PRODUCT NAME:
ODDO BHF Global Target 2028

LEGAL ENTITY IDENTIFIER:
969500XPDH1A64WTNM31

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 2% 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 Sub-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.

These two stages may mean that companies excluded because of their low ESG profile but with strong potential for progress in sustainability may be brought back into the investment universe.

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 added environmental value or climate risk management.

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

- **Governance**: corporate governance (preservation of minority shareholder's interests, composition of governance bodies, remuneration policy, etc.), fiscal responsibility, or exposure to risk of corruption.

The Management Company's ESG team, with help from the fund management team, pays close attention to analysing human capital and corporate governance, which respectively 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.

Our analyses are conducted in collaboration by our management and our ESG analyst teams, and enable us to identify the non-financial risks to which each issuer is potentially exposed (corruption, reputation, regulation, retention of talent, product quality and safety, etc.). They allow us to understand if these constitute a significant risk in the delivery of the strategy and published targets. In this way, the result of our ESG analysis is a concrete expression of the risk of executing an issuer's medium and long-term strategy.

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 Sub-fund's carbon intensity (total scope 1 and 2 CO_2 emissions divided by total revenue of the companies in which the Sub-fund invests).
- The brown share of the Sub-fund's investments (exposure to fossil fuel industries according to MSCI ESG research).
- The green share of the Sub-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.

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.

- **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 Sub-fund excludes companies manufacturing non-conventional weapons (chemical weapons, anti-personnel mines and cluster bombs, blinding laser weapons, incendiary weapons and non-detectable fragment weapons, nuclear weapons manufactured by a company incorporated in a country not party to the Nuclear Non-Proliferation Treaty (NPT)), and companies undertaking coal mining, coal-based power generation and development projects or infrastructure related to coal, the production of tobacco, and of adult entertainment.

- **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).

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").

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.

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 Sub-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 Sub-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 Sub-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 Sub-fund's investment strategy is to manage, on a discretionary basis, a diversified portfolio of debt securities composed, up to a limit of 100% of the Sub-fund's net assets, of traditional, high yield bonds rated between BB+ and CCC (by Standard & Poor's or equivalent as assessed by the Management Company, or according to its own internal rating), of which at least 60% are issued by corporate issuers with their registered office in an OECD member country and with maturities of a maximum of six months and one day after 31 December 2028 (final maturity of the product or early redemption options at the sub-fund's discretion).

The strategy is not limited to holding bonds; the Management Company may make changes to the portfolio to take advantage of new opportunities in the market, or if it detects an increase in the risk of default of one of the issuers in the portfolio.

Within the limit of 40% of the net assets, the sub-fund may hold securities from corporate issuers whose registered office is located outside of the OECD, including in emerging countries.

The Sub-fund seeks to maximise the portfolio's average yield-to-maturity at the maturity date of 31 December 2028 and select the issuers with the lowest default risk in light of the return offered and

fundamental analysis of the various risk factors inherent to said issuers. It seeks to select securities that the manager deems to have been unjustly downgraded by rating agencies. By taking a large number of factors into account when selecting assets, the sub-fund can:
• adopt an investment strategy based on bond-picking, combined with technical analysis, when constructing the portfolio, while consistently seeking an attractive risk/return ratio, according to the Management Company's assessment;
• manage the portfolio's investment return depending on changes in interest rates and/or spreads;
• monitor and measure geographical and sector exposure. The investment universe of the sub-fund is made up of companies included in the following credit market index: HEAE Index, excluding hybrids.
This index contains all of the securities that make up the ICE BofA Euro Fixed & Floating Rate High Yield Index excluding banks and insurance companies. It tracks the performance of euro-denominated fixed and variable rate corporate debt rated below investment grade issued on the markets.

ESG (environmental, social and governance) criteria are another factor in fundamental analysis. The management team takes ESG (environmental, social and governance) criteria into account in its investment decisions but they are not the dominant factor, so the investment decisions taken may not be consistent with ESG criteria.
This approach can be broken down into two consecutive stages.
- First stage: exclusion of companies manufacturing non-conventional weapons (chemical weapons, anti-personnel mines and cluster bombs, blinding laser weapons, incendiary weapons and non-detectable fragment weapons, nuclear weapons manufactured by a company incorporated in a country not party to the Nuclear Non-Proliferation Treaty (NPT)), and companies undertaking coal mining, coal-based power generation and development projects or infrastructure related to coal, the production of tobacco, and of adult entertainment. Details about the Management Company's exclusion policy which give more detailed information on the integration of ESG criteria and exclusion thresholds are available on the website "am.oddo-bhf.com".

- Second stage: this step involves taking into account the ESG rating of a large majority of the companies in the investment universe from our internal rating system using a combination of two approaches:

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

These two stages may mean that companies excluded because of their low ESG profile but with strong potential for progress in sustainability may be brought back into the investment universe.
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 added environmental value or climate risk management.

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

- Governance: corporate governance (preservation of minority shareholder's interests, composition of governance bodies, remuneration policy, etc.), fiscal responsibility, or exposure to risk of corruption.

The Management Company pays close attention to analysing human capital and corporate governance, which respectively 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.

Our analyses are conducted in collaboration by our management and our ESG analyst teams, and enable us to identify the non-financial risks to which each issuer is potentially exposed (corruption, reputation, regulation, retention of talent, product quality and safety, etc.). They allow us to understand if these constitute a significant risk in the delivery of the strategy and published targets. In this way, the result of our ESG analysis is a concrete expression of the risk of executing an issuer's medium and long-term strategy.

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). For stocks not monitored by the Management Company's internal rating process, the Management Company relies on non-financial data provided by an external service provider.

The Management Company undertakes that 75% of the debt securities and money market instruments with a high yield credit rating and at least 90% of debt securities and money market instruments with an investment grade credit rating have an ESG rating within the sub-fund.

These ESG ratings are taken into account by the management teams in order to ensure a certain level of overall ESG quality within the portfolio. The management team may select stocks that are not included in the sub-fund’s investment universe. Given the sub-fund’s performance target and specific maximum maturity for securities held, the selection of securities may vary over time at the portfolio manager’s discretion, depending on market opportunities and coming to maturity of securities.

In particular, the Sub-fund may invest up to 100% of its assets in investment grade securities rated higher than BB+ (Standard & Poor’s or equivalent as assessed by the Management Company or according to its own internal rating). The manager may also invest up to 100% of net assets in French or foreign forward financial instruments traded on regulated or OTC markets, without seeking overexposure. The manager may take positions in order to hedge the portfolio against interest rate and credit risk. The manager will also use swap and/or forward exchange contracts to hedge the portfolio against currency risk, though a residual risk of a maximum of 5% remains.

The sub-fund’s maximum market exposure (equities, debt securities, funds and derivatives) may not exceed 100% of the Sub-fund’s 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 sub-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 Sub-fund’s investment strategy includes a policy that excludes companies manufacturing non-conventional weapons (chemical weapons, anti-personnel mines and cluster bombs, blinding laser weapons, incendiary weapons and non-detectable fragment weapons, nuclear weapons manufactured by a company incorporated in a country not party to the Nuclear Non-Proliferation Treaty (NPT)), and companies undertaking coal mining, coal-based power generation and development projects or infrastructure related to coal, the production of tobacco, and of adult entertainment. Details about the Management Company’s exclusion policy which give more detailed information on the integration of ESG criteria and exclusion thresholds are available on the website am.oddo-bhf.com.

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.

The Sub-fund may be invested from 0% to 100% in debt securities and money market instruments. The manager invests up to 100% of the net assets in debt securities in the form of traditional bonds. The Sub-fund's portfolio is invested in fixed income instruments issued by private entities (at least 60%). The manager selects high yield financial instruments rated between BB+ and CCC (Standard & Poor's or equivalent as assessed by the Management Company or according to its own internal rating) of companies whose fundamentals are considered likely to improve over time.
The securities will be issued in any OECD member currency, including EUR, GBP, USD and/or CHF, and the currency risk will be hedged, with a maximum residual currency risk of 5%. There is no predefined geographical (with the exception of a minimum limit of 60% for issuers domiciled in an OECD member country) or sector allocation.
The average duration of debt securities ranges from zero to seven years.

Up to 10% of the Sub-fund's assets may be invested in units or shares of other funds.

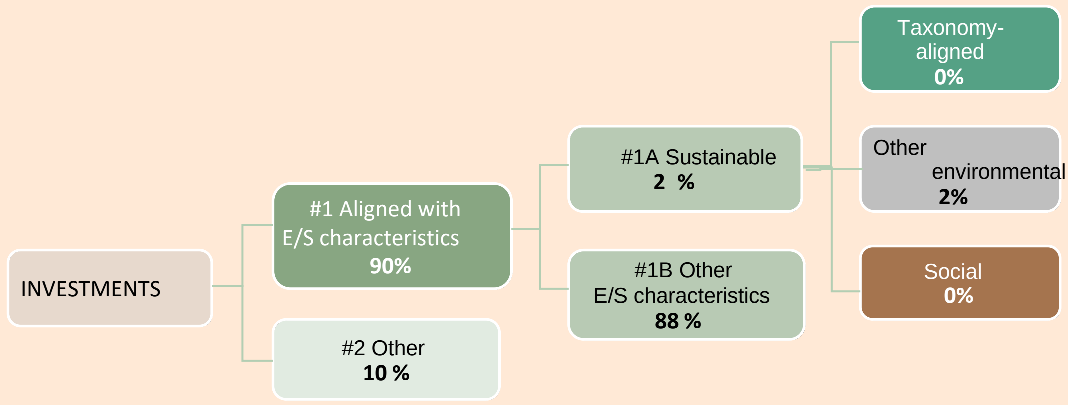
The Sub-fund may invest in financial futures or options traded on regulated, organised or OTC markets in France or other countries. The Sub-fund will invest on a discretionary basis in listed forward financial instruments in order to seek exposure to and hedge against interest rate risk and systematically for the purpose of hedging against currency risk (futures, options). It may also use swaps and forward exchange contracts to hedge against currency risk.
Index credit default swaps (CDS) will be used on a discretionary basis only to hedge against credit risk up to a maximum of 100% of the sub-fund's net assets.
Credit default swaps allow the Fund to protect itself against issuer default by paying a third party a regular sum and receiving a predefined payment from this third party in the event that the expected default should occur.
All of these transactions are used for the sole purpose of achieving the investment objective, without seeking overexposure.

The Sub-fund may use callable bonds (bonds that the issuer may redeem prior to maturity but that have no other optional elements or sources of complexity) and puttable bonds (bonds that allow the holder to force the issuer to repurchase the security but that have no other optional elements or sources of complexity. These may account for up to 100% of the sub-fund's net assets.

For cash management and income optimisation purposes, the Sub-fund may agree any temporary purchases and sales of securities under market conditions and within the following limits: - up to 100% of the Fund's net assets in the case of reverse repurchase agreements; - up to 60% of the Fund's net assets in the case of securities lending and repurchase 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 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 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?

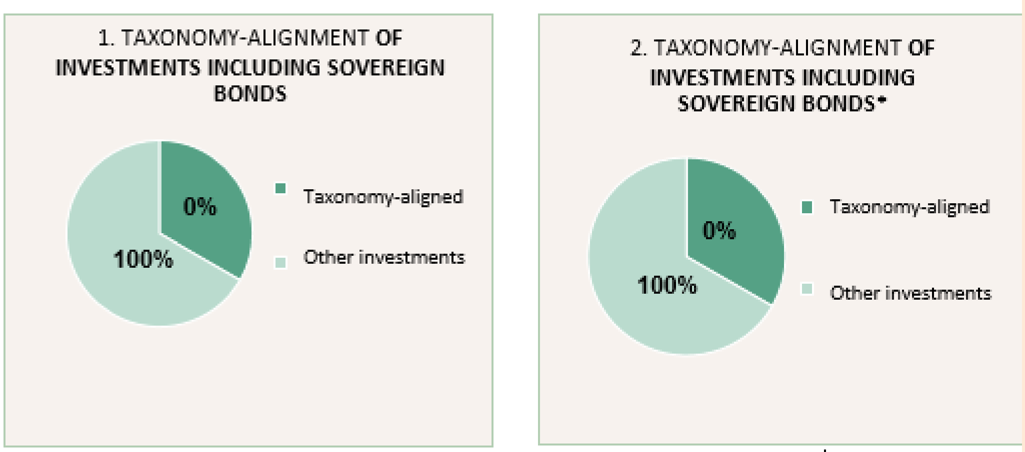
Derivatives are not used to improve ESG alignment or reduce ESG risk. As part of the investment strategy, the Sub-fund is authorised to use derivatives for hedging and exposure purposes.

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 Sub-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 Sub-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 Sub-fund does not have a benchmark index.

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

N/A

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

N/A

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

N/A

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 Sub-fund's annual report and on the Management Company's website: www.am.oddo-bhf.com.