

Sustainable investment objective

PRODUCT NAME: ODDO BHF Green Bond

Legal Entity Identifier (LEI): 529900W4IPS4XZPNQZ56

DOES THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<input checked="" type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: 75% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: 0%	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of N/A of sustainable investments. <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input type="checkbox"/> It promotes E/S characteristics but will not make any sustainable investments.

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Sustainability indicators measure the extent to which the sustainable objectives of this financial product are attained.

WHAT IS THE SUSTAINABLE INVESTMENT OBJECTIVE OF THIS FINANCIAL PRODUCT?

ODDO BHF Green Bond is an actively managed bond fund, at least 75% of which is invested in Green Bonds from international issuers. Green Bonds are interest-bearing bonds where the funds obtained through the issue are used to fund or refinance new or existing environmental or climate protection projects.

WHAT SUSTAINABILITY INDICATORS ARE USED TO MEASURE THE ATTAINMENT OF THE SUSTAINABLE INVESTMENT OBJECTIVE OF THIS FINANCIAL PRODUCT?

Classification as a Green Bond is based on research provided by Bloomberg or Bloomberg Barclays MSCI applying the Green Bond Principles (GBP) of the International Capital Market Association (ICMA). The GBP promote integrity in the bond market through guidelines for the transparency, disclosure and reporting of information made available by issuers. They focus in particular on the use and management of issue proceeds, the project evaluation and selection process, and reporting.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

HOW IS IT ENSURED THAT SUSTAINABLE INVESTMENTS DO NOT SIGNIFICANTLY IMPAIR THE ENVIRONMENTAL OR SOCIAL SUSTAINABLE INVESTMENT OBJECTIVE?

The Company incorporates sustainability risks into its investment process by taking into account both the ESG (environmental, social and governance) characteristics of its investment decisions and any significant negative impacts that its investment decisions may have on sustainability factors. The investment process is based on ESG integration, normative screening (including UN Global Compact, controversial weapons), sector exclusions and a best-in-class approach.

The Company has implemented mechanisms to address sustainability risks through its own exclusion policy, and by excluding companies that materially violate the principles of the UN Global Compact. Green bonds issued by an issuer on the Company's exclusion list may be added to a portfolio if the bond does not relate to a refurbishment of coal plants and/or improvement in their energy efficiency. The CDP (Carbon Disclosure Project) is also observed. Details about the management company's exclusion

policy and the Fund's European SRI Transparency Code, which provides further details about ESG integration and exclusion thresholds, can be found at am.oddo-bhf.com.

In addition, the Company observes the United Nations Principles for Responsible Investment (UN PRI) and also applies these as part of its pledge by exercising voting rights, actively exercising shareholder and creditor rights, and through dialogue with issuers. Assets belonging to issuers producing controversial weapons such as cluster bombs, anti-personnel mines or chemical weapons as defined in the 1993 Paris Chemical Weapons Convention are also excluded from the portfolio.

HOW HAVE THE INDICATORS FOR ADVERSE IMPACTS ON SUSTAINABILITY FACTORS BEEN TAKEN INTO ACCOUNT?

Regulation (EU) 2020/852 defines certain principal adverse impacts ("PAI").

The fund manager applies pre-trade rules to three PAIs:

- Exposure to controversial weapons (PAI 14 and 0% tolerance),
- Activities negatively affecting biodiversity-sensitive areas that require protection (PAI 7 and 0% tolerance)
- Breaches of the UNGC Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10 and 0% Tolerance).

In addition, the fund manager refers to other PAIs in its ESG analysis for companies where such information is available but where there are no strict monitoring requirements. This collection of PAI data is used to determine the fund manager's final ESG rating.

ESG analysis includes monitoring of greenhouse gas emissions (PAI 1), exposure to fossil fuels (PAI 4), share of energy consumption and generation from non-renewable sources (PAI 5), intensity of energy consumption by climate-intensive sectors (PAI 6), the lack of processes and compliance mechanisms to monitor adherence to the UN Global Compact and the OECD Guidelines for Multinational Enterprises (PAI 11), the unadjusted gender pay gap (PAI 12) and gender diversity in governance bodies (PAI 13). The fund manager also refers to two additional PAIs: deforestation (additional PAI 15) and lack of human rights policies (additional PAI 9).

In the event that the Fund invests in sovereign bonds, the fund manager's ESG model incorporates the two main PAIs into its ESG analysis: Greenhouse gas emission intensity (PAI 15) and countries invested in that breach social regulations (PAI 16).

Further information on the integration of PAIs can be found at am.oddo-bhf.com.

HOW ARE THE SUSTAINABLE INVESTMENTS ALIGNED WITH THE OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES AND THE UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS?

The Company ensures that the Fund's sustainable investments are aligned by applying the UN Global Compact (UNGC) exclusion list as described in the Company's exclusion policy.



DOES THIS FINANCIAL PRODUCT CONSIDER PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS?

☒ Yes, in accordance with the provisions of Article 9 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR), the manager takes into account sustainability risks by integrating ESG (environmental and/or social and/or governance) criteria into its investment decision-making process, as set out under "Investment Strategy". This process also makes it possible to assess the management team's ability to manage the negative impacts of their business activities on sustainability.

☐ No



WHAT INVESTMENT STRATEGY DOES THIS FINANCIAL PRODUCT FOLLOW?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

ODDO BHF Green Bond is an actively managed bond fund, at least 75% of which is invested in Green Bonds from international issuers. Green Bonds are interest-bearing bonds where the funds obtained through the issue are used to fund or refinance new or existing environmental or climate protection projects. Classification as a Green Bond is based on research provided by Bloomberg or Bloomberg Barclays MSCI applying the Green Bond Principles (GBP) of the International Capital Market Association (ICMA). The GBP promote integrity in the bond market through guidelines for the transparency, disclosure and reporting of information made available by issuers. They focus in particular on the use and management of issue proceeds, the project evaluation and selection process, and reporting.

The Fund also invests up to 25% of assets in bonds from issuers that our capital market experts have assessed as placing particular importance on sustainability and environmental criteria. In addition, there is an active monitoring of controversy risks. Complementary to fundamental research, ESG characteristics (environmental, social and good governance) are used in investment selection.

A best-in-universe approach is used to incorporate ESG characteristics and sustainability risks. An internal rating system based on proprietary analysis and external databases is used for the securities held in the portfolio. This analyses various characteristics related to the environment (energy and water use, waste management, environmental certification, products and services providing ecological added value, and climate risk management), social factors (human resources management, diversity in the management team, employee training, health and safety, supply chain management and innovation) and governance issues (protection of minority shareholder interests, composition of the management bodies, remuneration policy, fiscal governance and the risk of corruption). Issuer evaluations reflect each of the ESG characteristics identified and analysed based on the conditions cited above; particular emphasis is placed on characteristics related to the environment.

The interest-bearing securities involved must also have a minimum rating of B-/B3. The Fund also aims for ongoing hedging against currency risks. The Fund uses the Bloomberg MSCI Euro Green Bond TR Index* as its benchmark index but does not seek to replicate it. Instead, the active investment process and issuer selection are based on fundamental research incorporating an assessment of the macroeconomic environment and a credit analysis for each issuer. The individual assets are selected and weighted on the basis of various internal criteria designed to evaluate the securities held in the portfolio. The weighting of individual criteria may vary and this can lead to securities receiving a higher or lower rating when future trends are taken into account. The portfolio's duration and position on the yield curve, and the weighting of individual segments of the bond market are adjusted in line with the prevailing market situation on a flexible basis using top-down analyses.

The objective behind investing in ODDO BHF Green Bond is to outperform the Bloomberg MSCI Euro Green Bond TR Index while also making a positive contribution to climate and environmental protection.

** Bloomberg MSCI Euro Green Bond TR Index is a registered trademark of Bloomberg Index Services Limited.*

WHAT ARE THE BINDING ELEMENTS OF THE INVESTMENT STRATEGY USED TO SELECT INVESTMENTS TO ATTAIN THE SUSTAINABLE INVESTMENT GOAL?

ODDO BHF Green Bond invests at least 75% in Green Bonds from international issuers. Classification as a Green Bond is based on research provided by Bloomberg or Bloomberg Barclays MSCI applying the Green Bond Principles (GBP) of the International Capital Market Association (ICMA).

The Company has implemented mechanisms to address sustainability risks through its own exclusion policy, and by excluding companies that materially violate the principles of the UN Global Compact. Green bonds issued by an issuer on the Company's exclusion list may be added to a portfolio if the bond does not relate to a refurbishment of coal plants and/or the improvement of their energy efficiency. The CDP (Carbon Disclosure Project) is also observed. Details about the management company's exclusion policy and the Fund's European SRI Transparency Code, which provides further details about ESG integration and exclusion thresholds, can be found at am.oddo-bhf.com.

Assets belonging to issuers producing controversial weapons such as cluster bombs, anti-personnel mines or chemical weapons as defined in the 1993 Paris Chemical Weapons Convention are also excluded from the portfolio.

WHAT IS THE POLICY TO ASSESS GOOD GOVERNANCE PRACTICES OF THE INVESTEE COMPANIES?

The ODDO BHF Asset Management Global Responsible Investment Policy sets out our definition and assessment of good corporate governance and is published on the “am.oddo-bhf.com” website.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.



Asset allocation describes the share of investments in specific assets.

WHAT IS THE ASSET ALLOCATION AND THE MINIMUM SHARE OF SUSTAINABLE INVESTMENTS?

ODDO BHF Green Bond invests at least 75% in Green Bonds from international issuers. The Fund also invests up to 25% of assets in bonds from issuers that our capital market experts have assessed as placing particular importance on sustainability and environmental criteria.

The Fund uses the Bloomberg MSCI Euro Green Bond TR Index* as its benchmark index but does not seek to replicate it. Instead, the active investment process and issuer selection are based on fundamental research incorporating an assessment of the macroeconomic environment and a credit analysis for each issuer.

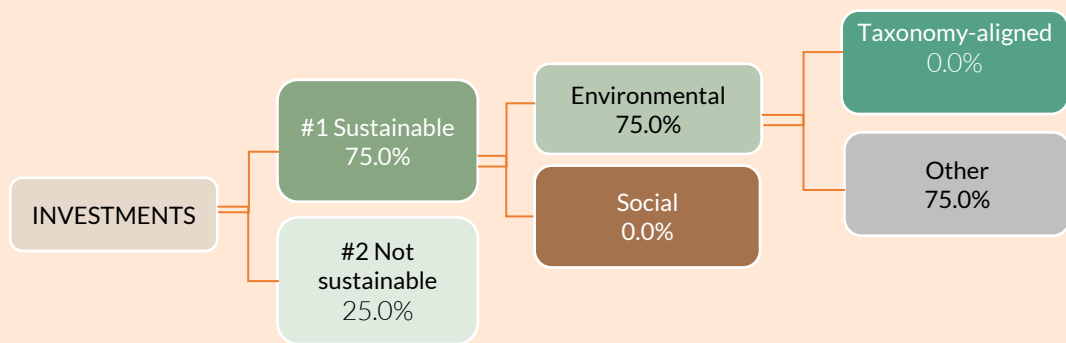
* Bloomberg MSCI Euro Green Bond TR Index is a registered trademark of Bloomberg Index Services Limited.

Taxonomy-aligned activities are expressed as a share of:

-turnover reflecting the share of revenue from green activities of investee companies.

-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-operational expenditure (OpEx) reflecting green operational activities of investee companies.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

HOW DOES THE USE OF DERIVATIVES ATTAIN THE SUSTAINABLE INVESTMENT OBJECTIVE?

Derivatives are not actively used to improve ESG alignment or reduce ESG risk. The Fund may use derivatives either to hedge investment or currency risk or to increase the portfolio's exposure to securities, sectors or indices for investment purposes in order to achieve the defined financial investment objective without seeking over-exposure, up to a limit of 100% of the Fund's net assets.



TO WHAT MINIMUM EXTENT ARE SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE ALIGNED WITH THE EU TAXONOMY?

ARE INVESTMENTS IN ACTIVITIES IN THE FIELD OF FOSSIL GAS AND/OR NUCLEAR¹ ENERGY WHICH ARE ALIGNED WITH THE EU TAXONOMY MADE BY THE FINANCIAL PRODUCT?

☐ Yes

☐ In fossil gas

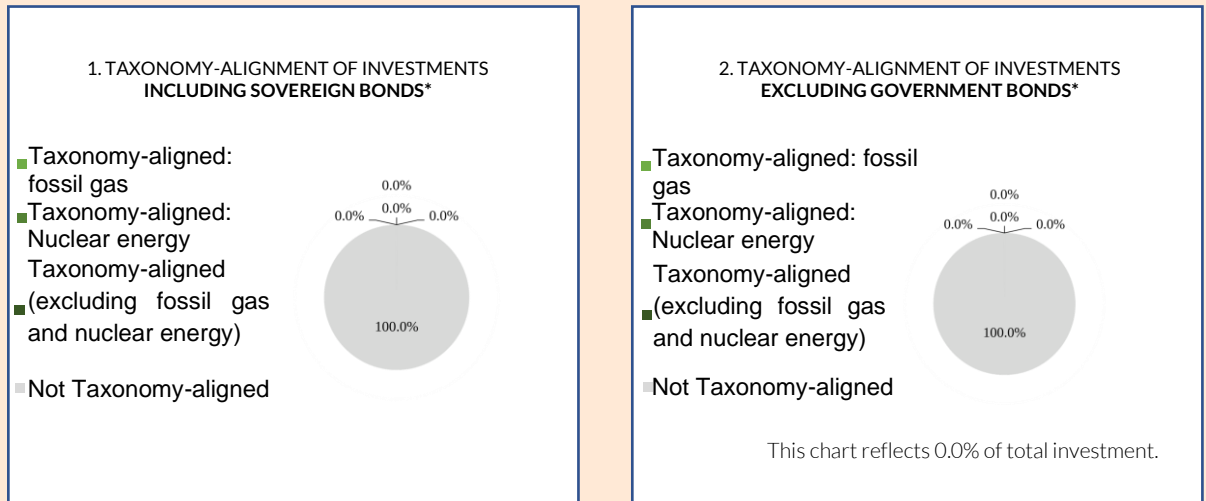
☐ In nuclear energy

☒ No

¹ Activities in the field of fossil gas and/or nuclear energy are only aligned with the EU Taxonomy if they contribute to mitigating climate change ("climate protection") and do no significant harm to any of the objectives of the EU Taxonomy – see explanation in the left-hand margin. The full criteria for economic activities in the field of fossil gas and nuclear energy which are aligned with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

The fund manager analyses the portfolio positions according to ESG criteria. Investments in green bonds or bonds from issuers that generate revenues from nuclear energy or fossil gas are not excluded for the Fund. However, a minimum proportion of activities connected with fossil gases or nuclear energy that correspond to the Taxonomy is not intended for the Fund.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

WHAT IS THE MINIMUM SHARE OF INVESTMENTS IN TRANSITIONAL AND ENABLING ACTIVITIES?

The minimum percentage is not yet known.

WHAT IS THE MINIMUM SHARE OF SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE THAT ARE NOT ALIGNED WITH THE EU TAXONOMY?

The percentage of sustainable investments with an environmental objective must be at least 75%.

WHAT IS THE MINIMUM SHARE OF SUSTAINABLE INVESTMENTS WITH A SOCIAL OBJECTIVE?

There is no minimum percentage of sustainable investments with a social objective, but the Fund may have investments with a social objective.

WHAT INVESTMENTS ARE INCLUDED UNDER "#2 NOT SUSTAINABLE", WHAT IS THEIR PURPOSE AND ARE THERE ANY MINIMUM ENVIRONMENTAL OR SOCIAL SAFEGUARDS?

The Fund invests up to 25% of assets in bonds from issuers that our capital market experts have assessed as placing particular importance on sustainability and environmental criteria. In addition, there is an active monitoring of controversy risks. Complementary to fundamental research, ESG characteristics (environmental, social and good governance) are used in investment selection. A best-in-universe approach is used to incorporate ESG characteristics and sustainability risks. An internal rating system based on proprietary analysis and external databases is used for the securities held in the portfolio. This analyses various characteristics related to the environment (energy and water use, waste management, environmental certification, products and services providing ecological added value, and climate risk management), social factors (human resources management, diversity in the management team, employee training, health and safety, supply chain management and innovation) and governance issues (protection of minority shareholder interests, composition of the management bodies, remuneration policy, fiscal governance and the risk of corruption). Issuer evaluations reflect each of the ESG characteristics

identified and analysed based on the conditions cited above; particular emphasis is placed on characteristics related to the environment.

The investments included in “#2 Other” are derivatives and other auxiliary investments.



IS A SPECIFIC INDEX DESIGNATED AS A REFERENCE BENCHMARK TO MEET THE SUSTAINABLE INVESTMENT OBJECTIVE?

The Fund uses the Bloomberg MSCI Euro Green Bond TR Index* as its benchmark index but does not seek to replicate it. The Bloomberg MSCI Euro Green Bond TR index is in line with the Fund's sustainable objectives as it includes financial instruments that meet its environmental protection criteria.

** Bloomberg MSCI Euro Green Bond TR Index is a registered trademark of Bloomberg Index Services Limited.*

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

HOW DOES THE REFERENCE BENCHMARK TAKE INTO ACCOUNT SUSTAINABILITY FACTORS IN A WAY THAT IS CONTINUOUSLY ALIGNED WITH THE SUSTAINABLE INVESTMENT OBJECTIVE?

The constituents of the index are selected based on MSCI ESG research to ensure that the green bonds in the index have a real impact on environmental projects. MSCI ESG Research therefore analyses the use of proceeds, project valuation, management of proceeds and the reporting of securities to ensure the index is eligible.

HOW IS THE ALIGNMENT OF THE INVESTMENT STRATEGY WITH THE METHODOLOGY OF THE INDEX ENSURED ON A CONTINUOUS BASIS?

The investment process incorporates MSCI ESG Research analysis, on which the index is also based. Classification as a Green Bond is based on research provided by Bloomberg or Bloomberg Barclays MSCI applying the Green Bond Principles (GBP) of the International Capital Market Association (ICMA).

HOW DOES THE DESIGNATED INDEX DIFFER FROM A RELEVANT BROAD MARKET INDEX?

The benchmark index is a Green Bond Index and is therefore fully aligned with the Fund's environmental objectives. It therefore differs from a broad market index for debt securities.

WHERE CAN THE METHODOLOGY USED FOR THE CALCULATION OF THE DESIGNATED INDEX BE FOUND?

A description of the method for calculating the index can be found at “<https://www.msci.com/documents/1296102/26180598/BBG+MSCI+Green+Bond+Indices+Primer.pdf>”.



WHERE CAN I FIND MORE PRODUCT SPECIFIC INFORMATION ONLINE?

More product-specific information can be found on the website: am.oddobhf.com