



ODDO BHF AVENIR

SUSTAINABLE INVESTMENT FULL REPORT

Unit DR-EUR | MID CAP EQUITIES - FRANCE

As of 3/31/21



The ISR label mentioned above is only valid within the EU.

Disclaimer



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Risks:

The fund is exposed to the following risks : risk of capital loss, equity risk, interest rate risk, credit risk, risk associated with discretionary management, counterparty risk, risk associated with holding small and medium capitalisations, risks associated with securities financing transactions and collateral management and on an ancillary basis currency risk

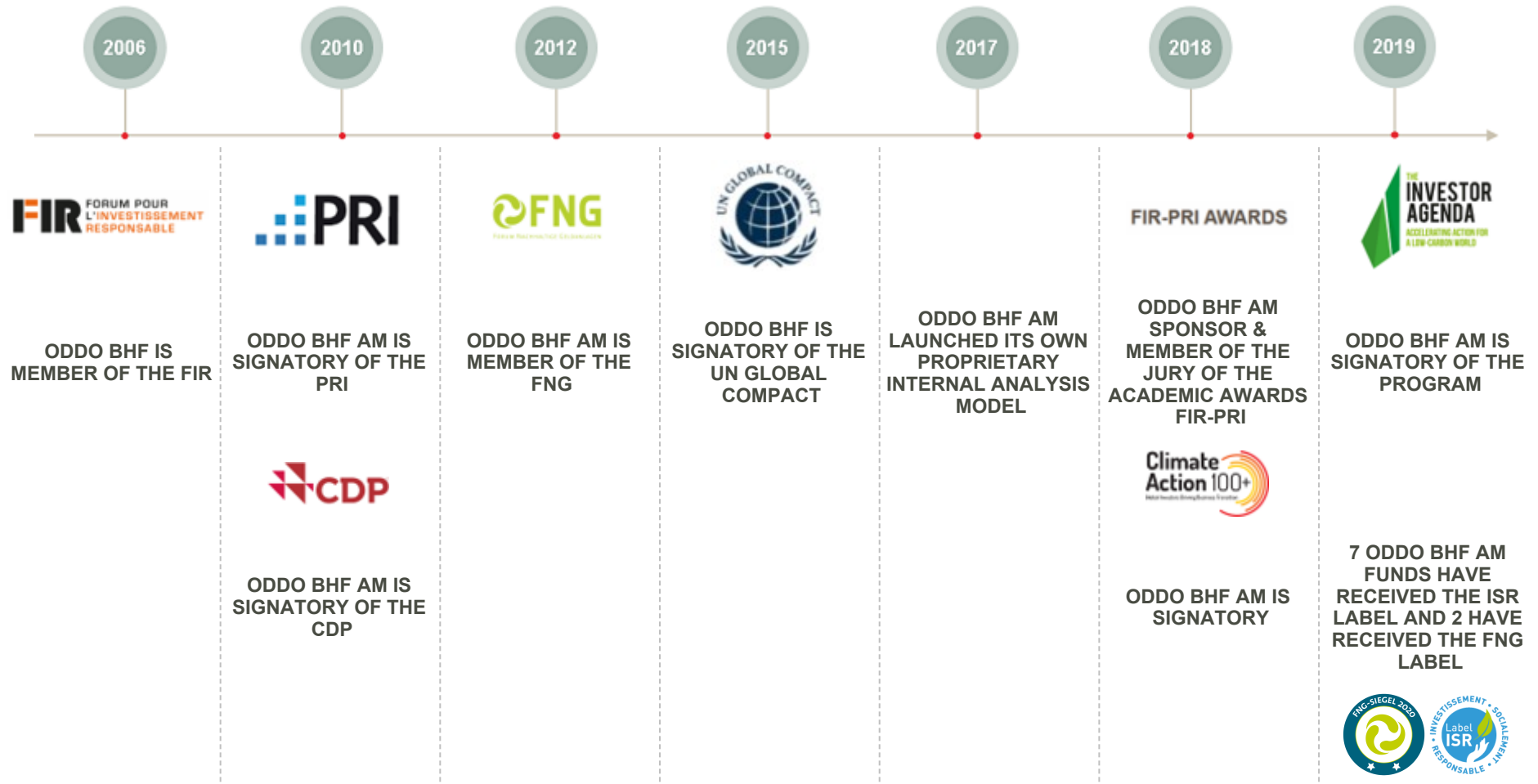
Countries in which the fund is authorised for distribution to the public:

Austria, France, Germany, Italy, Netherlands, Spain, Switzerland



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ODDO BHF Asset Management - committed since 2006



Source: ODDO BHF AM SAS

Fund profile



Assets Under Management

844 M€

Morningstar™ Category:

NAV per Unit

2,862.48€

France Small/Mid-Cap Equity

Evolution vs M-1

108.56€

★★★★ Rating at 2/28/21

★★★★★ Rating at 1/31/21



Risk/return scale (1)

The ISR label mentioned above is only valid within the EU.

Investment strategy	Key features	Available share classes														
<p>ODDO BHF Avenir is a French (at least 70%) small and mid-cap equity fund. It aims to be permanently invested in equities, targeting long-term capital growth. It primarily selects some of the best performing cyclical and non-cyclical companies in France, which often have an international presence, where the price is considered attractive taking long-term prospects into account. The fund takes strict ESG criteria into account during its investment process, based on the ODDO BHF AM proprietary analysis model.</p> <p>Benchmark : 10% EONIA TR + 90% MSCI France Smid Cap Loc Net</p> <p>Recommended investment horizon: 5 Years</p> <p>Inception date (1st NAV): 9/14/92</p> <p>Inception date of the fund: 9/14/92</p> <p>End of Fiscal year 6/30/21</p> <p>Last dividend distribution amount: 98.4</p> <p>Last distribution date: 10/5/20</p>	<table border="1"> <thead> <tr> <th colspan="2">Fees</th> </tr> </thead> <tbody> <tr> <td>Management fees</td> <td>Up to 1.80% (inclusive of tax) of the net assets, excluding units or shares of UCITS</td> </tr> <tr> <td>Performance fees</td> <td>20% of the FCP's outperformance relative to the benchmark index provided that the FCP's performance is positive.</td> </tr> <tr> <td>Subscription fees</td> <td>4 % (maximum)</td> </tr> <tr> <td>Redemption fees</td> <td>Nil</td> </tr> <tr> <td>Ongoing charges</td> <td>1.92 %</td> </tr> <tr> <td>Transaction fees received by the Management Company</td> <td>Transaction fees are listed in the prospectus and may be applied in addition to the fees shown above.</td> </tr> </tbody> </table>	Fees		Management fees	Up to 1.80% (inclusive of tax) of the net assets, excluding units or shares of UCITS	Performance fees	20% of the FCP's outperformance relative to the benchmark index provided that the FCP's performance is positive.	Subscription fees	4 % (maximum)	Redemption fees	Nil	Ongoing charges	1.92 %	Transaction fees received by the Management Company	Transaction fees are listed in the prospectus and may be applied in addition to the fees shown above.	<p>CN-EUR-FR0012806578</p> <p>CR-EUR-FR0000989899</p> <p>DN-EUR-FR0013302429</p> <p>DR-EUR-FR0000989907</p> <p>GC-EUR-FR0011603877</p> <p>Information on other units is presented at the end of the document.</p>
Fees																
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Transaction fees received by the Management Company	Transaction fees are listed in the prospectus and may be applied in addition to the fees shown above.															
<p>Exclusions</p> <p>Tobacco, Alcohol, Gambling, Coal, Nuclear.</p> <p>Portfolio Managers</p> <p>Pascal RIEGIS, Grégory DESCHAMPS, Frédéric DOUSSARD, Sébastien MAILLARD</p>																

Sustainalytics provides company-level analysis used in the calculation of Morningstar's Sustainability Score.

(1) Risk/return scale in a range from 1 (lowest risk) to 7 (highest risk). This indicator is not constant and is updated if the risk/reward profile of the fund changes over time. The lowest category does not mean a risk-free investment. Historical data, such as is used to calculate the risk/return ratio, may not be a reliable indication of the future risk profile of the Fund. There is no guarantee that the management objectives in terms of risk and return will actually be met.



1. Exclusions

- Norm-based: exclusion of companies that do not comply with certain international standards.
- Sector-based: total or partial exclusion of sectors or activities based on ethical considerations.

2. ESG ratings

- Internal model based on a « Best-in-Universe » approach: a bottom-up, stock-picking approach that favors top-rated companies in the entire investment universe.

3. Dialogue and engagement

- Systematic dialogue with low-ESG rated issuer (1/5)
- Divestment if no positive result within 18 to 24 months

ESG rating methodology



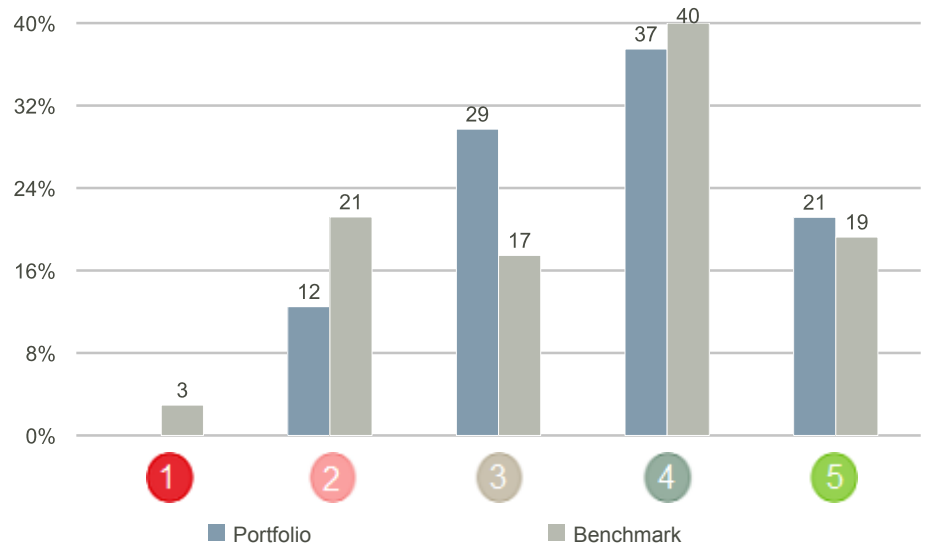
Environment	Social	Governance
<ul style="list-style-type: none"> • Environment Management System • Environmental opportunities • Environmental risks 	<ul style="list-style-type: none"> • Regulation • Licence to operate / Reputation • Human capital (30%) • Social ecosystem 	<ul style="list-style-type: none"> • Sustainable development strategy • Corporate governance (25%) • Business ethics
10 to 30%	40 to 50%	30 to 45%
Final rating out of 100		
Internal ESG rating scale measuring the "execution risk"		

ESG* consolidated indicators

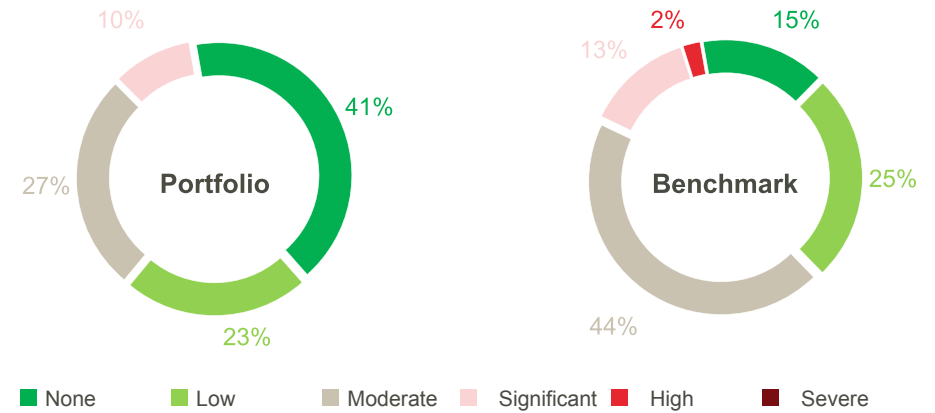


	Portfolio		Benchmark	
	March 2021	March 2020	March 2021	March 2020
ESG rank	3.7	3.7	3.5	3.6
ESG coverage**	99.0%	99.4%	96.4%	98.6%

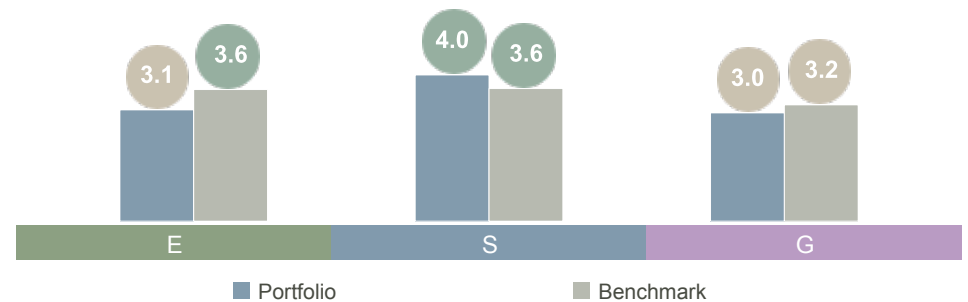
ESG rank breakdown** (%)



Controversy exposure breakdown*** (%)



Weighted average E,S and G rank*



	Portfolio		Benchmark	
	March 2021	March 2020	March 2021	March 2020
Human capital	2.8	2.8	2.9	2.9
Corporate Governance	3.9	3.8	3.6	3.5

Benchmark : 10% EONIA TR + 90% MSCI France Smid Cap Loc Net

*ESG: Environmental, Social, Governance

** : rebased on the rated part of the fund | In accordance with the update to our ESG integration policy published on 30 June 2017, the internal ESG rating scale now ranks the investment universe from 1 (High Risk) to 5 (Strong Opportunity) in ascending order.

***Controversies levels are explained in the glossary page 15

The ESG approach consists in selecting companies with the best environmental, social and governance policies by favouring the best-rated issuers within an investment universe in terms of non-financial criteria (Best in Universe) and/or issuers showing an improvement in their ESG practices over time (Best Effort).

Past performance is not an indication of future results. Performance may vary over time.

The comparison indices eventually featured in this report are provided for information purposes only.

Portfolio composition



Main portfolio holdings over 1Y						
	Sector	Country	Contribution (bps)	Average weight (%)	ESG rank*	Perf 1Y (%)
Michelin (Cgde)	Consumer Discretionary	France	341	5.9	5	60.6
Sopra Steria Group	Technology	France	204	5.4	5	42.0
Alstom	Industrials	France	79	5.3	4	11.1
Biomerieux	Health Care	France	60	5.1	4	5.3
Worldline Sa	Industrials	France	226	5.1	4	65.2
Safran Sa	Industrials	France	236	5.1	3	44.2
Eurofins Scientific	Health Care	Luxembourg	361	5.0	2	81.0
Alten Sa	Technology	France	234	4.7	4	52.9
Stmicroelectronics Nv	Technology	Netherlands	279	4.6	4	64.2
Faurecia	Consumer Discretionary	France	254	4.5	3	66.4

Sector breakdown and ESG ranks							
Sector	Weight %	Average ESG rank*	1	2	3	4	5
Industrials	30.6%	3.2	-	3.3%	44.8%	51.9%	-
Technology	25.5%	4.0	-	4.4%	10.0%	47.6%	38.0%
Health Care	24.9%	3.0	-	41.3%	29.9%	20.9%	8.0%
Consumer Discretionary	19.1%	4.0	-	-	30.3%	20.8%	48.9%

* : rebased on the rated part of the fund | In accordance with the update to our ESG integration policy published on 30 June 2017, the internal ESG rating scale now ranks the investment universe from 1 (High Risk) to 5 (Strong Opportunity) in ascending order.

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Top ESG contributors over 1 year



TOP 10 ESG rank							
	Sector	Country	Contribution (bps)	Average weight (%)	Average weight in the benchmark (%)	ESG rank*	Perf 1Y (%)
Dassault Systemes Sa	Technology	France	75	2.2	-	5	35.7
Devoteam Sa	Technology	France	58	1.1	0.1	5	79.0
Icon Plc	Health Care	Ireland	60	1.7	-	5	35.8
Michelin (Cgde)	Consumer Discretionary	France	341	5.9	-	5	60.6
Seb Sa	Consumer Discretionary	France	119	2.7	0.9	5	47.6
Sopra Steria Group	Technology	France	204	5.4	0.6	5	42.0
Akka Technologies	Industrials	Belgium	14	0.0	0.1	4	23.0
Alstom	Industrials	France	79	5.3	2.8	4	11.1
Alten Sa	Technology	France	234	4.7	0.7	4	52.9
Be Semiconductor Industries	Technology	Netherlands	15	0.3	-	4	49.8
Subtotal top 10 contributors	-	-	1199	29.3	5.1	-	-
Total portfolio	-	-	4531	100	100	3.7	42.84

*ESG rank at the end of the period: In accordance with the update to our ESG integration policy published on 30 June 2017, the internal ESG rating scale now ranks the investment universe from 1 (High Risk) to 5
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Bottom ESG contributors over 1 year



BOTTOM 10 ESG rank							
	Sector	Country	Contribution (bps)	Average weight (%)	Average weight in the benchmark (%)	ESG rank*	Perf 1Y (%)
Eurofins Scientific	Health Care	Luxembourg	361	5.0	2.6	2	81.0
Guerbet	Health Care	France	22	0.8	0.0	2	20.3
Ipsen	Health Care	France	246	4.2	0.7	2	57.0
Lisi	Industrials	France	-2	0.0	0.1	2	-4.8
Quadiant	Technology	France	26	0.9	0.2	2	31.7
Synergie Sa	Industrials	France	55	0.6	0.1	2	111.4
Teleperformance	Industrials	France	20	0.3	4.4	2	65.5
Elior Group	Consumer Discretionary	France	0	0.8	0.2	3	12.9
Esker Sa	Technology	France	171	2.4	-	3	115.6
Faurecia	Consumer Discretionary	France	254	4.5	1.0	3	66.4
Subtotal bottom 10 contributors	-	-	1152	19.4	9.2	-	-
Total portfolio	-	-	4531	100	100	3.7	42.84

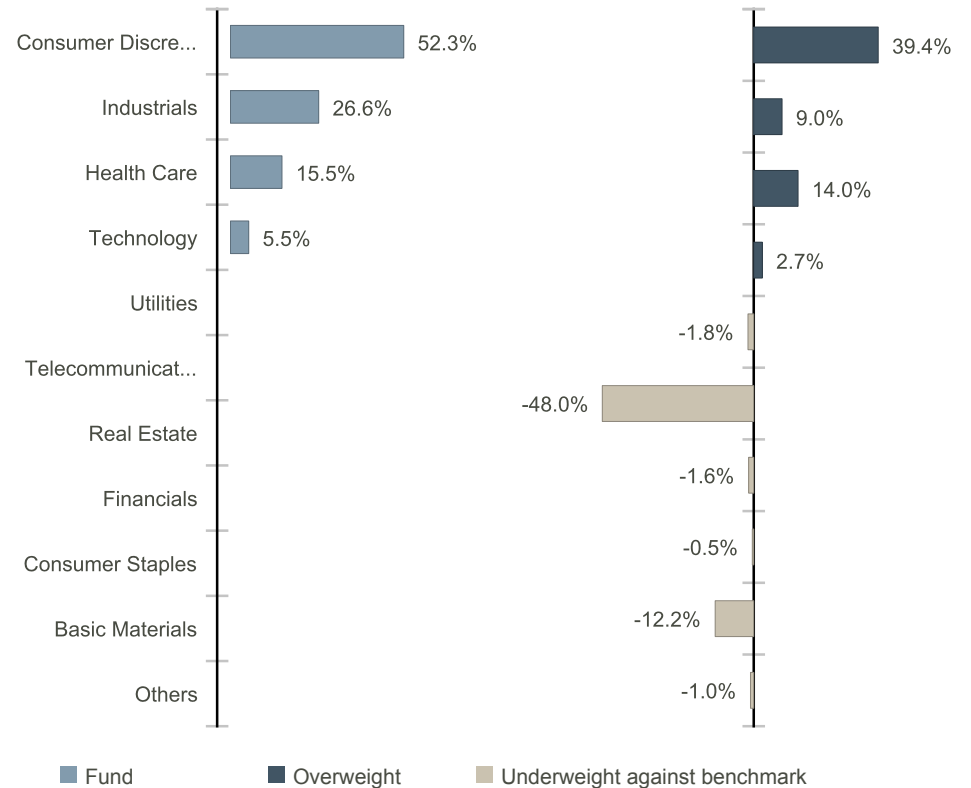
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Carbon intensity (Scope 1 + 2)

Weighted carbon intensity (tCO2e / €m turnover)				
	Portfolio		Benchmark	
	March 2021	March 2020	March 2021	March 2020
Weighted carbon intensity	21.0	20.7	112.4	108.8
Coverage ratio	74.7%	69.3%	89.3%	82.3%

Worst 10 contributors to the portfolio carbon intensity			
	Sector	Weighted carbon intensity*	Weight in the portfolio (%)
Michelin (Cgde)	Consumer Discretionary	7.5	5.9%
Faurecia	Consumer Discretionary	2.2	4.6%
Safran Sa	Industrials	1.8	5.1%
Verallia	Industrials	1.1	0.5%
Biomerieux	Health Care	1.0	4.8%
Mtu Aero Engines Ag	Industrials	0.9	3.3%
Alstom	Industrials	0.8	5.2%
Seb Sa	Consumer Discretionary	0.8	2.8%
Eurofins Scientific	Health Care	0.8	5.2%
Virbac Sa	Health Care	0.6	2.8%
Total worst 10		17.5	40.1%

Breakdown of the portfolio carbon intensity per sector



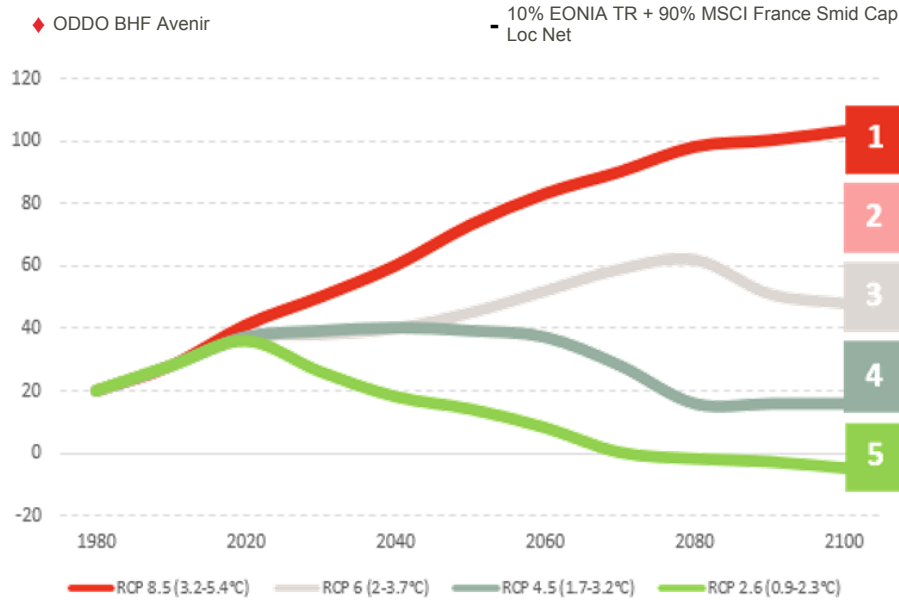
* Carbon intensity: tCO2e / €m turnover)

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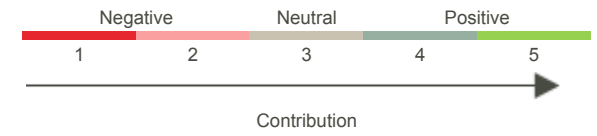
Portfolio structure by weighted ETA* score		Benchmark structure by weighted ETA* score	
Weighted average ETA score:	3.0	Weighted average ETA score:	3.4
ETA coverage	98.9%	ETA coverage	93.4%



Alignment to IPCC** climate scenarios















*ETA: ODDO BHF's internally developed Energy Transition Analysis indicator. The methodology is explained in the glossary page 16
 **: IPCC: The Intergovernmental Panel on Climate Change (IPCC)
 ***RCP: Representative Concentration Pathway
Past performance is not an indication of future results. Performance may vary over time.
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	Portfolio			Benchmark			UN SDGs*	
	March 2021	March 2020	Coverage	March 2021	March 2020	Coverage		
Environment								
	Fossil fuel exposure	-	-	74.7%	-	-	89.3%	
	Carbon solutions exposure "green part"	27.9%	24.5%	74.7%	43.5%	40.2%	89.3%	
Social								
	5Y Employee growth (%)	5.1%	4.9%	79.2%	5.5%	5.3%	79.1%	
	Female Executives	11.8%	12.2%	63.0%	14.4%	12.3%	82.3%	
Governance								
	UN Global Compact signatory	77.2%	83.0%	43.0%	70.5%	64.7%	38.3%	
	Board members' independence	56.5%	59.5%	71.4%	57.6%	58.9%	82.8%	
Human Rights								
	Implementation of Human rights policy	96.0%	97.2%	48.5%	93.9%	92.8%	39.8%	

*United Nations Sustainable Development Goals
 All the indicators are explained in the glossary page 15
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	Dec 2020	Dec 2019	Trend
Environment			
 Paper consumption per FTE*	2 796	4 888	
 Electricity consumption per FTE*	6 064	6 918	
Social			
 Aid people with disabilities: % of requests granted	100%	100%	
 % of total workforce trained over the course of the year	France: 62% Germany: 57%	France: 82% Germany: 52%	
 % of employees involved in the endowment fund's action	15%	8%	
Governance			
 % assets under management integrating ESG criteria	32%	23%	

*FTE: Full Time Equivalent | Source: ODDO BHF, 2019 | CSR: Corporate Social Responsibility

Glossary - Definition of impact measurement indicators



ODDO BHF AM considers that measuring the environmental, social and governance impact of an investment is an essential step in disseminating good practices in ESG integration. To do this, it is imperative to have reliable, simple quantitative criteria (no reprocessing) and to allow comparison between portfolios regardless of their composition (large vs midcaps, geographical and sectoral diversity). The choice of indicators is therefore crucial for the relevance of impact measurement.

We systematically indicate the availability of the data at the level of the portfolio and its benchmark.

Carbon intensity	Source MSCI. We use scopes 1 (direct emissions) and 2 (indirect emissions related to electricity, heat or steam consumption) to calculate the carbon intensity, expressed in tonnes of CO2 equivalent per million euros of revenues. Cash and other derivatives are not covered.
Fossil fuel exposure	Source MSCI. Percentage of revenue exposed to fossil fuels, based on MSCI' coverage rate for the portfolio and for the comparison index.
Carbon solutions exposure "green part"	Source MSCI. Percentage of revenue exposed to carbon solutions (renewable energies, sustainable mobility, etc.), based on MSCI' coverage rate for the portfolio and for the comparison index.
5Y Employee growth (%)	5-year geometric growth rate of the number of employees calculated according to the following formula: $(\text{number of employees in the current year} / \text{number of employees same period 5 years ago})^{0.2-1} \times 100$
Female Executives	Number of female executives, as a percentage of total executives, at the end of the financial year if available, otherwise at the date of the last report. Executives are as defined by the Company or persons who are members of the Company's Executive Committee or Management Committee or its equivalent.
UN Global Compact signatory	Percentage of portfolio companies that are signatories to the United Nations Global Compact compared to the percentage of signatory companies in the benchmark.
Board members' independence	Percentage of independent directors on the Boards of Directors of portfolio companies and the comparative index.
Implementation of Human rights policy	Percentage of companies in the portfolio that have implemented one or more initiatives to protect human rights compared to the benchmark.
Controversies	A controversy defines a company involved in incidents that may negatively impact stakeholders, the environment or the company's operations. MSCI defines 5 levels of controversies: level 1 (low impact on the environment and society, negligible risk to the company); level 2 (Moderate impact on the environment and society with minimal risk to the company, Low frequency of incidents, company has strong management systems and/or actions taken to mitigate risks); level 3 (Significant impact on the environment and society with significant business risk, Evidence of structural problems at company and/or company has inadequate management systems); level 4 (High impact on the environment and society with high business risk, Structural/systemic problems, recurrence of incidents and company has inadequate management systems); level 5 (Severe impact on the environment and society with serious business risk, Exceptional egregious behavior,

Glossary - Measuring the alignment of a portfolio with long-term climate trajectories

In order to integrate the energy transition into the core of the investment process, ODDO BHF AM has developed within its internal ESG analysis platform a specific indicator at the level of each company to measure its contribution to the energy transition to a low carbon economy.

This ETA indicator ("Energy Transition Analysis") has two components:

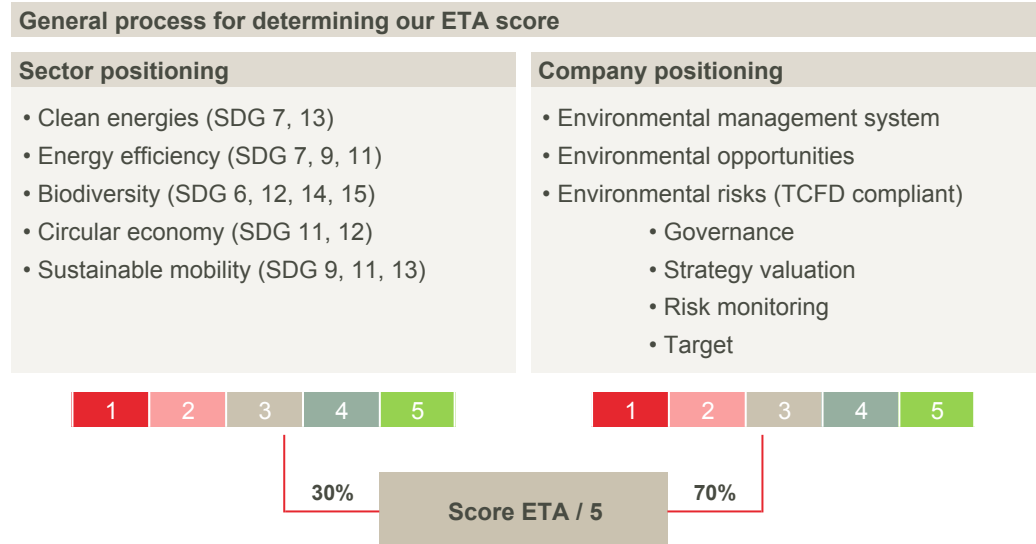
- The positioning of the sector in which the company operates for 30%.
- The rating of the environmental component of the company assigned by our internal ESG analysis model for 70%.

Sectoral positioning is determined with regard to the environmental risks and opportunities arising from our SDG matrix (UN Sustainable Development Goals towards 2030). Within this matrix, we identify five main environmental themes: Clean energies (SDG 7, 13), Energy efficiency (SDG 7, 9, 11), Biodiversity (SDG 6, 12, 14, 15), circular economy (SDG 11, 12) and sustainable mobility (SDG 9, 11, 13).

The second part, the environmental component of our ESG analysis model, is divided into two parts:

- The environmental management system (carbon intensity, water intensity, energy mix, waste management, certification)
- Analysis of the environmental opportunities and risks to which the company is exposed (methodology aligned with TCFD recommendations)

By aggregating the ETA scores of the companies in a portfolio (weighted by the weight of each line), we obtain an indicator to measure the contribution of this investment portfolio to the energy transition to a low-carbon economy. This methodology allows us to have a qualitative approach in terms of alignment with long-term climate scenarios (IPCC scenarios up to 2100).



TCFD: the Task Force on Climate-related Financial Disclosure was launched in 2015 by the G20 to review how the financial sector can take better into account climate-related issues.

IPCC: The Intergovernmental Panel on Climate Change (IPCC) is the leading international body for the assessment of climate change. It was established by the United Nations Environment Programme (UNEP) and the World Meteorological Organization (WMO) in 1988 to provide the world with a clear scientific view on the current state of knowledge in climate change and its potential environmental and socio-economic impacts.

Sources: ODDO BHF AM

Unit characteristics details



	ISIN code	Bloomberg code	WKN code	Currency	Dividend policy	Minimum (initial) investment	Later minimal subscription	Subscription fees	Redemption fees	Management fees	Performance fees
CN-EUR	FR0012806578	ODDAVCN FP	A2AF7Z	EUR	Accumulation unit	1 thousandth of a unit	1 thousandth of a unit	4 % (maximum)	Nil	Up to 0.90% (inclusive of tax) of the net assets, excluding units or shares of UCITS	20% of the FCP's outperformance relative to the benchmark index provided that the FCP's performance is positive
CR-EUR	FR0000989899	ODDAVEC FP	A0EAYQ	EUR	Accumulation unit	1 thousandth of a unit	1 thousandth of a unit	4 % (maximum)	Nil	Up to 1.80% (inclusive of tax) of the net assets, excluding units or shares of UCITS	20% of the FCP's outperformance relative to the benchmark index provided that the FCP's performance is positive.
DN-EUR	FR0013302429	ODDAVDN FP	A2JGU4	EUR	Distribution unit	1 thousandth of a unit	1 thousandth of a unit	4 % (maximum)	Nil	Jährlicher Satz von maximal 0,90%, vierteljährlich zahlbar und auf der Basis des durchschnittlichen Nettovermögens des Teilfonds für den betreffenden Monat berechnet	20% inkl. Steuern der Outperformance des Teilfonds gegenüber dem Referenzindikator, wenn die Wertentwicklung des Teilfonds positiv ist.
DR-EUR	FR0000989907	ODDAVED FP	A0NAT6	EUR	Distribution unit	1 thousandth of a unit	1 thousandth of a unit	4 % (maximum)	Nil	Up to 1.80% (inclusive of tax) of the net assets, excluding units or shares of UCITS	20% of the FCP's outperformance relative to the benchmark index provided that the FCP's performance is positive.
GC-EUR	FR0011603877	ODDAVGC FP		EUR	Accumulation unit	100 EUR	1 thousandth of a unit	4 % (maximum)	Nil	Up to 0.90% (inclusive of tax) of the net assets, excluding units or shares of UCITS	20% of the FCP's outperformance relative to the benchmark index provided that the FCP's performance is positive.



ODDO BHF Asset Management SAS

Portfolio management company incorporated as a société par actions simplifiée (simplified joint -stock company), with capital of €9,500,000.

Approved by the AMF under number GP 99011. Trade Register (RCS) 340 902 857 Paris.
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