



## Key Information Document (KID)

### Purpose

This document provides you with key information about this investment Product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this Product and to help you compare it with other products.

### Product

#### **EdR SICAV - Equity US Solve**

a sub-fund of Edmond de Rothschild SICAV

**Manufacturer of the PRIIP (Packaged Retail Investment and Insurance-based Product):** Edmond de Rothschild Asset Management (France), part of the Edmond de Rothschild Group – Registered office: 47, rue du Faubourg Saint-Honoré, 75401 Paris Cedex 08, France

J EUR (H) ISIN: FR0013404456

PRIIP manufacturer's website: [www.edmond-de-rothschild.com](http://www.edmond-de-rothschild.com)

Call +33 140 172 525 for more information.

The Autorité des marchés financiers (AMF) is responsible for supervising Edmond de Rothschild Asset Management (France) in relation to this Key Information Document.

Edmond de Rothschild Asset Management (France) is authorised to operate in France under the no. GP 04000015 and is regulated by the Autorité des Marchés Financiers (AMF).

Key Information Document production date: 05/07/2024

Warning: You are about to purchase a Product that is not simple and may be difficult to understand.

### What is this Product?

#### Type

The Product is a sub-fund of a French SICAV mutual fund, which is a UCITS governed by European Directive 2009/65/EC.

#### Term

The term of the Product is 99 years. This Product has no maturity date. The Management Company reserves the right to dissolve the Product unilaterally. The Product may also be dissolved in the event of a merger, a total redemption of shares, or if the Product's net assets fall below the regulatory minimum amount. The assets and liabilities of the various sub-funds are segregated. As such, any shares you hold in this sub-fund may not be exchanged for shares in another sub-fund in the EdR SICAV mutual fund.

#### Objectives

The aim of the Product, over its recommended investment period, is to provide partial exposure to the performance of North American equity markets, while hedging the equity risk at all times, completely or in part, on options and futures markets, in line with the manager's expectations. The Product is managed actively, which means that the Manager makes investment decisions in line with the Product's investment policy with a view to achieving the Product's objectives. This active-management process entails taking decisions regarding the selection of assets, regional allocations, sectoral views and overall market exposure. The Manager is in no way limited by the composition of the benchmark index in the positioning of the portfolio, and the Product may not hold all the components of the benchmark index, or even any of the components in question at all. The fund may diverge wholly or significantly from the benchmark index or, occasionally, very little.

**Benchmark index:** 56% S&P 500 Index, net dividends reinvested and hedged in EUR + 44% Capitalised €STR

**Investment policy:** Discretionary management techniques will be used to expose the Product to North American equity markets by investing in North American equities, or North American equity or equity index derivatives, or UCIs. The management company will manage exposure to equity risk for between 0% and 90% of the Sub-Fund's net assets by implementing hedging strategies via trading on options and futures markets. More specifically, the implementation of hedging intended to maintain exposure to equity risk at between 0% and 90% is determined on a discretionary basis by the management team depending on their expectations and on market conditions. The objective of the implementation of these hedging strategies is to mitigate significant equity market shocks, which means that the Sub-fund will benefit less from bullish periods. These hedging strategies also allow the management team, in a tactical and opportunistic manner, to seek to optimise the cost of hedging the portfolio. Exposure to equity markets will be achieved using a core-satellite approach, with the core of the portfolio comprising index futures, North American equities that may be included in the S&P 500 index, or ETFs, and with satellites being actively managed for diversification purposes. Through this "satellite" portfolio, the manager may thus accentuate or mitigate certain sectoral biases according to market expectations. These investments may be made via direct investments in securities, UCIs and futures or index options.

The ESG investment universe consists of short-term public debt securities (up to one year) issued by the United States, and private Investment Grade (AAA to BBB-) and High Yield (BB to CCC) debt securities. The management company may select securities from outside this ESG universe. However, it will ensure that the chosen ESG universe offers a relevant comparison for the Product's ESG rating. At least 90% of the Investment Grade debt securities and money market instruments and 75% of the High Yield debt securities and money market instruments will have an ESG rating.

Although exposure will be primarily sought on equity markets, the Product may invest up to 100% of its net assets in debt securities and money market instruments denominated in dollars or other currencies.

The Product will target issues from public or private issuers with a maximum residual term of 397 days for fixed-rate issues and a maximum of two years for variable-rate issues. These will be primarily "investment grade" securities, i.e. securities for which the risk of default by the issuer is the lowest (securities rated greater than or equal to BBB-, or whose short-term rating is greater than or equal to A-3 according to Standard & Poor's or an equivalent agency, or with an equivalent internal rating assigned by the Management Company).

Securities which have not been rated by a rating agency, but which have been rated as "Investment Grade" by the Management Company will be limited to 15% of the net assets. Up to 10% of the Product's net assets may also be invested in high-yield securities, i.e. speculative securities for which the risk of default by the issuer is greater (securities rated below BBB-, or whose short-term rating is below or equal to A-3 according to Standard & Poor's or an equivalent agency, or with an equivalent internal rating assigned by the Management Company).

The Product may invest up to 100% of its net assets in over-the-counter derivative instruments or financial contracts traded on a regulated or organised market for the purposes of hedging and exposure up to a limit of between 0% and 90% exposure to equity risk.

The Product will not invest in embedded derivatives.

In addition, the Product may invest up to 10% of its net assets in units or shares of UCIs or other eligible Investment Funds.

The Product may invest up to 80% of its net assets in over-the-counter forward foreign exchange contracts in the form of total return swaps (TRS) on equities, equity indices and/or equity baskets. The expected proportion is 30%.

The Product may hold securities denominated in a currency other than the dollar. In particular, it may invest in securities in euros and in Canadian dollars. These securities will be hedged against currency risk. However, up to 10% of the net assets may remain exposed to currency risk.

For the purposes of efficient portfolio management and without deviating from its investment objectives, the Product may invest up to 25% of its net assets in repurchase agreements covering eligible transferable securities or money market instruments.

J EUR (H) shares are systematically and fully hedged against US Dollar/Euro currency risk via forward currency contracts, swaps or currency options.

**Allocation of income:** Distribution

**Allocation of net realised gains:** Accumulation and/or Distribution and/or Carried forward

#### Intended retail investors

J EUR (H) shares: Legal entities and institutional investors dealing on their own account or on behalf of third parties, provided they are willing to accept the risk of capital loss. These shares are more specifically intended for insurance companies subject to the requirements of the "Solvency II" Directive. In fact, the hedging strategies will be implemented and managed under conditions such that they can be deemed "risk mitigation techniques" within the meaning of Directive 2009/138/EC of 25 November 2009 ("Solvency II"), and thus enable the SCR ("Solvency Capital Requirement") to be reduced for the investors concerned. Investors' attention is drawn to the inherent risks associated with this type of security, as described in the "Risk profile" section.

This Product may not be purchased by or benefit, either directly or indirectly, natural or legal persons residing or domiciled in the United States, citizens of the United States, or United States Persons.

#### Practical information

Custodian: Edmond de Rothschild (France)

You can request the redemption of your shares on any day of the week, except on public holidays and on the days on which French markets are closed (see the official Euronext Paris S.A. calendar), for orders received by the clearing house before 12:30 pm on the day before the net-asset valuation day.

The Product's prospectus, its latest annual report, and any subsequent interim reports (in French, and in English, if required) will be provided free of charge upon written request to Edmond de Rothschild Asset Management (France) 47, rue du Faubourg Saint-Honoré - 75401 Paris Cedex 08 - France; telephone: +33 140 172 525; email: [contact-am-fr@edr.com](mailto:contact-am-fr@edr.com).

Share prices and, where necessary, information on other share classes, as well as information on the Product's net asset value, performance scenarios and past performance, can be found on [www.edmond-de-rothschild.com](http://www.edmond-de-rothschild.com).

## What are the risks and what could I get in return?

### Risk Indicator

1	2	3	4	5	6	7
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← Lower risk Higher risk →



The summary risk indicator assumes that you will hold the Product until the maturity date of the recommended holding period (3 years). The actual risk can vary significantly if you opt to exit before the maturity date, and you may get back less.

The summary risk indicator is provided as a guide to the level of risk of this Product compared to other products. It shows how likely it is that this Product will incur losses due to market fluctuations, or our inability to pay you.

We have assigned this Product a risk rating of 4 out of 7, which means that it is a medium-risk product. In other words, the potential losses on the Product's future performance are in the medium range and, if market conditions were to deteriorate, our ability to pay you may be affected.

Moreover, you will also be exposed to the following risks (not shown in the summary risk indicator):

**Credit risk:** The risk that an issuer of debt or money market securities cannot meet its obligations, or that its credit rating is downgraded. It also refers to the risk that an issuer defaults on repayment at maturity.

**Liquidity risk:** risk linked to the low level of liquidity on the underlying markets, which makes them sensitive to significant buy/sell trends.

**Derivative risk:** The use of derivatives may result in a more significant decline in the Product's net asset value than that in the markets where investments are made.

**Counterparty risk:** This is the risk that a market participant defaults, preventing them from honouring their commitments in respect of your portfolio.

The occurrence of any of these risks may negatively impact the net asset value.

As this Product does not include any protection against future market performance, you could end up losing some or all of your investment.

Pay particular attention to currency risk. If an investment Product is denominated in a currency other than the official currency of the State in which the Product is marketed, the final return will depend on the rate of exchange between the two currencies. This risk is not taken into account in the indicator shown above.

### Performance Scenarios

The figures shown include all the costs in connection with the Product itself, but may not include all of the costs that you may be required to pay your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What you will get from this Product depends on future market performance. Future market trends are uncertain and cannot be accurately predicted.

The unfavourable, moderate, and favourable scenarios shown are illustrations using the Product's and/or the relevant the benchmark index's worst, average, and best performance over the last 10 years.

Markets could trend very differently in the future.

The stress scenario shows what you might get back in extreme market conditions.

With an investment of EUR 10,000

Recommended holding period: 3 years		If you exit after 1 year	If you exit after 3 years (i.e. the recommended holding period)
Scenarios			
Minimum	There is no minimum guaranteed return. You could lose some or all of your investment.		
Stress	What you could get back after costs are deducted	EUR 2,810	EUR 4,080
	Average annual return	-71.9%	-25.8%
Unfavourable	What you could get back after costs are deducted	EUR 8,260	EUR 9,970
	Average annual return	-17.4%	-0.1%
Moderate	What you could get back after costs are deducted	EUR 10,490	EUR 11,310
	Average annual return	4.9%	4.2%
Favourable	What you could get back after costs are deducted	EUR 12,860	EUR 14,260
	Average annual return	28.6%	12.5%

This table shows different scenarios illustrating the amounts that you could get back over the recommended holding period of 3 years, assuming you invest EUR 10,000.

Unfavourable scenario: This scenario occurred for an investment made between December 2019 and December 2022.

Moderate scenario: This scenario occurred for an investment made between July 2017 and July 2020.

Favourable scenario: This scenario occurred for an investment made between December 2018 and December 2021.

### What happens if Edmond de Rothschild Asset Management (France) is unable to pay out?

The Product is a separate co-ownership comprising financial instruments and deposits held by the portfolio management company. Should the latter become insolvent, the Product's assets that are held by the custodian will not be affected. Should the custodian become insolvent, the risk that the Product incurs financial losses will be mitigated due to the legal requirement for the custodian's asset to be held separately from those of the Product.

Investments in the Product are not themselves hedged or guaranteed by a national compensation mechanism. The resale of the Product's shares, and the Product's capital and income, are not guaranteed by the Product manufacturer.

## How much will this investment cost me?

The person who is selling you this Product, or advising you about this Product, may charge you additional costs. If so, this person will provide you with information about these costs and how they will affect your investment over time.

### Costs over time

The tables show the amounts that are deducted from your investment to cover different types of costs. These amounts depend on how much you invest, and on how long you hold the Product. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed that:

- In the first year, you would get back the amount you invested (0% annual return). For the other holding periods, the Product is expected to perform as shown in the moderate scenario.
- The investment is EUR 10,000.

With an investment of EUR 10,000	If you exit after 1 year	If you exit after 3 years (i.e. the recommended holding period)
Total costs	EUR 94	EUR 323
Annual impact of costs *	0.9%	1.0%

(\* This illustrates the extent to which the costs will reduce your return each year over the holding period. For example, it shows that if you exit at the end of the recommended holding period, your average annual return is projected to be 5.18% before costs, and 4.20% after costs.

We may share part of the costs with the person selling you the Product to cover the services they provide to you. If this is the case, they will inform you of the amount.

### Composition of costs

With an investment of EUR 10,000 and an annual cost if you exit after 1 year.

One-off costs upon entry or exit		If you exit after 1 year
Entry costs	We do not charge an entry fee.	EUR 0
Exit costs	We do not charge an exit fee for this Product, but the person selling you the Product may do so.	EUR 0
Ongoing costs (deducted each year)		
Management fees and other administrative or operating costs	0.74% of the value of your investment per year. This is an estimate.	EUR 74
Transaction costs	0.20% of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the Product's underlying investments. The actual amount will vary depending on how much we buy and sell.	EUR 20
Incidental costs deducted under specific conditions		
Performance fees (and carried interest)	0.00% , performance fee deducted in respect of the previous financial year. Description: 15% per year of the outperformance compared to the benchmark index. If a share in the Product outperforms its benchmark index – and even if the share's performance is negative –, a performance fee may be deducted during the reference period.	EUR 0

The table above shows the annual impact of the different types of costs on the return you could obtain on your investment at the end of the recommended investment period.

The costs shown here do not include any additional costs that may be charged by your distributor or advisor, or any costs in connection with a package that the Product may be part of. If you invest in this Product as part of a life insurance or capitalisation contract, this document does not take into account the contract fees.

This table also explains what the different cost categories mean.

## How long should I hold the Product, and can I take money out early?

Recommended holding period: 3 years

This Product is designed for short-term investments. You should be prepared to hold your investment in the Product for at least 3 years.

Daily, with the exception of public holidays and days on which the French and US markets are closed (according to the official Euronext Paris S.A. and NYSE calendars), for orders received by the clearing house before 12:30 pm on each net-asset valuation day.

A redemption cap mechanism (known as "gating") may be implemented by the Management Company. The way this works is described in the SICAV's Prospectus and Articles of Association.

## How can I complain?

If you wish to make a complaint regarding the Product, the Product manufacturer or the person distributing or advising you about the Product, with a view to having a right recognised or a damage remedied, please send us a written request, describing the problem and the details of the complaint, by post or e-mail, to:

Edmond de Rothschild Asset Management (France), 47, rue du Faubourg Saint-Honoré, 75401 Paris Cedex 08, France.

E-mail: [contact-am-fr@edr.com](mailto:contact-am-fr@edr.com)

Website: [www.edmond-de-rothschild.com](http://www.edmond-de-rothschild.com).

## Other relevant information

Performance Scenarios: The latest performance scenarios are updated monthly at <https://funds.edram.com/>

Past performance: Past performances for the last 2 years can be downloaded at <https://funds.edram.com/>

When this Product is used as a unit-linked vehicle in a life insurance or capitalisation contract, additional information about the contract in question, such as the costs associated with the contract – which are not included in the costs mentioned in this document –, the person to contact in the event of a claim, and the procedures to follow if the insurance company fails, are provided in the contract's key information document, which must be given to you by your insurer or broker, or any other insurance intermediary, in compliance with their legal obligation.

Depending on your tax regime, any capital gains and income derived from your shareholdings in the UCI may be subject to taxation. We advise you to discuss this with the UCI marketer or your tax advisor.

Other Product information documents are available in French and can be obtained free of charge on request from the management company, Edmond de Rothschild Asset Management (France), Registered office: 47, rue du Faubourg Saint-Honoré, 75401 Paris Cedex 08, France - Website: [www.edmond-de-rothschild.com](http://www.edmond-de-rothschild.com). Telephone: +33 (0) 140 172 525 – E-mail: [contact-am-fr@edr.com](mailto:contact-am-fr@edr.com).

This Product promotes environmental or social characteristics, within the meaning of Article 8 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (known as the "SFDR Regulation").

This Key Information Document (KID) is updated at least once a year.