



EDMOND  
DE ROTHSCHILD

# EUROPEAN EQUITY LOW VOL (the "Sub-Fund"), a sub-fund of EDMOND DE ROTHSCHILD FUND (the "Fund")

## Share Class S EUR (the "Class") - LU1380775608

Feeder UCITS of the Sub-Fund of Edmond de Rothschild Fund Europe Value & Yield (class EUR-N)

Management company: Edmond de Rothschild Asset Management (Luxembourg)

### KEY INVESTOR INFORMATION

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

### OBJECTIVES AND INVESTMENT POLICY

**Investment objective:** The Sub-Fund aims to provide capital appreciation and income by investing in European Equity markets while trying to reduce volatility and potential drawdowns.

The Sub-Fund intends to realise its investment objective by investing at least 85% of its assets into the EUR-N share class of EDMOND DE ROTHSCHILD FUND Europe Value & Yield (the **Master Fund**), another sub-fund of the Fund managed by EDMOND DE ROTHSCHILD ASSET MANAGEMENT (FRANCE). The remaining assets will comprise deposits, Money Market Instruments and derivatives.

**Benchmark index:** MSCI Europe (NR), net dividends reinvested

**Investment policy:** The Sub-Fund will implement its own equity risk hedging strategy based on a quantitative model. Therefore the Sub-Fund's performance may significantly divert from the Master Fund's performance. The equity index overlay strategy implemented at the Sub-Fund level aims at reducing the impact of a decrease in the underlying equity market by selling or purchasing listed derivative instruments. The benchmark hedge ratio can vary between 0% and 100%.

For information purpose, the investment restrictions of the Master Fund are detailed below:

At least 75% of the Master Fund's portfolio is permanently invested in and/or exposed to large-cap equities (over €2.5 billion) and other assimilated securities traded on regulated markets in the European Union.

The Master Fund may also invest up to 25% of its net assets in European stocks from outside the EU, notably member countries of the European Free Trade Association (EFTA), European Economic Area member countries and European countries that are candidates for membership in the European Union. (Switzerland, Norway, etc.). These stocks will be large-cap for at least 80%.

Between 75% and 110% of the Master Fund's net assets will be exposed to equities from countries of the European Union, directly and/or indirectly via UCITS and other eligible Investment Funds and/or through the use of financial contracts.

For cash management purposes, the Master Fund may invest up to 25% of its net assets in fixed or variable rate debt securities or government or corporate bonds issued in euro. These securities are rated Investment Grade at the time of purchase (i.e. with a credit rating higher than or equal to BBB- according to Standard and

(i.e. with a credit rating higher than or equal to BBB- according to Standard and Poor's, or an equivalent rating attributed by another independent agency, or a deemed equivalent internal rating attributed by the Investment Manager for non-rated securities), with a short-term maturity of less than three months, or convertible bonds.

The Master Fund will not invest in embedded derivatives. However, the Master Fund may temporarily hold stock purchase warrants, following a corporate action.

The Master Fund may invest in OTC Derivatives or financial contracts traded on a Regulated Market or Other Regulated Market in particular, the Investment Manager may use: forward currency contracts (forward or future exchange) or currency swaps, futures or options contracts, options contracts on equities (up to a limit of 25% of the net assets, to reduce equity volatility).

All of these instruments are only used for hedging purposes. In order to limit the total counterparty risk of instruments traded over-the-counter, the Master Fund may receive cash and high-quality government bonds collateral that will be deposited and will not be reinvested.

Moreover, up to the limit of 10% of the net assets, the Master Fund may invest in units or shares of UCIs.

For effective portfolio management purposes and without diverting from its investment objectives, the Master Fund may enter into reverse repurchase agreements covering eligible Transferable Securities or Money Market Instruments, subject to a limit of 10% of its net assets. Collateral received as part of these reverse repurchase agreements will be subject to a discount depending on the type of securities. The collateral may be in the form of cash and high-quality government bonds.

### Recommended holding period of 5 years

**Frequency of share buying or selling:** Every Luxembourg and France bank business day except for Good Friday, 24 December (Christmas Eve) and the days on which the French markets are closed (official calendar of Euronext Paris S.A.) for orders received by the transfer agent no later than 10:30 a.m. (Luxembourg time) one business Day prior to the applicable Value Day.

**Income allocation:** Accumulation

### RISK AND REWARD PROFILE

Lower risk, Higher risk,  
potentially lower return potentially higher return

1	2	3	4	5	6	7
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The definition of the risk and reward category is based on the historical performance data and/or the risk limit indicated in the Sub-Fund's investment policy.

It may not be a reliable indication of the future risk profile of the Sub-Fund.

The risk and reward category shown may change over time. Category 1 does not mean that an investment is risk-free.

### Significant risks not taken into account in this indicator:

**Credit Risk:** When a significant level of investment is made in debt securities.

**Liquidity Risk:** The markets for some securities and instruments may have limited liquidity. This limited liquidity could be a disadvantage to the Sub-Fund, both in the realisation of the prices quoted and in the execution of orders at desired prices.

**Impact of techniques such as derivative contracts:** The use of derivatives instruments can infer a decrease of the asset more significant than the decrease of the invested underlying assets or markets.

**Counterparty risk:** where a fund is backed by collateral or has significant investment exposure through contracts with a third party.

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

The conditions of subscription and redemption for the Master Fund Edmond de Rothschild Europe Value & Yield, in which your Fund is invested, are outlined in the prospectus for the UCITS Edmond de Rothschild Europe Value & Yield in the section entitled "Subscription and redemption procedures".

## CHARGES

Charges and fees are paid to cover the operating costs of the Sub-Fund, including the cost of marketing and distributing share classes. These costs reduce the potential growth of your investment.

### One-off charges taken before or after you invest

Entry charge	0.00 %
Exit charge	0.00 %

This is the maximum that might be taken out of your money before it is invested or paid out. Investors may obtain the actual amount of entry and exit charges from their advisor or distributor. In certain cases you may pay less.

### Charges taken from the fund over a year\*

Ongoing charge for Class S EUR	1.97 %
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\*The figure is based on expenses calculated at the end of December 2016

This figure may vary from year to year. It excludes performance fees and intermediary fees except entry and exit charges paid by the Sub-Fund when buying or selling units and/or shares of another UCI.

### Charges taken from the fund under certain specific conditions

Performance fee Method: 15 % per year of the outperformance of the Class compared to the benchmark index MSCI Europe (NR)	0.00 %
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For more information about charges, including information on performance fees and their calculation, please refer to the Sub-Fund's data sheet in the Fund prospectus.

## PAST PERFORMANCE

Regulations state that only subscribed share classes or share classes with a past performance history greater than 12 months can be shown.

Share class creation date: April 2016

Past performance is not an indication of future performance. It may vary over time. The performance indicated does not take into account costs and fees on issues and redemptions of units, but does include ongoing charges and intermediary fees as well as any performance fees collected.

Performance calculations are made in Euro with net dividends reinvested for the share class and the index.

## PRACTICAL INFORMATION

**Custodian:** EDMOND DE ROTHSCHILD (EUROPE)  
**Taxation:** The Fund is subject to Luxembourg tax law. Depending on your country of residence, this may have an impact on your tax situation. For more details, please consult a tax adviser.

More detailed information on EDMOND DE ROTHSCHILD FUND, the available sub-funds and share classes, such as the prospectus and the annual and semi-annual reports, may be obtained free of charge, in English, from the registered office of Edmond de Rothschild Asset Management (Luxembourg) at: 20 Boulevard Emmanuel Servais, L-2535 Luxembourg, and on the website [www.edmond-de-rothschild.com](http://www.edmond-de-rothschild.com).

The latest price of the shares is available online at [www.edmond-de-rothschild.com](http://www.edmond-de-rothschild.com), in the « Funds » section.

This document describes the Class of the Sub-Fund. The prospectus, the annual reports and the semi-annual reports are prepared for the Fund as a whole. The assets and liabilities of the various sub-funds are segregated. Shareholders are allowed to convert all or part of their shares into shares of another class of the Sub-Fund, or into shares of the same or of another class of another sub-fund. For more details about how to switch shares, please refer to the dedicated section of the prospectus "Share conversion".

Details of the remuneration policy established by the Management Company, including a description of how remuneration and benefits are determined, are available on the website <http://www.edmond-de-rothschild.com/site/Luxembourg/en/asset-management/terms-and-conditions>. A paper copy of the summarised remuneration policy is available free of charge to the shareholders of the Sub-Fund upon request.

Edmond de Rothschild Asset Management (Luxembourg) may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.

The Sub-Fund and its shares have not been registered with the Securities and Exchange Commission in the United States and the Fund will not be filing an application to receive authorisation to offer or sell shares to the public pursuant to the provisions of the U.S. Securities Act of 1933. The Sub-Fund is not and will not be registered pursuant to the U.S. Investment Company Act of 1940, as amended. The shares of this Sub-Fund cannot be offered and this document may not be distributed in the United States of America or any of the territories, possessions or regions under its jurisdiction.

This fund is authorised in Luxembourg and supervised by the Commission de Surveillance du Secteur Financier. Edmond de Rothschild Asset Management (Luxembourg) is authorised in Luxembourg and supervised by the Commission de Surveillance du Secteur Financier.

This key investor information is accurate as at 14/02/2017.