

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="checkbox"/> Yes	●● <input type="checkbox"/> No
<p><input checked="" type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: 90%</p> <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 <p><input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: 0%</p>	<p><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.</p> <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 <p><input type="checkbox"/> It promotes E/S characteristics but will not make any sustainable investments.</p>



WHAT IS THE SUSTAINABLE INVESTMENT OBJECTIVE OF THIS FINANCIAL PRODUCT?

The objective of the Fund is to make a positive contribution to climate and environmental protection. ODDO BHF Green Bond therefore invests at least 90% of assets in Green Bonds from international issuers. Green Bonds are interest-bearing bonds whose issue proceeds are used to fund or refinance new or existing environmental, conservation or climate protection projects. These support the transition to a climate-neutral economy. The Fund may also invest in Sustainability Bonds. Sustainability Bonds are interest-bearing bonds whose issue proceeds are used to fund or refinance a combination of green and social projects. We prioritise Sustainability Bonds that focus on financing green projects.

A benchmark index has not been defined to assess whether the environmental and/or social characteristics promoted by the financial product have been attained.

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

The following sustainability indicators are used to measure attainment of the sustainable investment objective:

- The percentage of sustainable investments (the percentage of Fund assets invested in Green Bonds and Sustainability Bonds);
- Application of and compliance with the general exclusions and the Paris-aligned benchmarks exclusions. For Green Bonds that are not classified as bonds that correspond to the European Green Bond Regulation (EU) 2023/2631 (“European Green Bonds”), a look-through approach can be applied to ensure that the financed project is not involved in any of the activities stated in Article 12(1) letters a) to b) and d) to g) of Delegated Regulation (EU) 2020/1818 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (the “Paris-aligned benchmarks exclusions”) and does not derive any of the revenues

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 include 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.

mentioned therein, and is not issued by issuers who violate the principles of the UN Global Compact or the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises;

- Consideration of the principal adverse impacts of investment decisions on sustainability factors;
- At least 90% of the assets (excluding bank deposits) in the portfolio have – taking into account the weighting of the individual assets – an ESG score.

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

The following approach is defined to be consistent with Article 2(17) of Regulation (EU) 2019/2088 on sustainability-related disclosure requirements in the financial services sector (“SFDR”).

- **Sustainable investments:** Green Bonds are acquired. The issue proceeds are used to fund or refinance new or existing environmental, conservation or climate protection projects. Green Bonds are classified as bonds that correspond to the European Green Bond Regulation (EU) 2023/2631 (“European Green Bonds”) or can be regarded as Green Bonds because the financed project is not involved in any of the activities stated in Article 12(1) letters a) to b) and d) to g) of Delegated Regulation (EU) 2020/1818 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (“Paris-aligned benchmarks exclusions”) and does not derive any of the revenues mentioned therein, and is not issued by issuers who violate the principles of the UN Global Compact or the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, or are ineligible for purchase on the basis of the Company’s exclusion policy for Green Bonds or Sustainability Bonds. Research provided by Bloomberg MSCI applying the Green Bond Principles (GBP) of the International Capital Market Association (ICMA) is also used. The GBP promote integrity in the bond market through guidelines for the transparency, disclosure and reporting of information made available by issuers. This specifically analyses the use and management of issue proceeds, the project evaluation and selection process, and reporting. Sustainability Bonds may also be acquired. The issue proceeds are used to fund or refinance a combination of green and social projects. We prioritise Sustainability Bonds that focus on financing green projects. The impact reports of issuers help to identify and evaluate the “significant harms”.

- **Exclusions:** The Fund applies general exclusions which are described in the Company’s exclusion policy which is available at am.oddo-bhf.com. This exclusion policy specifically applies to coal, tobacco and non-conventional weapons. Paris-aligned benchmarks exclusions are also applied. A look-through approach may be used for Green Bonds. Additionally, direct investment in the securities of countries with an inadequate Freedom House score is excluded.

- **Controversies:** Companies classified by MSCI ESG Research as particularly controversial – where applicable, following confirmation by the ESG team based on a second review – are considered unsustainable.

- **Consideration of the main adverse impacts:** In order to ensure no significant harm to sustainability objectives, the fund manager sets (pre-trade) control rules for selected activities that do significant harm: Involvement in controversial weapons (0% tolerance) and violations of the UN Global Compact principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises (0% tolerance).

- **Dialogue, engagement and alignment:** Our policy of dialogue, engagement and alignment supports the goal of avoiding significant harm by identifying key risks and making our voices heard to effect change and improvement.

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

Regulation (EU) 2020/852 defines specific areas that may have a negative impact (“PAIs”).

The fund manager applies pre-trade rules to the following PAIs:

- Exposure to controversial weapons (PAI 14 and 0% tolerance) and
- Violations of UN Global Compact principles and Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10 and 0% tolerance).

MSCI scores also incorporate environmental, social and governance issues when the use of additional PAI data for companies and governments can support their ESG score. Where data is available for companies, ESG analysis includes: monitoring of GHG emissions (PAI 1), carbon footprint (PAI 2), GHG intensity of investee

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.

companies (PAI 3), activities negatively affecting biodiversity sensitive areas (PAI 7), the hazardous waste and radioactive waste ratio (PAI 9), violations of UN Global Compact principles and Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10), the lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (PAI 11), the unadjusted gender pay gap (PAI 12), and board gender diversity (PAI 13). For sovereign issuers, analysis may also include GHG emission intensity (PAI 15). However, the fund manager does not set specific objectives or control rules for these other PAIs, with the exception of those mentioned in the first paragraph.

The indicators for adverse impacts on sustainability factors are also taken into account in relation to the relevant projects that are financed by the Green Bonds and Sustainability Bonds, provided that sufficient data are currently available and accessible to conduct the analysis.

For more information about MSCI ESG ratings, visit <https://www.msci.com/data-and-analytics/sustainabilitysolutions/esg-ratings>

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 (UNG) exclusion list and the exclusion list for violations of the OECD Guidelines for Multinational Enterprises, 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 fund manager takes into account sustainability risks by integrating ESG (environmental and/or social and/or governance) criteria into its investment decision-making process. The fund manager considers principal adverse impacts either via pre-trade exclusions or through the integration of ESG scores, which reflect sustainability risks based on a number of criteria including data on principal adverse impacts.

Information on the principal adverse impacts on sustainability factors is available in the Annual Report pursuant to Article 11(2) of the SFDR.

No



WHAT INVESTMENT STRATEGY DOES THIS FINANCIAL PRODUCT FOLLOW?

ODDO BHF Green Bond is an actively managed fund, investing at least 90% of assets in Green Bonds from international issuers. Green Bonds are interest-bearing bonds whose proceeds are used to fund or refinance new or existing environmental, conservation or climate protection projects. They support the transition to a climate-neutral economy. Green Bonds are classified as bonds that correspond to the European Green Bond Regulation (EU) 2023/2631 ("European Green Bonds") or can be regarded as Green Bonds because the financed project is not involved in any of the activities stated in Article 12(1) letters a) to b) and d) to g) of Delegated Regulation (EU) 2020/1818 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks ("Paris-aligned benchmarks exclusions") and does not derive any of the revenues mentioned therein, and is not issued by issuers who violate the principles of the UN Global Compact or the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, or are ineligible for purchase on the basis of the Company's exclusion policy for Green Bonds or Sustainability Bonds. Research provided by Bloomberg MSCI applying the Green Bond Principles (GBP) of the International Capital Market Association (ICMA) is also used. The GBP promote integrity in the bond market through guidelines for the transparency, disclosure and reporting of information made available by issuers. This specifically analyses the use and management of issue proceeds, the project evaluation and selection process, and reporting.

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

Sustainability Bonds may also be acquired. The issue proceeds are used to fund or refinance a combination of green and social projects. We prioritise Sustainability Bonds that focus on financing green projects.

The Fund applies general exclusions which are described in the Company's exclusion policy which is available at am.oddo-bhf.com. This exclusion policy specifically applies to coal, tobacco and non-conventional weapons. Paris-aligned benchmark exclusions are also applied. A look-through approach may be used for Green Bonds. Additionally, direct investment in the securities of countries with an inadequate Freedom House score is excluded.

The ESG score of securities to be included in the Fund is considered. The basis is the ESG scores of data provider MSCI Research. MSCI uses a methodology whereby issuers are assigned an industry-specific rating of between 0 (worst in the industry) and 10 (best in the industry); this rating is based on their ability to manage the risks and opportunities relevant to their operating activities in the area of sustainable development. In particular, MSCI analyses the following environmental and social characteristics already mentioned above: (1) climate change adaptation (carbon emissions, vulnerability to climate change, opportunities in the area of clean technologies and renewable energies); (2) natural capital (biodiversity and land use, raw material supply and water stress); and (3) human rights and human capital (health and safety, human capital development, personnel management, community relations, data protection/security, and product safety/quality). In addition to the issuer ratings described above, MSCI also assigns ESG ratings for funds.

In the event that an issuer does not have an MSCI ESG rating, there are two options:

- either the ESG score assigned by the Company to the relevant security of the issuer is used, or
- if the Company has not assigned an ESG score to that issuer's securities, the Company can substitute an ESG score, determined among other things by an average based on the ESG scores of MSCI according to sector of activity, company size, and the issuer's place of business. This substitute score will no longer be used if MSCI ESG Research generates its own ESG score for the issuer concerned or if an ESG score is assigned by the Company.

In addition, the Company can review an ESG rating provided by MSCI. This review is carried out by the ESG team and can result in replacement of the MSCI ESG rating with a new internal ESG score.

At least 90% of the assets (excluding bank deposits) in the portfolio have – taking into account the weighting of the individual assets – an ESG score.

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

The binding elements are:

- At least 90% of investments must be sustainable, in the form of Green Bonds.
- The Fund applies general exclusions which are described in the Company's exclusion policy which is available at am.oddo-bhf.com. This exclusion policy specifically applies to coal, tobacco and non-conventional weapons. Paris-aligned benchmark exclusions are also applied. A look-through approach may be used for Green Bonds. Additionally, direct investment in the securities of countries with an inadequate Freedom House score is excluded.
- At least 90% of the assets (excluding bank deposits) in the portfolio have – taking into account the weighting of the individual assets – an ESG score.

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

ODDO BHF Asset Management's Responsible Investment Policy sets out our definition and assessment of what constitutes good corporate governance practices. Good corporate governance practices can be assessed on the basis of a number of criteria, including anti-corruption measures and practices, the remuneration policy for senior executives, shareholder structure, quality of financial communication, and corporate ethics.

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

At least 90% of investments are sustainable, in the form of Green Bonds.

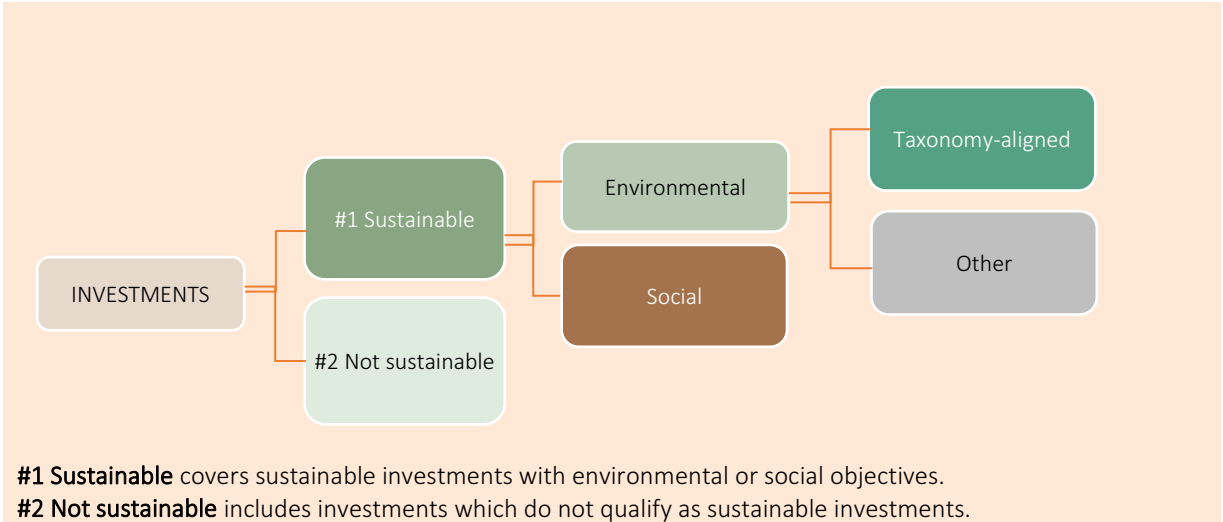
Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.



Asset allocation describes the share of investments in specific assets.

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.



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

Derivatives are not actively used to improve ESG alignment or reduce ESG risk.



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

A minimum share of sustainable investments with an environmental objective that are aligned with the EU Taxonomy has not been set. The entirety of sustainable investments may, however, also include investments that qualify as environmentally sustainable under the EU Taxonomy. Taxonomy-aligned investments include debt and/or equity investments in environmentally sustainable economic activities aligned with the EU Taxonomy. Data on Taxonomy alignment is provided by an external data provider; it is not certified by an auditor or verified by a third party. Currently, there is no method to determine the share of Taxonomy-aligned investments for government bonds. Therefore, no data are available on this.

DOES THE FINANCIAL PRODUCT INVEST IN FOSSIL GAS AND/OR NUCLEAR ENERGY RELATED ACTIVITIES COMPLYING WITH THE EU¹ TAXONOMY?

- Yes
 In fossil gas
 In nuclear energy
- No

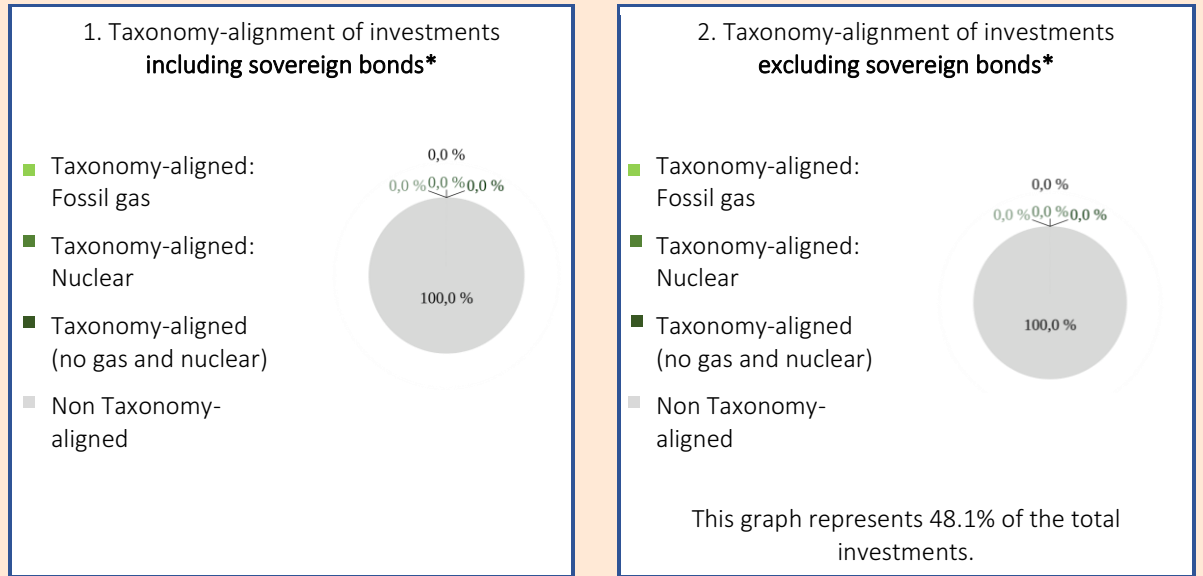
¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for economic activities 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.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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?

There is no minimum share of investments in transitional and enabling activities.

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 90%.

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 investments included in “#2 Not sustainable” are derivatives, cash and other auxiliary investments. These investments are to be classified as neutral in relation the Fund’s sustainable investment objective.

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

The Fund has not been designated a specific index to use as a reference benchmark to determine whether the Fund is aligned with the environmental and/or social characteristics it promotes.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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?

N/A

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

N/A

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

N/A

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

N/A



WHERE CAN I FIND FURTHER PRODUCT-SPECIFIC INFORMATION ONLINE?

Further product-specific information is available at: am.oddo-bhf.com