

2021

Our *low-carbon* approach

OUR CSR AMBITION
OUR CARBON FOOTPRINT
OUR PROGRESS STRATEGY

An approach in step *with our* CSR *ambition*

2 Long-term commitment is one of our core values. Our entrepreneurial culture and our ambitious goals are geared towards offering the best possible quality of service to both our customers and our staff over the long term.

ODDO BHF operates in regulatory and economic contexts that spur it to take on responsibilities by incorporating sustainable development angles into both its development plans and its strategies. Expectations are particularly high with regard to the issue of climate.

OUR CSR AMBITION IS BASED ON 4 PILLARS

FOSTER A SUSTAINABLE
FUTURE WITHIN OUR
BUSINESSES

CHAMPION OUR EMPLOYEES

WORK TOWARDS A CARING
SOCIETY

REDUCE OUR ENVIRONMENTAL
IMPACT

The Group bases its environmental approach around three key points of reference:

Article 173 of the Energy Transition Act of 17 August 2015

This sets out institutional investors' obligations to provide information about how they address environmental and social factors. Investors are required to transparently publish details of how they incorporate environmental, social and governance (ESG) criteria into their investment operations.

Energy Transition for Green Growth Act

(ACT NO. 2015-992 OF 17 AUGUST 2015)

This law obliges companies with a staff of at least 500 people in France to draw up and submit a diagnostic greenhouse gas emissions assessment ("BEGES") so that ways of reducing these emissions can be identified and implemented.

2015 Paris Climate Agreement

→ **KEEP GLOBAL WARMING "WELL BELOW 2°C"**, and pursue efforts to limit this increase to "1.5°C"

→ **ACHIEVE A GLOBAL BALANCE** between emissions and absorption of greenhouse gases – "carbon neutrality" – in the second half of the 21st century

→ **PRINCIPLE OF EQUITY FOR CLIMATE CHANGE ACTION:** countries that have contributed the most to climate change and are able to do so must play a more active role in global climate change action

The Group honours its regulatory obligations, publishes its BEGES assessment among other things, and for several years, it has implemented initiatives to reduce its environmental impacts. ODDO BHF Asset Management has been a signatory to the United Nations Principles for Responsible Investment (PRI) since 2010 and the Group has been a signatory to the Carbon Disclosure Project (CDP) since 2006. So it has joined several global initiatives and working groups in France and Germany in order to promote a sustainable investment approach.



At the beginning of 2020, the Group decided to **formally adopt a carbon footprint reduction plan** that will enable it to achieve several goals in the short term:

→ Going beyond what the regulations require in its efforts to address its GHGs* by incorporating **Scope 3*** and setting a benchmark, which is a vital starting point for establishing a strategy and setting a reduction target,

→ The outcomes highlighted in this comprehensive carbon assessment will enable the Group to control its emissions and provide a basis on which to put together an action plan and thus limit its own environmental impact,

→ In line with its desire to be a responsible actor through its investment policy, to raise awareness and educate all staff of ODDO BHF and stakeholders so that they realise the importance of playing their part in the Group's actions.

*GHG: Greenhouse gas.

*THE IMPORTANCE OF SCOPE 3

Emissions are classed in three categories: **Scope 1** (direct emissions), **Scope 2** (indirect emissions linked to energy consumption) and **Scope 3** (other indirect emissions).

In order to make a credible voluntary commitment, it is vital to count emissions in addition to those covered by the regulations, which only address Scopes 1 and 2. This is because Scope 3 very often accounts for the great majority of companies' GHG emissions across all areas. The more accurate our knowledge of carbon sources is, the more appropriate and consistent with reality the associated action plan will be.

Findings of the ODDO BHF Group's carbon assessment

Methodology

The ODDO BHF Group's GHG emissions were assessed by the Bilan Carbone® method, compatible with the GHG Protocol standard, for the 2019 activity data.

EXTENT OF GHG EMISSIONS

The 2019 emissions that enabled the Group to operate were studied, with all of its geographical divisions being considered. In parallel, we have also estimated GHG emissions connected with logistics operations to industrial sites organised by ODDO BHF Metals. At this stage, the carbon impact of our portfolios and our investments has not been incorporated into this assessment.

EMISSIONS FROM OPERATIONS

Energy and air conditioning for sites, goods and services, information technology, business travel and journeys between homes and workplaces, waste



LOGISTICS EMISSIONS LINKED TO THE ACTIVITY OF ODDO BHF METALS

GHG emissions linked to transportation of freight by road, river and sea managed by ODDO BHF Metals for its customers.

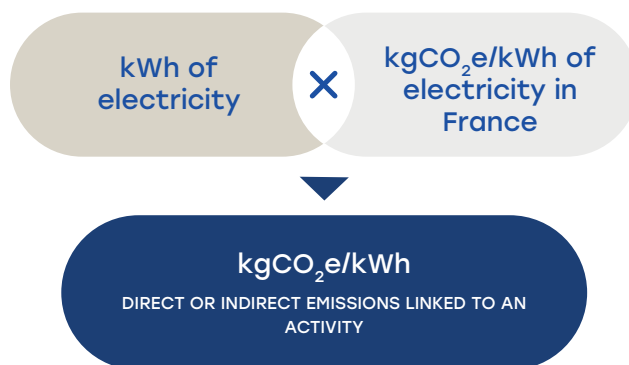


METHOD

GHG emissions are estimated, and not measured, on the basis of recognised carbon compatibility standards. Data measuring activities involving physical flows that are used in ODDO BHF's operations are multiplied by emission factors, a carbon content coefficient.

i Details of the parameters incorporated into ODDO BHF's carbon assessment are available on request.

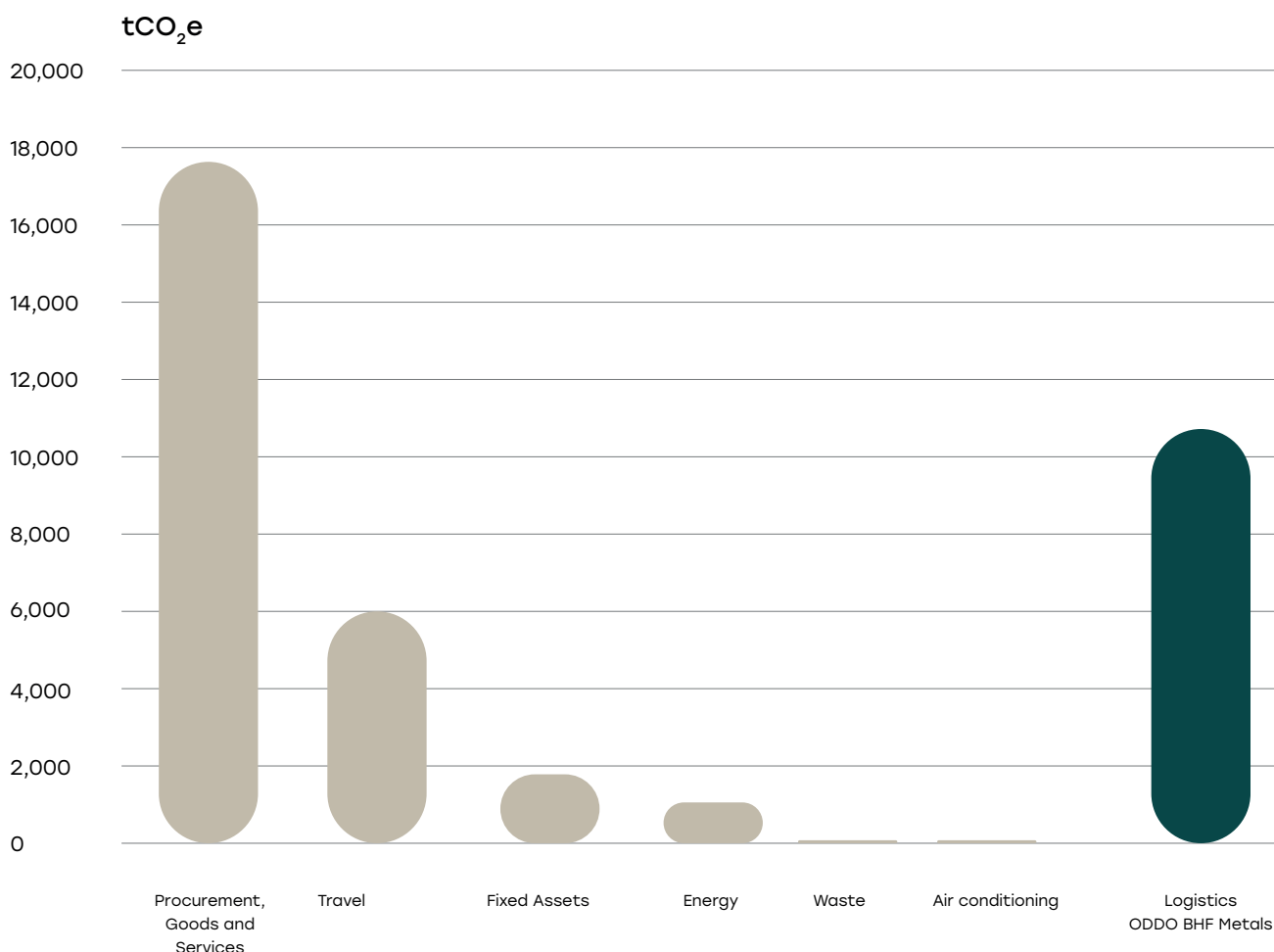
DATA COLLECTED WITHIN THE ORGANISATION Physical or monetary indicators reflecting an "activity" EF(1) TAKEN MAINLY FROM ADEME'S CARBON BASE Average emissions ratio for a given activity(2).



To produce this first comprehensive carbon assessment, the Group relied on the expertise of the consulting firm Sustainable Metrics, a member of the Crowe network. All business functions falling under the scope of the analysis contributed to the project during the collection of data, the interpretation of the results and the identification of areas where reductions can be made: HR, Procurement, Accounts, IT, Infrastructures, Property, Facilities Management, Risks, and metal trading activity.

(1) Emission factor. (2) This is equivalent to a life cycle assessment that is deemed to be representative.

Main sources of emissions identified



6

The GHG emissions from our operations under **Scopes 1 and 2** (electricity consumption, the heating network that heats our buildings, and our fleet of motor vehicles) **make up just 4% of our total emissions.**

The Group's renewable energy commitment policy, which involves the contracting of electricity labelled as "**energy of renewable origin**" in France and Germany, enables it to reduce CO₂ emissions linked to the operation of the various sites.

96% of our emissions are indirect emissions (IT databases, maintenance, services, etc.).

While the proportion accounted for by travel is significant (as with the majority of office activities), and also because of the close relationships between our teams in France, Germany and Tunisia, the impact of computer equipment manufacturing and the use of related IT services makes up a significant relative proportion.

The Group's *carbon reduction* approach

Our approach is based on three main components:

COMPONENT 01

Rolling out a realistic and ambitious reduction action plan

7

COMPONENT 02

The Group's emissions reduction approach

COMPONENT 03

Implementing carbon governance at ODDO BHF

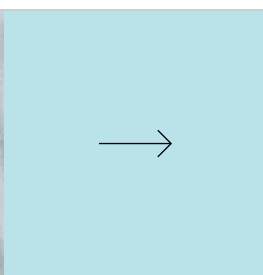
BENCHMARK

To limit global warming to less than 2°C, the concentration of greenhouse gases in the atmosphere must be kept at around 450 ppm* by the end of the 21st century. To achieve this goal, GHG emissions need to be reduced by 40% to 70% by 2050 (by comparison with 2010 levels) and emissions levels close to zero need to be reached by 2100. In France, according to the SNBC (National Low-Carbon Strategy), the level of GHG emissions reduction effort per year between now and 2050 needs to be around 7%.

*parts per million.

COMPONENT 01 Rolling out a realistic and ambitious reduction action plan

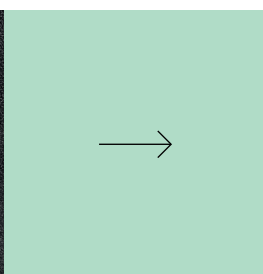
To reduce its GHG emissions, the Group must continue with and build on the actions it has implemented internally with external partnerships. The priorities identified for achieving a credible reduction goal cover five areas:



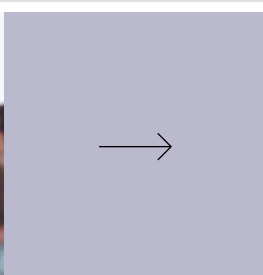
An ever more responsible and low-carbon procurement policy



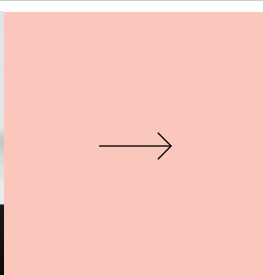
A decarbonised mobility policy (business travel and travel between home and the workplace)



Optimised use of buildings (energy, waste, layout, etc.)



Enhancing our responsible digital technology approach (lifetime of equipment, etc.)



A system for internal and external communication and awareness raising around the issue of climate

Actions completed and started ✓

Actions in the pipeline and under consideration

Actions completed and started ✓

Selection of responsible consumable products (coffee beans and recycling of coffee grounds, removal of water dispensers that use refill cylinders, flasks and eco-cups)

Rolling out dual SIM mobile phones (to avoid duplicates)

EcoVadis ratings for service providers

Policy of sorting waste at 100% of sites

Delivering Climate Collage training



New vehicle for hire service provider offering decarbonised services

LED lighting at 100% of sites



New travel policy with CO₂ reporting available since end of 2020 + Hire of bikes for staff (Germany)

Optimising teleworking and video conferencing practice



“Slim Fast” project: freeing up storage space taken up by old data, regularly reviewing software use and market data

Process of systematically recycling computer equipment at end of life (screens, PCs, servers, etc.) - Partnership with APR2 (France) + Extending the life span of IT equipment by means of Group exchanges (France/Germany etc.)



Centralised computer energy management policy

“Excellent” HQE/BREEAM rating for sites in France

Launching a Group communication campaign (Coffee & Learn)

Call for tenders under way at Group level for photocopying equipment including environmental criteria (paper, ink, life span, etc.) + New printing policy (100% badge access-based printing, multi-function printers, etc.)

An ever more responsible and low-carbon procurement policy

Enhancing the responsible digital technology approach

A decarbonised mobility policy

A system for internal and external communication and awareness raising around the issue of climate

Optimised use of buildings

Actions completed and started ✓

Actions in the pipeline and under consideration 🕒

Actions in the pipeline and under consideration 🕒

Strengthening the system requiring a response to CSR clauses in calls for tenders and ratings for service providers (EcoVadis or other)

Implementing building automation systems at the Madeleine site

Adjusting the vehicle fleet catalogue by introducing hybrid and electric vehicles when renewals occur



Target of 100% of electricity guaranteed to be of renewable origin

Staff mobility survey



Initiating monthly monitoring of Energy consumption and confirming the plans to renovate the sites that use the most energy

Developing a responsible IT user policy

Adding refurbished equipment to the procurement policy



Communicating about the carbon impact of digital technology use + Training people to carry out personal carbon assessments

Energy-efficient driving training

Low-carbon diet advertising campaign

Trialling carpooling (Tunisia)

Consideration is being given to the idea of extending the initiatives that have already been launched in one country to all of the Group's sites in order to harmonise the greenhouse gas reduction policy.

● An ever more responsible and low-carbon procurement policy

● A decarbonised mobility policy

● Optimised use of buildings

● Enhancing the responsible digital technology approach

● A system for internal and external communication and awareness raising around the issue of climate

FOCUS ON THE RESPONSIBLE PROCUREMENT POLICY

We take account of social and environmental impacts in our relationships with our suppliers and subcontractors.

ecovadis

In 2020, the Group's Procurement Department routinely incorporated a CSR clause in its calls for tenders. Our main service providers are assessed through our partnership with EcoVadis; the rating that they receive ensures that we work with suppliers whose environmental and social performance is good.



Since 2019, ODDO BHF SCA has held an **EcoVadis gold medal**. The environment is one of the three areas in which the Group improved in 2020, along with ethics and social practices.

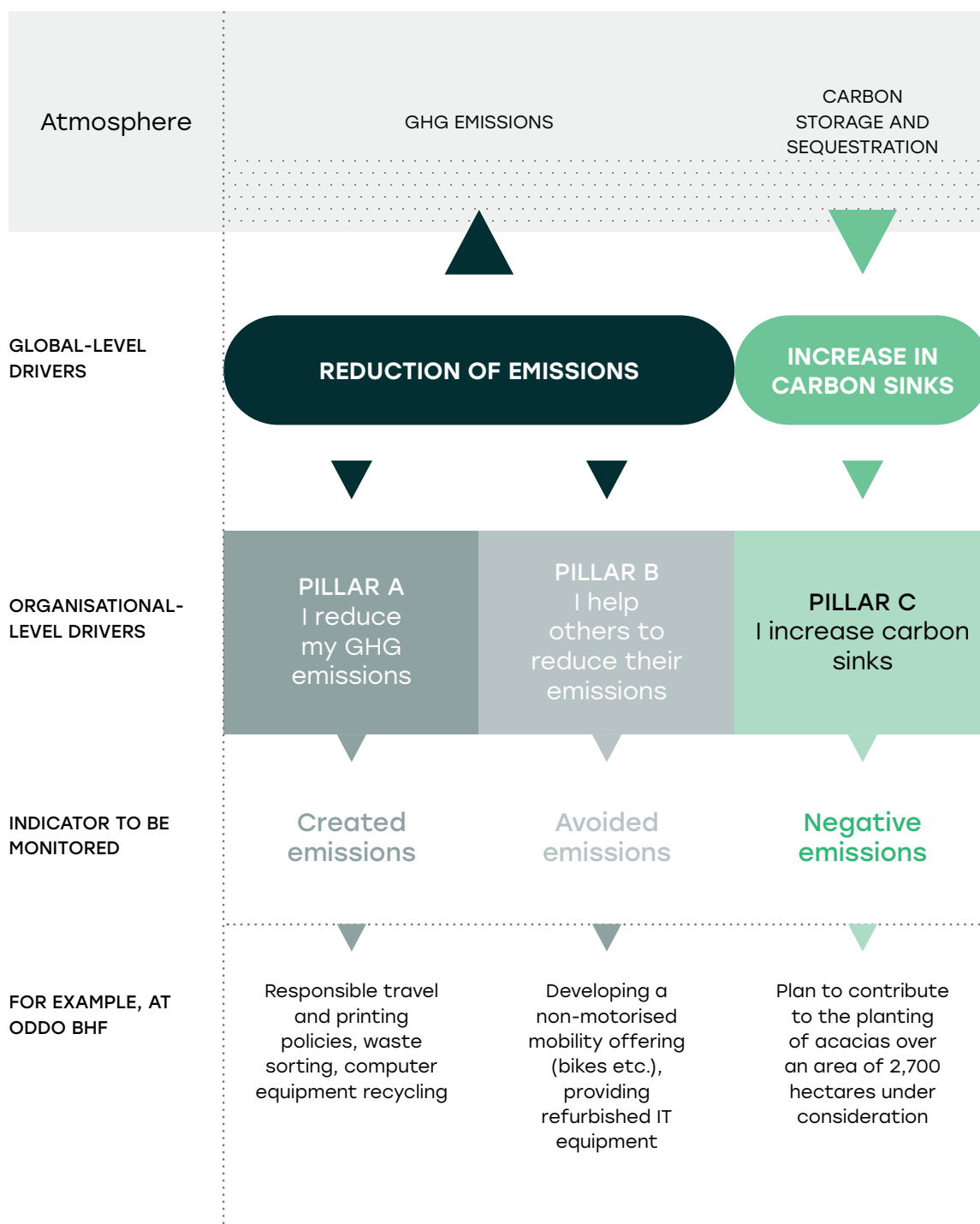
In parallel with this “operations” action plan, reduction efforts will continue to be made in the activity of ODDO BHF Metals (favouring transportation by river and sea, optimising destinations, etc.).

ODDO BHF METALS

Numerous initiatives have already been implemented by the Quality team for several years to reduce freight transportation distances and introduce lower-carbon forms of transportation, such as trains or barges. The concentration of flows is another area of key focus for reductions.

If it were not for the efforts made by ODDO BHF Metals, carbon emissions linked to metal freight transportation could be 60% higher.

COMPONENT 02 The Group's emissions reduction approach



COMPONENT 03

Implementing carbon governance at ODDO BHF



ODILE JOURNY

Head of HR Development & CSR



**CAROLINE
D'HEROUVILLE**

CSR Project Manager

13

A Low-Carbon Committee made up of at least one representative of each division involved in the action plan (HR, Communication, Procurement, Property, Facilities Management, IT, ODDO BHF Metals) has been created. This committee meets every six months to monitor the implementation of actions and measure outcomes, and reports directly to the General Management Committee on progress made in the low-carbon approach.

In parallel, in France, Germany and Tunisia, meetings of the Sustainable Development Committees that were created in 2019 are attended by members of the Group's staff who are

experts on the environment or simply involved and interested in the subject. They meet regularly to analyse actions involving the Group and its stakeholders, and to implement them with the help of the business functions concerned (elimination of plastic on premises, sorting of waste, provision of responsible coffee beans, etc.). These committees are regularly informed of the outcomes of initiatives implemented at their instigation or at the instigation of business functions.



This carbon assessment was drawn up with the help of Sustainable Metrics, a member of the Crowe network.