

# Sustainable investment objective

Product name: ODDO BHF Green Planet

Legal entity identifier: 549300XKOCFKWWDCFC63

DOES THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

●● <input checked="" type="checkbox"/> Yes	●● <input type="checkbox"/> No
<p><input checked="" type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: 90%</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: 0%</b></p>	<p><input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of N/A of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b> .</p>

**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.



WHAT IS THE SUSTAINABLE INVESTMENT OBJECTIVE OF THIS FINANCIAL PRODUCT?

The Sub-Fund aims to invest in global listed equities of companies benefiting mostly from the structural trend in favor of the ecological transition, « green planet » mega trend, i.e. whose business model significantly and positively contributes to the challenges of climate change around 4 different non-exclusive sub-themes, such as: clean energy, energy efficiency, natural resources preservation and sustainable mobility. The investment in the “green planet” megatrend is considered an environmental sustainable objective.

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

The sustainability indicator used to measure the attainment of the sustainable investment objective is the share of the Sub-Fund that is deemed sustainable based on the “sustainable impact” field provided by MSCI ESG Research and the computation method used by the Management Company. In this context, all investments whose sustainable impact revenue according to MSCI ESG Research is above 5% and that respect the Manager's do not significant harm approach (DNSH) are considered sustainable. Companies without sustainable impact revenue or with inconsistent data can be considered by the Manager's ESG team based on the revenue alignment of these companies with the sustainable investment objectives of the Sub-Fund, as long as they respect the Manager's DNSH approach.

**Sustainability indicators** describe how the sustainable objectives of the financial product are achieved.

The Sub-Fund measures its contribution to the Sub-Fund's environmental objective by aiming to achieve a higher Green Share in the Sub-Fund as the benchmark. "Green Share" means the revenue share reported by MSCI ESG Research under the category "environmental impact solutions".

**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, anticorruption and antibribery matters.

#### HOW DO SUSTAINABLE INVESTMENTS NOT CAUSE SIGNIFICANT HARM TO ANY ENVIRONMENTAL OR SOCIAL SUSTAINABLE INVESTMENT OBJECTIVE?

The following approach is defined to respect the Article 2 (17) of the SFDR Regulation:

1. Rating exclusions: The Sub-Fund only invests in companies with a MSCI ESG Score of BB or better.
2. Sector and norm-based exclusions:

- 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](http://am.oddo-bhf.com). This framework covers coal, oil and non-conventional weapons in particular.

- Other exclusions:

- regarding energy-related activities (nuclear energy, conventional oil and gas, coal, unconventional oil and gas (shale oil, shale gas, oil sands and tar sands)): see the Management Company's exclusion policy.

- for other activities (conventional weapons, tobacco, adult entertainments, GMO, alcohol and Gambling) companies are excluded if their involvement is greater than 5% of their revenues.

This initial ESG filter is quarterly reviewed according to the MSCI ESG Research. In the event that the Sub-Fund was invested in a company that is excluded from the investment universe, the Sub-Fund will proceed to a total divestment within 12 months of its exclusion.

3. Principal adverse impact consideration: The Management Company defines controlling rules (pre-trade) for some significantly harming activities selected: exposure to controversial weapons (PAI 14 and 0 % tolerance), activities negatively affecting biodiversity-sensitive areas (PAI 7 and 0 % tolerance) and serious violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10 and 0 % tolerance).

4. 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.

5. Strong controversies according to MSCI: companies having sustainable investments according to MSCI ESG Research, but with strong controversies will be excluded from the sustainable investment computation, The MSCI Controversies Score provides an assessment of controversial events and their severity on a scores range between zero (very severe) to 10 (no recent incidents). The investment universe of the Sub-Fund is restricted to companies with a MSCI ESG Controversies Score of 1 or above for Social and Governance characteristics, and 2 or above for environmental characteristics.

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

The EU Taxonomy Regulation (EU) 2020/852 defines certain areas of concern which can cause principle adverse impact ("PAI"). The Management Company applies pre-trade rules on three PAI: exposure to controversial weapons (PAI 14 and 0 % tolerance), activities negatively affecting biodiversity-sensitive areas (PAI 7 and 0 % tolerance), and serious violations of UN Global Compact principles and Organization for

Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10 and 0 % tolerance).

Furthermore, MSCI ESG Ratings integrate environmental, social and governance themes where the collection of other core PAI data for corporates and sovereigns may support their ESG rating. The ESG analysis includes for corporates, when the data is available, the monitoring of greenhouse gas emissions (PAI 1), the lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (PAI 11), and board gender diversity (PAI 13). It also includes for sovereign issuers greenhouse gas intensity per capita (PAI 15 normally based normally on gross domestic product and not on capita) and investee countries subject to social violations (PAI 16).

Nevertheless, the Management Company does not fix specific objectives or defined controlling rules on these other core PAI except the ones mentioned in the first paragraph.

More information on MSCI ESG Ratings: <https://www.msci.com/zh/esg-ratings>

#### HOW ARE THE SUSTAINABLE INVESTMENTS ALIGNED WITH THE OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES AND THE UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS?

The Management Company ensures that the sustainable investments of the Sub-Fund are aligned by applying its United Nations Global Compact (UNGC) exclusion list as detailed in the Management Company'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.



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

Yes, the Management Company takes sustainability risks into account by integrating ESG (Environmental, Social and Governance) criteria into its investment decision-making process, as set out above. This process also makes it possible to assess the management team's ability to manage the adverse sustainability impacts of their business activities. Exposure to controversial weapons (PAI 14), to companies active in the fossil fuel sector (PAI 4), activities negatively affecting biodiversity-sensitive areas (PAI 7), and serious violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10) is not tolerated and any such issuers are excluded from the portfolio.

No



#### WHAT INVESTMENT STRATEGY DOES THIS FINANCIAL PRODUCT FOLLOW?

The Sub-Fund aims to invest in global listed equities of companies benefiting mostly from the structural trend in favor of the ecological transition, «green planet» mega trend, i.e. whose business model significantly and positively contributes to the challenges of climate change around 4 different non-exclusive sub-themes, such as: clean energy, energy efficiency, natural resources preservation and sustainable mobility. The investment in the “green planet” megatrend is considered an environmental sustainable objective.

An extra-financial analysis is conducted in parallel to favor companies whose ESG characteristics (Environment, Social, Governance) best contribute to limiting operational execution risks and encouraging sustainable practices. The initial investment universe is based on the MSCI ACWI NR index\*\* and global companies with a market capitalization greater than 500 million USD, on which an ESG (Environment, Social and Governance) screening is applied.

This ESG filter will lead to an exclusion of at least 20% of the companies from the initial investment universe.

As part of the investment process, the Management Company has full discretion over the composition of the Sub-Fund's portfolio and may deviate from the investment universe. However, each investment must also have a sustainable impact revenue according to MSCI ESG Research above 5% and respect the Manager's do

not significant harm approach (DNSH) to be considered sustainable. Companies without sustainable impact revenue or with inconsistent data can be considered by the Manager's ESG team based on the revenue alignment of these companies with the sustainable investment objectives of the Sub-Fund, as long as they respect the Manager's DNSH approach. The Benchmark is broad market index that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. For a description of the method used to calculate the Benchmark, see: <https://www.msci.com/>.

This ESG filter, which consists of a "best-in-class" approach, is based on MSCI ESG Research using the following methodology:

(1) MSCI ESG Score provides an assessment on companies' exposure to ESG-related risks and opportunities, leading to a rating scale from CCC (worst score) to AAA (best score). The investment universe of the Sub-Fund is restricted to companies with a MSCI ESG Score of BB or better.

As part of this ESG rating process, the following criteria are analyzed in particular:

Environment: climate risk management, energy consumption, water consumption, waste management, environmental certifications, products and services with added environmental value

Social: human capital (human resources management, diversity of management teams, employee training, health and safety, etc.), supplier management, innovation...

Governance: corporate governance (preservation of minority shareholder interests, composition of governance bodies, compensation policy), fiscal responsibility, exposure to corruption risks, etc.

(2) MSCI Controversies Score provides an assessment of controversial events and their severity on a scores range between zero (very severe) to 10 (no recent incidents). The investment universe of the Sub-Fund is restricted to companies with a MSCI ESG Controversies Score of 1 or above for social and governance, and 2 or above for environmental characteristics.

(3) MSCI Business Involvement provides an analysis of the companies' exposure to the following activities: Alcohol, Gambling, Tobacco, Nuclear Power, Fossil Energies, Unconventional Weapons (chemical weapons, anti-personal mines and cluster munitions, blinding laser weapons, incendiary weapons and non-detectable fragments weapons, Nuclear weapons manufactured by a company incorporated in a country that does not form part of the Nuclear Non-Proliferation Treaty (NPT)), Nuclear Weapons, Conventional Weapons, Civilian Firearms, Adult Entertainment and GMOs.

Based on this screening, the Management Company excludes companies from the investment universe according to the following rules:

- regarding energy-related activities (nuclear energy, conventional oil and gas, coal, unconventional oil and gas (shale oil, shale gas, oil sands and tar sands)): see the Management Company's exclusion policy. Details relating to the Management Company's Exclusion Policy and the European SRI Transparency Code containing further details on ESG integration and exclusion thresholds can be found at "[am.oddo-bhf.com](http://am.oddo-bhf.com)".

- for other activities, companies are excluded if their involvement is greater than 5% of their revenues. This initial ESG filter is quarterly reviewed according to the MSCI ESG Research. In the event that the Sub-Fund was invested in a company that is excluded from the investment universe, the Sub-Fund will proceed to a total divestment within 12 months of its exclusion.

Controversies on names held in the portfolio are closely followed by the ESG team.

A minimum of 90% of the issuers in the portfolio have an ESG rating after taking into account the weighting of each security, with the support of an external ESG research provider. Target funds with an ESG rating on fund level are also taken into account.

The Sub-Fund is actively managed and references a benchmark, the MSCI ACWI NR USD Index (the "Benchmark"), by seeking to outperform it and for performance fee calculation purposes, if any. This Benchmark captures companies of all capitalizations across 23 developed markets and 26 emerging markets countries. The Sub-Fund aims to outperform its Benchmark rather than replicate it precisely and may deviate from it considerably in both positive and negative terms. As part of the investment process, the Management Company has full discretion over the composition of the Sub-Fund's portfolio.

**The investment strategy**

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

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

An extra-financial analysis is conducted in parallel to favor companies whose ESG characteristics (Environment, Social, Governance) best contribute to limiting operational execution risks and encouraging sustainable practices. Based on this screening, the Management Company excludes companies from the investment universe according to the following rules:

Sector and norm-based exclusions:

- 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](http://am.oddo-bhf.com). This framework covers coal, oil and non-conventional weapons in particular.
- Other exclusions:
  - regarding energy-related activities (nuclear energy, conventional oil and gas, coal, unconventional oil and gas (shale oil, shale gas, oil sands and tar sands)): see the Management Company's exclusion policy.
  - for other activities (conventional weapons, tobacco, adult entertainments, GMO, Alcohol and Gambling) companies are excluded if their involvement is greater than 5% of their revenues.

The Management Company also considers sustainability safeguards through its own Exclusion Policy that excludes specific sectors because of the materiality of their sustainability risks and through the exclusion of companies that do not respect the Principles of the United Nations Global Compact. The Management Company has signed the United Nations Principles for Responsible Investment and also the CDP (previously known as Carbon Disclosure Project). The Management Company takes into account the likely impact of sustainability risks on the return of the product and the risk of principal adverse impacts on sustainability factors (E, S and G) of each investment. Finally, the Management Company exercises the voting rights when equities are held by the Sub-Fund.

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

The ODDO BHF Global Sustainable Investment Policy details our definition and assessment of good governance and requires that good governance practices rely on the quality of the management team, the sustainable development strategy, minority shareholders' rights, the anti-corruption processes and track record, as well as other criteria. A good indicator for the degree of alignment of companies' strategies with sustainable aspects is their positioning regarding the UN Global Compact. By committing to the ten principles on human rights, labor, environment, and anticorruption, the company sends a positive signal of strong ambitions towards a long-term oriented financial ecosystem. The Fund Management also verifies whether companies have implemented a policy on sustainability or have defined related objectives. If it is the case, it is further analyzed what means are put in place to achieve them, where the responsibility is held and if there is an alignment with the remuneration of the top management.

**Good Governance**

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



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

**Asset Allocation**

describes the share of investments in specific assets.

The Sub-Fund aims to invest in global listed equities of companies benefiting mostly from the structural trend in favor of the ecological transition, « green planet » mega trend, i.e. whose business model significantly and positively contributes to the challenges of climate change around 4 different non-exclusive sub-themes, such as: clean energy, energy efficiency, natural resources preservation and sustainable mobility.

A minimum of 90 % of the Sub-Fund's net asset value is invested in sustainable investments.

The Sub-Fund may also hold up to 10% in "not sustainable", 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 a minimum of 90 % of sustainable investments with an environmental objective and the Sub-Fund may hold social investment without minimum.

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

A minimum of 89,5% of the net assets will be invested in other investment.

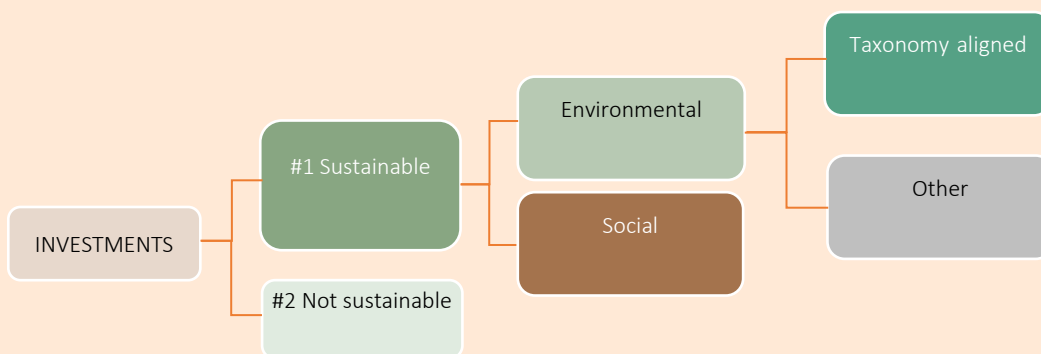
At least 90% of the issuers in the portfolio have an ESG rating after taking into account the weighting of each security. Target funds with an ESG rating on fund level are also taken into account.

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.



**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

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

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. Derivatives used for investment purposes have a sustainable investment as their underlying assets and therefore, contribute to the achievement of the environmental objective.



#### TO WHAT MINIMUM EXTENT ARE SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE ALIGNED WITH THE EU TAXONOMY<sup>1</sup>?

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.

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

Yes

In fossil gas

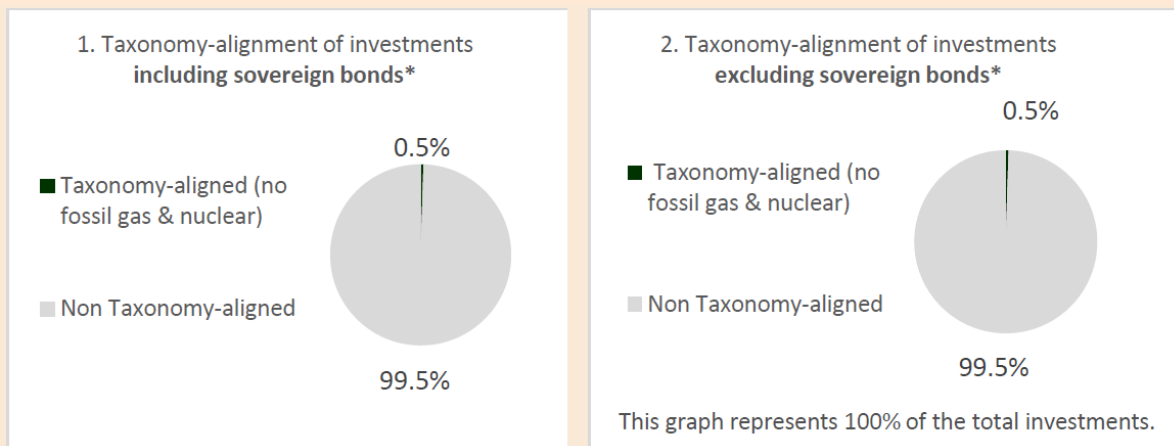
In nuclear energy

<sup>1</sup> 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.

No

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

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.

On 26 of September 2023, the graph 2. Taxonomy-alignment of investments excluding sovereign bonds represents 100% of the total investments. This percentage may fluctuate up or down.

**WHAT IS THE MINIMUM SHARE OF INVESTMENTS IN TRANSITIONAL AND ENABLING ACTIVITIES?**

The minimum percentage is 0%.



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

There is a minimum of 89.5 % of sustainable investments with an environmental objective, which are not aligned with the EU Taxonomy.



**WHAT IS THE MINIMUM SHARE OF SUSTAINABLE INVESTMENTS WITH A SOCIAL OBJECTIVE?**

The minimum of sustainable investments with a social objective is 0%, but the fund may have investments with a social objective.



**WHAT INVESTMENTS ARE INCLUDED UNDER “#2 NOT SUSTAINABLE”, WHAT IS THEIR PURPOSE AND ARE THERE ANY MINIMUM ENVIRONMENTAL OR SOCIAL SAFEGUARDS?**

The investments included under “#2 Other” are derivatives and other ancillary assets like money market instruments with no minimum environmental or social safeguards applied. These assets are considered neutral to the sustainable investment objective of the Sub-Fund. Derivatives used for investment purposes have a sustainable investment as their underlying assets and therefore, contribute to the achievement of the environmental objective.

**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.

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



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

No specific benchmark is designated as sustainable benchmark to meet the sustainable investment objective.

Reference **benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

HOW DOES THE REFERENCE BENCHMARK TAKE INTO ACCOUNT SUSTAINABILITY FACTORS IN A WAY THAT IS CONTINUOUSLY ALIGNED WITH THE SUSTAINABLE INVESTMENT OBJECTIVE?

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 I FIND MORE PRODUCT SPECIFIC INFORMATION ONLINE?

More product-specific information can be found on the website: [am.oddo-bhf.com](http://am.oddo-bhf.com)