

3/ Pre-contractual disclosure template (Article 8 SFDR)

Product name: Ofi Invest Biodiversity Global Equity

Legal entity identifier:
213800QGZ58ECLE39I70

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

☒ ☒ ☐ **Yes**

☒ ☐ ☒ **No**

☐ It will make a minimum of **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 will make a minimum of **sustainable investments with a social objective**: ____%

☒ 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 **30%** 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 sustainable investments**



What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund invests in responsible, active and committed companies, in the fight against the erosion of biodiversity and in favour of the protection of nature and the restoration of ecosystems.

In addition, the Sub-Fund promotes additional Environmental and Social characteristics by investing in companies that have good Environmental, Social and Governance practices.

The Sub-Fund promotes the above-mentioned environmental and social characteristics by excluding certain sectors and using an ESG score.

The Sub-Fund will compare the environmental and/or social characteristics that it promotes to the index used for the purpose of ex-post performance comparison. Thus, the MSCI World index has been chosen as the reference initial SRI universe.

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

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 environmental or social characteristics promoted by the Sub-Fund are:

- The Biodiversity Score of the Sub-Fund, calculated in the process of the investment strategy. The methodology to calculate the Biodiversity Score is detailed in the investment section.
- The percentage of the portfolio belonging to each quintile defined by the Biodiversity scoring (see the Investment Strategy below) from which the last quintile is excluded from the investment universe.
- The Sub-Fund's average ESG score: for the method used to calculate this score, please refer to the section "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 average ESG score of the initial SRI universe, from which are excluded the 30% of private issuers appearing on the Management Company's sectoral and normative exclusion lists for the needs of the SRI Label, as well as the securities obtaining the lowest ESG scores to verify that the average ESG score of the Sub-Fund outperforms the average ESG score of the SRI universe.
- The Sub-Fund's share of sustainable investments.

In addition, under the French SRI Label awarded to the Sub-Fund, the following two ESG indicators were also selected:

- Environmental indicator (PAI 2): Tons of CO2 per million euros invested (Scopes 1, 2, and 3 divided by EVIC).
- Social indicator (optional PAI 7): Number of discrimination cases (weighted average).

● ***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 Sub-Fund invests at least 30% of its net assets in securities that meet the OFI Invest AM definition of sustainable investment.

To qualify as a sustainable investment, it must meet the following criteria:

- Make a positive contribution to or bring a benefit to the environment and/or society;
- Not cause significant harm;
- Apply good governance.

The definition of sustainable investment is set out in detail in the "Responsible Investment Policy", available on the website at the following address: <https://www.ofi-invest-am.com/pdf/principes-et-politiques/politique-investissement-responsable.pdf>.

● ***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?***

In order to ensure that the issuers under review Do No Significant Harm (DNSH) in terms of sustainability, OFI Invest AM analyses issuers in terms of:

- indicators for Principal Adverse Impacts (PAI indicators) for sustainability within the meaning of the SFDR;
- activities that are controversial or considered sensitive in terms of sustainability;
- the presence of controversies deemed to be very severe.

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

Issuers exposed to the following adverse impact indicators are qualified as non-sustainable investments:

- exposure to companies active in the fossil fuel sector (PAI 4),
- exposure to activities linked to typologies of controversial weapons, such as cluster bombs or anti-personnel mines, biological weapons, chemical weapons, etc. (PAI indicator 14),
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI indicator 10).

In addition, activities that are controversial considered sensitive in terms of sustainability are considered non-sustainable. Adverse impacts are analysed according to OFI Invest AM's sector-based policies (tobacco, oil and gas, coal, palm oil, biocides and hazardous chemicals) and norm-based policies (Global Compact and ILO fundamental conventions, controversial weapons), published on our website. Investments may not be made in companies with a negative screening.

Very severe controversies ("level 4" environmental and societal controversies as well as "level 3" social and governance controversies) cannot be considered sustainable, according to OFI Invest AM's definition.

• ***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?***

The exposure of issuers to controversies related to violations of fundamental human rights, as described in the UN Global Compact and the OECD Guidelines for Multinational Enterprises (PAI indicator 10), is a reason for exclusion (see above).

Issuers exposed to such controversies, whose severity level is deemed to be very high or high, on all social, societal and environmental issues cannot be considered sustainable according to our definition.

More specifically, investments may not be made in issuers exposed to "level 4" (very high) environmental and societal controversies as well as "level 3" (high) for social and governance controversies, *i.e.*, the highest on our proprietary rating scale.

These E, S, and G issues bring together all themes covered by the OECD Guidelines and the Global Compact.

Principal adverse impact are the most significant negative impacts of investment decision on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

These exclusions apply to issuers qualified as “sustainable” according to OFI Invest AM's definition, in addition to the norm-based exclusion policy on Non-Compliance with the Global Compact Principles and ILO fundamental conventions.

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 not significant harm’ principle applies only to those investments underlying the Sub-Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this Sub-Fund 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 ☐ No

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

Adverse sustainability indicator		Metric
INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES		
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions
		Scope 2 GHG emissions
		Scope 3 GHG emissions
		Total GHG emissions
	2. Carbon footprint	Carbon footprint (Scope 1, 2 and 3 GHG / EVIC emissions)
	3. GHG intensity of investee companies	GHG intensity of investee companies (Scope 1, 2 and 3 GHG / CA emissions)
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS		
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons
ADDITIONAL CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS		
Water, waste and material emissions	9. Investments in companies producing chemicals	Share of investments in investee companies the activities of which fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006
ADDITIONAL INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS		
Anti-corruption and anti-bribery	16. Cases of insufficient action taken to address breaches of standards of anti-corruption and antibribery	Share of investments in investee companies with identified insufficiencies in actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery

For more information, please refer to 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 Sub-Fund invests in responsible, active and committed companies, in the fight against the erosion of biodiversity and in favour of the protection of nature and the restoration of ecosystems.

The investments to attain each of the environmental and social characteristics promoted by the Sub-Fund are selected as it follows:

Biodiversity Investment Universe definition

The definition of the Biodiversity Investment Universe is based on the purpose to have significant impact on sub-industries that have a relevant exposure to biodiversity loss. Some sub-industries considered by SBTN/Encore (Science Based Target Network) with limited impact on the issues of biodiversity are excluded. It allows us to restrict the weight of sub-industries with limited impact (low pressure) to less than 25% of the investment universe (in number of issuers). The Biodiversity Investment Universe may evolve depending on the development of the sub-sectors analysis of SBTN and ENCORE on the contribution to the 5 pressures on biodiversity: land and sea use change, resource exploitation, pollution, climate change invasive species.

As a result, the Biodiversity Investment Universe is at least compound of 75% of sub-industries with material negative impact on biodiversity (medium and high pressures).

The “**Eligible Investment Universe**” is a result of (A) exclusion policies, (B) ESG integration policies, and (C) SRI rating on

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

biodiversity.

For more information on the investment strategy, please refer to Section 13. “Summary of the Sub-Funds”.

● ***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?***

(A) Exclusion policies

The Sub-Fund complies with the policies summarised in the document entitled “Investment Policy - Sector-based and Norm-based Exclusions”. This document is available at: https://www.ofi-invest-am.com/pdf/principes-et-politiques/politique-exclusions-sectorielles-et-normatives_ofi-invest-AM.pdf and includes the Climate Transition Benchmark (CTB) and Paris-Aligned Benchmark (PAB) exclusions in accordance with the ESMA Guidelines on funds’ names using ESG on sustainability-related terms.

(B) ESG integration policies

The binding elements of the investment strategy used to select investments that achieve the environmental and social characteristics promoted by the Sub-Fund are as follows: The management team implements an ESG “score improvement” approach, which consists of obtaining an average ESG score of the portfolio higher than the average ESG score of the comparison SRI universe, including the securities composing the MSCI World, after eliminating 30% of the index weighting. These eliminated securities correspond to the exclusion of private issuers appearing on the management company’s sectoral and normative exclusion lists for the needs of the SRI Label, as well as the securities obtaining the lowest ESG scores.

The share of ESG-analysed securities in the pocket must be greater than 90% of the Sub-Fund’s net assets (excluding cash, UCIs, and derivatives).

To assess the ESG practices of issuers, the Sub-Fund takes into account the following pillars and themes:

- Environment: climate change, natural resources, project financing, toxic emissions, green products;
- Social: employees, customers, suppliers, and civil society, with reference to universal values (notably: human rights, international labour standards, environmental impacts, anti-corruption, etc.), human capital, supply chain, products, and services;
- Governance: governance structure, market behaviour.

The ESG analysis team defines a sectoral benchmark of key issues (ESG listed above), selecting the most important issues for each sector of activity. Based on this benchmark, an ESG score is calculated out of 10 for each issuer, which includes, on the one hand, the scores of the key E and S issues and, on the other hand, the G issues as well as any potential bonuses/penalties.

Among the indicators used to establish this ESG score are:

- Scope 1 carbon emissions in tonnes of CO₂, water consumption in cubic meters, nitrogen oxide emissions in tonnes for the environmental pillar;
- Information security policies in place and the frequency of system audits, the number of fatal accidents, the percentage of the total workforce represented by collective agreements for the social pillar;
- The total number of directors, the percentage of independent board members, total compensation as a percentage of fixed salary for the governance pillar.

Issuers’ ESG scores are calculated quarterly, while underlying data are updated at least every 18 months. Ratings can also be adjusted by analysis of controversies or as a result of engagement initiatives. This analysis is carried out using a dedicated proprietary tool for automating the quantitative processing of ESG data (mainly provided by ESG score agencies, but also by specialised agencies), combined with an analysis by the ESG analysis team.

The weighting of the E, S, and G pillars of each sector, as well as the justification in case of a weight below 20%, are detailed in the document available at the following address: <https://www.ofi-investam.com/fr/politiques-et-documents>.

However, one may face certain methodological limitations such as:

- a problem of missing or incomplete publication by some companies on information used as input for the rating model;
- a problem related to the quantity and quality of ESG data to be processed.

Details of the issuers’ ESG score methodology are provided in the document entitled Responsible Investment Policy. This document is available at: <https://www.ofi-invest-am.com/pdf/principes-et-politiques/politique-investissement-responsable.pdf>.

OFI Invest AM has also identified risk areas for its investments in relation to certain business sectors and international benchmarks. Therefore, the Management Company has introduced exclusionary policies to minimise these risks and manage its reputational

risk.

The exclusion policies are available in full at: <https://www.ofi-invest-am.com>.

C/ SRI rating on biodiversity

The Eligible Investment Universe is defined by excluding the last quintile from the initial SRI universe according to the biodiversity score.

The biodiversity score is constructed using indicators linked to the following 5 pressures:

- Change in land and sea use
- Overexploitation of resources
- Climate change
- Pollution
- Invasive alien species

These indicators make it possible to assess the following 3 dimensions for each of the 5 pressures:

- Politics and governance
- The company's objectives in terms of preserving biodiversity
- The results

The Biodiversity Score is established on a scale ranging from a score of 0 to 2 minimum to a score between 8 and 10 maximum depending on the level of pressure of the sector of activity on biodiversity.

In addition, a bonus (between 0 and 2) is granted to "providers of solutions". This bonus is determined according to a criterion assigned to each sector (such as the level of turnover (calculated in %) on an activity identified as a solution for the protection or restoration of biodiversity) by MSCI or Moody's ESG. In addition, the sectors to which issuers belong are judged according to the degree of exposure to each of the pressures and their negative intensity on biodiversity (high pressure, medium pressure, low pressure according to the ENCORE benchmark (Exploring Natural Capital Opportunities, Risks and Exposure /SBTN - Science Based Targets for Nature).

Once the Biodiversity Score has been determined for each company, they are then classified into company quintiles.

The last quintile (the 20% of companies lagging in taking biodiversity issues into account (the so-called "Best-In-Universe" approach) is excluded.

The Sub-Fund's portfolio is always made up and up to a minimum of 70% (in securities) of securities which carry out:

- high pressure in the first quintile;
- medium pressure in the first two quintiles;
- low pressure in the first three quintiles.

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

The minimum commitment rate corresponds to exclusion from the initial SRI universe of:

- Companies belonging to the last quintile (Q5) as defined by the Biodiversity Score.
- Private issuers appearing on the management company's sectoral and normative exclusion lists for the needs of the SRI Label.

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

Several methods are implemented 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.

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

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"⁶ 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.
4. The voting and shareholder⁷ engagement policy: This policy is based on the most rigorous governance standards (G20/OECD Principles of Corporate Governance, AFEP-MEDEF Code, etc.). Firstly, in connection with the voting policy, the Management Company may have recourse to several actions in the context of general meetings (dialogue, written questions, filing of resolutions, protest votes, etc.). In addition, the engagement policy is reflected in dialogue with certain companies, not only in order to have additional information on their CSR strategy, but also to encourage them to improve their practices, particularly in terms of governance.



What is the asset allocation planned for this financial product?

The Sub-Fund has at least 90% of its investments used to attain the environmental and social characteristics promoted (**#1 Aligned with E/S characteristics**).

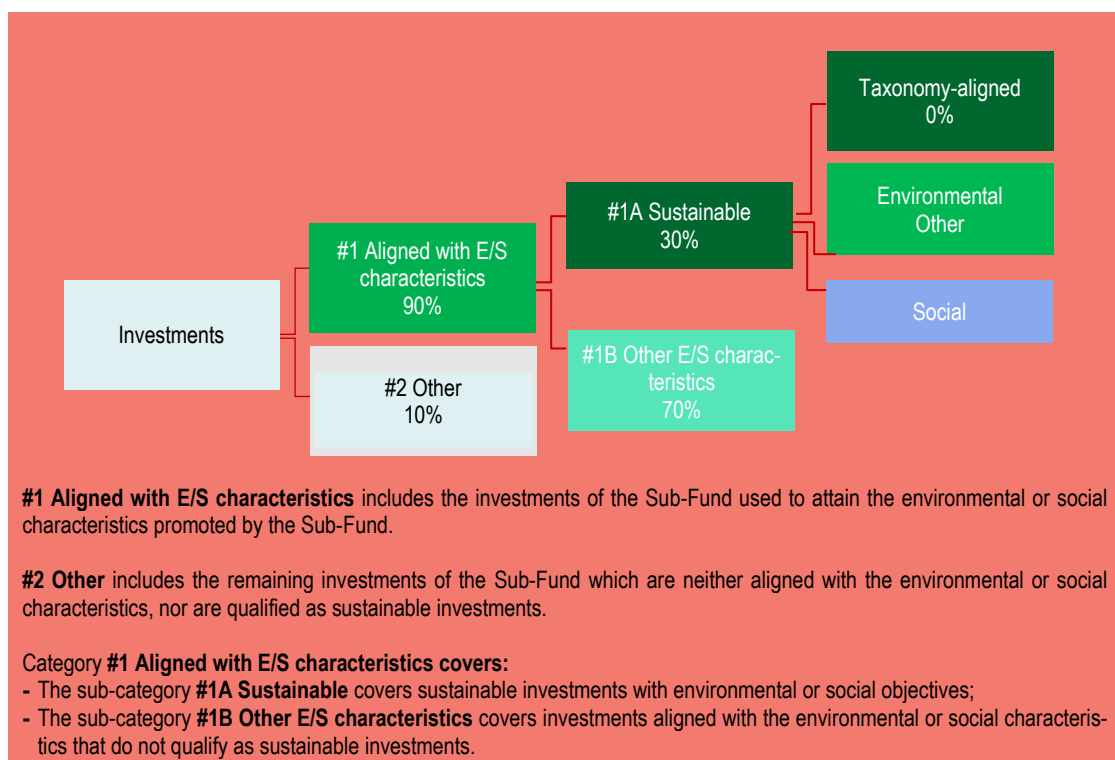
Within the (**#2 Other**) component of 10% of the Sub-Fund's assets:

- all portfolio securities that do not have an ESG score; and
- the Sub-Fund's investments consisting of cash and derivatives.

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.



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 have the effect of significantly or permanently impinging on the environmental and/or social characteristics promoted by the Sub-Fund.

⁶ <https://pactemonial.org/decouvrir/dix-principes-pacte-mondial-nations-unies/#lutte-contre-la-corruption>

⁷ This policy applies according to the asset class of the UCIs and therefore, primarily to UCIs exposed to equities.



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

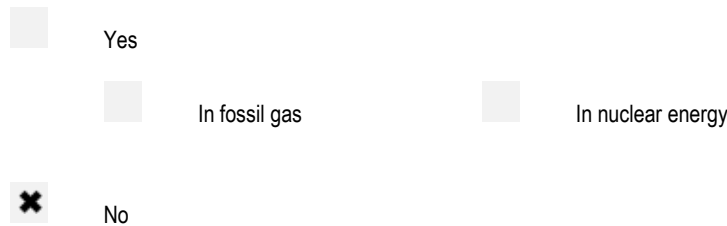
The Sub-Fund does not currently make any minimum commitments to align its activities with the Taxonomy Regulation. Accordingly, the minimum investment percentage aligned with the EU Taxonomy to which the Sub-Fund commits is 0%.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully 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 substantial contribution to an environmental objective.

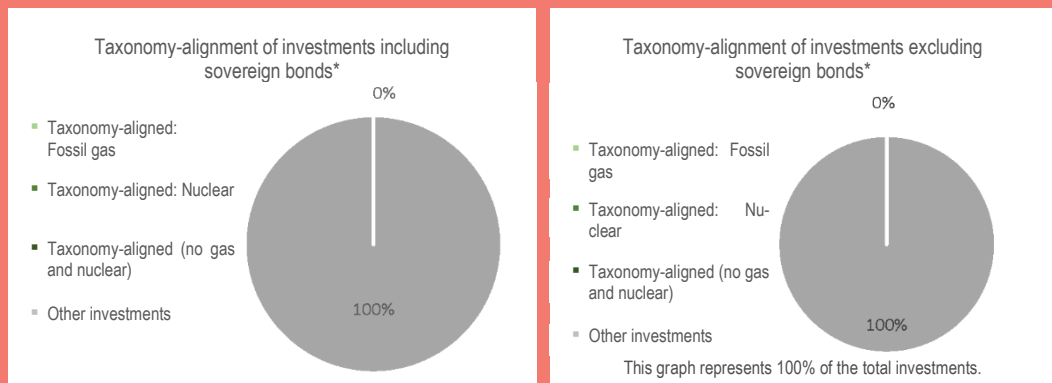
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?



¹ 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.

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 Sub-Fund including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the Sub-Fund 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?

Not applicable.



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

As outlined under the heading "Does this financial product have a sustainable investment objective?", the Sub-Fund aims to invest at least 30% of its net assets in sustainable investments. However, the Sub-Fund does not make any commitment on the weight of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



are environmentally sustainable investments that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of socially sustainable investments?

As outlined under the heading “*Does this financial product have a sustainable investment objective?*”, the Sub-Fund aims to invest at least 30% of its net assets in sustainable investments. However, the Sub-Fund does not make any commitment on the weight of sustainable 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?

These investments, which are made only in specific situations and represent a maximum of 10% of the Sub-Fund's investments, will consist of:

- cash and derivatives in order to allow occasional hedging against or exposure to market risks;
- all securities that do not have an ESG score.

The use of derivatives will not aim to attain E/S characteristics. However, their use will not have the effect of significantly or permanently impinging on 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?

The Sub-Fund does not have a defined reference benchmark for the application of its investment strategy but uses the MSCI World for the purpose of ex-post performance comparison. Accordingly, the Sub-Fund will compare the environmental and/or social characteristics that it promotes to the MSCI World index as the reference initial SRI universe.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**
Not applicable.

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**
Not applicable.

- **How does the designated index differ from a broad market index?**
Not applicable.

- **Where can the methodology used for the calculation of the designated index be found?**
Not applicable.



Where can I find more product specific information online?

More product-specific information can be found on the website: <https://www.ofi-invest-am.com/fr/produit/ofi-invest-biodiversity-global-equity-class-i-c-eur/LU2702915542>

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