

Social & Environmental
COMMITMENTS
2022



ODDO BHF



Dear *clients*, dear *employees*, dear *partners*,

Corporate social and environmental responsibility is a central issue of our time. For the ODDO BHF Group, this responsibility lies on three pillars: a commitment to our employees, the reduction of our environmental impact, and action to promote a more cohesive society. By strengthening these three pillars, we intend to assert our European identity and build the bank of tomorrow.

In concrete terms, this means that we must pay particular attention to diversity within our teams, namely to the challenges of gender diversity in management positions and to better integrating the issue of disability in our daily work. For a Group like ours, diversity represents an exceptional enrichment, incorporating inter-generational diversity, gender diversity and cultural diversity, which is expressed in the Franco-German and European dimension that is unique to us. By unifying our tools and processes to form one unified team, we have the opportunity to become a model of the best that European integration can produce.

The European Union is committed to a strategy of reducing its greenhouse gas emissions. This means that we must limit our environmental impact, by calculating the carbon footprint of our operations and implementing an action plan based on that calculation. We want to make our employees more aware of environmental issues, by inviting them to make a commitment to the climate, through initiatives that will be supported by the Group.

Our Foundation in Germany and our Endowment Fund in France joined forces this year to provide emergency aid to people affected by the outbreak of war in Ukraine. This

event, which marks a real change of era for Europe, must not divert our attention from the issues that will determine the world of tomorrow, in particular the construction of a society with greater solidarity. We continue to respond to humanitarian emergencies while investing in long-term medical research; we support young people, particularly those in difficulty, to enable them to turn each day into an opportunity.

Our Group has been committed to a responsible approach for many years. We are aware that the response to these challenges will be based on the regular adaptation of our offers and services, our business lines, our working environment and the choice of our partners, to the new market standards in order to build, as Europeans, the bank of tomorrow.

We are pleased to detail our actions, our challenges and our ambitions in the next pages of this report.



PHILIPPE ODDO
General Partner & CEO, ODDO BHF

March 2023

MAKE
every day
AN OPPORTUNITY

OUR GROUP

BUSINESS MODEL 6

CSR AMBITION 10

CHAMPION OUR EMPLOYEES

INVOLVING OUR EMPLOYEES
IN THE GROUP'S SUCCESS 14

RECRUIT SUCCESSFULLY 16

TRAIN EMPLOYEES 20

ENSURE GENDER DIVERSITY WITHIN OUR TEAMS 24

SUPPORT AND EDUCATE EMPLOYEES
ON THE TOPIC OF DISABILITY 26

LIVE DIVERSITY WITHIN THE GROUP 30

ENSURE THE WELL-BEING OF OUR EMPLOYEES 32

LIMIT OUR ENVIRONMENTAL IMPACT

MANAGE THE CARBON FOOTPRINT
OF OUR FUNCTIONING 36

DEVELOP A RESPONSIBLE PROCUREMENT POLICY 40

ACT TOWARDS A COHESIVE SOCIETY

ODDO BHF ACTING FOR TOMORROW 44

FOUNDATION BHF BANK STIFTUNG 48

SUSTAINABILITY WITHIN OUR BUSINESSES

EUROPEAN TAXONOMY 54

DEVELOPING A RESPONSIBLE INVESTMENT OFFERING
IN OUR ASSET MANAGEMENT BUSINESS 56

PROVIDE AN INTEGRATED FINANCIAL AND
SUSTAINABILITY RESEARCH FOR THE INVESTOR CLIENTS
OF OUR EQUITY RESEARCH DEPARTMENT 60

MANAGE THE QUALITY AND ENVIRONMENTAL IMPACT
OF OUR METALS TRADING BUSINESS 62

PROVIDE SUSTAINABLE INVESTMENT SOLUTIONS
TO OUR PRIVATE CLIENTS 64

PROTECT OUR ACTIVITY AND OUR CLIENTS

FIGHT CORRUPTION AND TAX EVASION 70

ENSURE THE SECURITY OF DATA ENTRUSTED TO US 74

REPORTING FRAMEWORK 76

Business MODEL

- HEADQUARTERS
- SITES



+ INTERNATIONAL



We are fortunate to have more than **60,000 clients**, institutional investors, companies, distribution partners and large private clients whose financial assets we advise, manage, and invest for a total amount of **128 billion euros**. Our mission is to grow these assets through **our four businesses**.

PRIVATE WEALTH MANAGEMENT

We develop customized investment concepts and solutions for entrepreneurial families and their family offices, high-net-worth individuals and foundations. Our goal is to preserve and grow our clients' wealth, allowing them to pass it on successfully to the next generation.

ASSET MANAGEMENT

Whether listed securities, private assets, or savings products: our global Asset Management offering covers all asset classes and investment solutions for our clients and partners. In each of our three businesses - asset management, private assets and independent financial advisory - we seek to create sustainable value for them, in line with their expectations and investment objectives.

CORPORATES & MARKETS

In all our businesses - equity and fixed income brokerage, corporate finance, metals trading, international and corporate banking - strong values of independence, excellence and partnership guide us in the way we conduct our businesses. Our presence in Europe and around the world, our market expertise and deep understanding of our clients' needs enable us to seize the best opportunities. Thanks to these assets, our clients view us as a financial partner of choice.

BANKING SERVICES & TECHNOLOGIES

We offer a full range of front-to-back solutions including custody account management for asset managers, as well as administrative, operational and IT outsourcing for private banks and insurance companies. Expertise, commitment, entrepreneurship: these three words sum up the core of our service offering to professionals.

RESOURCES

2,700

EMPLOYEES AROUND THE WORLD



€1,103_M



3,232_{KWH}



1,287

PAPER SHEETS CONSUMED PER FTE IN 2022, AS PART OF OUR OPERATIONS



RESULTS

€727_M



NET BANKING INCOME

1,856_{KWH}



OF ENERGY SAVED IN AVERAGE PER EMPLOYEE IN 2022, VS 2021

225



PAPER SHEETS SAVED IN AVERAGE PER EMPLOYEE IN 2022, VS 2020



Ecovadis Gold Medal

THE ENTITY ODDO BHF SCA IS AWARDED "ECOVADIS GOLD MEDAL" IN 2022

€128_{BN}

CLIENT ASSETS



CSR AMBITION

Long-term commitment is one of our core values. We aim to act as a responsible player by integrating sustainable development issues into our daily activities.

In line with our ESG expertise, we are committed to sustainable initiatives based on 3 main pillars.



ODILE JOURNY
Head of HR Development
and Group CSR



CAROLINE D'HEROUVILLE
Group CSR Project Manager

1

Champion our employees

We are convinced that diversity within teams is a major performance driver. This is why we have put in place a series of measures to encourage the diversity of talent, create professional opportunities and build loyalty among our teams.

2

Limit our environmental impact

We aim to limit our environmental impact by accurately tracking our carbon footprint, implementing a low-carbon approach and an action plan to reduce our emissions.

3

Act towards a cohesive society

Through our dedicated entities, the ODDO BHF Agir pour demain (Acting for Tomorrow) endowment fund and the independent foundation BHF BANK Stiftung, we promote the development of the regions where we operate by supporting educational, social and artistic projects in which our clients and employees are regularly involved.

To bring this CSR ambition to life, a dedicated team works with the relevant ESG experts and representatives of the businesses concerned by each of the pillars of our commitment. In addition, we want to involve all our employees in our approach. This is why we regularly communicate internally on our initiatives, carry out collective projects and rely on volunteer ambassadors who participate in the impulsion and implementation of the numerous actions undertaken by the Group.

Champion
OUR EMPLOYEES

We are convinced that diversity within teams is a major performance driver. This is why we have put in place a series of measures to encourage the diversity of talent, create professional opportunities and build loyalty among our teams.

Involving our employees IN THE GROUP'S SUCCESS

We are committed to attracting and retaining talent notably by offering them the opportunity to become shareholders of the Group, alongside the Oddo family. Together, they own 90% of the share capital.

We aim to align our interests and values with those of our clients and partners, as we design for them responsible solutions in line with their aspirations and those of our societies. We wish to promote, together, a world where every day is an opportunity.



AUORE VAN DER WERF
Global Head of Human Resources
& Corporate Real Estate Management

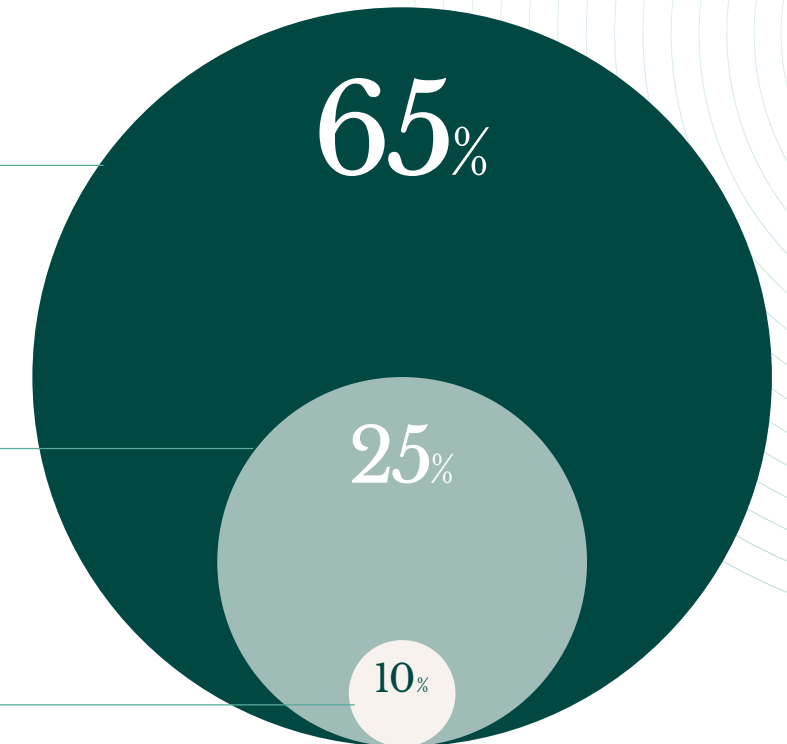
When we recruit candidates to join us, what matters to us their potential. The "Who" before the "What" is a key element of our approach to human resources.

ODDO FAMILY

EMPLOYEES

OTHERS, OF WHICH:

- › Bettencourt Meyers Family (Téthys)
- › Thierry Lombard and Pierre Landolt
- › Natixis



Recruit SUCCESSFULLY

Our HR teams work with managers to find the right match between the composition of our workforce and the Group's current and future needs.

Currently, one of the challenges for the Group is to build mixed teams in terms of seniority, in order to capitalize on the knowledge of all generations and build the Group of tomorrow. The aim is to avoid compromising current and future operations and to ensure that knowledge is passed on to guarantee the effective operation of our business. ODDO BHF is thus committed to rebalancing its age pyramid.

POLICY

Recruiting talent is a strategic challenge for the Group. We analyze HR indicators according to different criteria (profession, type of contract, age, gender, seniority, etc.), which allows us to monitor our workforce and adapt our recruitment policy in real time. One of our goals is to balance the workforce in terms of seniority of employees in order to develop the Group's activities over the long term, by emphasizing the recruitment of juniors. In parallel to this junior recruitment plan, we strive to ensure the best possible interaction between the different generations that make up our teams through training, which is a guarantee of enrichment and performance.



PHILIPP MONNET
HR Business Partner & Head of HR Development
ODDO BHF SE

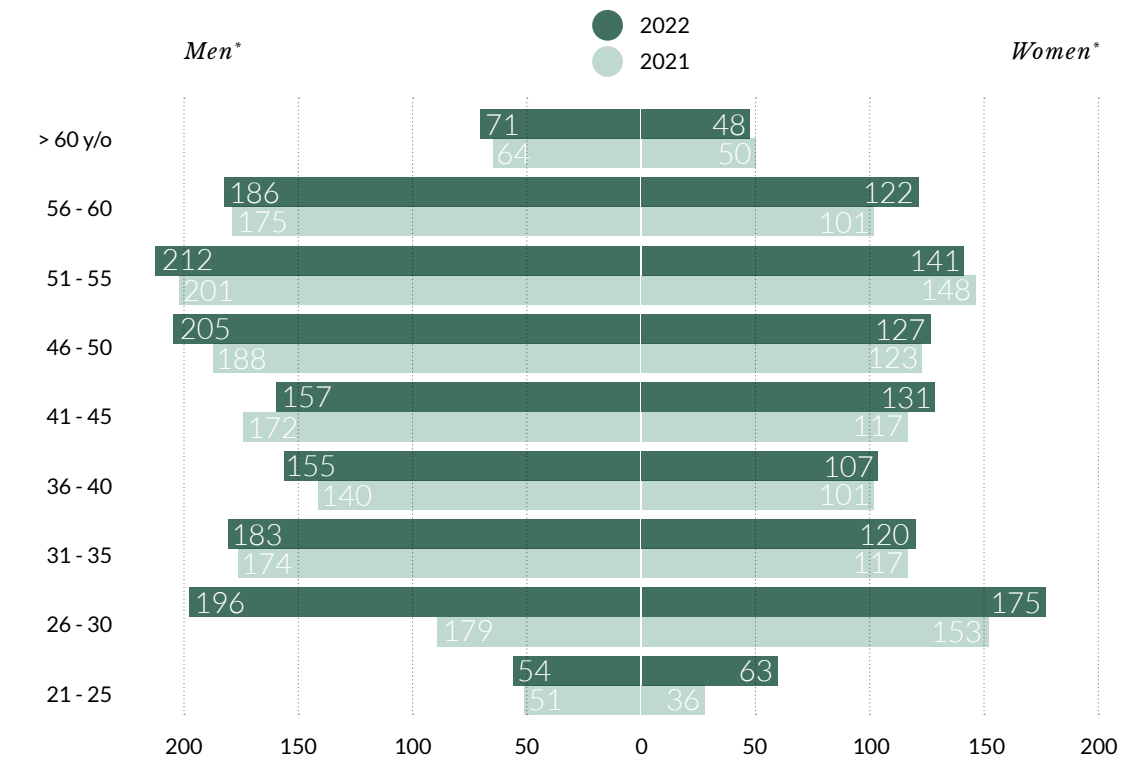
We are particularly attentive to talents with a strong interest in the European dimension of our Group.

PERFORMANCE

▲ 19.9%

of employees are 30 years old or younger in 2022 (vs 18.3% in 2021)

BREAKDOWN OF EMPLOYEES BY GENDER AND AGE AT GROUP LEVEL



Perimeter: France, Germany, Switzerland, Tunisia, other locations / Employees in permanent contract



SOPHIA SCHNEEMANN
Graduate Program Private Wealth
Management & former working
student

Working at ODDO BHF as a working student has helped me understand and identify with the company's identity, including its purpose, values, and culture, as well as communicate this identity to clients in a faster way.

Another advantage for my current position as a participant in the Graduate Program is the internal network I built up beforehand, which allows me to feel integrated and gain valuable insights into different functions.

RESULTS

Campus Management events support the Group's visibility and the recruitment of fresh graduates in France, Germany and Switzerland. We are developing partnerships with the best schools and universities in these three countries and continue to participate in the forums they organize each year. The recruitment of interns and apprentices is a key strategic challenge, as they represent a genuine recruitment pool.

The HR teams have also set up several targeted development programs to support employees in their careers. Among other programs, we offer several highly selective Graduate Programs, combining responsibility, mentoring and mobility abroad. Lasting one to two years, they enable young French and German-speaking graduates to join the Group on permanent contracts, with specific support throughout the duration of the program.

As a result of these actions, 160 junior employees were hired on permanent contracts in France, Germany and Switzerland.



Train EMPLOYEES



The Group is committed to providing a rich and wide training offer to meet both employees' aspirations and the Group's current and future needs.

The various training courses offered are designed to enable employees to improve their specific and general skills, and to provide them with the tools they need for promotion and mobility.

Training employees also helps to avoid any mismatch between their skills and the requirements of their position, which would have a negative impact on the performance of their mission.

POLICY

Our objective is to ensure that our employees' skills are sustained and enhanced in line with their current and future individual needs, and in harmony with the Group's strategy. To this end, a dedicated training budget is set aside each year to meet employees' training needs. Individual needs can be expressed during end-of-year appraisals and are discussed with management at the start of the following year. In order to ensure alignment with the Group's strategy and in addition to individual requests, a training policy is adopted every year.

PERFORMANCE

▼ 57%

of employees in France received training in 2022 (vs. 65% in 2021)

▲ 70%

of employees in Germany received training in 2022 (vs. 66% in 2021)

▲ 93%

of employees in Switzerland received training in 2022

RESULTS

4 main areas of training in 2022:

New ways of working and managing in hybrid mode

After having provided our employees with adapted computer equipment, we are organizing sessions for managers to help them in this new work organization and assist them in monitoring and leading their teams in a hybrid and remote system.

Training our teams to address the challenges of diversity

Gender diversity, multiculturalism, disability, language training, intergenerationality, etc. These topics are important for the Group and particularly topical in a context of European growth. Training on these subjects is offered regularly.

Coaching and career support

Special attention is paid to the career development of our employees. Coaching is offered to them, for example, when they take on responsibility or according to the challenges they may encounter.

Project management and change management

As part of our European transformation project called Europe Now! we supported our teams and managers in driving change.

Individual and group training courses are still offered on the following topics: management, gender balance, foreign languages, public speaking, digital tools, social networks, sustainability/CSR, business expertise, training on regulatory changes, etc.

A number of Coffee & Learn and other types of digital conferences were offered internally, in English as well as in French and German, to train and inform employees on current topics within the Group.

26%

of employees followed language trainings (French, German, English) in 2022



ENSURE *gender diversity* WITHIN OUR TEAMS

Convinced that diversity within teams is a real performance driver, the Gender Balance Program that we deployed in 2020 within the Group with the support of the Executive Committees and piloted by the HR teams, aims to promote gender balance within teams and at all levels of responsibility.



POLICY

Our "Gender Balance Program" has been strengthened in 2022 and is now based on 6 pillars:

01

Top Management commitment: a diagnostic assessment was carried out to identify goals and measurement tools for each department

02

Training: for executive committees, women - depending on their level of seniority and career path, managers and employees of our internal Development Program

03

Awareness-raising among teams, to promote both women and men during events and speeches, internally and externally

04

Adjustment of HR and managerial processes: recruitment, career follow-up and management, succession plans

05

Monitoring of KPIs: recruitments and departures, gender balance within the Strategic Forum (top management) and Development (high potentials) programs

06

Communication: special attention paid to our employer brand, for a mixed representation of the men and women who make up the Group

PERFORMANCE

▶ 21%

of women managers within the Top Management (ODDO BHF Strategic Forum program) (as in 2021)

RESULTS

The stake of gender diversity within the teams and at all hierarchical levels within the Group is at the heart of our HR policy. Particular attention is paid to the development and career of women within the Group, who are identified for training and external speaking engagements, or for potential mobilities and/or new responsibilities.

Campus Management is also involved in this approach and works with targeted schools and universities to attract young female students and thus build up a pool of mixed candidates. In 2022, we partnered with the HEC Women in Business Club. This student association, connected to an international network, supports and encourages the careers of women in the finance and consulting sectors.

In 2022, new programs dedicated to women were created in Germany to continue supporting their development and to allow them to learn from each other's experiences ("Senior Professionals" and "Female Management Class").

44%

of new joiners among juniors were women in 2022 (France, Germany, Switzerland and other locations in Europe)



Support and educate EMPLOYEES ON THE TOPIC OF DISABILITY

Supporting employees with disabilities is essential to avoid any limitations on their performance and development, which could lead to a real risk of losing talent. This is why this issue is carefully addressed in France by the "Mission Handicap" and in Germany by a committee of elected employees.

We are committed to maintaining a system to support our disabled employees, to enable them to carry out their job in the best possible conditions, and to carry out awareness-raising actions for all employees.

POLICY

Supporting employees with disabilities often means making adjustments to their workstations and working conditions to enable them to compensate for their disability and make the most of their skills.

In France as in Germany, Handicap Referents support employees who contact them on a daily basis, providing assistance in applying for recognition as a disabled worker and deploying concrete measures to facilitate job retention. Communication initiatives are also carried out by Human Resources in order to raise awareness among employees and management on the topic of disability.

In France, ODDO BHF SCA has been signatory to a "Handicap Agreement" since January 1, 2021, which commits it to the competent authority. The main challenges identified to ensure the best possible inclusion of people with disabilities within the Group are as follows:

- › Promoting the recruitment and integration of employees with disabilities into our teams
- › Creating the conditions needed for the development and success of employees with disabilities
- › Raising awareness among all employees and training managers on the issue of disability
- › Developing collaboration with sheltered sector establishments and the use of these structures for the purchase of goods and services

The good practices set out in this agreement are applied to all entities in France and represent an objective for Germany.



PERFORMANCE

100%

of requests to adapt workstations and support disabled employees were fulfilled in 2022 (as in 2021)

RESULTS

Employees with disabilities are supported by dedicated referents and HR teams to provide the material conditions needed to adapt, organize their working hours and develop their careers.

In addition to regular communication via the intranet and the weekly newsletter, a number of awareness-raising initiatives have been renewed and deployed, including:

- › The organization of a Coffee & Learn event in Germany, presenting the Group's commitment and sharing the necessary information with the employees concerned, to support them in their procedures
- › In France, training and awareness workshops were offered in the form of collaborative games, with the help of specialized organizations. We also welcomed a Paralympic cecifoot champion to raise awareness of disability through sport
- › Welcoming young people with disabilities during the DuoDay and to a dedicated HR coaching session
- › As every year, "solidarity Christmas markets" proposing handicraft products were organized on our Parisian sites

2.7%

of employees with a disability in France in 2022

3.4%

of employees with a disability in Germany in 2022

In addition, the partnerships established since the signing of the "Handicap Agreement" have been renewed in France, in order to continue raising awareness internally and externally on the topic of disability, and with the aim of recruiting candidates with disabilities:

- › **HEC Paris Handicap**: student association which aims to organize awareness actions on the HEC campus
- › **Arpejeh**: association aiming to promote training, qualification and employment of young people with disabilities
- › Participation in dedicated recruitment forums Talents Handicap and Open Forum, and support from a recruitment agency specializing in the search for disabled profiles



MÉLANIE RUFINO
Training Manager & Handicap Referent in France



PETER FRÖHLINGER
Chairman SWIFT Technical Advisory Group & Handicap Referent in Germany



Live diversity WITHIN THE GROUP



EUGEN BILLER
Analyst & Portfolio Manager,
ODDO BHF Asset Management

The most valuable personal experience during my 7 years at ODDO BHF has been the ability to go on a mobility in Paris. I was offered this opportunity for a whole year as part of the Graduate Program and once again more recently for a shorter period of time.

During this time I made new friends, formed valuable relationships within the company and, most importantly, enjoyed living in France. Such an experience, I believe, is formative because it fosters the Franco-German ties within the Group which is essential to build the culture that defines our identity.

Diversity, Equality & Inclusion requires the creation of a workplace that is appreciative, respectful, and supportive of each employee.

Our aim is to attract, develop, boost, and retain talents. To this end, we emphasize the importance of inclusive behaviors and skills and consistently strive to develop each employee's full potential to also achieve the greatest possible success for our clients.

We build a consistent integrative culture. We handle all dimensions equally and apply measures throughout the Group and in all areas.

For our employees, we ensure a safe and open environment that fosters innovation and creativity. For our clients, we follow a global approach with local roots to deliver the most relevant and inclusive products.

In Germany, a "Diversity Network" is animated by employees of the Group. Conferences on cultural and generational diversity were organized in 2022 and were a great success among employees. Diversity workshops designed to raise awareness among managers are also regularly organized.

DIVERSITY OF CULTURES

With its development in Europe, the Group is keen to encourage internal, and particularly international, mobility. Since 2016, *more than 50 mobilities* between France, Germany and Switzerland have already taken place. We also regularly recruit young people on VIE (Volontariat International en Entreprise) in Frankfurt and Düsseldorf offering them an international experience and highlighting the Group's expansion and the desire to mix the teams in terms of nationality.

ENSURE *the well-being* OF OUR EMPLOYEES



We are aware that our employees are our greatest assets. We are committed to ensuring their well-being and to providing them with attractive, comfortable work spaces that respect their needs. Numerous initiatives are in place within the Group to ensure this objective.

MEDICAL "CONCIERGE" SERVICE IN FRANCE

Concilio's medical concierge service assists employees in all their health issues on a daily basis. This secure and confidential service is completely free of charge for employees and their families.



PINK OCTOBER ACTION IN TUNISIA

The HR teams collaborated with two doctors to offer an awareness and prevention event. Female employees, as well as employees' wives, had the opportunity to attend this interactive conference.



"QUALITY OF LIFE AT WORK" WORKSHOPS

In order to improve the quality of life at work for its employees, the Group offers monthly workshops in French (in person or remotely) on various subjects such as managing stress, sleep, posture at work, nutrition, etc.



HYBRID WORK ORGANIZATION

Thanks to our new tools and workspaces, we have been able to best engage the teams in a hybrid organization by training and accompanying the employees, to better enable them to work together, face-to-face and remotely.



Limit
OUR ENVIRONMENTAL
IMPACT

We aim to limit our environmental impact by accurately tracking our carbon footprint, implementing a low-carbon approach and an action plan to reduce our emissions.

MANAGE *the carbon footprint* OF OUR FUNCTIONING



We are aware that it is crucial to integrate climate change into our governance, strategy, risk management, and operations to appropriately manage the physical and transition risks that could hit our Group. In line with our desire to be a responsible player, we are committed to limiting our own environmental impact and ensuring that our carbon footprint is under control.

We have started calculating our carbon footprint at Group level to identify the areas where we can reduce our emissions. This computation still relies on scopes 1, 2, and 3 emissions, but without considering the carbon impact of our investment and financing activities yet. Nevertheless, we plan to integrate them progressively to get a more comprehensive understanding of our carbon footprint as a banking group.

POLICY

In view of the results highlighted by our carbon footprint carried out in 2020 on 2019 operating data, an internal low-carbon approach has been implemented, with the following main focuses:

- › An ever-more responsible and low-carbon purchasing policy
- › Low-carbon mobility (business travels and commuting)
- › Enhancing our responsible digital technology approach
- › Optimized use of buildings
- › A communication and awareness-raising system on the climate issue

4%

of our global CO₂ emissions come from our operations on scopes 1 and 2 (electricity, heating, car fleet, etc.) - emissions of our functioning

96%

of our emissions come from our indirect emissions (purchases, IT, etc.) - emissions of our functioning

In 2022, the Group has calculated again, with the help of a specialized firm, the carbon footprint of its operations, based on 2021 data. Based on the results of this calculation, the members of the Low Carbon Committee have updated their action plan, while continuing to deploy the actions already identified in the Group's internal low-carbon approach.

PERFORMANCE

▼ 3,232 KWH

consumed per FTE in 2022 (vs 5,088 in 2021)

1 105.8 tons

of CO₂ generated by our business travels (planes, trains, hotels) in 2021 – *this figure increased with the recovery of business travel after the covid19 crisis*

▼ 1,287

paper sheets used per FTE in 2022 (vs 1,512 en 2021)

RESULTS

The members of the internal Low-Carbon Committee and their teams have been able to implement actions to reduce the Group's carbon footprint of its functioning and integrate this parameter into their discussions and strategies. In this way, initiatives have been launched or strengthened in 2022 to contribute to the Group's commitment to its internal low-carbon approach, including:

- › Updating our travel policy to encourage the use of trains rather than planes.
- › The introduction of the "Forfaits Mobilités Durables" in France, encouraging the use of soft mobility for commuting. In Germany, employees are offered support for public transport and have access to an attractive bike leasing service.
- › The implementation of a Building Management System at our Paris sites to control and reduce energy use. This system is currently being deployed at our Frankfurt site.
- › The replacement of our printers at all our sites, including environmental criteria.
- › Extending the lifespan of our IT equipment and, once replaced, working with organizations that allow the reuse and recycling of equipment.
- › Raising employee awareness on climate issues and the Group's internal low-carbon approach, through Coffee & Learn, the deployment of the Climate Fresque in France and dedicated global and local communications in France, Germany, Switzerland and Tunisia.



HERVÉ WALLERAND
Head of Group Corporate
Real Estate Management



ZINEB BENNANI
IT Business Analyst,
Digital Workplace

Develop A RESPONSIBLE PROCUREMENT POLICY

We take into account social and environmental impacts in our relations with our suppliers and subcontractors in order to preserve the effective performance of our operations and our reputation. We are committed to evaluating our most strategic suppliers on their CSR performance, both in France and in Germany, through EcoVadis. In 2022, ODDO BHF SCA is once again awarded with the EcoVadis Gold Medal, which was obtained for the first time in 2019.



POLICY

We have developed a responsible procurement policy based on two main principles:

- › The use of the protected sector
- › Selection of responsible service providers and suppliers

The Procurement Department includes CSR criteria in the evaluation of bids received for major Group projects, with the aim to rely on suppliers who are themselves committed to controlling their own carbon footprint.

PERFORMANCE

▼ 60%

Ratio of suppliers contacted who have been assessed in the 2022 EcoVadis campaign (vs 80% in 2020)



SAMIRA SALOOJEE
Team Leader Procurement

RESULTS

A monitoring and verification process has been set up for contracts with suppliers and subcontractors on the following points:

- › Compliance with regulations and the Labor Code
- › Payment of social security contributions

The Procurement Department systematically includes a CSR clause in RFPs (requests for proposals) conducted throughout the year. At the end of 2014, the Group joined EcoVadis, the first collaborative platform enabling companies to assess the environmental and social performance of their suppliers worldwide. This partnership with EcoVadis continued in 2022 with the evaluation of 57 suppliers from the Procurement Department. The choice of suppliers to be evaluated is based on one of the two following criteria: either the size of our spending with the provider, or the criticality of the services and products provided. Among these 57 major suppliers, 34 have been rated.

The methodology applied by EcoVadis is based on the analysis and rating of the policies, actions and results implemented by our suppliers on four main themes: environment, social, ethics and subcontracting. This rating, issued following the collection of supporting documents, guarantees that we are working with suppliers with good environmental and social performance.

The Procurement Department continues its responsible sourcing work and has started a partnership with AfB, a supplier present in France, Germany and Switzerland, to recycle and give a second life to computer equipment still in working order. In addition to the responsible dimension of its activity, this supplier hires employees with disabilities. In 2022, this partnership has enabled the company to keep three disabled persons in employment, to save 348,903 kg of greenhouse gases and 2,506,811 liters of water thanks to the reuse of the equipment entrusted to it. **This example illustrates the full commitment of the Procurement Department to the various CSR topics addressed by the Group.**

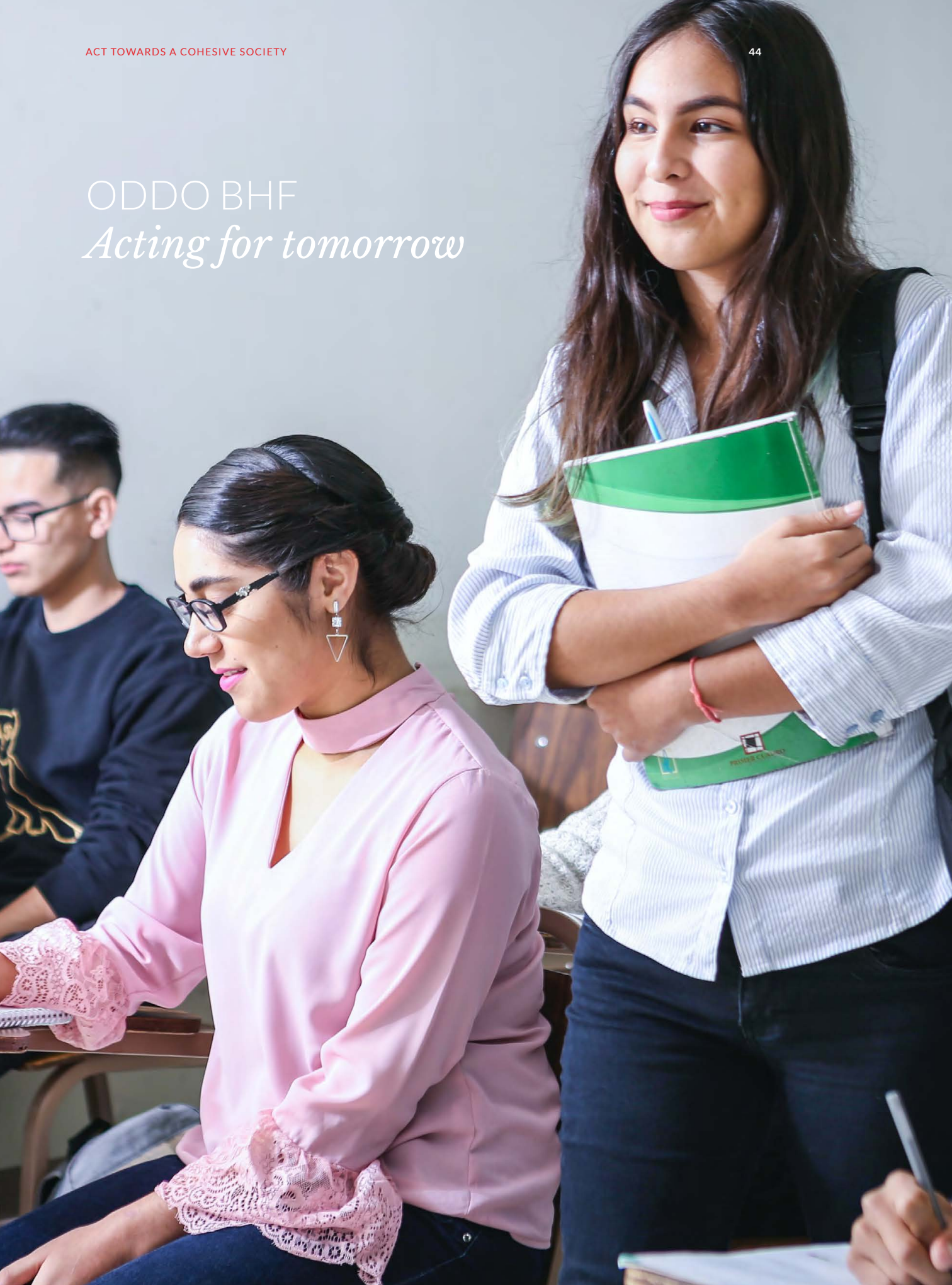
Act
TOWARDS
A COHESIVE SOCIETY

Through our dedicated entities, the ODDO BHF Agir pour demain (Acting for Tomorrow) endowment fund and the independent foundation BHF BANK Stiftung, we promote the development of the regions where we operate by supporting educational, social and artistic projects in which our clients and employees are regularly involved.

Since 2016, the ODDO BHF Acting for Tomorrow endowment fund and BHF BANK Stiftung have been sharing experiences and developing joint initiatives on both sides of the Rhine river (mutual support for our historic partners, call for donations and joint contributions, cross-border projects, etc.).

ODDO BHF

Acting for tomorrow



We are involved in philanthropic activities, in which our employees and clients are involved via the ODDO BHF Acting for tomorrow endowment fund, with the aim of structuring and continuing the philanthropic activities initiated within the Group along two main goals:

- › **Mobilization in emergency situations: humanitarian, ecological, social.**
 - › **Support to research and education: medical research, support to schools and organizations working in the field of education.**
-

The Group wishes to encourage a collective dynamic by enabling employees to rally around a common cause and show that the values that shape the company and its activities are also part of their approach to life in society. The involvement and mobilization of employees and clients is the key to the success of the actions undertaken by the ODDO BHF Acting for tomorrow endowment fund.

PARTNERSHIPS

Foundation for Alzheimer's Research

Since its creation 18 years ago, we have supported the Foundation. In 2022, we have continued supporting the research carried out by Dr Nicolas Villain, and we have participated with ODDO BHF clients in the Alzheimer's Galas in Paris and Lyon.

Doctors without Borders

We have been a partner of Doctors without Borders (MSF) since 2014. In 2022, an internal appeal for donations was launched in France and Germany to support MSF's actions in Ukraine. Nearly 100 clients and employees ran the 20 km of Paris for the benefit of the association and, for the first time, we organized an in-house sports challenge with 27 employees, who cycled from Paris to Frankfurt. This initiative called "Bike Now!" received the "Grand Prix de la Philanthropie" awarded by the Ficade Group.

Cours Ozanam

Since the end of 2017, the endowment fund supports the Frédéric Ozanam school. This independent school, member of the Espérance Banlieues network, is invested in the northern districts of Marseille, in order to offer quality education to children.



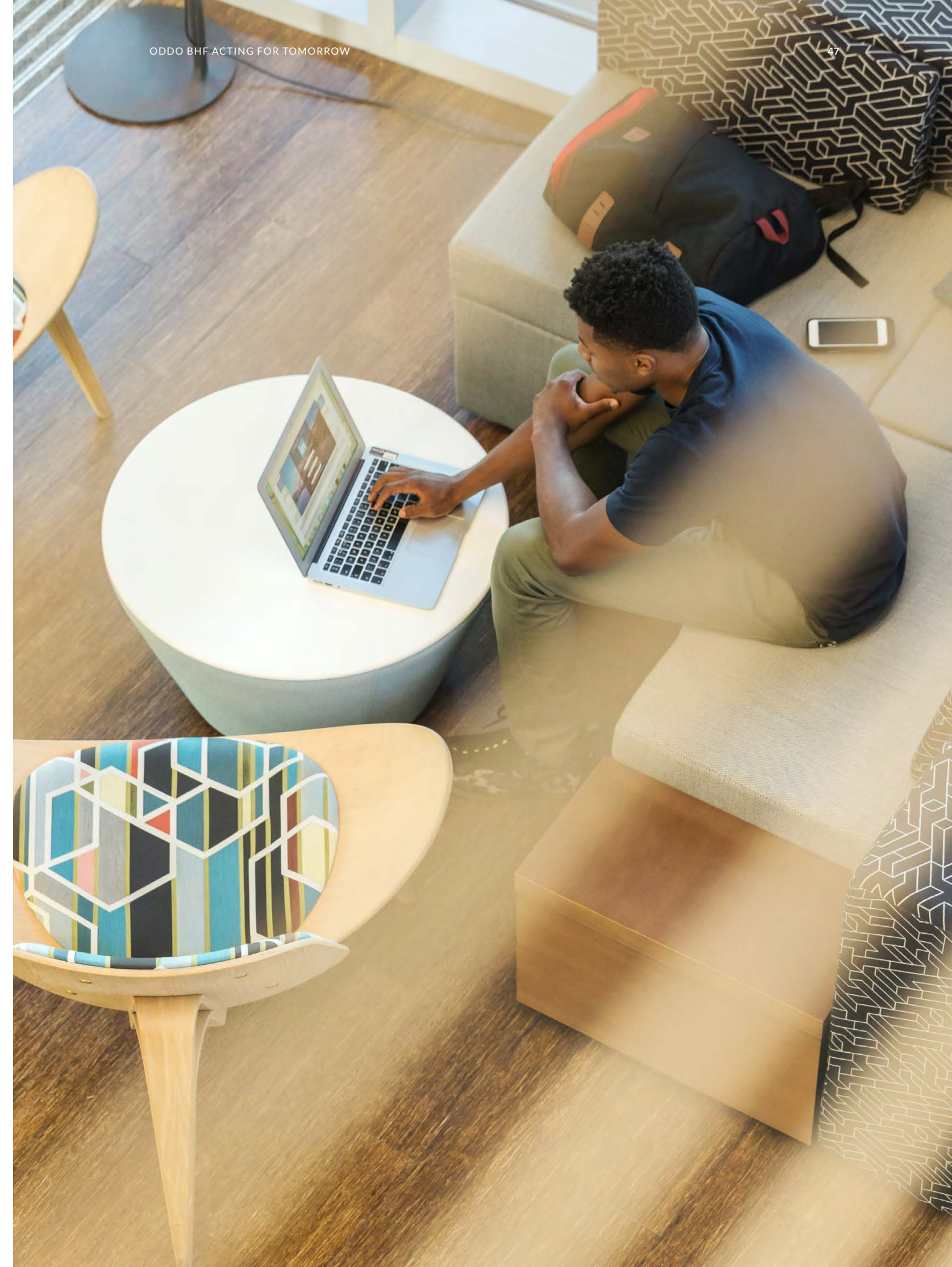
CHRISTOPHE ROUX
Head of Financial Control
CIB and ALM & Coordinator
of the ODDO BHF Agir pour Demain fund

Télémaque

Since 2020, we have been a partner of Télémaque, an association working for the cause of equal opportunities. Since the partnership was set up, 10 of the Group's employees in France have been offered the opportunity to become sponsors of young secondary school students, to support and advise them, and to give them the confidence and resources they need to carry out their projects.

In addition to its long-term partnerships, the endowment fund supports other organizations on a one-off basis. As an example, in October 2022, the endowment fund organized a collective challenge for the benefit of ELA (European Leukodystrophy Association), which supports and brings together families united in their daily fight against rare genetic diseases such as leukodystrophies. All of the Group's employees, in all the countries where we operate, were asked to walk and take as many steps as possible for the benefit of the association in 24 hours. In total, employees collectively walked more than 5 million steps. This strong mobilization was accompanied by a donation made by the endowment fund to the association, and contributed to raising awareness and promoting its action.

Other occasional support were provided throughout the year to associations such as La Source, the Ecole de la Transition Ecologique and ALK France Cancer Poumon. These associations are generally proposed by Group employees, who are themselves often very involved in their free time.



Foundation

BHF BANK STIFTUNG



"We go beyond borders"

The BHF BANK Stiftung was established in 1999 as a private charitable foundation under German law. The independent foundation supports the implementation of projects in search of innovative solutions to social challenges and participatory approaches.

SUPPORTED PROJECTS

Social & Sciences

The BHF BANK Foundation supports young people and their families from the very beginning, encourages the improvement of living conditions for the elderly and dialogue between generations.

Eltern für Eltern ("Parents for parents")

Following the handover of the BHF BANK Stiftung's successful publicly funded project "Sprachentdecker" (Language Discoverers), the foundation has enabled a new project module: "Parents for Parents" aims to provide support to families. Parents receive advice and support on issues related to their children's education, such as how to handle contact with the nursery and school, to prepare their children's educational path. For this purpose, volunteer parent coaches stand by their side, at their level.

Babylotse

The support and prevention program for families with newborns living in precarious conditions is present in all maternity hospitals in Frankfurt and is being expanded throughout the federal state. A study has shown that the program is very successful in helping young parents. The Foundation finances this program in Frankfurt.

lab.franco.allemand

With this think tank, Franco-German and non-profit projects are supported in the implementation of innovative ideas for and with young people and adults. In 2022, they benefited from a six-month continuing education program. ODDO BHF employees participated in this training on a voluntary basis.

DigiGen

The project supports an active discussion and reflection around the digital future between the generations in Frankfurt. In 2021, intergenerational groups were formed and worked together on the topic of artificial intelligence, including topics such as "Deep Learning". In 2022, they published a series of podcasts on artificial intelligence; the first results of the participatory research project were presented and discussed at a symposium. A full report on the results will be published in 2023.

Joint action between the Acting for Tomorrow endowment fund and the BHF BANK STIFTUNG Foundation: support to victims of the war in Ukraine.

Shortly after the war broke out, the foundation and the endowment fund organized a joint call for donations. The money raised, with additional funding from the Group, was donated to various aid projects in Ukraine and Frankfurt, such as Doctors Without Borders, SOS Children's Villages around the World, Malteser Hilfsdienst e. V., Mädchenbildung e. V., Mädchenbüro Milena e. V. and the social business ZuBaK.

Art & culture

The BHF BANK Foundation promotes contemporary arts in a social context and their transmission.

The "UNART" youth performance competition

"UNART" gives young people between the ages of 14 and 20 the opportunity to present their own performance on the stage of prestigious theaters (in 2022: Schauspiel in Frankfurt, Thalia Theater in Hamburg, Staatsschauspiel in Dresden). The performers are accompanied by renowned artists from the partner theaters, who coach them during the rehearsal period. Despite the pandemic, the regional performances and the BEST OF UNART could take place in Dresden in 2022.

"YOU PERFORM"

For "YOU PERFORM", the Foundation has developed a network of European theaters with renowned stages in Germany, Amsterdam, Belgrade, Budapest and Vire in northern France. In 2022, 40 young people from seven of the participating theaters met for the first time in Hamburg at the Thalia Theater and were able to work together creatively for a week to get to know each other.

"Exploring Cinema, one hundred years of youth"

Cinema offers a sensory insight into the world and actively participates in the development of the personality. This is one of the central assumptions of the Franco-German cooperation project for the film education of 6 to 18 year old pupils from 15 countries. During one year, they learn about the art of cinema by watching film sequences and by making films themselves, under the guidance of a tandem consisting of a teacher and a film director. In 2022, the meeting took place in Paris.



SIGRID SCHERER
Director of the BHF BANK Stiftung

Frankfurt LAB

The Frankfurt LAB, located on the edge of Frankfurt, provides space for groundbreaking international performances, hosts major festivals, and sets up research and cooperation projects at the junction of art, science and society. In 2022, the rehearsal halls were once again in continuous use and the average audience occupancy rate was around 97%.

Tanzplattform Rhein-Main

The "Tanzplattform Rhein-Main" dance festival was held in November 2022 for the seventh time in Frankfurt and its region. For two weeks, dance performances by professionals and amateurs were presented on large stages as well as in more intimate atmospheres.

For more informations, visit [the Foundation's website](#) (in german).



Sustainability
WITHIN OUR BUSINESSES

Our businesses are actively involved in sustainability integration. In line with the expectations of their clients and stakeholders, they develop sustainable products and services in consistency with our sustainable commitments and existing regulations.

European TAXONOMY



VALENTIN PERNET
Group Head of Sustainability Policy

DISCLOSURES IN ACCORDANCE WITH ARTICLE 8 OF THE EU TAXONOMY REGULATION

Starting year-end 2021, Article 8 of the Taxonomy Regulation and the related Climate Disclosures Delegated Act provide the regulatory basis for financial undertakings which have to disclose several key performance indicators (KPIs), among them the so-called Taxonomy eligibility ratio. This ratio aggregates the Taxonomy eligible assets in the numerator and sets it into relation with the total assets covered according to the Green Asset ratio.

In a “Frequently Asked Questions” document from October 2022, the European Commission stated two main points, which are relevant for the disclosure of the Taxonomy-eligible activities:

01

For the Taxonomy eligibility calculation, financial undertakings shall only focus on financial and non-financial undertakings which are in scope of Article 8 of the EU Taxonomy Regulation. The evaluation shall be based on the latest available EU Taxonomy eligibility information provided by the financial and non-financial undertakings themselves.

02

For the numerator and denominator, financial undertakings shall consider the definition of the total covered assets according to the future Green Asset ratio. This means that exposures to central banks, supranational issuers, and central governments are not considered, neither in the numerator, nor in the denominator. Furthermore, the trading portfolio has to be excluded as well.

From 2023 onwards for non-financial undertakings and from 2024 onwards for financial undertakings, it will be mandatory to publish the EU Taxonomy

alignment along prespecified KPIs. Currently the EU Taxonomy aligned data is not available, which is why for the current evaluation ODDO BHF has to rely on the published data for the EU Taxonomy eligible business activities, which are less frequently published by our counterparties and debtors. In line with point a), we relied on official data sources and the most recently available data. Considered capital markets oriented undertakings are only those which have a residence within the European Union and more than 500 employees on group level, as only these undertakings have to publish the information according to the Non-Financial Reporting Directive.

ODDO BHF has a very diverse product portfolio and does business globally. Anyway, the counterparties and debtors mainly consist of natural persons, which naturally reduces the business in scope in the numerator, as only NFRD relevant clients have to be considered. Due to data availability, our reporting includes ODDO BHF’s loan and bond portfolios. We excluded fund investments and private assets from our EU Taxonomy disclosure due to the data availability restrictions. To identify the Taxonomy eligibility, we used the companies’ reported data which was provided by Bloomberg.

MANDATORY DISCLOSURE IN ACCORDANCE WITH ARTICLE 8 OF THE EU TAXONOMY REGULATION

DEC 31, 2022	IN €M	IN %
Total assets	12.743	
Total covered assets in total assets	6.851	54%
Taxonomy eligible economic activities in total covered assets	113	2%
Taxonomy non-eligible economic activities in total covered assets	6.738	98%
Proportion of the exposures to central governments, central banks, and supranational counterparties in total assets	5.562	44%
Proportion of the exposures in derivatives in total assets	261	2%
Proportion of the exposures to non-financial corporations with no obligation to NFRD in total assets	1.445	11%
Proportion of the exposures in the trading portfolio in total assets	341	3%
Proportion of the exposures on demand inter-bank loans in total assets	288	2%

Besides the mandatory disclosure of KPIs, ODDO BHF is currently working on the establishment of harmonized ESG standards across the group. For the future we plan to provide traceable KPIs, which we will establish via a group-wide project.

¹ FAQs - European Commission, 06.10.2022.
[https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1006\(01\)&from=EN](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1006(01)&from=EN), last access : 22.02.2023.

ODDO BHF Asset Management

DEVELOPING *a responsible investment offering* IN OUR ASSET MANAGEMENT BUSINESS

We are convinced that financial players must actively contribute to the transformations of our society, particularly those linked to climate change and the digital transition. This is why we are committed to being part of the change through the sustainable management of our investments, dialogue and engagement with invested companies, as well as integrating sustainability issues in our voting policy.

WE STRUCTURE OUR SUSTAINABLE VISION AROUND 4 AXES OF DEVELOPMENT AND PRIORITY:

01

Focus on human capital

We strive to support investments that deliver lasting benefits to the economy, the environment and society. A focus on human capital management is critical to fostering innovation, ensuring social justice, and promoting commitments to sustainability.

02

Sustainability risks integrated into our fiduciary duty to our clients

As a responsible asset manager, we are committed to providing our clients with a clear picture of the opportunities and challenges related to sustainability. Our independence allows our teams to be responsive, flexible and innovative in providing specific investment solutions that enable our clients to better meet their financial and sustainability objectives.

03

Long-term vision

We are constantly strengthening the integration of sustainability into our investment processes in order to better manage systemic risk and create value by selecting companies that will be able to keep expanding in a warmer world with limited resources. The stability of our management teams allows us to benefit from a close relationship with the companies in which we invest, and guarantees a trusting and regular dialogue to progress on sustainability issues.

04

Corporate governance

We have defined a dedicated governance structure with 2 sustainability committees that report directly to the ODDO BHF AM Global Management Committee, bringing together representatives of the main departments. The approach to sustainability in the different activities of the ODDO BHF Group is also closely monitored by the Executive Committee and the Supervisory Board.

Guided by these values, ODDO BHF AM has organized its sustainable approach around the following pillars:

- › **The definition of an exclusion policy** that reflects our consideration of sustainability risks into our investment strategy. In 2021, we have updated our exclusion policy to further integrate sustainability risks by taking a position on biodiversity, unconventional oil and gas, and fossil fuels activities in the Arctic region.
- › **Sustainability integration through innovative and responsible investment strategies:** equities, bonds, diversified asset management, private equity and private debt. This has become the cornerstone of the vast majority of our open-end funds. Indeed, more than 70% of assets under management are in open-end funds classified article 8 or 9 according to the Sustainable Finance Disclosure Regulation (SFDR). Our methodology is based on an internal model of 68 criteria giving priority to the most material elements in each of the three blocks: Environment, Social, Governance. Controversies are also taken into account, which directly impact the final ESG rating of each company. By materializing the execution risk of a company's long-term strategy, the results of our sustainability analysis impact portfolio construction.
- › **Shareholder engagement (voting, dialogue and commitment):** As a signatory of the United Nations Principles for Responsible Investment (PRI) since 2010 and of the Carbon Disclosure Project (CDP) since 2006, we are involved in numerous global initiatives and working groups in France and Germany to promote a sustainable approach to investment. We focus in particular on investor coalitions promoting and encouraging the climate, environmental and social transition of the companies in which we invest.

We consider the exercise of voting rights to be an integral part of our responsibility as shareholders. In 2021, we established a new harmonized voting approach and process across ODDO BHF AM. Since 2022, a new climate voting policy powered by ISS analysis will allow us to better inform our voting decisions with a clear view of the climate-related risks and opportunities for each of the companies in which we are invested ("ISS Custom Climate Model"). For funds with a sustainable finance label, we vote at all General Assemblies (GA). For all other funds, we vote from a minimum holding threshold of 0.05% of the capital of the companies concerned. Our voting policy is available on [our website](#).

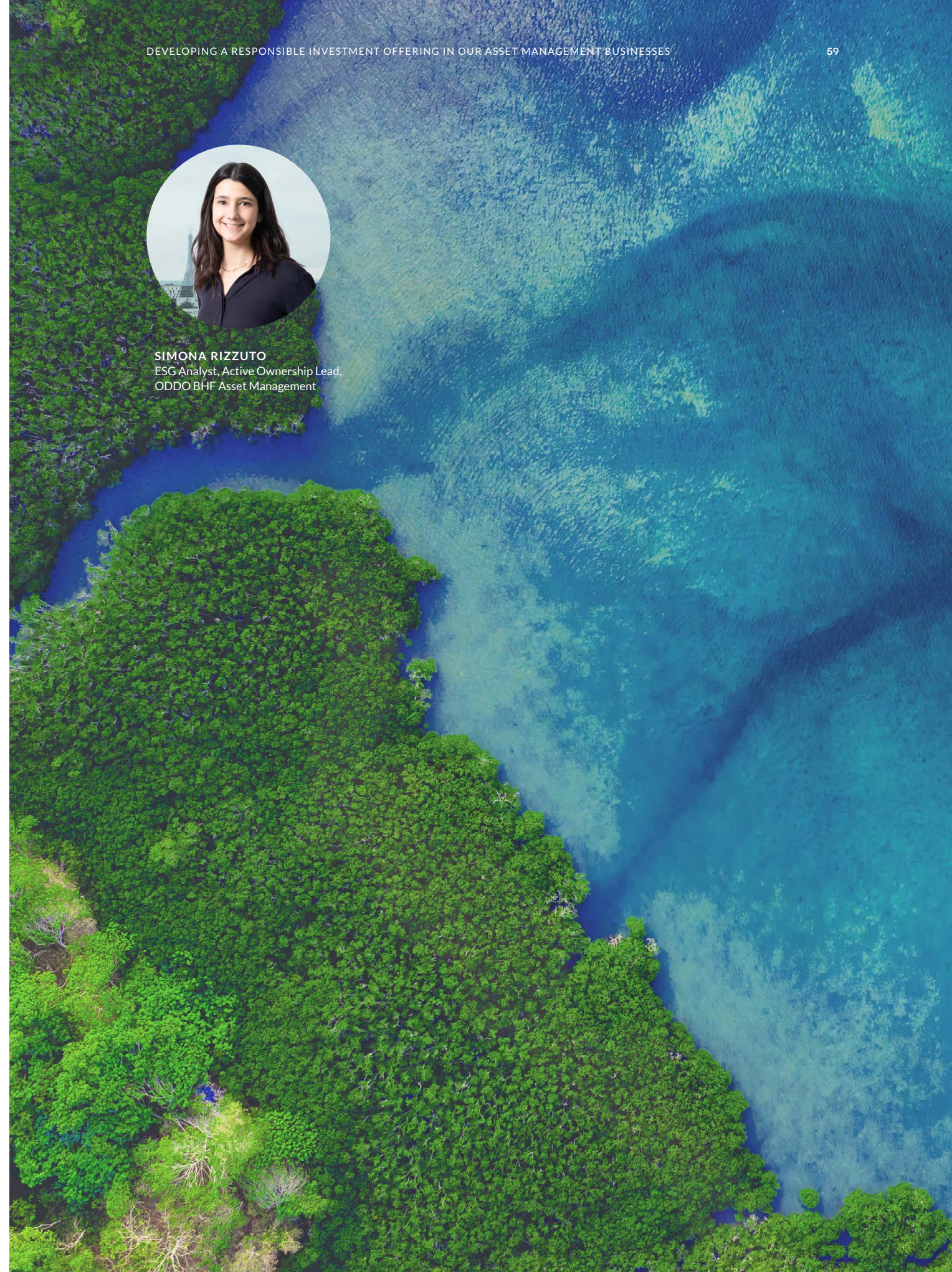
Our climate approach

We use the Paris Agreement Capital Transition Assessment (PACTA) as well as the MSCI Implied Temperature Rise tool to assess the degree to which some of our funds are aligned with a 2°C warming trajectory and to anticipate potential future adjustments to meet this trajectory.

With the aim of mandating additional climate risk disclosure for the 100 largest greenhouse gas emitting companies, ODDO BHF AM joined the Climate Action 100+ initiative in March 2018. We are also engaged in the CDP's Non-Disclosure Campaign to further strengthen corporate transparency on climate risks.



SIMONA RIZZUTO
ESG Analyst, Active Ownership Lead,
ODDO BHF Asset Management



ODDO BHF Equity Research

Provide an integrated financial and sustainability research

FOR THE INVESTOR CLIENTS OF OUR EQUITY RESEARCH DEPARTMENT

Sustainability expertise has been developed within ODDO BHF Equity Research since 2005. The team is composed of five sustainability analysts, with specific sector coverage and specialization on specific sustainable topics.

The Sustainability team is responsible for the sustainability analysis of a large amount of shares (small, mid and large caps) covered by ODDO BHF Equity Research analysts, i.e. over 600 companies.

Our role is above all to produce sectoral studies on key sustainability themes for our investor clients. In 2022, we pursued the deployment of our proprietary sustainability analysis methodology, based on a risk and opportunity analysis that identifies the most material issues specific to each sector, and assesses the performance of companies ("ESG views"). We included the wind turbine, semiconductor, and environmental services sectors. We also published two studies on the governance of the CAC 40 and human capital management.

We are increasingly collaborating with financial analysts through joint studies. In doing so, we contribute to the

integration of financial and non-financial analysis in the financial research of the Research Department. We also produce a "sustainability weekly" for our clients, covering the main ESG news of the week: innovations, controversies, regulations, etc. This work also contributes to maintaining our level of expertise on the most advanced Sustainability topics.

Finally, we organize and host various events designed to bring companies into dialogue with the SRI community: Sustainability corner of the ODDO BHF Forum, Sustainability Forum in Paris, companies' sustainability Road Shows, presentations by experts, NGOs or academics on sustainability topics, etc.

We have thus significantly expanded our offering to meet the growing need for sustainability expertise and integration expressed by our clients.



JEAN-BAPTISTE ROUPHAEL
Head of Sustainability Research
ODDO BHF Equities



ODDO BHF Metals

*Manage the quality
and environmental impact*
OF OUR METALS TRADING
BUSINESS

Our activity aims to ensure the supply of non-ferrous metals to the industry and the coverage of risks on raw materials, to work permanently on the improvement of the customer satisfaction and to increase the efficiency of our internal organization.

Our willingness to continuously improve our services, in a spirit of listening and service, our commitment to comply with the requirements applicable to our business and our ambition to work responsibly with a view to protecting the environment make us a reliable partner for our industrial partners.

Having initiated the project in 2014, in June 2015 we obtained **ISO 9001 (quality management) and ISO 14001 (environmental management) certifications** under the 2008 version. These certifications were renewed in May 2021 under the 2015 version for a period of 3 years. The choice of the double certification ISO 9001 and 14001 frames and formalizes our **Quality & Environment System**. It allows us to affirm our reputation in the long term with all our customers and stakeholders (suppliers, service providers, etc.).

Our Quality & Environment System, supervised by our Chief Quality Officer, describes all the rules applicable to our activity. These methods and rules are the result of the reflections of all our employees.

At the same time, we decided in 2020 to join the ASI - Aluminium Stewardship Initiative. As it is the case for other materials, the aluminum industry has

formed an association (from the mine to the final consumer) to organize itself - from bauxite extraction and alumina to production, processing and recycling - around sustainable development objectives that include environmental criteria and other aspects of governance and business integrity.

In 2021, ODDO BHF Metals also became the first player in the financial world to become a partner of the Copper Mark, the sustainability benchmark for the copper industry. The Group thus joins a group of major companies wishing to participate in improving the sustainable footprint of the copper industry. As we are not ourselves industrial producers, our active participation in these associations enables us to take part in defining the strategy and to make our contribution, particularly in the areas of traceability and logistics.



ANAÏS DESBONNETS
Chief Quality Officer

ODDO BHF Private Wealth Management

PROVIDE *sustainable investment solutions* TO OUR PRIVATE CLIENTS



As private wealth bankers and investment advisors, we act in the best interests of our clients, with the purpose of improving their long-term financial results while taking into account sustainability risks.

It has been decided in 2022 to align our PWM France and PWM Germany centralized portfolio management services in terms of ESG integration (exclusions, sustainability constraints, and sustainability objectives). This harmonization will be finalized in 2023 to ensure a consistent approach.



DIANE NEUVILLE
Portfolio Manager,
ODDO BHF Private Wealth Management

FRANCE

ODDO BHF Private Wealth Management France acts in the best interest of its clients, taking into account their investment objectives while considering the risks and opportunities related to sustainability factors. Our investment teams now integrate an exclusionary approach into the overall investment process.

Mandated investment management considers sustainability risks through the application of sector exclusions:

- › Non-conventional weapons (cluster bombs, chemical and biological weapons, laser weapons, incendiary bombs, landmines and/or non-detectable fragments) according to international regulations
- › Conventional weapons
- › Tobacco
- › Gambling
- › Pornography
- › Coal (thermal coal and coal-based power generation)



GERMANY

Central asset management at ODDO BHF TRUST

Sustainable management is at the heart of our investment philosophy and is carried out by a team of experts at ODDO BHF TRUST. We strive to achieve outperformance by making informed investment decisions through our investment process, which focuses on the systematic selection of quality companies, combined with a high level of sustainability. According to the methodology of MSCI ESG Research, one of the leading ESG research agencies, the quality stocks selected by ODDO BHF TRUST have been distinguished for years by their above-average sustainability compared to the overall market. In recent years, we have integrated sustainability criteria into the investment process for all solutions within our centralized asset management.

In addition, our clients can define their own ESG investment guidelines in customized asset management. Today, all core solutions and mandates managed by ODDO BHF TRUST are classified in accordance with Article 8 of the Regulation (EU) 2019/2088 on sustainability reporting requirements in the financial services sector ("SFDR*"). This means that they are financial products within the scope of the SFDR that promote environmental and social features or a combination of these features, among others, provided that the companies in which they invest apply good governance practices. We consider our approach to sustainability to be very balanced, as it consists of a combination of environmental, social and governance criteria. Our approach in ODDO BHF TRUST is based on exclusion criteria, portfolio targets and dialogue and engagement.

*SFDR : Sustainable Financial Disclosure Regulation.

The sustainability criteria we took into account can be summarized as follows:

01

Exclusions

Companies with significant sales in the following sectors are excluded from investments: weapons/armament, gambling, pornography, tobacco and coal. Companies that do not comply with the UN Global Compact Principles on human rights, labor standards, the environment and anti-corruption are also excluded.

Lastly, companies with severe controversies due to very negative environmental impacts or with a poor ESG rating by MSCI ESG are excluded.

02

Portfolio objectives

We require a minimum MSCI ESG weighted rating of A for all our strategies. To ensure a positive climate impact, our portfolios must have lower carbon dioxide (CO₂) emissions than the market average. In addition, we have defined a minimum commitment to sustainable investment and Taxonomy-aligned investment as defined in the SFDR and Taxonomy regulations.

03

Dialogue and engagement

To strengthen our positive impact, dialogue with invested companies and our targets on sustainability issues is very important to us. In addition, the possibility of exercising voting rights by considering sustainability aspects in Asset Management's open-ended funds, with the help of the portfolio managers, is also applied.

Our ESG approach has been honored by the Institute for Patrimony Growth (Institut für Vermögensaufbau). In addition, Morningstar awarded five sustainability globes to our four Polaris funds, which is the highest score. We are also delighted that the ODDO BHF Polaris Flexible fund has been granted the Belgian Febelfin Towards Sustainability label, as the ODDO BHF Polaris funds, like the customized portfolio management solutions, are managed by the ODDO BHF Trust portfolio management team with the same investment philosophy.

Our detailed ESG reporting reflects our ESG approach and provides our clients with extensive information on the sustainable nature of their portfolios. Details

of our approach to sustainability in centralized wealth management are available in the SFDR regulation documents, which are available on our website.

Investment advisory services at ODDO BHF SE

The topic of sustainability, including the preservation of ecological resources and fair living conditions, is also central to us at ODDO BHF SE Private Banking. As a company, ODDO BHF SE wants to contribute to a more sustainable and resource-efficient economy, with the aim of reducing the risks and effects of climate change.

As private bankers, we at ODDO BHF SE see ourselves as having a particular responsibility to actively promote sustainability in its many facets, including through financial investments, to make our clients aware of sustainability issues in their business dealings with us, and to make an overall contribution to a more sustainable economy.

To this end, we take into account environmental and social characteristics as well as aspects of responsible corporate management in the companies we recommend as investment advisors - in addition to the traditional criteria - to a certain extent. When implementing this approach, we take into account the applicable legal bases.



PROF. JAN VIEBIG
Chief Investment Officer
ODDO BHF TRUST



BASTIAN HOFFMANN
Managing Director
ODDO BHF TRUST

Protect
OUR ACTIVITY
AND OUR CLIENTS

Fight corruption AND TAX EVASION

The ODDO BHF Group is subject to numerous national, European and international obligations and regulations to prevent, specifically, corruption, market abuse, money laundering and terrorist financing. In order to comply with all of these rules, three levels of controls have been put in place and dedicated teams have drawn up precise maps of the above-mentioned risks, internal procedures and control tools. All employees receive regular training on all these issues.

Maintaining an appropriate and effective system to fight corruption and tax evasion (considered as money laundering) is a key issue in order to limit the Group's exposure to the risks associated with its activities. We are of course committed to respecting all the rules relating to the fight against corruption and tax evasion by implementing numerous measures:

- › Set up LCB FT risk maps (and update them regularly)
- › Based on these maps, implement control plans, most of which will be carried out with the help of increasingly effective IT tools
- › Draw up and make available to employees an updated set of procedures covering all these risks
- › Regularly train Group employees on all of these issues and any changes in them
- › Monitor all activities to ensure compliance with the rules

POLICY

Overall, the main compliance risks associated with the activities of a banking institution specializing in investment services are well identified. In order to limit exposure to these risks as much as possible, they are essentially:

- › Respecting the rules relating to market integrity by avoiding any potential situation of market abuse (potential conflicts of interest, privileged information and price manipulation) - complex systems are implemented to ensure that these rules are respected (in particular with computer tools that "screen" all transactions through pre-identified scenarios)
- › Fight money laundering (including tax evasion) and financing of terrorism
- › Protect our clients' interest by offering them investment services and financial tools that are appropriate to their understanding of risks, their expectations in terms of investment horizon and objectives

› Have a mechanism for fighting corruption that, in particular:

- Identifies the riskiest situations by mapping them out
- Allows the monitoring of conflicts of interests
- Sets out a clear procedure for commencing new business relationships with our clients and our main service providers (through a system that identifies country risks, including corruption risks)
- Includes an early warning mechanism

Within the ODDO BHF Group, we have a set of rules to cover all these risks. These rules are available to all employees on the Group's intranet and are regularly updated to take into account the constant evolution of the regulations applicable to us.

In order to be able to correctly understand these rules, the Group's employees are trained on a regular basis. Training is usually dedicated to the risks considered most significant for each business line concerned. The objective is to train each year all employees.

Finally, activities are monitored by independent teams in order to identify any breaches of regulations and internal rules. The results of these controls are shared with the business lines concerned and management (management and supervisory boards of the Group) in order to improve our practices and continue to limit the risks of non-compliance.

"Country" risk

In order to manage country risks, and in particular corruption and anti-money laundering risks, we have drawn up lists that enable us to graduate our due diligence when entering into and during business relations with our clients or when carrying out their operations.

These lists are mainly established based on three criteria:

- › Mandatory use of the so-called official "country lists" specified by the decree of January 6, 2021: list of countries under sanctions of the French and German Ministries of Finance, list of the European Union and the United Nations, etc.
- › Non-mandatory use of the ratings of the independent institution "Transparency International". This institution establishes a rating for each country using criteria essentially based on corruption indicators.
- › International sanctions and embargoes, as well as national and European lists of high-risk and non-cooperative jurisdictions for tax purposes.

These official lists of countries and the ratings given by independent agencies - the use of which is not compulsory and results solely from an internal Group process - enable us to draw up three lists of countries to which three distinct levels of vigilance correspond. The greater the risk, the greater the level of vigilance. Refusal to enter into a business relationship may also result from the application of these lists.

Most of the time, it will be coupled with other criteria used in our risk matrices (activity carried

out, amounts involved, origin of funds, persons sanctioned, distribution network used, politically exposed persons). This analysis is conducted for the riskiest files by the Group's compliance teams; the most "risky" clients are validated during dedicated committees where the necessary expertise is represented. In order to reflect changes in official lists and ratings from independent agencies, these lists are updated on a regular basis.

PERFORMANCE

▲ 90%

of employees exposed to money laundering/financing of terrorism risks were trained in France (vs 80% in 2021).

▶ 100%

of employees exposed to money laundering/financing of terrorism risks were trained in Germany (as in 2021).



ENSURE *the security of data* ENTRUSTED TO US

ODDO BHF, like all financial institutions, is a prime target for computer crime. Malicious actors have developed a lucrative business that is difficult for law enforcement agencies to crack down on internationally. ODDO BHF's approach to operational risk control includes the risk of information leaks and cyber security incidents such as hacker attacks. The Group considers the human factor to be essential in its cyber defense, as it is also a frequent target of phishing attacks, identity theft, presidential fraud and data leakage. The fight against cybercrime is a major focus of our protection objectives.

POLICY

The implementation of a general Information Security policy is developed through seven axes, and with the objective of protecting data and the Group's business.

01

Training and awareness

To fight against attacks targeting human factors, Information Security teams focus on training and awareness of teams to be aware of potential threats, to know how to detect them and to act responsibly and vigilantly in their areas of responsibility.

02

Strong risk governance

ODDO BHF is an international financial institution and as such is regulated and supervised by the national banks and supervisory authorities of the countries where it operates. These entities have implemented and regularly improve the regulations governing our activities. Thus, demonstrating our compliance is clearly a priority and is reflected in the implementation of strong risk governance for information systems security.

03

Secure and sustainable digital transformation

Information security is seen as a key catalyst to support the Group's secure and sustainable digital transformation, ensuring that the level of information security maturity that the company aims for in any change can be achieved with maximum benefit to our customers' experience.

04

Ensuring the availability of information and information systems

This is essential for the information and IS needed for activities and supporting processes, to enable continuity of functional tasks.

05

Avoiding material damage

Financial profit remains the primary motivation for cybercrime. These financial damages can be direct (regulatory penalties and collection costs) but can

also be indirect (loss of brand value resulting from damage to reputation). The objective is therefore to avoid material damage caused by failures in the protection of confidentiality, integrity or authenticity of information.

06

Preserving the confidentiality and integrity of data

Protecting the personal data of the company, its employees and customers is a priority, and guidelines are applied to ensure compliance when handling these information.

07

Improving information security continuously

To this end, and in order to reach the targeted maturity level, the information security objectives are reviewed at least once a year with respect to the threat landscape and the company's objectives.

RESULTS

In order to protect ourselves from these threats, manage these risks and meet our objectives towards our counterparties, we are strengthening our Cybersecurity teams with resources, IT tools and robust incident detection and response processes.

PERFORMANCE

100%

of employees* of the Group were trained in 2022.

*(employees, excluding externs, present at the time of the finalization of the training campaign on June 9, 2022)

This figure reflects the success of our program and management's investment in its achievement.

REPORTING FRAMEWORK

Pursuant to the legislation applicable to it, the ODDO BHF Group is required to publish non-financial information annually in a Non-Financial Performance Report (*NFPR*) covering its consolidated scope. In this framework, the Group is required to have its Corporate Social Responsibility (*CSR*) information verified by an Independent third-party body.

TEXTS OF THE APPLICABLE LAW

Ordinance no. 2017-1180 of 19 July 2017 relating to the publication of non-financial information by some large companies and some groups of companies;

Decree no. 2017-1265 of 9 August 2017 applying ordinance no. 2017-1180 of 19 July 2017 relating to the publication of non-financial information by some large companies and some groups of companies;

Decree of 14 September 2018 modifying the decree of 13 May 2013 setting out the terms in which the independent third-party body performs its role.

Reporting scope

The Non-Financial Performance Report covers all entities of the ODDO BHF Group. It should be noted that the figures presented in this report may not cover some units considered to be insignificant because of their number of employees or the surface area of their offices. The details are given below.

Identification of the principal risks, definition of policies and KPIs

The identification process was carried out by the Group Risk Department in conjunction with the various teams involved in drafting the document: Human Resources, Corporate Services, Procurement, Compliance, Communication, ESG teams within the business lines, Endowment Funds. This identification process was based on the list of CSR themes listed in Decree no. 2017-1265 of 9 August 2017.

Each of these themes is evaluated according to 5 criteria which are rated from 0 to 5:

Image

external (attractiveness) and internal (perception of employees)

Human

Impacts on the men and women of the company

Financial

Impact on our results and investment capacity

Operational

Impacts on our achievements, our worksites, the quality of our services

Environment

Impacts on our discharges, our ability to comply with laws and the protection of resources

Issues with an average rating of more than 3 are considered to be among the Group's main non-financial risks. The ratings are given by experts. The Group Risk Director and the Group Operational Risk Committee are responsible for the final validation of this identification process. For the year 2022, 11 topics have been identified and grouped into 9 main non-financial risks for the Group:

RISK 1

Incurring unnecessary additional costs or jeopardizing the Group's current or future operations. In particular, the Group's main current challenge is to recruit young people, to ensure the transmission of knowledge within the company and to guarantee the proper functioning of the Group over the long term.

See ["Recruit successfully" on pages 16 to 19 for more information](#)

RISK 2

A mismatch between the skills of current employees and the requirements of their position would have a negative impact on the current and future performance of their mission.

See ["Train employees" on pages 20 to 23 for more information](#)

RISK 3

Non-mixed teams and management can be an obstacle to performance.

See ["Ensure gender diversity within our teams" on pages 24-25 for more information](#)

RISK 4

Not supporting people with disabilities would limit their performance and development and lead to a risk of loss of talents.

See ["Support and educate employees on the topic of disability" on pages 26 to 39 for more information](#)

RISK 5

Not taking our responsibilities in integrating sustainable development issues, particularly on the topic of climate change, may present a risk for the Group's activity, from a regulatory point of view and with respect to our clients.

See "Manage our carbon footprint" on pages 36 to 39 for more information

RISK 6

Being inconsistent with the Group's responsible investment policy by not applying a policy of reducing our energy or raw material consumption and our greenhouse gas emissions.

See "Manage our carbon footprint" on pages 36 to 39 for more information

RISK 7

Working with suppliers in risky situations (economic, ecological, or social): an unsuitable supplier panel could present risks for our reputation and the proper execution of operations.

See "Develop a responsible procurement policy" on pages 40-41 for more information

RISK 8

Failure to maintain an appropriate and effective system to limit the Group's exposure to the risks associated with its activities:

- › market abuse
- › money laundering and financing of terrorism
- › corruption
- › failure to protect the client's interest

See "Fight corruption and tax evasion" on pages 70 to 73 for more information

RISK 9

A leak of confidential data entrusted to the Group could lead to a risk of loss of reliability and therefore a decrease in the Group's activity.

See "Ensure the security of data entrusted to us" on pages 74 to 75 for more information

The report also specifies the policies in place at Group level and the key performance indicators used to monitor their implementation. The key performance indicators and their scope are hereunder.

The following four subjects mentioned in article L.225-102-1 are not among the Group's principal risks:

- › the fight against food waste
- › the fight against food insecurity
- › the respect of animal well-being
- › commitments to a responsible, fair and sustainable food.

Details about figures

The data presented in this report concerns the period from January 1, 2022 to December 31, 2022 included. The contributors to the reporting are responsible for the reliability of the data reported in this document. The managers of the relevant departments are responsible for validating the data. The CSR team is responsible for consolidating the information provided.

RISK	KEY PERFORMANCE INDICATOR	PERIMETER
RISK 1	Evolution of the percentage of employees under the age of 30 in the total workforce.	Geographical: Group Contracts taken into account: Permanent
RISK 2	% of total workforce trained over the course of the year.	Geographical: French, German and Swiss entities Contracts taken into account: Permanent
RISK 3	% of women within the OBSF.	Geographical: Group
RISK 4	% of requests to adapt workstations and support disabled employees fulfilled.	Geographical: French and German entities Contracts taken into account: no exclusion
RISK 5	Tons of CO ₂ generated by business travels.	Geographical: France, Germany, Tunisia (reporting from the Group's travel agency)
RISK 6	Evolution of paper consumption per FTE. Evolution of electricity consumption per FTE.	Geographical: French, German, Swiss and Tunisian sites
RISK 7	Ratio of suppliers contacted who were evaluated in the framework of the Ecovadis campaign.	Geographical: French and German entities
RISK 8	% of employees exposed to AML/CFT risks who have received training.	France: The list of employees exposed to AML/CFT risks is defined by Compliance Germany: All employees are exposed to AML/CFT risks except members of the board ("Vorstand") and canteen employees
RISK 9	% of employees who have received cybersecurity training.	Geographical: Group

PHOTO CREDITS

ODDO BHF Imagery ©Irene de Rosen ©François Rouzioux ©Alexis Sciard | Unsplash — 2. ©Red Zeppelin, 31. ©Kelly Sikkema, 32. ©Austin Distel, 33. ©Syda Productions (Adobe Stock), ©Christina Wocintechchat, ©Iyus Sugiharto, ©SewCream (Depositphotos), 39. ©Casey Horner, 44. ©Javier Trueba, 47. ©LinkedIn Sales Solutions, 48. ©EDEN De-Da Productions, 51. "I just wish to feel you" ©Domolky Daniel, 54. ©Christian Lue, 64. ©Andreas Gueklhorn, 74. ©Markus Spiske.

Printed on FSC® papers.

NON-FINANCIAL REPORT
2022



ODDO BHF