

Promotion of environmental and/or social characteristics in the context of ODDO BHF TRUST of ODDO BHF SE portfolio management - product-related disclosure pursuant to Article 10 of Regulation (EU) 2019/2088 (SFDR).

A) SUMMARY

I. In the following, you will find information on the individual portfolio management solutions offered by ODDO BHF TRUST by way of portfolio management within the meaning of Article 2 number 6 SFDR. This product-related information is required by Article 10 SFDR, as the individual portfolio management solutions are financial products within the meaning of Article 8 SFDR.

Since the same basic ESG approach is applicable to all individual portfolio management solutions, a uniform disclosure is made in accordance with Article 10 SFDR, which is applicable for all individual portfolio management solutions. Individual portfolio management solutions may provide for stricter ESG criteria (e.g. stricter rating requirements), which will be referred to at the appropriate place.

In the following, the term financial product is used to refer to any portfolio management mandate that is managed as part of an individual portfolio management solution.

II. This financial product promotes environmental or social characteristics but does not have sustainable investments as its objective. In this financial product, sustainability risks are integrated into the investment process; in addition, the principal adverse effects on sustainability factors are also taken into account. This is implemented through the relevant investment strategy, which is essentially based on the application of certain exclusion criteria at the level of individual instruments and on ensuring that certain targets are achieved at the level of the respective overall portfolio. In accordance with the investment strategy, investments within the financial instrument are made exclusively in assets that meet the relevant selection criteria. The environmental and social characteristics of the financial product as well as the relevant sustainability indicators are monitored throughout the life cycle of the financial product. Currently, the extent to which the social and environmental characteristics promoted with the financial product are fulfilled is measured on the basis of the exclusion criteria and portfolio target values defined in the investment process. In order to achieve the environmental and social characteristics promoted with the financial product, ODDO BHF TRUST essentially uses data from only one recognized external data provider that specializes in sustainability analyses. Although there are no fundamental doubts about the quality of the data provided, the predominant use of only one data provider leads to various restrictions. Due diligence in connection with the underlying assets of the financial product is mainly performed by the portfolio managers by way of a fundamental analysis and an ESG analysis of the underlying assets. ODDO BHF TRUST does not exercise any shareholder rights in its function as portfolio manager, but it follows the important matters of the portfolio companies to a certain extent and exchanges information with the portfolio companies to a certain extent. No index is used as a benchmark to determine whether all of the environmental and social characteristics promoted by this portfolio management are achieved.

B) NO SUSTAINABLE INVESTMENT OBJECTIVE

This financial product promotes environmental or social characteristics but does not have sustainable investments as its objective. Nevertheless, this financial product contains a minimum of 4% sustainable investments as defined in Regulation (EU) 2019/2088. The sustainable investments did not significantly harm any sustainable investment objectives.

Currently, the following adverse impact indicators from Tables 1, 2 and 3 of Annex I to Delegated Regulation (EU) 2022/1288 are considered:

- GHG intensity of investee companies [Indicator 3].
- Exposure to companies active in the fossil fuel sector [Indicator 4].
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons) [Indicator 14]
- Activities negatively affecting biodiversity-sensitive areas [Indicator 7].

The sustainable investments made are in line with the principles of the UN Global Compact. However, due to poor data quality, it is not possible to state whether the investments made are in line with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the fundamental principles and rights from the eight core conventions set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

C) ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE FINANCIAL PRODUCT

In this financial product, sustainability risks are integrated into the investment process by considering environmental, social, and governance concerns in the context of investment decisions; in addition, the principal adverse impacts on sustainability factors are also taken into account. This is implemented through the investment strategy described in more detail in item D) below.

D) INVESTMENT STRATEGY

In order to fulfill the environmental or social characteristics promoted with this financial product, an ESG-related investment strategy developed specifically by ODDO BHF TRUST is used (as part of the investment process), which is essentially based on the following pillars:

- Application of exclusion criteria on single instrument level:
 - Sector exclusions: Companies with certain turnover shares in the areas of weapons, gambling, pornography, tobacco or coal are excluded from investment. The question of which turnover threshold is decisive in each case is resolved on a sector-specific basis: for most sectors, a turnover share of more than 5% is currently considered decisive, but for some sectors or subsectors of these sectors, other thresholds are in part considered decisive (for example, an investment in companies that generate turnover in the area of certain weapons is completely excluded; for other sectors, turnover shares greater than 5% are also possible).
 - Non-compliance with principles of the United Nations Global Compact: Companies that violate the principles of the United Nations Global Compact are excluded from investment.
 - Biodiversity: exclusion of companies that claim to operate in or near biodiversity-sensitive areas and have been involved in controversies with serious or very serious adverse environmental impacts.

- Poor sustainability ratings: Companies and sovereigns with poor sustainability ratings are excluded from investment (according to MSCI ESG Research¹ methodology: "B" sustainability rating or worse)
- Ensure achievement of specific targets at the overall portfolio level:
 - A sustainability rating of at least "A" according to MSCI ESG Research at the level of the overall portfolio is targeted.
 - A sustainability rating shall be available for at least 90% of the portfolio positions (measured by market value).
 - The minimum share of sustainable investments shall be 4% and the minimum share of environmentally sustainable investments shall be 0.5%.
 - At the level of the individual instruments and the overall portfolio, carbon dioxide emissions (CO₂) are considered. The goal is for the portfolio to have lower CO₂ emissions than the overall market (represented by the MSCI All Country World Index).

In principle, the sustainability criteria are also to be applied to indirect investments (e.g. funds, certificates) (insofar as corresponding data are available). In this context, the above criteria - modified accordingly - apply to indirect investments consolidated at the level of the respective investment instrument.

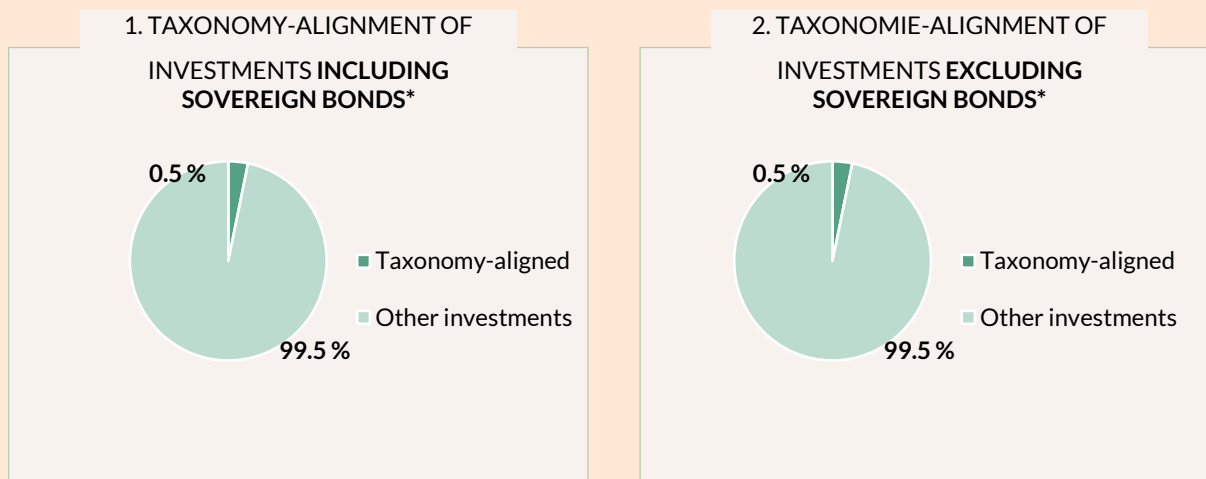
The assessment of the practices of good corporate governance of the companies in which investments are made, including with regard to sound management structures, employee relations, employee compensation, and tax compliance, is carried out within the framework of this financial product essentially via the exclusion criteria "Non-compliance with principles of the United Nations Global Compact" and "Poor sustainability ratings".

For some individual portfolio management solutions, stricter ESG criteria than those described above are applied due to explicit customer request. For example, some individual portfolio management solutions provide for stricter rating requirements, further sector exclusions and/or stricter requirements regarding controversies (according to a logic applied by MSCI ESG Research because of a flagging system).

E) PROPORTION OF INVESTMENTS

In accordance with the investment strategy described in section D., investments within portfolio management are made exclusively in assets that meet the relevant selection criteria. No distinction is made between direct risk positions and other risk positions.

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 purposes of these charts, the term "government bonds" includes all risk positions against sovereigns.

The underlying investments of the financial product that flow into environmentally sustainable economic activities are determined by using a specific data point provided by MSCI ESG Research. The compliance of the relevant investments with the requirements set out in Article 3 of the EU Taxonomy have not been confirmed by auditors or verified by third parties. With respect to companies in which investments are made (particularly those that are non-financial companies), the level of investment in environmentally sustainable economic activities is measured in terms of turnover. At this time, the disclosure of the companies in which investments are made does not readily indicate the extent to which the investments are in environmentally sustainable economic activities. For this reason, equivalent information from third parties (currently: MSCI ESG Research) is used. Due to data not available at this time, we are unable to report the percentage of investments that have flowed into transitional and enabling activities.

In the context of the financial product, ODDO BHF TRUST will always make investment decisions in the best interests of its clients in the context of portfolio management, which means that the fact whether a company in which an investment is to be made is engaged in economic activities that can be classified as environmentally sustainable is only an additional criterion in the context of the investment decision that is taken into account alongside other factors relevant to the decision. This means in particular that the fact that a company in which an investment is to be made engages in economic activities that are to be classified as environmentally sustainable does not necessarily carry more weight than other factors relevant to the decision in every case.

¹ MSCI ESG Research (UK) Limited (LEI 254900RXC6X55NGP8M90, hereinafter: "MSCI ESG Research") is the provider of ESG-related data primarily used by ODDO BHF TRUST.

At the present time, it is not possible to assess the extent to which risk positions against sovereigns contribute to environmentally sustainable economic activities, as the relevant data are currently not available.

F) MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

The environmental or social characteristics of the financial product as well as the sustainability indicators pursuant to section B) are monitored throughout the life cycle of the financial product. For monitoring purposes, a standardized process has been established in which the responsible portfolio managers pay careful attention to compliance with the relevant criteria. In particular, a pre-trade check is carried out by means of which compliance with the exclusions at individual instrument level (as described in section D)) is checked directly in ODDO BHF TRUST's portfolio management system before orders are executed.

In addition, a post-trade check is carried out once a month in relation to the objectives at portfolio level and the exclusion criteria at individual instrument level. Any ESG violations are then transmitted to the portfolio managers in an automatically generated deviation report, which is then commented on by the portfolio managers and sent to the responsible department head of ODDO BHF TRUST for final validation.

For ESG criteria that are taken into account within the scope of an individual portfolio management solution due to explicit client request (i.e. stricter criteria than the criteria of the ESG basic approach, see above under D)), the following special features apply: An automated pre-trade control is only carried out with regard to stricter rating requirements; for all other individual client ESG criteria, a manual control is carried out by the responsible portfolio managers. In addition, the individual ESG criteria are subjected to a quarterly post-trade control (independent of the originally responsible portfolio managers by a control team).

G) METHODOLOGIES

Currently, the measurement of the extent to which the environmental or social characteristics promoted with the financial product are fulfilled is carried out on the basis of the exclusion criteria and portfolio target values defined in the investment process (as described in more detail under section D)). In particular, the indicators described under section B) are also taken into account.

H) DATA SOURCES AND PROCESSING

In order to achieve the environmental or social characteristics promoted with the financial product, ODDO BHF TRUST essentially uses data from a recognized external data provider that specializes in sustainability analyses. This is currently MSCI ESG Research. In addition, other data sources (such as Bloomberg, publications by associations, brokers and other companies, or press articles) may be used as a supplement.

The data quality is ensured by a careful selection of the sources used. In addition, ODDO BHF TRUST is in regular dialogue with MSCI ESG Research to correct potential errors, make recommendations on possible improvements and improve the quality and reliability of the data used.

Data is processed through data imports into ODDO BHF TRUST's IT systems and directly through the MSCI ESG Research platform. In addition, data aggregation takes place in Excel sheets and other internal documents.

Only investment instruments for which ODDO BHF TRUST believes sufficient data is available to assess the sustainability criteria are taken into account in financial portfolio management. If data is not available, ODDO BHF TRUST does not make any estimates.

I) LIMITATIONS TO METHODOLOGIES AND DATA

ODDO BHF TRUST currently obtains the majority of the ESG data used from only one data provider (MSCI ESG Research). Although there are no fundamental doubts about the quality of the data provided in this respect, the predominant use of only one data provider limits the data coverage to the universe of companies and instrument types covered by these data providers. In addition, data are not available for certain classes of instruments (such as derivatives). Based on the parameters applied to the financial product, ODDO BHF TRUST currently believes that the restrictions in question do not have a significant influence on how the environmental and social characteristics promoted with the financial product are fulfilled.

However, ODDO BHF TRUST cannot guarantee the accuracy of the assessment of the sustainability criteria by the data providers it uses or the accuracy and completeness of the data provided by data providers as a whole. ODDO BHF TRUST also has no influence on any disruptions in the analysis and preparation of research and other data by data providers. Furthermore, all rights to the data provided by data providers lie with these data providers and these data providers also assume no liability for the accuracy and completeness of the data provided.

J) DUE DILIGENCE

Due diligence in connection with the underlying assets is essentially performed by the portfolio managers by means of a fundamental analysis and an ESG analysis of the underlying assets, taking into account all investment restrictions to be observed for the financial product (in particular those relating to ESG criteria). ESG ratings are also used significantly to mitigate any risks. In addition, dialogue and engagement with invested companies continuously contribute to the due diligence process.

The portfolio managers actively work in particular with the management of ODDO BHF TRUST to ensure the identification and mitigation of risks related to the underlying assets.

The composition of the portfolio is reviewed monthly by an internal quality management system with reference to a reporting date. An external review does not take place.

K) ENGAGEMENT POLICIES

In its function as portfolio manager, ODDO BHF TRUST does not exercise any shareholder rights. It monitors the important affairs of the portfolio companies by taking note of the portfolio companies' statutory publication, disclosure and announcement obligations and exchanges views with the governing bodies and stakeholders of the portfolio companies within the framework of telephone conferences, investment congresses and company

meetings. In addition to this basic economic exchange of views, direct contact can also be established with portfolio companies to address questions on sustainability issues in order to fulfill ecological, social and economic responsibility. There is no cooperation with other shareholders.

L) DESIGNATED REFERENCE BENCHMARK

No index is used as a benchmark to determine whether all of the environmental and social characteristics promoted by this portfolio management are achieved. However, an index is used as a benchmark, in particular to determine whether the (sub-)target at portfolio level is achieved that the portfolio has lower CO2 emissions than the overall market (represented by the iShares MSCI All Country World Index ETF as a benchmark). Details of the MSCI All Country World Index are available at this [link](#).

Change in the product-related disclosure as of 24.07.2024:

Editorial changes

Change in the product-related disclosure as of 02.04.2024:

Adjustment due to the merger of ODDO BHF Trust GmbH into ODDO BHF SE

Change in the product-related disclosure as of 20.03.2023:

Minor editorial/language changes, no changes in content

Change in the product-related disclosure as of 05.01.2023:

Changes of the translation/ language changes

Change in the product-related disclosure as of 31.12.2022:

Implementation of the SFDR (Sustainable Finance Disclosure Regulation) Level 2 requirements