

Paris, 5 July 2019

## Changes to ODDO BHF EUROPEAN CONVERTIBLES MODERATE

CR-EUR units: FR0000980989  
CI-EUR units<sup>1</sup>: FR0011294586  
GC-EUR units: FR0011605518  
CR-CHF [H] units: FR0012244184  
CI-CHF [H] units<sup>2</sup>: FR0012243996  
CRe-EUR units: FR0013031002  
DR-EUR units: FR0013105905  
DI-EUR units<sup>3</sup>: FR0013105939  
CN-EUR units: FR0013296555  
CN-CHF [H]: FR0013321312

Dear Sir/Madam,

We would like to thank you for the trust that you have placed in us by investing in ODDO BHF EUROPEAN CONVERTIBLES MODERATE, a French fonds commun de placement (hereinafter the “Fund”).

### I. The operation

The management company of the Fund, ODDO BHF Asset Management SAS (hereinafter the “**Management Company**”), has decided to change the Fund’s investment strategy in order to integrate the consideration of ESG (environmental, social and governance) criteria into the portfolio security selection process using a “best in universe” approach.

To take account of these changes, the prospectus and the key investor information documents for the Fund have been amended, as described below.

The changes to the investment policy were approved by the Autorité des marchés financiers on 1 July 2019.

The Management Company has set 12 July 2019 as the date on which these changes will take effect.

If you do not agree with these changes, you can request the redemption of your units at any time and free of charge, excluding tax (if any). If you agree with these changes, no action is required on your part. Please do not hesitate to contact your usual adviser if you have any questions.

### II. Changes resulting from the operation

Risk profile:

- Change to risk/return profile: NO
- Increase in risk/return profile: NO

Fee increase: NO

<sup>1</sup> These shares are not the subject of a public offer in Belgium.

<sup>2</sup> These shares are not the subject of a public offer in Belgium.

<sup>3</sup> These shares are not the subject of a public offer in Belgium.

## Changes relating to the integration of ESG criteria into the security selection process

The Management Company has decided to amend the section of the prospectus relating to the Fund's investment strategy to include information on the integration of ESG (environmental, social and governance) criteria into the investment process, in addition to the fundamental analysis already adopted by the managers:

	<b>BEFORE</b>	<b>AFTER</b> <i>(Additions in blue)</i>
<b>Investment objective</b>	The Fund's objective is to outperform the benchmark index, the Exane ECI Euro Index, over a minimum investment horizon of two years.	The Fund's objective is to outperform the benchmark index, the Exane ECI Euro Index, over a minimum investment horizon of two years, <b>while taking ESG criteria into account.</b>
<b>Investment strategy</b>	<p>The Fund is managed on an active, discretionary basis and using a fundamental approach that comprises several stages:</p> <ol style="list-style-type: none"> <li>1. Analysis of the economic climate and markets allowing investment themes to be selected and objectives for market sensitivity ranges to be established.</li> <li>2. Qualitative analysis of each security, which includes: <ul style="list-style-type: none"> <li>- an assessment of the potential of issuing companies and underlying companies, based on a financial analysis including in particular an assessment of prospects for growth, profitability and solvency,</li> <li>- an analysis of the securities' technical characteristics based on the bond issuance contract and market price.</li> </ul> </li> <li>3. Portfolio construction: weighting of securities in line with range objectives: <ul style="list-style-type: none"> <li>- geographic and sectoral exposure, etc.</li> <li>- average sensitivity to equity risk, credit risk, interest rate risk and volatility.</li> </ul> </li> </ol> <p>[...]</p>	<p>The Fund is managed on an active, discretionary basis and using a fundamental approach that comprises several stages:</p> <ol style="list-style-type: none"> <li>1. Analysis of the economic climate and markets allowing investment themes to be selected and objectives for market sensitivity ranges to be established.</li> <li>2. Qualitative analysis of each security, which includes: <ul style="list-style-type: none"> <li>- an assessment of the potential of issuing companies and underlying companies, based on a financial analysis including in particular an assessment of prospects for growth, profitability and solvency,</li> <li>- an analysis of the securities' technical characteristics based on the bond issuance contract and market price.</li> </ul> </li> <li>3. Portfolio construction: weighting of securities in line with range objectives: <ul style="list-style-type: none"> <li>- geographic and sectoral exposure, etc.</li> <li>- average sensitivity to equity risk, credit risk, interest rate risk and volatility.</li> </ul> </li> </ol> <p><b>This fundamental analysis is supplemented by the consideration of ESG (environmental, social and governance) criteria. The managers' consideration of ESG criteria is based on a "best in universe" approach, with particular focus on human capital and corporate governance. Each company is rated in absolute terms against the entire investment universe, regardless of size and sector. The Management Company uses this rating and direct dialogue with issuers to value each company's progress.</b></p> <p><b>An internal scoring system for securities held within the portfolio, based on managers' proprietary analyses and external databases, will be used. The Management Company uses an internal rating scale divided into five ranks: High ESG Opportunity (5), ESG Opportunity (4), ESG Neutral (3), Moderate ESG Risk (2) and High ESG Risk (1).</b></p> <p><b>The criteria analysed include e.g.:</b></p> <ul style="list-style-type: none"> <li>• <b>Environmental: energy consumption, water consumption, waste management, environmental certifications, products and services</b></li> </ul>

		<p>with environmental value-added, climate risk management</p> <ul style="list-style-type: none"> <li>• Social: human capital (human resources management, diversity of management teams, training, employee health and safety, etc.), supplier management, innovation</li> <li>• Governance: corporate governance (preservation of minority shareholder's interests, composition of governance bodies, remuneration policy, etc.), fiscal responsibility, exposure to risk of corruption</li> </ul> <p>In determining a company's rating, the Management Company considers all the ESG criteria identified and analysed according to the above conditions, with particular focus on criteria relating to human capital and/or corporate governance.</p> <p>This non-financial rating system impacts the overall structure of the portfolio, limiting exposure to issuers with lower ESG ratings, and is used to ensure the portfolio's global ESG quality. In particular, the average portfolio rating will always be greater than or equal to 3 on our internal ESG rating scale. This effectively eliminates at least 20% of the Fund's investment universe.</p> <p>[...]</p>
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### III. Important information for investors

Please note that it is important to read the Key Investor Information Documents for the Fund, available online in French, English, German, Spanish, Italian, Dutch and Portuguese at <http://am.oddo-bhf.com>, as well as the prospectus, available online in French and English at <http://am.oddo-bhf.com>. You can also obtain these documents by making an informal written request to ODDO BHF Asset Management SAS - 12, bd de la Madeleine 75009 Paris. You can also obtain these documents by making an informal written request to ODDO BHF Asset Management SAS - 12, bd de la Madeleine 75009 Paris. These documents, as well as the fund's latest annual and semi-annual reports, in French, are available free of charge from the Belgian financial service CACEIS Belgium SA, Avenue du Port 86C b320, 1000 Brussels.

Please do not hesitate to contact us if you require any additional information.

Yours faithfully,

Nicolas CHAPUT  
Chairman