

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Ofi Invest ESG Euro High Yield

Legal entity identifier: 969500B8I8H2B95Z6E71

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.

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☒ ☐ ☐ **Yes**

☐ It made **sustainable investments with an environmental objective**: __%

☐ 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 made **sustainable investments with a social objective**: __%

☒ ☐ ☒ **No**

☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% 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 promoted E/S characteristics, but **did not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted environmental and social characteristics through the implementation of two systematic approaches:

1. Regulatory and sector-based exclusions
2. ESG integration through different requirements

The Ofi Invest ESG Euro High Yield Fund (hereinafter the “Fund”) promotes environmental and social characteristics by investing in issuers with good environmental, social and governance practices.

To achieve this, the Fund invests in High Yield bonds and debt securities issued by companies in OECD countries using best practices in terms of the management of ESG issues specific to their sector of activity, in accordance with the Management Company’s proprietary ESG rating methodology.

The themes taken into account in reviewing good ESG practices are:

- Environmental: Climate change – Natural resources – Project financing – Toxic waste – Green products.
- Social: Human capital – Societal – Products and services – Communities and human rights
- Governance: Governance structure – Market behaviour

In addition, the Fund partially invests in securities issued by companies that demonstrate an active approach to the energy and ecological transition.

In fact, this SRI-labelled fund followed a best-in-class approach, enabling 20% of issuers in each sector to be excluded from the least virtuous investment universe in terms of ESG practice, and only companies integrating ESG practices to be kept in the portfolio. It also complied with the SRI label requirements for monitoring performance indicators.

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

● *How did the sustainability indicators perform?*

As at 31 March 2023, the performance of the sustainability indicators used to measure attainment of the Fund's environmental and social characteristics is as follows:

- The Fund’s SRI score is **3.48** out of 5.
- The Fund's percentage of companies in the monitored category is **0%**, compared to 18.42% for those in its universe.
- The percentage of issuers in the "high risk" or “risk” category for sectors with high greenhouse gas emissions reached **0%** within the portfolio.

In addition, under the French SRI Label awarded to the Fund, of the four E, S, G and Human Rights indicators, two ESG indicators are linked to social and environmental characteristics promoted by the Fund:

1. The portfolio’s financed emissions over Scopes 1 and 2 represent **68.3** tonnes of CO₂ equivalent per million euros compared to its SRI universe, of which financed emissions represent **166.8**.
2. The proportion of women on the Board of Directors or the Supervisory Board of the investee companies is **0.59%** compared to its universe, of which the proportion is **0.46%**.

Monitoring of the indicators, mentioned previously, in management tools allows confirmation that there were no significant variations in the performance of the indicators throughout the reporting period in question, between 1st April 2022 and 31 March 2023.

For more information on these sustainability indicators and their calculation method, please refer to the Fund’s prospectus and pre-contractual annex.

- **... and compared to previous periods?**

This annex containing the annual information relating to the Fund in accordance with Commission Delegated Regulation (EU) 2022/1288 is the first to be published.

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

Not applicable.

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

Not applicable.

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The Management Company has implemented methods of assessment for investee issuers for each of the principal adverse impacts associated with sustainability factors:

Adverse impact indicator	ESG rating	Exclusion policies	Analysis of controversies	Engagement policy
Climate and other environment-related indicators				
1. Scope 1, 2 and 3 and total GHG emissions	X	X <i>Coal/ Oil and gas</i>	X	X
2. Carbon footprint				X
3. GHG intensity of investee companies	X			X
4. Exposure to companies active in the fossil fuel sector		X <i>Coal/ Oil and gas</i>		X
5. Share of non-renewable energy consumption and production	X		X	
6. Energy consumption intensity per high impact climate sector	X			
7. Activities negatively impacting biodiversity-sensitive areas	X		X	X
8. Emissions to water	X		X	
9. Hazardous waste and radioactive waste ratio	X		X	
Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters				
10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Companies		X <i>Global Compact</i>	X	X
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises		X <i>Global Compact</i>	X	X

12. Unadjusted gender pay gap			X	
13. Board gender diversity	X			X
14. Exposure to controversial weapons		X <i>Controversial weapons</i>		
Additional indicators related to social and environmental issues				
Insufficient measures taken to remedy non-compliance with anti-bribery and anti-corruption standards	X		X	X
Indicators applicable to investments in sovereigns and supranationals				
15. GHG intensity	X			
16. Investee countries subject to social violations	X			

As a result, the Fund has taken into account principal adverse impacts on sustainability factors during the financial year in a qualitative manner.

For more information on how OFI Invest Asset Management products take the main adverse impacts into account, please refer to the “Declaration on Principal Adverse Impacts of Investment Decisions on Sustainability Factors” available at <https://www.ofi-invest-am.com/finance-durable>.



What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period, which is:

As at 31 March 2023, the top investments are as follows:

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
LORCA TELECOM BONDCO 4.000 2027_09	Telecommunications	1.64%	Spain
TELECOM ITALIA 6.875 2028_02	Telecommunications	1.61%	Italy
EDF 3.000 PERP	Utilities	1.50%	France
FONCIA MANAGEMENT SASU 7.750 2028_03	Real Estate	1.47%	France
ACCOR 2.625 PERP	Travel and Leisure	1.44%	France
NASSA TOPCO 2.875 2024_04	Industrial goods and services	1.37%	Denmark

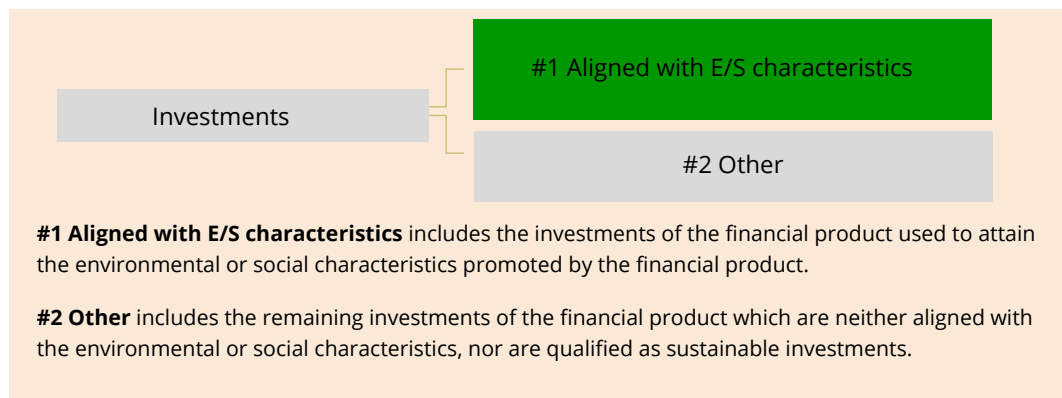
GRIFOLS ESCROW ISSUER 3.875 2028_10	Health Care	1.33%	Spain
VODAFONE 3.000 2080_08	Telecommunications	1.26%	United Kingdom
UNIBAIL-RODAMCO 2.125 PERP	Real Estate	1.26%	France
SAIPEM FIN INTL 3.375 2026_07	Energy	1.25%	Italy
ALBION FINANCING 1/AGGREK 5.250 2026_10	Consumer products and services	1.23%	Luxembourg
LOXAM 5.750 2027_07	Consumer products and services	1.23%	France
ALTICE FRANCE HOLDING SA 8.000 2027_05	Telecommunications	1.18%	Luxembourg
KONINKLIJKE KPN 6.000 PERP	Telecommunications	1.13%	Netherlands
NIDDA HEALTHCARE HLDG 7.500 2026_08	Health Care	1.12%	Germany



What was the proportion of sustainability-related investments?

- **What was the asset allocation?**

Asset allocation describes the share of investments in specific assets.



As at 31 March 2023, at least **94%** of the Fund's net assets are made up of investments contributing to the promotion of environmental and social characteristics (**#1 Aligned with E/S characteristics**).

The Fund has **6%** of its net assets in component **#2 Other**. This category is made up of:

- **0.12%** in liquid assets
- **5.88%** in securities or portfolio securities without an ESG score.

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 Fund therefore complied with the expected asset allocation:

- A minimum of 80% of the fund's net assets belonging to the category #1 Aligned with E/S characteristics.
- A maximum of 20% of investments belonging to the #2 Other category, including a maximum of 10% of securities or stocks without an ESG score.

● *In which economic sectors were the investments made?*

As at 31 March 2023, the sector-based breakdown of assets invested is as follows:

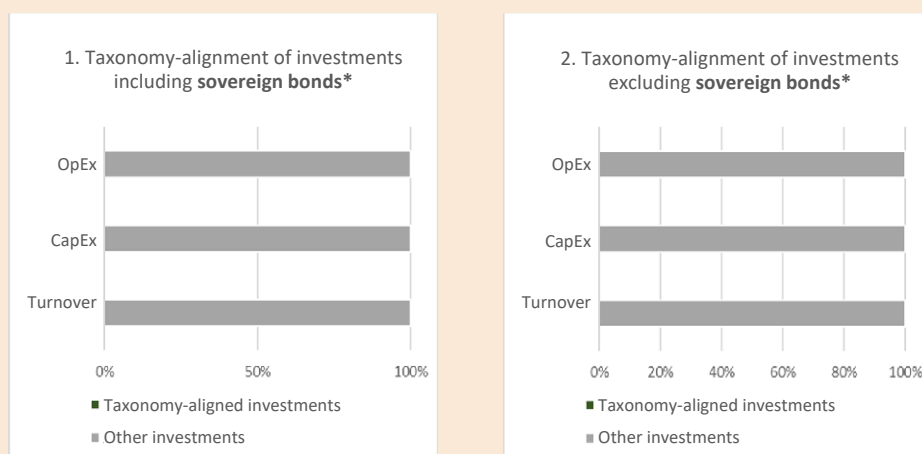
SECTOR	% ASSETS
Telecommunications	15.27%
Automobiles and Parts	11.99%
Industrial goods and services	10.92%
Consumer products and services	10.80%
Health Care	10.47%
Travel and Leisure	7.84%
Utilities	7.30%
Real Estate	6.40%
Chemicals	4.47%
Retail trade	2.96%
Core resources	2.18%
Construction and materials	1.83%
Food, beverages and tobacco	1.74%
Technology	1.41%
Energy	1.25%
Media	1.15%



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

As at 31 March 2023, the share of sustainable investments with an environmental objective aligned with the EU Taxonomy in the portfolio is zero.

The graphs below show in green the percentage of investments that were 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

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.

● What was the share of investments made in transitional and enabling activities?

As at 31 March 2023, the share of investments in transitional and enabling activities in the portfolio is nil.

● How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

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are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.



What was the share of socially sustainable investments?

Not applicable.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

These investments, which were made only in specific situations and intended to represent a maximum of 20% of the Fund's net assets, consisted of:

- **0.12%** in cash,
- **5.88%** in securities or portfolio securities without an ESG score.

Although this category does not have an ESG score and no environmental and social guarantees were implemented, its use did not have the effect of significantly or permanently distorting the environmental and/or social characteristics promoted by the Fund.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In order to meet the environmental and/or social characteristics during the reference period, all ESG data were made available to managers in the management tools, and the various ESG requirements were configured and tracked in these same tools.



How did this financial product perform compared to the reference benchmark?

Not applicable.

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