PRODUCT NAME:
ODDO BHF Valeurs Rendement

LEGAL ENTITY IDENTIFIER:
969500BDRMS84PA5VT39

Environmental and/or social characteristics

DOES THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

●● ☐ Yes	●● ☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective**: N/A ☐ In economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ In economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ It will make a minimum of **sustainable investments with a social objective**: N/A	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments ☐ With an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ With an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ With a social objective ☐ It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

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

The Fund promotes environmental and/or social characteristics that are reflected in the construction and weighting of the Management Company's internal rating system.

The internal ESG analysis process is twofold:

- "best-in-universe": the Management Company favours the highest rated issuers regardless of their size and sector of activity.
- "best effort": the Management Company values the progress made over time by issuers, thanks to direct dialogue with them.

As part of the company rating process, the following criteria, among others, are analysed:

- **Environmental**: energy consumption, water consumption, waste management, environmental certifications, products and services with environmental value-added, climate risk management, etc.
- **Social**: human capital (human resources management, executive team diversity, training, employee health and safety, etc.), supplier management, innovation, etc.
- **Governance**: corporate governance (preservation of minority shareholder's interests, composition of governance bodies, remuneration policy, etc.), fiscal responsibility, exposure to risk of corruption, etc.

Close attention is paid to analysing human capital and corporate governance, which account for 30% and 25% of each company's score, regardless of its size or industry. We believe that poor human capital management or corporate governance failures pose a major risk to the execution of a company's strategy and therefore to its valuation.

The analysis of controversies (industrial accidents, pollution, convictions for corruption, anti-competitive practices, product safety, supply chain management, etc.), based on information provided by our external non-financial data provider, is integrated into the rating process and directly influences the ESG rating of each company.

This internal ESG analysis results in an internal rating system on a scale of 1 (worst) to 5 (best): High ESG Opportunity (5), ESG Opportunity (4), ESG Neutral (3), Moderate ESG Risk (2) and High ESG Risk (1).

WHAT SUSTAINABILITY INDICATORS ARE USED TO MEASURE THE ATTAINMENT OF EACH OF THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THIS FINANCIAL PRODUCT?

The Management Company's ESG model uses all of the characteristics and indicators mentioned in the paragraph above, and the monthly ESG report currently shows indicators that demonstrate their attainment as follows:

- The portfolio's weighted internal ESG rating to measure the overall attainment of environmental, social and governance characteristics.
- The weighted internal rating to assess the quality of corporate governance.
- The weighted internal rating to assess the quality of management;
- The Fund's carbon intensity (total scope 1 and 2 CO_2 emissions divided by total revenue of the companies in which the Fund invests).
- The brown share of the Fund's investments (exposure to fossil fuel industries according to MSCI ESG research).
- The green share of the Fund's investments (exposure to green solutions according to MSCI ESG research).

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

WHAT ARE THE OBJECTIVES OF THE SUSTAINABLE INVESTMENTS THAT THE FINANCIAL PRODUCT PARTIALLY INTENDS TO MAKE AND HOW DOES THE SUSTAINABLE INVESTMENT CONTRIBUTE TO SUCH OBJECTIVES?

The Fund's sustainable investment objective is **environmental**: contribution to the environmental impact as defined by MSCI ESG research, and its "sustainability impact" field in relation to environmental objectives. It covers the impacts on the following categories: alternative energy, energy efficiency, eco-construction, sustainable water, pollution prevention and control, sustainable farming.

HOW DO THE SUSTAINABLE INVESTMENTS THAT THE FINANCIAL PRODUCT PARTIALLY INTENDS TO MAKE NOT CAUSE SIGNIFICANT HARM TO ANY ENVIRONMENTAL OR SOCIAL SUSTAINABLE INVESTMENT OBJECTIVE?

The following approach is taken to comply with Article 2(17) of the SFDR.

- **Sectors excluded from investments:** The Management Company's exclusion policy is applied to eliminate sectors that have the most significant adverse impacts on sustainability objectives. The Fund applies strict exclusions to companies that do not respect the UN Global Compact, and sectoral exclusions for coal mining, coal-based power generation and development projects or infrastructure related to coal, non-conventional weapons (chemical weapons, anti-personnel mines and cluster bombs), tobacco, the non-conventional production and processing of oil and gas, operations and production in the Arctic region, companies active in the palm oil industry that contravene sustainability principles and companies that have a history of involvement in serious breaches and environmental controversies.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

- **Controversies:** After the ESG has double-checked, companies that are the most controversial according to our MSCI ESG data will not be considered sustainable.

- **Consideration of the principal adverse impacts**: Doing no significant harm to the sustainability objectives, the Management Company sets (pre-trade) testing rules for selected significantly harmful activities: exposure to controversial weapons (zero tolerance), activities negatively affecting biodiversity sensitive areas (zero tolerance) and serious violations of the principles of the UN Global Compact and OECD Guidelines for Multinational Enterprises (zero tolerance).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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

Regulation (EU) 2020/852 establishes certain areas of concern that may have an adverse impact (“PAI”).

The Management Company applies pre-trade rules to three PAIs:

- exposure to controversial weapons (PAI 14 and zero tolerance),
- activities negatively affecting biodiversity sensitive areas (PAI 7 and zero tolerance)
- serious violations of the principles of the UN Global Compact and OECD Guidelines for Multinational Enterprises (PAI 10 and zero tolerance).

The Management Company also considers other PAIs in its ESG analysis for companies when the information is available, but without strict testing rules. PAI data is collected to determine the Management Company’s final ESG rating.

ESG analysis covers monitoring of greenhouse gas emissions (PAI 1), exposure to fossil fuels (PAI 4), the share of non-renewable energy consumption and production (PAI 5), energy consumption intensity per high impact climate sector (PAI 6), lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (PAI 11), the unadjusted gender pay gap (PAI 12) and board gender diversity (PAI 13). The Management Company also considers two other PAIs: deforestation policy (PAI 15) and lack of human rights policy (PAI 9).

If the Fund has sovereign investments, the manager’s ESG model includes the two main PAIs in the ESG analysis: greenhouse gas intensity (PAI 15) and investee countries subject to social violations (PAI 16).

More detailed information on the management company’s consideration of PAIs is available at www.am.oddo-bhf.com

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

The Management Company ensures that the Fund’s sustainable investments are aligned by applying its UN Global Compact (UNGC) exclusion list, as indicated in the Management Company’s exclusion policy.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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

☒ Yes, in accordance with the provisions of Article 8 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR), the Management Company takes sustainability risks into account by integrating ESG (Environmental and/or Social and/or Governance) criteria into its investment decision-making process, as set out in the "Investment Strategy" section. This process also makes it possible to assess the management team's ability to manage the adverse impacts of their business activities on sustainable development. For more information, please refer to the Fund prospectus, which is available on the Management Company's website: am.oddo-bhf.com.

☐ No

WHAT INVESTMENT STRATEGY DOES THIS FINANCIAL PRODUCT FOLLOW?

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

The investment strategy consists in investing in European Union (EU) equities on a discretionary basis.
Equities are selected on the basis of a stock-picking approach. The investment universe mainly comprises stocks that pay a dividend with a yield greater than the market average and companies that pay out exceptional dividends and/or buy back shares worth at least 10% of their market capitalisation over a two-year period.

Initially, the management team takes into account non-financial criteria, thanks to a two-stage approach:

I. First stage: sectoral exclusions

It consists in applying strict exclusions to companies that do not respect the UN Global Compact, and sectoral exclusions for coal mining, coal-based power generation and development projects or infrastructure related to coal, non-conventional weapons (chemical weapons, anti-personnel mines and cluster bombs), tobacco, the non-conventional production and processing of oil and gas, operations and production in the Arctic region, companies active in the palm oil industry that contravene sustainability principles and companies that have a history of involvement in serious breaches and environmental controversies. Details about the Management Company's exclusion policy which give further information on ESG integration and exclusion thresholds are available at "am.oddo-bhf.com".

II. Second stage: ESG rating

Issuers are awarded an ESG score using an internal model based on the ESG research of the external data provider MSCI. This model combines a best-in-universe approach that favours companies with the highest scores irrespective of sector, and a best-effort approach by developing a system of shareholder dialogue. Specific attention is paid to the analysis of human capital and corporate governance.

This internal ESG analysis results in an internal scoring system on a scale of 1 (worst) to 5 (best): High ESG Opportunity (5), ESG Opportunity (4), ESG Neutral (3), Moderate ESG Risk (2) and High ESG Risk (1).

There is a risk that the model for internal ESG scoring may not fully meet the purposes for which it has been developed.

The average portfolio score will therefore be equal to or higher than that of the benchmark on the basis of this internal scoring system. The Management Company may select stocks that are not included in the benchmark index. However, it will ensure that the benchmark used is a relevant comparative reference for the Fund's ESG rating. The management team takes into account the weighting of securities held in the portfolio when calculating the portfolio average. At least 90% of issuers in which the Fund invests have an ESG rating.

The management team takes into account environmental, social and governance (ESG) criteria in its investment decisions but they are not the dominant factor. The investment decisions taken may therefore not be consistent with ESG criteria.

Stocks are then selected through a structured, selective investment process designed by the management team which conducts a fundamental analysis of each company based on relevant sector criteria. There are five of these criteria, adapted to each sector: low valuation, profitability, growth and cash generation, financial structure and dividend cover.

The Fund is eligible for the French Equity Savings Plan (Plan d'Epargne en Actions or PEA). To this end, at least 75% of its portfolio is permanently invested in equities which are eligible for a PEA. Furthermore, the Fund may invest up to a maximum of 20% in stocks issued by companies with their registered office located on the European continent but outside the EU.

The Fund invests at least 51% of its total value in equity participations, within the meaning of Section 2 Para. Para. 8 of the German Investment Tax Act (GITA) and as laid down in the "Tax regime" section of this Prospectus.

Even in the event of a downturn in the equity markets, the portfolio's exposure to equities may not fall below 60% of the Fund's net assets.

The portion invested in fixed income products may represent up to a maximum of 25% of the Fund's assets.

The portfolio is constructed with the intention of optimising the risk/return ratio; the fixed income component will be managed in the same way, and will be used to counter the risk of a significant fall in the equity markets.

The Fund's maximum exposure to the instruments (equities, debt securities, funds and derivatives) may not exceed 120% of net assets, it being understood that the maximum exposure is the sum of the net exposures to each of the markets (equity, fixed income, money) to which the Fund is exposed (the sum of long and hedging positions).

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

The Fund may not invest in companies that do not respect the UN Global Compact, or in coal mining, coal-based power generation and development projects or infrastructure related to coal, non-conventional weapons (chemical weapons, anti-personnel mines and cluster bombs), tobacco, the non-conventional production and processing of oil and gas, operations and production in the Arctic region, companies active in the palm oil industry that contravene sustainability principles and companies that have a history of involvement in serious breaches and environmental controversies. Details about the Management Company's exclusion policy which give further information on ESG integration and exclusion thresholds are available at am.oddo-bhf.com.

The average portfolio score will be equal to or higher than that of the benchmark on the basis of this internal scoring system.

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

The fund management team does not have any committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy.

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

ODDO BHF's Responsible Investment Policy describes our definition and assessment of good governance practices.

WHAT IS THE ASSET ALLOCATION PLANNED FOR THIS FINANCIAL PRODUCT?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

– **turnover** reflecting the share of revenue from green activities of investee companies.

– **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

– **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

At least 75% of the Fund's net assets will be invested in listed shares, with no sector allocation, issued by companies headquartered in an EU member country. The Fund will invest mainly in the shares of large caps. The Fund will also invest up to 20% of its net assets in equities of issuers with their registered office located on the European continent but not in an EU member country.

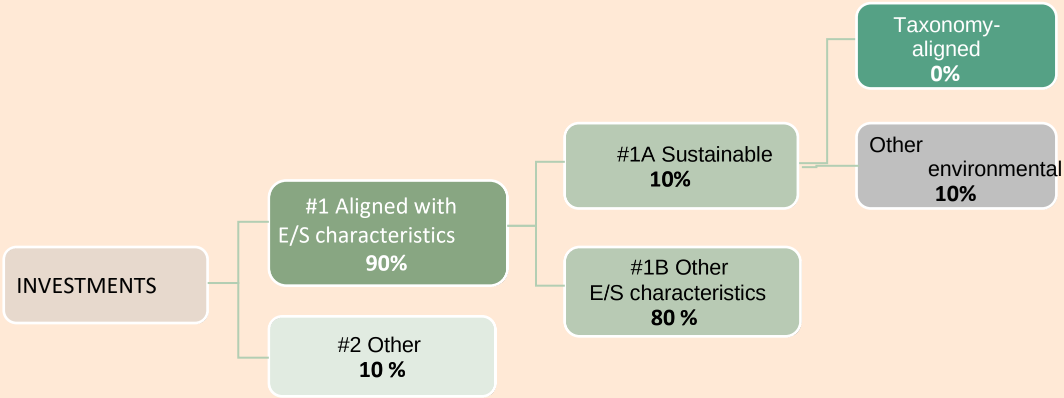
The Fund may invest up to a maximum of 25% of its net assets in bonds and fixed, floating or revisable rate debt securities. The instruments used will be public sector or corporate bonds or transferable debt securities with a short residual maturity and a rating greater than or equal to A (from S&P, Moody's or Fitch or deemed equivalent by the Management Company, or according to its own internal rating).
Lastly, the Fund may hold up to 10% of its net assets in convertible bonds.

Up to 10% of the Fund may be invested in units or shares of other funds.

The Fund may invest in all financial futures or options traded on regulated or organised markets or over-the-counter in France and other countries in order to: - expose the portfolio to equity risk (sectors or indices) without seeking overexposure, in order to achieve the stated investment objective. - hedge the portfolio against equity and currency risks. The instruments used shall be futures, options, currency swaps and forward exchange contracts. These instruments shall be held without seeking overexposure, up to the limit of 100% of the Fund's net assets
The Fund may hold up to 10% of its net assets in convertible bonds, subscription certificates and/or warrants in order to hedge/generate exposure to equity risk, without seeking overexposure.

To manage cash, invest collateral received and optimise income, the Fund may enter into reverse repurchase (up to 25% of the Fund's net assets) and securities lending (up to 20% of the Fund's net assets) agreements.

HOW DOES THE USE OF DERIVATIVES ATTAIN THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THE FINANCIAL PRODUCT?



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

#1 **#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 **#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives;

The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

HOW DOES THE USE OF DERIVATIVES ATTAIN THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THE FINANCIAL PRODUCT?

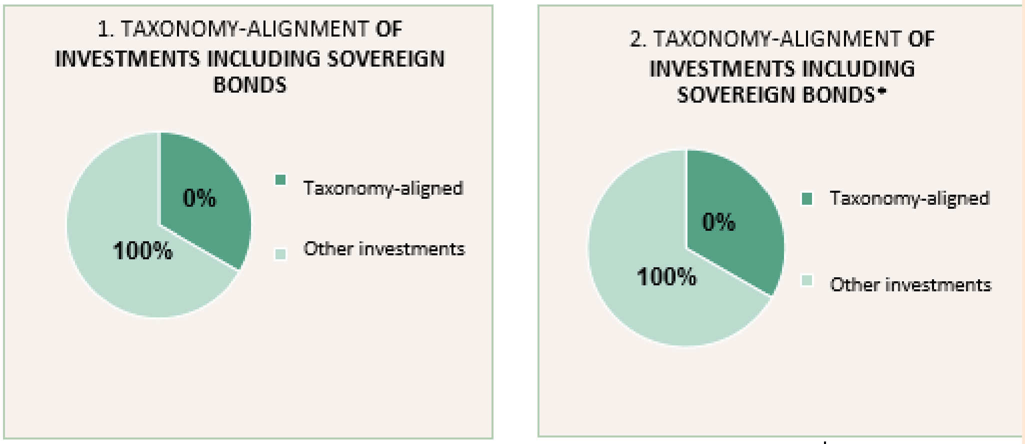
Derivatives are not used to improve ESG alignment or reduce ESG risk. As part of the investment strategy, the Fund is authorised to use derivatives for hedging and exposure purposes.

TO WHAT MINIMUM EXTENT ARE SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE ALIGNED WITH THE EU TAXONOMY?

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures

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

The percentage is not yet known.

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

There is no minimum share of sustainable investments with an environmental objective, but the Fund may make investments with an environmental objective.

WHAT IS THE MINIMUM SHARE OF SOCIALLY SUSTAINABLE INVESTMENTS?

There is no minimum share of sustainable investments with a social objective, but the Fund may make investments with a social objective.

WHAT INVESTMENTS ARE INCLUDED UNDER "#2 OTHER", WHAT IS THEIR PURPOSE AND ARE THERE ANY MINIMUM ENVIRONMENTAL OR SOCIAL SAFEGUARDS?

Investments included under "#2 Other" are derivatives and other ancillary assets.

IS A SPECIFIC INDEX DESIGNATED AS A REFERENCE BENCHMARK TO DETERMINE WHETHER THIS FINANCIAL PRODUCT IS ALIGNED WITH THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS THAT IT PROMOTES?

Reference benchmarks are indices to measure whether the financial product attains the environmental or social characteristics that they promote.

The Fund's benchmark index is the Stoxx 50 (dividends reinvested). This is a broad market index that does not necessarily reflect, in its composition or method of calculation, the ESG characteristics promoted by the Fund.

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

The benchmark is not aligned with the environmental or social characteristics promoted by the financial product. Environmental and social characteristics are covered only by the Fund's ESG investment strategy.

HOW IS THE ALIGNMENT OF THE INVESTMENT STRATEGY WITH THE METHODOLOGY OF THE INDEX ENSURED ON A CONTINUOUS BASIS?

The benchmark administrator does not check ESG compliance of the index or its components. Issuers' ESG risks and their efforts to promote ESG objectives are factored into the Fund through its investment strategy.

HOW DOES THE DESIGNATED INDEX DIFFER FROM A RELEVANT BROAD MARKET INDEX?

The Fund's benchmark is a broad market index that does not necessarily reflect, in its composition or method of calculation, the ESG characteristics promoted by the Fund. For a description of the method used to calculate the index, please visit the STOXX website (www.stoxx.com).

WHERE CAN I FIND MORE PRODUCT SPECIFIC INFORMATION ONLINE?

Additional information on the application of ESG criteria by the Management Company shall be available in the Fund's annual report and on the Management Company's website: www.am.oddo-bhf.com