



EDMOND
DE ROTHSCHILD

EdR Fund BIG DATA Why BIG DATA? Why Now?

June 2022

Edmond de Rothschild Asset Management

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EDMOND DE ROTHSCHILD, BOLD BUILDERS OF THE FUTURE

BIG DATA: A GLOBAL MEGATREND

TRANSFORMING OUR WORLD AND MULTIPLYING OPPORTUNITIES ACROSS SECTORS TO CREATE VALUE



BIG DATA



ARTIFICIAL INTELLIGENCE



ROBOTICS



DRIVERLESS CARS



PREVENTIVE MEDICINE



SMART CITY

EDR FUND BIG DATA

KEY POINTS

► Our conviction on Big Data:

- › Big Data is an enduring megatrend, fueling opportunities in the long term growth prospects of companies in traditional infrastructure and data analytics industries as well as Data Users and Non-Tech companies.

► Key differentiators:

- › Investing across three sub-themes (**Infrastructure/Analytics/Data Users**)
- › A focus on **quality of technology, sustainability** of the business model, and disciplined **valuation**
- › **Unconstrained and flexible** approach where stock selection is the largest contributor to the portfolio return
- › **An innovative strategy rewarded** by the Agefi “Actif d’Or de l’Innovation” and selected by the French Ministry of Economy and Finance as part of the Tibi* initiative
- › A highly experienced investment team, combining **technological and financial knowledge** with input from thematic specialists (Human Capital, TMT, Healthcare)



JACQUES-AURÉLIEN MARCIREAU

Lead PM



XIADONG BAO

Co-Manager



KEVIN NET

Co-Manager



€ 1.3BN

Assets under management



Fund Inception date
31/08/2015



+14.4% annualized performance since inception

+3.5% of outperformance since inception (vs. the MSCI World (NR))



5 years minimum Investment horizon



6/7 Risk Level SRI



Art. 8 SFDR classification

H24 awards as at June 2021; Agefi “Actif d’Or de l’Innovation” in the UCITS category as at June 2016. *Tibi Initiative – a commitment by French Institutional Investors to mobilize more than €6 billion for the financing of technology companies by December 31, 2022. The identity of the managers presented in this document may change during the life of the product. The rankings, ratings and labels are not recommendations to buy, sell or hold units or shares of the funds managed by Edmond de Rothschild Asset Management (France) and do not constitute an indication of the future rankings or awards of these funds or the Fund Manager. Please refer to appendix for further details on ratings, rankings, awards, SRI and SFDR.

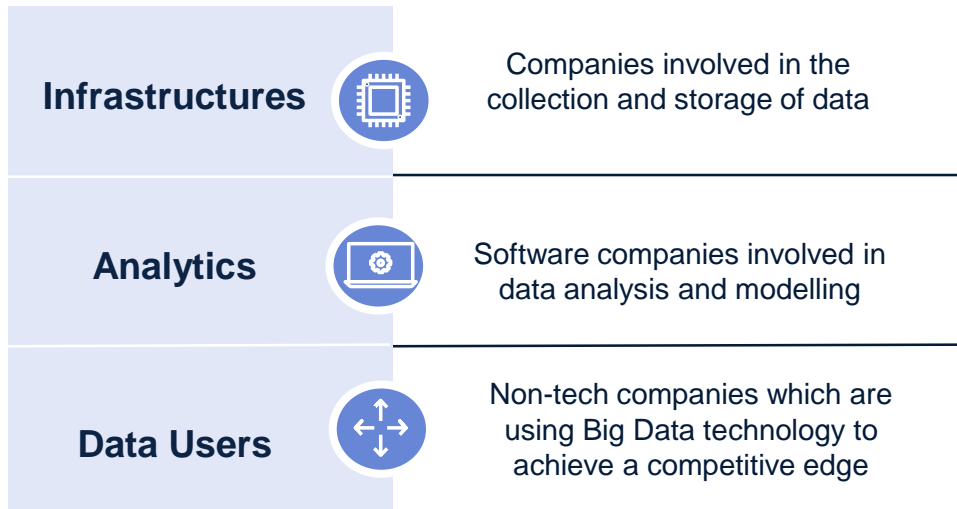
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Past performance and volatility is no guarantee of future performance and volatility which may change over time, and can be separately affected by fluctuating exchange rates. Performance data is net of management and performance fees but does not include the annual costs or fees and charges when issuing or redeeming units. Source: Edmond de Rothschild Asset Management (France). Data as of 31/05/2022 - I-EUR share.

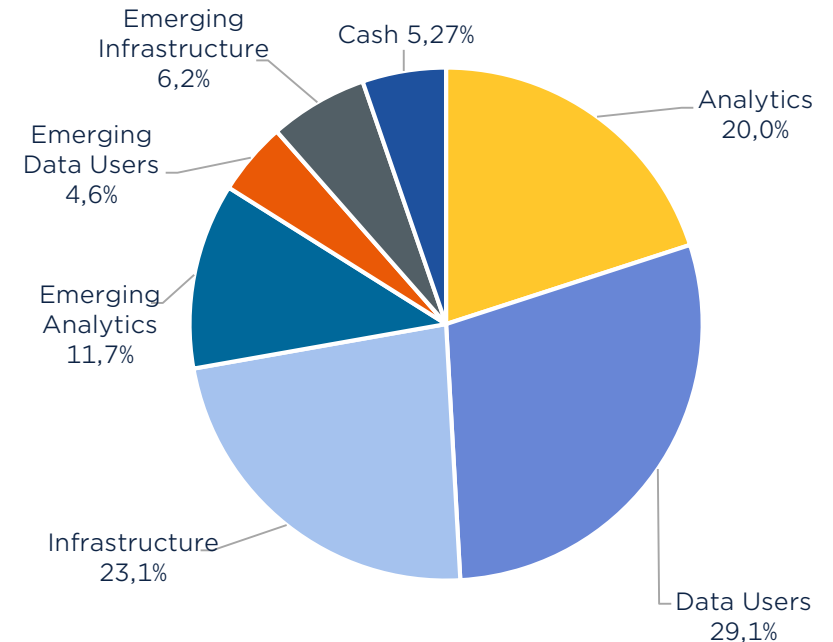
HOW TO APPROACH BIG DATA?

THREE AXES TO EXPRESS OUR CONVICTION

Identifying sustainable and high-quality business models



A TRULY DIVERSIFIED THEMATIC FUND



IDEA GENERATION

ELIGIBLE UNIVERSE DEFINITION

1

GLOBAL BIG DATA INVESTMENT UNIVERSE (+400 stocks)

MSCI World Tech (300+ Stocks)

Top down sector selection/Equity buy lists
(100 Stocks)



ESTABLISHED PLAYERS

High Earnings visibility, a sustainable commitment to innovation and a management track record



FUTURE LEADERS

Market cap [\$500m-5Bn] and/or \$500m in sales and/or <5 year of existence



Source: Edmond de Rothschild Asset Management (France) Data at 31/05/2022. The investment process described in this document presents several internal limits decided by the portfolio management team. This reflects the current investment process that may change in the future. The information about the companies cannot be assimilated to an opinion of Edmond de

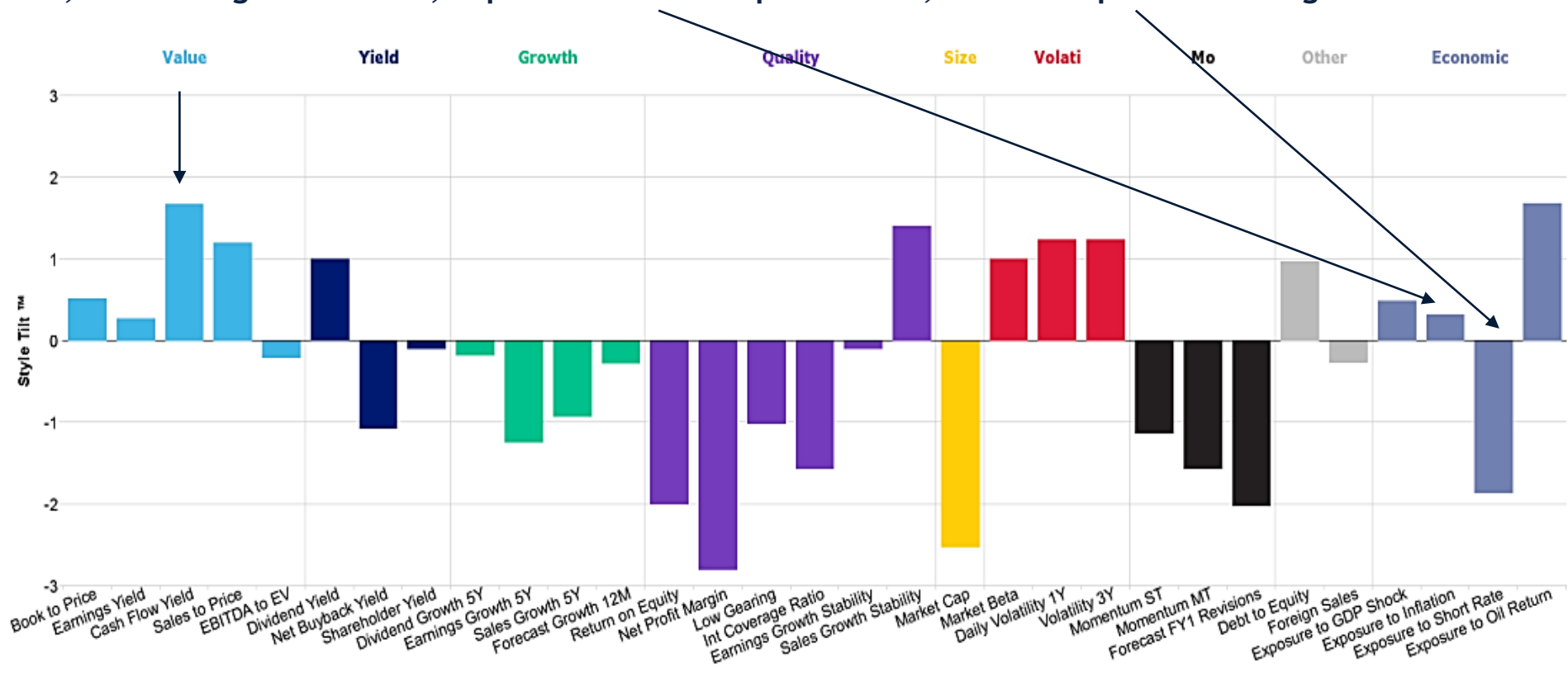
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Rothschild Asset Management (France) on the expected evolution of the securities and on the foreseeable evolution of the price of the financial instruments they issue. This information cannot be interpreted as a recommendation to buy or sell such securities.

EDRF BIG DATA

STYLE ANALYSIS

- ▶ This is a factor approach from a quantitative standpoint
- ▶ A) **Cash flow generation** B) **Exposure to inflation positive** C) **Positive exposure to rising rates**



Data as of 31/05/2022. Source : Style Research. The data shown refers to past years and it is not a reliable indicator of future results.

PORTFOLIO ANALYSIS

Key figures

Fund size	EUR 1 343.3 mil.
Number of holdings	49
Cash	5.23%

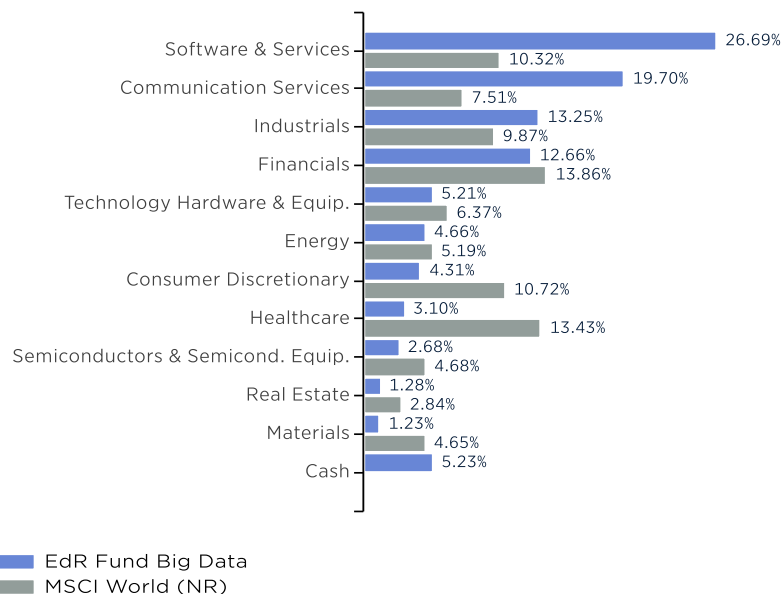
Carbon Footprint (Main share)

Carbon Footprint	Class	Index
tons eq. CO2/M€ invested	38.00	252.00

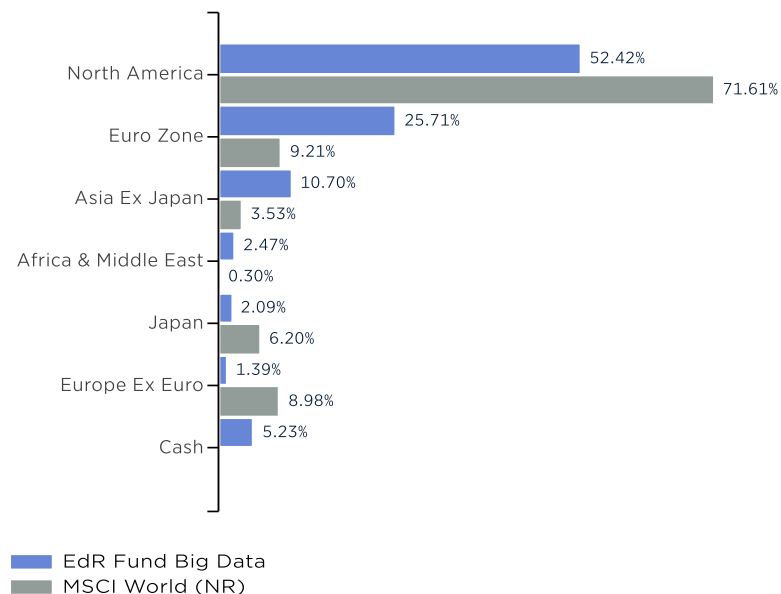
10 Main holdings

	Sector	Expo (%NA)
NetApp Inc	Technology Hardware & Equip.	3.81 %
FedEx Corp	Industrials	3.78 %
Akamai Technologies Inc	Software & Services	3.77 %
Alphabet Inc	Communication Services	3.73 %
Banco Bilbao Vizcaya Argentaria SA	Financials	3.70 %
Schlumberger Ltd	Energy	3.68 %
Booz Allen Hamilton Holding Corp	Industrials	3.64 %
Orange SA	Communication Services	3.60 %
Verizon Communications Inc	Communication Services	3.56 %
AXA SA	Financials	3.39 %
Total		36.67%

Sector breakdown



Geographical breakdown



Source: Edmond de Rothschild Asset Management (France). Data as of 31/05/2022.

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WHERE WE STAND TODAY


PORTFOLIO FUNDAMENTAL CHARACTERISTICS CONTINUE TO BE ATTRACTIVE


PORTFOLIO CHARACTERISTICS

As at 31/05/2022 (Source Style Analytics)	EdR Fund Big Data	MSCI WORLD (Fund benchmark)
Revenue Growth Fwd 12m%	11,79%	11,31%
5Y EPS Growth %	11,02	16,24
ROIC %	8,55	14,69
Fwd P/E	15,5x	16,3x
Free Cash-Flow Yield	6,82%	5,28%
Tracking error %	6,20%	
Sustainalytics ESG Risk Rating	19,8	21,6
Active Share	92,8%	
Beta	1,09	

What did we do recently?

Infrastructures 

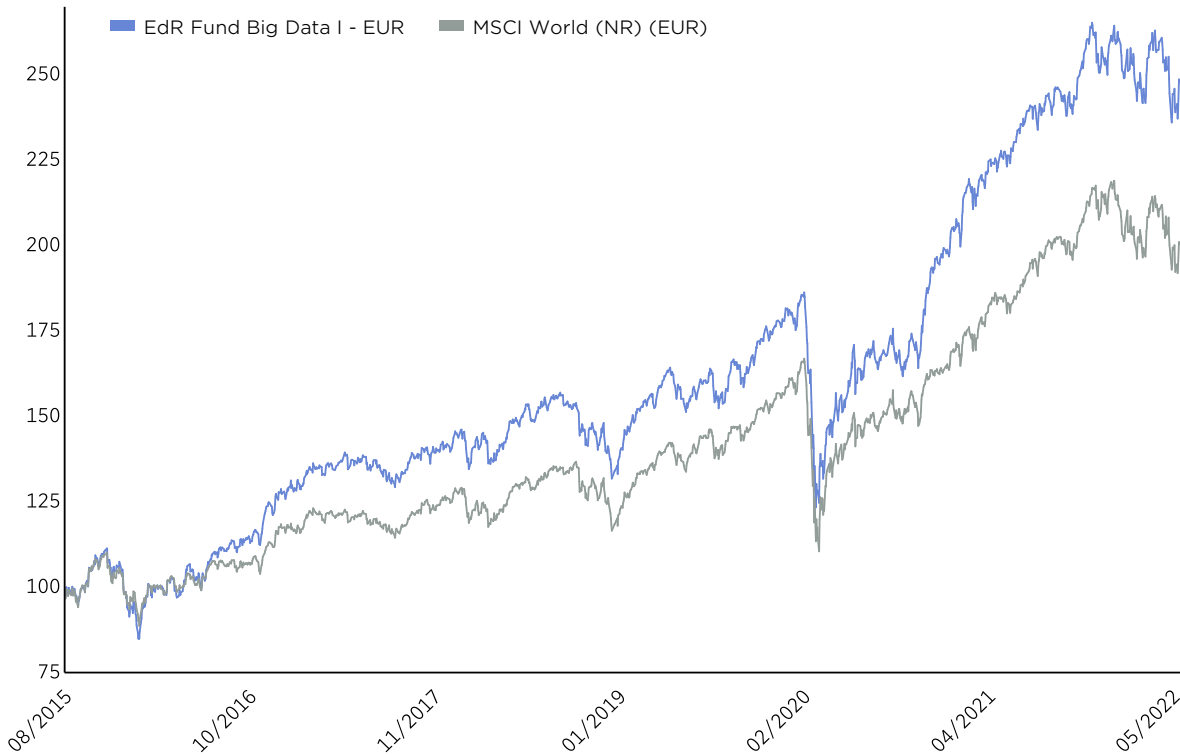
Analytics 

Data Users 

	Conviction	Turnover	Activity outside portfolio
Data users	Strong	Low	Diligence on Health care subsegments
Infrastructure	Strong	Medium	Adding « critical infra » exposure
Analytics	Strong	Low	Low activity
Emerging Infra	Medium	None	Low activity
Emerging Analytics	Medium	High	Adding selectively on pullback
Emerging data users	Strong	Medium	Diligence on Health care subsegments

- ▶ Increase our position in strategic data infrastructure and cybersecurity
- ▶ Rusia / Ukraine war: no exposure (direct or indirect)

PERFORMANCE: EDR FUND BIG DATA I - EUR



as of 31 May 2022

Past performance is not an indication of future performance. It may vary over time. Reported performance 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 charged.

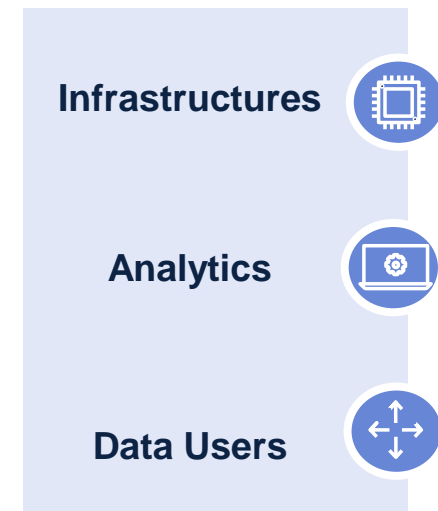
Financial data 3 years	Volatility	Tracking error (%)	Sharpe ratio
Class	17.83%	5.67%	1.00
Index	15.44%	-	0.95

Rolling performance	1 month	YTD	1 year	3 years	5 years	Since inception
Class	-1.56%	-4.79%	7.35%	61.70%	82.23%	147.45%
Index	-1.45%	-7.61%	8.11%	48.70%	66.93%	100.30%

Annual performances	2017	2018	2019	2020	2021	Annualized since inception
Class	10.98%	-3.40%	30.63%	12.80%	30.64%	14.36%
Index	7.51%	-4.11%	30.02%	6.33%	31.07%	10.83%

Why Now? And Why EDR Fund BIG DATA

- ▶ **Thematic: beyond the cycle.** Data as heart of value creation. Still on time!
- ▶ A **Core /All Weather Fund:** multisectorial and balanced
 - › **Styles: balanced mix of cyclical/secular growth drivers with diversification. Since 2 years, more value.**
 - › **Multi sectorial approach.** Much more diversified than a pure tech fund.
- ▶ **Inflation:** buy discipline focused on **high quality, free-cash-flow generative businesses** with strategic technology and pricing power
- ▶ **Positive sensitivity to rate hikes**
- ▶ **High free cash flow and attractive valuation**
- ▶ **Robust performance since the launch of the fund,** outperforming in 2021 against peers that were exposed to corrections in non-profitable tech names and a shift in market regime



	YTD	1Y	Vol 1Y
EdR F Big Data	-4,8%	+7,4%	11,1
Median Tech Funds	-20,9%	-8,3%	20