	-	-
Other guarantees received		
Own debt securities in issue, other than own covered bonds or asset-backed securities		

C-Pledged assets/guarantees received and related liabilities		
	31/12/2023	
In thousands of euros	Related liabilities, contingent liabilities or loaned securities	Assets, guarantees received and own debt securities in issue, other than covered bonds or securities backed by pledged assets
Carrying amount of selected financial liabilities	25,233	27,072

Government bonds held by Financière Boréale make up most of the Edmond de Rothschild (France) Group's pledged assets, via repo transactions.

Repo transactions are involved in the management of mutual funds for which the Bank is custodian and Edmond de Rothschild Asset Management (France) is the asset manager: securities held by Financière Boréale are sold by Edmond de Rothschild (France) to the funds as part of repo transactions.

86% of the "Other assets" line item comprises the Group's assets held with the Banque de France and client loans. Intangible assets make up 3% of that item, and accruals and other assets 6%.

In thousands of euros	31/12/2023		31/12/2022	
	Assets	Liabilities	Assets	Liabilities
3.9. Accruals and other assets and liabilities				
Items under collection	61	-	164	-
Security deposits paid (*)	27,072	-	74,974	-
Prepaid expenses	13,447	-	12,686	-
Accrued income	77,463	-	93,774	-
Deferred revenue	-	107	-	147
Accrued expenses	-	66,104	-	81,094
Other assets and liabilities (**)	26,123	144,550	50,368	169,606
Total	**144,166**	**210,761**	**231,966**	**250,847**

(*) of which €14,610,000 related to collateral at 31 December 2023 versus €60,750,000 of guarantee deposits paid at 31 December 2022.

(**) of which €2,580,000 related to collateral at 31 December 2023 versus €1,930,000 of other liabilities at 31 December 2022

In thousands of euros	31/12/2023	31/12/2022 restated (*)
3.10. Investments in associates		
Zhonghai Fund Management Company Ltd (*)	8,534	12,735
Elyan Partners SAS	-	3,743
Investments in associates	**8,534**	**16,478**

(*) At 31 December 2020, the investment in Zhonghaï Fund Management Co. Ltd, previously recorded under "Investments in associates" valued at that date at €12,284,000, had been classified under "Non-current assets held for sale", in accordance with IFRS 5:

- Zhonghaï was available for immediate sale in its current state, subject to the usual conditions precedent for similar sales;
- its disposal was highly probable and was expected to be completed within 12 months of the balance sheet date. Negotiations were underway with Zhonghaï Trust, a 41.591% shareholder in Zhonghaï Fund Management Co. Ltd, for the acquisition of the 25% stake held by Edmond de Rothschild (France), and an Equity Transfer Agreement (ETA) had been exchanged between the parties.
- its carrying amount was to be recovered principally through disposal rather than through use.

As at 31 December 2023, the regulatory process was still being blocked by the Chinese authorities.

The conditions for lifting the Chinese regulatory constraints are expected to be met during 2024, and the deal will not be finalised until 2025, if an agreement is reached.

For these reasons, the Group's investment in Zhonghaï is no longer classified under IFRS 5, and has been reclassified under "Investments in associates".

At that date, the investment must be valued at either its carrying amount, if it had not been classified in accordance with IFRS 5 (including the share in net income of associates since the IFRS 5 classification at 31 December 2020), or its recoverable amount, whichever is lower.

Its recoverable amount of €8,534,000 has been included in the Group's consolidated balance sheet, leading to an impairment loss of €1,666,000 in 2023.

The discontinuation of IFRS 5 classification also had the effect of adjusting comparative periods, with a cumulative impact of €451,000 on equity at 1 January 2023.

Below are the reconciliation tables between the 2022 column published in the financial statements for the year ended 31 December 2022 and the comparative column as presented in the financial statements for the year ended 31 December 2023.

Consolidated balance sheet

In thousands of euros	31/12/2023	31/12/2022 restated (*)(**)	Impact of Zhonghai reclassification	31/12/2022 restated (**)
Assets				
Cash, due from central banks and postal accounts	2,475,815	3,844,162	-	3,844,162
Financial assets at fair value through profit or loss	80,165	87,362	-	87,362
Hedging derivatives	47,755	61,080	-	61,080
Financial assets at fair value through other comprehensive income	1,306	1,503	-	1,503
Securities at amortised cost	79,218	73,465	-	73,465
Loans and receivables due from credit institutions, at amortised cost	835,091	539,590	-	539,590
Loans and receivables due from clients, at amortised cost	1,212,759	1,530,671	-	1,530,671
Revaluation differences on interest rate risk-hedged portfolios	-35,377	-	-	- 54,443
Current tax assets	389	5,584	-	5,584
Deferred tax assets	12,625	13,892	-	13,892
Accruals and other assets	144,166	231,966	-	231,966
Investments in equity-accounted associates	8,534	16,478	12,735	3,743
Property, plant and equipment	34,399	37,182	-	37,182
Right-of-use assets	17,924	20,791	-	20,791
Intangible assets	48,646	28,036	-	28,036
Goodwill	50,125	50,125	-	50,125
Non-current assets held for sale	-	-	-12,284	12,284
Total assets	**5,013,540**	**6,487,444**	**451**	**6,486,993**

In thousands of euros	31/12/2023	31/12/2022 restated (*)(**)	Impact of Zhonghai reclassification	31/12/2022 restated (**)
Liabilities				
Financial liabilities at fair value through profit and loss	2,743,145	3,131,947	-	3,131,947
Hedging derivatives	3,477	1,392	-	1,392
Due to credit institutions	35,263	49,606	-	49,606
Due to clients	1,558,489	2,556,637	-	2,556,637
Debt securities	-	-	-	-
Revaluation differences on interest rate risk-hedged portfolios	-	54,443	-	-
Current tax liabilities	274	197	-	197
Deferred tax liabilities	-	-	-	-
Accruals and other liabilities	210,761	250,847	-	250,847
Provisions	19,915	16,377	-	16,377
Subordinated debt	-	-	-	-
Shareholders’ equity	442,216	480,441	451	479,990
Shareholders’ equity, Group share	441,208	478,795	451	478,344
. Capital and related reserves	*201,195*	*201,195*	*-*	*201,195*
. Consolidated reserves	*174,118*	*195,469*	*191*	*195,278*
. Gains and losses recognised directly in equity	*5,601*	*10,134*	*922*	*9,212*
. Results of the financial year	*60,294*	*71,997*	*-662*	*72,659*
Minority interests	1,008	1,646	-	1,646
Total liabilities	**5,013,540**	**6,487,444**	**451**	**6,486,993**

Statement of comprehensive income

In thousands of euros	31/12/2023	31/12/2022 restated (*)	Impact of Zhonghai reclassification	31/12/2022
Net income	**59,723**	**70,451**	**-662**	**71,113**
Items relating to changes in currency exchange rates	-1,703	-189	922	-1,111
Change in the deferred value of hedging derivatives (*)	-	-	-	-
Change in value of financial assets at fair value through other comprehensive income (*)	46	67	-	67
Actuarial gains and losses on defined-benefit plans (*)	-1,768	727	-	727
Total gains and losses recognised directly in equity	**-3,425**	**605**	**922**	**-317**
Net income and gains and losses recognised directly in equity	**56,298**	**71,056**	**260**	**70,796**
o/w Group share	**56,869**	**72,602**	**260**	**72,342**
o/w minority interests	**-571**	**-1,546**	**-**	**-1,546**

Statement of changes in equity

In thousands of euros	31.12.2021	Appropriation of income	Other changes	31/12/2022	Impact of Zhonghai reclassification	31/12/2022 restated (*)
Group share						
– Share capital	83,076	-	-	83,076		83,076
– Issue premiums	98,244	-	-	98,244		98,244
– Equity instruments (TSS)	19,875	-	-	19,875		19,875
– Interest on equity instruments (TSS)	-17,443	-	-403	-17,846		-17,846
– Elimination of treasury shares	-	-	-	-		-
– Other reserves	204,080	56,562	-47,518	213,124	191	213,315
– Gains and losses recognised directly in other comprehensive income	9,529	-	-317	9,212	922	10,134
– 2021 income	56,562	-56,562		-		-
Sub-Total	**453,923**	**-**	**-48,238**	**405,685**	**1,113**	**406,798**
– 2022 income	-	-	72,659	72,659	-662	71,997
Total Shareholders' equity, Group share	**453,923**	**-**	**24,421**	**478,344**	**451**	**478,795**
Minority interests						
– Reserves	5,479	-2,287	-	3,192		3,192
– 2021 income	-2,287	2,287	-	-		-
– 2022 income	-	-	-1,546	-1,546		-1,546
Total minority interests	**3,192**	**-**	**-1,546**	**1,646**	**-**	**1,646**

	31/12/2022 restated (*)	Appropriation of income	Other changes	31/12/2023
Group share				
– Share capital	83,076	-	-	83,076
– Issue premiums	98,244	-	-	98,244
– Equity instruments (TSS)	19,875	-	-	19,875
– Interest on equity instruments (TSS)	-17,846	-	-908	-18,754
– Elimination of treasury shares	-	-	-	-
– Other reserves	213,315	71,997	-92,440	192,872
– Gains and losses recognised directly in other comprehensive income	10,134	-	-4,533	5,601
– 2022 income	71,997	-71,997		-
Sub-Total	**478,795**	**-**	**-97,881**	**380,914**
– 2023 income	-	-	60,294	60,294
Total Shareholders' equity, Group share	**478,795**	**-**	**-37,587**	**441,208**
Minority interests				
– Reserves	3,192	-1,546	-67	1,579
– 2022 income	-1,546	1,546	-	-
– 2023 income	-	-	-571	-571
Total minority interests	**1,646**	**-**	**-638**	**1,008**

Consolidated income statement

	31/12/2023	31/12/2022 restated (*)	Impact of Zhonghai reclassification	31/12/2022
+ Interest and similar income	198,256	51,439	-	51,439
- Interest and similar expenses	-149,435	-50,435	-	-50,435
+ Commissions (income)	388,443	394,792	-	394,792
- Commissions (expenses)	-98,858	-91,358	-	-91,358
+/- Net gains or losses on financial instruments at fair value through profit or loss	47,415	36,566	-	36,566
+/- Net gains or losses on financial assets at fair value through equity	96	30	-	30
+ Income from other activities	15,527	13,985	-	13,985
- Expenses from other activities	-21,461	-20,792	-	-20,792
Net banking income	379,983	334,227	-	334,227
- General operating expenses	-282,467	-274,835	-	-274,835
- Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	-23,184	-25,250	-	-25,250
Gross operating income	74,332	34,142	-	34,142
+/- Cost of risk	-541	34	-	34
Operating income	73,791	34,176	-	34,176
+/- Share of net income of equity-accounted associates	-594	15,808	-662	16,470
+/- Net gains or losses on other assets	2,453	33,470	-	33,470
+/- Change in the value of goodwill	-	-	-	-
Recurring income before tax	75,650	83,454	-662	84,116
- Income tax	-15,927	-13,003	-	-13,003
Net income	59,723	70,451	-662	71,113
- Minority interests	571	1,546	-	1,546
Net income – Group share	**60,294**	**71,997**	**-662**	**72,659**

	In thousands of euros	31/12/2022	Acquisitions/transfers in	Disposals/transfers out	Other changes	31/12/2023
3.11.	**Property, plant and equipment**					
	Gross value					
	Land and buildings	60,615	60	-	-1,742	58,933
	Computer hardware	7,888	367	-	-	8,255
	Fixtures, fittings and other property, plant and equipment	12,360	545	-5	-78	12,822
	Property, plant and equipment in progress	-	965	-	-	965
	Sub-total	**80,863**	**1,937**	**-5**	**-1,820**	**80,975**
	Depreciation and impairment					
	Buildings	-28,885	-981	-	493	-29,373

Computer hardware	-4,118	-2,036	-	-	-6,154
Fixtures, fittings and other property, plant and equipment	-10,678	-453	4	78	-11,049
Sub-total	**-43,681**	**-3,470**	**4**	**571**	**-46,576**
Total	**37,182**	**-1,533**	**-1**	**-1,249**	**34,399**

3.12. Intangible assets

In thousands of euros	31/12/2022	Acquisitions/ transfers in	Disposals/ transfers out	Other changes	31/12/2023
Gross value					
Contract portfolio and other contractual rights	12,510	-	-	-	12,510
Other intangible assets	88,701	12,936	-	-589	101,048
Intangible assets in progress	10,665	19,218	-	-	29,883
Sub-total	**111,876**	**32,154**	**-**	**-589**	**143,441**
Depreciation and impairment					
Intangible assets	-83,840	-11,087	-	132	-94,795
Sub-total	**-83,840**	**-11,087**	**-**	**132**	**-94,795**
Total	**28,036**	**21,067**	**-**	**-457**	**48,646**

3.13. Goodwill

In thousands of euros	31/12/2023	31/12/2022
Net carrying amount at the beginning of the period	**50,125**	**73,925**
Acquisitions and other increases	-	-
Disposals and other reductions	-	-23,800
Impairment		
Net carrying amount at the end of the period	**50,125**	**50,125**

	Net carrying amount	
In thousands of euros	31/12/2023	31/12/2022
Edmond de Rothschild Asset Management (France)	39,891	39,891
Edmond de Rothschild REIM (France) SAS	-	-
Edmond de Rothschild Assurances et Conseils (France)	5,753	5,753
Edmond de Rothschild Corporate Finance, Paris	4,481	4,481
Other	-	-
Total	**50,125**	**50,125**

Goodwill items are tested individually for impairment. This test is performed at the same time every year or when an indication of impairment arises. The test consists of checking that the recoverable amount of an investment remains higher than its carrying amount, the recoverable amount being the higher of fair value less costs to sell and value in use.

As regards value in use, the discounted cash flow figures used are based on activity assumptions validated by management and extrapolated over a period of several years, and then indefinitely on the basis of a long-term growth rate to calculate the terminal value.

The rate used to discount future cash flows is determined with reference to market data. The growth rate used to calculate the terminal value is based on forecasts regarding economic growth and sustainable long-term inflation.

Sensitivity tests are also performed to measure the impact on value in use of changes to the discount rate and the long-term growth rate.

The approach involving fair value less costs to sell consists of determining, on the basis of the best available information, the amount (less costs to sell) that could be obtained from selling the asset in an arm's length transaction between well informed, consenting parties.

In the case of Edmond de Rothschild Asset Management (France), the recoverable amount of goodwill was determined using two methods, one of which is the Dividend Discounted Method (DDM) and the other being the transaction multiples method.

- The DDM approach consisted of projecting dividend flows based on business assumptions determined from the business plan communicated by the company's management over the period 2024-2026, applying a growth rate of 2% to the integrated terminal flow.
- These dividend flows were discounted at a cost of capital of 12.8% and with an earnings conversion assumption of 100% over the period mentioned above.
- In the transaction multiples approach, the value of the company was established on the basis of financial aggregates (AUM, NBI, net profit/loss) resulting from a sample of recent major transactions in the asset management sector for which data were made public.

These methods both lead to the conclusion that the recoverable value of goodwill in Edmond de Rothschild Asset Management (France) is higher than its book value and therefore that no impairment should be recognised as at 31 December 2023.

In thousands of euros	31/12/2023	31/12/2022
3.14 Financial liabilities at fair value through profit and loss		
Interest rate instruments - Firm commitments	-	6,284
Interest rate instruments - Options	-	-
Foreign exchange instruments - Firm commitments	14,359	39,322
Foreign exchange instruments - Options	-	-
Equity and index instruments - Firm commitments	7,923	29,250
Equity and index instruments - Options	-	-
Sub-total	**22,282**	**74,856**
Related payables on trading derivatives	2,951	1,414
Sub-total of the trading portfolio	**25,233**	**76,270**
Due to credit institutions	1,815,348	2,398,764
Customer deposits	37,033	33,942
Sub-total	**1,852,381**	**2,432,706**
Accrued interest and related payables	20,331	10,659
Sub-total liabilities at fair value through profit or loss by option	**1,872,712**	**2,443,365**
Negotiable debt securities (TCN)	838,949	611,378
Bonds	-	-
Other debt securities	-	-
Sub-total	**838,949**	**611,378**
Accrued interest and related payables	6,251	934
Sub-total of debt securities at fair value through profit or loss	**845,200**	**612,312**
Sub-total of financial liabilities at fair value through profit or loss by option	**2,717,912**	**3,055,677**
Total financial liabilities at fair value through profit and loss	**2,743,145**	**3,131,947**

	31/12/2023		
In thousands of euros	Fair value	Amount repayable at maturity	Difference between fair value and repayable amount at
Financial liabilities at fair value through profit and loss by option	2,717,912	2,715,206	2,706

	31/12/2022		
In thousands of euros	Fair value	Amount repayable at maturity	Difference between fair value and repayable amount at
Financial liabilities at fair value through profit and loss by option	3,055,677	3,036,988	18,689

In thousands of euros	31/12/2023	31/12/2022
3.15 Due to credit institutions		
- Demand deposits	35,250	49,606
- Term	-	-
Sub-total	**35,250**	**49,606**
Accrued interest and related payables	13	-
Total due to credit institutions	**35,263**	**49,606**

		31/12/2023			31/12/2022		
	In thousands of euros	Demand deposits	Term	Total	Demand	Term	Total
3.16	**Due to clients**						
	Special savings accounts						
	- Regulated savings accounts	*-*	*31,960*	*31,960*	*-*	*78,373*	*78,373*
	- Accrued interest and related payables	*-*	*-*	*-*	*-*	*-*	*-*
	Sub-total	**-**	**31,960**	**31,960**	**-**	**78,373**	**78,373**
	Other debts						
	- Client current accounts	*990,056*	*-*	*990,056*	*2,009,687*	*-*	*2,009,687*
	- Client term deposit accounts	*-*	*441,950*	*441,950*	*-*	*438,072*	*438,072*
	- Securities delivered under repurchase	*-*	*-*	*-*	*-*	*-*	*-*
	- Other sundry debts	*1*	*89,592*	*89,593*	*582*	*28,769*	*29,351*
	- Accrued interest and related payables	*71*	*4,859*	*4,930*	*9*	*1,145*	*1,154*
	Sub-total	**990,128**	**536,401**	**1,526,529**	**2,010,278**	**467,986**	**2,478,264**
	Total	**990,128**	**568,361**	**1,558,489**	**2,010,278**	**546,359**	**2,556,637**
	Fair value of amounts due to customers			**1,558,489**			**2,556,637**

	In thousands of euros	Legal and tax risks	Post-employment benefit obligations	Loan and collateral commitments	Loss-making contracts	Other provisions	Total book value
3.17	**Provisions**						
	Balance at 31/12/2022	**-**	**4,990**	**-**	**-**	**11,387**	**16,377**
	Allocations	-	361	-	-	6,016	6,377
	Amounts used	-	-	-	-	-4,396	-4,396
	Unused amounts reversed during the period	-	-	-	-	-581	-581
	Other changes	-	2,367	-	-	-229	2,138
	Balance at 31.12.2023	**-**	**7,718**	**-**	**-**	**12,197**	**19,915**

Other provisions notably include provisions relating to "additional supplementary" pension plans (detailed in Note 6.1.A.), and the AIFM Directive at Edmond de Rothschild Asset Management (France).

3.18. Equity instruments: Super-subordinated notes

In June 2007, the Bank issued €50 million of undated super-subordinated notes. After discussions with one of the noteholders, the Bank made an offer to repurchase part of the notes with a nominal amount of €29 million, at a discount of 7.5%. After obtaining the authorisation of the Autorité de Contrôle Prudentiel on 12 July 2013, €29 million of notes were repurchased and cancelled in August 2013.

In the event of the issuer's liquidation, holders of these notes will be paid only after other creditors but before holders of participating loans or participating securities.

The undated super-subordinated notes carry financial covenants:

- non-payment of interest in the event of insufficient capital related to non-compliance with prudential capital adequacy ratios or a deterioration in the Bank's financial position;

- reduction of accrued interest due and payable and then of the nominal value of the notes if the Bank has not taken action to remedy the capital situation within a specific period.

Given the discretionary nature of the decision to pay the compensation for this deeply subordinated security, which is linked to the payment of a dividend, it was classified under equity instruments and related reserves.

The main financial characteristics of these notes are as follows:

Issue date	Optional early redemption date (call option)	Rate until early redemption	Rate after early redemption	Interest step-up from the optional early redemption date
June 2007	June 2017 then quarterly	6.36% (1)	3-month Euribor + 2.65%	+ 100 basis points

(1) Rate fixed by reference to the 10-year swap rate in euros at 4 June 2007: 4.71% + 1.65.

3.19. Netting of financial assets and liabilities

At 31 December 2023 In thousands of euros	Gross amounts of financial assets	Amounts netted on the balance sheet	Net amounts stated on the balance sheet	Impact of netting and similar agreements	Financial instruments received as collateral	Net amounts
Financial assets at fair value through profit or loss						
-Trading securities	40,916	-26,669	14,247	-	-2,580	11,667
-Financial assets designated as at fair value	-	-	-	-	-	-
-Other financial assets at fair value through profit and loss	66,234	-	66,234	-	-	66,234
Hedging derivatives	47,755	-	47,755	-	-	47,755
Revaluation differences on interest rate risk-hedged portfolios	-35,377	-	-35,377	-	-	-35,377
Financial assets at fair value through other comprehensive income	990	-	990	-	-	990
Securities at amortised cost	79,218	-	79,218	-	-	79,218
Loans and receivables due from credit institutions and customers at amortised cost	2,047,850	-	2,047,850	-	-	2,047,850
-Of which repurchase transactions	-	-	-	-	-	-
Accruals and other assets	144,166	-	144,166	-	-	144,166
-Of which guarantee deposits granted	*27,072*	-	*27,072*	-	-	*27,072*
Other assets not subject to netting	2,648,457	-	2,648,457	-	-	2,648,457
TOTAL ASSETS	**5,040,209**	**-26,669**	**5,013,540**	**-**	**-2,580**	**5,010,960**

At 31 December 2023 In thousands of euros	Gross amounts of financial liabilities	Amounts netted on the balance sheet	Net amounts stated on the balance sheet	Impact of netting and similar agreements	Financial instruments provided as collateral	Net amounts
Financial liabilities at fair value through profit and loss						
-Trading securities	51,902	-26,669	25,233	-	-14,610	10,623
-Liabilities designated as at fair value through profit and loss	1,872,712	-	1,872,712	-	-	1,872,712
-Debt securities designated at fair value through profit and loss	845,200	-	845,200	-	-	845,200
Hedging derivatives	3,477	-	3,477	-	-	3,477
Revaluation differences on interest rate risk-hedged portfolios	-	-	-	-	-	-
Due to credit institutions and clients	1,593,752	-	1,593,752	-	-	1,593,752
-Of which repurchase transactions	-	-	-	-	-	-
Accruals and other liabilities	210,761	-	210,761	-	-	210,761
-Of which guarantee deposits received	*46,392*	-	*46,392*	-	-	*46,392*
Other liabilities not subject to netting	20,189	-	20,189	-	-	20,189
TOTAL LIABILITIES	**4,597,993**	**-26,669**	**4,571,324**	**-**	**-14,610**	**4,556,714**

At 31 December 2022 In thousands of euros	Gross amounts of financial assets	Amounts netted on the balance sheet	Net amounts stated on the balance sheet	Impact of netting and similar agreements	Financial instruments received as collateral	Net amounts
Financial assets at fair value through profit or loss						
-Trading securities	18,637	-15,568	3,069	-	-1,930	1,139
-Financial assets designated as at fair value	-	-	-	-	-	-
-Other financial assets at fair value through profit and loss	84,293	-	84,293	-	-	84,293
Hedging derivatives	61,080	-	61,080	-	-	61,080
Revaluation differences on interest rate risk-hedged portfolios	-54,443	-	-54,443	-	-	-54,443
Financial assets at fair value through other comprehensive income	1,503	-	1,503	-	-	1,503
Securities at amortised cost	73,465	-	73,465	-	-	73,465
Loans and receivables due from credit institutions and customers at amortised cost	2,070,261	-	2,070,261	-	-	2,070,261
-Of which repurchase transactions	-	-	-	-	-	-
Accruals and other assets	231,966	-	231,966	-	-	231,966
-Of which guarantee deposits granted	*74,974*	-	*74,974*	-	-	*74,974*
Other assets not subject to netting	4,016,250	-	4,016,250	-	-	4,016,250
TOTAL ASSETS	**6,503,012**	**-15,568**	**6,487,444**	**-**	**-1,930**	**6,485,514**

At 31 December 2022 In thousands of euros	Gross amounts of financial liabilities	Amounts netted on the balance sheet	Net amounts stated on the balance sheet	Impact of netting and similar agreements	Financial instruments provided as collateral	Net amounts
Financial liabilities at fair value through profit and loss						
-Trading securities	91,838	-15,568	76,270	-	-60,750	15,520
-Liabilities designated as at fair value through profit and loss	2,443,365	-	2,443,365	-	-	2,443,365
-Debt securities designated at fair value through profit and loss	612,312	-	612,312	-	-	612,312
Hedging derivatives	1,392	-	1,392	-	-	1,392
Revaluation differences on interest rate risk-hedged portfolios	-	-	-	-	-	-
Due to credit institutions and clients	2,606,243	-	2,606,243	-	-	2,606,243
-Of which repurchase transactions	-	-	-	-	-	-
Accruals and other liabilities	250,847	-	250,847	-	-	250,847
-Of which guarantee deposits received	*54,285*	-	*54,285*	-	-	*54,285*
Other liabilities not subject to netting	17,966	-	17,966	-	-	17,966
TOTAL LIABILITIES	**6,023,963**	**-15,568**	**6,008,395**	**-**	**-60,750**	**5,947,645**

Note 4 – Analysis of income statement items

	In thousands of euros	31/12/2023	31/12/2022
4.1.	**Interest and similar income**		
	Interest and other revenues on loans and receivables due from credit institutions	**116,803**	**14,611**
	- Demand accounts and interbank loans	116,803	14,611
	- Income from guarantee or financing commitments	-	-
	- Repurchase agreements	-	-
	Interest and income on loans and receivables due from customers	**47,192**	**22,165**
	- Demand accounts and customer loans	47,192	22,165
	- Repurchase agreements	-	-
	Interest on financial instruments	**34,261**	**14,663**
	- Debt instruments at amortised cost	51	48
	- Financial assets at fair value through equity	-	-
	- Financial assets designated as at fair value through profit and loss	1,419	342
	- Interest on derivatives	32,791	14,273
	Total interest and similar income	**198,256**	**51,439**

	In thousands of euros	31/12/2023	31/12/2022
4.2.	**Interest and similar expenses**		
	Interest and other expenses on loans and payables due to credit institutions, at amortised cost	**-75,530**	**-31,098**
	- Demand accounts and interbank borrowings	-75,207	-30,688
	- Expenses on guarantee or financing commitments	-323	-410
	- Repurchase agreements	-	-
	Interest and expenses on amounts due to customers, at amortised cost	**-15,728**	**-2,008**
	- Customer demand accounts and borrowings	-15,728	-2,008
	- Expenses on guarantee or financing commitments	-	-
	- Repurchase agreements	-	-
	Interest on financial instruments	**-57,801**	**-17,114**
	- Debt securities	-32,785	-14,389
	- Interest on derivatives	-25,016	-2,725
	Interest and charges on lease obligations	**-376**	**-215**
	Total interest and similar expenses	**-149,435**	**-50,435**

		31/12/2023		31/12/2022	
	In thousands of euros	Income	Expenses	Income	Expenses
4.3.	**Fees**				
	Cash and interbank transactions	117	-10	20	-1
	Client transactions	368	-	394	-
	Securities transactions	-	-	-	-
	Foreign exchange transactions	19	-	30	-
	Off-balance sheet transactions				
	- Securities commitments	*2,848*	-	*1,664*	-
	- Derivatives	*1,798*	*-1,054*	*2,420*	*-1,317*
	Financial services	383,293	-97,238	390,264	-90,040
	Allocations/Reversals related to provisions	-	-	-	-
	Total fees and commissions	**388,443**	**-98,302**	**394,792**	**-91,358**

In thousands of euros	31/12/2023 Trading portfolio	31/12/2023 Portfolio designated as at fair value	31/12/2022 Trading portfolio	31/12/2022 Portfolio designated as at fair value
4.4. Net gains or losses on financial instruments at fair value through profit				
Net gains or losses on financial assets held for trading	-	-574	-	10,775
Net gains or losses on financial liabilities at fair value through profit or loss	-	-32,880	-	28,230
Net gains or losses on derivatives	41,412	-	-33,012	-
Gains and losses on foreign exchange transactions	31,052	-	30,756	-
Net gains or losses on equity instruments at fair value through profit and loss	-698	-	-36	-
Net gains or losses on non-SPPI debt instruments	9,103	-	-147	-
Total net gains or losses on financial instruments at fair value through	**80,869**	**-33,454**	**-2,439**	**39,005**

In thousands of euros	31/12/2023	31/12/2022
4.5. Net gains or losses on financial assets at fair value through other comprehensive		
Dividends received on equity instruments at fair value through other comprehensive income	-	30
Net gains or losses on financial assets at fair value through other comprehensive income	96	-
Total net gains or losses on financial assets at fair value through other comprehensive	**96**	**30**

In thousands of euros	31/12/2023	31/12/2022
4.6. Income and expenses relating to other activities		
Expenses transferred to other companies	312	171
Other ancillary income	3,557	1,613
Miscellaneous	11,658	12,201
Income from other activities	**15,527**	**13,985**
Revenues transferred to other companies	-20,541	-19,862
Miscellaneous	-920	-930
Expenses on other activities	**-21,461**	**-20,792**

In thousands of euros	31/12/2023	31/12/2022
4.7. General operating expenses		
Wages and salaries	-114,450	-114,686
Pension expenses	-9,503	-8,934
Social security contributions	-44,287	-40,617
Employee incentives	-1,124	-1,302
Employee profit-sharing	-2,570	-5,368
Taxes and similar payments on compensation	-8,089	-8,503
Allocations to provisions for personnel expenses	-5,779	-3,232
Reversals of provisions for personnel expenses	4,059	2,755
Sub-total personnel expenses	**-181,743**	**-179,887**
Taxes and duties	-5,139	-1,422
Leases	-4,346	-4,330
Third-party services	-89,304	-87,473
Transport and travel	-2,033	-1,708
Other operating expenses	-	-
Allocations to provisions for administrative expenses	-	-52
Reversals of provisions for administrative expenses	97	37
Sub-total - Administrative expenses	**-100,725**	**-94,948**
Total operating expenses	**-282,468**	**-274,835**

In thousands of euros	31/12/2023	31/12/2022
4.8. Cost of risk		
Additions to provisions for credit risk	-716	-263
Net losses on receivables written off	-224	-560
Reversals of impairment relating to credit risk	109	857
Reversals of provisions	-	-
Amounts recovered on receivables formerly written off	-	-
Total cost of risk	**-831**	**34**

In thousands of euros	31/12/2023	31/12/2022

4.9.	Gains or losses on other assets		
	Losses on sales of intangible assets and property, plant and equipment	-1	-1
	Gains on sales of intangible assets and property, plant and equipment	-	-
	Gain/(loss) on disposals of investments in subsidiaries and associates (*)	2,189	33,471
	Total net gains or losses on other assets	**2,188**	**33,470**

(*) including €1,716,000 relating to the disposal of Edmond de Rothschild Private Equity (France) and €473,000 relating to the disposal of Financière Eurafrique.

	In thousands of euros	31/12/2023	31/12/2022 restated (*)
4.10.	**Income tax expense and effective tax rate**		
	Consolidated net income	**59,723**	**71,113**
	Income tax expense	**15,927**	**13,003**
	Income before tax	**75,650**	**84,116**
	Non-deductible provisions and expenses	5,746	6,917
	Parent company/subsidiary exemption regime and related adjustments	290	669
	Share of net income of associates	594	-16,470
	Untaxed consolidation adjustments	-4,810	1,813
	Miscellaneous non-taxable revenues and other deductions	-5,811	-32,704
	Items taxed at reduced rates	4,875	3,959
	Income before tax taxable at standard rate	**76,534**	**48,301**
	Tax rate	25.83%	25.83%
	Theoretical tax expense at standard rate	**19,769**	**12,476**
		-4,875	**-3,959**
	Tax rate	15.50%	15.50%
	Theoretical tax expense at reduced rate	**-756**	**-614**
	Theoretical tax expense	**19,013**	**11,863**
	Unrecognised tax losses arising in the period	715	1,337
	Unrecognised tax losses used	-4,103	-124
	Tax credits	-2	-144
	Effect of different tax rates applying to foreign entities	177	7
	Tax assessments and tax income relating to previous periods	91	28
	Miscellaneous	36	36
	Calculated income tax	**15,927**	**13,003**
	- Of which current tax expense	*14,108*	*13,982*
	- Of which deferred tax	*1,819*	*-979*
	Income before tax	75,650	84,116
	Income tax	15,927	13,003
	Average effective tax rate	**21.05%**	**15.46%**
	Standard tax rate in France	25.83%	25.83%
	Effect of permanent differences	-1.36%	-12.21%
	Effect of reduced-rate taxation	0.67%	0.49%
	Effect of different tax rates applying to foreign entities	0.23%	0.01%
	Effect of losses for the period and use of tax loss carryforwards	-4.48%	1.44%
	Effect of other items	0.16%	-0.10%
	Average effective tax rate	**21.05%**	**15.46%**

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Note 5 – Note on commitments

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In thousands of euros	31/12/2023	31/12/2022
Commitments given		
Financing commitments		
Commitments to credit institutions	-	-
Commitments to customers	445,062	440,603
Guarantee commitments		
Commitments to credit institutions	-	47,186
Commitments to customers	84,325	84,175
Commitments received		
Financing commitments		
- Commitments received from credit institutions	-	-
Commitments received from customers	-	-
Guarantee commitments		
Commitments received from credit institutions	72,393	155,965
Commitments received from customers	-	-

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Note 6 – Employee benefits and share-based payments

6.1. Employee benefits under IAS 19

In accordance with IFRS 1 First-time adoption of IFRSs, since 1 January 2006 the Group has measured and recognised employee benefits under the rules set out in IAS 19.

When it first applied IFRSs, the Group opted to apply the exception allowed in IFRS 1, allowing all actuarial gains and losses not amortised at 1 January 2006 to be taken to equity at that date.

6.1.A. Pension costs – Defined-benefit plans

An additional supplementary pension plan set up in December 2004 was closed on 31 December 2012, although its provisions were maintained for beneficiaries born before 31 December 1953.
It applies to a category of executives for whom the existing basic and complementary pension plans provide a significantly lower rate of income replacement than for other categories of personnel.
This plan is a defined-benefit plan expressed in terms of the overall final pension (limited in time) or in terms of the top-up pension it provides in addition to the basic pensions.
Payment of benefits is conditional on the employee remaining in the company until retirement. The plan provides for the purchase of an annuity upon retirement to settle the obligation to the beneficiary.
The beneficiaries of this additional supplementary pension plan are senior management, members of the General Management Committee, and senior executives defined in the 35-hour working week agreement as executives not covered by the normal classification.
The basis for determining the reference compensation and calculating the additional pension is gross annual salary plus bonuses received, before any applicable tax or social security charges.
The guaranteed additional pension is equal to 10% of the reference compensation between four and eight times the annual limit defined by French social security legislation at the date of settlement of the pension, plus 20% of the portion of the reference compensation between 8 and 22 times that limit.

This additional pension is payable in addition to the mandatory basic and supplementary pensions. Gains and losses resulting from its first application are treated in accordance with the rules for changes of accounting method.

The Group therefore allocated the impact of this change of method, net of deferred taxes, to equity at the date of its first application (€8.381 million). That impact resulted from the recognition of previously unrecognised post-employment benefits, in a pre-tax amount of €12.825 million. Benefit commitments were discounted at the rate of 4.25%.

The value of the commitments at 31 December 2023 was determined by qualified actuaries, applying the following assumptions:

- discount rate of 3.15%;
- inflation rate of 2.10%;
- expected return on plan assets of 3.15%.

The discount rate was determined on the basis of the average yields observed on bonds maturing in 10 years or more issued by eurozone companies with Aa ratings (the benchmark being the iBoxx € corporates index) and the extrapolation of the yield curve in line with the ECB's government bond curve.

Taxation of annuities: Article 113 of French Act 2003-775 of 21 August 2003 on pension reform alters the way in which social security contributions, the general social contribution (CSG) and the tax to repay social-security debt (CRDS) apply to employers' contributions to funding pension benefits. In return for exempting contributions from social security charges, a tax payable exclusively by the company was established.
The 2010 Social Security Financing Act doubled the tax levied on annuities exceeding one third of the annual social security ceiling. This tax was increased from 8% to 16% for all pensions paid, effective 1 January 2010.
The 2011 Social Security Financing Act subsequently modified the basis for applying this tax. The allowance was eliminated and the 16% tax thus applied from the first euro of the annuity, for all annuities paid after 1 January 2001.
The Group had previously opted for the tax on annuities, but at the end of 2011 it chose to change options as allowed by the 2011 social security financing act for defined-benefit plans consistent with Article L. 137-11.
It is now taxed at 12% based on all contributions paid into the fund.

That rate is set by Article 32 of France's 16 August 2012 mini-budget at 24% for all payments in respect of periods beginning after 31 December 2012.
At 31 December 2023, the amount of commitments came to €22,855 million before tax and the fair value of assets was €19,246 million, resulting in a provision of €3,609 million.

Financial assets representing commitments (for the additional supplementary pension)

Portfolio structure	31/12/2023	31/12/2022
Equities	44.50%	42.30%
Bonds	45.50%	46.00%
Real estate	8.10%	10.00%
Money market and other	1.90%	1.70%
Return on plan assets	3.15%	3.77%

Defined-benefit post-employment benefits (additional supplementary pension)

In thousands of euros	31/12/2023	31/12/2022
Current value of the bond	22,855	20,641
- Value of plan assets	-19,246	-19,280
Financial position of the plan	**3,609**	**1,361**
- Unrecognised past service cost	-	-
Provision	**3,609**	**1,361**

6.1.B. Termination benefits for retiring employees

Termination benefits for retiring employees are a post-employment benefit and are part of the defined-benefit plan category.

Entitlements to termination benefits for retiring employees in Group companies are defined by the following collective agreements:

- the French national collective agreement for banks (no. 2120) for all companies;
- the French national collective agreement for insurance and/or reinsurance brokerage firms (no. 2247) for Edmond de Rothschild Assurances et Conseils (France).

The following compensation basis is used to calculate the benefit payable to retiring employees:

- for the national collective agreement for banks, 1/13th of the average compensation the beneficiary received or would have received over the past 12 months, excluding any standard or exceptional bonus and any variable component of pay;
- for the national collective agreement for insurance brokerages, 1/12th of the compensation the beneficiary received or would have received over the past 12 months.

The compensation cannot be lower than the retirement compensation defined by French employment law.

These arrangements are not funded by an insurance policy.

The actuarial method used to value the liability is the projected unit credit method.

Actuarial gains and losses on the plan for termination benefits for retiring employees are recorded in other comprehensive income. The Group has opted to apply the amendment to IAS 19 allowing actuarial gains and losses related to experience adjustments and/or changes in assumptions to be recognised in equity. The selected discount rate of 3.77% is based on the yields on long-term corporate bonds at the time of measurement (yield shown by the iBoxx € Corporate AA 10+ index) and on the extrapolation of the yield curve in line with the ECB's government bond curve.

The gross liability was €4.109 million at 31 December 2023 and €3.629 million at 31 December 2022.

Service cost was €301,000 in 2023, the cost of discounting was €133,000, actual benefits paid came to €159,000 and the actuarial gain with respect to 2023 was €220,000. The impact of the withdrawal of Edmond de Rothschild Private Equity (France) from the scope of consolidation amounts to €15,000.

Post-employment benefits, defined-benefit plans (additional supplementary pension and retirement benefits)

Breakdown of the expense recognised

In thousands of euros	31/12/2023	31/12/2022
Cost of services rendered during the year	-142	330
Financial cost	-903	-544
Expected return on plan assets	684	434
Net expense recognised	**-361**	**220**

Defined-benefit post-employment benefits

Key actuarial assumptions (retirement benefits)	31/12/2023	31/12/2022
Discount rate	3.15%	3.77%
Long-term expected inflation rate	2.10%	2.20%
Rate of increase in wages		
- Employees	2.10%	2.20%
- Executives	2.60%	2.70%
- Senior managers	3.10%	3.20%
Rate of employer social security and tax contributions	54.87%	56.13%
Mortality table	THTF 16 18	THTF 16 18

Main actuarial assumptions (additional supplementary pension)	31/12/2023	31/12/2022
Discount rate	3.15%	3.77%
Salary increase rate, net of inflation (*)	n/a	n/a
Average remaining working life of employees (*)	n/a	n/a
Mortality table	TGH -TGF 05	TGH -TGF 05

(*) the expected wage growth rate net of inflation is not applicable, as there are no longer any active beneficiaries of this scheme

Analysis of sensitivity of post-employment benefit commitments to changes in the main actuarial assumptions

Impact of the change (additional supplementary pension)	31/12/2023
Change of -0.50% in the discount rate: 2.65% (3.15% - 0.50%)	
– Impact on present value of commitments at 31 December 2023	7.39%
– Impact on net total expense in 2023	-9.50%
Change of +0.50% in the discount rate: 3.65% (3.15% + 0.50%)	
– Impact on present value of commitments at 31 December 2023	-6.73%
– Impact on net total expense in 2023	7.87%

Post-employment benefits, defined-benefit plans (additional supplementary pension and retirement benefits)

Change in provision

In thousands of euros	31/12/2023	31/12/2022
Provision/Assets at the beginning of the period	**4,990**	**6,344**
- Expenses recognised in the income statement	*520*	*480*
- Benefits paid directly by the employer (not financed)	*-159*	*-700*
- Changes in scope (acquisitions, disposals)	*-15*	*-34*
- Actuarial gains and losses	*2,382*	*-1,099*
- Other changes	-	-
Provision/Assets at the end of the period	**7,718**	**4,990**

Post-employment benefits, defined-benefit plans (additional supplementary pension and retirement benefits)

Recognition of commitments

In thousands of euros	31/12/2023	31/12/2022
Change in the value of commitments		
Present value of the bond at the beginning of the period	24,270	30,166
- Cost of services rendered	*301*	370
- Cost of discounting	*903*	544
- Employee contributions	-	-
- Actuarial gains or losses	*2,793*	-4,994
- Benefits paid by the employer and/or the fund	*-1,288*	-1,781
- Change in scope (acquisitions, disposals)	*-15*	-34
- Other changes	-	-
Total present value of the commitment at the end of the period (A)	**26,964**	**24,270**
Change in hedging assets and reimbursement rights		
Fair value of plan assets at the beginning of the period	19,280	23,822
- Financial income on plan assets	*684*	*434*
- Actuarial gains or losses	*411*	*-3,895*
- Benefits paid by the fund	*-1,129*	*-1,081*
Fair value of plan assets at the end of the period (B)	**19,246**	**19,280**
Financial coverage		
Financial position (A) - (B)	7,718	4,990
Provision/Assets	**7,718**	**4,990**

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The updated Compensation Policy for 2023, published on the Group's Intranet (France section), was validated by the Supervisory Board after a favourable opinion from the Remuneration Committee and the Executive Board.

The Group applies the above-mentioned professional standards taking into account the individual performance of employees, competition in its markets, its strategy, long-term objectives and the interests of shareholders.

Regulatory context

BANKING SECTOR

The French government order of 3 November 2009 and the professional standards of the French Banking Federation require financial institutions to regulate variable compensation payment practices for financial market professionals and executives, to ensure that financial institutions have a level of equity that would not expose them to risk.

The French government order of 13 December 2010 extends the FBF standards issued on 5 November 2009 – which were reserved for financial market executives and professionals (defined as employees whose performance and compensation are linked to market instruments) – to "risk-taker" employees and all employees within an equivalent compensation bracket and whose professional activities are likely to have an impact on the firm's risk profile. That order also adopted the FBF criteria regarding payment of variable compensation to the employees concerned.

Since 2015, compensation-related regulations have been based on CRD IV (Directive 2013/36/EU, as amended by Directive (EU) 2019/878 (CRD V), which was enacted into French law in particular by decree 2020-1637 of 22 December 2020 and order 2020-1635 of 21 December 2020.

ASSET MANAGEMENT INDUSTRY

On 23 November 2010, the AFG, AFIC and ASPIM issued common provisions on the compensation policies of asset management companies.

Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (AIFMD), transposed into French law by government order 2013-676 of 27 July 2013, took effect in 2015 (variable compensation paid in March 2016).

Directive 2014/91/EU, known as UCITS V (where UCITS stands for Undertakings for Collective Investment in Transferable Securities), transposed into French law by government order 2016-312 of 17 March 2016, came into force in 2017 (variable compensation paid in March 2018). Its provisions are very similar to those of the AIFMD.

Governance and formalisation of existing practices

In application of the texts cited above, an annual report on the variable compensation of the employees concerned is sent to France's prudential supervisory authority (Autorité de Contrôle Prudentiel et de Résolution). The process for determining compensation and the resulting budgets must be reviewed each year by the Bank's Compensation Committee and submitted for approval by the Supervisory Board.

The Bank's system

1 – *"Risk-taker" or "Identified" staff members in accordance with CRD V*

The employees concerned are:

- Members of the Executive Committee, the Executive Board (or Board of Directors as the case may be) and Senior Management
- Heads of Control Functions (Audit, Risk Management, Compliance) and those with managerial responsibilities that report to them
- Heads of Business Units and those with managerial responsibilities that report to them
- Heads of certain Support Functions (including Finance, HR, IT, Legal etc.)
- Heads of Risk Management and Permanent Members of Risk Committees
- Heads of New Products and Permanent Members of New Products Committees
- Managers of Risk-Takers
- Staff members whose total compensation is €500,000 or more and/or employees in the top 0.3% in terms of compensation

- Staff members whose total compensation is at least equal to that of the Senior Management member with the lowest compensation.

The variable compensation of employees who are “risk takers” is determined according to the following principles:

Bonuses are partially deferred, on a straight-line basis over at least three years when employees reach a certain level of variable compensation.

With regard to variable compensation for 2023 having reached a certain threshold, a fraction representing 40% to 60% will be paid in cash and/or in instruments, and staggered over three financial years.

The Bank has put in place an instrument to pay cash compensation, deferred over three years in three equal instalments, linked to the share price of Edmond de Rothschild Holding S.A. (unlisted Swiss holding company of the Edmond de Rothschild Group), known as the Group Performance Plan.

2 – Fund managers, sales representatives of asset management companies

Under the AIFM and UCITS V Directives, Edmond de Rothschild Asset Management (France) has adjusted its compensation policy, and particularly its practices in terms of deferred variable compensation for fund managers and other categories of staff covered by the Directives (“Material Risk-Takers”).

The main characteristics of the policy are as follows:

- 40-60% of the variable compensation granted to a beneficiary is deferred for three years;
- indexation at least 50% of the variable compensation (both deferred and immediate) to a basket of securities representing the Group’s various management expertise,
- payment of the deferred portion subject to the condition of presence and the different conditions provided for in the AIFM and UCITS V Directives (no excessive risk-taking, financial situation of the company, etc.) that could reduce the amount between their initial award and their vesting.

In order to protect the company against a very sharp increase in the value of the basket, a hedging mechanism was also put in place.

A compensation expense is recognised spread over time to reflect the vesting based on the presence of the beneficiaries.

In the event that the fund’s performance increases, the variable compensation debt will not be revalued for the hedged portion. The hedging asset will be retained at historical cost. A provision must be made for the unhedged portion.

In the opposite case, the hedging asset will be subject to impairment (in the amount of its market value); in exchange, the variable compensation debt will be adjusted downwards.

Employee Share Plan

The Edmond de Rothschild Group has set up a plan to award free shares in Edmond de Rothschild Holding S.A. (an unlisted Swiss holding company of the Edmond de Rothschild Group) for the benefit of certain employees of the Group (the "Beneficiaries").

The objectives for implementing this plan are to improve the retention of key employees and promote alignment of interests between employees and shareholders.

The plan’s main characteristics are as follows:

- The Beneficiaries are granted rights to receive EdRH shares over a three-year vesting period (one third per year, i.e. tranches vesting in March N+2, March N+3 and March N+4).
- The Beneficiaries own the shares on the vesting date, but they only acquire economic rights, not voting rights.
- They have the status of “participation certificates” under Swiss law.

- The shares received can only be sold after the lock-up period has expired.

- the resale period is limited over time as each vintage has a lifetime of seven years. The shares may only be sold back to Edmond de Rothschild Holding S.A.

Participation certificates will be transferred to Edmond de Rothschild (France) beneficiaries by Edmond de Rothschild Holding S.A.

Under the contract between Edmond de Rothschild Holding S.A. and Edmond de Rothschild (France), Edmond de Rothschild Holding S.A. bills Edmond de Rothschild (France) for the cost of acquiring its own shares to be transferred to French beneficiaries.

An expense is recorded in respect of services rendered by employees. In the absence of a commitment to pay a cash sum to employees, the plan is qualified as equity-settled (IFRS 2.43B), with the following accounting consequences:

- An expense is determined at the grant date and is not subsequently remeasured, except to take account of changes in service and/or performance conditions (IFRS 2.B57).
- The expense is spread over the period during which the services are rendered, with a balancing entry in an equity account representing the parent company's contribution (IFRS 2.B53).
- That period is the period during which the beneficiaries render services to the Group on the basis of the conditions of continued employment that must be met for the rights to vest. The expense for 2023 is being spread between 1 January 2023 and the vesting dates, i.e. over 2.25, 3.25 and 4.25 years for the tranches due to vest in March 2025, March 2026 and March 2027 respectively.

At 31 December 2023, the net expense relating to the Group's bonus share plan was €4,532,000 versus a net expense of €3,781,000 at 31 December 2022.

Note 7 – Additional information

	% interest		% control	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
7.1. Scope of consolidation				
Consolidating entity				
Bank				
• Edmond de Rothschild (France)				
Full consolidation method				
Portfolio Companies				
• Financière Boréale	100.00	100.00	100.00	100.00
• EdR Real Estate (Eastern Europe) Cie SàRL *	62.73	62.73	62.73	62.73
• CFSH Luxembourg SàRL *	100.00	100.00	100.00	100.00
• Edmond de Rothschild Europportunities Invest II SàRL *	58.33	58.33	58.33	58.33
• Bridge Management SàRL *	99.99	99.99	100.00	100.00
Asset management companies				
• Edmond de Rothschild Asset Management (France)	99.99	99.99	99.99	99.99
• Edmond de Rothschild Private Equity (France)	-	100.00	-	100.00
• Edmond de Rothschild Europportunities Management SàRL *	-	100.00	-	100.00
• Edmond de Rothschild Europportunities Management II SàRL *	-	72.36	-	72.36
• EdR Real Estate (Eastern Europe) Management SàRL *	-	100.00	-	100.00
• ERES IV GP SAS	-	100.00	-	100.00
• Edmond de Rothschild Asset Management (Hong-Kong) Limited *	99.99	99.99	100.00	100.00
• Edmond de Rothschild Investment Partners China SàRL *	-	100.00	-	100.00
• EDR Immo Magnum	100.00	100.00	100.00	100.00
Advisory companies				
• Edmond de Rothschild Corporate Finance	100.00	100.00	100.00	100.00
Insurance Company				
• Edmond de Rothschild Assurances et Conseils (France)	100.00	100.00	100.00	100.00
Bank				
• Financière Eurafrique	-	100.00	-	100.00
Miscellaneous				
• Edmond de Rothschild Boulevard Buildings Ltd *	100.00	100.00	100.00	100.00
• Groupement Immobilière Financière	100.00	100.00	100.00	100.00
Equity-accounted associates				
Bank				
Asset management companies				
• Zhonghai Fund Management Co. Ltd *	25.00	-	25.00	-
• Elyan Partners SAS	-	49.00	-	49.00
• ERAAM	34.00	34.00	34.00	34.00

* Foreign company.

		31/12/2023	31/12/2022
7.2.	**Average headcount**		
	Average headcount of the French companies	734	726
	- Technical staff	*75*	*69*
	- Executives	*659*	*657*
	Average headcount of the foreign companies	56	59
	Overall average headcount	**790**	**785**

In accordance with the requirements of the French Commercial Code, the breakdown by category of the average headcount, salaried and available to the Group during the financial year is communicated.

The number of workers employed part-time or for less than the full year is taken into account in proportion to the average time worked as compared to the full-time hours laid down by agreement or statute.

7.3. Unconsolidated special purpose entities

A special purpose entity is an entity designed so that voting rights or similar rights are not the determining factor in establishing control over the entity.
The Group carries out transactions with sponsored special purpose entities through its fund management activities. Funds are offered to institutional and individual clients, and the Group handles distribution and commercial monitoring in respect of the funds.

In 2023, the amount invested in sponsorship was €30.5 million lower than in 2022. Total exposure amounted to €23.4 million at 31 December 2023. No new commitments have been made in 2023 and the residual amount at the end of 2023 is €6.2 million.
The Group uses a “carried interest” mechanism, in line with market practices.

7.4. Post-balance sheet events

No events occurred after the end of the financial year that had a significant impact on the accounts drawn up on 31 December 2023.

7.5. Disclosures concerning capital

Pursuant to French Banking and Financial Regulation Committee regulation 2000-03, the solvency ratio is assessed at the level of Edmond de Rothschild (France), which meets capital adequacy requirements.
At 31 December 2023, the share capital of Edmond de Rothschild (France) amounted to €83,075,820, consisting of 5,538,388 shares with nominal value of €15 each.

7.6. Statutory Auditors' fees

Statutory Auditors' fees shown in the income statement for the 2023 financial year are as follows:

In thousands of euros	PwC	Grant Thornton Audit	Other	31/12/2023	31/12/2022
Fees for statutory audit, certification and examination of the parent company and consolidated financial statements	**433**	**600**	**40**	**1073**	**932**
Edmond de Rothschild (France)	252	367	40	659	529
Edmond de Rothschild Asset Management (France)	96	113	-	209	176
Other	85	120	-	205	227
Services other than certification of the financial statements[1]	**66**	**10**	**-**	**76**	**83**
Edmond de Rothschild (France)	-	-	-	-	17
Edmond de Rothschild Asset Management (France)	66	3	-	69	66
Other	-	7	-	7	-
Other services provided by the networks to fully consolidated subsidiaries	-	-	-	-	-
Total	**499**	**610**	**40**	**1,149**	**1,015**

[1] Services other than the certification of financial statements consist of comfort letters, agreed procedures, declarations of compliance with accounting rules and regulatory consultations.

The amounts mentioned above include the following fees relating to the statutory auditing of the financial statements of Edmond de Rothschild (France) and its subsidiaries:

a) by PricewaterhouseCoopers Audit for €523,000 for the certification of financial statements and €83,000 for services other than the certification of financial statements;

b) by "Cabinet Didier Kling", for €341,000 for the certification of financial statements.

Note 8 – Operating segments

The Group's operations are organised around two strategic business lines (Asset Management and Private Banking) and one further business line (Other Activities and Proprietary Trading).

Private Banking covers a range of services including:

- portfolio and private asset management, wealth engineering and family office services,
- corporate advisory services for family-owned businesses.

Asset Management covers the following four types of management:

- equities, diversified assets, and convertible bonds,
- multi-management, traditional and alternative,
- fixed income and credit, as well as structured, quantitative and direct alternative asset management,
- private equity funds.

The "Other Activities and Proprietary Trading" business line includes:

- under Other Activities, corporate advisory services provided by the dedicated subsidiary Edmond de Rothschild Corporate Finance, including M&A advisory, business valuations and financial engineering, the proprietary activities of the Capital Markets Department and the activities of Edmond de Rothschild REIM (France), which specialises in managing French real estate assets for third parties;
- under Proprietary Trading, management of the Group's assets (particularly its securities portfolio), the Bank's financing activities for all of its businesses, expenses related to this business line's specific activities and its coordination role within the Group, and income and expenses not directly attributable to the other business lines.

Methodologies

Each business line's management accounts are intended to:

- show the results of each business line as if it were an independent entity;
- provide a fair view of their results and profitability over the period.

The accounting principles used to prepare these financial statements are as follows:

- each business line's net banking income corresponds to the revenues generated by its business, net of fees passed on to business providers;
- each business line's management expenses comprise its direct costs, its share of expenses related to the logistical and operational support provided by the Bank, and a share of the Group's overheads;
- provisions are allocated to the various divisions in order to reflect the cost of the risk inherent in its business for each of them. Provisions that cannot be allocated to a business line are allocated to Proprietary Trading.

The detailed breakdown of the results of each of these divisions and their contribution to the Group's profitability is presented below.

In thousands of euros	Private Banking 2023	Private Banking 2022	Asset Management 2023	Asset Management 2022	Private Equity 2023	Private Equity 2022	Other Activities and Proprietary Trading 2023	Other Activities and Proprietary Trading 2022	Group 2023	Group 2022
Net banking income	**140,927**	**120,472**	**129,794**	**142,387**	**4,353**	**4,767**	**105,465**	**66,602**	**380,538**	**334,228**
Operating expenses	-109,860	-97,543	-120,387	-130,170	-7,239	-5,488	-68,166	-66,835	-305,652	-300,036
Personnel expenses	-67,028	-61,630	-69,969	-73,219	-3,586	-2,673	-41,160	-42,364	-181,743	-179,887
- direct	*-48,253*	*-44,423*	*-54,758*	*-56,373*	*-2,865*	*-2,045*	*-33,937*	*-35,748*	*-139,814*	*-138,588*
- indirect	*-18,774*	*-17,207*	*-15,211*	*-16,846*	*-721*	*-628*	*-7,223*	*-6,616*	*-41,929*	*-41,298*
Other operating expenses	-36,062	-28,993	-45,594	-50,013	-3,351	-2,600	-15,718	-13,294	-100,725	-94,900
Depreciation expenses	-6,770	-6,920	-4,824	-6,939	-302	-215	-11,288	-11,176	-23,184	-25,250
Gross operating income	**31,067**	**22,929**	**9,407**	**12,217**	**-2,886**	**-722**	**37,299**	**-233**	**74,886**	**34,191**
Cost of risk	-	-	0	-	-	-	-831	-14	-831	-14
Operating income	**31,067**	**22,929**	**9,407**	**12,217**	**-2,886**	**-722**	**36,468**	**-247**	**74,055**	**34,177**
Share in net income of associates	-	13,467	-	-	3,038	3,002	-3,633	-	-594	16,470
Net gains or losses on other assets	-	-	-	-	-	-	2,188	33,470	2,188	33,470
Change in the value of goodwill	-	-	-	-	-	-	-	-	-	-
Recurring income before tax	**31,067**	**36,396**	**9,407**	**12,217**	**152**	**2,281**	**35,023**	**33,223**	**75,649**	**84,117**
Income tax	-8,025	-5,923	-2,429	-3,156	631	93	-6,104	-4,017	-15,927	-13,003
Net income	**23,042**	**30,474**	**6,978**	**9,060**	**783**	**2,374**	**28,919**	**29,206**	**59,723**	**71,114**

Note 9 – Related party transactions

Edmond de Rothschild (France) was a subsidiary of Edmond de Rothschild S.A. (EdR S.A.) until 7 August 2019. Since then, it has been owned by Edmond de Rothschild (Switzerland), itself a subsidiary of Edmond de Rothschild Holding S.A. (EdRH), the ultimate shareholder being, as at 31 December 2023, La Hoirie de Benjamin de Rothschild

All transactions took place in the ordinary course of business and on terms comparable to the terms of transactions with similar parties or, where relevant, with other employees.

Parties related to the Edmond de Rothschild (France) Group are companies consolidated by Edmond de Rothschild (France) and by the EdRH group. In accordance with IAS 24, members of the Supervisory Board and members of the Executive Board of Edmond de Rothschild (France), their spouses and dependent children are also considered related parties.

Transactions with related companies

Note 7.1 lists all companies consolidated by Edmond de Rothschild (France).

Since transactions and year-end outstanding balances with fully consolidated Group companies are totally eliminated through consolidation, the table below only shows data for transactions with companies over which the Group has significant influence and which are accounted for by the equity method.

Transactions with associates

Note 3.9 lists all companies accounted for by the equity method.

In thousands of euros	31/12/2023	31/12/2022
Financial assets at fair value through profit or loss		
Loans and receivables due from credit institutions		
Accruals and other assets	14	425
Assets	**14**	**425**
Financial liabilities at fair value through profit and loss		
Due to credit institutions		
Due to clients		
Accruals and other liabilities	-	10,058
Liabilities	**-**	**10,058**
+ Interest and similar income	-	1
- Interest and similar expenses	-	-8,262
+ Commissions (income)	-	5
- Commissions (expenses)	-11,588	-13,090
+ Income from other activities	1,073	612
- Expenses from other activities		
Net banking income	**-10,515**	**-20,734**
- General operating expenses		
Gross operating income	**-10,515**	**-20,734**

Transactions with the parent company

In thousands of euros	31/12/2023	31/12/2022
Financial assets at fair value through profit or loss	767,257	500,000
Loans and receivables due from credit institutions	1,528	90
Accruals and other assets	4,447	7,331
Assets	**773,232**	**507,421**

In thousands of euros	31/12/2023	31/12/2022
Financial liabilities at fair value through profit and loss	1,435,375	1,204,612
Due to credit institutions	2,471	1,056
Due to clients		
Accruals and other liabilities	3,982	6,268
Liabilities	**1,441,828**	**1,211,936**

In thousands of euros	31/12/2023	31/12/2022
+ Interest and similar income	23,594	1,191
- Interest and similar expenses	-619	-583
+ Commissions (income)	4,175	5,985
- Commissions (expenses)	-6,135	-6,165
+ Income from other activities	3,572	3,285
- Expenses from other activities	-10	
Net banking income	**24,577**	**3,713**
- General operating expenses	-7,579	-7,585
Gross operating income	**16,998**	**-3,872**

Transactions with other related parties

These are transactions with Edmond de Rothschild Holding and its subsidiaries, and with the subsidiaries of Edmond de Rothschild S.A.

In thousands of euros	31/12/2023	31/12/2022
Financial assets at fair value through profit or loss	-	-
Loans and receivables due from credit institutions	2,461	2,906
Loans and receivables due from clients		
Accruals and other assets	30,227	38,864
Assets	**32,688**	**41,770**

In thousands of euros	31/12/2023	31/12/2022
Financial liabilities at fair value through profit and loss	187,464	268,673
Due to credit institutions	2,303	2,005
Due to clients	938	2,477
Accruals and other liabilities	1,986	3,260
Provisions		
Liabilities	**192,691**	**276,415**

In thousands of euros	31/12/2023	31/12/2022
+ Interest and similar income	9	33
- Interest and similar expenses	-525	-106
+ Commissions (income)	80,941	97,611
- Commissions (expenses)	-5,098	-6,054
Net gains or losses on financial instruments at fair value through profit and loss	64	-
Net gains or losses on financial assets available for sale		
+ Income from other activities	4,527	3,753
- Expenses from other activities	-420	-405
Net banking income	**79,498**	**94,832**
- General operating expenses	-1,478	-2,605
Gross operating income	**78,020**	**92,227**

Transactions with related natural persons

In thousands of euros	31/12/2023	31/12/2022
Loans and overdrafts	37,452	35,560
Assets	**37,452**	**35,560**

In thousands of euros	31/12/2023	31/12/2022
Demand deposits	-	-
Liabilities	**-**	**-**

In thousands of euros	31/12/2023	31/12/2022
+ Interest and similar income	1,898	709
Net banking income	**1,898**	**709**
Gross operating income	**1,898**	**709**

Part 1

General risk management policy

Section 1 – Internal control

To meet the requirements of its regulators, the Bank has set up an internal control system that enables it to manage risk on a consolidated basis.

The components of this system are designed to provide the corporate bodies and the Risk Committee with an accurate view of the risks so that they can be managed appropriately.

The experience gained in this process by the internal control teams, and the close involvement of the corporate bodies, means that a consolidated view of risk can be established for the Bank itself, but also for its clients.

The internal control system is organised on three levels:

- *first level*: in addition to operational staff and their line managers, a network of controllers and compliance officers within departments and operating subsidiaries constitutes the first level of internal control;
- *second level*: the Compliance and Control Department oversees the proper implementation of internal control measures at the first level, and the Central Risk Department ensures the consolidated monitoring of financial risks in the Bank's activities;
- *third level*: the Internal Audit Department applies third-level controls to all of the Bank's structures. During specific or group-wide assignments, it reports on the quality of internal control, possible improvements and the security of processes. The maturity of the risk management system and controls performed by the second-level control entities give the Internal Audit Department a reliable foundation on which to base its investigations, on which it reports directly to the Risk Committee.

Section 2 – Description of second-level entities

The Compliance and Control Department and the Central Risk Department are second-level control entities that each work very closely with the first-level compliance officers of their respective business lines to set targets, continuously improve methods and tools and co-ordinate control activities.

More specifically:

- The Compliance and Control Department is tasked with implementing continuous monitoring mechanisms. It lies at the second level of the control system and oversees the implementation of first-level controls by the operational departments and provides assistance to the business lines. This entails informing and training employees to provide them with adequate knowledge of the regulations and the internal procedures governing their activities. It also ensures compliance with the ethics policies applicable to employees and in the context of efforts to combat money laundering and the financing of terrorism.

- The Central Risk Department, an essential link in the second-level internal control system, consists of three units tasked with monitoring:

A) risks relating to proprietary activities (Proprietary Risk Control), including counterparty, liquidity and market risks;

B) risks relating to the management of assets for third parties and borne by asset managers within the Bank and its asset management subsidiaries;

C) operational risks relating to potential process and system failures and fraud. Alongside these monitoring tasks, the CRD implements and updates a risk map, which may give rise to action plans or alerts based on a formal escalation policy.

In addition to its own role in monitoring financial risk, the Central Risk Department is also responsible for leading the Group's risk management organisation, including setting up cross-functional committees that review the overall risks inherent in the Bank's activities. The Compliance and Control Department ensures the operational compliance of this risk management organisation.

Section 3 – Internal control consolidation at the Edmond de Rothschild group level

Harmonised methods for assessing and calculating risk allow risks to be consolidated at the level of the Swiss holding company.

The consolidated risk management system that the Edmond de Rothschild Group intends to put in place will involve increased communication between teams and the adoption of continuously improved reporting mechanisms.

Part 2

Counterparty credit risk management

Counterparty credit risk is the risk of loss caused by the inability of a client or counterparty to honour its financial obligations. This risk includes settlement risk during the period between the point at which the payment or delivery order for a financial instrument sold can no longer be unilaterally cancelled by the Bank, and the final reception of the financial asset purchased or the corresponding cash.

Section 1 – Risk-generating activities

Counterparty credit risks borne by the Group originate from:

1. transactions with Private Banking clients and funds managed by the Group's asset management companies, particularly in connection with the following operations:

    - loans or commitments to Private Banking clients;

    - overdrafts on current accounts for private clients;

- occasional overdrafts of funds managed by the Group's asset management companies that are transferred to the Bank (such overdrafts result from the time gap between purchases and sales of securities);

- foreign exchange transactions with certain in-house funds to hedge the exchange-rate risk resulting from positions in foreign currencies;

2. over-the-counter transactions entered into as part of proprietary trading activities, principally with banks or large companies with satisfactory credit ratings.

Section 2 – Authorisation, monitoring and assessment procedures

Authorisation procedures

Credit risks are generally accepted on condition that the expected return provides satisfactory coverage of the risk of loss in the event of default by the client or counterparty. While guarantees are generally sought, this is never a substitute for an ex-ante analysis of the risks.

Different rules and methods apply to transactions with clients and capital markets transactions.

Loans and signed commitments granted to Private Banking clients

In most cases, financing for clients (loans or signed commitments) is overseen by the Credit Committee, which meets weekly and is chaired by the Chair of the Executive Board or another member of the Executive Board. Before any such arrangement is entered into, the Credit Department examines the application submitted by the client advisor concerned (or by a Group asset management company where the beneficiary is a managed fund). This department issues a reasoned opinion on the quality of the proposed risk, and sends the entire file to the Credit Committee for final decision, which is evidenced by a formal approval document signed by the Committee's chair. Cases that exceed the Credit Committee's powers are submitted to the whole Executive Board by Edmond de Rothschild Group's Chief Financial Officer.

In addition, loans and commitments may be granted to certain staff members in the Private Banking Division. Those delegations of authority are subject to strictly defined limits, and are governed by an ad-hoc internal procedure.

Finally, loans and commitments granted under delegations of authority are always brought to the attention of the Credit Department, which ensures that delegated powers are complied with.

As regards over-the-counter transactions, bank counterparties are examined every six months.

In 2008, in view of the sudden decline in the financial standing of a number of bank counterparties, Proprietary Risk Control strengthened its day-to-day monitoring arrangements by collecting and analysing the information provided by credit default swap (CDS) spreads.

This monitoring has been extended to cover corporate and sovereign issuers. To supplement this mechanism and comply with the French government order of 3 November 2014, the Central Risk Department has implemented its own method for assessing credit risk that relies on scoring by internal experts, in addition to the use of external ratings. This internal model measures the borrower's creditworthiness by means of financial analysis and scoring techniques.

Commercial counterparties (particularly large-public sector companies) also require formal approval from the same committee. Individual risk limits for all capital market counterparties (bank and commercial) are set by the aforementioned committee for each Group entity, ensuring in advance that those limits are consistent with the risk appetite of the Edmond de Rothschild Group.

These individual limits are, where appropriate, supplemented by so-called "group" limits, which govern exposures to any group of third parties deemed to be a single beneficiary within the meaning of Article 3 of Regulation 93-05 on monitoring large exposures. Investment limits are assigned on the basis of the internal rating established by the Central Risk Department and on the analysis of the creditworthiness of individual counterparties.

Two types of limits are defined:

- limits on amounts: the maximum amount of risk (both on- and off-balance sheet) that the Bank is willing to accept for a counterparty (or group of related counterparties),

- time limits: this determines the maximum term of transactions. The term is dependent on the rating of the counterparty or issuer, among other factors.

Any deterioration in the quality of a counterparty deemed to be material or any change in regulatory requirements triggers the immediate review of authorisations granted to the entity during each monthly Risk Committee meeting.

Risk monitoring and assessment process

Loans and signed commitments granted to Private Banking clients

Monitoring compliance with limits

Relationship managers are responsible for the day-to-day monitoring of accounts that show an overdraft or an overdraft in excess of the authorised amount. To carry out that monitoring, they receive alerts relating to limit breaches every morning. The Private Banking Division also carries out a check on statements of limits exceeded over a materiality threshold, for all accounts in the Bank's books. Similarly, the Credit Department checks that limit breaches comply with delegated powers in terms of both amount and duration. If necessary, it sends a request to the relationship manager (with a copy to their superior) so that appropriate measures can be defined and applied. Where it believes that it is justified in the context, the Credit Department informs the Credit Committee, so that it can take a decision aimed at resolving the type of situation in question.

Finally, every month, the Credit Department presents a summary of accounts showing a discrepancy and hands it to the Private Banking division and General Management in the monthly Risk Committee meeting.

Monitoring collateral

Financing granted by the Bank is usually covered by collateral, primarily in the form of pledged securities accounts or assigned insurance policies. The value of collateral is monitored by the Credit Department, which receives daily alerts on collateral that provides insufficient coverage relative to the loan granted.

A monthly summary is prepared for submission to the Private Banking Division and General Management in the monthly Risk Committee meeting, setting out any irregularities. However, when warranted, the Credit Department can also make the Credit Committee aware of any loan showing insufficient coverage prior to the end of the month so that action can be action.

Processing doubtful loans

Doubtful loans and commitments are transferred to the Legal Department for monitoring. These items are reviewed quarterly by the Litigation Committee, which is chaired by the Bank's Chief Executive Officer. This Committee also examines all litigation that may involve the Group.

Over-the-counter transactions

Management of credit risks associated with capital market transactions is primarily based on strict selection of authorised counterparties. It also involves risk mitigation and elimination techniques selected by the Group with respect to its primary counterparties, i.e. the establishment of framework agreements and collateral agreements, and use of the Continuous Link Settlement (CLS) system. Credit risk management also incorporates daily monitoring of compliance with risk limits and market counterparty monitoring.

Framework agreements and collateral agreements

To reduce counterparty risk on off-balance-sheet transactions, framework agreements have been established in every case for several years. At 31 December 2023, 99% of gross off-balance sheet risks were covered by such agreements for market counterparties. Of the risks not covered by a framework agreement, almost all involved transactions with Group entities at that date.

In addition, after the adoption of the delegated regulation supplementing the EMIR regulation with regard to regulatory technical standards for risk mitigation techniques for OTC derivative contracts not cleared by a central counterparty on 4 October 2016, collateral agreements (credit support annexes or CSAs) were updated with 26 counterparties. Since then, transactions with counterparties that have not signed such agreements have been limited to spot foreign-exchange transactions. The characteristics of those agreements are entered in the OSACAS database.

The Structured Products Back Office is responsible for the monitoring and administrative processing of collateral. As of the date of this document, the collateral accepted by the Bank consists exclusively of cash. Every day, the KTP tool calculates a theoretical margin call for each active counterparty. That information is then sent to the DSI Collateral system so that an initial provisional status can be assigned. Notice to pay is sent to the counterparty when the status relates to a receivable margin call. Once payment is made, the collateral received is interfaced with Moody's Analytics' RiskOrigin counterparty risk management system. In the event of disagreement with the counterparty, no flow is exchanged, and the status is updated to "abandon". An incident report listing all "abandoned" margin calls is sent to Proprietary Risk Control.

All framework and collateral agreements are examined, before they are signed, by a legal advisor with specialist knowledge of capital markets transactions, and the amounts of allowances are approved by the Central Risk Department.

Use of the CLS system for foreign-exchange transactions

Since March 2006, the Bank has belonged to the CLS system, which eliminates the settlement risk usually associated with over-the-counter foreign-exchange transactions. The system has considerably reduced settlement/delivery risk on foreign currency transactions; at 31 December 2023, 74.19% of spot and forward foreign currency transactions with external counterparties went through the CLS system.

Monitoring of risk limit compliance

Exposure is remeasured daily on a mark-to-market basis plus an add-on intended to cover the risk of potential deterioration during the time to maturity of each contract. The add-on depends on the nature and term of the contract. Monitoring is fully automated using a new software platform (RiskOrigin, Moody's Analytics) and satisfies the most stringent market requirements.

Desk managers are informed daily about counterparties' outstandings and limit usage. It is the responsibility of every trader to strictly adhere to the risk limits that are assigned to their profit centre. In the event such a limit is exceeded, that person must immediately inform their superiors.

The Central Risk Department reviews counterparty limit compliance daily for all the Group's capital market activities. The Bank's Executive Board is alerted if any limit is exceeded.

The monthly Risk Committee reviews risk exposure, limits exceeded and the methods for resolving the situation. The monthly Risk Committee also monitors the formation of framework and collateral agreements.

Monitoring counterparties

The Central Risk Department oversees commitments and continuously monitors market counterparties in order to identify risks of default at an early stage. Proprietary Risk Control must submit a report to the monthly Risk Committee on counterparties affected by significant events such as a change of ownership, a downgraded internal rating or reported losses. All limits on bank counterparties are systematically reviewed twice a year, taking into consideration financial data, macroeconomic data and ratings. Credit risks relating to financial institutions and sovereign entities are only incurred with respect to counterparties whose solvency is considered beyond reproach. A system of warnings regarding CDS spreads has been established to measure the markets' perception of credit risk. CDS data are provided by CMA Datavision, an independent company based in London and New York. Spreads are measured on the basis of a model combining relevant market CDS prices collected from reliable contributors, ratings and other sector data. The monitoring system has been supplemented with analysis of 1-year and 5-year CDS spreads, allowing difficulties with certain counterparties to be anticipated. CDS spreads are used in assessing the internal ratings of market counterparties according to a proprietary methodology.

Section 3 – Exposure to counterparty credit risks

The Group’s commitments to clients

The Group’s clients include private banking clients, the Edmond de Rothschild Group (excluding the Bank and its subsidiaries) and the investment funds managed by the Group. Commitments to clients are shown in the tables below.

Changes in the Group's commitments to clients

In millions of euros	31/12/2023	31/12/2022
Loans and other financing (on-balance sheet)	1,213	1,531
Guarantees	84	84
Unused credit facilities	439	417
Total	**1,736**	**2,032**

Group commitments to clients amounted to €1,600 million at the end of 2022, a decrease of around 13% relative to the end of 2021, while investment fund overdrafts fell significantly.

Quality of commitments to clients

Distribution of commitments

No declaration is made regarding any commitment with respect to the risk distribution ratio.

Most loans to non-Group entities on the balance sheet are for less than €3 million. Although the number of loans for more than €3 million is small (less than 10%), their total amount is significant at €810 million. They represent 51% of total credit-risk exposure to private banking clients. 108 clients ("related beneficiaries") have outstanding loans of over €3 million each, representing total exposure of €813 million.

Off-balance-sheet items relating to the top ten clients now amount to €43 million, accounting for 52% of guarantees for the Private Banking division.

Portion of doubtful loans and financing to private banking clients and related provisions

Authorised limits are exceeded only in a minority of cases. Such situations generally concerned less than 1% of outstandings at 31 December 2023. They are monitored and rapidly resolved.

Portion of loans to private banking clients covered by a pledged financial instrument account or assigned life insurance policy

Over 90% of loans and financing to private banking clients are guaranteed by a pledged securities account, an assigned insurance policy or a bank guarantee (usually from the Group). The securities portfolios concerned by the pledges are diversified, invested mainly in the securities of listed companies, bonds and fund units, and mostly managed under contract.

Other security interests mainly consist of mortgages.

In thousands of euros	31/12/2023	31/12/2022
Doubtful loans and other financing to private banking clients	410	404
of which amounts written off	*410*	*404*
Net	**-**	**-**
Percentage of client loans and other financing	0.00%	0.00%

Once a loan is identified as doubtful, the Bank assesses the counterparty's solvency and the risks of non-recovery, and decides whether and in what amount an impairment loss should be recognised.

Impaired and unimpaired loans and other financing with overdue payments and guarantees received for these loans

The tables below show the net carrying amount of unimpaired loans with overdue payments (presented by period overdue), impaired doubtful loans and guarantees received to cover these assets. The amount stated as guarantees received is the value of the guarantee, which cannot exceed the value of the asset it covers.

31/12/2023	Payments overdue by				Doubtful loans		
In thousands of euros	≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year	(assets written off and commitments provisioned)	Total outstanding	Associated guarantees received
Financial assets at market value through profit and loss (excluding variable-income securities)	-	-	-	-	-	-	-
Financial assets at market value through other comprehensive income (excluding variable-income securities)	-	-	-	-	-	-	-
Securities at amortised cost (excluding variable-income securities)	-	-	-	-	-	-	-
Loans and receivables due from credit institutions	-	-	-	-	-	-	-
Loans and receivables due from clients	-	-	-	-	-	-	-
Total doubtful loans and overdue loans net of write-offs	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financing commitments given	-	-	-	-	-	-	-
Financial guarantee commitments given	-	-	-	-	-	-	-
Total doubtful off-balance sheet commitments net of provisions	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

31/12/2022	Payments overdue by				Doubtful loans		
In thousands of euros	≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year	(assets written off and commitments provisioned)	Total outstanding	Associated guarantees received
Financial assets at market value through profit and loss (excluding variable-income securities)	-	-	-	-	-	-	-
Available-for-sale financial assets (excluding variable-income securities)	-	-	-	-	-	-	-
Loans and receivables due from credit institutions	-	-	-	-	-	-	-
Loans and receivables due from clients	-	-	-	-	-	-	-
Total doubtful loans and overdue loans net of write-offs	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financing commitments given	-	-	-	-	-	-	-
Financial guarantee commitments given	-	-	-	-	-	-	-
Total doubtful off-balance sheet commitments net of provisions	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Exposure to credit risk

The table below shows the exposure of all the Group's financial assets to credit risk. This exposure corresponds to the carrying amount of the financial assets reported in the balance sheet net of any impairment, before the effect of unrecorded netting and collateral agreements.

This exposure does not include the effect of framework netting agreements operative at 31 December 2023 and collateral agreements on forward financial instruments traded over the counter. Calculated on the basis of the cash netting allowed under capital adequacy rules, this effect at 31 December 2023 would reduce the Group's exposure to credit risk by €7.1 million.

In thousands of euros	31/12/2023	31/12/2022
Maximum exposure to credit risk		
Financial assets at market value through profit and loss (excluding variable-income securities)	64,133	74,017
Financial assets at market value through other comprehensive income (excluding variable-income	990	1,503
Securities at amortised cost (excluding variable-income securities)	79,218	73,465
Loans and receivables due from credit institutions	835,091	539,590
Loans and receivables due from clients	1,212,759	1,530,671
Exposure to on-balance-sheet commitments (net of write-offs)	**2,192,191**	**2,219,246**
Financing commitments given	445.062	440,603
Financial guarantee commitments given	84,325	131,361
Provisions for signed commitments	-	-
Exposure to off-balance sheet commitments (net of write-offs)	**529,387**	**571,964**
Total net exposure	**2,721,578**	**2,791,210**

Distribution of financial instruments by type of market price or valuation model used

The breakdown of financial instruments by type of market price or valuation model is reported in the table below for each category of instrument defined above.

	31/12/2023				31/12/2022			
In thousands of euros	Market price	Model with observable parameters	Model with unobservable parameters	TOTAL	Market price	Model with observable parameters	Model with unobservable parameters	TOTAL
Financial instruments held for trading at market value through profit and loss	-	14,247	-	14,247	-	3,069	-	3,069
Hedging derivatives	-	47,755	-	47,755	-	61,080	-	61,080
Non-SPPI debt instruments	-	49,563		49,563	-	70,941	-	70,941
Other financial instruments at fair value through profit and loss	-	16,671		16,671	-	13,352	-	13,352
Total financial assets at fair value through profit and loss	**-**	**128,236**	**-**	**128,236**	**-**	**148,442**	**-**	**148,442**
Debt instruments at fair value through equity	-	-	-	-	-	-	-	-
Equity securities at fair value through equity	-	981	9	990	-	936	567	1,503
Total financial assets at fair value through equity	**-**	**981**	**9**	**990**	**-**	**936**	**567**	**1,503**
Financial instruments at fair value through profit or loss held for trading	14,359	10,874	-	25,233	39,322	36,948	-	76,270
Hedging derivatives	-	3,477	-	3,477	-	1,392	-	1,392
Financial instruments at fair value through profit or loss by option	-	1,872,712	845,200	2,717,912	-	2,443,365	612,312	3,055,677
Total financial liabilities at fair value through profit and loss	**14,359**	**1,887,063**	**845,200**	**2,746,622**	**39,322**	**2,481,705**	**612,312**	**3,133,339**

In 2023, the Group issued structured EMTNs valued at €763.6 million, and disposals totalled €380.3 million.

Exposure to counterparty credit risks on capital market operations

In addition to the risks deriving from proprietary trading activities, the exposure to credit risk shown below includes the issuer risk borne by guaranteed investment funds (where the Bank is the guarantor) in order to reflect the Bank's overall exposure to bank counterparties.

At 31 December 2023, 89% of credit risks on capital market transactions concerned bank counterparties with external credit ratings of A or better. It should also be noted that almost all exposures are to counterparties whose risks are considered good or excellent (external rating of BBB or better).

The breakdown by rating of commitments to bank counterparties demonstrates the good quality of the portfolio. It focuses exclusively on Investment Grade counterparties.

Distribution of gross commitments by bank counterparty rating

As a result, at 31 December 2023, gross banking liabilities (including off-balance sheet commitments) were relatively stable:

	Gross risk equivalent					
In millions of euros	31/12/2023		31/12/2022		31/12/2021	
Rating	Amount	%	Amount	%	Amount	%
AAA	0.4	0.72%	0.3	0.24%	-	0.0%
AA	3.2	5.75%	79.2	61.14%	3.0	5.6%
A	45.9	82.41%	49.1	37.93%	46.5	85.4%
BBB	6.2	11.13%	0.9	0.69%	0.9	1.7%
<BBB	-	-	-	-	-	-
Unrated	0.0	0.0%	0.0	0.0%	4.0	7.3%

Methodology: External ratings using the Standard & Poor's model, commitments measured at replacement value, excluding the effect of netting and collateral agreements.

Breakdown of gross commitments on sovereign counterparties by rating

The counterparty risk on sovereign counterparties is limited to France via the holding of French sovereign bonds (excluding cash placed with the Banque de France for an amount of €2.5 billion).

Part 3

Market risk management

Market risks are risks of losses due to adverse developments in prices (primarily due to fluctuations in interest rates, exchange rates, share prices or commodity prices), except price movements resulting from the deterioration of an issuer's financial position.

Section 1 – Risk-generating activities

The Group's market risks result from:

- proprietary trading activities carried out by the Bank's trading desks, mainly the "euro and foreign currency treasury" desk and the "foreign exchange" desk;

- ownership of EMTNs or structured funds, either under the seed money policy or for market making. In this case, the Bank's subsidiary Financière Boréale is the counterparty for sales by clients that take place before the product's contractual maturity;

- risk resulting from the investment portfolio, which is monitored on a monthly basis.

Risks taken by the trading desks are therefore not generated by speculative transactions, but mainly result from short-term cash investments and client intermediation transactions.

Exposure to the secondary market is intended to be unwound as soon as it reaches a sufficient level.

The creation of structured products activities does not generate material market risks. The derivatives used to achieve index-linked returns (particularly swaps) are generally matched strictly with instruments that have identical features arranged by the fund, or a commitment to pay the interest expected by the client that invested in the EMTNs. Hedging gains or losses may occur during the launch of formula funds but these are exceptional and are unlikely to persist.

Loans and other financing commitments to clients do not generally lead to any exposure to market risks (interest-rate or exchange-rate risks) since a system of internal transfers or transactions shifts the exposure to the trading desks.

In other words, all market risks, whether initially associated with transactions with clients or arising from proprietary trading, are centrally managed by the Bank's trading desks, or in the specific case of market-making for structured products, by the financial engineering team.

Section 2 – Monitoring and assessment methods

Market risk approval principles

Authorised limits for maximum exposure to the various market risks are set by the Executive Board and submitted to the Supervisory Board for approval.

These limits are expressed in four ways:

- absolute value of assets held: this is the maximum acceptable level in a given currency of the net position in that currency for foreign exchange transactions;
- sensitivity: sensitivity is defined as the value of the potential loss resulting from a specific variation in a given risk factor (e.g. interest rate or exchange rate);
- stop-loss: the amount of cumulative losses over a given period (calculated in days, months or years) that must not be exceeded unless the position is immediately settled. Stop loss limits are also set by the treasury and foreign exchange desks;
- maximum potential loss: the estimated loss over a one-year horizon resulting from the holding of structured products. This limit is defined on the basis of a scenario involving an adverse price movement, taking into consideration the protection generally associated with this category of financial assets.

Monitoring compliance with market risk limits

Traders work on the trading desks and the Bank's financial engineering team must at all times comply with all market risk limits.
In addition, the Bank's Proprietary Risk Control team (which is part of the Central Risk Department and is strictly independent of the front office) verifies compliance with market risk limits for all activities carried out by the trading desks, on the basis of daily reporting. For structuring, compliance with market risk limits is monitored on a weekly basis.
In the specific case of over-the-counter transactions with a client, the Central Risk Department verifies that there is perfect matching (type and direction of options, nature of the underlying instrument, exercise price, maturity) with a market counterparty; option contracts are systematically back-to-back, i.e. each option transaction with a client is always immediately reversed in the market by entering into a matching opposite transaction with a market counterparty.

Section 3 – Exposure to market risks

The table below details the exposure of the capital markets business to exchange-rate, interest-rate and equity risks during the last two years.

In thousands of euros	Limits set at 1 January 2023	Year-end 2023	Year-end 2022	Average 2023	Average 2022	Minimum 2023	Minimum 2022	Maximum 2023	Maximum 2022
Exchange-rate risk *	400	354	85	320	110	28	27	372	263
Interest-rate risk **	6,000	85	10,517	2,707	2,719	85	404	5,218	10,517

* Sensitivity of operational foreign-exchange positions to an 8% change in exchange rates, excluding correlations.
** Sensitivity of short-term positions to a uniform, parallel 1% change in interest rates, excluding correlations.

The Group considers that its overall exposure to market risks is low, in accordance with the risk appetite of its holding company and the risk management policy defined and implemented.
Most transactions are carried out on behalf of clients and immediately fully covered with a market counterparty.

Part 4

Liquidity and financing management

Liquidity risk is the risk that the Group will be unable to honour its commitments upon maturity or to settle a position due to the market situation. The risk of being unable to honour commitments may result from both transformation of maturities (i.e. borrowing short-term to lend long-term) and the inability to arrange new borrowings on acceptable terms, whether because of general market conditions or factors specific to the Group.

Section 1 – Liquidity

Liquidity, i.e. the immediate availability of investments or the possibility of rapid resale for a reasonable cost, for example in response to withdrawals or unexpected early redemption requests, is one of the basic principles of the Bank's cash and asset/liability management policy. The Bank is aware that its prudent, or indeed conservative, approach reduces the opportunities of optimising returns in situations where a longer maturity would generate additional margins.

The policy is primarily managed by central co-ordination of decisions regarding investments:

- at the level of the trading desks for cash management;
- at the level of the Finance Department, following an Executive Board decision, for securities portfolios.

Refinancing of the client loan portfolio is also centrally co-ordinated by the trading desks through the use of internal contracts.

The Asset and Liability Management Committee, which includes a seat for the Central Risk Department, carries out three to four checks per year to ensure compliance with this policy. Since the emergence of the interbank liquidity crisis, the Risk Control Department has established a daily operational liquidity statement and developed a liquidity stress scenario to test the robustness of the balance sheet to a shock on a monthly basis.

The stress-test results are positive since in all circumstances the Bank retains a substantial liquidity credit balance.

The Group is therefore not considered to be dependent on the market to meet its commitments. The methodology for measuring liquidity risk has changed over time to more closely reflect:

- the impact of the external environment (deterioration in stockmarkets, sharp appreciation of the US dollar against the euro) on the valuation of derivative products and therefore on the volume of collateral payments; and
- the consequence of large-scale redemptions on the amount of overdrafts granted to mutual funds, thereby impacting available cash.

Here again, the results confirmed that the balance sheet is highly resilient. There are several indicators showing that the Group's investments are sufficiently liquid:

- the volume of "available" cash investments including overnight deposits and short-term securities was above €2 billion at all times during 2023. The amount at 31 December 2023 was €2.5 billion, up sharply compared with the year-earlier figure;

- fixed-term cash investments, in the form of fixed-income and negotiable debt securities, are governed by strict principles: counterparties must have excellent credit quality and are selected under strict criteria by the Credit Committee, and the investment period is limited. These investments amounted to €78.7 million at 31 December 2023;

- client loans and other financing in the form of multi-instalment loans amounted to €435.5 million at 31 December 2023, down slightly compared to the previous year;

- the available-for-sale securities portfolio (excluding investments in associates) is also subject to limits in terms of amount and purpose. At 31 December 2023, it was made up of €56.8 million of variable-income securities (other than money-market funds used by subsidiaries for cash management purposes), essentially in the form of units of in-house funds acquired under the seed money policy. The securities portfolio is governed by a system of limits aiming to encourage sufficient diversification and the holding of liquid assets. The status of these securities (held for sale or to be retained) is regularly examined by the Asset and Liability Management Committee, which only approves the retention of securities in the portfolio in order to support development of the product or product range. An additional mechanism for supervising the securities portfolio has been defined at Edmond de Rothschild Group level.

That resulted in a highly conservative liquidity coverage ratio (LCR) of 246.6% and a net stable funding ratio (NSFR) of 173.5% at 31 December 2023.

Exposure to liquidity risk relating to funds

Liquidity indicators on sensitive funds are monitored daily by the first-level Risk Management team, and monthly by first-level risk committees in the subsidiaries, assisted by the Third-Party Risk Manager in the Central Risk Department. Items consolidated by all subsidiaries are reported monthly to the Financial Risk Committee.

In 2023, no gates were used on any fund marketed by the Bank.

Section 2 – Limitation of maturity mismatching

Continuing its prudent approach, the Bank has decided to maintain a structural "reverse" mismatch position in which long maturities (mainly long-term capital, redeemable subordinated notes and EMTNs associated with issuance of structured products) provide generous coverage of short-term investments.

The following tables present discounted balances on the balance sheet by contractual maturity:

31/12/2023

In thousands of euros	From 1 to 3 months	From 3 months to 1 year	From 1 to 5 years	More than 5 years	Unspecified	TOTAL
Cash, due from central banks and postal accounts	2,475,815	-	-	-	-	2,475,815
Financial assets at fair value through profit or loss	39,867	60,168	-	28,201	-	128,236
Financial assets at fair value through other comprehensive income	-	-	-	990	-	990
Securities at amortised cost	-	-	79,218	-	-	79,218
Loans and receivables due from credit institutions	835,091	-	-	-	-	835,091
Loans and receivables due from clients	757,492	31,528	105,390	318,349	-	1,212,759
Financial assets by maturity	**4,108,265**	**91,696**	**184,608**	**347,540**	**-**	**4,732,109**
Financial liabilities at fair value through profit and loss	791.013	619,108	820,071	512,953	-	2,743,145
Hedging derivatives	3,477	-	-	-	-	3,477
Due to credit institutions	35,263	-	-	-	-	35,263
Due to clients	1,105,899	211,901	189,782	50,907	-	1,558,489
Debt securities	-	-	-	-	-	-
Subordinated debt	-	-	-	-	-	-
Financial liabilities by maturity	**1,935,652**	**831,009**	**1,009,853**	**563,860**	**-**	**4,340,374**

31/12/2022

In thousands of euros	From 1 to 3 months	From 3 months to 1 year	From 1 to 5 years	More than 5 years	Unspecified	TOTAL
Cash, due from central banks and postal accounts	3,844,162	-	-	-	-	3,844,162
Financial assets at fair value through profit or loss	29,566	69,116	126	49,634	-	148,442
Financial assets at fair value through other comprehensive income	-	-	555	948	-	1,503
Securities at amortised cost	-	-	72,977	488	-	73,465
Due to credit institutions	539,590	-	-	-	-	539,590
Loans and receivables due from clients	1,075,823	126,162	52,468	276,218	-	1,530,671
Revaluation differences on interest rate risk-hedged portfolios	-	-	-	-	-	-
Financial assets by maturity	**5,489,141**	**195,278**	**126,126**	**327,288**	**-**	**6,137,833**
Due to central banks and postal accounts	-	-	-	-	-	-
Financial liabilities at fair value through profit and loss	2,214,278	418,416	262,036	237,217	-	3,131,947
Hedging derivatives	1,392	-	-	-	-	1,392
Due to credit institutions	49,606	-	-	-	-	49,606
Due to clients	2,302,248	219,037	35,352	-	-	2,556,637
Debt securities	-	-	-	-	-	-
Subordinated debt	-	-	-	-	-	-
Revaluation differences on interest rate risk-hedged portfolios	-	-	-	-	-	-
Financial liabilities by maturity	**4,567,524**	**637,453**	**297,388**	**237,217**	**-**	**5,739,582**

Assessment and operational monitoring of transformation is carried out monthly based on liquidity gaps determined on the basis of the parent company's balance sheet. This is an appropriate basis because the Bank houses the Central Refinancing Unit for its subsidiaries, whose activities use little liquidity.

The management of structural liquidity risk is governed by three limits, periodically reviewed by the ALM Committee. The table below shows details of liquidity gaps at 31 December 2023.

Period	1 months	3 months	6 months	1 year	2 years	3 years	4 years	5 years
In millions of euros	2,190	1,908	1,412	900	734	620	568	258

Despite a conservative financial management policy, the Bank cannot rule out the possibility of significant early redemption requests from its clients. Thus, a particularly unfavourable scenario has been developed for this purpose. It is also produced monthly for reporting to the Risk Committee and then to the Asset and Liability Management Committee. Examination of this scenario indicates that the Bank could easily meet its obligations in the event of the major constraints, i.e. it could:

- immediately repay all time deposits maturing in under one year;
- repay half of long-term source funds from the retail business;
- honour its commitments following the depletion of demand resources (assuming a one-third reduction in demand deposits).

An emergency funding programme has been developed to deal with any severe liquidity crisis affecting the Bank. It provides three funding options to counter a liquidity shortage:

- mobilisation of assets that are eligible as collateral for the European Central Bank (ECB);
- use of credit facilities available from correspondent banks;
- disposal of liquid assets that are not eligible as collateral for the ECB.

The emergency plan also provides for the implementation of dedicated, responsive governance arrangements suited to the level of urgency.

Section 3 - Diversification of funding sources

Given the Bank's core businesses, source funds received from interbank sources and clients do not result from an active policy of seeking resources to finance investments, but instead reflect its asset management activity (private banking deposits, intragroup deposits, issuance of structured products, repo transactions with funds) and the promotion of the Bank as a counterparty on the money market.

The Bank nonetheless pays careful attention to diversifying its funding sources, which is one of the foundations of its liquidity risk management policy. The table below provides an indication of the diversity of its funding sources at 31 December 2023:

	Banks		Private clients*		Other		Total	
In millions of euros	Amount	Number	Amount	Number	Amount	Number	Amount	Number
Cash advances	731.2	3	1,141.8	NA	-	-	1,873.0	NA
Time deposits	NA	NA	459.9	NA	NA	NA	459.9	NA
Certificates of deposit	-	-	-	-	118.9	11	118.9	11
Structured EMTNs	0	0	785.3	814	-	-	785.3	814

(*) For structured product issues, the "Private clients" column includes data relating to the Private Banking Division's clients. However, it is difficult to estimate accurately the number of investors who have subscribed to these products via other distribution channels.

Part 5

Management of overall interest-rate risk

Section 1 - Definition and origin of overall interest rate risk

Overall interest-rate risk is the risk of loss on all fixed-rate assets, liabilities and off-balance sheet commitments (except fixed-income securities in the trading portfolio that fall into the category of market risks), in the event of a parallel uniform shift in yield curves.

The sensitivity as calculated by the Bank is defined as the change in net present value of residual fixed-rate positions in the event of a concurrent uniform shift in term structures of interest rates. Sensitivity and changes in sensitivity are calculated using dedicated software (RiskConfidence developed by Moody's Analytics), based on 1% and 2% changes in interest rates.

Section 2 - Exposure to overall interest-rate risk

The overall interest-rate risk related to lending activities is consistently low. Client loans and other financing are mainly linked to floating-rate benchmarks (particularly 3-month Euribor) and refinanced internally (with the trading desks) on a similar basis.

The Group manages its exposure to overall interest-rate risk in the context of a sensitivity limit reflecting the net present value of the loss incurred in the event of a uniform adverse movement of 200 basis points in the various yield curves.

The table below shows the levels of the overall fixed-interest rate gap by future period from 31 December 2023, assuming contractual settlement of existing assets and liabilities and no new lending:

Period	1 month	3 month	6 months	1 yea	2 years	3 years	4 yea	5 yea
In millions of	149	187	330	362	330	329	287	287

The medium/long-term shortfall is mainly due to pledged customer loans and to bonds issued by the French government. As a result, sensitivity to a uniform movement of 200 basis points in the yield curve was €0.5 million at 31 December 2023.

When the amounts are significant, the Bank may have to protect investments against exchange-rate risk by borrowing an equivalent amount of the currency. The investments reported above were financed from the outset by currency purchases.

Part 6

Management of overall exchange-rate risk

The overall exchange-rate risk of the Bank's investment portfolio relates to its investments denominated in foreign currencies. It essentially results from purchases of investment fund units denominated in foreign currencies undertaken in connection with the seed money policy. The amounts concerned are shown in the following table at 31 December 2023:

Currency	Amount (in thousands of euros)
CNY	11,088
USD	102

Investments in subsidiaries and associates

At 31 December 2023 (in euros)

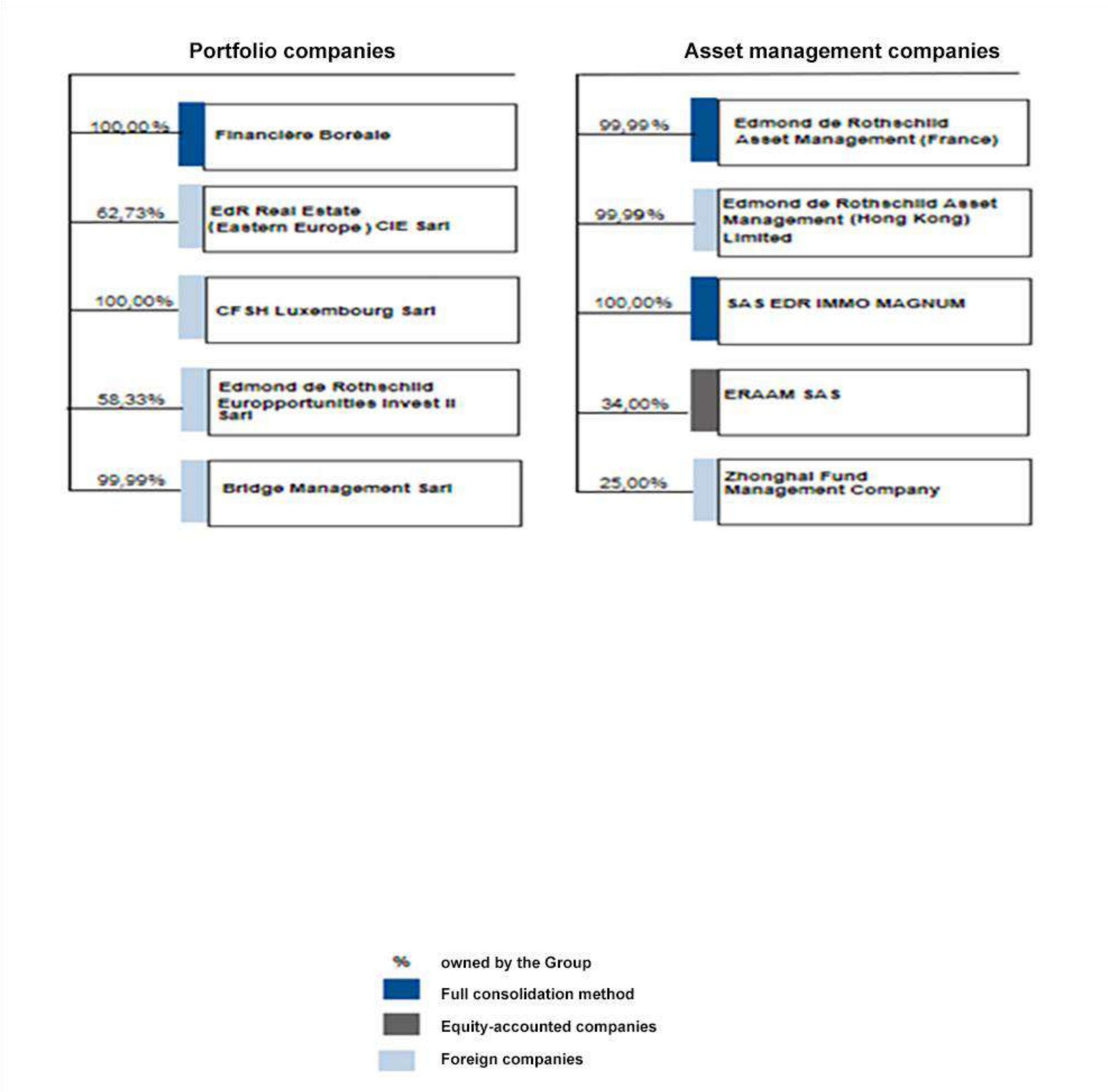
Company or group of companies	Share capital	Other equity	Percentage of share capital held
I - Details of investments (with net carrying amount exceeding 1% of Edmond de Rothschild (France)'s share capital)			
A - Subsidiaries (at least 50% held)			
Financière Boréale	6,040,024	-3,130,766	100.00%
Edmond de Rothschild Asset Management (France)	11,033,769	72,634,866	99.99%
Edmond de Rothschild Corporate Finance	61,300	12,939,231	100.00%
Edmond de Rothschild Assurances et Conseils (France)	7,034,600	* 12,793,754	100.00%
CFSH Luxembourg	12.000	* 12,179,271	100.00%
Edmond de Rothschild Boulevard Buildings Ltd	*** 18,580,000	*** - 1,783,000	100.00%
B - Associates (10% to 50% held)			
Zhonghai Fund Management Co., Ltd.	** 146,666,700	** 108,333,550	25.00%
Edmond de Rothschild Private Equity China Investment S.C.A.	18,058,000	-8,728,786	28.10%
II - AGGREGATE FIGURES			
A - Subsidiaries not included in Section I above	-	-	-
B - Associates not included in Section I above			
French companies (aggregate)	-	-	-
Foreign companies (aggregate)	-	-	-

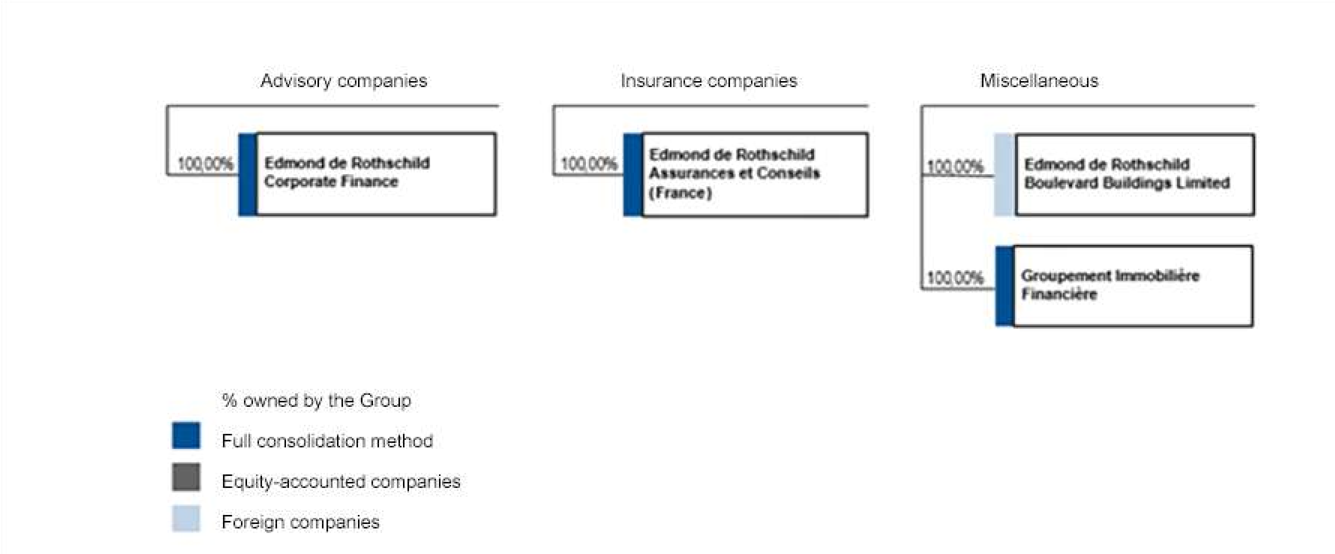
* Excluding interim dividend paid in 2023.
** In CNY.
*** Rounded to the nearest thousand.

Carrying amount of securities held Gross	Net	Outstanding loans and advances made by the Bank	Guarantees provided by the Bank	Revenue for the last financial year	Net income/(loss) in the last financial year	Dividends received by the Bank during the financial year
6,400,630	2,667,659	-	-	107,853	-241,600	-
69,277,270	69,277,270	-	166,186	191,531,556	12,620,312	13,018,325
11,305,037	11,305,037	-	-	43,739,307	7,918,752	3,003,700
39,978,118	39,978,118	-	-	57,806,530	13,424,462	10,551,900
66,840,000	22,790,236	-	-	-	-293,464	-
17,546,861	17,546,861	3,590,658	-	*** 1,597,000	*** - 266,000	-
31,517,330	10,600,000	-	-	** 136,754,664	** - 10,280,169	-
2,452,320	800,310	-	-	-	783,056	
623,128	237,982	457,980	-	-	-	-
625,940	625,940	-	-	-	-	636
66,308	66,308	-	-	-	-	-

Companies consolidated

by Edmond de Rothschild (France) at 31 December 2023




Advisory companies
100,00%
Edmond de Rothschild Corporate Finance
Insurance companies
100,00%
Edmond de Rothschild Assurances et Conseils (France)
Miscellaneous
100,00%
Edmond de Rothschild Boulevard Buildings Limited
100,00%
Groupement Immobilière Financière
% owned by the Group
Full consolidation method
Equity-accounted companies
Foreign companies

Parent company financial statements and notes

Parent company financial statements and notes

Parent company balance sheet and off-balance sheet items (in thousands of euros)

Assets		31/12/2023	31/12/2022
Cash, due from central banks and postal accounts		**37,001**	**44,161**
Treasury bills and similar securities	2.1	**78,757**	**73,128**
Due from credit institutions	2.2	**3,260,616**	**4,325,854**
Client transactions	2.3	**1,218,099**	**1,538,121**
Bonds and other fixed income securities	2.4		**1,889**
Equities and other variable-income securities	2.5	**13,314**	**31,189**
Equity interests and other long-term investments	2.6	**10,026**	**13,754**
Shares in affiliated companies	2.7	**164,454**	**166,157**
Intangible assets	2.8	**48,643**	**28,378**
Property, plant and equipment	2.9	**16,428**	**17,093**
Treasury shares	2.10	**-**	**-**
Other assets	2.11	**66,584**	**121,263**
Adjustment accounts	2.12	**102.275**	**123,771**
Total assets		**5,016,197**	**6,484,757**

Liabilities		31/12/2023	31/12/2022
Due to credit institutions	2.14	**1,870,198**	**2,462,845**
Client transactions	2.15	**1,668,720**	**2,663,808**
Debt securities	2.16	**922.125**	**709,980**
Other liabilities	2.11	**91.120**	**113,751**
Adjustment accounts	2.12	**97.520**	**132,192**
Provisions	2.17	**4.606**	**6,782**
Subordinated debt	2.18	**21.065**	**21,047**
Shareholders' equity (excluding funds for general banking risks)	2.20	**340.843**	**374,352**
. Share capital		**83,076**	***83,076***
. Issue premiums		**98,244**	***98,244***
. Reserves	2.19	**32.278**	***32,278***
. Retained earnings (+/-)		**65,716**	***34,141***
. Income for the financial year (+/-)		**61,529**	***126,613***
Total liabilities		**5,016,197**	**6,484,757**

Off-balance sheet	31/12/2023	31/12/2022
Commitments given		
Financing commitments	454,099	422,427
Guarantee commitments	84,490	84,261
Commitments on securities	5,597	7,644

Commitments received		
Guarantee commitments	72,393	155,965
Commitments on securities	910	

Parent company's income statement

In thousands of euros		2023	2022
+ Interest and similar income	3.1	216,887	73,951
- Interest and similar expenses	3.2	-168,212	-72,374
+ Income from variable-income securities	3.3	39,096	42,465
+ Commissions (income)	3.4	106,680	95,147
- Commissions (expenses)	3.4	-25,558	-23,883
+/- Gains or losses on trading portfolio transactions	3.5	33,998	32,550
+/- Gains or losses on investment portfolio transactions and similar	3.6	-1,125	8,018
+/- Other income from banking operations	3.7	44,040	41,757
-Other expenses from banking operations	3.8	-4,133	-3,325
Net banking income		**241,673**	**194,306**
-General operating expenses	3.9	-169,767	-156,177
-Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-11,380	-11,748
Gross operating income		**60,526**	**26,381**
+/- Cost of risk	3.10	-226	46
Operating income		**60,300**	**26,427**
+/- Gains or losses on fixed assets	3.11	4.860	99,777
Recurring income before tax		**65,160**	**126,204**
+/- Exceptional profit/loss	3.12	-	-14
- Income tax	3.13	-3,631	423
Net income		**61,529**	**126,613**

Notes to the parent company financial statements

Note 1 – Accounting policies and measurement methods

1.1. General

The parent company financial statements of Edmond de Rothschild (France) are prepared and presented in accordance with Regulation 2014-07 of the Autorité des Normes Comptables (French accounting standards authority) dated 26 November 2014.

1.2. Accounting policies and measurement methods

Translation of transactions in foreign currencies

Transactions in foreign currencies are translated into euros using the official exchange rates as published by the Banque de France at the year-end.

Investments in subsidiaries and affiliates denominated in foreign currencies but financed in euros are recorded in the balance sheet at the euro equivalent of their historical foreign-currency cost, using exchange rates prevailing at the date of acquisition or subscription. The resulting translation gains or losses are not included in income.

Loans and other financing to clients

Edmond de Rothschild (France) applies regulation no. 2014-07 issued by the ANC (Autorité des Normes Comptables – the French accounting standard-setter) on 26 November 2014 regarding the accounting treatment of credit risk in the financial statements of companies in the banking sector. Consequently, more detailed information is provided on counterparty risks and new categories of loans have been created in the financial statements as follows:

- performing loans: loans and other financing to clients are shown in the balance sheet at nominal value;
- overdue loans: payments overdue by three months or less (six months or less in the case of mortgages) continue to be reported as performing loans. Beyond these periods of time, loans – for all amounts extended to clients – are classified as doubtful;
- restructured loans: loans restructured as a result of the client's financial position are reclassified as performing loans if restructured under market conditions prevailing at the time.

Loans restructured under non-market conditions are included in a specific subcategory of performing loans until their final due date. Any principal amount or interest waived, whether due or accrued, is charged to income at the time of the restructuring. If, in view of market rates prevailing at the time a loan is restructured that are less favourable than the initial terms of the loan, or in view of the initial loan rate if not, the restructuring gives rise to a future interest difference, the present value of the difference is recorded as an impairment of the loan at the time of restructuring and included in the cost of risk, and subsequently taken to interest income over the remaining life of the loan. If the client does not pay on due dates after the restructured loan has been reclassified as performing, it is immediately downgraded.

Edmond de Rothschild (France) defines restructured loans as loans to counterparties undergoing financial difficulties such that the lender is obliged to adjust the initial terms (term, interest rate, etc.) to enable the counterparty to honour its payment obligations.

Restructured loans therefore exclude:

- loans with terms that have been renegotiated for commercial reasons with counterparties that have no solvency problems;
- loans whose theoretical repayment schedule is altered through application of an option or clause contained in the initial contract (e.g. temporary suspension and deferral of due dates);
- doubtful loans: on-balance sheet receivables and signed commitments concerning a counterparty are identified as doubtful outstandings in the Bank's accounting information system as soon as they show a clear credit risk.

Such a risk is clear where it is probable that the Bank will not recover some or all of the amounts due under the initial contractual terms of the commitment entered into by the counterparty, notwithstanding any guarantees or security provided. The loans or other items concerned are identified by inclusion in specially created accounts.
Edmond de Rothschild (France) classifies loans and commitments with a clear credit risk as doubtful in each of the following cases:

- the loan or advance is at least three months in arrears (six months for residential mortgages and property lessees and nine months for loans to local authorities, to take account of these loans' specific characteristics). The only exception to this rule is when specific circumstances indicate that non-payment is due to causes unrelated to the debtor's financial position;
- when the characteristics of a counterparty's position in connection with a loan or off-balance sheet commitment are such that, independently of any failure to meet payment dates, it can be concluded that a clear credit risk exists. This is the case, for instance, where the Bank is aware that its counterparty's financial position is poor and there is a resulting risk of non-recovery (for example, as a result of early warning procedures);
- whether there are any litigation procedures between the institution and its counterparty. if there is litigation between the Bank and its counterparty, for example, over indebtedness proceedings, court-ordered administration, receivership, court-ordered liquidation, personal bankruptcy, winding-up and any proceedings before an international court.

Edmond de Rothschild (France) distinguishes between two categories of doubtful loans: uncompromised doubtful loans and compromised doubtful loans:

- uncompromised doubtful loans are doubtful loans which do not fulfil the criteria for classification as compromised doubtful loans;
- compromised doubtful loans are loans to a counterparty whose solvency is such that, after a reasonable period of classification as doubtful loans, no return to the performing loans category is foreseeable. Classification as compromised doubtful loans takes place when the accelerated payment clause comes into play or, in the case of a lease, upon termination of the lease;
- loans of an unlimited term become repayable when relations are terminated with the counterparty as notified under the procedures defined in the contract. Any loan included in doubtful loans will be automatically classified as a compromised doubtful loan after one year in the uncompromised doubtful loans category.

Any loan reclassified as performing is immediately downgraded to the compromised doubtful loans category if the client fails to make payments as and when due.
Interest ceases to be recognised once the loan is transferred to compromised doubtful loans. Disputed loans are loans whose nature or amount is being contested, not the solvency of the counterparty. These loans are included in uncompromised doubtful loans.
Provisions for clear credit risk: a specific allowance for impairment is made by a charge against income when the probability that all or part of a loan will not be repaid becomes clear. These allowances are deducted from assets.

In accordance with ANC regulation no. 2014-07 relating to the accounting treatment of credit risk, Edmond de Rothschild (France) applies the method based on discounting forecast cash flows.

Securities portfolio

The securities portfolio mainly comprises the following securities issued in France and abroad:

- fixed- and variable-income securities;
- French Treasury notes;
- other negotiable debt securities;
- interbank market securities.

These securities are classified according to the purpose for which they were acquired and, in accordance with ANC regulation no. 2014-07 on the recognition of securities transactions and regulation no. 2008-15 issued by the CRC (French accounting regulations committee) on 4 December 2008 relating to the recognition of stock option plans and bonus share plans for employees, allocated to the following categories: held-for-trading securities, available-for-sale securities, investment securities, and investments in subsidiaries and associates:

- held-for-trading securities are recognised on the date they are purchased at their purchase price, excluding incidental purchase costs and including accrued interest. Purchase costs are recognised directly as expenses. Held-for-trading securities are purchased for with a view to reselling them within a period of not more than six months;
- available-for-sale securities are recognised on the date they are purchased at their purchase price. Purchase costs are either included in the purchase price of available-for-sale securities or recognised directly as expenses, subject to compliance with the provisions of article 2371-2 of the aforementioned regulation no. 2014-07;
- investment securities are fixed-income securities with a fixed maturity date that have been acquired or transferred to the "held-for-trading securities" category or the "available-for-sale securities" category with the manifest intention of holding them until maturity. Investment securities are recognised on the date they are purchased at their purchase price. Purchase costs are either included in the purchase price of investment securities or recognised directly as expenses, subject to compliance with the provisions of article 2371-2 of the aforementioned regulation no. 2014-07. They are intended to be held for the long term, and are either subject to specific interest-rate hedges or covered by dedicated financing resources. The difference between their purchase price and redemption value is amortised over the remaining life of the securities.
- portfolio securities, other securities held over the long term and investments in subsidiaries, associates and affiliates are recorded on the date they are purchased at their purchase price. These securities are purchased with the intention of holding them for the long term. This category includes all equity interests of 5% or more. Equity interests of less than 5% are also included if the Bank is represented in the management bodies or if another indirect investment is held via other Group companies.

Securities are shown under the following balance sheet headings:

- treasury notes and similar securities;
- bonds and other fixed-income securities;
- equities and other variable-income securities;
- associates and other long-term investments;
- investments in affiliates;
- treasury shares.

Fixed assets

Intangible assets relate primarily to purchased software that is amortised over one to three years.
Depreciation of office furniture and equipment, computer hardware, fixtures and fittings, and vehicles is determined on the following basis:

- straight-line method: 10-25%;
- reducing balance method: 37.5% and 40%.

The building owned by Edmond de Rothschild (France) is being depreciated over 25 years.

As part of the convergence between French GAAP and International Financial Reporting Standards (IFRSs), and in accordance with ANC regulation no. 2014-07, deferred expenses or expenses to be amortised over several periods are not recognised as assets.

Deferred expenses must now be recognised:

- in assets, if they qualify for definition and recognition as assets or are attributable to the initial cost of assets;
- in expenses in all other cases.

Edmond de Rothschild (France) applies the provisions of France's General Accounting Plan relating to the recognition and measurement of assets and relating to the depreciation, amortisation and impairment of assets.
Property, plant and equipment are recognised at cost (purchase price plus direct ancillary expenses).
Intangible assets are mainly made up of software, which is recorded under intangible assets in progress until put into use.
Property, plant and equipment and intangible assets qualifying for depreciation or amortisation are depreciated or amortised over their period of use within the company.

Treasury shares

The Bank's treasury shares are recognised as available-for-sale securities.
The company applies the measurement rules set out in CRC regulation no. 2008-15 of 4 December 2008 relating to the recognition of stock option plans and bonus share plans for employees, in accordance with the instructions of ANC regulation no. 2014-07.
Implementation of those rules has no impact on the financial statements, as these principles were already being applied to the parent company financial statements.
Additions to and reversals of provisions and expenses related to the plans are now presented under personnel expenses.
In relation to treasury shares allocated to a plan, a liability provision is set aside over the grant period and adjusted on the basis of the number of shares granted to beneficiaries.
Treasury shares not allocated to a plan may be impaired if their net carrying amount is greater than the share price on the balance-sheet date, as for other available-for-sale securities.

Interest and fee income and expenses

Income from interest and bank charges are recorded in the income statement on an accrual basis.
In general, fees are also recorded on an accrual basis.

Valuation of securities

Securities held by the Bank at year-end are valued as follows:

- held-for-trading securities are valued at market price at year-end, with positive or negative valuation differences being taken to income;
- available-for-sale securities are measured at the lower of acquisition cost and market value (based on the average market price in December) or, in the case of unlisted securities, at their estimated realisable value;
- there is no netting between the resulting unrealised gains and losses, and only unrealised losses are recognised through impairment of the securities portfolio;
- investment securities on which the interest-rate risk is hedged are not impaired when their market value falls below their carrying amount. Unrealised gains are not recognised;
- investments in subsidiaries and associates are measured at their value in use. For listed securities, market prices are not the only assessment criterion. Unrealised gains are not recognised, and unrealised losses give rise to impairment of the securities portfolio.

Value in use is calculated using multiple criteria, including the present value of estimated future cash flows and a proportion of equity.

Income and expenses relating to forward financial instruments

The accounting principles adopted are those defined by the regulations of the French Banking and Finance Regulation Committee (CRBF), the instructions of the Banque de France's prudential control and resolution authority (ACPR) and the opinions of the ANC.

Those principles are based mainly on the type of transaction, its purpose, and the type of market on which it takes place:

- interest-rate swaps;
- income and expenses relating to instruments used to hedge transactions identified from the outset are recognised in the income statement on a symmetrical basis with the income and expenses from the hedged item;
- interest-rate futures (notional, Euribor, etc.).

Gains and losses resulting from hedges of transactions on underlying capital markets are amortised over the remaining maturity of the transactions hedged.

While a contract is still outstanding, one of two recognition methods is applied:

- transactions on organised or similar markets: the gains or losses resulting from measurement of contracts are taken to income,
- over-the-counter: only unrealised losses are provisioned,
- forward-rate agreements (FRAs): income and expenses relating to FRAs used for hedging are taken to income on a symmetrical basis with the income and expenses from the hedged instrument. In the case of market transactions, gains and losses are recorded in the income statement when the operation is settled.
- options (foreign-exchange, interest-rate, index and equity options): premiums are recorded in a suspense account when the contract is initiated. When contracts are settled, in the case of hedging transactions, they are taken to income on a symmetrical basis with the gains and losses on the hedged items.

In the case of market transactions, they are taken to income. Outstanding contracts relating to market transactions are remeasured at market value at the balance sheet date.

Any unrealised gain or loss on contracts traded on organised markets is taken to the income statement.
For contracts traded over the counter, only unrealised losses are provisioned.

Pensions and other employee benefit liabilities

The French banking industry's own pension system was changed by an agreement signed on 13 September 1993 by the French Banking Association (AFB). All French banks are now members of the nationwide unfunded multi-employer plans AGIRC and ARRCO.
The Bank does not apply the preferred method consisting of setting aside provisions for post-employment benefits under defined-benefit plans, i.e. pension plans, supplementary pensions and termination benefits.

As regards termination benefits for retiring employees, since 2021 Edmond de Rothschild (France) has attributed benefits to periods of service on a straight-line basis from the date on which employee service first leads to benefits, instead of from the date on which the staff member's period of service begins (i.e. the company has adopted the IFRS IC decision of April 2021 in relation to IAS 19).

Liabilities relating to termination benefits for retiring employees amounted to €2.8 million at 31 December 2023, down from €2.6 million at 31 December 2022.

Provision for long-service awards

In accordance with Recommendation 2003-R.01 of 1 April 2003 issued by the French National Accounting Committee and CRC Regulation 2000-06 relating to liabilities, a provision was set aside at year-end to cover probable payments to certain current employees (expected payments relating to long-service awards). At 31 December 2022, that provision totalled €679,000.

Income tax

Edmond de Rothschild (France) and some of its subsidiaries have opted to form a tax consolidation group from 1 January 2020. The parent company and those subsidiaries have agreed that the advantage or disadvantage arising from the tax consolidation (difference between the consolidated tax charge and the total of the tax charges of the companies calculated independently) is to be recognised immediately in the parent company's income statement.

Employee profit-sharing

Amounts to be paid under the French mandatory profit-sharing system are provided for on the basis of an agreement formed within Edmond de Rothschild (France)'s UES (a legally recognised group of integrated companies in France).

Related party transactions

Under ANC regulation no. 2014-07, Edmond de Rothschild (France) presents related-party transactions in Note 9 to the financial statements.

Contribution to the Single Resolution Fund

Edmond de Rothschild (France) applies ANC regulation no. 2020-10 of 22 December 2020, amending ANC regulation no. 2014-07 of 26 November 2014 regarding the financial statements of companies in the banking sector.
This regulation provides for the netting of certain assets and liabilities that would result in a reduction in contributions to the Single Resolution Fund (SRF). Edmond de Rothschild (France) did not have any netted transactions at the accounts closing date.

Note 2 – Analysis of balance sheet items

	In thousands of euros	31/12/2023	31/12/2022
2.1.	**Treasury notes and similar securities**		
	Investment securities	78,757	73,128
	Sub-total	**78,757**	**73,128**
	Impairment		
	Net total	**78,757**	**73,128**

		31/12/2023			31/12/2022		
	In thousands of euros	Demand	Term	Total	Demand	Term	Total
2.2.	**Due from credit institutions**						
	Current accounts with overdrafts	36,759		36,759	25,348		25,348
	Loans and overdrafts	2,438,000	783,240	3,221,240	3,800,000	500,000	4,300,000
	Securities received under						
	Sub-total	**2,474,759**	**783,240**	**3,257,999**	**3,825,348**	**500,000**	**4,325,348**
	Related receivables	813	1,804	2,617	422	84	506
	Total	**2,475,572**	**785,044**	**3,260,616**	**3,825,770**	**500,084**	**4,325,854**

	In thousands of euros	31/12/2023	31/12/2022
2.3.	**Transactions with clients**		
	Other customer loans		
	- Credit	*507,300*	*564,061*
	- Securities received under repurchase agreements		
	Sub-total	**507,300**	**564,061**
	Current accounts with overdrafts	710,486	972,430
	Unassigned values	5	1,630
	Total gross value	**1,217,791**	**1,538,121**
	Doubtful loans (1)	868	405
	Impairment of doubtful loans (1)	-560	-405
	Total (2)	**1,218,099**	**1,538,121**

(1) At 31 December 2023, compromised doubtful loans amounted to €868,000.
(2) Including related receivables totalling €3,223,000 in 2023 and €1,498,000 in 2022.

No loans were eligible for central-bank refinancing at 31 December 2023.

No client loans classified as doubtful at 31 December 2023 were reclassified as performing loans during 2023.

	In thousands of euros	31/12/2023	31/12/2022
2.4.	**Bonds and other fixed income securities**		
	Available for sale		
	Investment		
	Sub-total		
	Related receivables		1,889
	Total gross value		**1,889**
	Impairment		-
	Net total		**1,889**

No securities changed category during 2022.
The related receivables were related to undated subordinated notes issued by Financière Eurafrique, which was wound up in 2023.

31/12/2023	31/12/2022

In thousands of euros		Held for trading	Available for	Total	Held for trading	Available for	Total
2.5.	**Equities and other variable-income securities**						
	Securities held	-	15,825	15,825	-	39,687	39,687
	Impairment	-	-2,511	-2,511	-	-8,498	-8,498
	Net total	**-**	**13,314**	**13,314**	**-**	**31,189**	**31,188**
	Unrealised capital gains (1)	-	18,500	18,500	-	23,370	23,370

(1) Difference between cost and market value.

No securities changed category during 2022.

The total net carrying amount of listed and unlisted securities was €13,314,000 in 2023 and €31,188,000 in 2022.

Within the available-for-sale securities category, fund units break down as follows:

	31/12/2023			31/12/2022		
In thousands of euros	French	Foreign	Total	French	Foreign	Total
Capitalisation funds	11,126	2,187	13,314	28,895	2,293	31,189
Other funds	-	-	-	-	-	-
Total	**11,126**	**2,187**	**13,314**	**28,895**	**2,293**	**31,189**

		31/12/2023			31/12/2022		
	In thousands of euros	Gross	Impairment	Net	Gross	Impairment	Net
2.6.	**Investments in subsidiaries and associates and other long-term investments**						
	Equity securities						
	- Credit institutions	*68*	*-*	*68*	*68*	*-*	*68*
	- Other companies	*34,594*	*-24,636*	*9,958*	*34,465*	*-20,779*	*13,686*
	Sub-total	**34,662**	**-24,636**	**10,026**	**34,533**	**-20,779**	**13,754**
	Exchange difference	-	-	-	-	-	-
	Total	**34,662**	**-24,636**	**10,026**	**34,533**	**-20,779**	**13,754**

The total net carrying amount of listed and unlisted securities was €8.61 million and €1.42 million, respectively. Major investments in subsidiaries and affiliates are listed in the table “Investments in subsidiaries”.

		31/12/2023			31/12/2022		
	In thousands of euros	Gross	Impairment	Net	Gross	Impairment	Net
2.7.	**Shares in affiliated companies**						
	Financial and non-financial companies	213,061	-47,517	165,544	216,971	-48,514	168,457
	Exchange difference	-1,090	-	-1,090	-2,300	-	-2,300
	Total	**211,971**	**-47,517**	**164,454**	**214,671**	**-48,514**	**166,157**

The total net carrying amount of securities relates to unlisted securities.

In December 2023, Edmond de Rothschild (France) sold 100% of its stake in Edmond de Rothschild Private Equity (France).

The list of affiliates is as follows:

- Edmond de Rothschild Asset Management (France)
- Financière Boréale
- Edmond de Rothschild Corporate Finance
- Edmond de Rothschild Assurances et Conseils (France)

- Edmond de Rothschild Real Estate (Eastern Europe) CIE SàRL (A and B units)
- CFSH Luxembourg
- Edmond de Rothschild Building Ltd (Israel)

- SAS EDR IMMO MAGNUM

	In thousands of euros	Start of period	Acquisitions/ transfers in	Disposals/ transfers out	Other changes	End of period
2.8.	**Intangible assets**					
	Gross value					
	Business goodwill (including leasehold right)	3,881				3,881
	Other intangible assets	36,680	9,903			46,583
	Intangible assets in progress	10,665	19,219			29,884
	Total	**51,226**	**29,122**			**80,348**
	Depreciation and impairment				0	
	Other intangible assets	-22,848	-8,857			-31,705
	Total	**-22,848**	**-8,857**			**-31,705**
	Net carrying amount	**28,378**	**20,265**			**48,643**

	In thousands of euros	Start of period	Acquisitions/ transfers in	Disposals/ transfers out	Other changes	End of period
2.9.	**Property, plant and equipment**					
	Gross value					
	Land	11,434		-	-	11,434
	Buildings	21,100		-	-	21,100
	Computer hardware	7,657	367	-	-	8,024
	Fixtures, fittings and other property, plant and equipment	6,364	516	-	-	6,880
	Property, plant and equipment in progress	-	965	-	-	965
	Total	**46,555**	**1,849**	**-**	**-**	**48,404**
	Depreciation and impairment					
	Buildings	-20,813	-43	-	-	-20,856
	Computer hardware	-3,888	-2,050	-	-	-5,938
	Fixtures, fittings and other property, plant and equipment	-4,761	-421	-	-	-5,182
	Total	**-29,462**	**-2,514**	**-**	**-**	**-31,976**
	Net carrying amount	**17,093**	**-665**	**-**	**-**	**16,428**

2.10. Treasury shares and stock option plans

The Bank no longer holds treasury shares.

At 31 December 2023, there was no longer any stock option plan for Edmond de Rothschild (France) employees.

		31/12/2023		31/12/2022	
	In thousands of euros	Assets	Liabilities	Assets	Liabilities
2.11	**Other assets and liabilities**				
	Option premiums				
	Margin calls	12,461	43,432	14,224	52,355
	Guarantee deposits	14,610	2,960	60,750	1,930
	Miscellaneous	39,513	44,728	46,289	59,466
	Total	**66,584**	**91,120**	**121,263**	**113,751**

	In thousands of euros	31/12/2023 Assets	31/12/2023 Liabilities	31/12/2022 Assets	31/12/2022 Liabilities
2.12	**Accruals, assets and liabilities**				
	Items under collection	61	3	164	-
	Prepaid expenses	11,902	-	11,637	-
	Accrued income	90,312	-	97,215	-
	Prepaid income	-	5,605	-	5,059
	Accrued expenses	-	69,754	-	78,553
	Miscellaneous	-	22,158	14,755	48,580
	Total	**102,275**	**97,520**	**123,771**	**132,192**

	In thousands of euros	Start of period	Acquisitions/ transfers in	Disposals/ transfers out	Other changes	End of period
2.13.	**Long-term financial assets**					
	Gross value					
	Bonds and other fixed income securities	-	-	-	-	-
	Investments in subsidiaries and associates and other	34,533	129	-	-	34,662
	Investments in affiliates	214,671		-5,281	2,581	211,971
	Total	**249,204**	**129**	**-5,281**	**2,581**	**246,633**
	Impairment					
	Investments in subsidiaries and associates and other	-20,779	-3,902	46	-	-24,636
	Investments in affiliates	-48,514	-244	1,240	-	-47,517
	Total	**-69,293**	**-4,146**	**1,286**	**-**	**-72,153**
	Net carrying amount					
	Bonds and other fixed income securities	-			-	-
	Investments in subsidiaries and associates and other	13,754	-3,773	46	-	10,026
	Investments in affiliates	166,157	-244	-4,041	2,581	164,454
	Total	**179,911**	**-4,017**	**-3,995**	**2,581**	**174,480**

	In thousands of euros	31/12/2023 Demand deposits	31/12/2023 Term	31/12/2023 Total	31/12/2022 Demand	31/12/2022 Term	31/12/2022 Total
2.14.	**Due to credit institutions**						
	Deposits	12,455	0	12,455	49,611	-	49,611
	Borrowings	22,814	1,817,026	1,839,840	-	2,402,985	2,402,985
	Sub-total	**35,269**	**1,817,026**	**1,852,295**	**49,611**	**2,402,985**	**2,452,596**
	Accrued interest and related payables	13	17,890	17,903	-	10,249	10,249
	Total	**35,282**	**1,834,916**	**1,870,198**	**49,611**	**2,413,234**	**2,462,845**

	In thousands of euros	31/12/2023 Demand deposits	31/12/2023 Term	31/12/2023 Total	31/12/2022 Demand	31/12/2022 Term	31/12/2022 Total
2.15	**Transactions with clients**						
	Special savings accounts	-	31,960	31,960	-	78,373	78,373
	- Special savings accounts	-	-	-	-	-	-
	- Related payables	-	*31,960*	*31,960*	-	*78,373*	*78,373*
	Sub-total			**-**			
	Other payables	*1,060,805*	-	*1,060,805*	*2,082,365*	-	*2,082,365*
	- Demand deposits	-	*549,586*	*549,586*	-	*467,569*	*467,569*
	- Client term deposit accounts	-	-	-	-	-	-
	- Securities delivered under repurchase	*1*	*18,997*	*18,998*	*582*	*33,354*	*33.936*
	- Other miscellaneous payables	*71*	*7,300*	*7,371*	*9*	*1,556*	*1,565*
	- Accrued interest and related payables	*1,060,877*	*575,883*	*1,636,760*	*2,082,956*	*502,479*	*2,585,435*
	Sub-total	**1,060,877**	**607,843**	**1,668,720**	**2,082,956**	**580,852**	**2,663,808**
	Total	**1,060,877**	**607,843**	**1,668,720**	**2,405,555**	**214,112**	**2,663,808**

	In thousands of euros	31/12/2023	31/12/2022
2.16	**Debt securities**		
	Interbank market instruments and negotiable debt instruments	902,653	708,110
	Bonds		
	Sub-total	**902,653**	**708,110**
	Accrued interest and related payables	19,472	1,870
	Total	**922,125**	**709,980**

	In thousands of euros	Start of period	Allocations	Reversed and used	Reversed to income	Other changes	End of period
2.17.	**Provisions**						
	Provisions for charges						
	Provisions for long-service benefits	648	145	-110	-4	-	679
	Provisions for possible losses on treasury shares (1)	-	-	-	-	-	-
	Provisions for litigation expenses	-	-	-	-	-	-
	Other provisions for charges	1,968	1,576	-1,028	-125	-	2,392
	Sub-total	**2,616**	**1,721**	**-1,137**	**-129**	**-**	**3,071**
	Provisions for contingencies						
	Provisions for litigation (2)	2,246	212	-790	-132	-	1,535
	Other provisions for contingencies	1,920	54	-1,828	-146	-	-
	Sub-total	**4,166**	**268**	**-2,618**	**-278**	**-**	**1,535**
	Total	**6,782**	**1,989**	**-3,755**	**-407**	**-**	**4,606**

(1) Additions to provisions for liabilities are mainly intended to cover litigation with third parties. Reversals of provisions relate mainly to litigation and the private equity business.

An additional supplementary pension plan set up in December 2004 was closed on 31 December 2012, although its provisions were maintained for beneficiaries born before 31 December 1953.

It applies to a category of senior employees for whom the existing basic and complementary pension plans provide a significantly lower rate of income replacement than for other categories of personnel.

This plan is a defined-benefit plan expressed in terms of the overall final pension (limited in time) or in terms of the top-up pension it provides in addition to the basic pensions.

The unfunded actuarial liability at the rate of 3.15% rose from €20,641,000 to €22,855,000 at 31 December 2023.

Taxation of annuities: Article 113 of French Act 2003-775 of 21 August 2003 on pension reform alters the way in which social security contributions, the general social contribution (CSG) and the tax to repay social-security debt (CRDS) apply to employers' contributions to funding pension benefits. In return for exempting contributions from social security charges, a tax payable exclusively by the company was established.

The 2010 Social Security Financing Act doubled the tax levied on annuities exceeding one third of the annual social security ceiling. This tax was increased from 8% to 16%.
The 2011 Social Security Financing Act subsequently modified the basis for applying this tax. The allowance was eliminated and the 16% tax thus applied from the first euro of the annuity, for all annuities paid after 1 January 2001.

The Group had previously opted for the tax on annuities, but at the end of 2011 it chose to change options as allowed by the 2011 social security financing act for defined-benefit plans consistent with Article L. 137-11. It is now taxed at 12% based on all contributions paid into the fund.

In addition to the foregoing tax, an additional 30% contribution to be paid by employers from the first euro was established on annuities exceeding eight times the annual ceiling and paid from 1 January 2010. These impacts were measured in 2009.

As measured by the preferred method (not applied by the Bank) the financial coverage calculation shows that a provision of €3,609,000 would have been set aside in 2023 compared to €1,381,000 in 2022.
Plan assets were valued at €19,246,000 in 2023 and the net residual gain relating to past service cost was zero at 31 December 2023.
Provisions do not include any amounts for termination benefits to be paid to retiring employees (€2,807,000 in 2023 compared to €2,770,000 in 2022).
Provisions for banking risks came to €757,000 in 2023 (€2,578,000 in 2022).

	In thousands of euros	31/12/2023	31/12/2022
2.18	**Subordinated debt**		
	Undated subordinated notes (1)	21,000	21,000
	Accrued interest and related payables	65	47
	Total	**21,065**	**21,047**

(1) In June 2007, the Bank issued €50 million of undated super-subordinated notes. In the event of the issuer's liquidation, holders of these notes will be paid only after other creditors but before holders of participating loans or participating securities.

After discussions with one of the noteholders, Edmond de Rothschild (France) made an offer to repurchase part of the notes with a nominal amount of €29.0 million, at a discount of 7.5%.

After obtaining the authorisation of the ACP on 12 July 2013, €29 million of notes were repurchased and cancelled in August 2013.

The undated super-subordinated notes carry financial covenants:

- non-payment of interest in the event of insufficient capital related to non-compliance with prudential capital adequacy ratios or a deterioration in the Bank's financial position;

- reduction of accrued interest payable and then the nominal amount of the issue if the issuer has not, within a specified period, remedied the capital shortfall observed.

The main financial characteristics of these notes are as follows:

Issue date	Optional early redemption date (call option)	Rate until early redemption	Rate after early redemption	Interest step-up from the optional early redemption date
June 2007	June 2017 then quarterly	6.36 % (*)	Euribor + 2.65%	+ 100 basis points

(*) Rate set by reference to the 10-year swap rate in euros on 4 June 2007: 4.71% + 1.65%.

	In thousands of euros	31/12/2023	31/12/2022
2.19.	**Reserves**		
	Statutory reserve	8,308	8,308
	Regulated reserves	152	152
	Other reserves	23,818	23,818
	Total	**32,278**	**32,278**

	In thousands of euros	Share capital	Share premiums	Reserves	Retained earnings	Income	Total
2.20.	**Changes in equity**						
	Position at start of period	**83,076**	**98,244**	**32,278**	**34,141**	**126,613**	**374,352**
	Capital increase	-	-	-	-	-	-
	Net income for the period (before	-	-	-	31,575	29,954	61,529
	Dividends	-	-	-	-	-95,038	-95,038
	Other changes	-	-	-	-	-	-
	Position at end of period	**83,076**	**98,244**	**32,278**	**65,716**	**61,529**	**340,843**

At 31 December 2022, the share capital amounted to €83,075,820.00, consisting of 5,538,388 shares with nominal value of €15 each, and was held as follows:

	Number of shares	% interest
EDMOND DE ROTHSCHILD (SUISSE) S.A.	5,538,329	100.00%
Other natural persons	59	NM
Total	**5,538,388**	**100.00%**

Net income available for distribution (in euros):

Net income for 2023	61,528,778.72
Balance carried forward at end of period	65,715,756.19
Appropriation to the statutory reserve	-
Income available for distribution	**127,244,534.91**

Net income available for distribution is appropriated as follows (*):

Distribution of a dividend of:	€9.94 per share, i.e.	€55,051,576.72.
Retained earnings		€72,192,958.19.

(*) This dividend payment is subject to approval by shareholders as usual at the Annual General Meeting scheduled to take place on 15 May 2024.

	In thousands of euros	31/12/2023	31/12/2022
2.21	**Transactions with affiliates**		
	Assets		
	Transactions with clients (excluding related receivables)	4,098	6,913
	Liabilities		
	Transactions with clients (excluding related liabilities)	67,179	69,078

	In thousands of euros	< 3 months	> 3 months < 1 year	> 1 year < 5 years	> 5 years	Total
2.22	**Analysis of certain assets and liabilities**					
	Assets					
	Due from credit institutions	2,576,145	245,759	438,712		3,260,616
	Client transactions	711,611	31,528	157,046	317,913	1,218,099
	Bonds and other fixed income securities	-	-	-	-	-
	Total	**3,287,756**	**277,287**	**595,759**	**317,913**	**4,478,715**
	Liabilities					-
	Due to credit institutions	781,280	602,840	471,701	14,378	1,870,198
	Client transactions	1,252,927	217,281	198,512		1,668,720
	Debt securities	19,472	6,900	403,425	492,328	922,125
	- Interbank market instruments and negotiable debt instruments	*19,472*	*6,900*	*403,425*	*492,328*	*922,125*
	- Bonds	-	-	-	-	-
	Total	**2,053,679**	**827,020**	**1,073,639**	**506,706**	**4,461,044**

Note 3 – Analysis of income statement items

	In thousands of euros	2023	2022
3.1.	**Interest and similar income**		
	On transactions with credit institutions	156,582	30,001
	On transactions with clients	48,500	22,673
	On bonds and other fixed-income securities	787	19,091
	Other interest and similar income	11,018	2,186
	Total	**216,887**	**73,951**

	In thousands of euros	2023	2022
3.2.	**Interest and similar expenses**		
	On transactions with credit institutions	-79,987	-51,564
	On transactions with clients	-15,723	-1,998
	On bonds and other fixed-income securities	-64,005	-16,853
	Other interest and similar expenses	-8,496	-1,958
	Total	**-168,212**	**-72,374**

	In thousands of euros	2023	2022
3.3.	**Revenues from variable-income securities**		
	Equities and other variable-income securities	12,521	8,109
	Investments in subsidiaries and associates and other long-term investments	1	5,575
	Shares in affiliated companies	26,574	28,781
	Total	**39,096**	**42,465**

		2023		2022	
	In thousands of euros	Income	Expenses	Income	Expenses
3.4.	**Commissions**				
	Cash and interbank transactions	-	-10	-	-1
	Client transactions	228	-	195	-
	Securities transactions	-	-	-	-
	Foreign exchange transactions	19	-	30	-
	Off-balance sheet transactions			-	-
	- Securities transactions	*2,848*	-	*1,664*	-
	– Transactions in forward financial instruments	*1,798*	*-1,054*	*2,420*	*-1,317*
	Financial services	101,787	-24,494	90,838	-22,565
	Allocations/Reversals related to provisions	-	-	-	-
	Total	**106,680**	**-25,558**	**95,147**	**-23,883**

		2023			2022		
	In thousands of euros	Income	Expenses	Balance	Income	Expenses	Balance
3.5	**Gains/losses on transactions in trading portfolios**						
	Held-for-trading securities	2,518	-87	2,431	2,354	-20	2,334
	Foreign exchange transactions	452,696	-421,129	31,567	622,691	-592,475	30,216
	Forward financial instruments	-	-	-	-	-	-
	Allocations/Reversals related to provisions	-	-	-	-	-	-
	Total	**455,214**	**-421,216**	**33,998**	**625,045**	**-592,495**	**32,550**

	In thousands of euros	2023 Income	2023 Expenses	2023 Balance	2022 Income	2022 Expenses	2022 Balance
3.6.	**Gains/losses on transactions in available-for-sale assets and similar**						
	Losses on disposal	-	-7,138	-7,138	-	-2	-2
	Gains on disposal	25	-	25	9,767	-	9,767
	Additions to/reversals of impairment	6,743	-755	5,988	186	1,932	-1,747
	Additions to/reversals of provisions		-	-	-	-	-
	Total	**6,768**	**-7,893**	**-1,125**	**9,952**	**-1,934**	**8,018**

	In thousands of euros	2023	2022
3.7.	**Other banking income**		
	Expenses transferred to other companies	12,768	13,297
	Other ancillary income	30,626	27,932
	Miscellaneous	647	506
	Allocations/Reversals related to provisions	-	23
	Total	**44,040**	**41,757**

	In thousands of euros	2023	2022
3.8.	**Other banking expenses**		
	Revenues transferred to other companies	-3,602	-3,034
	Miscellaneous	-370	-399
	Allocations/Reversals related to provisions	-161	108
	Total	**-4,133**	**-3,325**

	In thousands of euros	2023	2022
3.9.	**General operating expenses**		
	Wages and salaries	-56,532	-51,804
	Social security contributions	-28,999	-26,337
	Employee incentives	-685	-725
	Employee profit-sharing	-1,554	-3,076
	Taxes and similar payments on compensation	-5,609	-6,102
	Allocations to provisions for personnel expenses	-1,606	-1,944
	Reversals of provisions for personnel expenses	2,021	1,104
	Sub-total - Personnel expenses	**-92,964**	**-88,884**
	Taxes and duties	-4,288	-3,276
	Leases	-12,599	-12,053
	Third-party services	-58,915	-50,855
	Transport and travel	-1,001	-759
	Miscellaneous operating expenses	-	-350
	Allocations to provisions for administrative expenses	-	-
	Reversals of provisions for administrative expenses	-	-
	Sub-total - Administrative expenses	**-76,803**	**-67,293**
	Total	**-169,767**	**-156,177**

3.10	In thousands of euros	2023	2022
3.10	**Cost of risk**		
	Impairment of doubtful debts	-159	-4
	Additions to provisions	-	-
	Net losses on receivables written off	-71	-6
	Reversals of impairment on doubtful debts now performing	4	56
	Reversals of provisions	-	-
	Amounts recovered on receivables formerly written off	-	-
	Total	**-226**	**46**

	In thousands of euros	2023	2022
3.11.	**Gains and losses on long-term assets**		
	Gains on sales of intangible assets and property, plant and equipment	-	-
	Gains on sales of long-term financial assets	7,719	102,027
	Losses on sales of intangible assets and property, plant and equipment	-	-1
	Losses on sales of long-term financial assets	-	-12,517
	Additions to impairment of long-term financial assets	-4,145	-4,833
	Reversals of impairment of long-term financial assets	1,286	15,101
	Reversals of contingency and loss provisions	-	-
	Total	**4,860**	**99,777**

3.12. Non-recurring items

Non-recurring items had a neutral impact of €0 in 2023.

3.13. Income tax

Calculated on the basis of the tax consolidation group, there was income tax owing of €3,631,000 in 2023.

Note 4 – Additional information on banking activities

Analysis of net banking income

The analysis of net banking income by major business segment, which is extracted from the accounting presentation of the income statement, can be broadly summarised as follows:

In thousands of euros	2023	2022
- Asset management	84,661	79,713
- Interest-earning operations	34,843	19,902
- Capital markets transactions, securities portfolio and other	122,170	94,693
- Corporate advisory services		-
Net banking income	**241,674**	**194,308**

Net banking income amounted to €242 million in 2023, up 24.4% on 2022 (€194 million). The €47 million increase was due to the following factors:

- Revenue from the securities portfolio and capital markets transactions rose €27.5 million compared with 2022. This was mainly attributable to higher interest rates.

- Income from the asset management business was up by €5 million (€84.7 million compared to €79.7 million in 2022). This change is mainly due to an increase in commissions (management fees, custodian fees, turnover fees) and entry fees.

- Income from interest-earning operations rose by €14.9 million (€34.8 million compared to €19.9 million in 2022). This change was mainly due to higher interest rates.

Note 5 – Off-balance sheet items

	In thousands of euros	31/12/2023	31/12/2022
5.1.	**Transactions with affiliates**		
	Commitments given		
	Financing commitments	5,000	5,000
	Guarantee commitments	166	86

5.2. Transactions in forward financial instruments

Transactions in interest-rate instruments are concluded for micro-hedging purposes. Foreign exchange options may be entered into as part of the management of a specialised portfolio, or are matched. Commitments related to forward financial instruments – the nominal value of which is expressed in thousands of euros – break down as follows:

At 31 December 2023	Micro-hedging		Trading portfolio		Total	
In thousands of euros	Purchases	Sales	Purchases	Sales	Purchases	Sales
Organised or similar markets						
Futures and swaps						
Currency swaps (1)	1,720,331	1,624,507	-	-	1,720,331	1,624,507
Interest-rate swaps	373.096	1,782,152	-	-	373,096	1,782,152
Total	**2,093,427**	**3,406,659**	**-**	**-**	**2,093,427**	**3,406,659**
Over the counter						
Futures and swaps						
Interest-rate and index swaps (1)	638.397	-	-	-	638,397	-
Sub-total	638,397	-	-	-	638,397	-
Options						
Interest-rate and index options	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-
Total	**638,397**	**-**	**-**	**-**	**638,397**	**-**

At 31 December 2022	Micro-hedging		Trading portfolio		Total	
In thousands of euros	Purchases	Sales	Purchases	Sales	Purchases	Sales
Organised or similar markets						
Futures and swaps						
Currency swaps (1)	2,893,580	2,927,582			2,893,580	2,927,582
Interest-rate swaps	354,856	1,785,129			354,856	1,785,129
Total	**3,248,436**	**4,712,711**			**3,248,436**	**4,712,711**
Over the counter						
Futures and swaps						
Interest-rate and index swaps (1)	472,615				472,615	-
Sub-total	**472,615**	**-**			**472,615**	**-**
Options						
Interest-rate and index options						
Sub-total	-					
Total	**472,615**				**472,615**	**-**

The residual values of the above commitments break down as follows:

At 31 December 2023	Less than 1 year		1 to 5 years		More than 5 years	
In thousands of euros	Purchases	Sales	Purchases	Sales	Purchases	Sales
Organised or similar markets	1,783,450	3,305,498	36,380	98,621	273,596	2,541
Over the counter	-		192,510		445,887	

At 31 December 2022	Less than 1 year		1 to 5 years		More than 5 years	
In thousands of euros	Purchases	Sales	Purchases	Sales	Purchases	Sales
Organised or similar markets	2,913,948	4,621,610	69,082	88,210	265,406	2,891
Over the counter	13,310		207,078		252,227	

The Bank’s exposure to market risks related to transactions in financial instruments is summarised as follows (in thousands of euros):

Type of risk	Type of transaction	Assumptions	Sensitivity	
			31/12/2023	**31/12/2022**
Interest-rate risk	Short-term transactions in euros	1% adverse movement in the yield curve	21	10,335
	Short-term transactions in foreign currencies	1% adverse movement in the yield curve	65	181
Exchange-rate risk	Spot and forward foreign exchange transactions	8% adverse movement in exchange rates	354	85

		Positive value		Negative value	
	In thousands of euros	31/12/2023	31/12/2022	31/12/2023	31/12/2022
5.3.	**Fair value of transactions in forward financial instruments**				
	Organised or similar markets				
	Futures and swaps				
	Currency and interest-rate swaps	52,775	72,018	-23,905	-58,717
	Over the counter				
	Futures and swaps				
	Interest-rate and index swaps	12,728	1,644	-8,571	-29,619

Figures for 2023 have been restated.
The fair value of forward financial instruments is determined with reference to their market value, calculated daily as part of counterparty risk measurements.

Note 6 – Additional information on counterparty risks relating to derivatives

6.1. Nature and method of the calculation

Risk equivalents and the effect of netting agreements are calculated in accordance with the principles established by ANC regulation no. 2014-07.
The positive replacement value of risk equivalents represents the market value of the contracts before taking account of netting agreements and guarantees received.

The gross add-on is based on the notional amount of the contracts multiplied by a weighting factor. The net add-on is calculated using the formula prescribed by Instruction 96-06, as follows:
- net add-on = 0.4 x gross add-on + 0.6 x NGR x gross add-on, where NGR represents the ratio between net replacement cost and gross replacement cost, for all transactions entered into under legally valid netting agreements.

Weighting factors used for each type of counterparty are consistent with those prescribed by Regulation 91-05: 20% for banks and 50% for clients.

	Gross risk-weighted assets		Net risk-weighted assets	
In thousands of euros	31/12/2023	31/12/2022	31/12/2023	31/12/2022
6.2. Breakdown of weighted risk equivalents by type of counterparty				
Banks	8,389	8,564	4,823	14,554
Clients	1,122	2,185	1,085	1,619

	Effect of netting		Effect of collateralisation	
In thousands of euros	31/12/2023	31/12/2022	31/12/2023	31/12/2022
6.3. Effect of netting on total weighted risk equivalents				
Banks	5,453	5,837	-1,888	11,826
Clients	38	1,056	-	490

Note 7 – Average number of employees

	31/12/2023	31/12/2022
Operatives	71	70
Executives and senior management	319	312
Unclassified	95	89
Total	**485**	**471**

Pursuant to the provisions of the French Commercial Code, the Group publishes a breakdown by category of its average workforce during the period.
The number of workers employed part-time or for less than the full year is taken into account in proportion to the average time worked as compared to the full-time hours laid down by agreement or statute.

Note 8 – Additional information

8.1. The financial statements of Edmond de Rothschild (France) have been included in the consolidated financial statements of Edmond de Rothschild (Suisse) using the full consolidation method since 2019.

The parent company financial statements contained in this document were finalised on 1 March 2024 and will be presented for approval at the Annual General Meeting of 15 May 2024.

Note 9 – Related party transactions

9.1. Transactions with related natural persons and others

In thousands of euros	31/12/2023	31/12/2022
Loans and overdrafts	37,452	35,560
Assets	**37,452**	**35,560**

In thousands of euros	31/12/2023	31/12/2022
Demand deposits	177	360
Liabilities	**177**	**360**

In thousands of euros	31/12/2023	31/12/2022
+ Interest and similar income	1,898	709
Net banking income	1,898	709
Gross operating income	**1,898**	**709**

9.2. Transactions with related companies

Transactions related to the income statement

			31/12/2023
In thousands of euros	Relationship with the related party	Income	Expenses
Edmond de Rothschild Asset Management (France)	Subsidiary	28,639	-12,287
Edmond de Rothschild Assurances et Conseils (France)	Subsidiary	11,489	-65
Edmond de Rothschild Corporate Finance	Subsidiary	2,688	
Financière Boréale	Subsidiary	342	-1
SAS EdR Immo Magnum	Subsidiary	19	
Edmond de Rothschild Building Ltd (Israel)	Subsidiary	95	

			31/12/2022
In thousands of euros	Relationship with the related party	Income	Expenses
Edmond de Rothschild Asset Management (France)	Subsidiary	28,628	-9,280
Edmond de Rothschild Assurances et Conseils (France)	Subsidiary	11,336	
Edmond de Rothschild Corporate Finance	Subsidiary	2,338	
Edmond de Rothschild Private Equity (France)	Subsidiary	2,270	-4
Financière Boréale	Subsidiary	213	-1
SAS EdR Immo Magnum	Subsidiary	6	
Edmond de Rothschild Building Ltd (Israel)	Subsidiary	115	

Parent company five year summary

	2019	2020	2021	2022	2023
Financial position at end of period					
Share capital	83,075,820	83,075,820	83,075,820	83,075,820	83,075,820
Number of shares in issue	5,538,388	5,538,388	5,538,388	5,538,388	5,538,388
Number of convertible bonds	-	-	-	-	-
Equity (1) *	284,811,000	278,917,000	245,769,000	247,738,808	279,314,000
Long-term funds (1) *	305,811,000	299,917,000	266,769,000	268,738,808	300,314,000
Total liabilities and equity *	3,854,863,000	3,824,002,000	4,600,841,000	6,484,756,889	5,016,197,000
Results of operations for the period					
Revenues excluding VAT	581,216,316	577,244,218	518,630,486	814,900,168	837,216,064
Income before tax, depreciation, amortisation and	23,535,467	4,210,399	74,121,769	130,194,917	97,686,145
Income tax	-36,204	-8,205,688	-4,841,986	-423,549	-3,630,877
Income after tax, depreciation, amortisation and	-5,894,022	-3,130,549	51,981,796	126,613,464	61,528,779
Dividends paid		5,759,924	50,011,644	95,038,738	55,051,577
Per-share data					
Income after tax but before depreciation, amortisation	4.26	2.24	14.26	23.58	16.98
Income after tax, depreciation, amortisation and	-1.06	-0.57	9.39	22.86	11.11
Dividend **		1.04	9.03	17.16	9.94
Employees					
Number of employees at end of period	474	470	473	471	496
Total gross payroll	41,161,182	39,506,869	40,427,718	42,986,319	45,911,384
Social security contributions and employee benefits	21,630,228	23,324,519	24,857,504	26,337,442	28,999,265
Employee profit-sharing	1,577,989	2,373,047	4,330,979	3,076,133	1,554,334

(1) Excluding net income for the year.
* Rounded to the nearest thousand euros.
** 2024

Auditors’ report
(For the year ended 31 December 2023)

Rapport des commissaires aux comptes
On the consolidated financial statements

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Edmond de Rothschild (France) for the year ended 31 December 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the “Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements” section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from 1 January 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of ethics (code de déontologie) for statutory auditors.

Justification of assessments – Key audit matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of goodwill and equity method investments	
Description of risk Goodwill, which corresponds to the difference between the acquisition price and the fair value of the assets and liabilities of the acquired entities, totalled €50.1 million at 31 December 2023, the same figure as one year earlier, and is detailed in Note 3.13 to the consolidated financial statements. Equity method investments amounted to €8.5 million at 31 December 2023 compared to €16.4 million at 31 December 2022 and are detailed in Note 3.10 to the consolidated financial statements. These investments contributed -€0.6 million to income. Goodwill is allocated to cash-generating units (CGUs) and tested for impairment at least once a year and whenever there is an indication that it may be impaired. Impairment occurs if the recoverable amount of an asset falls below its carrying amount, in which case an impairment charge is recognised against goodwill. We considered the measurement of goodwill and equity method investments to be a key audit matter owing to: - its material value in the consolidated balance sheet; - the degree of judgement required from management in terms of selecting the impairment test criteria; and - the material impact on the Group's results of an error of judgement or change in estimate.	**How our audit addressed this risk** We examined the methodology used by the Group to measure a potential need for impairment for goodwill and equity method investments. Our work consisted primarily of the following: - a critical assessment of the business plans used to establish the projected cash flows; - a critical assessment of the assumptions used by management to determine the discount rates and the perpetuity growth rates used in discounted cash flow calculations, if necessary by comparing them with external sources; - in addition to the result of the quantitative approaches, we reviewed of the documentation prepared by the management regarding the qualitative elements which can come, if necessary; - a review of the documentation supporting the exits from the scope, as well as the accounting consequences of these exits; - finally, the verification that the notes to the financial statements provided appropriate information.

Specific Verifications

We also performed, in accordance with professional standards applicable in France, the specific verification required by laws and regulations of the Group's information given in the in the Executive Board's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated Statement of Non-Financial Performance required by Article L.225-102-1 of the French Commercial Code is included in the management report. We add that, in accordance with the provisions of Article L.823-10 of this Code, the information contained in this statement has not been the subject of our verifications of fairness or consistency with the consolidated financial statements and must be certified by an independent third party.

Report on other legal and regulatory requirements

Format of the presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of Chair of the Executive Board, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to technical limitations inherent in the macro-tagging of the consolidated financial statements in the European Single Electronic Format, the content of some of the tags in the notes may not be rendered identically to the consolidated accounts attached to this report.

Furthermore, we have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Edmond de Rothschild (France) by the Annual General Meeting held on 25 May 1999 for PricewaterhouseCoopers Audit and for Grant Thornton Audit.

As at 31 December 2023, both firms were in the twenty fifth year of uninterrupted engagement.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for preparing consolidated financial statements presenting a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it expects to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Executive Board.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of management of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit.
They also:

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;

- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;

- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the statement provided for in Article 6 of Regulation (EU) No 537-2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine, 29 March 2024

The Statutory Auditors

PricewaterhouseCoopers Audit.....Philippe Chevalier
Grant Thornton Audit ....Solange Aïache

Statutory Auditors' report on the annual financial statements

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying annual financial statements of Edmond de Rothschild (France) for the year ended 31 December 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December 2022 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from 1 January 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of ethics (code de déontologie) for statutory auditors.

Justification of assessments – Key audit matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgement, were of most significance in our audit of the annual financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the annual financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the annual financial statements.

Measurement of investments in subsidiaries, other long-term investments and associates	
Description of risk	**How our audit addressed this risk**
Investments in subsidiaries and associates, presented in Notes 2.6 and 2.7 to the financial statements, represent one of the largest assets on the balance sheet (€174.5 million at 31 December 2023 compared to €179.9 million at 31 December 2021) and a material portion of their measurement is based on estimates. As stated in Note 1 to the financial statements "Accounting policies and measurement methods", these investments are measured on the basis of their value in use. For listed securities, the share price is not the only criteria used for measurement purposes. Estimating the value in use of these securities requires management to exercise judgement when selecting the criteria to be taken into account, be it historical data (equity value, share price) or forecasts (e.g., business plans). Accordingly, we deemed the correct measurement of investments in subsidiaries and associates to be a key audit matter, due to the inherent uncertainty of certain components of the valuation, in particular the likelihood of achieving forecasts, and because an error of judgement by management could have a material impact on the annual financial statements.	We assessed the documentation outlining the choices made by management among the various methods for measuring value in use. For valuations based on historical data: ▪ we verified that the equity values used were consistent with the audited financial statements of the entities valued. For valuations based on discounted projected cash flows: ▪ we verified that the cash flows had been reviewed by the management teams of the entities valued; ▪ we assessed the relevance of the main assumptions used. We also examined the disposal of shareholdings that took place during the year as part of the restructuring underway within the Group, as well as the accounting treatment.

Specific Verifications

We also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report with respect to the Company's financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Executive Board and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

With respect to the fair presentation and the consistency with the financial statements of the information relating to the payment deadlines mentioned in Article D.441-6 of the French Commercial Code (code de commerce), we have the following observation:

As stated in the management report, this information does not include bank and other related transactions, as your Company considers that such operations fall outside the scope of the information to be disclosed.

Report on corporate governance

We attest that the Supervisory Board's report on corporate governance sets out the information required by Articles L.225-37-4 and L. 22-10-10 of the French Commercial Code.

Report on other legal and regulatory requirements

Format of the presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the annual financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of Chair of the Executive Board, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Edmond de Rothschild (France) by the Annual General Meeting held on 29 May 1999 for PricewaterhouseCoopers Audit and for Grant Thornton Audit.

As at 31 December 2023, both firms were in the twenty fifth year of uninterrupted engagement.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for preparing financial statements presenting a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it expects to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Executive Board.

Responsibilities of the Statutory Auditors relating to the audit of the financial statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.825-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of management of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit.

They also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the annual financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the annual financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537-2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.822-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine, 29 March 2024

The Statutory Auditors

PricewaterhouseCoopers Audit..........Philippe Chevalier

Grant Thornton Audit...................Solange Aïache

Special report on regulated agreements and commitments

To the Shareholders,

In our capacity as Statutory Auditors of Edmond de Rothschild France, we hereby report to you on related party agreements and commitments.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements and commitments that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements and commitments. Under the provisions of Article R.225-58 of the French Commercial Code (Code de commerce), it is the responsibility of the shareholders to determine whether the agreements and commitments are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R.225-58 of the French Commercial Code in relation to the implementation during the year of agreements and commitments already approved by the Annual General Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

Agreements to be submitted for the approval of the Annual General Meeting

Pursuant to Article 225-88 of the French Commercial Code, we have been advised of the following agreements entered into during the past financial year which were subject to the prior authorisation of your Supervisory Board.

Transfer agreement with Edmond de Rothschild Private Equity SA:

- *Supervisory Board that authorised this agreement*: 18 December 20237 June 2022
- Effective date: 18 December 2023
- *Aim:* The purpose of this agreement is to transfer Edmond de Rothschild (France)'s 100% stake in the capital of Edmond de Rothschild Private Equity (France) to the Luxembourg company Edmond de Rothschild Private Equity SA.
- Reason: The sale of Edmond de Rothschild Private Equity (France) is part of the new simplified organisation of the Private Equity business at Edmond de Rothschild Group level, which aims to create an autonomous Private Equity division.
- Amount concerned for the year 2023: €13,000,000

Agreements already approved by the Annual General Meeting

Agreements approved in previous financial years

In accordance with Article R.225-57 of the French Commercial Code, we were informed that the execution of the following agreements, approved by the Annual General Meeting in previous years, have been continued during the past financial year.

1. ***Broker agreement with Edmond de Rothschild Asset Management (France)***

Nature and purpose

Following the authorisation of the Supervisory Board of 12 December 2002, Edmond de Rothschild (France) entered into a brokerage agreement on 16 December 2002 with the company Edmond de Rothschild Asset Management (France). This agreement was amended on 30 July 2007.

Edmond de Rothschild (France) holds 99.99% of the capital of Edmond de Rothschild Asset Management (France).

Terms

As part of relations with external partners promoting the range of UCITS managed by Edmond de Rothschild Asset Management (France) and by other related companies, Edmond de Rothschild (France) mandates Edmond de Rothschild Asset Management (France) to carry out the payment to the partners of the contribution of Edmond de Rothschild (France) under the agreements spent with said partners. Edmond de Rothschild (France) pays its contribution to Edmond de Rothschild Asset Management (France) on a summary invoice every quarter or every year. In 2023, Edmond de Rothschild (France) paid to Edmond de Rothschild Asset Management (France) €1,295,012 excluding taxes.

Persons concerned

Ms. Cynthia Tobiano is a member of the Supervisory Board of Edmond de Rothschild (France) and Chair of the Supervisory Board of Edmond de Rothschild Asset Management (France).

Mr. Philippe Cieutat is a member of the Supervisory Board of Edmond de Rothschild (France) and Chair of the Supervisory Board of Edmond de Rothschild Asset Management (France).

Neuilly-sur-Seine, 29 March 2024

The Statutory Auditors

PricewaterhouseCoopers Audit...........Philippe Chevalier

Grant Thornton Audit ....Solange Aïache

Resolutions

First resolution

The General Meeting, having reviewed the report of the Executive Board, the observations of the Supervisory Board and the report of the Statutory Auditors on the parent-company financial statements, approves the balance sheet and income statement for the financial year ended 31 December 2023, together with the transactions recorded in those statements or summarised in those reports.

In accordance with Article 223 quater of the French General Tax Code, the General Meeting notes that the total amount of expenses within the meaning of Article 39(4) of the French General Tax Code was €326,054 in 2022, corresponding to €90,131 of income tax assumed.

Second resolution

The General Meeting, having reviewed the report of the Executive Board, the observations of the Supervisory Board and the report of the Statutory Auditors on the consolidated financial statements, approves the consolidated balance sheet and consolidated income statement for the financial year ended 31 December 2023, together with the transactions recorded in those statements or summarised in those reports.

Third resolution

The General Meeting, having read the special report of the Statutory Auditors, approves the agreements referred to in that report.

Fourth resolution

The General Meeting takes note that income available for distribution comprises (in euros):

Net income/loss in 2023	61,528,778.72
Retained earnings	65,715,756.19
Appropriation to the	-
Income available for	127,244,534.91

Net income available for distribution is appropriated as follows:

Distribution of a dividend of:	€9.94 per share
Making total dividends of:	€55,051,576.72.
Retained earnings:	€72,192,958.19.

In accordance with article 243 bis of the French General Tax Code, it is stated that the dividend qualifies for the 40% allowance for natural persons whose tax domicile is in France provided for in article 158-3 of the French General Tax Code.

The following dividends per share were paid in respect of the three previous financial years:

	2022	2021	2020
Dividend per share	17.16	9.03	1.04
Amount eligible for relief under Article 158-3-2 of the French General Tax Code	40%	40%	40%

Fifth resolution

The General Meeting, having considered the result of work carried out in relation to the renewal of Jean Laurent-Bellue's term of office as a member of the Supervisory Board, and noting that the criteria of integrity, knowledge, experience, skills and availability required by regulations in force are met, as are the independence criteria as dictated by the Middlenext Code of Governance, resolves to renew Jean Laurent-Bellue's term of office as a member of the Supervisory Board for a three-year term expiring at the end of the General Meeting convened to approve the financial statements for 2026.

Sixth resolution

The General Meeting, having considered the result of work carried out in relation to the renewal of Véronique Morali's term of office as a member of the Supervisory Board, and noting that the criteria of integrity, knowledge, experience, skills and availability required by regulations in force are met, as are the independence criteria as dictated by the Middlenext Code of Governance, resolves to renew Véronique Morali's term of office as a member of the Supervisory Board for a three-year term expiring at the end of the General Meeting convened to approve the financial statements for 2026.

Seventh resolution

The General Meeting, having considered the result of work carried out in relation to the renewal of Philippe Cieutat's term of office as a member of the Supervisory Board, and noting that the criteria of integrity, knowledge, experience, skills and availability required by regulations in force are met, whereas the independence criteria are not met because of his employment within the Edmond de Rothschild group, resolves to renew Philippe Cieutat's term of office as a member of the Supervisory Board for a three-year term expiring at the end of the General Meeting convened to approve the financial statements for 2026.

Eighth resolution

The General Meeting, having considered the result of work carried out in relation to the renewal of Sabine Rabald's term of office as a member of the Supervisory Board, and noting that the criteria of integrity, knowledge, experience, skills and availability required by regulations in force are met, whereas the independence criteria are not met because of her employment within the Edmond de Rothschild group, resolves to renew Sabine Rabald's term of office as a member of the Supervisory Board for a three-year term expiring at the end of the General Meeting convened to approve the financial statements for 2026.

Ninth resolution

The General Meeting resolves to appoint PricewaterhouseCoopers Audit, registered with the Nanterre Trade Register under number 672 006 483,whose registered office is at 63 rue de Villiers 92200 Neuilly-sur-Seine, as auditor of sustainability information, for the remainder of its term of office as Statutory Auditor, i.e. until the General Meeting called to approve the financial statements for the year ending 2028.

Tenth resolution

The General Meeting, having been read the Executive Board report and having been consulted in accordance with Article L. 511-73 of the French Monetary and Financial Code, approves the overall package of compensation of all types amounting to €10,998,611 paid during 2023 to persons covered by Article L. 511-71 of the French Monetary and Financial Code for Edmond de Rothschild (France) and €2,671,404 for the Italian branch of Edmond de Rothschild (France).

Eleventh resolution

The General Meeting, having been read the Executive Board report, and in order to ensure that the Group remains competitive in terms of compensation, resolves that the variable element of the total compensation of persons covered by Article L. 511-71 of the French Monetary and Financial Code may represent a maximum of twice their fixed compensation. That decision shall apply to people with the following roles or meeting the following criteria:

Roles:

- members of the Executive Committee, the Executive Board and Senior Management;
- heads of Control Functions (Audit, Risk Management, Compliance) and those with managerial responsibilities that report to them;
- heads of Business Units and those with managerial responsibilities that report to them;
- heads of certain Support Functions (including Finance, HR, IT, Legal etc.);
- heads of Risk Management and Permanent Members of Risk Committees;
- heads of New Products and Permanent Members of New Products Committees.

Other criteria:

- managers of Risk-Takers;
- employees whose total compensation is €500,000 or more and/or employees in the top 0.3% in terms of compensation;
- employees whose total compensation is at least equal to that of the Senior Management member with the lowest compensation.