

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Product name: ODDO BHF Credit Opportunities

ODDO BHF Credit Opportunities ("Sub-Fund" or "Fund") is a Sub-Fund of SICAV ODDO BHF ("SICAV").

Legal entity identifier: 5493006MVL1X779UVS34

DOES THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

●● ☐ Yes	●● ☒ No
☐ It will make a minimum of sustainable investments with an environmental objective: N/A ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ It will make a minimum of sustainable investments with a social objective: N/A	☒ 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 20.0% of sustainable investments ☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective ☐ It promotes E/S characteristics, but will not make any sustainable investments.



WHAT ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS ARE PROMOTED BY THIS FINANCIAL PRODUCT?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Sub-fund's ESG approach aims to promote good carbon emissions management:

- By excluding issuers involved in high-carbon sectors such as coal and unconventional oil and gas, as described in the management company's Exclusion Policy;
- And, at the same time, ensuring that the Sub-fund's average carbon intensity is better than that of its investment universe.

I. First stage: exclusions:

The Sub-Fund applies the common exclusion frameworks as detailed in the Management Company's exclusion policy, which is available at am.oddo-bhf.com. In addition, the Sub-Fund excludes production of adult entertainment, conventional weapons, gambling and GMO from all investments, as well as the Paris Aligned Benchmark exclusions.

II. Second stage: ESG rating and carbon intensity:

This stage involves taking into account the ESG rating of the securities comprising the investment universe. To this end, the management team relies on ESG ratings provided by the external data provider MSCI ESG Research.

In the event that an issuer has not been rated by MSCI ESG Research, the Management Company has two options:

o Firstly, it may use the internal ESG rating assigned to the securities of the issuer concerned by the Management company.

o Secondly, if the management company has not assigned an ESG rating to the securities of the issuer concerned, it may generate a substitute ESG rating, which is defined, among other things, by an average based

on MSCI's ESG ratings according to the sector of activity, the size of the company and the country of domicile. The use of this substitute rating ends when MSCI ESG Research generates its own ESG rating for the issuer concerned or when an ESG rating is assigned by the management company.

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

The management team takes into account the weighting of the securities held in the portfolio when calculating the average ESG score of the Sub-Fund. The Management Company pledges that at least 90 % of the issuers in the portfolio shall have an ESG rating (taking the weighting of each share into account). This minimum allows us to be aware of the main sustainability-related opportunities and risks for the majority of the Sub-Fund's assets.

Besides the integration of ESG ratings, the Sub-Fund commits to having a better carbon intensity (weighted average of Scope 1 and 2 CO₂ emissions divided by the revenue of each company in which the Sub-fund invests) than that of its investment universe.

WHAT SUSTAINABILITY INDICATORS ARE USED TO MEASURE THE ATTAINMENT OF EACH OF THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THIS FINANCIAL PRODUCT?

The following sustainability indicators are used to measure the achievement of ESG characteristics:

- The **ESG coverage rate**, based on the commitment that at least 90% of the Sub-fund's securities have an ESG rating after taking into account the weighting of each security and excluding cash, derivatives, sovereigns, and quasi- sovereigns;
- The weighted average **ESG rating** of the Sub-fund to assess the fulfillment of environmental, social, and governance characteristics;
- The Sub-fund's **sustainable investment**, which will be at least 20%;
- The Sub-fund's **carbon intensity** (weighted average of Scope 1 and 2 CO₂ emissions divided by the revenue of each company in which the Sub-fund invests), particularly in relation to that of the investment universe. Finally, for at least 90% of the securities comprising the net assets of the Sub-fund data in relation to carbon intensity are available, after taking into account the weighting of each security and excluding cash, derivatives, sovereigns, and quasi-sovereigns.

WHAT ARE THE OBJECTIVES OF THE SUSTAINABLE INVESTMENTS THAT THE FINANCIAL PRODUCT PARTIALLY INTENDS TO MAKE AND HOW DOES THE SUSTAINABLE INVESTMENT CONTRIBUTE TO SUCH OBJECTIVES?

The Sub-Fund references the objectives described above in its ESG strategy but does not seek to select its investments on the basis of one or more of these objectives only. The contributions to these objectives are taken into account by the sustainability indicators used by the ESG strategy.

As such the Sub-Fund intends to capture both aspects of a company contribution: it's positive environmental and/or social output contribution coming from 1/ companies' products and/or services revenues or 2/ its contribution to environmental and/or social objective thanks to companies' wide operations when aligned with environmental and/or social targets.

To be eligible as a Sustainable Investment, a company must pass at least one of the criteria detailed below:

a) Criteria "based on company operations":

- Implied Temperature Rise « ITR »:

Company operations for which climate targets initiatives are maintaining temperature rise below or equal to 2° C, in line with Paris Agreement's pathway of 2° C or below, is considered to contribute to an environmental objective and as such qualify as a Sustainable Investment. We use MSCI ITR data to assess the temperature alignment.

- SBTi approved emission targets:

Greenhouse gas emissions are mentioned as one possibility to measure an environmental objective. Our approach to measuring sustainable investments also includes companies that have their GHG emissions reduction targets approved by the Science-Based Targets initiative (SBTi).

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.

b) Criteria “based on company revenue activities”:

- Sustainable Solutions Revenues:

We assess how an economic activity contributes to specific environmental or social objectives. In that respect we use MSCI “Sustainable Impact Revenue” data field. The “Sustainable Impact Revenue” is between 0% and 100% and represents a specific share of companies’ overall revenue.

- EU Taxonomy aligned revenue:

The EU Taxonomy is designed to identify economic activities that tackle environmental or social objectives. However, only two of the six defined environmental objectives are fully scoped for the time being. For a company, we will use the taxonomy alignment as reported as the percentage of revenue that are generated by taxonomy aligned activities.

- EU Taxonomy aligned capex:

For a company, we will use the taxonomy alignment as reported as the percentage of capital expenditures that are generated by taxonomy aligned activities.

- “Green percentage” of firm patent:

This indicator helps us to identify companies that derived revenues and held patents on emission-reduction technologies and practices to be contributing to an environmental objective.

c) Additional criteria: Sustainable bonds:

We consider that green, social and sustainability bonds can qualify as sustainable investments as on as the use of proceeds are used to finance projects that contribute positively to an environmental and/or social objective.

HOW DO THE SUSTAINABLE INVESTMENTS THAT THE FINANCIAL PRODUCT PARTIALLY INTENDS TO MAKE, NOT CAUSE SIGNIFICANT HARM TO ANY ENVIRONMENTAL OR SOCIAL SUSTAINABLE INVESTMENT OBJECTIVE?

The following approach is defined to comply with Article 2 (17) of the SFDR.

- **Sectors excluded from investment:** The Sub-Fund applies the common exclusion framework as detailed in the Management Company’s exclusion policy, which is available at am.oddo-bhf.com. In addition, the Sub-Fund excludes production of adult entertainment, conventional weapons, GMO and gambling from all investments, as well as the Paris Aligned Benchmark exclusions.
- **Controversies:** The most controversial companies according to our MSCI ESG data provider, and after confirmation by the ESG team for a second check, will not be considered sustainable.
- **Consideration of major negative impacts:** In order not to significantly undermine sustainability objectives, the Investment Manager defines control rules (pre-trade) for selected significantly harmful activities: exposure to controversial weapons (0% tolerance), and serious violations of the UN Global Compact principles and the Organization for Economic Co-operation and Development (OECD) guidelines for multinational enterprises (0% tolerance)
- **Dialogue, engagement and voting:** our dialogue, engagement and voting policies support the objective of avoiding significant harm by identifying the most important risks and have our voice heard to generate change and improvement.

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

Regulation (EU) 2020/852 defines certain areas of concern that may have a negative impact (“PAI”).

The Investment Manager applies pre-trade rules on two PAIs:

- exposure to controversial weapons (PAI 14 and 0% tolerance),
- Serious violations of the UN Global Compact principles and the Organization for Economic Co-operation and Development (OECD) guidelines for multinational enterprises (PAI 10 and 0% tolerance).

In addition, MSCI ESG analysis may include, when the data is available, the monitoring of greenhouse gas emissions (PAI 1), exposure to fossil fuels (PAI 4), share of non-renewable energy consumption and production

(PAI 5), energy consumption intensity by high climate impact sectors (PAI 6), activities with a negative impact on biodiversity-sensitive areas (PAI 7), the lack of processes and compliance mechanisms to monitor adherence to the UN Global Compact and OECD Guidelines for Multinational Enterprises (PAI 11), the unadjusted gender pay gap (PAI 12), and board parity (PAI 13). The Investment Manager also includes two other PAIs: the deforestation policy (PAI 15) and the lack of a human rights policy (PAI 9).

Further information on the Investment Manager's consideration of PAI is available on 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? DETAILS:

The Investment Manager ensures that the Sub-Fund's sustainable investments are aligned by applying its United Nations Global Compact (UNGC) exclusion list, as set out in the Investment Manager's exclusion policy. Proven violations of the OECD Guidelines for Multinational Enterprises and/or the United Nations Guiding Principles on Business and Human Rights will also result in exclusion.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



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

☒ Yes, in accordance with the provisions of Article 8 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 Investment Manager takes sustainability risks into account by integrating ESG (Environmental, Social and Governance) criteria into its investment decision-making process, as set out in the “Investment Strategy” section. This process also makes it possible to assess the management team’s ability to manage the adverse sustainability impacts of their business activities.

☐ No



WHAT INVESTMENT STRATEGY DOES THIS FINANCIAL PRODUCT FOLLOW?

The Sub-Fund is actively managed and aims to achieve a performance, net of fees, higher than €STR plus 2% (capitalized), on an annual basis by managing a portfolio investing at least 70% of its total assets in securities issued by issuers headquartered in an OECD member state and integrating an ESG (Environmental, Social and Governance) criteria analysis in parallel.

I. The investment universe of the Sub-Fund is made up of the companies included in the following credit market indices: the ICE BofAML Euro Corporate Senior Index, the ICE BofAML BB-B Euro High Yield Non-Financial Constrained Index, the ICE BofAML Euro Subordinated Financial Index, the ICE BofA Euro Non-Financial Subordinated Index, the ICE BofAML Euro Large Cap ex Corporates Index, and the ICE BofA Non-Financial US Emerging Markets Liquid Corporate Plus Index and the ICE BofA Contingent Capital Index. As part of the investment process, the Investment Manager has full discretion over the composition of the Sub-Fund’s portfolio and may deviate from the investment universe. The Investment Manager takes ESG (Environment, Social and Governance) criteria into account in two stages.

- First stage: sector exclusion

The Sub-Fund applies the common exclusion framework as detailed in the Management Company’s exclusion policy, which is available at am.oddo-bhf.com. In addition, the Sub-Fund excludes production of adult entertainment, conventional weapons, GMO and gambling from all investments, as well as the Paris Aligned Benchmark exclusions.

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

- Second stage: ESG rating and carbon intensity

This stage involves taking into account the ESG rating of the securities comprising the investment universe. To this end, the management team relies on ESG ratings provided by the external data provider MSCI ESG Research.

In the event that an issuer has not been rated by MSCI ESG Research, the Management Company has two options:

- o Firstly, it may use the ESG rating assigned to the securities of the issuer concerned by the Management company.
- o Secondly, if the management company has not assigned an ESG rating to the securities of the issuer concerned, it may generate a substitute ESG rating, which is defined, among other things, by an average based on MSCI's ESG ratings according to the sector of activity, the size of the company and the country of domicile. The use of this substitute rating ends when MSCI ESG Research generates its own ESG rating for the issuer concerned or when an ESG rating is assigned by the management company.

In addition, the management company may review an ESG rating provided by MSCI. This review is carried out by the ESG team and may result in the replacement of the MSCI ESG rating with a new internal ESG rating. The management team takes into account the weighting of the securities held in the portfolio when calculating the average ESG score of the Sub-Fund. Therefore, at least 90% of the issuers in the portfolio have an ESG rating after taking into account the weighting of each security.

Besides the integration of ESG ratings, the Sub-Fund commits to having a better carbon intensity (weighted average of Scope 1 and 2 CO₂ emissions divided by the revenue of each company in which the Sub-fund invests) than that of its investment universe.

II. From this eligible universe, the Investment Manager's management team will follow an investment process as detailed in the general part of this Prospectus.

WHAT ARE THE BINDING ELEMENTS OF THE INVESTMENT STRATEGY USED TO SELECT THE INVESTMENTS TO ATTAIN EACH OF THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THIS FINANCIAL PRODUCT?

The binding elements of the Sub-fund are the following:

- The **ESG coverage rate**, based on the commitment that at least 90% of the Sub-fund's securities have an ESG rating after taking into account the weighting of each security and excluding cash, derivatives, sovereigns, and quasi-sovereigns;
- The Sub-fund's **sustainable investment**, which will be at least 20%;
- The Sub-fund's **carbon intensity** (weighted average of Scope 1 and 2 CO₂ emissions divided by the revenue of each company in which the Sub-fund invests), particularly in relation to that of the investment universe. Finally, for at least 90% of the securities comprising the net assets of the Sub-fund data in relation to carbon intensity are available, after taking into account the weighting of each security and excluding cash, derivatives, sovereigns, and quasi-sovereigns.

WHAT IS THE COMMITTED MINIMUM RATE TO REDUCE THE SCOPE OF THE INVESTMENTS CONSIDERED PRIOR TO THE APPLICATION OF THAT INVESTMENT STRATEGY?

The Investment Manager does not take into account a minimum commitment rate to reduce the scope of the investments envisaged before applying the investment strategy.

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

ODDO BHF Asset Management's Responsible Investment Policy details our definition and assessment of what constitutes good governance practices. Good governance practices can be assessed using a number of criteria, such as anti-corruption policies and practices, executive compensation policies, shareholder structure, quality of financial communication, and business ethics.



WHAT IS THE ASSET ALLOCATION PLANNED FOR THIS FINANCIAL PRODUCT?

The Sub-Fund is actively managed and aims to achieve a performance, net of fees, higher than €STR plus 2% (capitalized), on an annual basis by managing a portfolio investing at least 70% of its total assets in securities

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.

issued by issuers headquartered in an OECD member state and integrating an ESG (Environmental, Social, and Governance) criteria analysis in parallel.

At least 80% of net assets must be aligned with environmental and social characteristics.

The Sub-Fund may hold up to 20% of its net assets in the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The Sub-Fund has a minimum 20% of sustainable investments. However, the Fund may hold investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The Sub-Fund has 0,5% of the net assets - weighted by the proportion of sales figures aligned with the taxonomy for each issuer - invested in activities aligned with the taxonomy.

A minimum of 20% of the Sub-Fund's net assets are invested in other environmental investments and the Sub-Fund may hold social investment without minimum.

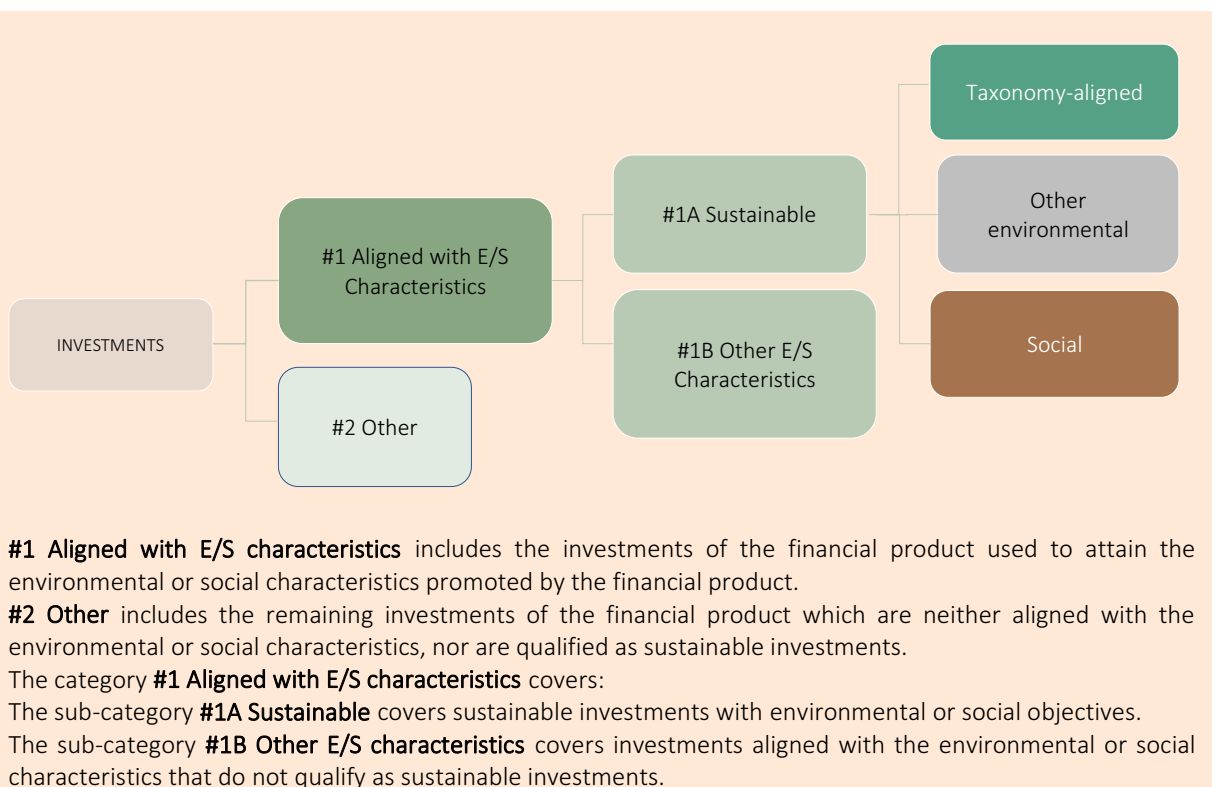
At least 90% of the issuers in the portfolio have an ESG rating after taking into account the weighting of each security. Target funds with an ESG rating on fund level are also taken into account.

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 ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THE FINANCIAL PRODUCT?

Derivatives are not actively used to enhance ESG alignment or decrease ESG risk. As part of the investment strategy, the Sub-Fund is allowed to enter into derivatives for investment and hedging purposes.



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

DOES THE FINANCIAL PRODUCT INVEST IN FOSSIL GAS AND/OR NUCLEAR ENERGY RELATED ACTIVITIES THAT COMPLY WITH THE EU TAXONOMY¹?

- ☐ Yes
☐ In fossil gas ☐ In nuclear energy
☒ No

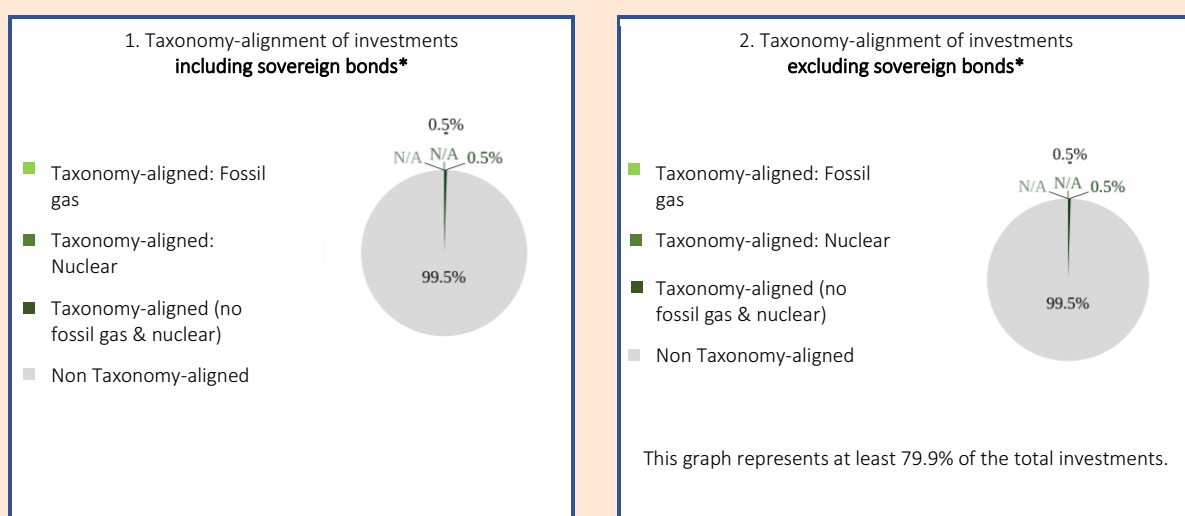
The fund manager analyses the portfolio positions according to ESG criteria. Investments in nuclear energy and fossil gases are not excluded for the Sub-Fund. A minimum proportion of activities connected with nuclear energy and/or fossil gases that correspond to the Taxonomy is not intended for the Sub-Fund.

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?

The minimum percentage is 0%.



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



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

There is a minimum share of 20% of sustainable investments with an environmental objective, which are not aligned with the EU Taxonomy.



WHAT IS THE MINIMUM SHARE OF SOCIALLY SUSTAINABLE INVESTMENTS?

The minimum percentage of sustainable investments with a social objective is 0%, but the Sub-Fund may make investments with a social objective.



WHAT INVESTMENTS ARE INCLUDED UNDER "#2 OTHER", WHAT IS THEIR PURPOSE AND ARE THERE ANY MINIMUM ENVIRONMENTAL OR SOCIAL SAFEGUARDS?

The investments included in "#2 Other" are derivatives and other ancillary assets (like money market instruments) as set out in the section "Investment Strategy" of the Sub-Fund. There are no minimum environmental or social safeguards applied.

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 not on the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



IS A SPECIFIC INDEX DESIGNATED AS A REFERENCE BENCHMARK TO DETERMINE WHETHER THIS FINANCIAL PRODUCT IS ALIGNED WITH THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS THAT IT PROMOTES?

The benchmark of the Sub-Fund is not intended to be aligned with the environmental and/or social characteristics promoted by the Sub-Fund.

HOW IS THE REFERENCE BENCHMARK CONTINUOUSLY ALIGNED WITH EACH OF THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THE FINANCIAL PRODUCT?

Non applicable.

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

Non applicable.

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

Non applicable.

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

Non applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



WHERE CAN I FIND MORE PRODUCT SPECIFIC INFORMATION ONLINE?

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