Pre-contractual information annex for financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and the first paragraph of Article 6 of Regulation (EU) 2020/852

Product name: Ofi Invest ESG Euro Investment Grade Climate Focus **LEI :** 9695002MDEAJKQULXD55

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that it does not cause significant harm to any of those objectives and that the companies benefiting from the investments apply good governance practices.

The **EU Taxonomy** is a classification system established by Regulation (EU) 2020/852 that lists **environmentally sustainable economic activities**. This regulation does not address a list of socially sustainable economic activities. Sustainable investments with an environmental objective are not necessarily aligned with the Taxonomy.

Does this financial product have a sustainable investment objective?	
☐ Yes	No ☒
☐ It will make a minimum of **sustainable investments with an environmental objective:** ____ %	☒ It **promotes environmental and social (I/O) characteristics** and, although it does not aim at sustainable investment, it will contain a minimum proportion of 25% sustainable investments
☐ in economic activities that are considered environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that are considered environmentally sustainable under the EU taxonomy
☐ in economic activities that are not considered environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that are not considered environmentally sustainable under the EU Taxonomy
	☒ with a social purpose
☐ It will make a minimum of **sustainable investments with a social objective:** ____ %	☐ It promotes I/O characteristics, but **will not make sustainable investments**

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

Sustainability **indicators** assess the extent to which the environmental or social characteristics promoted by the financial product are achieved.

The Fund promotes environmental and social characteristics. In order to assess the environmental, social and governance practices of issuers, the Management Company relies on the internal ESG rating methodology.

- Environment: Climate change - Natural resources - Project financing - Toxic discharges - Green products.
- Social: Human Capital - Societal - Products and Services - Communities and Human Rights
- Governance: Governance Structure – Market Behaviour

The SRI comparison universe is the same as the Fund's benchmark.

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

- **The average ESG rating of the Fund: for the method of calculating this score, refer to the section "What are the binding elements of the investment strategy used to select investments in order to achieve each of the environmental or social characteristics promoted by this financial product?".**
- **The average ESG score of the SRI universe**, in order to verify that the average ESG score of the Fund outperforms the average ESG score of the SRI universe.
- **The Fund's sustainable investment percentage;**

In addition, as part of the French SRI Label awarded to the Fund, the following two ESG performance monitoring indicators have also been selected:

- **Environmental indicator (PAI 2):** Tonnes of CO2 per million euros invested (Scopes 1, 2 and 3 divided by EVIC)
- **Social indicator (optional IAP 17):** Amount of fines imposed for infringements of anti-corruption legislation and anti-corruption (in euro).

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- ***What are the objectives of sustainable investments that the financial product intends to pursue in particular and how do the investments made contribute to these objectives?***

The Sub-Fund invests a minimum of 25% of its net assets in securities that meet the definition of sustainable investment by Ofi Invest AM.

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

- Have a positive contribution or benefit to the environment and/or society;
- Do not cause significant harm;
- Have good governance.

Our definition of sustainable investing is set out in detail in our Responsible Investment Policy, which is available on our website at https://www.ofi-invest-am.com/pdf/principes-et-politiques/politique-investissement-responsable.pdf.

- ***To what extent do the sustainable investments that the financial product intends to make in part not cause significant damage to an environmentally or socially sustainable investment objective?***

In order to ensure that issuers under review do not cause significant harm (DNSH) in terms of sustainability, Ofi Invest AM analyses issuers with regard to:

- Indicators of negative impact in terms of sustainability within the meaning of the SFDR regulation (so-called "Principal Adverse Impacts" or PAIs);
- Controversial activities or activities deemed sensitive in terms of sustainability;
- The presence of controversies whose level of severity is considered very high.

▪ ***How have the indicators on adverse impacts been taken into account?***

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

- Exposure to fossil fuels (PAI 4),
- Exposure to activities related to controversial types of weapons, such as cluster bombs or anti-personnel mines, biological weapons, chemical weapons, etc. (PAI 14);
- Violations of the principles of the UN Global Compact and the OECD Guidelines (IAP 10)

In addition, activities that are controversial or deemed sensitive in terms of sustainability are considered unsustainable. Negative impacts are analysed via Ofi Invest AM's sectoral policies (tobacco, oil and gas, coal, palm oil, biocides and hazardous chemicals) and normative policies (Global Compact and ILO core conventions, controversial weapons), published on our website. Companies that do not pass these exclusion filters are therefore not investable.

Controversies that are considered to be very severe ('level 4' environmental and societal controversies as well as 'level 3' social and governance controversies) cannot be considered sustainable according to our definition.

- ***To what extent are sustainable investments in line 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 (IAP 10), is a ground for exclusion (see above).

Issuers exposed to such controversies, whose level of severity is considered very high or high, on all social, societal and environmental issues cannot be considered sustainable, and eligible within an Article 9 fund, according to our definition.

Specifically, issuers exposed to environmental and societal controversies ("Level 4" (very high) as well as "Level 3" (high) for social and governance controversies (i.e., the highest on our proprietary rating scale) are not investable.

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

These exclusions apply to issuers that are considered "sustainable", as defined by our definition, in addition to the prescriptive exclusion policy on Non-compliance with the Global Compact Principles and the ILO's core conventions.

The EU Taxonomy establishes a 'do no significant harm' principle, according to which Taxonomy-aligned investments should not cause significant harm to the objectives of the EU Taxonomy, and which is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to investments underlying the financial product that take into account the European Union's criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

Any other sustainable investment must also not cause significant harm to environmental or social objectives.

Does this financial product take into account the main impacts on sustainability factors?

The **principal adverse impacts** are the most significant adverse impacts of investment decisions on sustainability factors related to environmental, social and personnel issues, respect for human rights and the fight against corruption and corruption.

☒ **Yes** ☐ **No**

The methods used by the Management Company to assess the companies invested on each of the main adverse impacts related to sustainability factors are as follows:

Negative Impact Indicator	Measuring element

Climate and other environment-related indicators		
Greenhouse gas emissions	**1. Emissions de GES**	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 Emissions / EVIC)
	3. GHG intensity of investee companies	GHG intensity of investee companies (Scope 1, 2 and 3 GHG emissions / AC)
	4. Exposure to companies active in the fossil fuel sector	Share of investment in companies active in the fossil fuel sector
	5. Share of non-renewable energy consumption and production	Share of the energy consumption and production of investee companies from non-renewable energy sources, relative to that from renewable energy sources, expressed as a percentage of total energy resources
	6. Energy Intensity by High Climate Impact Sector	Energy consumption in GWh per million euros of turnover of companies benefiting from investments, by sector with a high climate impact
Biodiversity	**7. Activities that negatively affect biodiversity-sensitive areas**	Share of investments made in companies with sites/establishments in or near biodiversity-sensitive areas, if the activities of these companies have a negative impact on these areas
Water	**8. Releases to water**	Tonnes of discharges to water from investee companies, per million euro invested, weighted average
Rubbish	**9. Ratio of hazardous waste to radioactive waste**	Tonnes of hazardous and radioactive waste generated by investee companies, per million euro invested, weighted average
Indicators related to social, personnel, human rights and anti-corruption and anti-corruption issues		
Social and personnel issues	**10. Violations of the principles of the UN Global Compact and the OECD Guidelines**	Share of investment in companies that have participated in violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises
	11. Lack of processes and compliance mechanisms to monitor compliance with the UN Global Compact and OECD principles for multinational enterprises	Share of investment in companies that do not have a policy for monitoring compliance with the principles of the UN Global Compact or the OECD Guidelines for Multinational Enterprises, or complaint or dispute mechanisms to address such violations
	12. Unadjusted gender pay gap	Unadjusted average gender pay gap in investee companies
	13. Gender diversity in governance bodies	Average gender ratio in the governance bodies of the companies concerned, as a percentage of the total number of members
	14. Exposure to controversial weapons	Share of investment in companies involved in the manufacture or sale of controversial weapons
Additional indicators related to social and personnel issues, respect for human rights and the fight against corruption and acts of corruption		
Fight against corruption and	**16. Insufficient measures taken to address non-compliance with anti-corruption and anti-corruption standards**	Share of investment in companies that have proven deficiencies in adopting measures to address non-

acts of corruption		compliance with anti-corruption and anti-corruption procedures and standards

For more information, please refer to the *"Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors"* available on the Management Company's website: https://www.ofi-invest-am.com/finance-durable

What is the investment strategy followed by this financial product?

The investment strategy of this Sub-Fund aims to build a portfolio of bonds issued by the private issuers that are most active in the Energy Transition and display the best practices in terms of managing ESG issues specific to their sector of activity, in accordance with the ESG rating methodology and the so-called "Energy and Ecological Transition" matrix, owner of the Management Company.

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

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

What are the constraints defined in the investment strategy used to select investments in order to achieve each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy used to select investments to achieve the environmental and social characteristics promoted by the Fund are as follows:

The fund management implements an ESG "rating improvement" approach, which consists of obtaining an average ESG score of the portfolio, higher than the average ESG score of the SRI comparison universe, including the stocks making up the Bank of America Merrill Lynch Euro Corporate Index, after eliminating 30% of the index weighting. These eliminated values correspond to the exclusion of private issuers on the management company's sectoral and normative exclusion lists for the purposes of the SRI Label, as well as stocks with the lowest ESG ratings.

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

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

- Environment: climate change, natural resources, project finance, toxic discharges, green products;
- Social: employees, customers, suppliers and civil society, with reference to universal values (in particular: 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 sector reference framework of key issues (ESG listed above), selecting the most important issues for each sector of activity. Based on this framework, an ESG score is calculated out of 10 for each issuer, which includes, on the one hand, the scores of key issues E and S and, on the other hand, the G issues as well as any bonuses/maluses.

Among the indicators used to establish this ESG score, we can mention:

- Scope 1 carbon emissions in tonnes of CO_2, water consumption in cubic metres, nitrogen oxide emissions in tonnes for the environment pillar;
- the 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 members of the board of directors, the total remuneration as a % of the fixed salary for the governance pillar.

Issuers' ESG ratings are carried out on a quarterly basis, while the underlying data is updated at least every 18 months. Ratings can also be adjusted through the analysis of controversies or as a result of engagement initiatives. It is carried out using a dedicated proprietary tool to automate the quantitative processing of ESG data (mainly provided by ESG rating agencies but also by specialised agencies), combined with an analysis by the ESG analysis team.

The weighting of pillars E, S and G for each sector as well as the justification in the event of a weight of less than 20% are detailed in the document available at : https://www.ofi-invest-am.com/fr/politiques-et-documents

However, we may face some methodological limitations such as:

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

The ESG rating methodology of issuers is detailed in the document called Responsible Investment Policy. This document is available at: https://www.ofi-invest-am.com/pdf/principes-et-politiques/politique-investissement-responsable.pdf

In addition, Ofi Invest Asset Management has identified risk areas for its investments in connection with certain sectors of activity and international benchmarks. The Management Company has therefore adopted exclusion policies in order to minimize these risks and manage its reputational risk.

The Fund applies the exclusion policies summarised in the document entitled "Investment Policy: Sectoral and Normative Exclusions". In line with the implementation of the ESMA Guidelines, the Fund applies the PAB exclusions summarised in our "Investment Policy - Sector and Normative Exclusions". This document is available at the following address: https://www.ofi-invest-am.com/pdf/principes-et-politiques/politique-exclusions-sectorielles-et-normatives_ofi-invest-AM.pdf.

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

Carbon Analysis:

The Sub-Fund pursues a strategy of promoting the most active private issuers with regard to the Energy Transition.

The universe of sectors of activity intense in Greenhouse Gas emissions will be analyzed according to two axes: the Carbon Intensity of the company's activities and the level of the company's involvement in the Energy Transition.

The carbon intensity of the company's activities:
The scope of the companies studied as part of the Energy and Ecological Transition Analysis will be that of the sectors of activity with the most greenhouse gas (GHG) emissions that are most likely to act to significantly reduce them, the analysis will focus on the following sectors:

- Car
- Chemistry
- Industriel "intense" (secteurs ICB 3 Aerospace & Defense, General Industrials, Industrial Engineering et Industrial Transportation)
- Base Materials
- Building materials
- Oil & Gas
- Utilities
- "Intense" Travel & Leisure (ICB 3 Airlines, Hotels and Travel & Tourism sectors)

The level of the company's involvement in the energy transition:

For each intense sector, a matrix is deployed that combines the carbon footprint measurement axis and the energy and ecological transition analysis axis.
The issuers then classified their assessment on each axis into tercile bases.

On a scale of 1 to 3, the evaluation of emitters on the carbon footprint measurement axis is obtained through:
- A "Financed Emissions" score, higher for the least intense emitters
- Un malus sur base de la Global Coal Exit List (GCEL) d'Urgewald
- A ceiling on the evaluation can be provided on the basis of a qualitative analysis of scope 3

On a scale of 1 to 3, the evaluation of emitters on the measurement axis of the energy transition analysis is obtained through:
- An "Energy Transition" score, measuring the quality of the management of the environmental theme
- A bonus based on the percentage of turnover achieved in "green" products
- An adjustment of the assessment may occur for certain players in public transport (rail, bus, etc.), port infrastructure, and electric transport networks, which are key in the transition and are otherwise poorly identified

A selection matrix is obtained for each carbon-intensive sector, by placing the level of carbon intensity of the activities on the vertical axis and the level of progress in the energy transition on the horizontal axis. Based on these two axes, issuers in the carbon-intensive sectors are classified into the following categories:

- "High risk"
- "risk"
- "neutral"
- "opportunities"
- "Strong opportunities"

Companies in these carbo-intensive sectors that are either "high risk" or "risky" are excluded from the Fund's investment universe.

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

What is the minimum proportion of the financial product that undertakes to reduce its investment scope before the application of this investment strategy?

The Fund does not undertake to reduce the investment universe prior to the application of the investment strategy.

What is the policy implemented to assess the good governance practices of the companies in which the financial product invests?

Several means are implemented to evaluate the good governance practices of the companies invested:

1. Analysis of governance practices within ESG analysis (Pillar G). For each Issuer, the ESG analysis includes an analysis of the company's governance, with the following themes and challenges:
   - Its governance structure: Respect for the rights of minority shareholders - The composition and functioning of boards or committees, Executive compensation, Accounts, audit and taxation;
   - And its behaviour in the market: Commercial practices.

2. Weekly monitoring of ESG controversies: 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 linked to the United Nations Global Compact, in particular its principle n°10: "Companies are invited to act against corruption in all its forms, including extortion and bribery".1 Companies that face serious and/or systemic controversies on a recurring or frequent basis on this principle and that have not put in place appropriate remedial measures, are excluded from the investment universe.

4. The voting and shareholder engagement policy2 : It describes the objectives and the framework for exercising ESG commitments led by the Management Company's ESG analysis team. Through these individual or collaborative engagement actions, the Management Company intends to raise awareness among issuers on the need to improve their sustainability, social responsibility and governance practices, encourage them to be more transparent on these issues and prevent the risk of negative impacts. Climate change mitigation, biodiversity and the social component (Global Compact) are the three main axes of our engagement strategy.

What is the planned asset allocation for this financial product?

The Fund has at least 80% of its net assets made up of investments that contribute to the promotion of environmental and social characteristics (#1 Aligned with I/O characteristics).

Within pocket #2 Others:

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

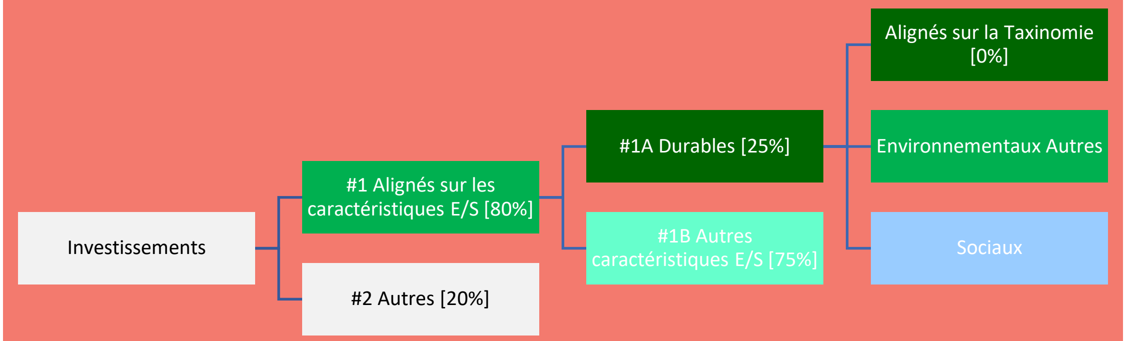
Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as %s:

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

[2] This policy applies according to the asset class of the UCIs and therefore mainly to UCIs exposed to equities.

- turnover to reflect the proportion of income from the green activities of the companies in which the financial product invests;
- Capital expenditure (CapEx) to show the green investments made by the companies in which the financial product invests, for example for a transition to a greener economy;
- Operating expenses (OpEx) to reflect the green operating activities of the companies in which the financial product has invested.



Category **#1 Aligned with I/O characteristics** includes investments in the financial product used to achieve the environmental or social characteristics promoted by the financial product.

Category **#1 Aligned on I/O Characteristics includes:**
- The sub-category **#1A Sustainable** covering sustainable investments with environmental or social objectives;
- The subcategory **#1B Other I/O characteristics** covering investments aligned with environmental or social characteristics that are not considered sustainable investments.

Category **#2 Other** includes the remaining investments of the financial product that are neither aligned with environmental or social characteristics nor considered sustainable investments.

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

The use of derivative products will not be intended to achieve I/O characteristics. However, their use will not result in significant or lasting distortion of the environmental and/or social characteristics promoted by the Sub-Fund

To be in line with the EU Taxonomy, the criteria for **fossil gas** include emission limits and switching to electricity from renewable sources or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive rules on nuclear safety and waste management.

Enabling activities directly enable other activities to contribute substantially to the achievement of an environmental objective.

What is the minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund does not currently make any minimum commitment to align its business with the "Taxonomy Regulation". As a result, the minimum percentage of investment aligned with the Taxonomy to which the Fund commits is 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that are in line with the EU Taxonomy[3]?

☐ **Yes**

☐ In fossil gas
☐ In nuclear energy

☒ **No**

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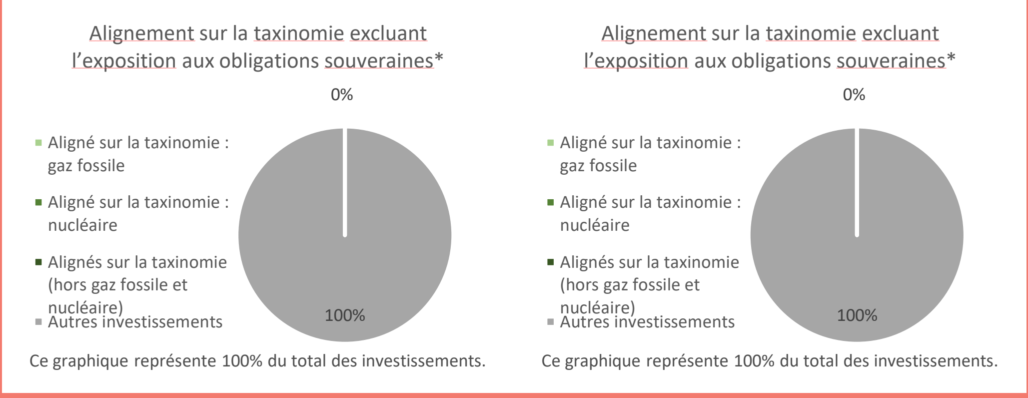
[3] *Fossil gas and/or nuclear activities will only comply with the EU Taxonomy if they contribute to limiting climate change ("climate change mitigation") and do not cause significant harm to any EU Taxonomy objective – see explanatory note in the left walk.*
The set of criteria for economic activities in the fossil gas and nuclear energy sectors that are in line with the EU Taxonomy are set out in Commission Delegated Regulation (EU) 2022/1214.

Transient **activities** are activities for which low-carbon alternatives do not yet exist and, among other things, for which greenhouse gas emission levels correspond to the best achievable performance.

The two graphs below show in green the minimum percentage of investments aligned with the EU Taxonomy. As there is no appropriate methodology for determining the Taxonomy-aligned of sovereign bonds*, the first chart shows the Taxonomy-aligned in relation to all investments in the financial product, including sovereign bonds, while the second chart represents the Taxonomy-aligned only in relation to investments in the financial product other than sovereign bonds.



*For the purposes of these charts, "sovereign bonds" include all sovereign exposures.

What is the minimum proportion of investments in transitional and *enabling activities* ?

Not applicable.

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

As discussed in the section "Does this financial product have a sustainable investment objective?", this product aims to invest at least 25% of its net assets in sustainable investments. However, the product does not make any commitment on the weight of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

What is the minimum proportion of socially sustainable investments?

As discussed in the section "Does this financial product have a sustainable investment objective?", this product aims to invest at least 25% of its net assets in sustainable investments. However, the product does not make any commitments on the weight of socially sustainable investments.

Which investments are included in the "#2 Other" category, what is their purpose and do minimum environmental or social guarantees apply to them?

These investments, which represent a maximum of 20% of the Fund's investments, will consist of:

- Liquidity and derivatives to allow you to hedge or expose yourself to market risks from time to time up to a total limit of 10%.
- Stocks or securities that do not have an ESG score within a limit of 10%.

Although this category does not have an ESG rating and no minimum environmental and social guarantees have been put in place, its use will not result in a significant or lasting distortion of the environmental and/or social characteristics promoted by the Fund.

Has a specific index been designated as a benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics it promotes?

Benchmarks are indices that measure whether the financial product achieves the environmental or social characteristics it promotes.

The SRI comparison universe is the same as the Fund's benchmark indicator (Bank of America Merrill Lynch Euro Corporate).

- ***How is the benchmark permanently 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 index methodology guaranteed at all times?***
  Not applicable.
- ***How does the designated index differ from a relevant broad market index?***
  Not applicable.
- ***Where can I find the method used to calculate the designated index?***
  Not applicable.

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

Information specific to the Sub-Fund is available on its website:

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