



EDMOND  
DE ROTHSCHILD

# EDMOND DE ROTHSCHILD SICAV EURO SUSTAINABLE GROWTH



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Invest in top-quality players  
driving sustainable growth

► Edmond de Rothschild SICAV Euro Sustainable Growth is a socially responsible investment (SRI) fund invested primarily in eurozone equities. Its goal is to select the stocks with the best growth prospects while striving to provide solutions to the challenges of sustainable development.

## A CROSS-CUTTING VISION OF EUROZONE COMPANIES

The Edmond de Rothschild SICAV Euro Sustainable Growth SRI fund operates on the best-in-universe<sup>1</sup> principle. It stands apart through its investment universe which takes account of environmental, social, governance (ESG) criteria and other stakeholders and its selection of growth stocks.

► **The SRI management/analysis team** studies each stock in-house based on its business sector using a proprietary methodology.

This independence enables greater responsiveness (analysis of a company being

listed on the stock market), better tracking of the investment universe (notably for mid-caps) and regular updates to the analysis methodology.

The analysis is reflected in an ESG score that serves to better understand the non-financial risks borne by the companies.

► **The European equities management team** identifies the companies belonging to a sustainable growth theme such as energy efficiency, population ageing, new consumer behaviour, health, safety, healthy diet, renewable energies, waste management, water management and recycling. A quantitative analysis identifies expected growth rates in revenue, EPS<sup>2</sup>, margins, etc.



## KEY POINTS

A recognised SRI player for over 10 years

Daily exchanges between European Equities and Responsible Investment management teams

A best-in-universe selection of innovative companies focused on sustainable development solutions

Measurement of different ESG indicators to track the portfolio's impact

A performance objective over a full economic cycle in exchange for a risk of capital loss

## MEASUREMENT OF THE PORTFOLIO'S IMPACT 7 KEY INDICATORS

1. Green impact
2. Carbon impact
3. Average accident rate
4. Average absenteeism rate
5. Percentage of independent directors
6. Percentage of women on the executive committee
7. Signatories to the United Nations Global Compact

\*The fund managers presented in this document may not be the same over the entire life of the product. 1. The best-in-universe approach is an ESG selection method that recognises the highest rated issuers based on their non-financial activity independently of their business sector. 2. Net earnings per share: portion of the wealth created by the company paid to shareholders.

Edmond de Rothschild SICAV Euro Sustainable Growth is a sub fund of the French regulated SICAV which is approved by the AMF and approved for marketing in Belgium, Switzerland, Germany, Spain, France, Italy, Luxembourg and Netherland.

## INVESTMENT PROCESSES

### 1. SRI RESEARCH

An internal ESG rating is assigned to each security based on the business sector, capitalisation size and the capital structure. Controversies are tracked in parallel.

### 2. FINANCIAL ANALYSIS

The goal is to analyse the company's valuation, main financial ratios, revenue growth and debt level in both absolute terms and compared with other companies.

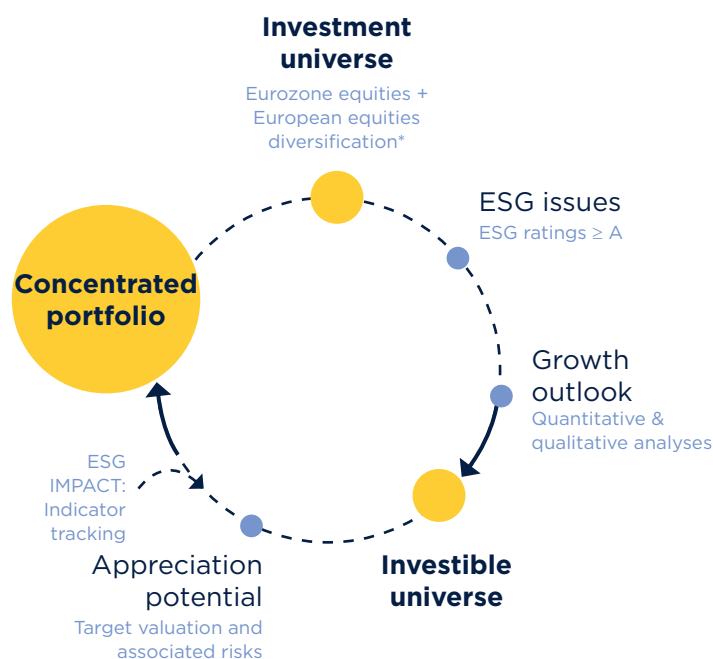
### 3. TRACKING OF ESG INDICATORS

Special attention is paid to the impact of products and services, CO<sub>2</sub> emissions, changes in the accident rate, diversity on executive committees, and whether or not the company has signed the UN Global Compact<sup>3</sup>.

### 4. PORTFOLIO CONSTRUCTION

Securities are weighted on the basis of the ESG rating and financial conviction of each company, regardless of capitalisation.

3. A United Nations' initiative intended to bring together players around four major themes (human rights, international labour standards, the environment and the fight against corruption).



\*Exposure to the equities of countries outside the eurozone will not exceed 10% of net assets.

The investment process described above includes internal management constraints implemented by the management team. This is the process currently in place, but it may change over time.

## FUND CHARACTERISTICS

**Legal form:** SICAV under French law since 12/02/2019. The sub-fund was previously a mutual fund under French law

**AMF classification:** Eurozone equities

**Founded:** 05/07/1984

**ISIN code:**

Unit A: FR0010505578 - all subscribers

Unit I: FR0010769729 - reserved for legal entities

**Entry fees:** Unit A: 3%/Unit I: None

**Exit fees:** None

**Minimum initial subscription amount**  
Unit A: 1 unit/Unit I: €500,000

**Maximum management fees**

Unit A: 1.95%/Unit I: 0.95%

**Administrative costs external to the management company:** 0.15% maximum including tax

**Variable management fees:** Unit A and Unit I 15% per annum of the outperformance

relative to the MSCI EMU (NR) benchmark, net dividends reinvested

**Benchmark**  
MSCI EMU (NR) net dividends reinvested

**Recommended investment period**  
> 5 years

## PRINCIPAL INVESTMENT RISKS

**This UCITS is in risk category 5**, which reflects the exposure to equity markets of up to 110% of its assets, representing a high risk/reward profile.

The risks described below are not exhaustive. It is up to each investor to analyse the risks associated with each investment and to form their own opinion.

**Risk of capital loss:** The UCITS does not benefit from any protections. This means that the capital initially invested may not

be returned in full even if subscribers retain their units for the entire recommended investment period.

**Equity risk:** The value of an equity can fluctuate due to factors that are specific to the issuing company, as well as exterior political or economic factors. Changes in equity markets, as well as in convertible bond markets whose growth is partly linked to that of underlying equities, can lead to significant fluctuations in net assets which can have a

negative impact on the net asset value of the UCITS.

**SRI (socially responsible investment) selection related risk** The selection of SRI securities can result in the UCITS departing from the benchmark.

**Risk related to small- and mid-cap companies:** The securities of companies with small and medium capitalisations can be significantly less liquid and more volatile than those of companies with large capitali-

sations. The net asset value of the UCITS can therefore fluctuate more rapidly and more significantly.



**Label  
ISR**

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### EDMOND DE ROTHSCHILD ASSET MANAGEMENT (FRANCE)

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Share capital €11,033,769

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