

# EUROPEAN SRI TRANSPARENCY CODE

ODDO BHF Sustainable Credit  
Opportunities

SEPTEMBER 2022



## Content

<b>1.</b>	<b>List of funds covered by this code</b>	<b>4</b>
1. 1	ODDO BHF Sustainable Credit Opportunities	4
<b>2.</b>	<b>General information about the fund management company</b>	<b>6</b>
2. 1	Name of the fund management company that manages the applicant fund(s)	6
2. 2	What are the company's track record and principles when it comes to integrating SRI into its processes?	6
2. 3	How does the company formalize its sustainable investment process?	7
2. 4	How are ESG risks and opportunities – including those linked to climate change – understood/taken into account by company?	14
2. 5	How many employees are directly involved in the company's sustainable investment activity?	16
2. 6	Is the company involved in any RI initiatives?	17
<b>3.</b>	<b>General information about SRI fund(s) that come under the scope of the code</b>	<b>19</b>
3. 1	What is (are) the fund(s) aiming to achieve by integrating ESG criteria?	19
3. 2	What internal or external resources are used for ESG evaluation of the issuers who make up the investment universe of the fund?	19
3. 3	What ESG criteria are taken into account by the fund(s)?	20
3. 4	What principles and criteria linked to climate change are taken into account in the fund(s)?	22
3. 5	What is the ESG analysis and evaluation methodology of the fund manager/fund management company (how is the investment universe built, what rating scale is used ...)?	26
3. 6	How often is the ESG evaluation of the issuers reviewed? How are any controversies managed?	28
<b>4.</b>	<b>Investment process</b>	<b>30</b>
4. 1	How are the results of the ESG research integrated into portfolio construction?	30
4. 2	How are criteria specific to climate change integrated into the portfolio construction?	32
4. 3	How are the issuers that are present in the portfolio, but not subject to ESG analysis evaluated (not including mutual funds)?	32
4. 4	Has the ESG evaluation or investment process changed in the last twelve months?	33
4. 5	Is a part of the fund(s) invested in entities pursuing strong social goals/social enterprises?	33
4. 6	Does (do) the fund(s) engage in securities lending activities?	33
4. 7	Does (do) the fund(s) use derivative instruments?	33
4. 8	Does (do) the fund(s) invest in mutual funds?	33

<b>5.</b>	<b>ESG Controls</b>	<b>34</b>
5. 1	What internal and/or external control mechanisms are in place to ensure compliance of the portfolio with the ESG rules on managing the fund(s) as defined in section 4?	34
<b>6.</b>	<b>Impact measures and ESG reporting</b>	<b>35</b>
6. 1	How is the ESG quality of the fund(s) assessed?	35
6. 2	What ESG indicators are used by the fund(s)?	36
6. 3	What communication resources are used to provide investors with information about the SRI management of the fund(s)?	37
6. 4	Does the fund management company publish the results of its voting and engagement policies?	38



## Statement of commitment

ODDO BHF Asset Management is a brand comprising four entities: ODDO BHF Asset Management SAS, ODDO BHF Asset Management GmbH, ODDO BHF Asset Management Lux et ODDO BHF Private Equity. Its commitment to integrating ESG factors is part of a long tradition in our independent and family-owned group. Drawing on our long-standing expertise in corporate governance research, we have incorporated corporate social responsibility (CSR) standards into our DNA and investment capabilities since 2005.

ODDO BHF Asset Management SAS signed up to the Principles for Responsible Investment (PRI) back in 2010, and integrating ESG factors is perfectly in keeping with our investment philosophy based on strong convictions and a long-term view. Our approach factors in the material criteria of most importance to investors and aims above all to influence portfolio construction.

This statement of commitment is the first edition. It covers the period from September 23, 2022 to September 23, 2023.

ODDO BHF Asset Management SAS is a member of the asset management associations in France (AFG) as well as the sustainable investment forums in France (FIR) and Germany (FNG). It adheres to the European transparency code (Transparent) and is committed to offering the utmost transparency as regards the integration of ESG factors.

The fund to which this transparency code applies is:

- ODDO BHF Sustainable Credit Opportunities

*Completed on 23/09/2022*

## 1. List of funds covered by this code

### 1.1 ODDO BHF Sustainable Credit Opportunities

Name of the fund: ODDO BHF Sustainable Credit Opportunities					
Dominant/preferred SRI strategy	Asset class	Exclusion standards and norms	Fund capital as of 31/12/2021	Other labels	Relevant documents
<input type="checkbox"/> Best in class <input checked="" type="checkbox"/> Best in universe <input type="checkbox"/> Best effort <input type="checkbox"/> Engagement & Voting <input type="checkbox"/> ESG integration <input checked="" type="checkbox"/> Exclusions <input type="checkbox"/> Impact investing <input type="checkbox"/> Norm-based screening <input type="checkbox"/> Sustainability Themed	<b>Passively managed</b> <input type="checkbox"/> Passive investing – core benchmark <input type="checkbox"/> Passive investing – ESG/SRI benchmark <b>Actively managed</b> <input type="checkbox"/> Shares in euro area country <input type="checkbox"/> Shares in a EU country <input type="checkbox"/> French shares <input type="checkbox"/> International shares <input checked="" type="checkbox"/> Bonds and other debt securities denominated in euro <input type="checkbox"/> International bonds and other debt securities <input type="checkbox"/> Monetary assets <input type="checkbox"/> Short-term monetary assets <input type="checkbox"/> Structured funds	<input type="checkbox"/> Adult entertainment <input type="checkbox"/> Alcohol <input type="checkbox"/> Animal testing <input checked="" type="checkbox"/> Arctic <input checked="" type="checkbox"/> Arms <input checked="" type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Coal <input type="checkbox"/> Conflict minerals <input type="checkbox"/> Conventional oil & gas <input type="checkbox"/> Deforestation <input checked="" type="checkbox"/> Gambling <input checked="" type="checkbox"/> Genetic engineering <input checked="" type="checkbox"/> Governance & international conventions <input checked="" type="checkbox"/> Human rights <input checked="" type="checkbox"/> ILO Conventions <input checked="" type="checkbox"/> Labour right <input checked="" type="checkbox"/> Nuclear power <input checked="" type="checkbox"/> OECD Guidelines for MMCs <input checked="" type="checkbox"/> Tobacco <input checked="" type="checkbox"/> Unconventional oil & gas <input checked="" type="checkbox"/> Unconventional weapons <input checked="" type="checkbox"/> UN Global Compact <input type="checkbox"/> Other:	322 M€	<input type="checkbox"/> Austrian Ecolabel <input checked="" type="checkbox"/> FNG Label <input type="checkbox"/> French CIES Label <input checked="" type="checkbox"/> French SRI Label <input type="checkbox"/> Greenfin Label <input type="checkbox"/> Luxflag Label <input type="checkbox"/> Towards Sustainability Label <input type="checkbox"/> Other:	<input checked="" type="checkbox"/> ESG report <input checked="" type="checkbox"/> KIID <input checked="" type="checkbox"/> Management report <input checked="" type="checkbox"/> Monthly fact-sheet <input checked="" type="checkbox"/> Prospectus



To access the documents concerning the fund:

[https://www.am.oddo-bhf.com/france/en/professional\\_investor/fundspage](https://www.am.oddo-bhf.com/france/en/professional_investor/fundspage)

## 2. General information about the fund management company

### 2.1 Name of the fund management company that manages the applicant fund(s)

ODDO BHF Asset Management SAS and ODDO BHF Asset Management GmbH, wholly owned subsidiaries of the independent Franco-German financial group ODDO BHF, operate under the single brand name ODDO BHF Asset Management. ODDO BHF Asset Management SAS is the asset management company managing the fund to which the present transparency code applies. The fund ODDO BHF Sustainable Credit Opportunities is delegated to OBAM GmbH as Investment manager and the management company is OBAM SAS.

#### **ODDO BHF Asset Management SAS**

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[www.am.oddo-bhf.com](http://www.am.oddo-bhf.com)

### 2.2 What are the company's track record and principles when it comes to integrating SRI into its processes?

The commitment of ODDO BHF Asset Management SAS to the integration of ESG criteria is rooted in the long-term focus of its business as the asset management subsidiary of an independent financial group with origins dating back to 1849 and a stable and long-term shareholding structure: 65% for the Oddo family, 25% for employees and 10% for others as at 31 December 2020. So the requirements of Corporate Social Responsibility are an essential part of the group's DNA.

For more information about the ODDO BHF group's CSR approach and 2020 non-financial performance report: <http://www.oddo-bhf.com/en/pd/1136/QuiSommeNous/1142/reports-of-the-group>





The ESG integration approach is based on the Principles for Responsible Investment (PRI) signed by ODDO BHF Asset Management in 2010. The Principles for Responsible Investment are in keeping with our approach to asset management, which is based on fundamental analysis and a long-term investment horizon in order to factor in risks and opportunities effectively.

## The background to our responsible investor policy within the ODDO BHF Group

*Supporting Diversity, Inclusion, as well as the Climate...*



Source: ODDO BHF Asset Management SAS

For more information about ODDO BHF Asset Management's responsible investor policy:

[https://www.am.oddo-bhf.com/fr/investisseur\\_professionnel/ad/expertises\\_de\\_gestion/1008/investissement\\_durable/1016](https://www.am.oddo-bhf.com/fr/investisseur_professionnel/ad/expertises_de_gestion/1008/investissement_durable/1016)

### 2.3 How does the company formalize its sustainable investment process?

ODDO BHF Asset Management SAS responsible investor policy is based on our investment philosophy which is driven by a long-term view and strong convictions. We ensure that the ESG criteria of most importance to investors are factored in when analysing and assessing issuers, along with the usual financial criteria.

Our internal ESG analysis platform is available to all our fund management teams; it enables us to apply our ESG integration policy first and foremost with a view to influencing portfolio construction. We thus



achieve both aims of producing the most comprehensive and holistic analysis possible of long-term risks and opportunities and delivering lasting financial performance for our clients.

ODDO BHF Asset Management SAS took another step towards structuring its responsible investor policy in 2019 when it published its 2022 roadmap based on five pillars:

- ESG coverage
- ESG integration
- Climate strategy
- Training & promotion
- ESG reporting

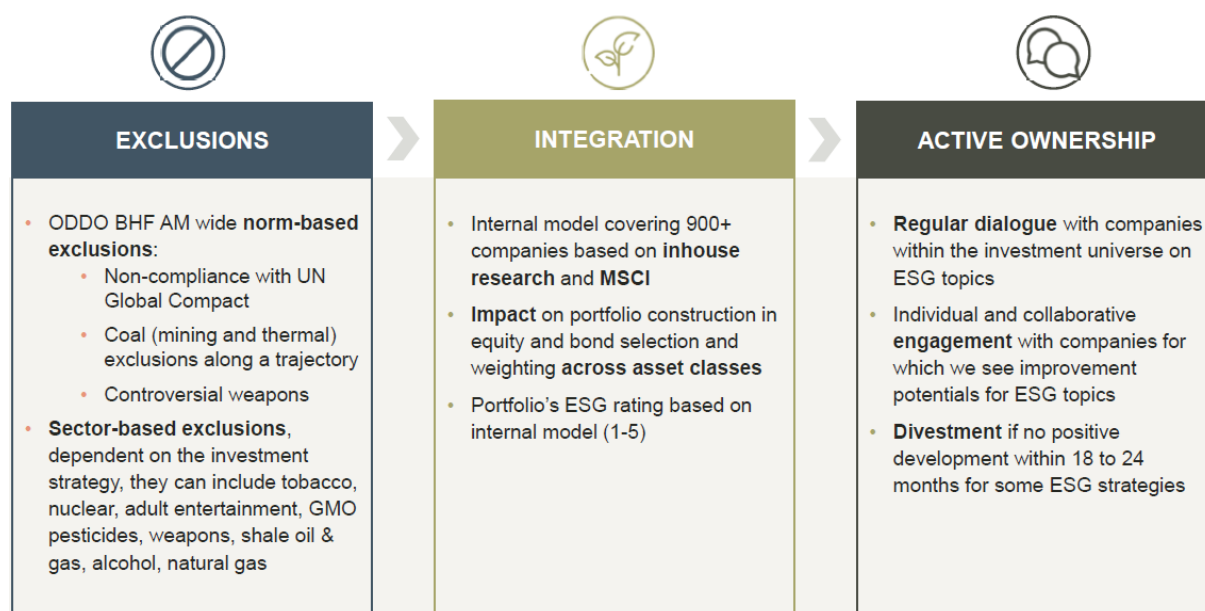
### ESG integration policy

Our approach factors in the criteria most material to investors, and it aims first and foremost to influence portfolio construction. Meeting the long-term challenges of sustainable development while delivering financial performance for our clients requires a renewed practice of ESG integration, which is characterized for us by three pillars:

- **By implementing norm-based and sectorial exclusions** (evolving thresholds aligned with scientific consensus on climate change and compliant with sustainable labels' requirements)
- **by adopting an absolute approach ("best-in-universe")** in our internal ESG rating system
- **by fostering improvements through dialogue and engagement with companies ("best effort")**



## The three pillars of our ESG integration policy



Quelle: ODDO BHF Asset Management SAS

## Voting policy

For Equity funds, ODDO BHF Asset Management SAS considers that exercising voting rights is an integral part of its responsibility as a shareholder, and we are convinced that it is in the interests of our fund holders for us to participate in shareholder meetings.

## Dialogue & engagement policy

Both financial and non-financial dialogue provide our fund management teams with a deeper understanding of companies and are essential to our ESG integration approach irrespective of the asset class concerned.

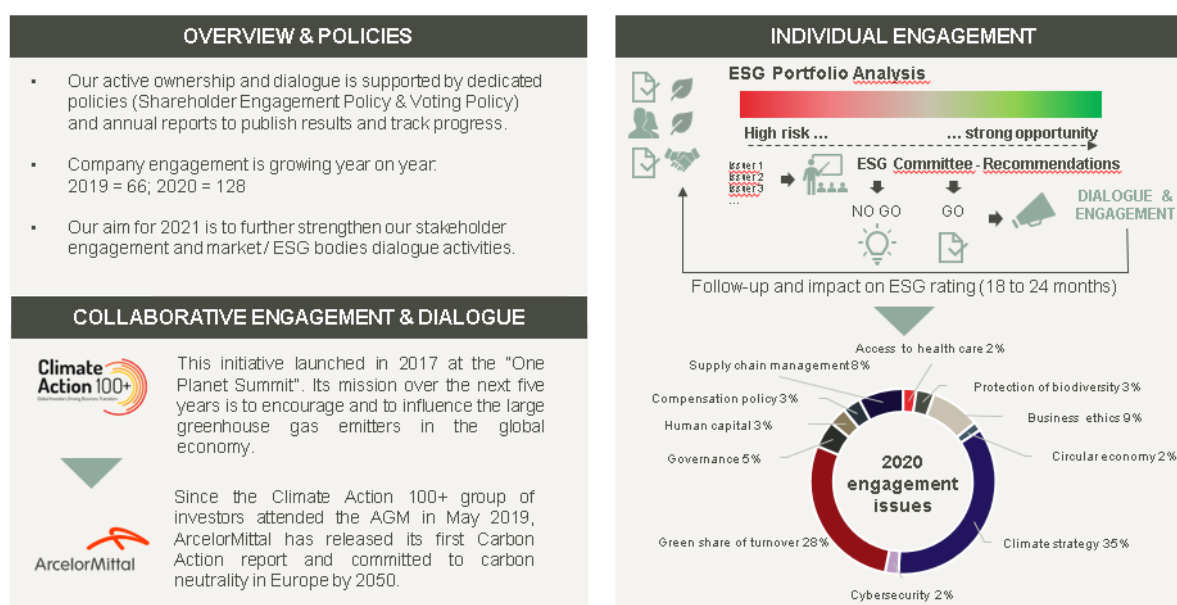
The overall purpose of our policy of dialogue and engagement with companies is as follows:

- to carry out an ESG analysis of the risks and opportunities inherent in growth models in order to gain a deeper understanding of the sectors and companies in which ODDO BHF Asset Management SAS has invested or might invest;
- to substantiate or disprove our analysis of the quality of the company's management based on its track record of handling ESG issues;
- to obtain information over and above that included in the financial statements by examining ESG issues;

- to propose areas of improvement in the extra-financial themes that have been identified, in order to assist companies in their sustainable development strategies.

Besides maintaining regular dialogue, we encourage individual and collaborative engagement with companies when we believe they face significant ESG risks and issues. This engagement policy is applied by our ESG Strategy Committee which meets quarterly and includes the Head of ESG Research, the head of ESG Strategy, the co-Chief Investment Officer (co-CIO), various fund managers and the Risk and Compliance Manager.

### Our dialogue and engagement approach



This does not constitute an investment recommendation.

Source: ODDO BHF Asset Management SAS

### Climate strategy

As a signatory to the Carbon Disclosure Project (CDP) since 2006, the collaborative dialogue initiative "Climate Action 100+" since 2018 and the Investor Agenda since 2019, climate issues have been a top priority for the ODDO BHF group for many years. Besides measuring the carbon intensity of certain portfolios in accordance with Article 173 of the French Energy Transition Act, we base our climate strategy on three pillars: awareness, dialogue & engagement, and exclusion.



## Exclusion policy

ODDO BHF Asset Management SAS applies a filter to all its funds in order to exclude companies involved in manufacturing chemical weapons (Convention on the prohibition of chemical weapons of Paris, 1993), anti-personnel mines (Ottawa Treaty, 1997) and cluster munitions (Oslo Convention, 2008). There is no tolerance and the threshold is 0%.

ODDO BHF Asset Management has updated its coal policy in January 2021. We now exclude companies that do not respect these criteria :

**Coal mining:** any company with an annual production of more than 10 million tonnes or, barring that, production equal to 5% of its revenue. These thresholds will be lowered to zero by 2030 for OCDE countries, and by 2040 for the rest of the world.

**Power generation:** any company for which coal exceeds 25% of its production mix or, barring that, its installed capacity. These thresholds will be lowered to 20% in 2022, 15% in 2024, 10% in 2026, 5% in 2028 and 0% in 2030 for EU and OECD countries.

**Development of new projects:** any company involved in coal-mining or coal-fired power generation and which is developing new projects involving thermal coal, regardless of the project's size.

The fund referred to in this code also applies some sector exclusions (controversial activities) on a case by case basis taking into account a maximum exposure threshold of 5% of revenue.

ODDO BHF Asset Management also applies a new exclusion policy based on the UN Global Compact since January 2021. All the companies with a Fail status on MSCI's UNGC list are excluded.

Please find the coal and UNGC policies here:

[https://am.oddo-bhf.com/france/en/investisseurprofessionnel/ad/investment\\_capabilities/1008/sustainable\\_investments\\_esg/1016](https://am.oddo-bhf.com/france/en/investisseurprofessionnel/ad/investment_capabilities/1008/sustainable_investments_esg/1016)

## Labels exclusions

ODDO BHF Sustainable Credit Opportunities fund also applies the exclusion criteria of the Belgian Central Labelling Agency's (CLA) **Towards Sustainability label**, which enforces the following thresholds at company level as of May 2021<sup>1</sup>:

- Max. % of revenues derived from companies involved in the exploration, mining, extraction, transportation, distribution or refining of thermal coal or providing dedicated equipment or services therefor: 5%

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<sup>1</sup> CLA, *Revised Towards Sustainability Qualitative Standard Final Criteria* (2021), [https://www.towardssustainability.be/sites/default/files/files/RevisedQS\\_Technical\\_20210531.pdf](https://www.towardssustainability.be/sites/default/files/files/RevisedQS_Technical_20210531.pdf)

- Max. % of revenue dedicated to companies involved in the exploration or extraction of unconventional oil and gas or providing dedicated equipment or services therefor (extraction of tar/oil sands, shale oil, shale gas and Arctic drilling): 5%
- Max. % of revenues derived from companies involved in the exploration, extraction, refining and transportation of oil and gas, or providing dedicated equipment or services therefor: 5%
- Max. % of revenues from companies involved in the generation of power/heat from non-renewable energy sources, or providing dedicated equipment or services therefor (for electricity generation companies): 50%
- Max. % of portfolio NAV exceeding conventional Oil & Gas extraction or electricity generation thresholds: 5%
- Max. % of revenues derived from illegal & controversial weapons: 0%. The company shall have no activity of manufacturing or of manufacturing tailor-made components, using, repairing, putting up for sale, selling, distributing, importing or exporting, storing or transporting controversial or indiscriminate weapons such as: anti-personnel mines, submunitions, inert ammunition and armour containing depleted uranium or any other industrial uranium, weapons containing white phosphorus, biological, chemical or nuclear weapons.
- Max. % of revenues from companies involved in weapons-related activities or providing dedicated equipment or services therefor: 5%
- Max. % revenues from companies involved in the production or wholesale trading of tobacco products or providing dedicated equipment or services therefor: 5%

The investment team responsible for fund, together with the ESG team, ensures the compliance of the funds with the label's requirements using the data provided by MSCI ESG Research. The label's rules currently allows up to 5% of the portfolio NAV to exceed the thresholds set for power generation and conventional oil & gas extraction, providing that the invested companies have established a clear transition strategy towards renewable energy sources. The Towards Sustainability label regularly reviews and strengthens its exclusion policy, the aforementioned thresholds are therefore evolutive and will be regularly updated.

The ESG team sends the list of the issuers that enter the 5% NAV rule of the Febelfin label to the controlling teams that integrate the rule in their controlling tools to ensure that there is no breach. The investment teams contact systematically the ESG team when a new bond comes to the market to ensure compliance against the labels requirements.



Furthermore, to respect the **FNG Siegel**, we respect the following thresholds that may evolve every year:

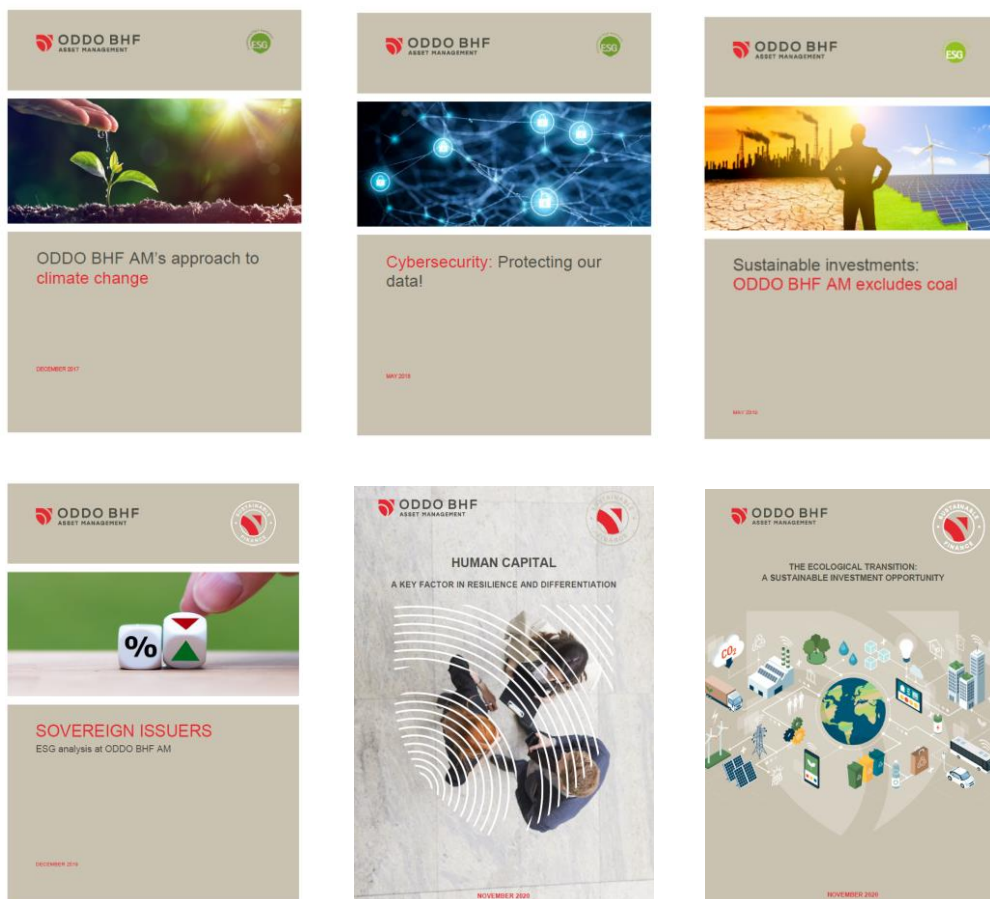
- Max % of revenue of coal power generation: 10%
- Max % of revenue from coal mining : 5%
- Max % of revenue from nuclear activities (including uranium mining, operation of nuclear power plants and suppliers of key components): 5%
- Max % of revenue from fracking and oil sands/tar sands: 5%
- Max % of revenue from conventional weapons: 5%
- Max % of revenue from production of tobacco: 5%
- Strict exclusion of controversial weapons: 0%
- Exclusion of companies with clear violations of the UN Global Compact principles (dedicated group policy)

We exclude countries according to the following criteria:

- Countries that are not considered free according to the Freedom-House ranking;
- Countries that have not signed and ratified the UN Biodiversity Convention or the Paris Climate Agreement;
- Countries that are corrupted and are granted a CPI score below 35 by Transparency International
- Countries that have not ratified the non-proliferation treaty

ODDO BHF Asset Management SAS regularly conducts market-wide discussions and is actively involved in certain working groups aimed at taking on board what the various stakeholders (investors, companies, regulators) expect from responsible investment.

We also publish theme-based white papers and therefore contribute to the steady progress being made in spreading and sharing ESG expertise:



Source : ODDO BHF Asset Management SAS

For more information on our responsible investment strategy:

[https://www.am.oddo-bhf.com/france/en/professional\\_investor/ad/expertises\\_de\\_gestion/1008/investissement\\_durable/1016](https://www.am.oddo-bhf.com/france/en/professional_investor/ad/expertises_de_gestion/1008/investissement_durable/1016)

## 2.4 How are ESG risks and opportunities – including those linked to climate change – understood/taken into account by company?

At the ODDO BHF Asset Management SAS level, our ESG integration approach places great emphasis on the criteria of governance and human capital (human resources/quality of management) and thus significantly deepens our understanding of the companies included in our portfolios. Our analysis is conducted by our fund management teams and ESG analysts in a collegial style, and thus enables us to identify the non-financial risks that each issuer might potentially face (corruption, reputation,



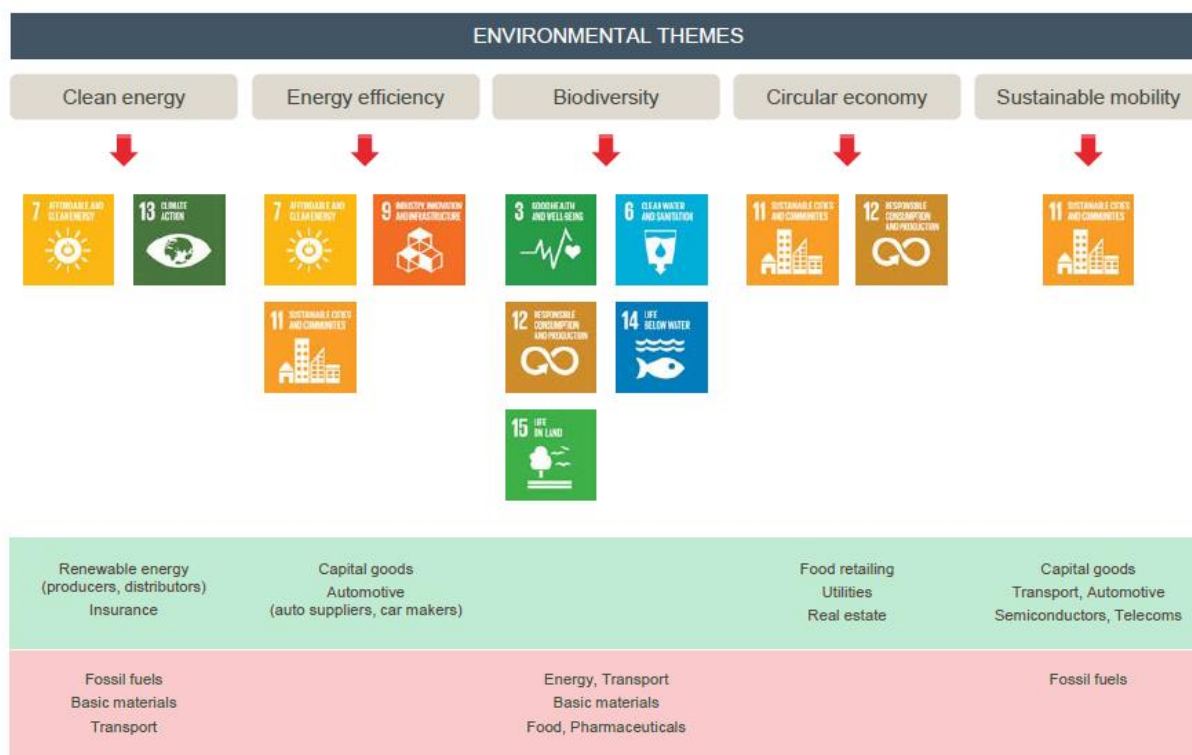


regulatory, talent retention, product quality and safety, etc.) and to determine whether or not they pose a significant threat to the company's ability to deliver on its strategy and official targets. The results of our ESG analysis therefore reflect the execution risk surrounding an issuer's medium/long-term strategy.

The ESG analysis capabilities developed by ODDO BHF Asset Management internally are based on the principles set out in the United Nations Global Compact. This is a pact based on 10 principles relating to human rights, labour, the environment and anti-corruption taken from the international gold standards in these areas (the Universal Declaration of Human Rights, ILO conventions, the Rio Declaration on the Environment and Development, and the United Nations Convention against Corruption).

In 2017, we opted to take a dynamic and forward-looking approach to ESG analysis by adopting the United Nations Sustainable Development Goals (SDG) signed in September 2015 by 193 states as a blueprint for 2030. In practical terms, this framework enables us to assess each sector's exposure to sustainable development issues (of which there are 12 in our methodology) with respect to long-term risks and opportunities alike.

### Sector matrix of environmental themes



Source: ODDO BHF Asset Management SAS

Climate change is a major issue embedded in our internal analysis model. One of the tools we have developed for our fund management teams is a specific indicator that measures the energy transition contribution made on an individual basis by each company analysed and then on an aggregate basis

by each portfolio so as to assess its alignment with long-term climate scenarios. As is the case in our analysis methodology, climate change can be considered a source of opportunities as well as risks for the companies analysed. This is why the Environment module of our internal model places a lot of emphasis on analysing each company's products and services, drawing on the approach suggested by the TCFD<sup>2</sup> in 2017. We thus identify 5 long-term environmental themes that offer opportunities: clean energy, energy efficiency, biodiversity, circular economy and sustainable mobility. Meanwhile, we consider each company's alignment with the TCFD's recommendations by reviewing its governance of climate issues and assessing its climate strategies, its risk management (transition risks, physical risks) and the targets it sets.

## **2.5 How many employees are directly involved in the company's sustainable investment activity?**

Efforts to develop our responsible investment strategy are steered by our ESG Strategy Committee which meets quarterly and includes the co-Chief Investment Officer (co-CIO), the Head of ESG Research, the head of ESG strategy various fund managers and the Compliance Manager.

Across its French and German entities, ODDO BHF Asset Management employs investment specialists who are directly involved in managing funds that incorporate ESG criteria. The ESG research team is made up of five people and works with 46 fund managers/analysts operating out of Paris and Düsseldorf (10 in fundamental equity fund management, 23 in credit fund management, 4 in convertible bond fund management and 9 in quantitative equity fund management).

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<sup>2</sup> Task Force on Climate-related Financial Disclosures



## 2.6 Is the company involved in any RI initiatives?

General Initiatives	Environmental / Climate Initiatives	Social Initiatives	Governance Initiatives
<input checked="" type="checkbox"/> SIFs – Social Investment Forums <ul style="list-style-type: none"> <li>- FIR (France; part of the Dialogue &amp; Engagement Commission and of the working group on Impact Investing)</li> <li>- FNG (Germany)</li> </ul> <input checked="" type="checkbox"/> PRI – Principles for Responsible Investment <input type="checkbox"/> ICCR – Interfaith Center on Corporate Responsibility <input type="checkbox"/> ECCR – Ecumenical Council for Corporate Responsibility <input checked="" type="checkbox"/> National Asset Manager Association <ul style="list-style-type: none"> <li>- AFG: member of the working group on Article 173</li> </ul> <input type="checkbox"/> EFAMA RI W6 <input type="checkbox"/> European Commission's High Level Expert Group on Sustainable Finance <input checked="" type="checkbox"/> Other <ul style="list-style-type: none"> <li>- SFAF: ESG Commission</li> <li>- FIR-PRI Awards: sponsor &amp; member of the jury</li> </ul>	<input type="checkbox"/> IIGGC – Institutional Investors Group on Climate Change <input checked="" type="checkbox"/> CDP – Carbon Disclosure Project <ul style="list-style-type: none"> <li>- Carbon</li> <li>- Forests</li> <li>- Water</li> </ul> <input type="checkbox"/> Montreal Carbon Pledge <input type="checkbox"/> Portfolio Decarbonization Coalition <input type="checkbox"/> Green Bond Principles <input type="checkbox"/> Climate Bond Initiative <input type="checkbox"/> Paris Pledge For Action <input checked="" type="checkbox"/> Other <ul style="list-style-type: none"> <li>- Signatory to the collaborative initiative Climate Action 100+</li> <li>- Signatory of the Investor Agenda</li> <li>- Signatory of the recommendations issued by the TCFD</li> </ul>	<input type="checkbox"/> Accord on Fire and Building Safety in Bangladesh <input type="checkbox"/> Access to Medicine Foundation <input type="checkbox"/> Access to Nutrition Foundation <input checked="" type="checkbox"/> Other <ul style="list-style-type: none"> <li>- Signatory of the UN Women Empowerment Principles</li> </ul>	<input type="checkbox"/> ICGN – International Corporate Governance Network <input type="checkbox"/> Other

## **2.7 What is the total number of SRI assets under the company's management?**

As of 20/07/2021, ODDO BHF Asset Management SAS has €6.5 billion in SRI assets under management.

All informations regarding the SRI open-ended funds managed by ODDO BHF Asset Management SAS are available here:

[https://www.am.oddo-bhf.com/france/fr/investisseur\\_professionnel/fundspage](https://www.am.oddo-bhf.com/france/fr/investisseur_professionnel/fundspage)



### 3. General information about SRI fund(s) that come under the scope of the code

#### 3.1 What is (are) the fund(s) aiming to achieve by integrating ESG criteria?

The fund ODDO BHF Sustainable Credit Opportunities Bond aims to achieve a performance, net of fees, higher than that of the EONIA index + 3% (capitalised) on an annual basis by managing a portfolio investing at least 70% of its total assets in securities issued by issuers headquartered in an OECD member state and integrating an ESG (Environmental, Social, and Governance) criteria analysis in parallel.

The investment process includes an ESG selectivity approach through internal and external exclusion filters. Following sector exclusions (tobacco, gambling, coal, nuclear, conventional and unconventional weapons, unconventional oil and gas (shale oil, shale gas, deep/tar sands), GMO, violations against UN Global Compact and pesticides) applied as a first step, the ESG analysis allows to eliminate those companies with the lowest rating, with particular emphasis on human capital and corporate governance. It is our conviction that a mismanagement of human capital (the companies' operational management) and/or poor corporate governance (control bodies) pose a major risk to the proper execution of the strategy, a potential source of value destruction.

Taking into account ESG criteria and the fund management's fundamental credit analysis results in limiting the most material medium and long-term risks, enabling an optimal assessment of issuers' ability to pay off their debt. As a consequence, the ultimate aim of ESG integration is to further improve the risk adjusted return of the fund via reducing the execution risks inherent to weaker rated ESG issuers.

#### 3.2 What internal or external resources are used for ESG evaluation of the issuers who make up the investment universe of the fund?

ODDO BHF Asset Management SAS investment department includes a team of five analysts specialising in ESG research.

The ESG team uses the following sources of data for its internal analysis model:

- Company publications (reports, presentations)
- External providers of ESG research (MSCI<sup>3</sup>, ISS<sup>4</sup>, CDP<sup>5</sup>)
- External providers of raw financial and non-financial data (Bloomberg, FactSet)
- Specialist reports by brokers (theme-based research)

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<sup>3</sup> <https://www.msci.com/>

<sup>4</sup> Institutional Shareholder Service; [www.issgovernance.com](http://www.issgovernance.com)

<sup>5</sup> Carbon Disclosure Project; [www.cdp.net](http://www.cdp.net)

The MSCI data incorporated into our internal model mainly concerns four fields of analysis:

- The environmental management systems of issuers (with respect to carbon intensity, water use intensity, energy consumption, waste management, certification policy)
- ESG-related controversies (environmental and/or social impact of products, supply chain incidents, compliance with international charters on labour laws and human rights, incidents involving other stakeholders)
- Supply chain management (organisation and monitoring, code of conduct, certifications)
- Business ethics (track record of incidents, anti-corruption policy, tax transparency)

When conducting ESG analyses of small and medium caps, it is more important to collect data internally as external data providers do not offer exhaustive coverage of this investment universe.

The fund management team is therefore actively involved in analysing a company's intangible assets (human capital, innovation, reputation, etc.) by systematically filling in a questionnaire of 10 qualitative questions prepared by the ESG research team. This approach makes it possible to capitalise on the regular meetings that are held between fund managers and issuers.

It is a bottom-up approach involving the ESG experts, the fund management team and the external providers that supply the quantitative data, giving us a holistic overview of each company and enabling us to assign an ESG rating to it irrespective of its capitalisation.

### 3.3 What ESG criteria are taken into account by the fund(s)?


ODDO BHF Asset Management SAS has based its internal ESG analysis model for companies on 10 themes: three for the Environment module, four for the Social module and three for the Governance module. Intangible assets (human resources, innovative capacity, relations with various stakeholders) are central to our analysis model, so we apply quantitative as well as qualitative criteria. Our aim is to avoid any bias relating to a company's size or country of origin, and to focus on the most material ESG criteria.

An analysis of the Environment module first requires a review of the company's environmental management system (EMS) to assess its maturity and the progress it has achieved over a number of years. We then analyse environmental opportunities and/or risks based on the approach suggested by the international Task Force on Climate-related Financial Disclosures (TCFD). The opportunity analysis focuses on the company's products and/or services with an emphasis on their environmental value added. The risk analysis consists in examining each company's alignment with the TCFD's recommendations by looking into its governance of climate issues and assessing its climate strategy, its risk management (transition risks, physical risks) and its official targets.

In addition, the fund excludes companies that are involved in coal mining, coal-based power generation, shale gas and nuclear energy (see thresholds section 2.3).



### Criteria applied in the Environment module


	ENVIRONNEMENT
Environmental Management System (EMS)	<ul style="list-style-type: none"><li>• Carbon intensity</li><li>• Water use intensity</li><li>• Energy mix</li><li>• Waste management</li><li>• Certification policy</li></ul>
Environmental opportunities	<ul style="list-style-type: none"><li>• Products and/or services with environmental value added (description, % of revenue)</li></ul>
Environmental risks	<ul style="list-style-type: none"><li>• Governance of climate issues</li><li>• Evaluation of the climate strategy</li><li>• Risk management (transition, physical)</li><li>• Target analysis</li></ul>

Source: ODDO BHF Asset Management SAS

Within the Social module, human capital (quality of management / human resources) is essential to the successful execution of a company's strategy over the long term and therefore central to our analysis model. The leadership provided by management, the cognitive diversity of the executive committee, the issuer's innovative capacity and career management are all crucial issues to which we pay particularly close attention when we hold meetings with companies.

Similarly, we take an interest in the company's social ecosystem (brand value, client capital, technological capital, supply chain), which gives us a more precise idea of the value hidden in its intangible assets for the long term.

### Criteria applied in the Social module

	SOCIAL
Regulation	<ul style="list-style-type: none"><li>• Regulatory opportunities</li><li>• Regulatory risks</li></ul>
Licence to operate / Reputation	<ul style="list-style-type: none"><li>• Track record of incidents (products/services, clients, suppliers)</li></ul>
Quality of management / HR	<ul style="list-style-type: none"><li>• Profile of the CEO</li><li>• Composition of the management team</li><li>• Middle management</li><li>• Human resources management</li></ul>
Social ecosystem	<ul style="list-style-type: none"><li>• Client capital</li><li>• Technological capital</li><li>• Supply chain management</li></ul>

Source : ODDO BHF Asset Management SAS



The Governance module particularly emphasises corporate governance, a very useful indicator of risk on a medium/long-term investment horizon. To avoid analysis bias as far as possible, we distinguish between companies according to their shareholder structure (non-controlled, controlled, family-owned) and size (small, medium or large cap).

Business ethics are assessed for each company based on its track record of incidents, tax transparency and exposure to the risk of corruption (with respect to its sector and country).

### Criteria applied in the Governance module

	GOVERNANCE
Sustainable Development Strategy	<ul style="list-style-type: none"> <li>• Signatory to UN Global Compact</li> <li>• Sustainable development leadership, targets, reporting</li> <li>• External certification of ESG data</li> </ul>
Corporate Governance	<ul style="list-style-type: none"> <li>• Minority shareholders rights</li> <li>• Separation of CEO/Chairman roles</li> <li>• Organisation of the CEO's succession</li> <li>• Compensation policy</li> <li>• Board composition</li> <li>• Internal control</li> <li>• Financial communication</li> </ul>
Business Ethics	<ul style="list-style-type: none"> <li>• Track record of incidents</li> <li>• Exposure to corruption risks</li> </ul>

Source: ODDO BHF Asset Management SAS

### 3.4 What principles and criteria linked to climate change are taken into account in the fund(s)?

Climate reporting is becoming an essential part of any investment strategy integrating ESG factors. Besides being a regulatory requirement (Article 173 in France), it helps fund management teams become more aware of the financial risks of climate change. It also encourages them to allocate more investment flows to sectors and companies that contribute positively to the transition to a low-carbon economy.

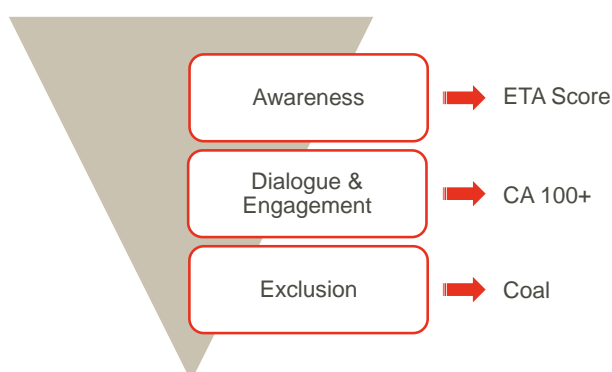
As a signatory to the CDP (Carbon since 2006, Water and Forests since 2017), climate issues have been a top priority for the ODDO BHF group for several years now.



Besides measuring the carbon intensity of portfolios in accordance with Article 173 of the French Energy Transition Act, there are now three building blocks to our climate policy:

- We analyse the alignment of our portfolios integrating ESG criteria (i.e. environmental risks and opportunities) with long-term climate scenarios. In 2017, we developed our own indicator **Energy Transition Analysis** (ETA) to measure each company's energy transition contribution to a low-carbon economy.
- We have an active dialogue and engagement policy (see point 2.3 of the present document), particularly as regards environmental issues. In March 2018, ODDO BHF Asset Management joined the **Climate Action 100+** initiative to take part in the joint effort by investors to promote dialogue with the 100 companies that emit the most greenhouse gases in the world.
- We have an **exclusion policy focused on coal** (see point 2.3 of the present document) because of the industry's large share of the world's CO<sub>2</sub> emissions, its many negative environmental and social impacts, and the lack of viable technological alternatives for it to continue operating in the long run (we do not consider carbon sequestration to be a viable solution on a large scale). We updated the coal exclusion policy in January 2021.

#### The three pillars of our climate policy applied to funds integrating ESG criteria



Source: ODDO BHF Asset Management SAS

#### Energy transition analysis

ODDO BHF Asset Management SAS has developed a specific indicator for its internal platform that measures each company's energy transition contribution to a low-carbon economy.

This indicator, ETA (Energy Transition Analysis), is made up of two elements:

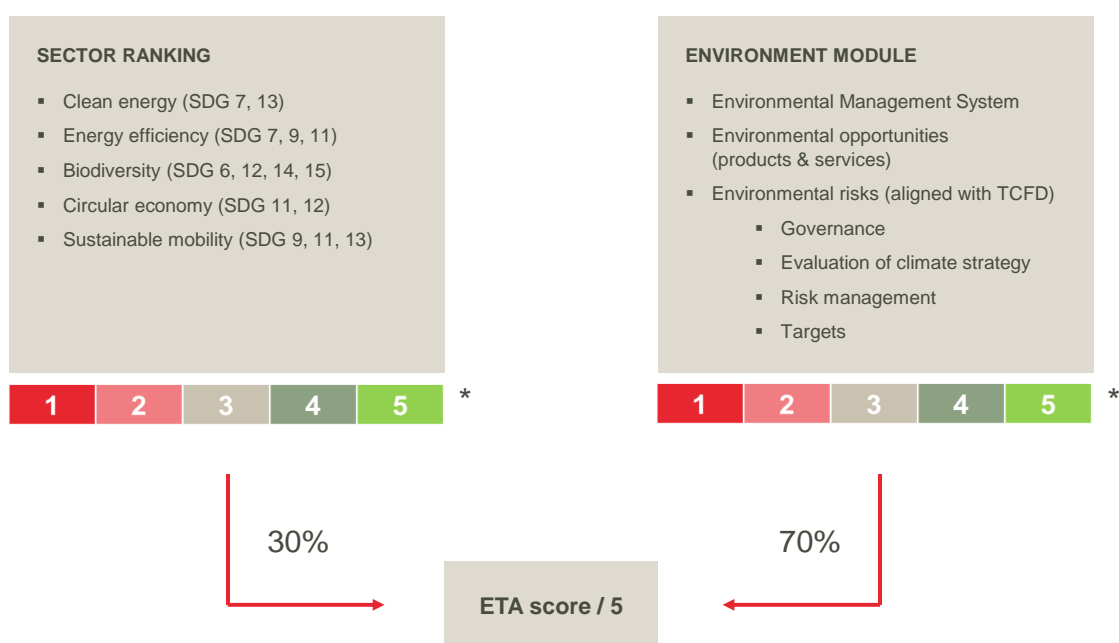
- The ranking of the sector in which the company operates, accounting for 30% (see point 2.4 of the present document);
- The company-specific environment score assigned by our ESG model, accounting for 70% (see points 3.3 and 4.2 of the present document).

A sector's ranking is determined with respect to the environmental risks and opportunities featuring in our SDG matrix (referring to the United Nations Sustainable Development Goals out to 2030). We can identify five environmental themes within this matrix: clean energy (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 element, i.e. the environment component of our ESG analysis model, is itself divided into two parts:

- The environmental management system (carbon intensity, water use intensity, energy mix, waste management, certifications);
- An analysis of the environmental opportunities (products and services) and risks (organisation, risk management, targets) associated with the company's activities.

### Establishing our ETA score



\* Internal rating scale from 1 (high risk) to 5 (strong opportunity)

Source: ODDO BHF Asset Management SAS

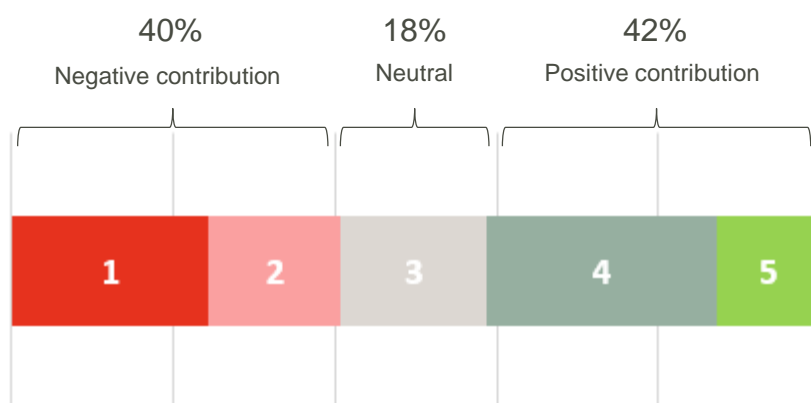
Besides assessing a company's environmental impact, the aim is also to highlight its potential medium to long-term drivers of value creation or destruction.

By aggregating the ETA scores of companies held in a portfolio (weighted by the weighting of each line), we come up with an indicator measuring the portfolio's energy transition contribution to a low-carbon



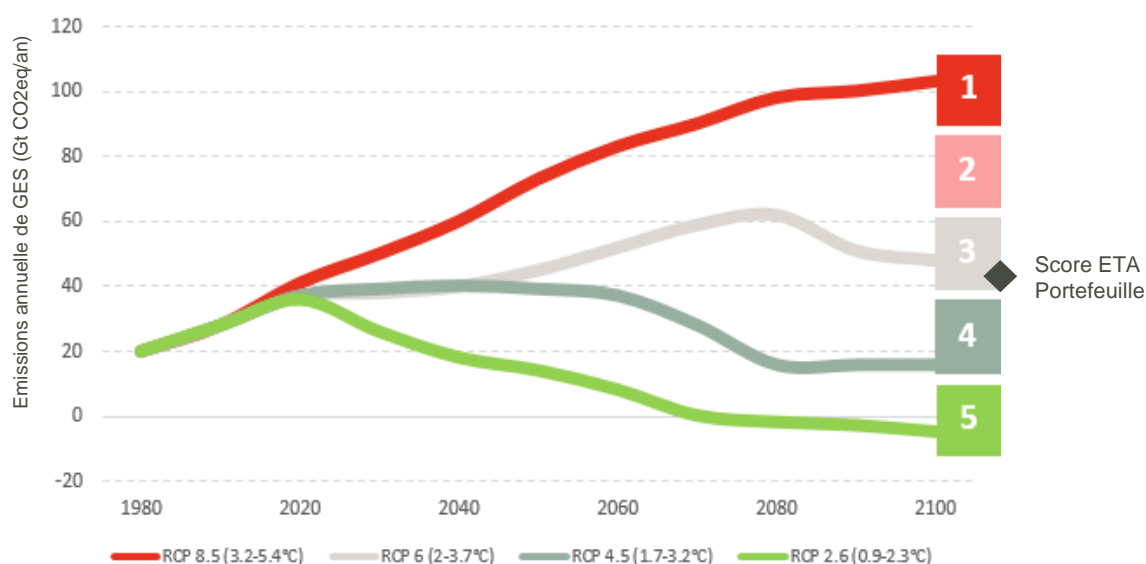
economy. This methodology allows us to take a qualitative approach towards assessing alignment with climate scenarios<sup>6</sup>.

### Breakdown of a portfolio's energy transition contribution



Source: ODDO BHF Asset Management SAS

### A portfolio's alignment with long-term climate trajectories



Source: ODDO BHF Asset Management SAS

<sup>6</sup> Reference scenarios ("Representative Concentration Pathways") issued by the fifth assessment report of the IPCC (Intergovernmental Panel on Climate Change)

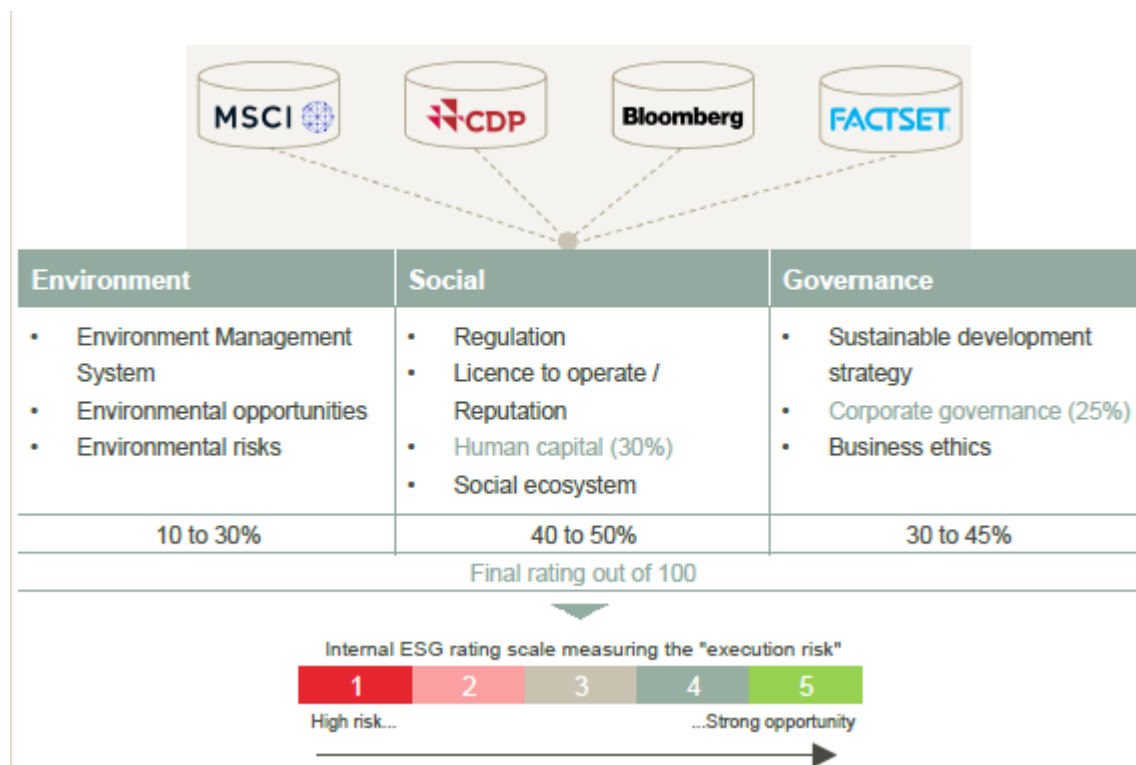
The aim for our funds incorporating ESG criteria is to make a net positive contribution to the energy transition, i.e. an ETA score of over 3.

In addition to ODDO BHF Asset Management exclusion policy, **funds that are candidate to or holding a sustainable label (i.e. Towards Sustainability label, ISR label, FNG label, GreenFin label...) also comply with the label's specific requirements, exclusion list and thresholds, even if they exceed ODDO BHF AM's own policy.** The ODDO BHF Sustainable Credit Opportunities fund applies the requirements of FNG label, French SRI label and the Towards Sustainability label (see 3.4 for detailed exclusion list).

### 3.5 What is the ESG analysis and evaluation methodology of the fund manager/fund management company (how is the investment universe built, what rating scale is used ...)?

Our internal ESG analysis model is based on 34 criteria, split evenly between quantitative and qualitative data. It measures risks and opportunities for all stakeholders (shareholders, employees, clients, suppliers and civil society) in order to assess the "execution risk" surrounding a company's long-term strategy.

#### Structure of our internal ESG analysis model



Source: ODDO BHF Asset Management SAS



The weighting assigned to each of the Environmental, Social and Governance modules is established for each sector based on our SDG materiality matrix depending on long-term risks and opportunities (based on 12 themes taken from the United National Sustainable Development Goals). For instance, the media sector will have a 10% weighting for the Environment module and 50% weighting for the Social module, compared with 30% and 40% respectively for the energy sector.

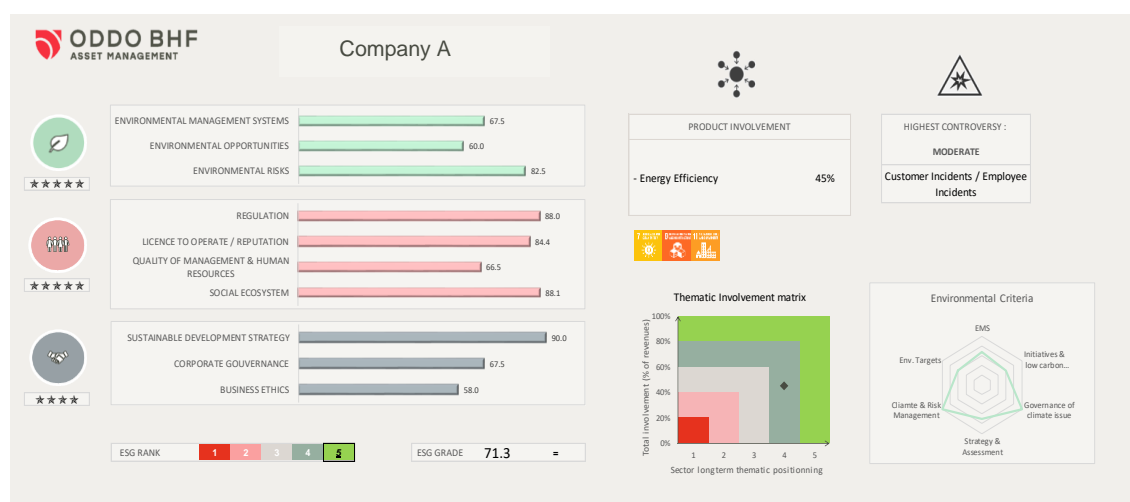
Corporate governance (the Governance module) and human capital (the Social module) are priority themes in our methodology and account for respectively 25% and 30% of our analysis model irrespective of the sector or size of the company. On the other hand, the weightings assigned to other themes such as regulation, social ecosystem and business ethics vary depending on their materiality by sector.

Our analysis model includes an assessment of ESG controversies (industrial accidents, pollution, corruption charges, anti-competitive practices, product safety, supply chain management, etc.) based on information provided by MSCI, which therefore has a direct impact on the final ESG score assigned to each company.

Each company analysed therefore obtains an absolute score out of 100 points for each of the three modules - E, S and G, and an aggregate ESG score after each module has been weighted. The final score obtained by each company is compared with the whole universe analysed.

In order to reflect the “best-in-universe” and “best effort” approach taken by our funds (see point 2.3 of present document), the universe analysed is split into five ESG levels: Strong Opportunity (5), Opportunity (4), Neutral (3), Moderate Risk (2) and High Risk (1).

### ESG dashboard taken from our internal model

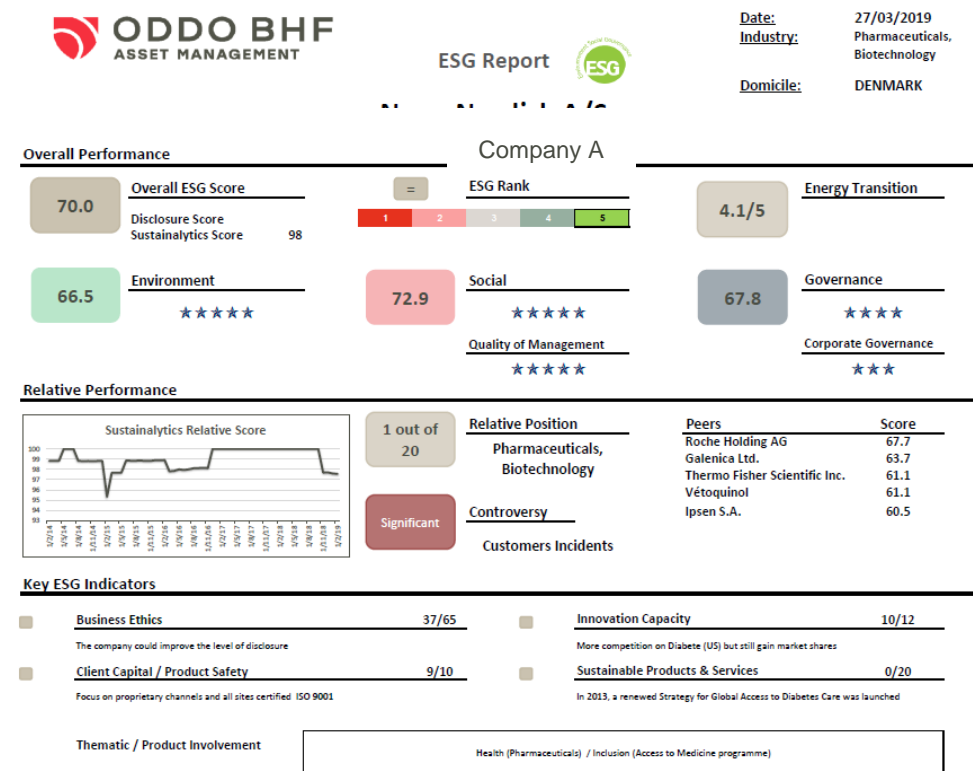


Source: ODDO BHF Asset Management SAS

The fund management teams can access the ESG factsheets for any of the stocks in their investment universe on a day-to-day basis, enabling them to obtain rapid and up-to-date information on the stocks

in their portfolios. The factsheet will include not only the company's overall ESG score but also its score for each module (E, S and G), the main recent items of newsflow and the top 4 most relevant points to take into consideration depending on the sector in which the company operates.

### ESG factsheet



Source: ODDO BHF Asset Management SAS

### 3.6 How often is the ESG evaluation of the issuers reviewed? How are any controversies managed?

Updates are carried out whenever the fund managers and ESG analysts meet the company in question, otherwise every 18 to 24 months on average. A positive or negative development as regards an ESG controversy may also change a company's score at any time.

Controversies are central to our ESG analysis model and are included in the Environmental (pollution, biodiversity destruction etc.), Social (industrial accidents, supply chain incidents, client incidents, employee incidents, relations with local communities), and "Governance (fundamental rights, corruption, tax transparency) modules.

The occurrence of a "High" or "Serious" controversy regarding a portfolio company will not systematically result in it being excluded, but it will trigger active dialogue between the fund management team, the ESG research team and the company in question. Controversies are reviewed during our quarterly ESG





Committee meetings which are responsible for organising dialogue and engagement with companies on ESG matters.

A company's ESG score can be affected by a controversy but also by developments resulting from dialogue, so the fund management team decides whether or not the company remains in the portfolio on a case-by-case basis. In the meantime, it will estimate the direct and indirect financial consequences and factor them into its valuation models. If dialogue does not result in improved ESG practices within 18 to 24 months, the fund management team must disinvest the stock.

## 4. Investment process

### 4.1 How are the results of the ESG research integrated into portfolio construction?

The fund ODDO BHF Sustainable Credit Opportunities Bond aims to achieve a performance, net of fees, higher than that of the EONIA index + 3% (capitalised) on an annual basis by managing a portfolio investing at least 70% of its total assets in securities issued by issuers headquartered in an OECD member state and integrating an ESG (Environmental, Social, and Governance) criteria analysis in parallel. The investment universe of the Sub-Fund is made up of the companies included in the following credit market indices: the ICE BofAML Euro Corporate Senior Index, the ICE BofAML BB-B Euro High Yield Non-Financial Constrained Index, the ICE BofAML Euro Subordinated Financial Index, the ICE BofA Euro Non-Financial Subordinated Index, the ICE BofAML Euro Large Cap ex Corporates Index, and the ICE BofA Non-Financial US Emerging Markets Liquid Corporate Plus Index and the ICE BofA Contingent Capital Index.

First, the Investment Manager takes ESG (Environment, Social and Governance) criteria into account in a significant way, thanks to a selectivity approach covering a large majority of the securities in the Sub-Fund's investment universe, leading to eliminating at least 20% of this universe. This selectivity approach is carried out in two stages:

- **First stage: sector exclusion:**  
Based on information from the Investment Manager's external ESG data provider (i.e. MSCI), and in particular MSCI Business Involvement Screening, the Sub-Fund will not be able to invest in the tobacco (5% of revenue), gambling (5% of revenue), oil sand & shale gas/oil (5% of revenue), weapons (5% of revenue), GMO & pesticides (5% of revenue), coal mining and production of coal-based energy (ODDO BHF's coal policy with specific thresholds), and nuclear (5% of revenue) sectors. Moreover, based on the MSCI ESG Controversies Score, the Sub-Fund will not be able to invest in companies that do not comply with the UN Global Compact principles.
- **Second stage: ESG rating**  
This stage consists in considering ESG rating to a large majority of companies in the investment universe, whether the rating comes from the Investment Manager's internal rating or from the Investment Manager's external provider of extra-financial data. The ESG filter of the Investment Manager's external provider of extra-financial data is based on the MSCI ESG Rating that evaluates the exposure of companies to ESG related risks and opportunities on a scale of CCC (worst rating) to AAA (best rating). It is based on the sub-ratings on a scale of 0 (worst) to 10 (best) for the environment, social and governance areas. The Investment Manager's internal ESG analysis process combines two approaches:
  - "Best-in-universe": the Investment Manager's management team favors the highest-rated issuers regardless of size and sector of activity



- "Best effort": the Investment Manager's management team promotes progress over time with issuers, through direct dialogue with them

The combination of external and internal rating processes further reduces the Sub-Fund's investment universe to determine its eligible universe:

1. Companies that are not followed by the Investment Manager's internal model or by the Investment Manager's external provider of extra-financial data are systematically excluded from the investment universe;
2. Companies that are not followed by the Investment Manager's internal model and with an MSCI ESG Rating of CCC and B if the MSCI ESG sub-rating is below 3 for one of the environment, social or governance categories are systematically excluded from the investment universe;
3. Finally, companies rated 1 out of 5 in our internal rating scale on the "human capital" and/or "corporate governance" pillars are also systematically excluded from the investment universe.

These exclusions reduce the volatility of the portfolio and likelihood of idiosyncratic events in the portfolio by implementing these ESG criteria. Therefore, we also exclude the weakest names with regards to "human capital" and "corporate governance" as we have seen that very weak scores here result in the risk that the long-term strategy of the company is not achievable/sustainable.

The ESG internal team will analyze the issuers selected by the Investment Manager's management team, consequently, at least 90% of the net assets of the Sub-Fund are subject to an internal ESG rating.

#### 4.2 How are criteria specific to climate change integrated into the portfolio construction?

As described in paragraph 3.4, ODDO BHF Asset Management SAS has introduced a climate policy with three priorities: awareness, via our proprietary indicator of a company's energy transition contribution (ETA score); dialogue and engagement, primarily through our participation in the collaborative initiative Climate Action 100+ dealing with climate issues; and the exclusion of coal activities.

When building a portfolio, climate change criteria are factored into our analysis of each issuer's Environment module within our internal model, as described in point 3.3 of the present document. More specifically, we strive to accurately analyse the materiality of climate change-related risks and/or opportunities to which a company is exposed during its operating cycle. We do so largely thanks to CDP data, which are now aligned with the recommendations of the international Task Force on Climate-related Financial Disclosures (TCFD).

#### Extract of an Environment module from our internal analysis model

ENVIRONMENTAL RISKS	20,0	30,0			
Rebasé	20,0	30,0			
CDP Answer	No				
<b>1- Governance</b>	<b>10,0</b>	<b>10,0</b>			
Position on the board with responsibility for climate-related issues	10,0	10,0		A	Chief Executive Officer (CEO)
<b>2- Strategy Assessment</b>	<b>10,0</b>	<b>10,0</b>			
Are climate-related issues integrated into your business strategy?	10,0	10,0	Low Carbon strategy	A	Yes, and we have developed a low-carbon transition plan
Use of climate-related scenario analysis					Yes, qualitative and quantitative
Use of an internal carbon price					35,0
Do you engage with your value chain on climate-related issues?					Yes, other partners in the value chain; Yes, our suppliers
<b>3- Risk Management</b>	<b>10,0</b>	<b>10,0</b>			
Where in the value chain does the risk driver occur?	10,0	10,0		A	Direct operations
Risk type with the potential to have financial or strategic impact					Other, please specify: Eco-contributions
Primary climate-related risk driver					Emerging regulation
<b>4- Targets</b>	<b>10,0</b>	<b>10,0</b>			
Active emissions targets	10,0	10,0		A	Carbon pricing mechanisms
Is this a science-based target?					Changes in precipitation patterns and extreme variability in weather patterns
Verification / Assurance status					Yes
<b>No CDP coverage</b>	<b>20,0</b>	<b>30,0</b>			Yes, this target has been approved as science-based by the Science-Based Targets initiative
Risk Exposure	20,0	30,0			Both absolute and intensity targets

Source: ODDO BHF Asset Management SAS

#### 4.3 How are the issuers that are present in the portfolio, but not subject to ESG analysis evaluated (not including mutual funds)?

For the fund featuring in this transparency code, we undertake to analyse and assign a score from our internal model to at least 90% of the stocks held in each portfolio. For the share not covered by our internal ESG analysis model, we use the ratings supplied by our external non-financial data provider, MSCI, in order to get a basic overview of the ESG risks and opportunities of the stocks in question.



#### **4.4 Has the ESG evaluation or investment process changed in the last twelve months?**

Yes, we moved from Sustainalytics to MSCI as our key data provider and adapted our internal methodology accordingly. We also added exclusion in the prospectus to align the fund with labels' requirements.

#### **4.5 Is a part of the fund(s) invested in entities pursuing strong social goals/social enterprises?**

No, the fund presented in this code does not invest in entities pursuing strong social goals.

#### **4.6 Does (do) the fund(s) engage in securities lending activities?**

The fund presented in this transparency code is authorised to engage in securities lending only under the conditions described in the prospectus. Currently, the fund presented in this document does not engage in securities lending activities.

#### **4.7 Does (do) the fund(s) use derivative instruments?**

The fund presented in this transparency code is authorised to use derivative instruments only under the conditions described in the prospectus.

ODDO BHF Sustainable Credit Opportunities may use derivatives for the purpose of hedging currency risk or hedging against, or gaining exposure to, interest-rate or credit risk (for purposes of efficient portfolio management).

#### **4.8 Does (do) the fund(s) invest in mutual funds?**

The fund presented in this transparency code is authorised to invest in UCITs, subject to an exposure limit of 10% of their net assets.

## 5. ESG Controls

### 5.1 What internal and/or external control mechanisms are in place to ensure compliance of the portfolio with the ESG rules on managing the fund(s) as defined in section 4?

The fund management process described systematically applies a dual ESG filter : an initial, in-house research filter (based on sector exclusions and detection of high risks in the human capital and/or corporate governance pillars of our in-house model) and a second, external research filter (the lowest ratings and stocks not covered by our supplier of extra-financial data).

Control procedures are in place on two levels to ensure these rules are followed:

#### At the fund management level

The ESG research team sends all the exclusion lists to the fund managers responsible for SRI funds. In addition, before investing in any new company, the fund management teams responsible for the funds contact the ESG analysts to ensure that the issuer in question is eligible after being screened by the human capital/corporate governance selection filter.

#### Via independent controls of the management company

The exclusion lists and ESG selection rules (an internal exclusion filter on human capital and corporate governance and external exclusion filters based on data from our external service provider) are set up in the compliance pre trade system (Bloomberg AIM). This option allows to apply an exclusion lists to the fund and generates blocking messages prior to trades being executed or orders being sent to the desk:

- Pre-trade in front-office Bloomberg AIM (buy orders blocked) based on the portfolios in real time;
- Post-trade via the internal Sentinel tool (reminder issued in case if possible non-compliance) based on the accounting inventories.



## 6. Impact measures and ESG reporting

### 6.1 How is the ESG quality of the fund(s) assessed?

As part of the management of ODDO BHF Sustainable Credit Opportunities, ODDO BHF Asset Management discloses the following information in the monthly fund factsheet:

- The weighted average internal ESG rating of the portfolio and its benchmark, in accordance with the analysis methodology described in point 3.5;
- The top 10 ESG ratings in the portfolio;
- The carbon weighted intensity of the portfolio and its benchmark ;
- Exposure to fossil fuel reserves (brown share);
- Exposure to carbon solutions (green share);
- The average percentage of women on the executive committee;
- The average percentage of independent directors.

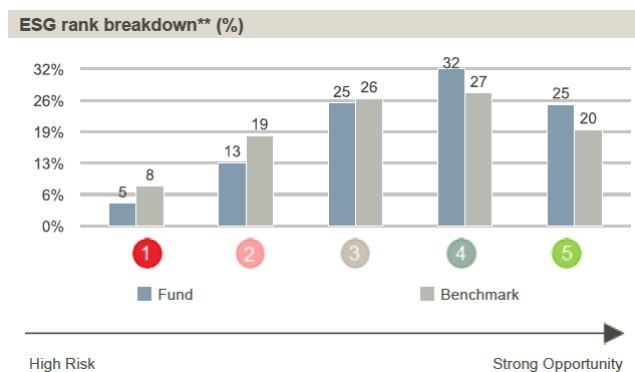
All of these indicators and their coverage rate are calculated monthly on the basis of data provided by MSCI ESG Research and our internal ESG model.

#### Extract of ESG information from monthly reporting

Weighted average ESG rank				
	Fund		Benchmark	
	April 2021	April 2020	April 2021	April 2020
ESG rank	3.6	3.3	3.3	3.2
ESG coverage**	97.1%	95.3%	83.6%	77.6%

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.

Benchmark : IBoxx € Corporates (TR)



Source: ODDO BHF Asset Management SAS, April 2021

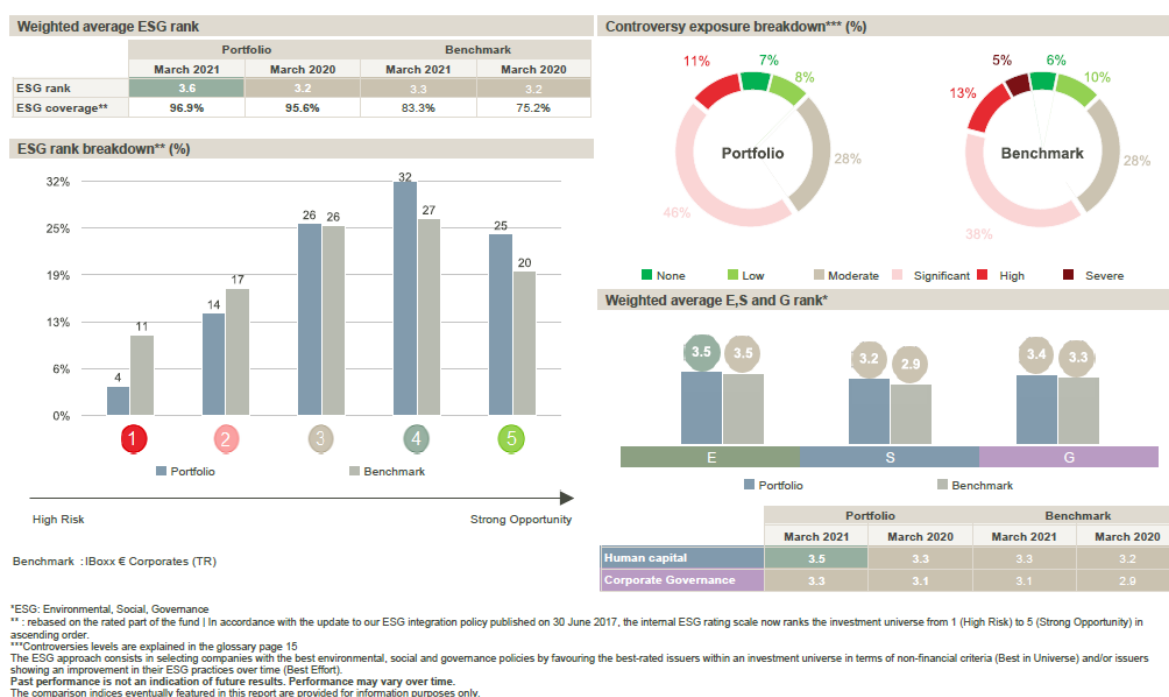


Meanwhile, in early 2020, ODDO BHF Asset Management set up a detailed monthly ESG report based on the portfolio structure, with ESG ratings, detailed breakdowns by E, S and G blocks, exposure to controversies, CO2 and climate elements, and extra-financial impact indicators.

[https://www.am.oddo-bhf.com/france/en/professional\\_investor/DownloadSingleDocumentML?Langue=GB&IDSarray=22618&IdSeqArray=778210](https://www.am.oddo-bhf.com/france/en/professional_investor/DownloadSingleDocumentML?Langue=GB&IDSarray=22618&IdSeqArray=778210)

## Extract from the detailed ESG reporting

### ESG\* consolidated indicators



Source: ODDO BHF Asset Management SAS, March 2021

## 6.2 What ESG indicators are used by the fund(s)?

ODDO BHF Asset Management SAS considers ESG impact assessment to be crucial to spreading best practices in the field of responsible investment. We therefore think it is essential to use quantitative criteria that are reliable, simple (no restatements) and comparable from one portfolio to another irrespective of their composition (company size, geographic diversity, sector diversity). So the choice of indicators is critical in ensuring that impact assessment is relevant.



At the present time, and in accordance with Article 173 of the Energy Transition for Green Growth Act for French funds with assets exceeding 500 million euros, we publish carbon intensity as an indicator of environmental impact for all our funds that incorporate ESG criteria into their investment processes.

In addition, in accordance with the French SRI label, UCITs with a label must achieve better results on at least two ESG performance indicators, known as "engaging ESG performance indicators", compared to their benchmark or initial universe.

For the management of the ODDO BHF Sustainable Credit Opportunities fund, the first engaging ESG performance indicator is the corporate governance. This is assessed by our proprietary model. The coverage rate of this first indicator must be at least 90%.

The second engaging ESG performance indicator is human capital management. This is the management quality rating assessed by our proprietary model. The coverage rate of this second indicator must be at least 70%.

The third engaging ESG performance indicator is the Energy Transition Analysis (ETA) scoring. This is assessed by our proprietary model. The coverage rate of this third indicator must be at least 70%.

### **6.3 What communication resources are used to provide investors with information about the SRI management of the fund(s)?**

We have a dedicated page on our website with details about our responsible investor practices:

[https://am.oddo-bhf.com/france/en/non\\_professional\\_investor/ad/investment\\_capabilities/1008/sustainable\\_investments\\_esg/1016](https://am.oddo-bhf.com/france/en/non_professional_investor/ad/investment_capabilities/1008/sustainable_investments_esg/1016)

The following information is publicly available:

**Our ESG approach**

**Our climate approach**

**Our annual PRI report**

**Our annual report complying with Article 173 of the French Energy Transition for Green Growth Act**

**Our shareholder engagement policy**

**Our annual report on the exercise of voting rights**

**Our annual dialogue and engagement policy report**

**Our SFDR policies**

Our theme-based white papers are also available on this dedicated page (see paragraph 2.3 of the present document).

In addition, all regulatory documents concerning the funds featuring in this transparency code are available at the following address:

[https://am.oddo-bhf.com/france/en/non\\_professional\\_investor/fundspage](https://am.oddo-bhf.com/france/en/non_professional_investor/fundspage)

All information related to SFDR can be found on our regulatory information page: [https://am.oddo-bhf.com/france/en/investisseurprofessionnel/infos\\_reglementaire](https://am.oddo-bhf.com/france/en/investisseurprofessionnel/infos_reglementaire)

#### **6. 4 Does the fund management company publish the results of its voting and engagement policies?**

The reports on ODDO BHF Asset Management SAS voting policy and dialogue and engagement policy are available on the dedicated ESG page of our website:

[https://am.oddo-bhf.com/france/en/non\\_professional\\_investor/ad/investment\\_capabilities/1008/sustainable\\_investments\\_esg/1016](https://am.oddo-bhf.com/france/en/non_professional_investor/ad/investment_capabilities/1008/sustainable_investments_esg/1016)



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- Eurosif is responsible for managing and publishing the Transparency Code.
- For Germany, Austria, Liechtenstein and Switzerland, the Sustainable Investment Forum (FNG) e.V.
- Eurosif and the FNG publish the answers to the Transparency Code on their websites.
- Eurosif, in cooperation with the FNG, awards a "transparency logo" to those funds that have followed the Code and submitted a response. The logo can be used for promotional purposes, following the instructions in the logo specification manual and keeping the code up-to-date. The code is to be updated annually.
- Eurosif undertakes to regularly revise the Code. This process will be open and inclusive.



## EUROSIF

Eurosif - short for the European Sustainable and Responsible Investment Forum - is a pan-European association dedicated to promoting sustainability through Europe's financial markets.

Eurosif works as a partnership of the European national Sustainable Investment Fora (SIFs) with the support and participation of its members. The members cover all areas along the value chain of the sustainable finance industry. Other members come from the countries where no SIF exists.

Institutional investors are as represented as asset managers, asset managers, sustainability research agencies, scientific institutes and non-governmental organizations. Eurosif represents assets worth around one trillion euros through its members. Eurosif membership is open to all organizations in Europe dedicated to sustainable investing.

Eurosif is recognized as an important voice in sustainable and responsible investment. His areas of expertise include public policy, research and building platforms to promote best practices in sustainable investing. Further information can be found at [www.eurosif.org](http://www.eurosif.org).

Currently, the national Sustainable Investment Fora (SIFs) are:

- Dansif, Denmark
- Finsif, Finland
- Sustainable Investment Forum \* (FNG) eV, Germany, Austria, Liechtenstein and Switzerland
- Forum per la Finanza Sostenibile \* (FFS) , Italy
- Forum pour l'Investissement Responsable \* (FIR), France
- Norsif, Norway
- Spainsif \*, Spain
- Swesif \*, Sweden
- UK Sustainable Investment and Finance Association \* (UKSIF), United Kingdom
- Vereniging van Beleggers voor Duurzame Ontwikkeling \* (VBDO), Netherlands

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## FNG

The Forum Nachhaltige Geldanlagen (FNG), the Association for Sustainable Investment in Germany, Austria, Liechtenstein and Switzerland, represents more than 170 members who are committed to greater sustainability in the financial sector. These include banks, investment companies, rating agencies, financial advisers and scientific institutions. The FNG promotes dialogue and exchange of information between business, science and politics, and has been working since 2001 to improve the legal and political framework conditions for sustainable investments. The FNG lends its transparency logo to sustainable retail funds, publishes the FNG sustainability profiles and the FNG matrix and is a founding member of the European umbrella organization Eurosif.

You can reach the Sustainable Investment Forum at +49 (0) 30 264 70.544 or at [office@forum-ng.org](mailto:office@forum-ng.org)

Forum Nachhaltige Geldanlagen e.V.  
Rauchstr. 11  
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## Towards Sustainability Initiative

The Towards Sustainability Initiative wants to help all types of retail and institutional investors looking for more sustainable savings and investment solutions. Also, it wants to encourage financial institutions to offer a diverse and qualitative range of sustainable products.

The **quality standard** aspires to increase the level of socially responsible and sustainable financial products, and to mainstream its principles towards traditional financial products.

The **label** aims to instil trust and reassure potential investors that the financial product is managed with sustainability in mind and is not exposed to very unsustainable practices, without requiring of investors to do a detailed analysis themselves. However, transparency on all elements needed for such an analysis should be present.

Independent **supervision** by the Central Labelling Agency (CLA) protects the integrity of the quality standard and the label, and will manage their continuing development.

More information here: <https://www.towardssustainability.be/en>

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