

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by the Sub-Fund are:

- The SRI score calculated during the investment strategy process. For the method used to calculate this score, please take a look at the "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?" section.
- The percentage of issuers belonging to the "Under supervision" category as defined by the SRI score calculation method and which are subject to an exclusion (i.e., 20% of each sector of the investment universe).

In addition, under the French SRI Label awarded to the Sub-Fund, of the four E, S, G and Human Rights indicators, the following two ESG indicators were also selected:

- Emissions financed on Scope 1 and 2
- Board gender diversity

● **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?**

Not applicable.

● **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?**

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 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?

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.

☒ Yes

☐ No

The methods used by the Management Company to assess the investee companies, for each of the principal adverse impacts linked to sustainability factors, are as follows:

Adverse impact indicator	ESG rating Proprietary methodology	Exclusion policies	Analysis of controversies	Engagement policy	Voting Policy	SRI label indicator
Climate and other environment-related indicators						
1. Scope 1, 2 and 3 and total GHG emissions	☒	☒ <i>Coal / Oil and gas</i>	☒	☒		☒ <i>Emissions financed (Scope 1 & 2)</i>
2. Carbon footprint				☒		
3. GHG intensity of investee companies	☒			☒		
4. Exposure to companies active in the fossil fuel sector		☒ <i>Coal / Oil and gas</i>		☒		
5. Share of non-renewable energy consumption and production	☒		☒			
6. Energy consumption intensity per high impact climate sector	☒					
7. Activities negatively impacting biodiversity-sensitive areas	☒		☒	☒		
8. Emissions to water	☒		☒			
9. Hazardous waste and radioactive waste ratio	☒		☒			
Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters						
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises		☒ <i>Global Compact</i>	☒	☒		☒
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises		☒ <i>Global Compact</i>	☒	☒		
12. Unadjusted gender pay gap			☒			
13. Board gender diversity	☒			☒		☒
14. Exposure to controversial weapons		☒ <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	☒	☒ Global Compact	☒	☒		

For more information, please take a look at the “*Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors*”, which can be found on the Management Company’s website [in French]: <https://www.ofi-invest-am.com/finance-durable>



What investment strategy does this financial product follow?

The investment strategy of the Sub-Fund involves investing in negotiable bonds and debt securities, including convertible bonds, issued by issuers listed on a regulated market of an OECD country (the preponderant area for investment remaining the eurozone), denominated in euros and issued by private or public companies demonstrating *cogent practices for managing ESG issues, and excluding companies demonstrating insufficient consideration of these issues or belonging to a sector of activity presenting a high risk on one or more sustainability issues*.

For more information on the investment strategy, please refer to the section on investment strategy in the prospectus.

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

● 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 binding elements of the investment strategy used to select the investments to attain each of the environmental and social characteristics promoted by the Sub-Fund are as follows:

Policies for incorporating ESG into investment decisions

The 20% of securities with the lowest ESG performance ratings are excluded from the investment universe, based on a Best-in-Class approach.

In assessing ESG practices, the Sub-Fund considers the following pillars and themes:

- 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

Each theme contains several underlying criteria. The criteria taken into account vary according to their relevance by sector of activity and are weighted relative to the risks they represent within this sector (reputational, legal, operational, etc.). Examples include, but are not limited, to the following:

- Climate change: carbon emissions from the production process; upstream/downstream carbon emissions
- Natural resources: impact of the activity on water; impact of the activity on biodiversity.
- Human capital: health and safety; development of human capital.
- Products and services: personal data protection; a healthier range of products available
- Governance structure: respect for minority shareholder rights; remuneration of executives.

Consideration of these criteria varies according to the sector of activity, and they are weighted according to the risks they represent within this sector (reputational, legal, operational, etc.).

ESG score and SRI score calculation method

Based on the sector-based reference for key issues, an ESG score is calculated per issuer, which includes, first, the scores for the Environmental and Social (E and S) key issues, and second, the scores for the Governance (G) key issues. Governance issues include a fixed weighting of 30% for corporate governance and a variable weighting of 10% to 40% reflecting the level of risk incurred by the conduct of directors or the company. This level varies depending on the sectors of activity. The overall weighting of the E and S issues is then determined. The weighting of environmental, social and governance issues is specific to each sector of activity. These scores may be subject to:

1. Penalties relating to controversies not yet included in the key issue scores. By using this penalty system, the most significant controversies can be taken into account quickly, while you wait for analysis of key issues to be incorporated.
2. Any bonuses or penalties awarded by the analyst responsible for the sector in the event of divergence on the assessment of an issue by the rating agency.

Companies' ESG scores are used to determine an SRI score corresponding to the ranking of the issuer's ESG score compared to other operators in its ICB supersector (level 2). The SRI score is established on a scale of 0.5 to 5, with 5 being the best ESG score in the sector. Issuers are sorted into categories based on their SRI Score. Each SRI category covers 20% of the issuers in the universe analysed. These categories are as follows:

- Under Supervision: issuers lagging behind in consideration of ESG issues
- Uncertain: issuers which have poorly managed their ESG issues
- Followers: issuers which have moderately managed their ESG issues
- Involved: issuers which actively take ESG issues into account
- Leaders: issuers which are furthest ahead in taking ESG issues into account

Issuers belonging to the "Under Supervision" category are excluded from the investment universe.

Issuers' ESG ratings are calculated quarterly, while underlying data are updated at least every 18 months (according to the policy of MSCI, the data provider). Ratings can also be adjusted by analysis of controversies or as a result of engagement initiatives.

Securities forming the subject of an ESG rating or an SRI score will represent at least 90% of assets (excluding cash).

Exclusion policies

In addition, the controversial activity and regulatory exclusions applied by the Management Company are as follows:

- Violations of the Ten Principles of the Global Compact;
- Controversial weapons
- Coal
- Tobacco
- Oil and gas

Furthermore, with a view to cash management, the Sub-Fund may invest up to 10% of its net assets in money market UCIs. These UCIs are classified as Article 8 products within the meaning of the SFDR.

● *What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?*

The committed minimum rate corresponds to the exclusion of 20% of each sector ("Under supervision" SRI category), at any time, from the Sub-Fund's investment universe.

● *What is the policy to assess good governance practices of the investee companies?*

A number of methods are used in order to assess good governance practices of the investee companies:

1. Analysis of governance practices within the ESG analysis (pillar G). For each Issuer, the ESG analysis incorporates an analysis of corporate governance, with the following themes and issues:
 - Its governance structure: Respect for minority shareholder rights - The composition and operation of boards or committees, Remuneration of executives, Accounts, audits and taxation;
 - And its market behaviour: Business practices.
2. Weekly monitoring of ESG controversies: the ESG analysis also takes into account the presence of controversies on the above-mentioned themes and their management by issuers.
3. The Management Company's exclusion policy related to the UN Global Compact, including its Principle 10: "Businesses should work against corruption in all its forms, including extortion and bribery".¹ Companies which are dealing with serious and/or systemic controversies on this principle on a recurrent or frequent basis, and which have not implemented appropriate remedial measures, are excluded from the investment universe.

Good governance
practices include
sound management
structures,
employee relations,
remuneration of staff
and tax compliance.

¹ <https://pactemondial.org/decouvrir/dix-principes-pacte-mondial-nations-unies/#lutte-contre-la-corruption>

4. The shareholder engagement policy describes the objectives and framework for implementation of ESG commitments, led by the Management Company's ESG analysis team. Through these individual or collaborative engagement actions, the Management Company aims to raise awareness among issuers on improving their sustainability, social responsibility and governance practices, to encourage them to be more transparent on these matters, and to reduce the risk of any adverse impact. Climate change mitigation, biodiversity and the social component (Global Compact) are the three main areas of our engagement strategy.

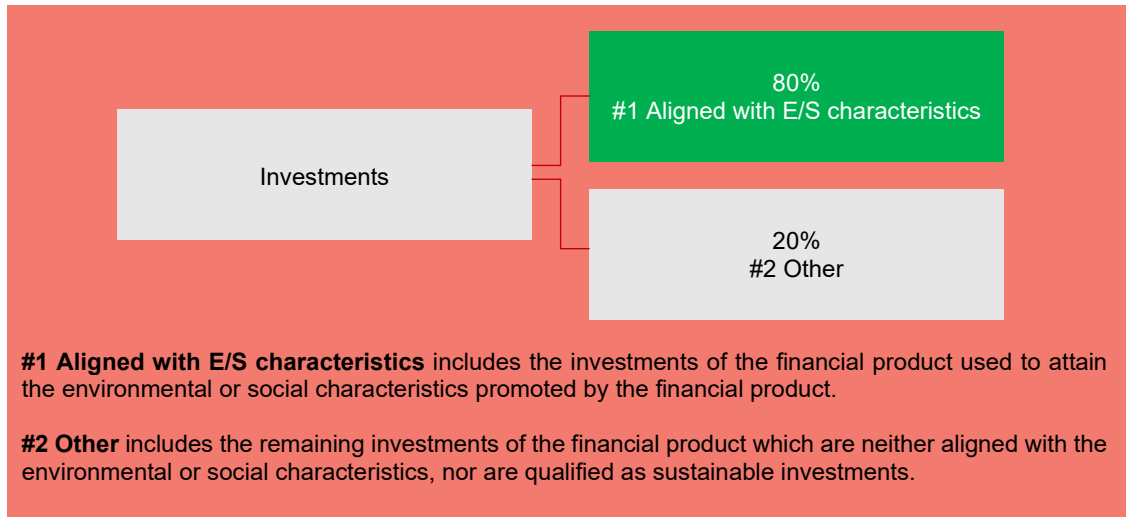


What is the asset allocation planned for this financial product?

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 80% of the net assets of the Fund are made up of investments contributing to the promotion of environmental and social characteristics (#1 Aligned with E/S characteristics).

Within the #2 Other component:

- The proportion of all portfolio securities that do not have an ESG score may not exceed 10% of the Fund's assets.
- A maximum of 10% of the Fund's investments will consist of cash and derivatives.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The use of derivatives will not aim to attain E/S characteristics. However, their use will not result in the environmental and/or social characteristics promoted by the Sub-Fund being significantly or permanently distorted.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a



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

The Fund does not currently make any minimum commitments to align its activities with the Taxonomy Regulation. Accordingly, the minimum investment percentage aligned with the EU Taxonomy to which the Fund commits is 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy²?

☐ Yes

- ☐ In fossil gas
- ☐ In nuclear energy

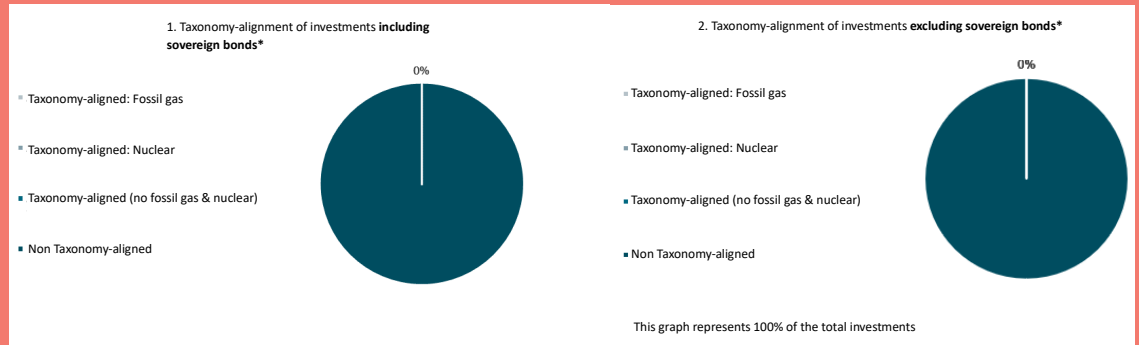
☒ No

² Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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 purposes of these graphs, 'sovereign bonds' consist of all sovereign exposures.

● What is the minimum share of investments in transitional and enabling activities?

There is no minimum share of investments in transitional and enabling activities.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not applicable.



What is the minimum share of socially sustainable investments?

Not applicable.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

These investments, which are made only in specific situations and represent a maximum of 20% of the Sub-Fund's investments, will consist of:

- Cash and derivatives which are limited to specific situations in order to allow occasional hedging against or exposure to market risks within a total limit of 10%,
- All securities that do not have an ESG score within a 10% limit.

Although this category does not have an ESG rating and no environmental and social guarantees have been implemented, its use will not have the effect of significantly or permanently distorting the environmental and/or social characteristics promoted by the Sub-Fund.



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

Not applicable.



Where can I find more product specific information online?
More product-specific information can be found on the website:

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<https://www.ofi-invest-am.com/produits>