



EDMOND
DE ROTHSCHILD



EDMOND DE ROTHSCHILD SICAV EUROPEAN SMALLER COMPANIES

A EUROPEAN EQUITY FUND DESIGNED TO HARNESS THE
STRUCTURAL GROWTH CATALYSTS OF TOMORROW

EDMOND DE ROTHSCHILD, BOLD BUILDERS OF THE FUTURE.

edmond-de-rothschild.com

MARKETING COMMUNICATION: This is a marketing communication. Please refer to the UCITS prospectus and the Key Information Documents before making any final investment decision. EdR SICAV European Smaller Companies is a sub-fund of the French SICAV authorised by the AMF and authorised for marketing in Austria, Switzerland, Luxembourg, Italy, Germany, Spain, and France.

*The tax treatment depends on the individual situation of each client and is subject to change at a later stage.

- **Our conviction on Smaller companies: At the forefront of innovation on multiple niche segments, smaller companies combine a strong growth potential with an attractive risk/return profile, making it a must-have segment for any asset allocation.**

KEY POINTS



A **European Equity Fund**
invested in
small and mid caps¹



Inception date:
08/12/2022



4 dedicated fund manager/
analysts with **+25 years'**
average experience



5 years minimum
investment
horizon



Carries a
risk of capital loss
and **equity risk**



Investing in the
engines of job
creation



SFDR²
classification
Article 8

INVESTMENT TEAM

- The Fund is managed by a **highly experienced investment team**, supported by extensive proprietary research resources on sustainability and expertise on thematic areas at the heart of social and economic disruptions (Human Capital, Healthcare, Big Data, Green tech).



**Caroline
GAUTHIER**

Co-Portfolio Manager



**Benjamin
ROUSSEAU**

Co-Portfolio Manager

1. Small Caps: less than €5 billion market capitalisation; Mid Caps: between €5 and €10 billion market capitalisation

2. SFDR classification: The investment policy of a fund may change over time and therefore its classification under the Sustainable Finance Disclosure Regulation (SFDR) may change. If you have any doubts about the SFDR classification of a fund, please contact your usual adviser. Article 8 SFDR: Article 8 funds under the Sustainable Finance Disclosure Regulation (SFDR): funds that promote environmental or social features. The identity of the managers presented in this document may change during the life of the fund.

WHY INVEST IN SMALLER COMPANIES?



Attractive risk / reward profile

Potential long term outperformance versus larger capitalisations¹ thanks to higher earnings growth



Perfect universe for conviction-driven stock picking

The largest and most diversified listed segment, with poor sell-side coverage



Champions of tomorrow

A source of niche players at the forefront of innovation, well positioned to capture value from economic transitions

WHAT IS THE FUND'S INVESTMENT STRATEGY?

- ▶ The fund's investment strategy focuses mainly on European companies with market capitalisation of maximum €5 billion at purchase with a convincing growth outlook on profitability and Environmental, Social and Governance (ESG) suitability.
- ▶ The **investment philosophy** of the fund is based on three pillars:
 - A conviction-driven stock picking based on fundamental analysis with an “on-the-ground” approach
 - Active investing coupled with a rigorous risk management process
 - A long-term investment vision that contributes to the success story of companies
- ▶ The investment team's **4C compass** guides investment convictions in companies exhibiting
 - Growth of revenues (**C**AGR)
 - A **C**ompetitive advantage in the market landscape
 - High free cash flow generation (Value **C**reation) and
 - High quality of senior management teams (**C**hief)

PROMOTING SOCIAL VALUES

- ▶ The fund management team promotes investments in thriving companies that exhibit the best ESG characteristics within the investment universe (exclusion of lowest-rated 20% and with a negative employment outlook). Companies with a solid ESG profile can better shape their competitive position in the market over time. Ultimately, our investment universe is diversified with companies that have:
 - Good **corporate culture** and **employee care** practices
 - **Innovative business models** addressing megatrends of tomorrow
 - The ability to **create jobs¹ locally**

1. Larger capitalisations - above €10 billion. 2. Measurable performance indicators are monitored by the Fund Managers. The indicators used include the number of fulltime equivalent employees at the end of the financial year as communicated by the companies over a rolling three to five-year period. This list of indicators is not exhaustive. The Sub-fund's impact report is available on the Management Company's website

MAIN INVESTMENT RISKS

RISK INDICATOR:

1	2	3	4	5	6	7
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The risk indicator rates this fund on a scale of 1 to 7. This indicator is used to assess the level of risk of this product in comparison to other funds and a category 1 rating does not mean that the investment is risk free. In addition, it indicates the likelihood that this product will incur losses in the event of market movements or our inability to pay you.

This indicator assumes that you hold the product until the end of the recommended holding period of this fund. The actual risk may be very different if you choose to exit before the end of the recommended holding period of this Fund.

The risks described below are not exhaustive.

Risk of capital loss: The UCITS does not guarantee or protect the capital invested; investors may therefore not get back the full amount of their initial capital invested even if they hold their units for the recommended investment period.

Equity risk: The value of a stock may change depending on factors specific to the issuer but also on exogenous, political or economic factors. The SICAV may be exposed to the equity markets either via direct investments in equities and/or via financial contracts and/or UCITS. Fluctuations of the equity markets may lead to substantial variations in the net assets which may have a negative impact on the performance of the SICAV. Performance will depend on companies picked by the investment company.

Risk related to small and mid-cap companies: On these markets, the volume of listed securities is lower; therefore, market trends are more pronounced, both upwards and downwards, and more rapid than for large caps. Net asset value can therefore fluctuate rapidly and significantly.

Liquidity risk: The markets in which the UCITS trades may occasionally be affected by a lack of liquidity. These market conditions may affect the prices at which the Sub-fund may have to liquidate, initiate, or modify positions.

FUND CHARACTERISTICS*

Investment Objective: EdR SICAV European Smaller Companies is a European equity fund that aims, over the recommended investment horizon, to outperform its benchmark, the MSCI EMU Small Cap (NR). The fund is mainly exposed to European small and mid caps.

Inception date: 08/12/2022

Fund Currency: EUR

ISIN Codes: A Share: FR0014009Z77 / I Share: FR0014009ZC8

Subscription fee: A Share: Max 3% / I Share: None

Minimum initial subscription: A Share: 1 share / I Share: € 500 000

Maximum management fees: A Share: 1.90% incl. tax / I Share: 0.95% incl. tax

Variable management fees: 15% of outperformance above the MSCI EMU Small Cap (NR)

Redemption charges: None

Benchmark: MSCI EMU Small Cap (NR)

Recommended investment horizon: > 5 years

*Shares described herein are the main euro-denominated shares. The fund also has shares in USD and CHF. Please ask your sales contact for any further information.

The SRI label is a tool for choosing responsible and sustainable investments. Created and supported by the French Ministry of Finance, the label aims to make socially responsible investment (SRI) products more visible for savers in France and Europe.



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Any investment involves specific risks. Investors are therefore advised to ensure that any investment is suitable for their personal circumstances by seeking independent advice where appropriate. In addition, investors should read the Key Information Documents (KID) and/or any other document required by local regulations, which is provided prior to any subscription and is available in French and in English on the website www.edmond-de-rothschild.com under the "Fund Center" tab or free of charge on request. A summary of investors' rights in French and in English can be obtained at the following link: https://www.edmond-de-rothschild.com/SiteCollectionDocuments/LegalWebPartSiteDocument/France/_documents-reglementaires/EdRAM-France/EDRAM-FR-Principaux-droits-des-investisseurs.pdf. Edmond de Rothschild Asset Management (France) may decide to cease marketing this Fund in accordance with Article 93a of Directive 2009/65/EC and Article 32a of Directive 2011/61/EU. "Edmond de Rothschild Asset Management" or "EdRAM" is the trade name of the asset management entities of the Edmond de Rothschild Group. Source of information: unless otherwise indicated, the sources used in this document are those of the Edmond de Rothschild Group. Edmond de Rothschild SICAV European Smaller Companies is registered at the CNMV under n° 1801.

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GLOBAL DISTRIBUTOR AND MANAGEMENT COMPANY

EDMOND DE ROTHSCHILD ASSET MANAGEMENT (FRANCE)

47 rue du Faubourg Saint-Honoré / FR - 75401 Paris Cedex 08
Public limited company with a Management Board and Supervisory Board and a capital of 11,033,769 €
AMF approval number GP 04000015 - 332.652.536 R.C.S. Paris

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