



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 - Euro Sustainable Credit

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

A EUR ISIN: FR0010172767

PRIIP manufacturer's website: www.edmond-de-rothschild.com

For further information, call +33 140 172 525.

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 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 than 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 Product aims to outperform its benchmark – the Bloomberg Barclays Capital Euro Aggregate Corporate Total Return index – over the recommended investment period, through investments on the corporate bond markets that seek to combine financial profitability with the implementation of a policy that aims to respect non-financial criteria, while mitigating the risk of capital loss. 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. Deviation from the benchmark index may be total or significant but, occasionally, may also be minor.

Benchmark index: Bloomberg Barclays Capital Euro Aggregate Corporate Total Return, net dividends reinvested

Investment policy: The strategy is to build a portfolio on the corporate bond markets by selecting securities based on an analysis that combines financial criteria, in order to identify securities with attractive growth prospects, and non-financial criteria, in order to comply with Socially Responsible Investment requirements. This analysis allows securities to be selected based on environmental, social and societal, and corporate governance criteria, which are used to assign an internal rating. The ESG investment universe consists of Investment Grade (AAA to BBB-) euro-denominated corporate bonds (non-financial and financial) and High Yield (higher than CCC) euro-denominated non-financial corporate bonds. 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.

The SRI ratings model was formulated using:

- a Best-in-Universe approach, i.e. by favouring the best-performing companies regardless of their financial rating, size or sector;

- differentiated weightings of the 3 ESG pillars for each sector depending on its specific challenges.

In the absence of an internal rating, the Manager will use an ESG rating provided by a non-financial rating agency.

At least 90% of portfolio companies will have either an internal ESG rating, or an ESG rating assigned by an external rating agency.

Once this process has been applied, the investment universe will be reduced by 20% by eliminating the poorer non-financial ratings using a Best-in-Universe approach.

Other than for the efficient and marginal management of the portfolio, derivatives will only be used on a temporary and exceptional basis.

The portfolio may invest up to 100% of its net assets in private debt. At least 70% of the portfolio's net assets will be invested in securities issued by private issuers located in OECD, EU, EEA or G20 member states and having, at the time of purchase, (i) an S&P (or equivalent) long-term rating of at least BBB-, or (ii) an equivalent internal rating assigned by the Management Company, or (iii) a short-term rating of A3 ("investment grade" category).

Up to 30% of the portfolio's net assets may be invested in high-yield securities (speculative securities for which the risk of issuer default is higher) with an S&P (or equivalent) rating below BBB-, or an equivalent internal rating assigned by the Management Company. Overall, the average rating of the portfolio will be at least BBB-, as assigned by S&P's or another equivalent rating agency, or an equivalent internal rating assigned by the Management Company. The selection of securities is not based automatically and exclusively on the rating criterion. It is mainly based on an internal analysis.

Prior to each investment decision, the Management Company analyses each security based on criteria other than its rating. In the event that an issuer in the high-yield category (speculative securities for which the risk of issuer default is higher) has its rating downgraded, the management company will conduct a detailed analysis in order to decide whether to sell or retain the security so as to comply with the rating objective. The Product may invest up to 100% of its net assets in financial contracts (futures, options, forwards, swaps including credit derivatives, etc.). The Product's sensitivity to interest rates may fluctuate between 0 and 8. The Product may invest up to 100% of its net assets in callable or puttable bonds, up to 10% in convertible bonds, and up to 20% in contingent convertible bonds (CoCos). The Product may invest up to 50% of its net assets in over-the-counter forward foreign exchange contracts in the form of total return swaps (TRS) on bonds, bond indices and/or bond baskets. The expected proportion is 25%. The currency risk will be hedged and the residual exposure will not be significant. Exposure to securities denominated in a currency other than the euro and exposure to currency risk are limited to 10% of the portfolio's net assets, respectively.

AMF classification: Bonds and other debt securities denominated in euros

DISCLAIMER: THIS PRODUCT MAY INVEST 30% OF ITS ASSETS IN BONDS WITH A LOW CREDIT RATING, IN WHICH CASE THE CREDIT RISK WILL BE VERY HIGH.

Allocation of income: Accumulation

Allocation of net realised gains: Accumulation

Intended Retail Investor

A EUR shares: All subscribers, provided they are willing to accept the risk of capital loss.

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.

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.

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

Risk Indicator



← Lower risk

Higher risk →



The summary risk indicator assumes that you will hold the Product until the maturity date of the recommended holding period (2 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 2 out of 7, which means that it is a low-risk product. In other words, the potential losses on the Product's future performance are in the low range and, if market conditions were to deteriorate, our ability to pay is very unlikely to be affected.

Additionally, you will be exposed to the following risks (not taken into account in the summary risk indicator), namely:

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 of the Product itself, but may not include all the costs that you pay to 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. Market developments in the future 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.

Investment of EUR 10,000

Recommended holding period: 2 years		If you exit after 1 year	If you exit after 2 years (i.e. the recommended holding period)
Scenarios			
Minimum	There is no guaranteed minimum return. You could lose some or all of your investment.		
Stress	What you might get back after costs	EUR 7,010	EUR 8,130
	Average return each year	-29.9%	-9.9%
Unfavourable	What you might get back after costs	EUR 8,420	EUR 8,640
	Average return each year	-15.9%	-7.1%
Moderate	What you might get back after costs	EUR 10,030	EUR 10,220
	Average return each year	0.3%	1.1%
Favourable	What you might get back after costs	EUR 10,900	EUR 11,020
	Average return each year	9.0%	5.0%

This table shows different scenarios illustrating the amounts that you could get back over the recommended holding period of 2 years, assuming you invest EUR 10,000.

Unfavourable scenario: This scenario occurred for an investment made between September 2021 and September 2023.

Moderate scenario: This scenario occurred for an investment made between August 2017 and August 2019.

Favourable scenario: This scenario occurred for an investment made between September 2013 and August 2015.

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.

What are the costs?

The person advising on or selling you this Product may charge you other costs. If so, this person will provide you with information about all of these costs and how they 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.

Investment of EUR 10,000	If you exit after 1 year	If you exit after 2 years (i.e. the recommended holding period)
Total costs	EUR 250	EUR 408
Annual impact of costs *	2.5%	2.0%

(* 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 3.12% before costs, and 1.09% 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	Up to 1.00% of the amount you pay upon subscribing to the Product.	EUR 100
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 (taken each year)		
Management fees and other administrative or operating costs	1.01% of the value of your investment per year. This percentage is determined based on the actual costs incurred in the previous year.	EUR 101
Transaction costs	0.45% 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 45
Incidental costs deducted under specific conditions		
Performance fees (and carried interest)	0.04%; performance fee deducted in respect of the previous financial year. Description: Up to 15% per year of the outperformance compared to the benchmark index, i.e. the Bloomberg Barclays Capital Euro Aggregate Corporate Total Return 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 4

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: 2 years

This Product is designed for short-term investments. You should be prepared to hold your investment in the Product for at least 2 years.

Daily, with the exception of public holidays and days on which the French markets are closed (according to the official Euronext Paris S.A. calendar), 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

Website: 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 10 years can be found 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. Telephone: +33 140 172 525; 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.