



ODDO VISION

French Common Fund (FCP)

Annual Report at 29 December 2017

Management Company: Oddo BHF Asset Management

Custodian: Oddo BHF SCA

Administration and Accounting delegated to: EFA

Statutory auditor: Scacchi

Asset management company incorporated in the form of a *société par actions simplifiée* (simplified joint stock company) with share capital of EUR 7,500,000

Approved by the *Autorité des marchés financiers* under the number GP 99011 - RCS 340 902 857 Paris
12 boulevard de la Madeleine - 75440 Paris Cedex 09 France

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1. INFORMATION ON INVESTMENTS AND MANAGEMENT OF THE FUND

1.1 Classification

The Fund is an “International Equities” fund.

1.2 Investment objective

The Fund’s investment objective is to outperform its benchmark, the MSCI Europe (Net Return), net dividends reinvested, over an investment period of more than five years while seeking to maintain a level of volatility lower than that of the MSCI Europe (net dividends reinvested) over the same investment period.

1.3 Tax regime

The Fund is eligible for the French Equity Savings Plan (*Plan d’Epargne en Actions* or PEA).

This annual report does not purport to set out the tax implications for investors of subscribing, redeeming, holding or selling the Fund's units. These implications will vary, depending on the laws and practices that apply in the country of residence, domicile or incorporation of the unitholders and on their personal situations.

Depending on your tax status, your country of residence or the jurisdiction from which you invest in the Fund, any capital gains and income resulting from the holding of units of the Fund may be subject to taxation. We advise you to consult a tax advisor in relation to the potential consequences of purchasing, holding, selling or redeeming units of the Fund according to the laws of your country of tax residence, ordinary residence or domicile.

Neither the Management Company nor the promoters shall accept any responsibility whatsoever for any tax consequences that may arise for investors following a decision to purchase, hold, sell or redeem units of the Fund.

1.4 Regulatory information

- The Fund does not hold any financial instruments issued by companies linked to the Oddo BHF group.
- At the reporting date, the Fund held no units of UCITS managed by the management company.
- **Overall risk calculation method for the Fund:** the method chosen by Oddo BHF Asset Management to measure the overall risk to the Fund is the commitment approach.
- **Environmental, social and governance criteria:**
The Fund does not take the three criteria relating to compliance with environmental, social and governance (ESG) objectives into account simultaneously. Full information about ESG criteria can be accessed on the Oddo BHF Asset Management website at the following address:
www.am.oddo-bhf.com.
- **Proportion of assets invested in securities or rights eligible for the French Equity Savings Plan (*Plan d’Epargne en Actions* or PEA): 86.84%**
- Within the framework of its risk management policy, the portfolio management company establishes, implements and maintains a risk management policy and procedures that are effective, appropriate and documented, thereby allowing risks associated with its activities, processes and systems to be identified.

For further information, please consult the KIID of this UCI, and particularly the “Risk and reward profile” section, or its full prospectus, which are available on request from the management company or on the website www.am.oddo-bhf.com.

1.5 Code of ethics

- **Management of intermediaries**
The management company has implemented a policy for the selection and evaluation of intermediaries and counterparties. The evaluation criteria used are intermediary fees, quality of execution in view of market conditions, quality of investment advice, quality of research and analysis documents and quality of back-office execution. This policy may be consulted on the management company’s website at www.am.oddo-bhf.com.
- **Brokerage fees**
FCP unitholders can consult the document entitled “Report on brokerage fees” on the Management Company’s website, www.am.oddo-bhf.com.
- **Voting rights**
No voting rights are attributed to unitholders, decisions concerning the Fund being taken by the Management Company. The voting rights attached to the securities held by the Fund are exercised by the Management Company, which has the sole power to take decisions, pursuant to regulations in force. The Management Company’s voting policy may be consulted at its registered office or online at www.am.oddo-bhf.com, in accordance with article 314-100 of the AMF General Regulation.
- **Information on the remuneration policy**
Regulatory information on remuneration is appended to this report.

1.6 Information on the efficient investment techniques and derivatives used in the fund

Type of transactions used:

Reverse repurchase agreements to generate income on the fund’s non-invested cash;
Repurchase agreements and securities lending to generate additional income and contribute to the fund’s performance.

Exposure:

Reverse repurchase agreements: the risk exposure consists in receiving fixed income securities from investment grade issuers in exchange for cash.
Securities lending and repurchase agreements: the risk exposure consists in receiving cash as collateral, invested either in repurchase agreements in the form of investment grade fixed income securities or in term deposits with Oddo BHF SCA, in exchange for securities.

Counterparties at the end of the financial year:

Reverse repurchase agreements: Oddo & Cie, BNP, Natixis, Cacib, Société Générale
Securities lending and repurchase agreements: Oddo BHF SCA

Income/fees:

The management company receives no remuneration from temporary purchases and sales of securities. The remuneration is divided equally between the fund and the counterparty. In this respect, the income generated by temporary purchases and sales of securities amounts to: EUR 0

1.7 Changes during the financial year

- Change of name of the management company on 22 May 2017: Oddo Meriten AM SAS became Oddo BHF AM SAS.

1.8 SFTR information

Securities financing transactions in accordance with the SFTR: the fund did not engage in securities financing transactions during the financial year ended 29 December 2017.

1.9 Withholding tax

We wish to inform unitholders of the Oddo Vision fund that, in the interest of the unitholders, Oddo BHF AM has requested that certain European Union Member States refund withholding tax on dividends paid out on investment funds managed by ODDO BHF AM. These requests are based on the principle of non-discrimination between UCITS established by several rulings of the European Court of Justice.

After conducting an extensive review, Oddo BHF AM concluded, without offering any guarantees, that the fund could foresee a significant refund. As part of these proceedings, unitholders should note that the management company used the services of a specialist law firm and Oddo BHF SCA, which were paid accordingly.

Amount collected in 2017 from dividends paid in Spain:

Financial Year	Payment to the fund	success fees – lawyer 5% excl. tax	success fees – Oddo 15% excl. tax	Net payment to the fund
2012	52,256.15	6015.37	9,406.11	36,834.67

2. MANAGEMENT REPORT

2.1 Macroeconomic climate and equity market performances in 2017

The past 12 months have above all been dominated by political events, with the repercussions of Donald Trump taking office, and the elections in the Netherlands and France. Meanwhile, the macroeconomic environment was fairly positive and exhibited little in the way of volatility.

Neither the sound defeat of the far right in the Dutch parliamentary elections nor the victory of Mr Macron in the first round of the French presidential elections featured in investors' core scenario. These were positive developments for the equity markets (the EuroStoxx 50 rose 7% between 20 April and 15 May) and currency markets, with the euro enjoying a more or less continuous rise and ending 2017 with growth of more than 10% against the dollar. The end of the year brought further political uncertainty in the Euro Zone, particularly in Germany, in Spain with the Catalan issue and in Italy following the dissolution of parliament. This uncertainty did not have an impact on economic growth in the Euro Zone, which has been surprising to the upside for a few months.

Expectations regarding overall growth stopped deteriorating in the autumn of 2016, with this trend going hand in hand with the stabilisation of oil prices above USD 45 per barrel of WTI. Euro Zone growth in 2017 continued to pick up pace, and forecasts continued to be revised upwards: from 1.2% at the end of 2016 to 2.3% at the end of 2017. Japan was also affected by the reflationary trend, while inflation in the United States remained stable over the same period and that of the United Kingdom fell. In terms of inflation, the price rise increased slightly over the period, boosted by rallying commodities prices. Between the slowdown for emerging markets and the rise for developed nations, it gained almost 1% in H2 2016, despite losing almost half of its gains thereafter.

Central banks and monetary policy behaviour have therefore been and still are a key consideration. In general, the actual trend has been less marked, however, while monetary conditions have remained very accommodative. The Fed is at the most advanced stage in the normalisation cycle, followed by the ECB, with the Bank of Japan maintaining its accommodative stance for the foreseeable future. It is also evident that local cycles now have a considerably greater influence over cycles than the wider context.

2.2 Investment process

Oddo Vision is a fund that invests in European equities and is managed according to the "Minimum Variance" approach. The Minimum Variance approach consists in exploiting the constant market anomaly of the least volatile equities tending to grow more over a longer period. The aim of our strategy is to build a portfolio that smooths out market fluctuations and seeks to deliver higher performances than the European equity market over the long term.

Our investment process is based on identifying and managing different sources of risk. Firstly, we screen the investment universe by assessing the specific risks of each company, taking into account the financial criteria of financial strength, valuation and market dynamics. Then we build a portfolio with minimal volatility by considering volatility and historic correlation. We impose limits on sectoral deviation relative to the index in order to avoid having a portfolio that is focused on defensive sectors. Each stock is weighted according to its volatility, its correlation with other stocks in the investment universe, and its sector. Lastly, the portfolio is subject to a final quality assurance check conducted by Oddo BHF Asset Management's fundamental analysis teams.

Our investment strategy, which consists in selecting the least volatile securities with the least correlation among them in each sector, currently favours high exposure to the following stocks: Unilever (consumer goods, UK), Bouygues (telecoms/construction, France), DSM (chemicals, Netherlands), Thalès (industrials, France), Nestlé (food, Switzerland), SEB (consumer goods, France), NN Group (insurance, Netherlands), Danske Bank (banking, Denmark), Reed Elsevier (media, UK) and Hannover Ré (insurance, Germany).

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The sectors most strongly represented in the Fund are health care, industrials, chemicals and insurance. The Fund is underweight on the financial and commodity sectors relative to the index, given the high degree of volatility in these sectors.

The fund is readjusted each month based on volatility and our convictions about each of the stocks. On a daily basis, the portfolio is managed dynamically, the fundamentals of each company held in the portfolio are monitored, and an active approach to risk management is applied. Our risk management approach is based on the monitoring of market indicators for the securities that make up the portfolio in order to identify new sources of risk using up-to-date market information.

2.3 Performance

Unit	Annual performance	Benchmark index
ODDO VISION CI-EUR UNITS	9.3%	10.2%
ODDO VISION CR-EUR UNITS	8.5%	
ODDO VISION GC-EUR UNITS	9.3%	

The main purchases/sales during the last financial year:

Portfolio	Stock	Purchase	Disposal	Currency
Oddo Vision	Imperial Brands Plc		5,119,198.23	EUR
Oddo Vision	Royal Dutch Shell Plc A		4,872,988.46	EUR
Oddo Vision	GN Great Nordic Ltd	3,777,787.27		EUR
Oddo Vision	OMV AG	3,663,475.52		EUR
Oddo Vision	NN Group NV	3,656,566.97		EUR
Oddo Vision	Unilever Plc	3,481,082.60		EUR
Oddo Vision	Fresenius SE & Co KGaA		3,369,865.80	EUR
Oddo Vision	Shire Plc		3,202,149.28	EUR
Oddo Vision	Koninklijke DSM NV	3,159,818.04		EUR
Oddo Vision	RPC Group Plc		2,825,743.60	EUR

2.4 Outlook

2018 also looks set to be a good year, with economists revising their growth forecasts upward once again, especially in the US, India and Brazil. The stock markets are still facing the following risks: 1) the anticipated tightening of monetary policy; 2) higher private debt – especially in China – an issue that will need to be addressed at some point; 3) potential political risks (e.g. North Korea).

3. ANNUAL FINANCIAL STATEMENTS OF THE FUND

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ODDO VISION

Fonds Commun de Placement (FCP)

Management Company: ODDO BHF Asset Management SAS

12, boulevard de la Madeleine

75009 Paris

STATUTORY AUDITOR'S REPORT ON THE ANNUAL FINANCIAL STATEMENTS

Financial year ended 29 December 2017

Dear unitholders of the ODDO VISION FCP,

Opinion

Following our appointment by the management company, we have audited the annual financial statements of the ODDO VISION FCP for the financial year ended 29 September 2017, which are appended to this report.

In our opinion, the annual financial statements, in accordance with French accounting rules and principles, give a true and fair view of the financial position and assets and liabilities of the FCP and of the results of its operations at the end of the financial year.

Basis for the opinion on the annual financial statements

Audit framework

We have conducted our audit in accordance with professional standards applicable in France. We consider that the evidence gathered is pertinent and sufficient to serve as a basis for our opinion.

Our responsibilities in light of these standards are described in this report in the section entitled "Responsibilities of the statutory auditor in relation to auditing the annual financial statements".

Independence

We carried out our audit in accordance with the independence rules applicable to us, for the period from 31 December 2016 to the date on which our report was issued. In particular, we refrained from providing the services prohibited by the code of ethics of the statutory audit industry.

ODDO VISION

Justification of assessments

In accordance with the provisions of articles L.823-9 and R.823-7 of the French Commercial Code regarding the justification of our assessments, we hereby inform you that our most important assessments, in our professional opinion, were focused on the appropriateness of the accounting principles applied, particularly as regards the financial instruments in the portfolio, and on whether all accounts were presented as per the accounting standards applicable to undertakings for collective investment with variable capital.

The evaluations were made in the context of the audit of the annual financial statements, taken as a whole, and the formation of the opinion expressed herein. We have not expressed an opinion regarding individual items in the annual financial statements.

Verification of the management company's management report

We have also carried out the specific verifications required by law in accordance with the professional auditing standards applicable in France.

We have no comment as to the fair presentation and conformity with the annual financial statements of the information given in the management company's management report.

Responsibilities of the management company in relation to the annual financial statements

The management company is responsible for drawing up annual financial statements giving a fair view in accordance with French accounting rules and standards, as well as implementing the internal control system it deems necessary for the drafting of annual financial statements free of material misstatements, whether as a result of fraud or error.

When drawing up the annual financial statements, it is incumbent upon the management company to evaluate the ability of the FCP to continue its operations, to present in these financial statements, where applicable, the necessary information regarding continuity of operations and to apply the going concern accounting principle, unless there is a plan to wind up the FCP or end its activities.

The annual financial statements were prepared by the management company.

ODDO VISION

Responsibilities of the statutory auditor in relation to auditing the annual financial statements

It is our responsibility to draft a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements, viewed in their entirety, are free of material misstatement. Reasonable assurance constitutes a high level of assurance, although not a guarantee, that an audit carried out in accordance with the standards of professional conduct allows for the systematic detection of material misstatements. Such misstatements may result from fraud or error and are considered to be material when it is reasonable to expect that they may, taken individually or collectively, influence economic decisions that readers of the financial statements may make based on them.

As stipulated in article L.823-10-1 of the French Commercial Code, our certification of the financial statements does not constitute a guarantee of the viability or quality of the management of your FCP.

As part of an audit carried out in accordance with the standards of professional conduct applicable in France, the statutory audit shall exercise its professional judgement throughout this audit. Furthermore:

- It identifies and evaluates the risk that the annual financial statements may include material misstatement, whether resulting from fraud or error, defines and implements auditing procedures in response to these risks, and gathers the items it deems sufficient and appropriate as a basis for its opinion. The risk of material misstatement not being detected is considerably higher when it is the result of fraud rather than error, since fraud may involve collusion, falsification, voluntary omissions, false declarations or the circumvention of the internal control system;
- It assesses the internal control system that is relevant for the audit in order to define audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the internal control system;
- It evaluates the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by the management company, as well as the related information in the annual financial statements;
- it evaluates the appropriateness of the management company's application of the going concern accounting principle and, based on the information gathered, the existence or absence of significant uncertainty linked to events or circumstances likely to cast doubt on the FCP's ability to continue its operations. This evaluation is based on the information gathered prior to the date of its report; however, it should be noted that subsequent circumstances or events may cast doubt on the continuity of its operations. If it concludes that significant uncertainty exists, it draws the attention of readers of its report to the information provided in the annual financial statements giving rise to this uncertainty or, if this information has not been provided or is not relevant, it certifies the annual financial statements with reservations or refuses to certify them;

ODDO VISION

- It assesses the presentation of all of the annual financial statements and evaluates whether or not the annual financial statements depict the underlying operations and events fairly.

Neuilly-sur-Seine, 13 April 2018

Statutory Auditor

Deloitte & Associés

[signature]

Olivier GALIENNE

BALANCE SHEET - ASSETS AT 29/12/2017 IN EUR

	29/12/2017	30/12/2016
Net fixed assets	0.00	0.00
Deposits	0.00	0.00
Financial instruments	116,178,114.05	132,005,170.37
Equities and similar securities	116,178,114.05	132,005,170.37
Traded on a regulated or similar market	116,178,114.05	132,005,170.37
Not traded on a regulated or similar market	0.00	0.00
Bonds and similar securities	0.00	0.00
Traded on a regulated or similar market	0.00	0.00
Not traded on a regulated or similar market	0.00	0.00
Debt securities	0.00	0.00
Traded on a regulated or similar market	0.00	0.00
<i>Transferable debt securities</i>	0.00	0.00
<i>Other debt securities</i>	0.00	0.00
Not traded on a regulated or similar market	0.00	0.00
Undertakings for collective investment	0.00	0.00
Standard UCITS and AIFs aimed at non-professional investors and equivalent funds of other countries	0.00	0.00
Other Funds aimed at non-professional investors and equivalent funds of other European Union Member States	0.00	0.00
Standard professional investment funds and equivalent funds of other European Union Member States and listed securitisation funds	0.00	0.00
Other professional investment funds and equivalent funds of other European Union Member States and unlisted securitisation funds	0.00	0.00
Other non-European undertakings	0.00	0.00
Temporary transactions on securities	0.00	0.00
Receivables on securities received under a repurchase agreement (<i>pension</i>)	0.00	0.00
Receivables on securities lent	0.00	0.00
Securities borrowed	0.00	0.00
Securities transferred under a repurchase agreement (<i>pension</i>)	0.00	0.00
Other temporary transactions	0.00	0.00
Financial contracts		
Transactions on a regulated or similar market	0.00	0.00
Other transactions	0.00	0.00
Other financial instruments	0.00	0.00
Receivables	78,686.07	221,846.18
Currency forward exchange contracts	0.00	0.00
Other	78,686.07	221,846.18
Financial accounts	3,247,746.74	1,476,952.68
Cash	3,247,746.74	1,476,952.68
Total assets	119,504,546.86	133,703,969.23

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BALANCE SHEET - LIABILITIES AT 29/12/2017 IN EUR

	29/12/2017	30/12/2016
Equity capital		
Share capital	110,189,742.54	133,469,981.83
Previous undistributed net capital gains and losses (a)	0.00	0.00
Retained earnings (a)	0.00	0.00
Net capital gains and losses for the financial year (a, b)	7,706,470.07	-1,633,995.07
Profit/loss for the financial year (a, b)	1,495,081.02	1,740,134.90
Total equity capital	119,391,293.63	133,576,121.66
(= Amount corresponding to the net assets)		
Financial instruments	0.00	0.00
Sales of financial instruments	0.00	0.00
Temporary transactions on securities	0.00	0.00
Payables on securities transferred under a repurchase agreement (<i>pension</i>)	0.00	0.00
Payables on securities borrowed	0.00	0.00
Other temporary transactions	0.00	0.00
Financial contracts	0.00	0.00
Transactions on a regulated or similar market	0.00	0.00
Other transactions	0.00	0.00
Payables	108,449.29	124,187.03
Currency forward exchange contracts	0.00	0.00
Other	108,449.29	124,187.03
Financial accounts	4,803.94	3,660.54
Short-term bank loans	4,803.94	3,660.54
Borrowings	0.00	0.00
Total liabilities	119,504,546.86	133,703,969.23

(a) Including equalisation accounts

(b) Less interim dividends paid for the financial year

OFF-BALANCE SHEET ITEMS AT 29/12/2017 IN EUR

	29/12/2017	30/12/2016
Hedging transactions		
Commitments on regulated or similar markets		
Total commitments on regulated or similar markets	0.00	0.00
OTC commitments		
Total OTC commitments	0.00	0.00
Other commitments		
Total other commitments	0.00	0.00
Total hedging transactions	0.00	0.00
Other transactions		
Commitments on regulated or similar markets		
Total commitments on regulated or similar markets	0.00	0.00
OTC commitments		
Total OTC commitments	0.00	0.00
Other commitments		
Total other commitments	0.00	0.00
Total other transactions	0.00	0.00

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INCOME STATEMENT AT 29/12/2017 IN EUR

	29/12/2017	30/12/2016
Income from financial transactions		
Income from deposits and financial accounts	0.00	0.00
Income from equities and similar securities	3,023,688.42	3,156,590.91
Income from bonds and similar securities	0.00	0.00
Income from debt securities	0.00	0.00
Income from temporary purchases and sales of securities	0.00	0.00
Income from financial contracts	0.00	0.00
Other financial income	0.00	0.00
TOTAL (I)	3,023,688.42	3,156,590.91
Payables on financial transactions		
Payables on temporary purchases and sales of securities	0.00	0.00
Payables on financial contracts	0.00	0.00
Payables on financial debts	0.00	0.00
Other payables	0.00	0.00
TOTAL (II)	0.00	0.00
Income resulting from financial transactions (I - II)	3,023,688.42	3,156,590.91
Other income (III)	0.00	0.00
Management fees and depreciation allowance (IV)	1,386,927.03	1,474,099.95
Net income for the year (L. 214-17-1)(I - II + III - IV)	1,636,761.39	1,682,490.96
Income equalisation for the financial year (V)	-141,680.37	57,643.94
Interim dividends paid from income for the financial year (VI)	0.00	0.00
Profit(loss) (I - II + III - IV +/- V - VI)	1,495,081.02	1,740,134.90

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements are presented in accordance with the provisions of ANC Regulation 2014-01 repealing CRC Regulation 2003-02, as amended.

The accounting currency is the EURO.

ACCOUNTING RULES AND METHODS

Asset valuation rules:

The calculation of the net asset value per unit is subject to the following valuation rules:

- financial instruments and transferable securities traded on regulated markets are valued at their market price using the following principles:
- The valuation is based on the last official market price.

The market price used depends on the market on which the instrument is listed:

European markets:	Last market price on the net asset value calculation day
Asian markets	Last market price on the net asset value calculation day
North and South American markets:	Last market price on the net asset value calculation day

The prices used are those known the following day at 9:00 (Paris time) and collected from financial information providers: Fininfo or Bloomberg. In the event that no price is available for a security, the last known price is used.

However, the following instruments are valued using the following specific valuation methods:

- financial instruments that are not traded on a regulated market are valued under the Management Company's responsibility at their foreseeable sale prices;
In particular, transferable debt securities and similar securities that are not traded in large volumes are valued by means of an actuarial method; the reference rate used is that applied to issues of equivalent securities plus or minus, where applicable, a differential reflecting the issuer's specific characteristics. Nevertheless, transferable debt securities with low sensitivity and a residual maturity of less than or equal to three months may be valued using the straight-line method.
- contracts (futures, options or swap transactions concluded on over-the-counter markets) are valued at their market value or at a value estimated according to the terms and conditions determined by the Management Company. The method for valuing off-balance sheet commitments consists in valuing futures contracts at their market price and in converting options into the equivalent value of the underlying.

The prices used for the valuation of futures or options are consistent with those of the underlying securities. They may vary depending on where they are listed:

European markets:	Settlement price on the NAV calculation day, if different from the last price.
Asian markets:	Last market price on the NAV calculation day, if different from the last price.
North and South American markets:	Last market price on the NAV calculation day, if different from the last price.

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In the event that no price is available for a future or option contract, the last known price is used.

Securities subject to a temporary acquisition or sale agreement are valued in accordance with the regulations in force. Securities received under repurchase agreements are recorded on their acquisition date under the heading “Receivables on securities received under a repurchase agreement (pension)” at the value fixed in the contract by the counterparty of the liquidity account concerned. For as long as they are held they are recognised at that value plus the accrued interest from the securities in custody.

Securities transferred under repurchase agreements are withdrawn from their account on the date of the transaction and the corresponding receivable is booked under the heading “Securities transferred under a repurchase agreement (pension)”; they are valued at their market value. The debt represented by securities transferred under repurchase agreements is recorded under the heading “Payables on securities transferred under a repurchase agreement (pension)” by the counterparty of the liquidity account concerned. It is maintained at the value determined in the contract plus any accrued interest on the debt.

- Other instruments: Units or shares of UCIs are valued at their last known net asset value.
- Financial instruments whose prices have not been determined on the valuation day or whose prices have been adjusted are valued under the Management Company's responsibility at their foreseeable sale prices. These valuations and their justification are communicated to the statutory auditor at the time of the audit.

Management and administration fees:

Fees charged to the Fund	Basis	Rate CR/CI and GC units
Management fees and management fees not payable to the management company (statutory auditor, custodian, distributors, lawyers)	Net assets	CR units: Maximum 1.50%, inclusive of tax
		CI units: Maximum 0.75%, inclusive of tax
		GC units: Maximum 0.75%, inclusive of tax
Performance fee	Net assets	A maximum of 10% of the Fund's outperformance relative to the benchmark index – the MSCI Europe (Net Return), dividends reinvested – provided that the Fund's performance is positive.
Transaction fees charged by service providers: - Custodian: 100%	Payable on each transaction	Equities: Maximum 0.15%, inclusive of tax Bonds: Maximum 0.04%, inclusive of tax

*** Performance fee:** a performance fee based on a comparison between the Fund's performance and that of the benchmark index over the reference period.

- The performance fee calculation method seeks to determine the “value created by the manager” in absolute terms: this means comparing sums received (i.e. subscriptions) with sums returned (i.e. redemptions) + assets under management (i.e. the total net asset value).

- Sums received are represented by the “indexed NAV” (or fictitious fund), which is the point of comparison. The indexed NAV is calculated in the same manner as a meter: each time the net asset value is calculated, subscriptions from T-1 are indexed using the performance of the comparison index from T-1 to T. This gives us a theoretical NAV, on the basis of which each subscription is immediately invested in the comparison index. The

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performance fee provision amount is not linked to the amount of subscriptions: for example, if the book NAV rises by EUR 1 million (following a subscription), the indexed NAV will rise by the same amount, meaning the performance fee provision amount is unaltered.

In the event of redemption, the outperformance linked with redemptions shall be subject to a specific provision, separate from the provision for outperformance on assets under management. The outperformance linked to redemptions is defined as a proportion (i.e. the number of units redeemed divided by the total number of units) of the outperformance on assets under management. This is calculated in the same manner as a meter and allows for the “crystallization” of the provision for the outperformance corresponding to the redeemed shares. The indexed NAV is also adjusted by the redemption ratio. Hence, in the case of redemptions, the provision corresponding to the outperformance of the total NAV is transferred to the provision corresponding to the outperformance of the redeemed shares. However, the total provision is not linked to the amount of redemptions. The outperformance provision linked to redemptions is definitively allocated to the management company and deducted at the end of the financial year.

The Fund’s performance is determined on the basis of its book value after taking into account fixed management fees and before deduction of the performance fee.

Once the Fund records a positive performance that exceeds that of its benchmark index in a given reference period, a provision of a maximum of 10% of this outperformance is established upon each NAV calculation. It is deducted from the last NAV calculation of the financial year and paid annually to the Management Company, provided that on that date the reference period is at least equal to one year.

The performance fee will be deducted for the first time on the last stock market trading day in December 2014. A detailed description of the method used to calculate the performance fee may be obtained from the Management Company.

Accounting methods:

Income accounting:

The interest on bonds and debt securities is calculated using the accrued interest method.

Transaction cost accounting:

Transactions are recorded excluding fees.

Allocation of income and net capital gains and losses:

DISTRIBUTABLE INCOME:	CR-EUR, CI-EUR, CN-EUR and GC-EUR units Accumulation units
NET INCOME ALLOCATION	Accumulation
ALLOCATION OF NET REALISED CAPITAL GAINS OR LOSSES	Accumulation

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1. CHANGES IN THE NET ASSETS AT 29/12/2017 IN EUR

	29/12/2017	30/12/2016
Net assets at the beginning of the financial year	133,576,121.66	135,495,080.93
Subscriptions (including subscription fees paid to the Fund)	29,836,148.27	26,711,456.76
Redemptions (after deduction of the redemption fees paid to the Fund)	-54,826,026.98	-29,270,375.09
Realised gains on deposits and financial instruments	11,898,859.27	3,520,999.27
Realised losses on deposits and financial instruments	-3,411,699.61	-4,935,684.76
Realised gains on financial contracts	67.60	0.00
Realised losses on financial contracts	0.00	0.00
Transaction costs	-254,819.32	-198,583.37
Foreign exchange differences	-23,017.13	-27,541.60
Changes in the valuation differential of deposits and financial instruments	958,898.48	598,278.56
<i>Valuation differential in year N:</i>	16,280,748.73	15,321,850.25
<i>Valuation differential in year N-1:</i>	15,321,850.25	14,723,571.69
Changes in the valuation differential of forward financial instruments	0.00	0.00
<i>Valuation differential in year N:</i>	0.00	0.00
<i>Valuation differential in year N-1:</i>	0.00	0.00
Distribution in previous year from net capital gains and losses	0.00	0.00
Dividends paid in the previous financial year from income		
Net profit/loss for the financial year prior to the income equalisation account	1,636,761.39	1,682,490.96
Interim dividend(s) paid for the financial year from net capital gains and losses	0.00	0.00
Interim dividend(s) paid for the financial year from income	0.00	0.00
Other items (2)	0.00	0.00
Net assets at the end of the financial year	119,391,293.63	133,576,121.66

(2) The UCITS will provide a detailed explanation of this line (contributions from mergers, payments received under capital and/or performance guarantees)

2. FURTHER INFORMATION

2.1. BREAKDOWN BY LEGAL OR ECONOMIC NATURE OF THE FINANCIAL INSTRUMENTS

Name of securities	Amount	%
Assets		
Bonds and similar securities		
Total bonds and similar securities	0.00	0.00
Debt securities		
Total debt securities	0.00	0.00
Total assets	0.00	0.00
Liabilities		
Sales of financial instruments		
Total sales of financial instruments	0.00	0.00
Total liabilities	0.00	0.00
Off-balance sheet		
Hedging transactions		
Total hedging transactions	0.00	0.00
Other transactions		
Total other transactions	0.00	0.00
Total off-balance sheet	0.00	0.00

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2.2. BREAKDOWN BY TYPE OF INTEREST RATES FOR ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS

	Fixed rate	%	Variable rate	%	Adjustable rate	%	Other	%
Assets								
Deposits								
Bonds and similar securities								
Debt securities								
Temporary transactions on securities								
Financial accounts							3,247,746.74	2.72
Liabilities								
Temporary transactions on securities								
Financial accounts							4,803.94	0.00
Off-balance sheet								
Hedging transactions								
Other transactions								

2.3. BREAKDOWN BY RESIDUAL MATURITY OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS

	< 3 months	%]3 months - 1 year]	%]1 - 3 years]	%]3 - 5 years]	%	> 5 years	%
Assets										
Deposits										
Bonds and similar securities										
Debt securities										
Temporary transactions on securities										
Financial accounts	3,247,746.74	2.72								
Liabilities										
Temporary transactions on securities										
Financial accounts	4,803.94	0.00								
Off-balance sheet										
Hedging transactions										
Other transactions										

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2.4. BREAKDOWN BY LISTING OR VALUATION CURRENCY OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS

	Currency 1 GBP	% GBP	Currency 2 CHF	% CHF	Currency 3 DKK	% DKK	Currencies other	% other
Assets								
Deposits								
Equities and similar securities	14,851,733.06	12.44	12,488,843.28	10.46	10,613,857.90	8.89		
Bonds and similar securities								
Debt securities								
UCIs								
Temporary transactions on securities								
Financial contracts								
Receivables	15,020.44	0.01	24,547.97	0.02				
Financial accounts	43,617.16	0.04	27.39	0.00	1,012.61	0.00	70.05	0.00
Liabilities								
Sales of financial instruments								
Temporary transactions on securities								
Financial contracts								
Payables								
Financial accounts							4,803.94	0.00
Off-balance sheet								
Hedging transactions								
Other transactions								

2.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type	29/12/2017
Total receivables	Coupons and dividends	54,138.10
	Other receivables	24,547.97
		78,686.07
Total debts	Proven for external charges	108,449.29
		108,449.29
Total debts and receivables		-29,763.22

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2.6. EQUITY CAPITAL

2.6.1. Number of securities issued or redeemed

	In units	As amount
C1	CR UNITS	
Units subscribed during year	45,623.324	6,502,263.23
Units redeemed during year	-152,337.566	-21,077,602.26
Subscriptions/redemptions (net)	-106,714.242	-14,575,339.03

	In units	As amount
C2	CI UNITS	
Units subscribed during year	15,781.022	22,658,283.27
Units redeemed during year	-23,108.996	-33,452,633.52
Subscriptions/redemptions (net)	-7,327.974	-10,794,350.25

	In units	As amount
C3	GC UNITS	
Units subscribed during year	5,850.736	675,601.77
Units redeemed during year	-2,648.455	-295,791.20
Subscriptions/redemptions (net)	3,202.281	379,810.57

2.6.2. Subscription and/or redemption fees

	As amount
C1 CR UNITS	
Subscription and/or redemption fees received	3,595.70
Subscription fees received	3,595.70
Redemption fees received	0.00
Subscription and/or redemption fees paid to third parties	3,595.70
Subscription fees paid to third parties	3,595.70
Redemption fees paid to third parties	0.00
Subscription and/or redemption fees retained	0.00
Subscription fees retained	0.00
Redemption fees retained	0.00

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	As amount
C2 CI UNITS	
Subscription and/or redemption fees received	29.38
Subscription fees received	29.38
Redemption fees received	0.00
Subscription and/or redemption fees paid to third parties	29.38
Subscription fees paid to third parties	29.38
Redemption fees paid to third parties	0.00
Subscription and/or redemption fees retained	0.00
Subscription fees retained	0.00
Redemption fees retained	0.00

	As amount
C3 GC UNITS	
Subscription and/or redemption fees received	0.00
Subscription fees received	0.00
Redemption fees received	0.00
Subscription and/or redemption fees paid to third parties	0.00
Subscription fees paid to third parties	0.00
Redemption fees paid to third parties	0.00
Subscription and/or redemption fees retained	0.00
Subscription fees retained	0.00
Redemption fees retained	0.00

2.6.3. Management fees

	29/12/2017
C1 CR UNITS	
Percentage of fixed management fees	1.50
(Fixed) management and administration fees	905,919.00
(Variable) performance fee	272.52
Management fees paid to third parties	0.00

	29/12/2017
C2 CI UNITS	
Percentage of fixed management fees	0.75
(Fixed) management and administration fees	473,431.49
(Variable) performance fee	1,699.76
Management fees paid to third parties	0.00

	29/12/2017
C3 GC UNITS	
Percentage of fixed management fees	0.75
(Fixed) management and administration fees	5,602.95
(Variable) performance fee	1.31
Management fees paid to third parties	0.00

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2.7. COMMITMENTS RECEIVED AND GIVEN

GUARANTEES RECEIVED BY THE UCITS:

None

OTHER COMMITMENTS RECEIVED AND/OR GIVEN:

None

2.8. OTHER INFORMATION

Current values of financial instruments subject to a temporary purchase transaction

	29/12/2017
Securities acquired under repurchase options	0.00
Securities acquired under a repurchase agreement	0.00
Securities borrowed	0.00

2.8.1. Current values of financial instruments serving as guarantee deposits

	29/12/2017
Financial instruments used as a guarantee and kept as original entry	0.00
Financial instruments received as a guarantee and not recorded on the balance sheet	0.00

2.8.2. Financial instruments held in the portfolio issued by entities associated with the management company

None

2.9. DISTRIBUTABLE INCOME ALLOCATION TABLE

	Interim dividends paid for the financial year					
	Date	Unit	Total amount	Amount per unit	Total tax credits	Tax credit per unit
Total interim dividends			0	0	0	0

	Interim payments from net capital gains or losses for the financial year				
	Date	Unit code	Unit name	Total amount	Amount per unit
Total interim dividends				0	0

Table showing the allocation of distributable income from profit (6)	29/12/2017	30/12/2016
Amounts to be allocated		
Retained earnings	0.00	0.00
Profit/loss	1,495,081.02	1,740,134.90
Total	1,495,081.02	1,740,134.90

	29/12/2017	30/12/2016
C1 CR UNITS		
Appropriation		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	524,966.02	658,993.89
Total	524,966.02	658,993.89

	29/12/2017	30/12/2016
C2 CI UNITS		
Appropriation		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	952,344.76	1,068,256.84
Total	952,344.76	1,068,256.84

	29/12/2017	30/12/2016
C3 GC UNITS		
Appropriation		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	17,770.24	12,884.17
Total	17,770.24	12,884.17

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Table showing the allocation of distributable income from net capital gains and losses (6)	Allocation of net capital gains/losses	
	29/12/2017	30/12/2016
Amounts to be allocated		
Previous undistributed net capital gains and losses	0.00	0.00
Net capital gains and losses for the financial year	7,706,470.07	-1,633,995.07
Interim payments of net capital gains and losses for the financial year	0.00	0.00
Total	7,706,470.07	-1,633,995.07

(6) To be filled in regardless of the distribution policy adopted by the UCITS

Table showing the allocation of distributable income from net capital gains and losses (6)	Allocation of net capital gains/losses	
	29/12/2017	30/12/2016
C1 CR UNITS		
Appropriation		
Distribution	0.00	0.00
Net capital gains and losses not distributed	0.00	0.00
Accumulation	3,824,772.09	-843,877.45
Total	3,824,772.09	-843,877.45

(6) To be filled in regardless of the distribution policy adopted by the UCITS

Table showing the allocation of distributable income from net capital gains and losses (6)	Allocation of net capital gains/losses	
	29/12/2017	30/12/2016
C2 CI UNITS		
Appropriation		
Distribution	0.00	0.00
Net capital gains and losses not distributed	0.00	0.00
Accumulation	3,810,441.52	-781,952.16
Total	3,810,441.52	-781,952.16

(6) To be filled in regardless of the distribution policy adopted by the UCITS

Table showing the allocation of distributable income from net capital gains and losses (6)	Allocation of net capital gains/losses	
	29/12/2017	30/12/2016
C3 GC UNITS		
Appropriation		
Distribution	0.00	0.00
Net capital gains and losses not distributed	0.00	0.00
Accumulation	71,256.46	-8,165.46
Total	71,256.46	-8,165.46

(6) To be filled in regardless of the distribution policy adopted by the UCITS

2.10. TABLE OF INCOME AND OTHER KEY FIGURES REGARDING THE ENTITY FOR THE PAST FIVE FINANCIAL YEARS

Date	Unit	Net assets	Number of units	Net asset value per unit €	Distribution of net capital gains and losses per unit (including interim payments) €	Distribution of income per unit (including interim payments) €	Tax credit per unit €	Accumulation €
31/12/2014	C1 CR UNITS	81,839,070.97	698,692.721	117.13				1.26
	C2 CI UNITS	37,093,355.26	31,402.738	1,181.21				23.97
31/12/2015	C1 CR UNITS	76,900,449.53	576,436.378	133.40				11.73
	C2 CI UNITS	58,072,083.40	42,870.136	1,354.60				127.76
	C3 GC UNITS	522,548.00	4,974.197	105.05				9.59
30/12/2016	C1 CR UNITS	68,785,378.78	514,545.222	133.68				-0.36
	C2 CI UNITS	64,119,970.76	46,885.299	1,367.59				6.11
	C3 GC UNITS	670,772.12	6,300.792	106.45				-14.63
29/12/2017	C1 CR UNITS	59,150,837.92	407,830.980	145.03				10.66
	C2 CI UNITS	59,134,639.67	39,557.325	1,494.90				120.40
	C3 GC UNITS	1,105,816.04	9,503.073	116.36				9.37

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2.11. INVENTORY

Name of securities	Currency	Number or nominal qty	Market value	% net assets
OMV AG	EUR	78,000	4,120,740.00	3.45
TOTAL AUSTRIA			4,120,740.00	3.45
KBC Group SA	EUR	30,602	2,176,108.22	1.82
TOTAL BELGIUM			2,176,108.22	1.82
Geberit AG Reg	CHF	3,087	1,132,233.41	0.95
Givaudan SA Reg	CHF	1,064	2,048,098.49	1.72
Lonza Group AG Reg	CHF	11,000	2,475,622.19	2.07
Swiss Re AG	CHF	16,513	1,287,952.00	1.08
Nestlé SA Reg	CHF	46,053	3,298,699.60	2.76
Roche Holding Ltd Pref	CHF	10,661	2,246,237.59	1.88
TOTAL SWITZERLAND			12,488,843.28	10.46
Deutsche Telekom AG Reg	EUR	168,737	2,496,463.92	2.09
Hannover Rueck SE	EUR	30,674	3,217,702.60	2.70
MTU Aero Engines AG	EUR	25,856	3,862,886.40	3.23
Symrise AG	EUR	18,858	1,350,609.96	1.13
Volkswagen AG Pref	EUR	8,000	1,331,600.00	1.12
TOTAL GERMANY			12,259,262.88	10.27
De Sammenslut Vognmaend AS	DKK	56,753	3,723,126.20	3.12
Danske Bank A/S	DKK	138,564	4,494,825.26	3.76
GN Great Nordic Ltd	DKK	89,000	2,395,906.44	2.01
TOTAL DENMARK			10,613,857.90	8.89
Red Electrica Corporacion SA	EUR	115,892	2,168,339.32	1.82
TOTAL SPAIN			2,168,339.32	1.82
UPM-Kymmene Corp	EUR	143,000	3,705,130.00	3.10
TOTAL FINLAND			3,705,130.00	3.10
Faurecia SA	EUR	22,000	1,432,860.00	1.20
Crédit Agricole SA	EUR	170,000	2,346,000.00	1.96
Orpea SA	EUR	22,000	2,162,600.00	1.81
Ipsen	EUR	29,500	2,937,315.00	2.46
Aéroport de Paris (ADP)	EUR	15,600	2,472,600.00	2.07
Rubis SCA	EUR	56,000	3,302,880.00	2.77
Atos SE	EUR	18,800	2,281,380.00	1.91
Bouygues SA	EUR	94,352	4,086,385.12	3.42
CapGemini SE	EUR	12,368	1,223,071.52	1.02
Michelin SA	EUR	21,230	2,538,046.50	2.13
Ingenico Group SA	EUR	33,000	2,937,330.00	2.46
SEB SA	EUR	14,071	2,173,265.95	1.82
Thales SA	EUR	38,199	3,433,326.12	2.88
Total SA	EUR	63,093	2,905,117.19	2.43
Alstom	EUR	76,000	2,629,980.00	2.20
TOTAL FRANCE			38,862,157.40	32.54
Bunzl Plc	GBP	70,252	1,639,566.61	1.37
Unilever Plc	GBP	77,492	3,600,925.05	3.01
Reckitt Benckiser Group Plc	GBP	14,643	1,141,179.64	0.96
Smith & Nephew Plc	GBP	134,078	1,945,154.07	1.63

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Name of securities	Currency	Number or nominal qty	Market value	% net assets
Relx Plc	GBP	169,947	3,328,846.01	2.79
Diageo Plc	GBP	60,905	1,869,390.69	1.57
AstraZeneca Plc	GBP	23,000	1,326,670.99	1.11
TOTAL UK			14,851,733.06	12.44
Kingspan Group	EUR	35,956	1,308,978.18	1.10
TOTAL IRELAND			1,308,978.18	1.10
Koninklijke DSM NV	EUR	52,901	4,214,622.67	3.53
NN Group NV	EUR	111,746	4,036,265.52	3.38
ING Groep NV	EUR	150,000	2,298,750.00	1.93
Koninklijke KPN NV	EUR	1,056,852	3,073,325.62	2.57
TOTAL NETHERLANDS			13,622,963.81	11.41
TOTAL Equities and similar securities traded on a regulated or similar market (except Warrants and subscription certificates)			116,178,114.05	97.30
TOTAL Equities and similar securities traded on a regulated market			116,178,114.05	97.30
TOTAL Equities and equivalent securities			116,178,114.05	97.30
TOTAL Portfolio			116,178,114.05	97.30

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APPENDIX TO THE ANNUAL REPORT: Report on remuneration in application of the UCITS V Directive

1- Quantitative information

	Fixed remuneration	Variable remuneration (*)	Number of beneficiaries (**)
Total amount of remuneration paid for the 2017 financial year	8,725,383	12,815,823	154

(*) Variable remuneration in respect of 2016 but paid in 2017

(**) Beneficiaries shall be understood as all OBAM employees having received remuneration in 2017 (Permanent contract/Temporary contract/Apprenticeship/Internship/Foreign offices)

	Senior managers	Number of beneficiaries	Members of staff with the ability to affect the risk profile of the funds	Number of beneficiaries
Aggregate amount of remuneration paid for the 2017 financial year (fixed and variable*)	766,053	9	14,941,152	34

(*) Variable remuneration in respect of 2016 but paid in 2017

2- Qualitative information

2.1 Financial and non-financial criteria of remuneration policies and practices

2.1.1 Fixed remuneration

Fixed remuneration is determined on a discretionary basis in line with the market. This allows us to meet our targets for the recruitment of qualified and operational staff.

2.1.2 Variable remuneration

Variable remuneration paid within the Management Company is determined on a largely discretionary basis. As such, once fairly accurate estimates of the results for the year are available (mid-November), a budget for variable remuneration is determined and the various managers – in association with the group HRD – are invited to propose an individual budget breakdown.

This process takes place after the appraisal meetings, in which managers can discuss the quality of each employee's professional performance with them for the year under way (in relation to previously established targets) and set targets for the next year. This appraisal has a highly objective component that addresses whether responsibilities have been met (quantitative targets, sales figures or how the management places in a specific ranking, performance fees generated by the fund managed), as well as a qualitative component (the employee's attitude during the year).

It should be noted that, as part of their variable remuneration, some managers may receive a portion of the performance fees received by OBAM SAS. However, the amount to be allocated to each manager is determined in line with the abovementioned process and there are no individualised contractual packages that regulate the distribution and payment of these performance fees.

2.2 Information to manage the AIF's risk profile and measures adopted to avoid and manage conflicts of interest

The management company has decided not to make a provision for remuneration that is directly linked to the fund's performance. The Remuneration Policy consequently promotes the healthy and effective management of risk and does not encourage risk-taking that would run counter to the risk profiles, the regulations and governing documents of the AIFs.

2.3 Decision-making procedure for determining the remuneration policy

The Management Body of the remuneration policy is responsible for drawing up, approving and monitoring the remuneration policy. It must ensure that the remuneration policy encourages employees to take risks in line with the risks taken by the funds managed by the Management Company, the investors having placed their assets in these funds and the Management Company itself.

OBAM SAS has decided that the Management Body, within the meaning of the variable remuneration policy, will be composed of members of the Company's Management (currently composed of a Chair and a Deputy Managing Director). As such, the Management Body is responsible for ensuring the approval of and compliance with the variable remuneration policy of OBAM SAS. It is also responsible for ensuring the latter is implemented.

For the purposes of conducting any required auditing activities and making any adjustments, the Management Body shall meet at least once a year in order to review the remuneration policy of OBAM SAS and consider any changes that could be justified by regulatory developments or by an internal change at OBAM SAS.

As part of its analysis of the variable remuneration policy, the Management Body will be assisted by the Group's Human Resources department, which supports it in the implementation of the variable remuneration policy, as well as by the various Control and Audit teams of the Company and the Group.

The Management Body will be briefed by employees designated as being "risk takers" within the meaning of the regulations and practices of the Company and, more broadly, of the Group.

The ODDO BHF Group has decided to have only one Remuneration Committee, the supervisory responsibilities of which extend to both entities regulated by the CRD IV Directive and those falling under the AIFMD and UCITS V. Members of the Remuneration Committee are representatives of the Monitoring Body of ODDO BHF SCA, the parent company of OBAM SAS, and are therefore independent of the Management Company.

2.4 Changes to the remuneration policy made during the last financial year

No changes to the remuneration policy were apparent in the annual review of the remuneration policy provided for under points I.3 and I.4 of article 314-85-2 of the AMF General Regulation.