

# Ostrum SRI EURO Sovereign Bonds

## FUND FACTSHEET

MARKETING COMMUNICATION - EXCLUSIVELY FOR PROFESSIONAL INVESTORS OR NON-PROFESSIONALS INVESTED IN THE FUND <sup>(1)</sup>

SHARE CLASS: R/C (EUR) - FR0000003196

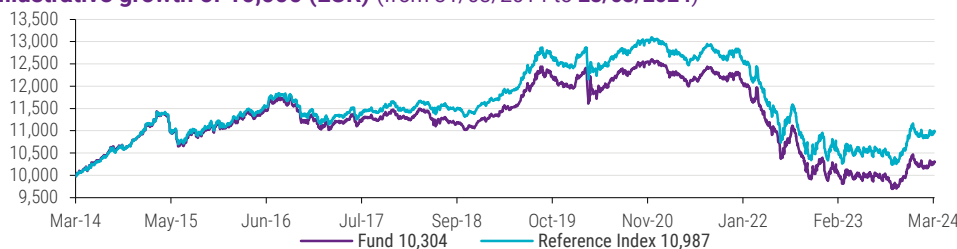
March 2024

### Fund highlights

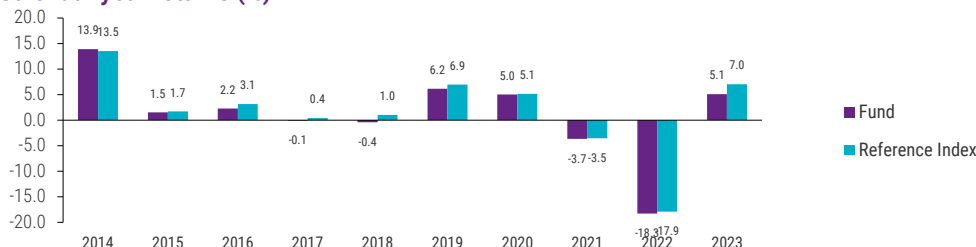
- Fund accredited with the French state SRI label and invested in government bonds or sovereign equivalent bonds issued or guaranteed by Eurozone countries, including sovereign green bonds.
- An ESG-based opportunistic approach seeking to add value through active duration management (range between [1; 15] with a [3; 9] target), yield curve positioning, country allocation and diversification in inflation-linked bonds, supnationals and agencies.
- Issuers selected based on proprietary and independent fundamental research for sovereign and government-related issuers, considering materiality of ESG factors; process integrating SRI ratings for each instrument and ESG performance indicators.
- This fund promotes environmental, social and governance (ESG) criteria without setting sustainability as a fund objective. It may invest partly in assets with a sustainability objective, e.g. as defined by EU classification.
- Minimum proportion of taxonomy alignment: 0%
- Minimum proportion of sustainable investments: 20%
- SFDR Classification : Art. 8

PERFORMANCE DATA SHOWN REPRESENTS PAST PERFORMANCE AND IS NOT A GUARANTEE OF FUTURE RESULTS.

### Illustrative growth of 10,000 (EUR) (from 31/03/2014 to 28/03/2024)



### Calendar year returns (%)



TOTAL RETURNS (%)	Fund	Reference Index
1 month	1.07	1.01
Year to date	-0.70	-0.62
3 months	-0.70	-0.62
1 year	2.74	3.84
3 years	-16.01	-13.78
5 years	-10.74	-7.72
10 years	3.04	9.87
Since inception	216.77	257.74

RISK MEASURES	1 year	3 years	5 years	10 years
Fund Standard Deviation (%)	5.59	6.56	5.95	5.03
Reference Index Standard Deviation (%)	5.91	7.06	6.18	5.12
Tracking Error (%)	0.64	1.24	1.02	0.83
Fund Sharpe Ratio*	-0.17	-1.05	-0.47	0.03
Reference Index Sharpe Ratio*	0.02	-0.86	-0.35	0.15
Information Ratio	-1.71	-0.67	-0.64	-0.78
Alpha (%)	-0.84	-1.28	-0.74	-0.61
Beta	0.94	0.92	0.95	0.97
R-Squared	0.99	0.97	0.97	0.97

\* Risk free rate: Performance over the period of capitalised EONIA chained with capitalised €STR since 30/06/2021

ANNUALISED PERFORMANCE (%) (Month end)	Fund	Reference Index
3 years	-5.65	-4.82
5 years	-2.25	-1.59
10 years	0.30	0.95
Since inception	3.89	4.30



References to a ranking, prize or label do not anticipate the future results of the latter, or of the fund, or of the manager.

### ABOUT THE FUND

#### Investment objective

Outperform its Reference Index over its recommended minimum investment period while implementing a Socially Responsible Investing strategy

#### Overall Morningstar rating <sup>TM</sup>

★★★ | 29/02/2024

#### Morningstar category <sup>TM</sup>

EUR Government Bond

#### Reference Index

JP MORGAN EMU ALL MATURITY TR €

The Reference index does not intend to be consistent with the environmental or social characteristics promoted by the fund.

### FUND CHARACTERISTICS

Classification AMF	Bonds in euros
Legal structure	SICAV
Share class inception	31/12/1993
Valuation frequency	Daily
Custodian	CACEIS BANK
Currency	EUR
Cut off time	12:30 CET D
AuM	EURm 519.2
Recommended investment period	> 3 years
Investor type	Retail

### AVAILABLE SHARE CLASSES

Share class	ISIN	Bloomberg
R/C (EUR)	FR0000003196	EURPPRM FP
R/D (EUR)	FR0000171233	CDCERSD FP

### RISK PROFILE

Lower risk	1	2	3	4	5	6	7	Higher risk
------------	---	---	---	---	---	---	---	-------------

The category of the summary risk indicator is based on historical data.

Due to its exposure to fixed income markets, the Fund may experience medium volatility, as expressed by its rank on the above scale.

The Fund investment policy exposes it primarily to the following risks:

- Risk of capital loss
- Interest rate risk
- Risk related to temporary sales and repurchases of securities and the management of financial guarantees

The Fund is subject to sustainability risks.

For more information, please refer to the section detailing specific risks at the end of this document.

Some recent performance may be lower or higher. As the value of the capital and the returns change over time (notably due to currency fluctuations), the repurchase price of the shares can be higher or lower than their initial price. The performance indicated is based on the NAV (net asset value) of the share class, and is net of all charges applying to the fund but does not account for sale commissions, taxation or paying agent fees, and assumes that dividends if any are reinvested. Taking such fees or commissions into account would lower the returns. The performance of other share classes would be higher or lower based on the differences between the fees and the entry charges. In the periods where certain share classes are not subscribed or not yet created (inactive share classes), performance is calculated based on the actual performance of an active share class of the fund whose characteristics are considered by the management company as being closest to the inactive share class concerned, after adjusting it for the differences between the total expense ratios (TER), and converting any net asset value of the active share class in the currency in which the inactive share class is listed. The performance given for the inactive share class is the result of a calculation provided for information.

Please read the important information given in the additional notes at the end of this document.

<sup>(1)</sup> Please refer to the prospectus of the fund and to the KID before making any final investment decisions.

# Ostrum SRI EURO Sovereign Bonds

Portfolio analysis as of 28/03/2024



ASSET ALLOCATION (%)	Fund
Fixed-rate bonds	95.3
Bonds Mutual Funds	3.6
Money Market Funds	1.1
Cash	0.1
<b>Total</b>	<b>100.0</b>

in % of AuM

OFF-BALANCE SHEET (%)	Fund
Bond futures	10.3
<b>Total</b>	<b>10.3</b>

in % of AuM

TOP 10 HOLDINGS (%)	Fund
OBL 1.300% 10-27	7.3
FRTR 0% 02-25	4.9
FRTR 0% 05-32	4.2
FRTR 0.750% 11-28	3.5
BTPS 4.100% 02-29	3.2
SPGB 3.500% 05-29	3.0
BTPS 3.700% 06-30	3.0
SPGB 1.950% 07-30	3.0
BTPS 3.800% 08-28	2.7
IRISH 1.350% 03-31	2.6
<b>Total</b>	<b>37.3</b>

Number of securities per portfolio

84

in % of AuM

CHARACTERISTICS	Fund	Reference Index
Macaulay Duration	7.8	7.2
Duration	7.5	7.0
Average coupon %	2.12	1.93
Yield to Maturity %	3.07	2.95

The calculation of the average coupon only takes fixed-rate bonds into account.

The yield of the Fund is calculated after currency hedging and after duration hedging.

The yield of the index is calculated after currency hedging.

CREDIT QUALITY (%)	Fund	Reference Index
AAA	13.1	22.7
AA+	4.5	5.2
AA	34.8	32.3
A	16.9	15.0
A-	2.3	2.1
BBB	19.4	22.0
BBB-	2.4	-
NR	1.9	0.8
Mutual Funds	3.6	-
Cash & cash equivalent	1.2	-

S&P Breakdown

BREAKDOWN BY COUNTRY (%)	Fund	Reference Index
France	31.5	25.6
Italy	19.4	22.2
Spain	16.9	15.0
Germany	10.9	18.5
Ireland	3.2	1.7
International agency	3.0	-
Austria	2.5	3.6
Greece	2.4	-
Portugal	2.3	2.1
Netherlands	1.4	4.5
Belgium	1.2	5.3
Finland	0.6	1.6
Mutual Funds	3.6	-
Cash & cash equivalent	1.2	-

The country displayed is the country of risk, which can differ from the country of domicile, for some issuers.

FEES	
All-in-Fee	0.70%
Max. sales charge	3.00%
Max. redemption charge	0.00%
Performance fees	0.00%
Minimum investment	-
NAV (28/03/2024)	484.45 EUR

The All-in fee represents the sum of Management fees and Administration fees. For further details, please refer to the definition at the end of the document.

## MANAGEMENT

### Management company

NATIXIS INVESTMENT MANAGERS INTERNATIONAL

### Investment manager

OSTRUM ASSET MANAGEMENT

A responsible (1) European institutional investment management leader (2), Ostrum Asset Management supports its clients in their liability-driven investments, offering both asset management solutions and investment services.

(1) Ostrum AM was one of the first French asset manager signatories to the PRI in 2008. More details: [www.unpri.org](http://www.unpri.org)

(2) IPE Top 500 Asset Managers 2020 ranked Ostrum AM as the 77th largest asset manager, as at 12/31/2019. Any reference to a ranking, a rating or an award provides no guarantee for future performance.

### Headquarters

Paris

### Founded

2018

### Assets Under Management (Billion)

US \$ 435.3 / € 393.9 (31/12/2023)

### Portfolio managers

SANSON Isabelle : started her career in a finance en 1985. She joined Ostrum AM in 2006 ; she is a certified engineer from the "Ecole des Mines" in Nancy and holds an MSc in geophysics from Stanford University. Isabelle is an Actuary and a member of the French Institute of Actuaries (Paris).

DNIGUER Abdelaatik : started his career in finance in 2002. He joined Ostrum AM in 2005 ; he holds a DECF (diploma of studies in accounting and financial).

## DERIVATIVES EXPOSURE

	In % of exposure to interest rate part	Contribution to modified duration
Bond futures	Fund	Fund
EURO-SCHATZ FUT 2406	10.1	0.2
Euro-BTP Future 2406	-4.4	-0.3
Euro-OAT Future 2406	-8.7	-0.7
EURO-BOBL FUTUR 2406	2.1	0.1
EURO-BUND FUTUR 2406	11.3	0.9

## COUNTRY AND MATURITY BREAKDOWN - ANALYSIS OF SOVEREIGN DEBTS

	< 1 year		1-3 years		3-5 years		5-7 years		7-10 years		10-15 years		> 15 years		Total		in % of AuM	
	Fund	Referen ce Index	Fund	Referen ce Index	Fund	Referen ce Index	Fund	Referen ce Index	Fund	Referen ce Index	Fund	Referen ce Index	Fund	Referen ce Index	Fund	Referen ce Index	Fund	Referen ce Index
Finland	-	-	-	-	-	-	-	-	-	-	-	-	0.11	0.05	0.11	0.05	0.58	1.59
Portugal	-	-	-	-	-	-	-	-	-	-	0.17	0.05	0.07	0.03	0.24	0.08	2.29	2.07
Ireland	-	-	-	-	-	-	0.17	0.03	-	-	0.03	0.02	0.04	0.05	0.24	0.10	3.15	1.71
Austria	-	-	-	-	-	-	0.09	0.03	-	-	0.02	0.04	0.11	0.16	0.22	0.23	2.55	3.61
Italy	-	-	-	-	0.25	0.14	0.21	0.16	-0.08	0.26	0.26	0.20	0.53	0.50	1.17	1.27	19.45	22.19
Greece	-	-	-	-	-	-	-	-	-	-	0.20	-	-	-	0.20	-	2.38	-
Netherlands	-	-	-	-	-	-	-	-	0.04	0.05	0.02	0.05	0.14	0.18	0.19	0.29	1.44	4.47
Spain	-	-	-	-	0.07	0.11	0.31	0.11	0.20	0.19	0.25	0.10	0.63	0.43	1.46	0.94	16.90	14.95
Belgium	-	-	-	-	-	-	-	-	-	-	-	-	0.22	0.25	0.22	0.25	1.21	5.31
Germany	-	-	-	-	0.29	0.15	0.18	0.15	-	-	-	-	0.16	0.60	0.63	0.90	10.86	18.55
France	0.04	0.01	0.03	0.10	0.42	0.17	0.05	0.18	-0.23	0.30	0.26	0.23	0.87	0.80	1.44	1.81	31.48	25.56
Supranational	-	-	-	-	-	-	0.05	-	0.04	-	0.12	-	-	-	0.22	-	2.99	-
<b>Total</b>	<b>0.04</b>	<b>0.01</b>	<b>0.03</b>	<b>0.10</b>	<b>1.04</b>	<b>0.57</b>	<b>1.06</b>	<b>0.66</b>	<b>-0.03</b>	<b>0.82</b>	<b>1.32</b>	<b>0.70</b>	<b>2.88</b>	<b>3.05</b>	<b>6.34</b>	<b>5.91</b>	<b>95.27</b>	<b>100.00</b>

## INFORMATION

Prospectus enquiries

E-mail: [ClientServicingAM@natixis.com](mailto:ClientServicingAM@natixis.com)

# Ostrum SRI EURO Sovereign Bonds

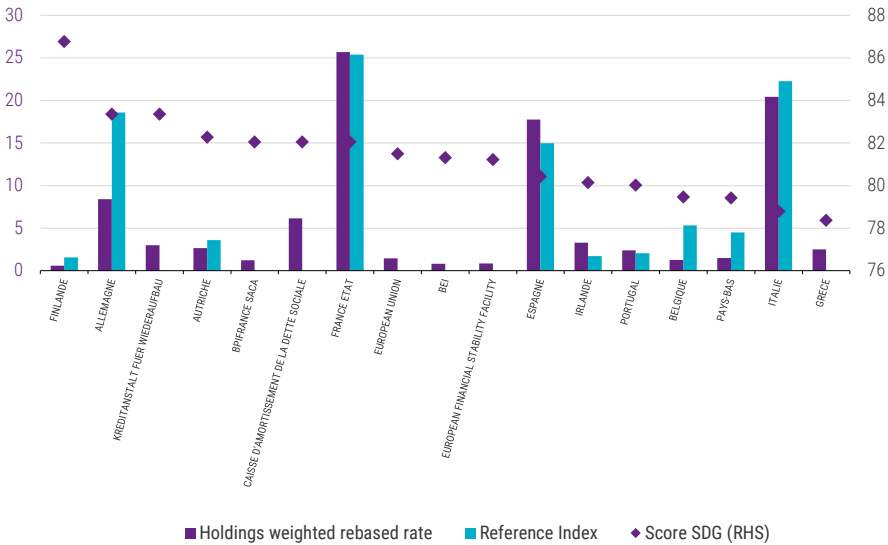
ESG analysis as of 28/03/2024



SDG INDEX NOTE		
	Fund	Reference Index
Score Global	81.0	81.1
Coverage rate	100%	100%

### SDG Index Score

SDG Index for Sovereign and Similar Issuers: this is a numerical score between 0 and 100, the best being 100.  
The SDG Index tracks the progress made by countries in their pursuit of the 17 **United Nations** sustainable development goals (SDGs).



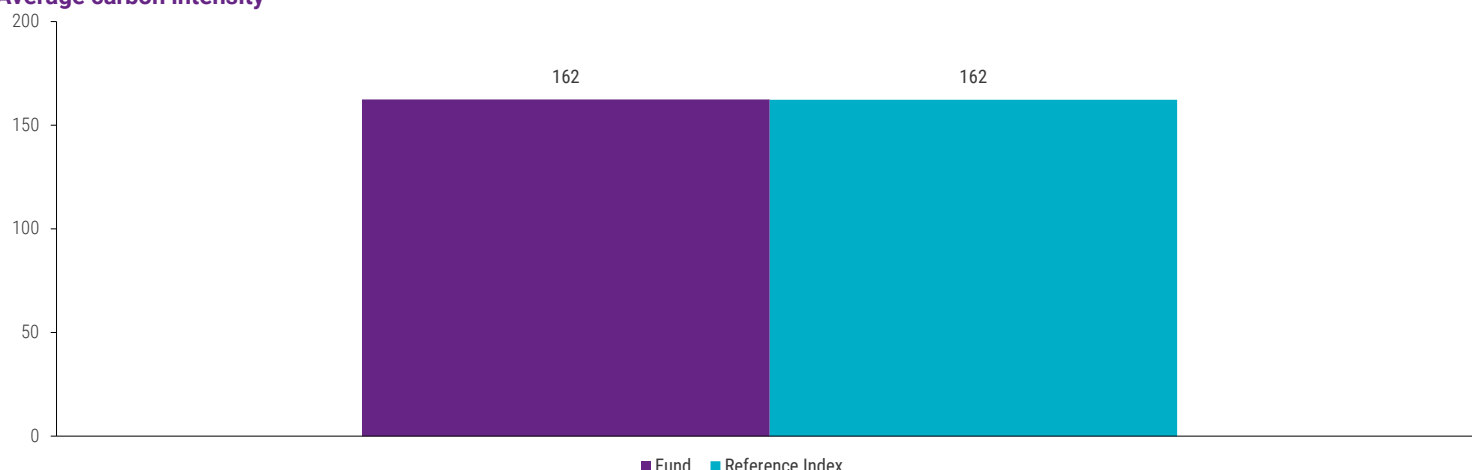
in % of AuM  
SDG Index Score Scale: 100 being the highest score, 0 the lowest score

# Ostrum SRI EURO Sovereign Bonds

## Extra-Financial Report - Carbon intensity <sup>1</sup> sovereigns and equivalent as of 28/03/2024

### CARBON INTENSITY <sup>1</sup> OF SOVEREIGNS AND EQUIVALENT IN THE PORTFOLIO AND ITS INDEX: EXPRESSED AS TONS OF CO<sub>2</sub> / 1 MILLION OF DOLLARS IN GDP

#### Average carbon intensity



Coverage rate (Fund / Reference Index): 100% / 100%

The coverage rate indicates the weight of assets for which carbon intensity data is available. This coverage rate is expressed as a % of the assets in the category.  
Reference Index: 100% JP MORGAN EMU ALL MATURITY TR €

#### Main contributors to portfolio average carbon intensity <sup>2</sup>

Issuers <sup>3</sup>	Contribution to fund carbon intensity <sup>4</sup>	Carbon intensity (tCO <sub>2</sub> / million dollars of achieved GDP)	Carbon emissions (MTCO <sub>2</sub> e) <sup>5</sup>
ITALY	39%	180	379
SPAIN	26%	182	260
PORTUGAL	12%	231	59
FRANCE ETAT	8%	120	354
GERMANY	8%	171	726
IRELAND	5%	120	60
GREECE	5%	355	76
AUSTRIA	3%	152	73
NETHERLANDS	2%	165	167
CAISSE D'AMORTISSEMENT DE LA DETTE SOCIALE	2%	120	354

Source: Trucost

Ostrum AM uses Trucost to obtain all scope 1 and 2 carbon intensities for corporates and sovereigns. Scope 3 is not currently taken into account in the analysis, as recommended by SBTi. To obtain this data, Trucost collects greenhouse gas emissions through a variety of public sources, such as company financial reports, environmental data sources and data published on company websites or other public sources. Where no published data is available, Trucost's Extended Environmental Input-Output (EEIO) model combines industry-specific environmental impact data with quantitative macroeconomic data on the flow of goods and services between different sectors of the economy to obtain an estimated carbon emissions figure. Once the intensity of each emitter has been obtained, each portfolio's carbon intensity is calculated by summing the intensity of each emitter, weighted by its contribution to the portfolio. This figure corresponds to the Weighted Average Carbon Intensity (WACI), as recommended by the TCFD. Carbon intensity measures the volume of carbon emissions per dollar of turnover generated by the issuers in the portfolio over a given period. Further information on the methodology is available here: <https://www.spglobal.com/spdji/en/documents/additional-material/fag-trucost.pdf>

**1. Carbon intensity** is the volume of CO<sub>2</sub> emitted per \$1 million of GDP generated. To calculate it, we take into account the greenhouse gas (GHG) emissions of a State or of a quasi-sovereign issuer, including land distribution, land use change and forestry, as reported by PRIMAP.

**Carbon intensity of a State (or a quasi-sovereign issuer):** (tons of CO<sub>2</sub> / Millions of dollars of GDP) = (Carbon Emissions) / Millions of dollars of GDP.

**2. The portfolio's average carbon intensity** is the sum of the carbon intensities of the States (or quasi-sovereign issuers), weighted according to their share in the portfolio.

3. The calculation of the portfolio's average carbon intensity only considers the securities of sovereign issuers and quasi-sovereign issuers held in our internal funds.

4. Represents the % contribution of the State or quasi-sovereign issuer to the average carbon intensity of the portfolio.

5. Represents the number of millions of tons of CO<sub>2</sub> equivalent emitted by the issuer for its share of debt held in the portfolio. The Carbon Emissions of a State or quasi-sovereign issuer take into account its greenhouse gas (GHG) emissions, including land use, land use change and forestry as reported by PRIMAP.

PRIMAP is a database combining multiple sovereign carbon emissions datasets, published to create a comprehensive set of greenhouse gas emission trajectories for most countries in the UNFCCC (United Nations Framework Convention on Climate Change) as well as non-UNFCCC countries from 1850 onwards. This data represents the main greenhouse gas categories of the 2006 IPCC - Intergovernmental Panel on Climate Change (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, etc.) Further information is available here: <http://doi.org/10.5880/PIK.2016.003>. Trucost is a data provider.

For more information about the implications of France's Law on Energy and Climate (Loi Energie Climat), please read Ostrum AM's latest report available on the Ostrum AM website.

Source: Natixis Investment Managers International unless otherwise indicated

Due to active management, portfolio characteristics are subject to change. References to specific securities or industries should not be considered a recommendation.

# Ostrum SRI EURO Sovereign Bonds

Portfolio analysis as of 28/03/2024



## FUND MANAGER'S COMMENT

### Economy

The US economy remains on a positive trend. Q4 2023 GDP was revised up to 3.4% on an annualised basis. Residential sector data was good. Household consumption remains the main driver behind growth. After the negative surprises on the CPI, the deflator followed by the Fed rose to 2.5% in February. In the eurozone, the surveys were mixed. The national surveys (INSEE, IFO) reflected a more favourable economic situation than the PMIs. In China, the government is targeting 5% growth this year. Industrial production and investment data were better than expected.

### Markets

The risky asset markets continued to rise in March despite profit-taking near the end of the quarter.

### Sovereign rates

Bond markets performed well in March 2024. The 10-year T-note dropped from 4.25% to 4.20%, i.e. a decrease of 5 basis points, with the 2-10 year curve flattening by 5 basis points. The statements by Christopher Waller regarding concerns about the level of inflation revived the upward pressure on the short term (2 years) at the end of the quarter. In the eurozone, the Bund was down from 2.41% to 2.30%, i.e. a decrease of 11 basis points in a context of a decline in the 2-10 year spread. Regarding sovereign spreads, the Italian BTP rose from 143 basis points to 138 basis points with profit-taking at the end of the month. The French spread experienced a similar trend as the budgetary issue resurfaced. The yield on the Gilt dropped from 4.12% to 3.93%, a decrease of 19 basis points. Monetary easing is starting to take shape for the BoE after it abandoned the restrictive bias. In Japan, the rise in short-term rates pushed the 10-year rate up from 0.71% to 0.73%.

### Inflation

10-year inflation expectations were flat in March. The persistence of inflation and the rebound in oil prices had little effect on market expectations. The 10-year breakeven rate remained unchanged at 2.32% in March in the United States, with the inflation swap increasing from 2.51% to 2.54%. In Germany, the breakeven of the 10-year indexed Bund changed little, up from 2.03% to 2.06%.

### Management

The terminal rate at the end of 2024 was stable at 3%. The German 10-year rate dropped by 11 basis points to close at 2.30%. The spread between the 2-year and 10-year rates narrowed by 6 basis points to close at -55 basis points. We increased our duration to the level of 2.4%, considering that the valuation combined with market sentiment was an attractive level to buy. The asset swap Bund continued to tighten, decreasing from 35 to 32 basis points. We observed two phases during the month. During the first half of March, bonds continued to outperform both Germany and the swaps, driven by their credit premium. We reinforced our allocation to Spanish debt once again. We also reinforced our diversification in Greek debt. At the beginning of the month, we initiated a position on Portuguese debt. Portugal has solid fundamentals, a primary surplus and an issue programme for 2024 that is already 50% achieved. In addition, S&P recently upgraded its rating to A-, which should support spread compression versus Germany and OATs. As we pointed out last month, the southern countries are currently contributing to the economic momentum of the eurozone. Over the last ten days, the French deficit led to a widening of spreads. We hedged our allocation by under-exposing the eurozone's laggards in terms of deficit. The country allocation was the main contributor to performance this month.

**Calculation of performance during periods of share class inactivity (if applicable)**

For periods when certain share classes were unsubscribed or not yet created (the "inactive share classes"), performance is imputed using the actual performance of the fund's active share class which has been determined by the management company as having the closest characteristics to such inactive share class and adjusting it based on the difference in TERs and, where applicable, converting the net asset value of the active share class into the currency of quotation of the inactive share class. The quoted performance for such inactive share class is the result of an indicative calculation.

**Illustrative Growth of 10,000**

The graph compares the growth of 10, 000 in a fund with that of an index. The total returns are not adjusted to reflect sales charges or the effects of taxation, but are adjusted to reflect actual ongoing fund expenses, and assume reinvestment of dividends and capital gains. If adjusted, sales charges would reduce the performance quoted. The index is an unmanaged portfolio of specified securities and cannot be invested in directly. The index does not reflect any initial or ongoing expenses. A fund's portfolio may differ significantly from the securities in the index. The index is chosen by the fund manager.

**Risk Measures**

The "Summary Risk Indicator" (SRI), as defined by the PRIIPs regulation, is a risk measure based on both market risk and credit risk. It is based on the assumption that you stay invested in the fund for the recommended holding period. It is calculated periodically and may change over time. The indicator is presented on a numerical scale from 1 (the lowest risk) to 7 (the highest risk). The risk measures below are calculated for funds with at least a three-year history.

Standard deviation is a statistical measure of the volatility of the fund's returns.

Tracking Error is reported as a standard deviation percentage difference between the performance of the portfolio and the performance of the reference index. The lower the Tracking Error, the more the fund performance resembles to the performance of its reference index.

The Sharpe ratio uses standard deviation and excess return to determine reward per unit of risk.

The Information Ratio is the difference between the fund's average annualized performance and the reference index divided by the standard deviation of the Tracking Error. The information ratio measures the portfolio manager's ability to generate excess returns relative to the reference index.

Alpha measures the difference between a fund's actual returns and its expected performance, given its level of risk (as measured by beta). Alpha is often seen as a measure of the value added or subtracted by a portfolio manager.

Beta is a measure of a fund's sensitivity to market movements. A portfolio with a beta greater than 1 is more volatile than the market, and a portfolio with a beta less than 1 is less volatile than the market.

R-squared reflects the percentage of a fund's movements that are explained by movements in its benchmark index, showing the degree of correlation between the fund and the benchmark. This figure is also helpful in assessing how likely it is that alpha and beta are statistically significant.

**Morningstar Rating and Category**

© 2024 Morningstar. All Rights Reserved. The information, data, analyses and opinions ("Information") contained herein (1) include Morningstar's confidential and proprietary information (2) may not be copied or redistributed, (3) do not constitute investment advice (4) are provided solely for informational purposes (5) are not warranted to be complete, accurate or timely and (6) are drawn from fund data published on various dates. The information is provided to you at your own risk. Morningstar is not responsible for any trading decisions, damages or other losses related to the Information or its use. Please verify all of the Information before using it and don't make any investment decision except upon the advice of a professional financial adviser. Past performance is no guarantee of future results. The value and income derived from investments can go up or down. The Morningstar rating applies to funds having at least 3 years of history. It takes into account subscription fee, the yield without risk and the standard deviation to calculate for every fund its ratio MRAR (Morningstar Risk Adjust Return). Funds are then classified in decreasing order by MRAR: first 10 per cent receive 5 stars, the following 22.5 % 4 stars, the following 35 % 3 stars, following 22.5 % 2 stars, the last 10 % receive 1 star. Funds are classified within 180 European categories.

**Reference Index**

The Sub-Fund is actively managed. The Reference Index is used for comparison purposes only. The Delegated Investment Manager remains free to choose the securities that make up the portfolio in accordance with the Sub-Fund's investment policy.

**Asset allocation**

Cash offset for Derivatives represents the amount of cash the portfolio manager should borrow if he's Long exposed via derivatives and vice versa. The weighting of the portfolio in various asset classes, including "Other," is shown in this table. "Other" includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks. In the table, allocation to the classes is shown for long positions, short positions, and net (long positions net of short) positions. These statistics summarize what the managers are buying and how they are positioning the portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the funds' exposure and risk.

**Fund Charges:** The "All-in Fee" is defined as the aggregate of Management Fees and Administration Fees paid annually by each Sub-Fund, other than taxes (such as "Taxe d'abonnement") and expenses relating to the creation or liquidation of any SubFund or Share Class; the All in Fee shall not exceed such percentage of each Sub-Fund's average daily net asset value as indicated in each Sub-Fund's description under "Characteristics." The All-in Fee paid by each Share Class, as indicated in each Sub-Fund's description, does not necessarily include all the expenses linked to the FCP's investments (such as the taxe d'abonnement, brokerage fees, expenses linked to withholding tax reclaims) that are paid by such FCP. Unless otherwise provided for in any Sub-Fund's description, if the yearly actual expenses paid by any Sub-Fund exceed the applicable All-in Fee, the Management Company will support the difference and the corresponding income will be recorded under Management Company fees in the FCP's audited annual report. If the yearly actual expenses paid by each Sub-Fund are lower than the applicable All-in Fee, the Management Company will keep the difference and the corresponding charge will be recorded under Management Company fees in the FCP's audited annual report.

**Equity Portfolio Statistics (if applicable)**

The referenced data elements below are a weighted average of the long equity holdings in the portfolio. The Price/Earnings ratio is a weighted average of the price/earnings ratios of the stocks in the underlying fund's portfolio. The P/E ratio of a stock is calculated by dividing the current price of the stock by its trailing 12-months' earnings per share. The Price/Cash Flow ratio is a weighted average of the price/cash-flow ratios of the stocks in a fund's portfolio. Price/ cashflow shows the ability of a business to generate cash and acts as a gauge of liquidity and solvency. The Price/Book ratio is a weighted average of the price/book ratios of all the stocks in the underlying fund's portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value. Stocks with negative book values are excluded from this calculation. Dividend Yield is the rate of return on an investment expressed as a percent. Yield is calculated by dividing the amount you receive annually in dividends or interest by the amount you spent to buy the investment.

**Fixed-Income Portfolio Statistics (if applicable)**

The referenced data elements below are a weighted average of the long fixed income holdings in the portfolio. Duration measures the sensitivity of a fixed income security's price to changes in interest rates. Average maturity is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each maturity date by the market value of the security. Modified Duration is inversely related to percentage change in price on an average for a specific change in yield. The average coupon corresponds to the individual coupon of each bond in the portfolio, weighted by the nominal amount of these very same securities. The average coupon is calculated only on fixed rate bonds. The Yield to maturity (YTM) reflects the total return of a bond, if the bond is held until maturity, considering all the payments are reinvested at the same rate. This indicator can be calculated at the portfolio level, by weighting the individual YTM by the market value of each bond.

**Labels**

**SRI Label:** Created by the French Ministry of Finance in early 2016, with the support of Asset Management professionals, this public Label aims at giving Sustainable Responsible Investment (SRI) management an extra visibility with savers. It will make it easier for investors to identify financial products integrating Environmental, Social, and Governance (ESG) criteria into their investment process. To qualify for certification, funds must satisfy several requirements, including: - Transparency vis-à-vis investors (in terms of investment objectives and process, analysis, portfolio holdings, etc.), - Use of ESG criteria in investment decision making, - Long-term approach to investing, - Consistent voting and engagement policy, - Measured and reported positive impacts. More information on [www.lelabelisr.fr](http://www.lelabelisr.fr)

**Performance fees**

The performance fee applicable to a particular share class is calculated according to an indexed assets approach, i.e. based on a comparison of the valued assets of the UCITS and the reference assets, which serves as a basis for the calculation of the performance fee. The reference period, which corresponds to the period during which the performance of the UCITS is measured and compared to that of the reference index, is capped at five years. The management company shall ensure that, over a performance period of a maximum five (5) years, any underperformance of the UCITS in relation to the reference index is compensated for before performance fees become payable. The start date of the reference period and starting value of the performance reference assets will be reset if underperformance has not been compensated for and ceases to be relevant as the five-year period elapses.

**Special Risk Considerations**

**Risk of capital loss:** the net asset value is likely to fluctuate widely because of the financial instruments that make up the Fund's portfolio. Under these conditions, the invested capital may not be fully returned, including for an investment made over the recommended investment period.

**Interest rate risk:** as certain alternative management strategies (interest rate arbitrage, futures funds, and global macro) may have either a positive or negative exposure to interest rates. These exposures may cause the fund's net asset value to fall in line with changes in the interest rate markets. However, this risk is limited through strategies which are not tied to the main interest rate markets.

**Risk related to temporary sales and repurchases of securities and the management of financial guarantees:** temporary sales and repurchases of securities are likely to create risks for the Fund, such as counterparty risk defined above. The management of guarantees may create risks for the Fund, such as liquidity risk (i.e., the risk that a security received as collateral is not sufficiently liquid and cannot be sold quickly if the counterparty defaults) and, where applicable, the risks associated with the re-use of cash deposited as collateral (i.e., mainly the risk that the Fund cannot repay the counterparty). Please refer to the full prospectus, for additional details on risks.

Natixis Investment Managers International - a portfolio management company authorized by the Autorité des Marchés Financiers (French Financial Markets Authority - AMF) under no. GP 90-009, and a public limited company (société anonyme) registered in the Paris Trade and Companies Register under no. 329 450 738. Registered office: 43 avenue Pierre Mendès France, 75013 Paris.

Ostrum Asset Management, a subsidiary of Natixis Investment Managers S.A., is a French asset manager authorized by the Autorité des Marchés Financiers (Agreement No. GP18000014) and licensed to provide investment management services in the EU.

Distribution of this document may be restricted in certain countries. The fund is not authorized for sale in all jurisdictions and its offering and sale may be limited by the local regulator to certain types of investors. Natixis Investment Managers S.A. or its affiliates may receive or pay fees or rebates in relation to the fund. The tax treatment relating to the holding, acquisition or disposal of shares or units in the fund depend on each investor's tax status or treatment and may be subject to change. Please ask your financial advisor if you have any questions. It is the responsibility of your financial advisor to ensure that the offering and sale of fund shares complies with the relevant national law.

**The fund may not be offered or sold in the USA, to citizens or residents of the USA, or in any other country or jurisdiction where it would be unlawful to offer or sell the fund.**

This material is distributed for information purposes only. Investment themes and processes as well as portfolio holdings and characteristics shown are as of the date indicated and are subject to change. Any reference to a ranking, a rating or an award provides no guarantee for future performance results and is not constant over time. This material is not a prospectus and does not constitute an offering of shares. Information contained in this document may be updated from time to time and may vary from previous or future published versions of this document. If you would like further information about this fund, including charges, expenses and risk considerations, contact your financial advisor for a free prospectus, Key Investor Information, copy of the Articles of Incorporation, the semi and annual reports, and/or other materials and translations that are relevant to your jurisdiction. For assistance locating a financial advisor in your jurisdiction please call +44 203 405 2154.

Please read the Prospectus and Key Information Document carefully before investing. If the fund is registered in your jurisdiction, these documents are also available free of charge and in the official language of the country of registration at the Natixis Investment Managers offices (im.natixis.com) and the paying agents listed below: France: CACEIS Bank France, 1-3, Place Valhubert, 75013 Paris. Germany: Rheinland-Pfalz Bank, Große Bleiche 54-56, D-55098 Mainz. Italy: State Street Bank SpA, Via Ferrante Aporti, 10, 20125, Milano. Switzerland: RBC Investor Services Bank S.A., Zurich Branch, Bleicherweg 7, CH-8027 Zurich.

This document may contain references to copyrights, indexes and trademarks that may not be registered in all jurisdictions. Third party registrations are the property of their respective owners and are not affiliated with Natixis Investment Managers or any of its related or affiliated companies (collectively "Natixis"). Such third party owners do not sponsor, endorse or participate in the provision of any Natixis services, funds or other financial products.

Historical data may not be a reliable indication for the future. Please refer to the full Prospectus for additional details on risks.

To obtain a summary of investor rights in the official language of your jurisdiction, please consult the legal documentation section of the website ([im.natixis.com/intl/intl-fund-documents](http://im.natixis.com/intl/intl-fund-documents))

**In the E.U.:** Provided by Natixis Investment Managers International or one of its branch offices listed below. Natixis Investment Managers International is a portfolio management company authorized by the Autorité des Marchés Financiers (French Financial Markets Authority - AMF) under no. GP 90-009, and a public limited company (société anonyme) registered in the Paris Trade and Companies Register under no. 329 450 738. Registered office: 43 avenue Pierre Mendès France, 75013 Paris. Germany: Natixis Investment Managers International, Zweigniederlassung Deutschland (Registration number: HRB 129507): Senckenberganlage 21, 60325 Frankfurt am Main. Italy: Natixis Investment Managers International Succursale Italiana, Registered office: Via San Clemente 1, 20122 Milan, Italy. Netherlands: Natixis Investment Managers International, Netherlands (Registration number 000050438298). Registered office: Stadsplein 7, 3521AZ Utrecht, the Netherlands. Spain: Natixis Investment Managers International S.A., Sucursal en España, Serrano n°90, 6th Floor, 28006 Madrid, Spain. Sweden: Natixis Investment Managers International, Nordics Filial (Registration number 516412-8372- Swedish Companies Registration Office). Registered office: Convendum Stockholm City AB, Kungsgatan 9, 111 43 Stockholm, Box 2376, 103 18 Stockholm, Sweden. Or, Provided by Natixis Investment Managers S.A. or one of its branch offices listed below. Natixis Investment Managers S.A. is a Luxembourg management company that is authorized by the Commission de Surveillance du Secteur Financier and is incorporated under Luxembourg laws and registered under n. B 115843. Registered office of Natixis Investment Managers S.A.: 2, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg. Belgium: Natixis Investment Managers S.A., Belgian Branch, Gare Maritime, Rue Picard 7, Bte 100, 1000 Bruxelles, Belgium.

**In Switzerland:** Provided for information purposes only by Natixis Investment Managers, Switzerland Sàrl, Rue du Vieux Collège 10, 1204 Geneva, Switzerland or its representative office in Zurich, Schweizergasse 6, 8001 Zurich.

**In the British Isles:** Provided by Natixis Investment Managers UK Limited which is authorised and regulated by the UK Financial Conduct Authority (FCA firm reference no. 190258) - registered office: Natixis Investment Managers UK Limited, Level 4, Cannon Bridge House, 25 Dowgate Hill, London, EC4R 2YA. When permitted, the distribution of this material is intended to be made to persons as described as follows: in the United Kingdom: this material is intended to be communicated to and/or directed at investment professionals and professional investors only; in Ireland: this material is intended to be communicated to and/or directed at professional investors only; in Guernsey: this material is intended to be communicated to and/or directed at only financial services providers which hold a license from the Guernsey Financial Services Commission; in Jersey: this material is intended to be communicated to and/or directed at professional investors only; in the Isle of Man: this material is intended to be communicated to and/or directed at only financial services providers which hold a license from the Isle of Man Financial Services Authority or insurers authorised under section 8 of the Insurance Act 2008.

**In the DIFC:** Provided in and from the DIFC financial district by Natixis Investment Managers Middle East (DIFC Branch) which is regulated by the DFSA. Related financial products or services are only available to persons who have sufficient financial experience and understanding to participate in financial markets within the DIFC, and qualify as Professional Clients or Market Counterparties as defined by the DFSA. No other Person should act upon this material. Registered office: Unit L10-02, Level 10, JCD Brookfield Place, DIFC, PO Box 506752, Dubai, United Arab Emirates.

**In Singapore:** Provided by Natixis Investment Managers Singapore Limited (NIM Singapore) having office at 5 Shenton Way, #22-05/06, UIC Building, Singapore 068808 (Company Registration No. 199801044D) to distributors and qualified investors for information purpose only. NIM Singapore is regulated by the Monetary Authority of Singapore under a Capital Markets Services Licence to conduct fund management activities and is an exempt financial adviser. Mirova Division (Business Name Registration No.: 53431077W) and Ostrum Division (Business Name Registration No.: 53463468X) are part of NIM Singapore and are not separate legal entities. This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

**In Taiwan:** Provided by Natixis Investment Managers Securities Investment Consulting (Taipei) Co., Ltd., a Securities Investment Consulting Enterprise regulated by the Financial Supervisory Commission of the R.O.C. Registered address: 34F., No. 68, Sec. 5, Zhongxiao East Road, Xinyi Dist., Taipei City 11065, Taiwan (R.O.C.), license number 2020 FSC SICE No. 025, Tel. +886 2 8789 2788.

**In Hong Kong:** Provided by Natixis Investment Managers Hong Kong Limited to professional investors for information purpose only.

**In Australia:** Provided by Natixis Investment Managers Australia Pty Limited (ABN 60 088 786 289) (AFSL No. 246830) and is intended for the general information of financial advisers and wholesale clients only.

**In New Zealand:** This document is intended for the general information of New Zealand wholesale investors only and does not constitute financial advice. This is not a regulated offer for the purposes of the Financial Markets Conduct Act 2013 (FMCA) and is only available to New Zealand investors who have certified that they meet the requirements in the FMCA for wholesale investors. Natixis Investment Managers Australia Pty Limited is not a registered financial service provider in New Zealand.

**In Colombia:** Provided by Natixis Investment Managers International Oficina de Representación (Colombia) to professional clients for informational purposes only as permitted under Decree 2555 of 2010. Any products, services or investments referred to herein are rendered exclusively outside of Colombia. This material does not constitute a public offering in Colombia and is addressed to less than 100 specifically identified investors.

**In Latin America:** Provided by Natixis Investment Managers International.

**In Chile:** Esta oferta privada se inicia el día de la fecha de la presente comunicación. La presente oferta se acoge a la Norma de Carácter General N° 336 de la Superintendencia de Valores y Seguros de Chile. La presente oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la Superintendencia de Valores y Seguros, por lo que los valores sobre los cuales ésta versa, no están sujetos a su fiscalización. Que por tratarse de valores no inscritos, no existe la obligación por parte del emisor de entregar en Chile información pública respecto de estos valores. Estos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el Registro de Valores correspondiente.

**In Mexico:** Provided by Natixis IM Mexico, S. de R.L. de C.V., which is not a regulated financial entity, securities intermediary, or an investment manager in terms of the Mexican Securities Market Law (Ley del Mercado de Valores) and is not registered with the Comisión Nacional Bancaria y de Valores (CNBV) or any other Mexican authority. Any products, services or investments referred to herein that require authorization or license are rendered exclusively outside of Mexico. While shares of certain ETFs may be listed in the Sistema Internacional de Cotizaciones (SIC), such listing does not represent a public offering of securities in Mexico, and therefore the accuracy of this information has not been confirmed by the CNBV. Natixis Investment Managers is an entity organized under the laws of France and is not authorized by or registered with the CNBV or any other Mexican authority. Any reference contained herein to "Investment Managers" is made to Natixis Investment Managers and/or any of its investment management subsidiaries, which are also not authorized by or registered with the CNBV or any other Mexican authority.

**In Uruguay:** Provided by Natixis Investment Managers Uruguay S.A., a duly registered investment advisor, authorised and supervised by the Central Bank of Uruguay. Office: San Lucar 1491, Montevideo, Uruguay, CP 11500. The sale or offer of any units of a fund qualifies as a private placement pursuant to section 2 of Uruguayan Law 18,627.

**In Brazil:** Provided to a specific identified investment professional for information purposes only by Natixis Investment Managers International. This communication cannot be distributed other than to the identified addressee. Further, this communication should not be construed as a public offer of any securities or any related financial instruments. Natixis Investment Managers International is a portfolio management company authorized by the Autorité des Marchés Financiers (French Financial Markets Authority - AMF) under no. GP 90-009, and a public limited company (société anonyme) registered in the Paris Trade and Companies Register under no. 329 450 738. Registered office: 43 avenue Pierre Mendès France, 75013 Paris.

The above referenced entities are business development units of Natixis Investment Managers, the holding company of a diverse line-up of specialised investment management and distribution entities worldwide. The investment management subsidiaries of Natixis Investment Managers conduct any regulated activities only in and from the jurisdictions in which they are licensed or authorised. Their services and the products they manage are not available to all investors in all jurisdictions. It is the responsibility of each investment service provider to ensure that the offering or sale of fund shares or third party investment services to its clients complies with the relevant national law.

The provision of this material and/or reference to specific securities, sectors, or markets within this material does not constitute investment advice, or a recommendation or an offer to buy or to sell any security, or an offer of any regulated financial activity. Investors should consider the investment objectives, risks and expenses of any investment carefully before investing. The analyses, opinions, and certain of the investment themes and processes referenced herein represent the views of the portfolio manager(s) as of the date indicated. These, as well as the portfolio holdings and characteristics shown, are subject to change. There can be no assurance that developments will transpire as may be forecasted in this material. The analyses and opinions expressed by external third parties are independent and does not necessarily reflect those of Natixis Investment Managers. Although Natixis Investment Managers believes the information provided in this material to be reliable, including that from third party sources, it does not guarantee the accuracy, adequacy, or completeness of such information. May not be redistributed, published, or reproduced, in whole or in part.

Natixis Investment Managers may decide to terminate its marketing arrangements for this fund in accordance with the relevant legislation