

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.

Environmental and/or social characteristics

Product name: DC Value Global Balanced

Legal Entity Identifier (LEI): 529900BX83XNVT5CMT19

DOES THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

●● <input type="checkbox"/> Yes	●● <input checked="" type="checkbox"/> No
<p><input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: N/A</p> <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input 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: N/A</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 0.0% 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 checked="" type="checkbox"/> It promotes E/S characteristics but will not make any sustainable investments.</p>



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

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The Fund promotes: (1) climate change adaptation (i.e. reducing carbon emissions); (2) natural capital (i.e. protecting biodiversity and reducing environmental damage); and (3) human rights and human capital (i.e. health and safety, human capital development, labour management, community relations, privacy and data security, and product safety/quality) through exclusion criteria that reflect consideration of these environmental and social characteristics. ESG criteria are considered using an approach that can be broken down into two stages:

1. stage: Exclusions

Issuers manufacturing or distributing non-conventional weapons, involved in the production of tobacco, or violating the principles of the UN Global Compact are excluded from the Fund. In addition, exclusions apply to issuers whose turnover exceeds a specific threshold in the production and/or distribution of coal or from the extraction and production of non-conventional oil and gas (shale oil and gas and oil sands). Direct investment in the securities of countries with an inadequate Freedom House score is also excluded.

2. stage: ESG rating

The ESG rating of securities to be allocated to the Fund is considered. This is done by the Fund Manager, based on the ESG ratings of data provider MSCI ESG Research. The weighting of the securities held in the portfolio is taken into account when calculating the average ESG score of the Fund.

At least 75% of the assets (excluding bank deposits) in the portfolio have an ESG rating, taking into account the weighting of the individual assets.

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 EACH OF THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THIS FINANCIAL PRODUCT?

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

- The Fund's average weighted average ESG score, used to assess the attainment of environmental, social and governance characteristics;
- At least 75% of the assets (excluding bank deposits) in the portfolio have – taking into account the weighting of the individual assets – an ESG rating.

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?

No sustainable investments are made by the Fund.

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?

No sustainable investments are made by the Fund.

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

Regulation (EU) 2020/852 defines certain areas that may have a principal adverse impact ("PAI").

The Fund Manager applies pre-trade rules to the following PAIs:

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

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

For more information about MSCI ESG Ratings visit <https://www.msci.com/dataandanalytics/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? DETAILS:

No sustainable investments are made by the Fund. However, the Company ensures that the Fund's investments are aligned by applying the UN Global Compact (UNGC) exclusion list and the exclusion list for violations of the OECD Guidelines for Multinational Enterprises.

The EU Taxonomy sets out a "do no 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.

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.



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

Yes, in accordance with the provisions of Article 8 in conjunction with Article 6 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 sustainability risks into account by integrating ESG (environmental, social and governance) criteria into the investment decision-making process. The Fund Manager considers principal adverse impacts either via pre-trade exclusions or through the integration of ESG ratings, 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?

DC Value Global Balanced is a flexible mixed-asset fund that actively invests in global equities, bonds, precious metals certificates, derivatives and cash. The aim is to achieve steady and stable performance while at the same time reducing the risk profile compared to a pure equity investment. At least 25% of the Fund is invested in equities, with an equity allocation generally between 30% and 70%. In its stock selection, the Fund concentrates on long-term investments in companies that are fundamentally undervalued. The focus is on companies with a proven business model, a shareholder-centric approach and a solid balance sheet. Quantitative analysis takes into account criteria such as stable profit margins, attractive returns on investment, moderate debt and the ongoing ability to generate free cash flow. In the qualitative analysis process, the underlying business model in particular is analysed and evaluated with regard to its attractiveness and how easy it is to maintain existing competitive advantages. When selecting bonds, the focus is primarily on issuers with a good credit rating.

ESG criteria are considered using an approach that can be broken down into two stages:

1. stage: Exclusions

Issuers manufacturing or distributing non-conventional weapons, involved in the production of tobacco, or violating the principles of the UN Global Compact are excluded from the Fund. In addition, exclusions apply to issuers whose turnover exceeds a specific threshold in the production and/or distribution of coal or from the extraction and production of non-conventional oil and gas (shale oil and gas and oil sands). Direct investment in the securities of countries with an inadequate Freedom House score is also excluded.

2. stage: ESG rating

The ESG rating of securities to be allocated to the Fund is considered. This is done by the Fund Manager, based on the ESG ratings of data provider MSCI ESG Research. The weighting of the securities held in the portfolio is taken into account when calculating the average ESG score of the Fund.

At least 75% of the assets (excluding bank deposits) in the portfolio have an ESG rating, taking into account the weighting of the individual assets.

All direct investments acquired for the Fund are subject to the minimum exclusions applicable to the Fund, which guarantee a minimum level of environmental or social safeguards. However, there is no look-through for individual financial instruments (no look-through at the assets of a target fund or certificates).

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

The binding elements of the investment strategy ensure that investments correspond to the environmental and/or social characteristics promoted. The binding elements are:

- Issuers manufacturing or distributing non-conventional weapons, involved in the production of tobacco, or violating the principles of the UN Global Compact are excluded from the Fund. In addition, exclusions apply to issuers whose turnover exceeds a specific threshold in the production and/or distribution of coal or from the extraction and production of non-conventional oil and gas (shale oil and gas and oil sands). Direct investment in the securities of countries with an inadequate Freedom House score is also excluded.
- The Fund's average weighted average ESG score, used to assess the attainment of environmental, social and governance characteristics;
- At least 75% of the assets (excluding bank deposits) in the portfolio have an ESG rating, taking into account the weighting of the individual assets.

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

There is no committed minimum rate to reduce the scope of the investments considered prior to implementation of the investment strategy.

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 PLANNED FOR THIS FINANCIAL PRODUCT?

At least 70% of the Fund's net asset value is aligned with environmental and/or social characteristics. The Fund may also hold up to 30% of its net asset value in "Other", as defined below, which includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments. There is no minimum obligation for sustainable investments. The Fund may also hold assets aligned with the environmental or social characteristics that do not qualify as sustainable investments. There is no minimum obligation for Taxonomy-aligned investments and other environmental or social investments. However, there may be investments that also have these characteristics.

At least 75% of the assets (excluding bank deposits) in the portfolio have – taking into account the weighting of the individual assets – an ESG rating.

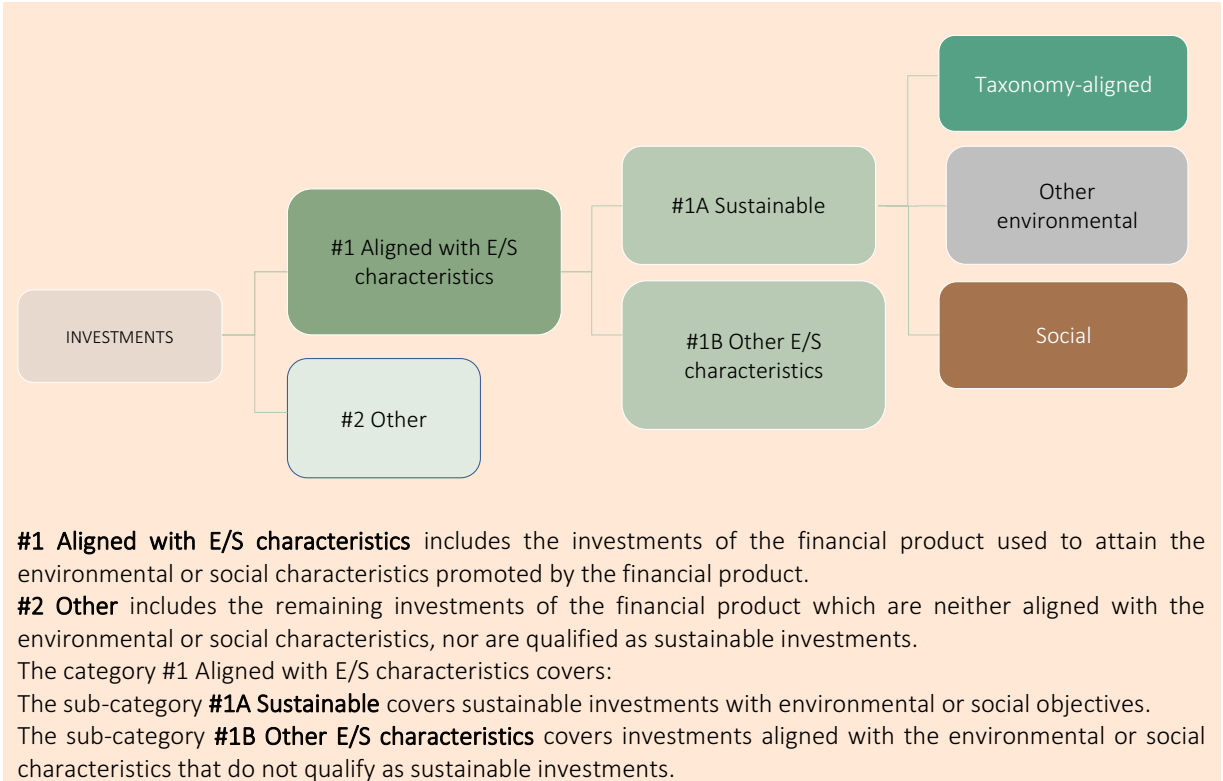
The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

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 ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THE FINANCIAL PRODUCT?

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?

No Taxonomy-aligned investments are made by the Fund. The minimum share is 0%. Any Taxonomy data included in the analyses used to manage the Fund 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 THAT COMPLY WITH THE EU TAXONOMY¹?

- Yes
- In fossil gas In nuclear energy
- No

The fund manager analyses portfolio positions based on ESG criteria. Investments in nuclear energy and fossil gas are not excluded for the fund. A minimum proportion of Taxonomy-aligned activities connected with nuclear energy and/or fossil gases is not intended for the fund.

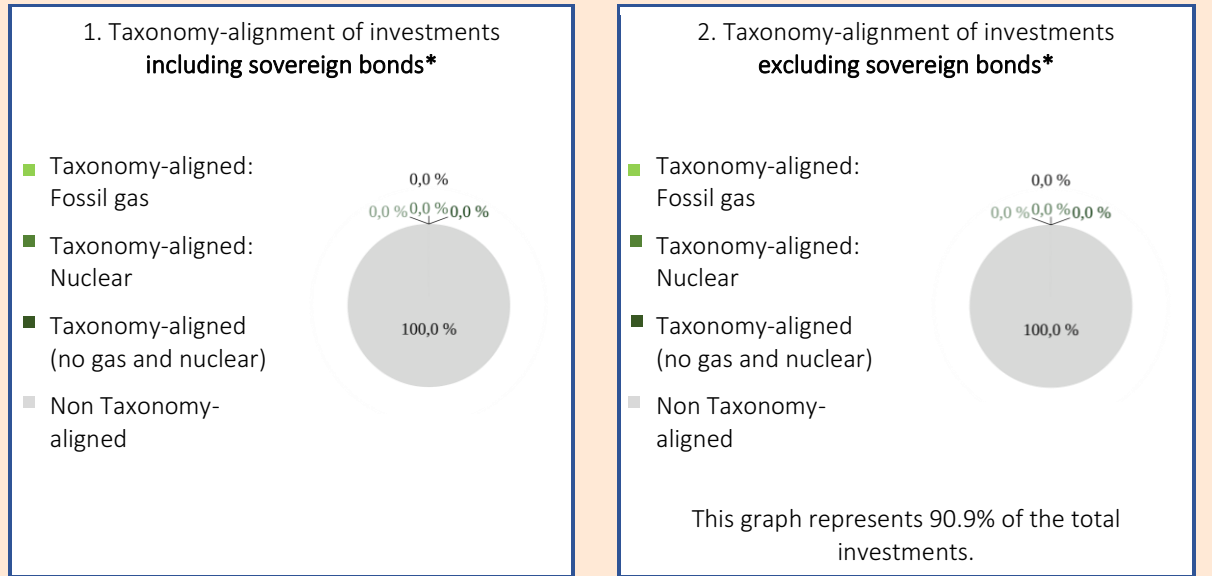
¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for economic activities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

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

No sustainable investments are made by the Fund.

WHAT IS THE MINIMUM SHARE OF SOCIALLY SUSTAINABLE INVESTMENTS?

No sustainable investments are made by the Fund.

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 cash, derivatives, securities, target funds and other investments for which ESG data and ratings are not available. All direct investments acquired for the Fund are subject to the minimum exclusions applicable to the Fund, which guarantee a minimum level of environmental or social safeguards. However, there is no look-through at the assets of a target fund or certificates.

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 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 environmental or social characteristics that they promote.

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

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 MORE PRODUCT-SPECIFIC INFORMATION ONLINE?

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