



Report pursuant
to Article 29 of the
Energy and
Climate Law for
the year 2023



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1



General approach



CHAPTER 1. GENERAL APPROACH

a) Approach for taking account of ESG quality criteria in the investment policy and strategy

Natixis Investment Managers International in the context of its group of membership

Faced with the major challenges of climate change, loss of biodiversity and social inequality, Natixis Investment Management International (“NIMI”) has joined all the companies in the Natixis group in formulating not just one but several responses to the complex challenges associated with sustainable finance. The multi-boutique model, which encompasses a variety of management companies with different convictions, diversified management styles, ESG approaches adapted to the asset classes to which we are exposed, and which is a source of innovation, allows us to provide diverse responses to the challenges of sustainable finance.

Natixis Investment Managers (Natixis IM), as well as 18 of its affiliated asset management companies around the world, representing a total of over 1,000 billion in assets under management, are signatories to the UN PRI (United Nations Principles for Responsible Investment).

In this capacity, they are committed to respecting the 6 principles of the PRI, including the incorporation of environmental, social and governance (ESG) factors into investment analysis and decision-making processes, and to maintaining an active dialogue with companies by including sustainability issues in their engagement policies and practices. The UN PRI provide a recognised reference framework for integrating ESG factors into investment processes, with annual reporting obligations with which affiliates have complied.

For NIMI (which is not a PRI signatory), integrating ESG factors into the investment process enables more informed decisions to be taken and sustainable investment trends to be identified. This approach aims to create long-term value for clients. Several affiliates have developed dedicated extra-financial research capabilities and have integrated sustainability criteria into their investment decision support models. These are based on proprietary systems and raw data in order to establish their own scoring models and methodologies, which they can then explain to clients with full transparency.

Each Natixis Investment Managers management company is responsible for its own investment process and ultimately for integrating environmental, social and governance factors, in observance of their fiduciary duty.

Collaborative commitments

Natixis IM is involved in a number of international sustainable investment initiatives, and is a founding member of certain of these:

- **Investor Leadership Network (ILN)** – Natixis IM, is a founding member and board member. An initiative launched in 2018 at the G7 summit for a new Global Financial Pact in Paris to promote the collaboration of leading international investors in the sectors of energy transition, sustainable infrastructure and to accelerate the cooperation of the private and public financial sectors on emerging economies;
- **One Planet Asset Managers** – Natixis IM, founding member. The initiative was launched in 2019 at the Open Planet Summit to support sovereign wealth funds in the transition to more sustainable financial markets;
- **Convergence**, an initiative dedicated to public-private finance in support of the sustainable development objectives;
- **Impact Disclosure Task Force** - Natixis IM has joined the Impact Disclosure Task Force, created in April 2023 and co-chaired by Natixis CIB and JP Morgan. Its objective is to produce a voluntary reference and reporting framework for measuring the impact and contribution of companies and sovereign entities to sustainability goals (ODD).

Presentation of Natixis Investment Managers International

NIM International is an asset management company authorised by the French Financial Markets Authority, which carries out the following activities:

- **Activity as a leading management company** (i.e. “Management Company” or “ManCo”) of open-ended funds. By way of this activity, financial management is delegated to other management companies owned by Natixis IM (almost exclusively), or to external management companies, hereinafter the “delegated investment managers”;
- **Activity as a direct portfolio management company** (multi-management, FCPE, mandates). In this context, NIM International carries out financial management itself, drawing on the management expertise of management companies affiliated to Natixis IM through the selection of underlying funds managed by these same companies. This activity is carried out by its Natixis Investment Managers Solutions department (hereinafter “NIM Solutions”). NIM Solutions brings together experts in fund and portfolio analysis, investment, asset allocation and structuring;
- **“Private debt” and “Real Assets” direct fund management activity**, carried out by its “Private Debt and Real Asset” department;
- **Fiduciary Management Activity** for clients, such as portfolio analysis, investment advice, portfolio allocation, receipt and transmission of orders, etc.;
- **Fund distribution activity of Natixis IM’s Affiliates.**

NIM International’s approach to sustainable finance

NIM International’s approach to sustainable Finance must be analysed in view of the particular nature of its management activities.

1) Activity as a lead management company delegating financial management:

NIM International relies on the responsible investment policies of its financial management delegates for all of the funds for which management is delegated. In this capacity, NIM International has set up a system for selecting and monitoring delegated investment managers, which includes aspects relating to responsible investment.

2) Direct portfolio management activity by NIM Solutions:

With regard to multi-management activity (funds of funds), the responsible investment approach of the underlying funds of funds selected is supplemented by an analysis model developed by NIM International which is principally based on a qualitative approach.

NIM International’s responsible investment policy is available here: <https://www.im.natixis.com/content/dam/natixis/website/site-information/fr/INT956-0423-Politique-d-investissement-responsable-NIMI-FR-Final.pdf>

The sustainable risk integration policy within NIM International is available here:

<https://www.im.natixis.com/content/dam/natixis/website/site-information/fr/INT375FR-0321-NIMI-Sustainability-Risk-Policy.pdf>

The NIM Solutions teams have developed a proprietary filtering and scoring methodology for identifying the best ESG funds across all sectors. It should be noted that this quantitative scoring is used for information purposes only and hence not systematically. Secondly, in order to complement the quantitative analysis, Natixis IM's ESG experts have developed a proprietary qualitative methodology (the "Conviction & Narrative" method), which takes into account and analyses the following criteria, without limitation: (1) the ESG experience of the investment team for the underlying funds; (2) the integration of ESG considerations into the investment process of the underlying funds; (3) the level of ESG disclosure; and (4) voting practices.

This process is intended to apply to responsible investment funds of funds managed by NIM Solutions and complements fund selection based on risk analysis, the definition of a long-term strategic allocation and shorter-term tactical management.

This analysis aims to provide transparency that goes beyond traditional calculations of ESG factors. The analysis notably:

- permits the measurement of the degree of importance of ESG factors in the investment strategy of each underlying fund in which the fund intends to invest;
- guarantees that the ESG beliefs and objectives of the underlying funds are clear, while providing a concrete measure of the level of integration of the ESG strategy at all stages of the investment process;
- provides an independent, impartial and complementary analysis of the credibility of the ESG approaches pre-selected by the management teams.

On the basis of this qualitative ESG analysis, a rating is assigned to each underlying fund analysed.

Then, depending on the result of this analysis and hence on their rating, the funds are categorised as eligible or not for inclusion in funds of funds with clearly defined characteristics.

Funds that do not comply with NIM International's coal exclusion policy are excluded from the investment universe. NIM International's coal exclusion policy is available on its website: <https://www.im.natixis.com/fr/informations-reglementaires#info>

Management activity for Private Debt and Real Assets funds (hereafter, the "PDRA team")¹:

The PDRA team has developed an approach to integrating ESG criteria based on the strong belief that material ESG elements, like any other material element, have an impact on the credit risk of each considered transaction. The analytical approach is qualitative and based on assessments of ESG elements by manager-analysts. This analysis is combined with a sectoral approach.

Fiduciary Management Activity:

NIM International, through its NIM Solutions department, supports clients in sustainable investment by building *ad hoc* solutions that integrate ESG/climate criteria into the investment process according to their preferences and objectives in this area.

NIM Solutions offers various services to its clients which relate to sustainable finance, such as an ESG portfolio analysis service based on extra-financial data (carbon intensity, ESG rating in particular) from reputed data providers (such as Trucost, Sustainalytics MSCI or ISS).

¹ This team is not anymore part of NIM International after the 31.12.2023

b) Informing of subscribers, members, contributors, beneficiaries or clients regarding ESG criteria

NIM International uses various means to communicate on the criteria relating to the environmental, social or governance quality objectives implemented within its activities.

The NIM International website allows investors to find out about the policies and procedures implemented by NIM International while carrying out its activities:

- Sustainability Risk Integration Policy
- Coal exclusion policy
- Voting and engagement policy
- Report on the exercise of voting rights
- Responsible investment policy
- Statement on absence of consideration of principal adverse impacts.

These policies and procedures may be consulted here:

<https://www.im.natixis.com/fr-fr/site-information/regulatory-information>

The description of ESG investment criteria at the level of each relevant product is available within the regulatory and/or commercial documentation of the funds, in accordance with the publication obligations provided by the position - AMF recommendation DOC-2020-03 - and the SFDR regulations.

c) List of SFDR Article 8 and Article 9 products

The following table shows the assets in the portfolios according to the SFDR classification (pursuant to the “SFDR” regulations) for which NIM International is the management company. The list of “Article 8” and “Article 9” products is available in Annex 1 of this report.

According to the SFDR classification:

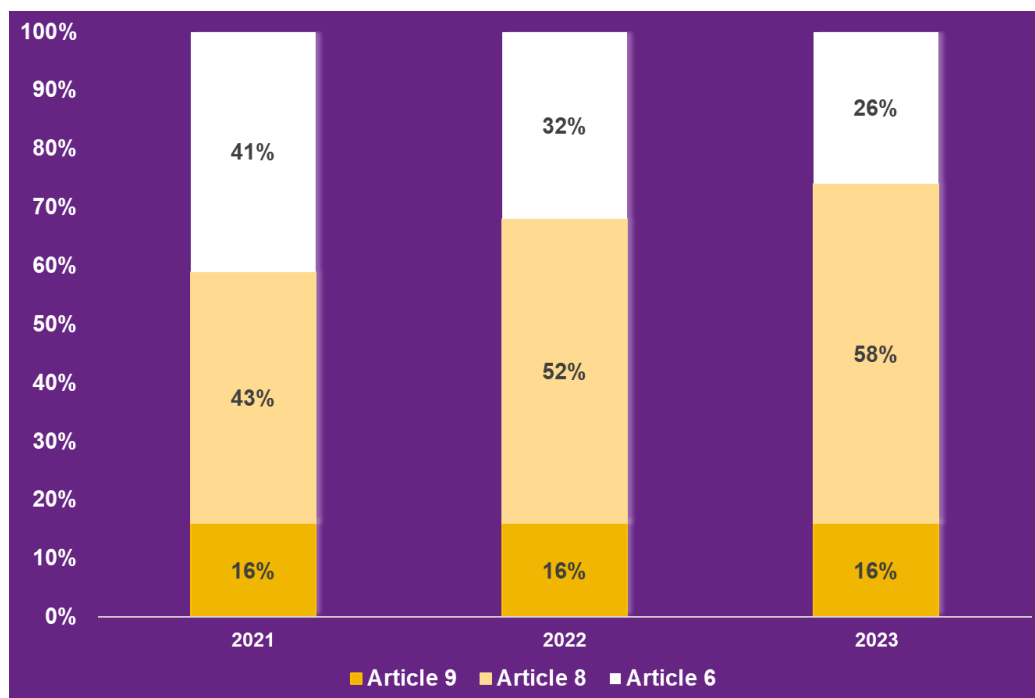
- An “Article 8” product is one that *“promotes, among other characteristics, environmental or social characteristics, or a combination of these characteristics, insofar as the companies in which the investments are made apply good governance practices”*.
- An “Article 9” product is one that *“has sustainable investment as its objective”*, i.e. investment in economic activities that contribute to an environmental or social objective. This type of product promotes a sustainable transition and meets enhanced transparency and reporting requirements.

“SFDR classification”	Assets under management (m€) on 31 December 2023	% of assets
Products Article 8	€* 76,171	58 %
	O/w * 58,391 under delegated management and * 17,780 under direct management	
Products Article 9	€ ² * 21,258	16 %
	O/w * 14,454 under delegated management and * 6,804 under direct management	

* Approximate value

Relative to 2022, the proportion of assets under management linked to NIM International’s Article 8 funds has increased (+6 percentage points to 58% of total assets under management) and the proportion of assets under management in Article 9 funds has remained stable.

Breakdown of outstanding amounts by type of article for products with NIM International as a Manco - 2021, 2022 and 2023



The above graph illustrates the efforts made by NIM International to take greater account of environmental, social and governance considerations. NIM International is increasing its share of assets promoting, among other things, environmental or social characteristics, while reducing the share of assets without this type of characteristic.

d) Adhesion to labels, charters, codes and initiatives

As a management company, NIM International delegates its management to various delegates with whom it has a strong partnership and regular interaction. As part of its role as ManCo, it may issue an opinion on the assessment of the labelling of these strategies and supports its delegated investment managers in this regard.

NIM International monitors and encourages contributions by delegated investment managers to local initiatives and encourages them to move forward in their efforts to integrate sustainability into their activities.

French SRI Label

The French SRI label aims to enable retail investors and professional investors to identify investment funds that apply a robust socially responsible investment (SRI) methodology, leading to measurable and concrete results. The obtaining of this label, based on 6 pillars, is subject to a strict audit process carried out by a certified independent certification body.

In summary, the acquisition of the label is conditional on the setting of objectives on the three dimensions of ESG (environment, social and governance) and the implementation of a methodology and significant resources for evaluating the integration of sustainability into the investment strategy. Lastly, objectives must be set for investors, in particular by calculating measurable indicators.

To find out more: > Annex 1

CIES Label

The CIES labels employee savings funds or ranges of these funds that comply with its specifications.

In order for the funds to be labelled, management companies must ensure that the companies in which their employees' savings are invested are distinguished by high social and environmental standards:

- Employee representation
- Quality of social dialogue
- Consideration of all stakeholders inside and outside companies
- Quality of employment
- Reduction of inequalities
- Combating discrimination
- Combating corruption and tax evasion
- Environmental impact of activities

Greenfin Label

The aim of the Greenfin label, awarded by the French Ministry for Ecological Transition, is to mobilise a portion of savings for the benefit of the energy and ecological transition.

A particular feature of this label is that it excludes funds that invest in fossil fuel companies. The audit is carried out by certified independent third-party organisations, in the same way as the French SRI label.

Towards Sustainability Label

The Towards Sustainability quality standard and label were developed at the initiative of the Belgian Federation of the Financial Sector (Febelfin).

The Towards Sustainability label offers an important guarantee: all labelled products come with a minimal level of sustainability, measured by the "Towards Sustainability" quality standard.

The "Towards Sustainability" label combines three requirements:

- Do no harm (use of the double materiality perspective, exclusion of certain sectors including arms, tobacco, coal, unconventional oil and gas, and compliance with international norms and standards).
- Positive impact (making a positive contribution to society by following at least one ESG-related strategy such as "best in class" or "universe", engagement, etc.).
- Transparency



Finansol Label

The Finansol label was created to distinguish solidarity savings products from other savings products for the general public.

Awarded by a committee of independent experts from civil society, the Finansol label has been based since its creation on criteria of solidarity and transparency.

- It guarantees that savings really do contribute to financing activities that generate social and environmental benefits, such as access to employment, housing, support for organic farming and renewable energies, and entrepreneurship in developing countries.
- It also attests to the financial intermediary's commitment to providing reliable information on the labelled product and the supported activities.

Each solidarity savings product must therefore meet a number of criteria, the main ones being as follows:

- The collected funds genuinely serve to finance activities of high social and environmental benefit (social impact)
- Subscribers have access to reliable information on the labelled products and the supported activities (transparency)

The "Relance" label

The "Relance" [Relaunch] label enables retail and professional investors to identify collective investment schemes (UCIs) that meet the financing needs of French companies, whether listed or unlisted, and thus mobilise savings for relaunches.

The "Relance" label recognises funds that are committed to rapidly mobilising new resources for supporting the equity and quasi-equity capital of French companies (SMEs and ETIs), whether listed or unlisted. Its objective is to direct the savings of savers and professional investors towards these investments, which meet the financing needs of the French economy following the health crisis.



Labelled funds must also comply with a set of environmental, social and governance (ESG) criteria, notably including a ban on financing coal-fired activities and the monitoring of an ESG rating or indicator.

In summary, the labelled outstanding amounts of products for which NIMI is the Manco are as follows³:

Label	% of assets labelled
French SRI	54 %
CIES	6 %
Greenfin	3 %
Towards Sustainability	8 %
Finansol	3 %
Relance	1 %

³ Certain products have multiple labels

e) Objective of balanced representation of women and men among the teams, bodies and managers responsible for making investment decisions

The provisions of the “RIXAIN” law, incorporated into the Monetary and Financial Code (L. 533-22-2-4), provide that management companies must define a target for balanced representation of women and men among the teams, bodies and executives responsible for making investment decisions.

Over and above the requirements of the Rixain law, NIM International wishes to continue developing gender diversity and parity within its management teams through a gender diversity objective. This objective has been set for NIM International’s direct investment management activities, which include two separate teams, NIM Solutions and PDRA.

Teams*	Target gender balance at end-2023	Percentage of women at end-2023
Private debt Real assets – investment management	40 %	44 %
NIM Solutions (investment management + research teams)	30%*	36%*

**Including fixed-term and permanent contracts*



2

Internal resources dedicated
to ESG criteria consideration



CHAPTER 2. INTERNAL RESOURCES DEDICATED TO ESG CRITERIA CONSIDERATION

a) Description of the financial, human and technical resources dedicated to consideration of ESG criteria

In the context of setting up and managing funds of funds or funds with a responsible multi-management investment philosophy and process, NIM Solutions notably relies on the resources of the Diversified Beta team.

Moreover, by end-2023, the management team will be able to call on several sustainable finance analysts to select ESG funds and construct its portfolios:

- the ESG Solutions team (2 FTEs)
- an analyst in charge of quantitative ESG analyses (1 FTE)
- members of the quantitative research team (1 FTE)
- *ad hoc* participation of each of the three members of the Fund Research team, responsible for qualitative analysis of management processes (recorded in the accounts as 0.5 FTE).

In total, the resources involved in ESG management at NIM International are estimated at 4.5 Full Time Equivalents (FTE), representing 1.3% of NIM International's total workforce.⁴

We moreover note that the NIM Solutions team works with the ESG function of Natixis IM Holding on various aspects of ESG integration in its activities. This latter function consists of 3 employees, who also interact with the entire community of Natixis IM affiliates.

In addition, within NIM Solutions, 8 fund managers are involved in the ESG management of Article 8 funds of funds (SFDR), with some of them also managing Article 9 funds of funds (SFDR).

Since access to extra-financial data is indispensable to the implementation of management processes that include sustainable investment criteria, NIM International has decided to devote part of its budget to acquiring such data from various leading data providers.

The PDRA team relies on two independent data providers in the context of its management.

For 2023, the total budget is € 2.01m for NIM Solutions (by way of the data supply contract and the cost of resources) and € 150,000 for PDRA (for the data supply contract).

In addition, technical resources are also deployed in the context of ESG risk management:

The infographic is divided into two main sections. The left section lists logos for Sustainalytics, ECPI (Euronext Climate Platform), Trucost ESG Analysis, S&P Global, ISS, and MSCI. The right section contains descriptive text for each provider:

- Sustainalytics:** Ratings are designed to help identify and understand financially significant ESG risks and how they could affect the long-term performance of equity and fixed income investments.
- ECPI:** Uses an objective, a sector-based approach in line with best market practices to analyse ESG data from issuers with the aim of translating qualitative data into quantitative indicators, assigning each issuer a score and rating.
- Trucost ESG Analysis:** Access to climate data.
- ISS:** Enables analysis of proxy votes and issues voting recommendations.
- MSCI:** Extra-financial data by issuer: ESG rating of debt and equity issuers, ESG rating of sovereign states, sustainability, involvement in the arms industry, fossil fuels, tobacco, compliance with international standards and involvement of companies in contentious activities.

⁴ NIM International's workforce on 31/12/2023: 342

Total assets under management by NIM International amounted to around € 131 billion, including around € 49 billion under direct management at end-2023.

It should be underlined that all of the group's management companies have a team of experts in sustainable finance or at least a key person/contact for these subjects/issues. They are directly integrated into the research, portfolio management and investment processes. In total, around 80 people within Natixis IM contribute directly through their work to sustainable finance.

b) Actions carried out to strengthen internal capacities



At organisational level:

In order to strengthen its sustainability mechanism and capacities, NIM International has recruited a Head of ESG (recruitment effective on 2 April 2024), who is responsible for overseeing and ensuring the smooth running of the ESG integration process for all of its activities.

This new position reports directly to the CEO of NIM International and is a permanent member of NIM International's CoDir. With the creation of this position, NIM International demonstrates its ambitions to respond as effectively as possible to the challenges linked to sustainable finance, to strengthen its processes with a systematic and more detailed integration of ESG into its activities, to be as close as possible to its sales forces and hence to its customers, and to support all of its delegated investment managers in strengthening their sustainable investment practices.

Other initiatives are currently being deployed within NIM International:

- NIM Solutions is currently in the process of strengthening the integration of ESG considerations into its investment process, by adapting all of its pre-contractual documentation to changes in regulations. NIM Solutions is strengthening its controversy management system by formalising an internal policy to this effect. In addition, a controversy monitoring tool has been developed to identify any controversies present within the funds of funds, through transparency.
- Within PDRA, strengthening of training for the management teams was recorded in 2023, with this in progress at the time of publication of this report.

Communication on ESG issues has also been stepped up with:

- The implementation of an ESG Newsletter published fortnightly in order to raise staff awareness of ESG issues. This document includes, by way of example, an overview of new ESG-related initiatives and projects at regional and global level.
- A partnership in development with Sustainalytics has been signed to co-author 3 articles on the impact of taking ESG criteria into account on financial risk and performance metrics.



At management level:

NIM Solutions is also in the process of strengthening its consideration of the climate alignment theme by, for example, launching a dedicated "climate" fund of funds for one of its clients in 2023: the fund selection process aims to combine the integration of financial criteria (management alpha level, performance/risk pairing, quality of the purely financial investment process, etc.) and a theme based on "climate" issues.

Natixis Investment Managers' internal and external UCIs are selected according to a process designed to analyse the climate aspects considered in their investment strategy. The "climate" fund of funds is essentially invested in underlying SRI-labelled UCIs (internal and external to Natixis IM), which themselves invest at least 90% of their assets in the securities of international companies:

- that have implemented decarbonisation strategies to transition to a low-carbon economy (e.g. aiming to reduce energy production from fossil fuels); and/or
- the products/services of which provide solutions to climate issues such as renewable energy, 'clean' transport (biofuels, hydrogen, etc.), green buildings (insulation, etc.), etc.

By investing in these underlying UCIs, the fund contributes to financing the energy transition and green growth for combating climate change. Subject to these conditions, the underlying funds may indeed invest in companies operating in the following sectors: clean energy (wind, biomass, solar, etc.), clean transport (biofuels, hydrogen, etc.), green buildings (insulation, etc.), etc.

NIM Solutions has also strengthened its system for monitoring the "climate" alignment of its portfolios. A portfolio temperature monitoring tool has been developed to track the alignment of funds of funds, on a transparent basis, with regard to a global warming scenario.



Advisory services:

NIM International has launched a support service for its clients as part of its fiduciary offer to help them deploy an environmental transition approach, and, in particular, a climate transition approach, with a view to identifying the alignment of strategies with a trajectory aligned with the Paris Agreement, and with a net zero scenario. It should be noted that the concept of "Net-Zero in 2050" means that anthropogenic emissions in 2050 ($\sim 10 \text{ GtCO}_2\text{e}$)⁵ would be offset by forests, oceans and carbon capture and storage (CCS) technology.

This service aims to provide clients with a better understanding of the climate risks of their portfolios. This is notably a question of estimating the exposure of a portfolio to physical risks or transition risks.

In this way, NIM Solutions has developed modules based on climate indicators from extra-financial data providers to identify the alignment of portfolios with different types of temperature scenarios given by scientific approaches (SBTI, IPCC, etc.) in quantitative terms. These conclusions allow an analysis of the current alignment of the portfolio to be drawn up.

On the basis of this assessment, investors may then consider divestment, arbitrage or commitment actions for improving the alignment of their portfolio, as appropriate.

⁵ [Carbon Removal | World Resources Institute \(wri.org\)](https://www.wri.org)



In terms of training:

NIM International has initiated a review aimed at strengthening ESG-related training for employees in 2023. In this capacity, 29 employees from the compliance and risk teams have enrolled in training courses dealing with the implementation of ESG risk control, for a total of 6 hours per employee.

All members of the Executive Committee (also called SLT) in office on 31/12/2023 also attended the “NIMI - Fresque du Climat” [Climate Mural] training course in 2023. As a supplement to this training course, 5 of the 11 members of the Executive Committee attended other training courses dealing with ESG issues (or relating to inclusiveness) in 2023.

NIM International also provides its employees with an educational programme designed to help them discover or strengthen the ESG-related skills that they have already acquired. NIM International employees may register for these optional courses directly on the Natixis e-learning platform.

Thus, these courses allow each employee from NIMI, within each team, to foster his/her own knowledge and skills related to ESG.

**Total hours of ESG and diversity
Executive Committee +
compliance and risks training**



207 hours

3



Consideration of ESG
criteria in terms of
governance

CHAPTER 3. CONSIDERATION OF ESG CRITERIA IN TERMS OF GOVERNANCE

As previously mentioned, NIM International has been making efforts to increase the knowledge, skills and experience of its governance bodies.

a) Knowledge, skills and experience of governance bodies

Board of Directors

In terms of the knowledge, skills and experience of the governance bodies, on 31/12/2023, it may be noted that:

Executive Committee

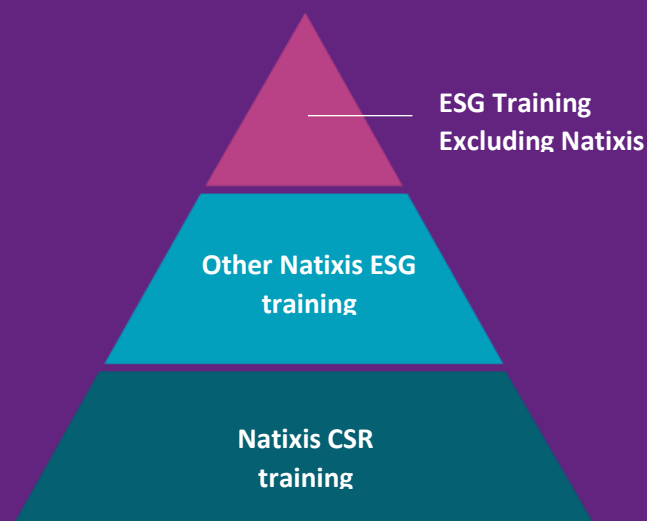
All members of the Executive Committee in office on 31/12/2023 attended the “NIMI - Fresque du Climat” training course in 2023.

In addition, of the 11 members of the Executive Committee, in 2023, 5 attended training courses dealing with ESG issues (or relating to inclusivity).

ESG Governance

The recruitment of a new head of ESG (mentioned in § 2.b of this report) is accompanied by the establishment of a committee dedicated to this topic.

In the meantime, NIM International has ensured that it has integrated ESG considerations into its main policies and, in particular, into its product governance and the operation of the “International Product Committee”.



b) Integration of sustainability risks into remuneration policies

Following the entry into effect of Regulation (EU) 2019/2088, our remuneration policy has been reviewed to strengthen the promotion of sound and effective risk management with regard to sustainability risks. The objective of this update has been to ensure that our remuneration practices do not encourage excessive sustainability risk-taking and are linked to risk-adjusted performance.

In addition, since environmental, social and governance considerations are important to NIM International, in a context of acculturation of these issues, it may be noted that NIM International is subject to a mechanism which impacts profit-sharing, with the following objectives:

NIM International’s remuneration policy may be consulted on its website:

<https://www.im.natixis.com/fr-fr/site-information/regulatory-information>

- Raising awareness among all employees, regardless of their job, of the challenges of sustainable finance.
- Ensuring that they understand the reasons for our involvement and our desire to increase our expertise in this area.

In this way, a clause has been added to our profit-sharing agreement in order to encourage acculturation to CSR, sustainable development, diversity and inclusion. This latter clause requires at least 32% of the average annual workforce to take at least one CSR training course from a range of courses.

CSR training is monitored and reminders are sent to employees to encourage them to take part in this type of training, as appropriate.

c) Integration of ESG criteria into the internal regulations of the Board of Directors or of the Supervisory Board

Natixis IM has undertaken a review of its governance rules and the integration of environmental, social and governance quality criteria into the internal regulations of its Board of Directors. The deployment of these objectives within the supervisory bodies of Natixis Group entities (including NIM International) is also envisaged, in a manner adapted to the characteristics of each entity and on a case-by-case basis.



4

Engagement strategy



CHAPTER 4. ENGAGEMENT STRATEGY

a) Scope of companies concerned by the engagement strategy

By way of application of AMF regulations on the exercise of voting rights by management companies and pursuant to the principles defined in its voting policy, NIM International exercised the voting rights attached to securities held in the UCIs for which it conducts the financial management (unless this is delegated to another management company):

- With regard to its fund of funds management activity, NIM International does not hold any security directly and cannot therefore exercise any voting rights.
- The “Private Debt” and “Real Assets” management activities do not entail the exercise of any voting rights either, due to the nature of the assets targeted by this type of management.

In 2023



Voting perimeter consisting of **477 securities** held in 2 Undertakings for Collective Investment.



Exercise of voting rights in **473 companies**, i.e. a rate of **99.2%**.



512 general meetings (GMs) were held.



Exercise of voting rights at **507 general meetings**, i.e. a participation rate of **99%**.

In the context of its “Manco” activity, Natixis Investment Managers International delegates the selection of securities to various Natixis IM management companies (Affiliates), in accordance with its “multi-Affiliate” model.

As specified in the legal documentation for the funds in question, this delegation is governed by a contract between NIM International and the delegated investment managers, which specifies that the delegation also concerns the exercise of voting rights, in accordance with the delegated investment managers’s own voting policy. This policy may be consulted on the websites of the relevant delegated investment managers.

Where financial management is delegated to several delegated investment managers, NIM International’s voting policy shall apply.

For all funds for which NIM International conducts the financial management (without delegation to another management company) and holds securities directly, the voting policy in effect shall be that described in the “Voting Policy” document available here:

<https://www.im.natixis.com/content/dam/natixis/website/site-information/fr/INT2B2-0121-mise-en-forme-politique-de-vote-de-NIMI-solutions-FR.pdf>

b) Presentation of voting policy

As a management company acting on behalf of third parties, NIM International carries out its voting activities in the exclusive interest of unitholders, SICAV shareholders and principals, as appropriate.

The principles stipulated in the “Voting Policy” document define the principles to which NIM International intends to refer when exercising voting rights at general meetings. These have the object of defining the framework within which Natixis Investment Managers International conducts an independent analysis of the proposals and resolutions submitted and the way in which it exercises voting rights in an informed manner in the exclusive interest of unitholders. These are revised annually to take account of corporate governance practices, sector developments and regulatory changes that may have occurred throughout the year.

NIM International has chosen to adhere to demanding standards of corporate governance. At the same time, in cases in which a country’s governance practices are more stringent than the principles of the voting policy, we align ourselves with the former in order to analyse the resolutions and determine the direction of our vote.

NIM International has decided to use the services of a global specialist in corporate governance and sustainable investment: Institutional Shareholder Services (ISS). This service allows us, among other things, to use proxy voting analysis and to follow the recommendations of ISS and their Sustainability Policy.

c) Review of the implemented engagement strategy

As a result of its various activities as described above, NIM International makes very few direct investments. These investments are made as part of the structuring of structured funds managed by NIM International. In this context, NIM International has decided not to conduct any engagement action in these companies.

For its multi-management activities, NIM International invests in underlying funds, which are principally managed by management companies belonging to Natixis IM. In the same way as with its delegation activities, NIM International’s involvement with these management companies is naturally included in the ManCo’s regular discussions which it conducts with affiliates. These interactions have been formalised to address the full range of sustainability and engagement issues, just as we would with any other asset management company in the market.

We urge the delegates to formulating a robust sustainability policy as a function of asset strategies and classes.

d) Review of voting policy

A voting report is produced annually. It notably allows us to verify that, for each security in question, the vote was consistent with NIM International’s voting policy. This report is available via the following link:

<https://www.im.natixis.com/fr-fr/site-information/regulatory-information>

Moreover, NIM International has a platform (accessible from its website) which provides a detailed presentation of all of the votes cast by NIM International on the resolutions presented at the general meetings of the companies held in the voting funds.

e) Investment strategy decisions, notably for sector divestments

In September 2021, NIM International introduced a coal exclusion policy.

This exclusion policy is applied to all funds for which NIM International carries out direct financial management, i.e. the NIM Solutions funds.

As part of the implementation of this policy under NIM International's direct management, NIM Solutions' fund managers have divested ETFs that did not observe the limits defined by the procedure. In this way, units were sold in ETFs invested in or exposed to companies that derive more than 25% of their revenues from the production of energy generated by coal or from coal production. NIM International's exclusion policy uses detailed criteria which specifically permit the exclusion of issuers as a function of their use of coal or how they produce it.

NIM Solutions no longer invests in companies that derive more than 25% of their revenues from the production of energy generated from coal or deriving from coal production:

- The targeted issuers are those which derive at least 25% of their revenues from the production of energy generated by thermal coal. The list of coal mining companies drawn up by Trucost is based on information published by these companies.
- The issuers targeted are those which derive at least 25% of their revenues from coal production. This relates to thermal coal. The list of issuers drawn up by Trucost is based on a proprietary methodology and on information published by the companies.

PDRA, NIM International's other direct management team, has also implemented a specific exclusion policy for its activities. This policy covers the controversial arms, tobacco, oil and gas sectors and sets exclusion rules for each of these sectors as a function of defined thresholds.

With regard to funds, the management of which has been delegated, in the context of its commitment to all delegated management companies, NIMI ensures that sound exclusion policies are developed. These latter policies are applied in the management of delegated portfolios.

For instance:

NIM International's coal exclusion policy is available on its website:

<https://www.im.natixis.com/content/dam/natixis/website/site-information/fr/politique-exclusion-charbon-de-NIMI.pdf>



78.8%
*of total
amounts
delegated to
affiliates in
2023*

- In 2021, the hardening of the sectoral coal phase-out policy was accompanied by maintenance of dialogue with issuers. Exchanges took place with companies whose coal phase-out plans prevented alignment with the Paris Agreement
- In 2022, Ostrum AM implemented an Oil & Gas policy. It intends to withdraw completely, by 2030, from unconventional and/or controversial oil and gas exploration and production activities, a priority area of engagement with the companies in which it invests in equities or bonds, both in terms of dialogue and of voting policy. Moreover, Ostrum AM engages in active dialogue with all issuers in the sector to ensure that their strategies are in line with the recommendations of the International Energy Agency, with the aim of aligning these with the Paris Agreement.
- Ostrum AM excludes the least virtuous players in the context of its Controversy Management Policy (Worst Offenders).
- Ostrum AM has implemented a policy to exclude tobacco and controversial weapons.

For further details, please refer to Ostrum AM's report published by way of Article 29 of the French Energy and Climate Law, as well as to its sectoral exclusion policies, which are available on its website: https://www.ostrum.com/sites/default/files/1-ostrum-mediatheque/esg-rse/strategie-biodiversite/Strat%C3%A9gie%20Biodiversit%C3%A9%20Ostrum%20AM_juin%2022.pdf



17.7%
*of total amounts
delegated to
affiliates in 2023*

- Mirova has implemented restrictions concerning the following sectors:
 - Energy (fossil fuels and nuclear energy)
 - Food and agriculture (palm oil, genetically modified organisms, agrochemicals)
 - Health and addiction (tobacco, alcohol, cannabis, sugary drinks, gambling)
 - Fundamental rights (military equipment and armaments, adult entertainment, animal experimentation, stem cell research)
- In addition to sectoral restrictions, Mirova has implemented exclusions linked to governance and international conventions (tax havens, oppressive regimes, principles of the United Nations Global Compact and/or OECD guidelines), as well as specific exclusions linked to its labelled funds ("Greenfin" and "Towards Sustainability" Labels).
- Failure to comply with the minimum requirements described in this document will result in a "negative" rating on Mirova's internal qualitative rating scale. "Negative" ratings mean that issuers are excluded from Mirova's portfolios and are subject to pre- and post-trade audits.

For further details, please refer to Mirova's report published by way of Article 29 of the French Energy and Climate Law (document entitled "Acting as a responsible investor") and to the document entitled "Minimum standards and exclusions", available on its website.

<https://www.mirova.com/fr/durabilite>



0.9%
*of total amounts
delegated to
affiliate in 2023*

Thematics has implemented exclusions based on the product and behaviour.

By way of product exclusions, Thematics systematically excludes companies from the portfolio that are exposed to activities considered as having a negative impact on the environment and on society from a sustainability and/or ethical perspective.

Exclusions defined as a function of specific thresholds have been implemented in for the following activities:

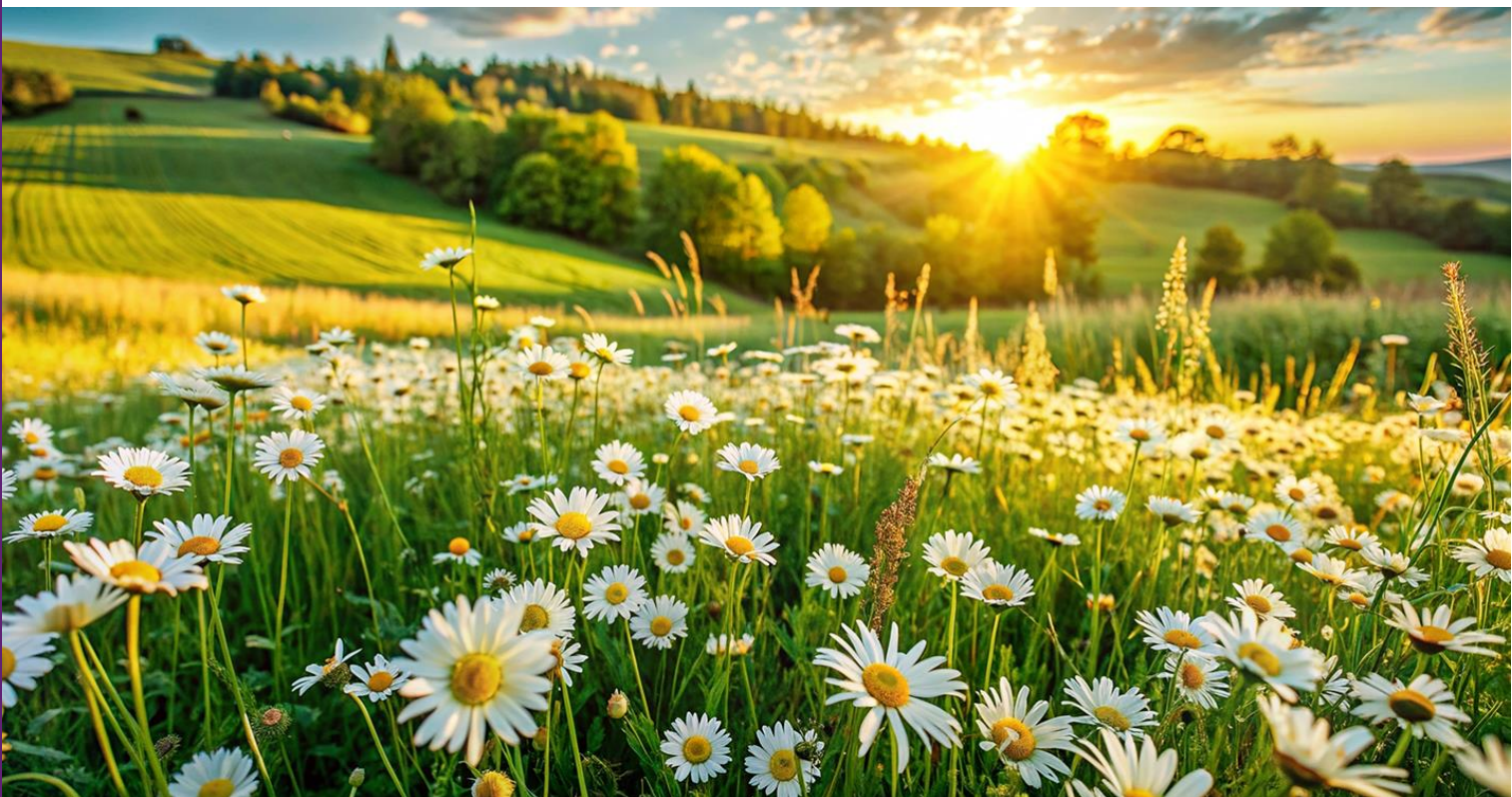
- Environmental (coal, conventional oil and gas, non-conventional oil and gas, other power generation sources and deforestation)
- Social (conventional weapons, small arms, controversial weapons, tobacco, genetically modified organisms and human embryonic stem cell research)

In addition to the above exclusions, Thematics also excludes companies:

- Exposed to high with negative outlook and/or severe level of environmental, social, and governance controversies
- Non-compliant to internationally agreed standards, norms, and regulations.

For further details, please refer to the Thematics report published by way of Article 29 of the French Energy and Climate Law (document entitled “Being responsible”) and to the document entitled “Product- and Behaviour-Based Exclusion Policy”, available on its website.

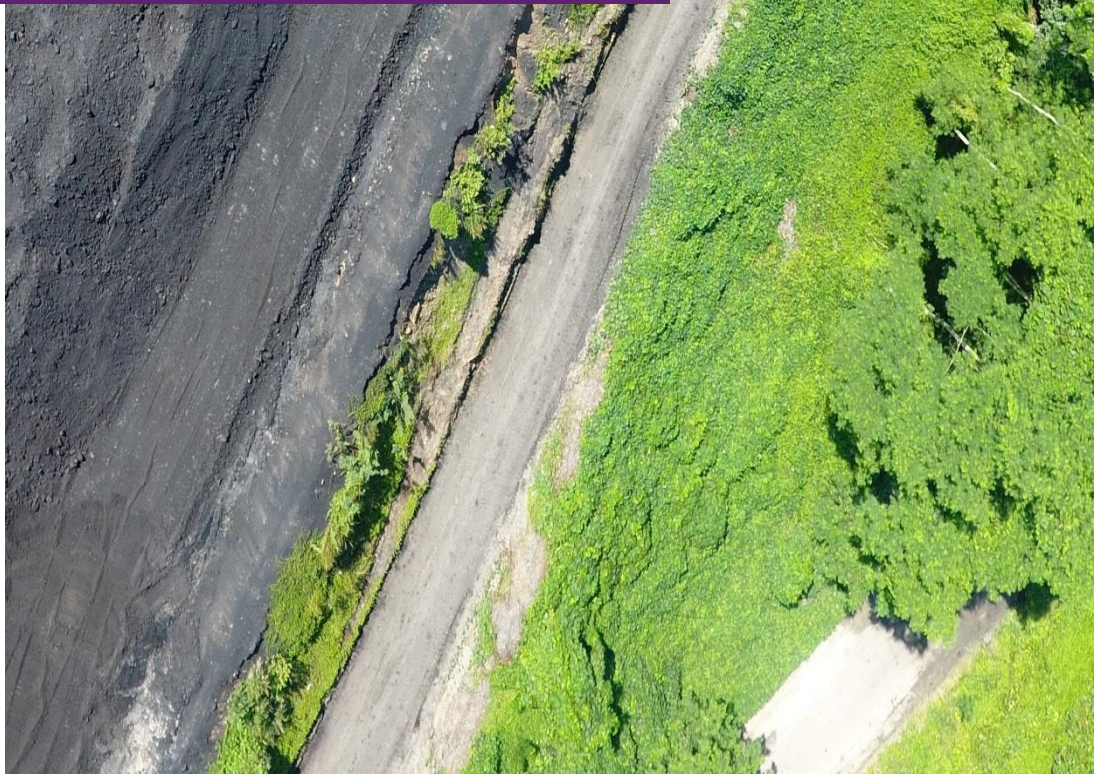
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5



European taxonomy and fossil fuels

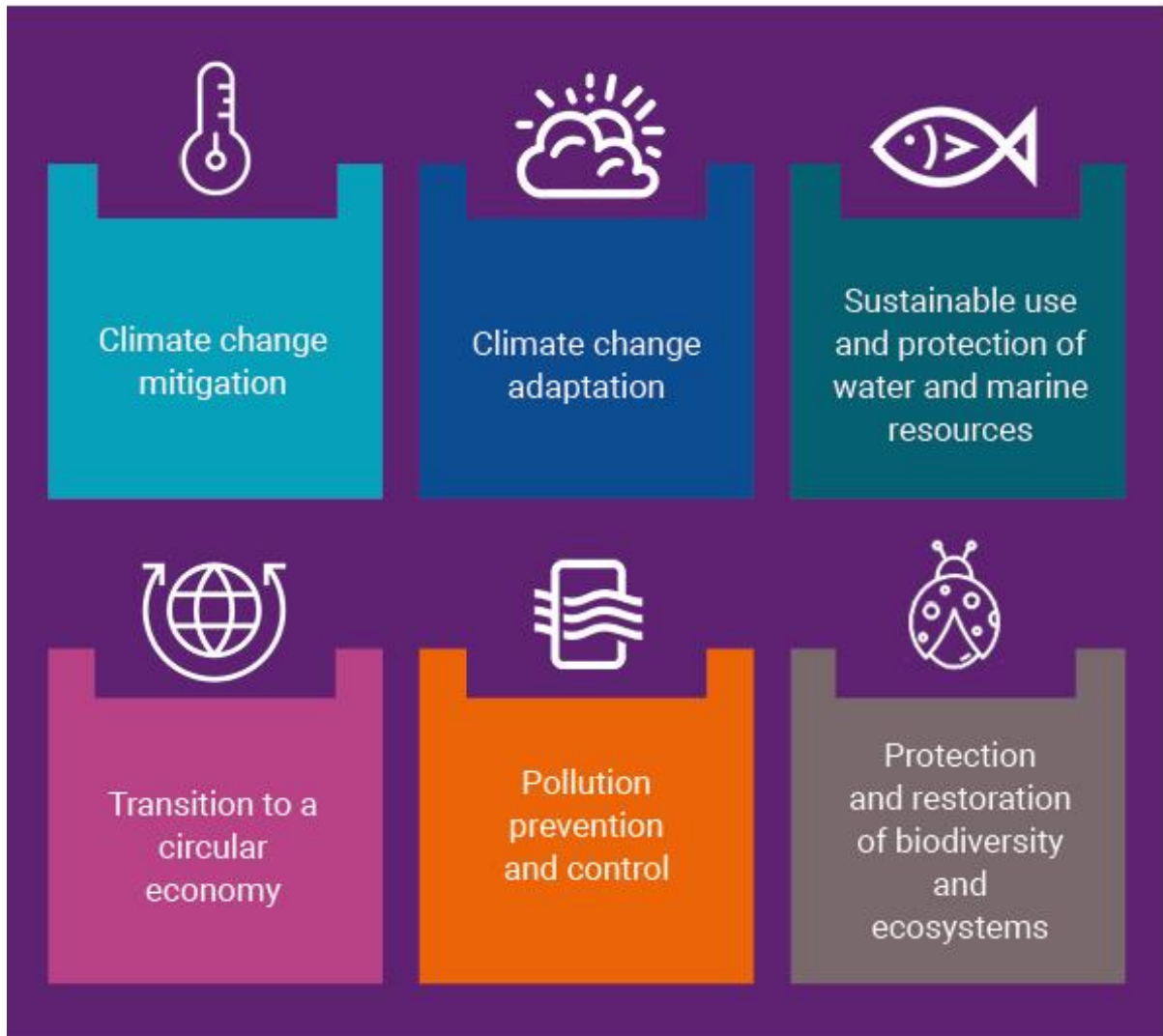


CHAPTER 5. EUROPEAN TAXONOMY AND FOSSIL FUELS

a) European Taxonomy aligned activities

EU Taxonomy is a classification system for activities regarded as sustainable by the European Union. It is used to measure the proportion of a company's activities or a financing project aligned with European climate objectives.

The Taxonomy takes into account 6 environmental objectives for classifying sustainable activities:



The activity shall contribute substantially to one or more of the six objectives, without causing significant harm to the other objectives (“Do no significant harm” principle). It shall also respect social standards and comply with the technical examination criteria established in the delegated acts.

NIM International is currently conducting discussions with various suppliers in order to implement a calculation of eligibility and then alignment with the Taxonomy for its assets under management and so that it is able to communicate the same. These works are nevertheless very time-consuming and the specific nature of the delegated management activity presents an additional challenge in achieving the desired result. NIM International will publish an updated version of its 29 LEC report once this figure has stabilised and is of high quality.

b) Proportion of assets under management in companies active in the fossil fuel sector

In order to be able to publish information on companies active in the fossil fuel sector, for each issuer in its portfolio, NIM International has used Trucost to collect the percentage of revenues linked to fossil fuels.

On the basis of these calculations, the exposure to the fossil fuel sector (on 31/12/2023) of the portfolios for which NIM International is the management company (direct management and delegated management) is 4.68% of total assets under management⁶.

This exposure⁷ is split between:

- The Oil and Gas sector: 4.67%, of which 4.15% in the conventional Oil/Gas sector and 1.25% in the non-conventional Oil/Gas sector;
- The Coal sector: 2.15%

According to an approach proportional to the revenues of issuers exposed to this sector (% of sales attributed to coal-related activities), exposure to the fossil fuel sector of portfolios managed by NIM International (direct management and management delegated to other companies) is 3.34% (on 31/12/2023);

- The Oil and Gas sector: 3.21%, of which 0.97% in the conventional Oil/Gas sector, 1.13% in the non-conventional Oil/Gas sector and 1.10% not determined;
- The Coal sector: 0.13%, of which 0.13% on the generation of energy from coal and 0.01% on coal extraction;

It should be noted that this method also includes a “rebasings”, by dividing the result by the % of eligible assets in the portfolio.

⁶ Scope of assets regarded as updated with regard to the 29 LEC 2022 report

⁷ The exposures presented in this paragraph have been calculated pursuant to the methodology recommended by indicator 4, Annex 1 of the SFDR RTS.

6

Alignment strategy with the Paris Agreement



CHAPTER 6. ALIGNMENT STRATEGY WITH THE PARIS AGREEMENT

In 2015, the COP21 marked an important turning point in the definition of objectives for limiting global warming to less than 2°C above the levels of the pre-industrial era.

NIM International does not currently have a company-wide commitment linked to a strategy aimed at aligning with the objectives of limiting the impact of global warming, as provided in the Paris Agreements.

At this stage, we feel that such a commitment is possible at the level of individual products, where these have an ESG strategy focused on the “climate” theme, but that it is more difficult to implement across all the product ranges offered by NIM International, a large proportion of which are delegated to different management companies.

At the same time, aware of the climate issues and the active role that financial institutions must play in the energy transition, NIM International is committed to limiting the financing of companies whose activities are heavily dependent on coal. In this sense (see section on commitment), NIM International continues to urge its delegate management companies to take action on this issue. NIMI also aims to reduce the share of fossil fuels in the global energy mix and reaffirms its approach as a responsible asset manager. It is in this context that NIM International introduced a coal exclusion policy in September 2021.

With the aim of enriching its quantitative data, for the past three years, NIM International has equipped itself with access to climate data (hereafter “Climate Data”) from a recognised data provider: S&P Trucost. This access provides us with the climate indicators recommended by the **Task force on climate-related financial disclosure** (TCFD; <https://www.fsb-tcf.org/recommendations/>):



Weighted Average Carbon Intensity

Weighted Average Carbon Intensity (WACI) (tCO₂e / €m of revenues)

Measure of the exposure of a portfolio to companies with high carbon intensity (and gas equivalents).



Carbon Emissions financed

tCO₂e / €m invested

Measure of impact on the “real world” of each million invested (attributed emissions).



Transition risk

Political, legal, technological, market, financial and reputational risks associated with the transition to a low-carbon economy.



Physical risks

Linked to climate change, these may be **acute** (caused by an event such as a flood or hurricane) or **chronic** (resulting from longer-term changes in climate models).



Temperature

ITR, implied temperature rise, expressed in degrees Celsius °C and referring to the estimated difference in Temperature assessed for 2100 compared to a measurement of the pre-industrial era temperature (1850): this measurement gives an indication of how companies (and by extension portfolios) are aligned with global climate targets. This indicator thus provides an estimate of the alignment of companies (and by extension, of the portfolio) with a **decarbonisation climate trajectory** based on different global scenarios.

Access to this data has made it possible to issue monthly extra-financial reports, including a climate indicator that measures the exposure of the portfolio to companies with high carbon intensity (and equivalent gases) in Scopes 1 and 2⁸.

In addition, the PDRA team is deploying various actions as part of its strategy of alignment with the international targets for limiting global warming provided by the Paris Agreement. The first actions deployed aim to obtain a precise view of the portfolio's carbon impact before setting objectives to be achieved.

Through its model of delegated management to Natixis affiliates, NIM International selects and delegates its investment strategy and management processes. Moreover, most of NIM International's direct management is carried out through funds of funds invested in funds managed by Natixis IM affiliates.

In this way, NIM International's climate ambitions derive from the climate ambitions of the management companies to which it has chosen to delegate its management. The definition of these ambitions and their monitoring represents one of the topics that NIM International discusses with its delegates in the context of monitoring and regular exchanges throughout the year. By way of example, we have listed and summarised the climate positioning of three management companies⁹:



Ostrum AM's climate strategy is based on:

- the capacity for making calculations and managing assets: Ostrum AM relies on the expertise of Trucost to estimate the carbon emission trajectories of issuers. Moreover, certain portfolios have quantitative climate indicators, such as carbon footprint or carbon intensity, while others have emission reduction targets;
- the deployment of sectoral policies on fossil fuels (Oil and Gas; Coal);
- commitment campaigns, in line with the principles of Oil & Gas and Coal Policies.



For all of its investments, Mirova aims to offer portfolios that are consistent with a climate trajectory of less than 2°C defined in the 2015 Paris agreements and systematically presents the carbon impact of its investments (excluding Solidarity, Impact Capital and Natural Capital management), calculated using a proprietary methodology (which may include biases).

Source : <https://www.mirova.com/fr>

⁸ Scope 1: direct greenhouse gas emissions of the company (e.g. emissions from the company's fleet of vehicles and the energy used for production).

Scope 2: indirect greenhouse gas emissions of the company (e.g. emissions deriving from electricity consumption for the company's heating network).

⁹ As of 31st December 2023, Ostrum AM represented 78.8% of the assets under management delegated by NIM International, Mirova 17.7% and Thematics 0.9%.



Thematics has implemented the following binding climate-linked commitment:

- The Water, Safety and Wellness strategies must outperform their universes in terms of WACI Scope 1 & 2..

In addition, at the end of 2022, Thematics launched a strategy, Thematics Climate Selection, aligned with the objective of the Paris Agreement. This strategy invests in companies presenting an alignment below the 2° C defined in the Paris Agreement while being exposed to at least one of the following themes: water, security, well-being, artificial intelligence and robotics and linked to subscriptions. This strategy must outperform its reference index, the MSCI ACWI PAB, in terms of the implied temperature rise metric.

Lastly, Thematics also measures, monitors and discloses the following indicators:

- Greenhouse gas emissions (scope 1, 2 and 3)
- Implicit temperature rise
- Transition risk
- Physical risk
- EU Taxonomy eligibility and alignment
- SFDR Principal Adverse Impacts Indicators



7



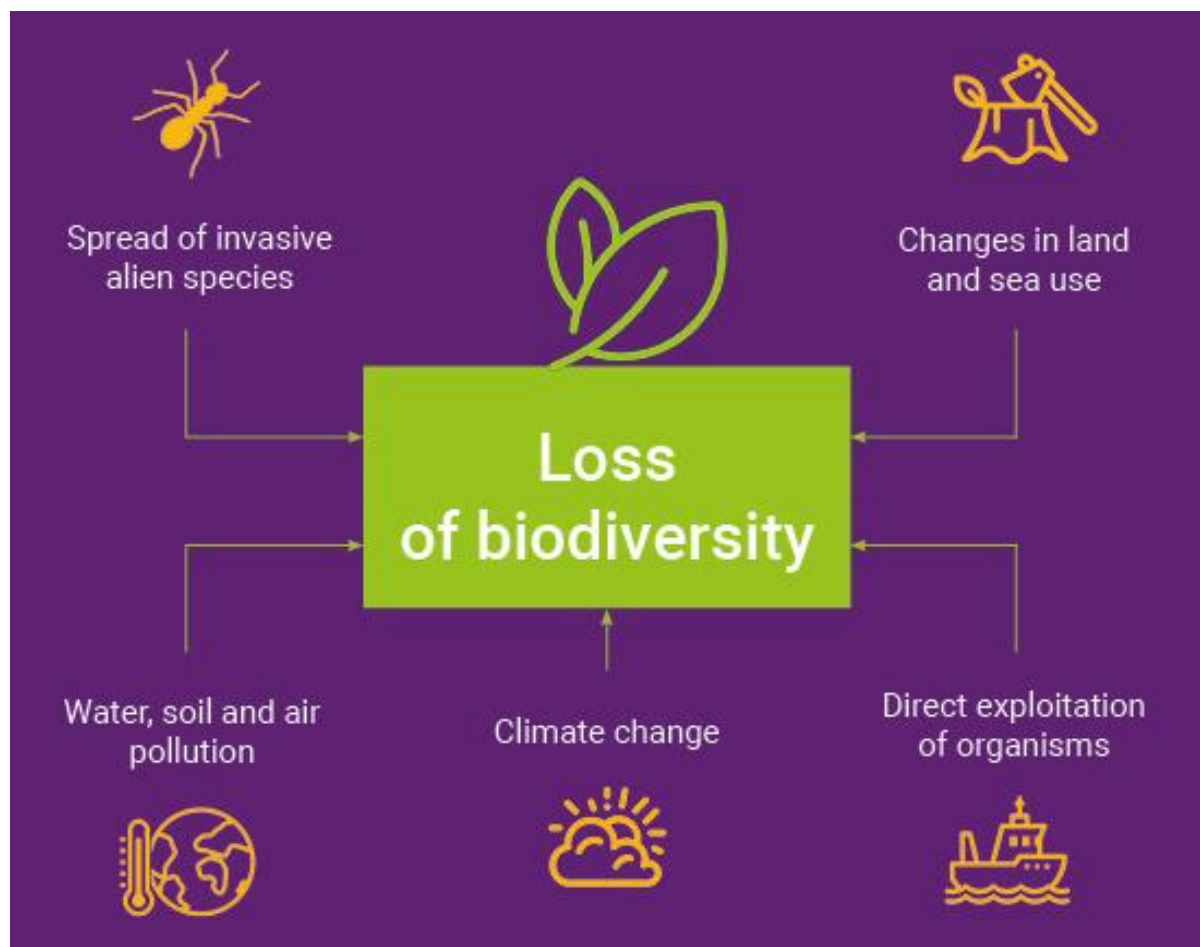
Alignment strategy with long-term biodiversity objectives



CHAPTER 7. ALIGNMENT STRATEGY WITH LONG-TERM BIODIVERSITY OBJECTIVES

As such, the concept of biodiversity can be summarised as all living organisms and the ecosystems in which they live and encompasses the interactions of species between each other and their environments.

Preservation of biodiversity is becoming increasingly important for economic players, whether these are businesses or investors. Biodiversity loss is indeed a reality and has five major causes, according to the IPBES¹⁰:



With regard to the activity of the PDRA team, NIM International has not yet set any biodiversity objectives other than those arising from its policy of excluding coal. On a case-by-case basis and for certain projects, the PDRA team carries out impact assessments that take biodiversity criteria into account.

With regard to NIM Solutions, the fund-of-funds approach implies that data is heterogeneous, which, combined with the difficulty of obtaining this data, means that it is not possible at this stage to set a strategy for alignment with long-term biodiversity objectives.

¹⁰ The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) is an independent intergovernmental body created by Member States in 2012. It provides decision makers with objective scientific assessments of the state of knowledge of the planet's biodiversity, ecosystems and their benefits to people, as well as tools and methods for the protection and sustainable use of these vital natural resources.

As indicated above in the section on Climate, NIM International's management delegation model is principally based on the investment strategies and management processes of the management delegates. In this way, by way of example, for the management delegated to Ostrum AM, Mirova and Thematics AM, it may be highlighted that:



Ostrum AM takes biodiversity-related criteria into consideration through its sectoral (e.g. coal) and normative exclusion policies (consideration of infringements of the UN Global Compact), its commitments and its fundamental analysis of issuers. Ostrum AM has also made a number of commitments until 2030 relating to

biodiversity.

In this capacity:

- several indicators relating to biodiversity available to fund managers are included in the scoring used to assess issuers;
- among the PAI considered by Ostrum AM, one relates directly to biodiversity and another to water. Ostrum AM has also chosen to link a third mandatory PAI indicator relating to waste, which, according to Ostrum AM, is a theme linked to biodiversity;
- Ostrum AM has chosen to rely on Iceberg DataLab (IDL) on a project to calculate the biodiversity footprint of its portfolios. The methodology used is based on a metric: MSA per Km². MSA is the unit of measurement of the impact or footprint of companies and investments on biodiversity. It is the average abundance of species (Mean Species Abundance), a metric expressed in % that characterises the integrity of ecosystems;
- the value chain covered by this methodology corresponds to the 3 scopes (scope 1, scope 2 and scope 3);
- in addition, as far as sustainable bonds are concerned, when the team of Sustainable Bonds analysts evaluates an instrument, it systematically maps the projects financed (Use of Proceeds) on sustainable themes, including one on biodiversity. This latter mapping covers categories of eligible projects, such as reforestation and mitigation of damage to forests caused by storms or drought, support for the development of the natural habitat of a national park and protection of the biodiversity found there.

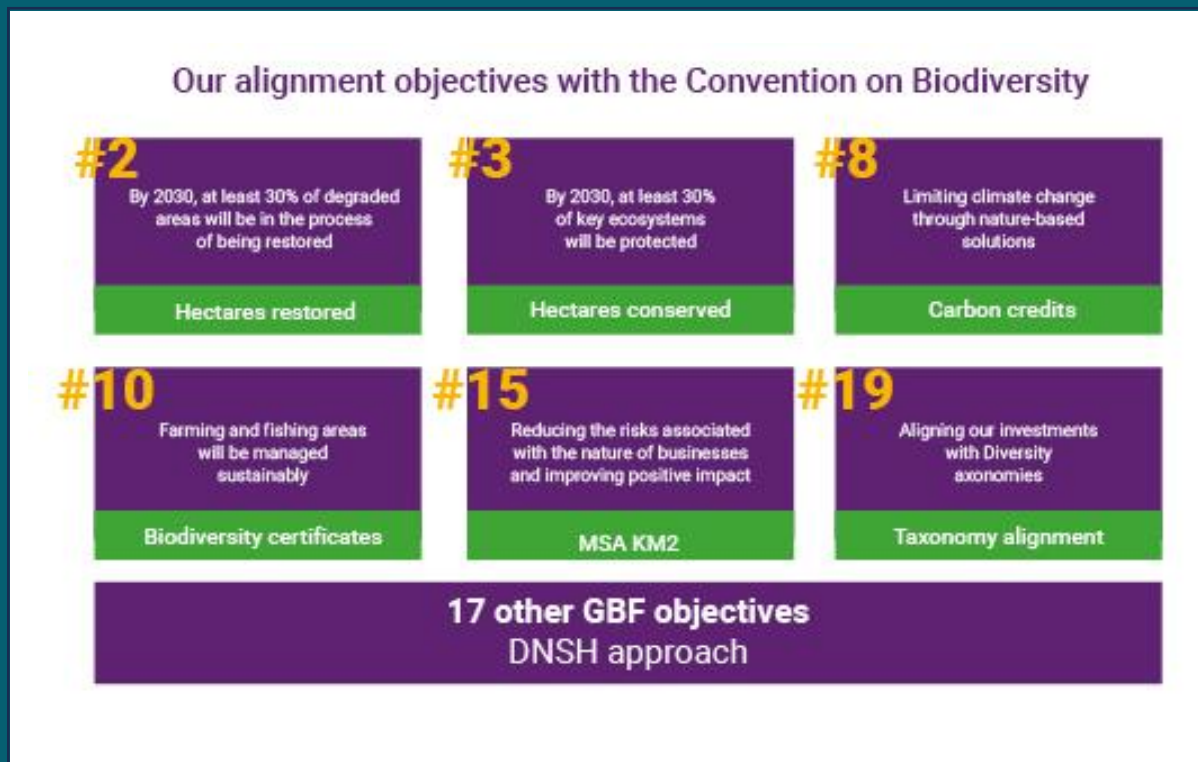
For further details, please refer to Ostrum AM's report published by way of Article 29 of the French Energy and Climate Law, as well as its biodiversity strategy, which are available on its website.



Since 2020 and the first publication of "Mirova for Nature" (biodiversity roadmap), Mirova has continued to deploy its actions in three areas:

- accelerating investment in favour of biodiversity through direct investment in natural capital, but also across all asset classes;
- development of dedicated measurement indicators;
- strengthening of the commitments made to stakeholders by contributing to a dynamic that brings together public and private players to develop tools for nature conservation by the financial sector.

In order to identify the assets which may contribute to reducing the pressures on biodiversity, Mirova has developed an internal Taxonomy allowing solutions and best practices relating to the various pressures identified by the IPBES to be qualified. The management company undertakes to make a significant contribution to achieving several of these by using action levers which may be measured with the aid of verifiable indicators:



In addition to its own activities, Mirova will also continue to contribute to raising awareness among investor communities and companies around the world in the ways defined in its 29 LEC report.

- Unlisted assets:

The Natural Capital asset class aims to finance projects that contribute to the protection and restoration of nature and is hence fully oriented towards achieving a positive impact for biodiversity. To this end, Mirova supports:

- Soil restoration and rehabilitation activities, with a focus on the sustainability of value chains.
- Sustainable fish consumption (fishing and aquaculture), the circular economy and the conservation of marine and aquatic environments.
- Environmental assets: payments for ecosystem services, conservation of biodiversity-rich areas, carbon credits, biodiversity credits.

Lastly, the assets dedicated to energy transition infrastructures approach biodiversity from the angle of reducing climate pressures. Climate change is indeed recognised as the fastest-growing pressure vector, which notably threatens marine biodiversity.

- Listed assets:

During 2023, Mirova designed a comprehensive investment approach for biodiversity in listed assets, and now offers three dedicated thematic strategies which respond to the challenge of sustainable development through an approach which underlines the interactions between biodiversity and two other related dimensions: food and climate.



Thematics integrates biodiversity throughout the investment process at several stages:

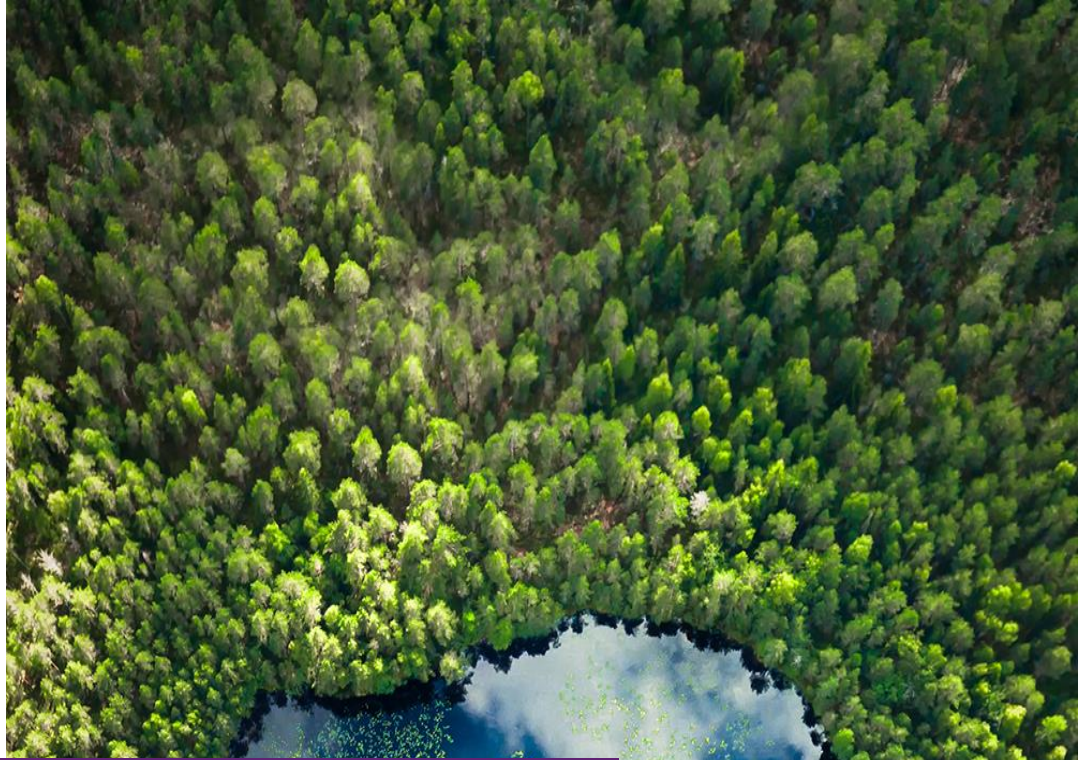
- Consideration of deforestation in the exclusion policy since 2023
- Consideration of nature-related criteria in stock selection, including resilience to climate change, waste and effluent management, as well as in terms of the environmental impact of products and services
- Consideration of biodiversity in voting and engagement policy

For further details, please refer to the Thematics 29 LEC report, which is available here:

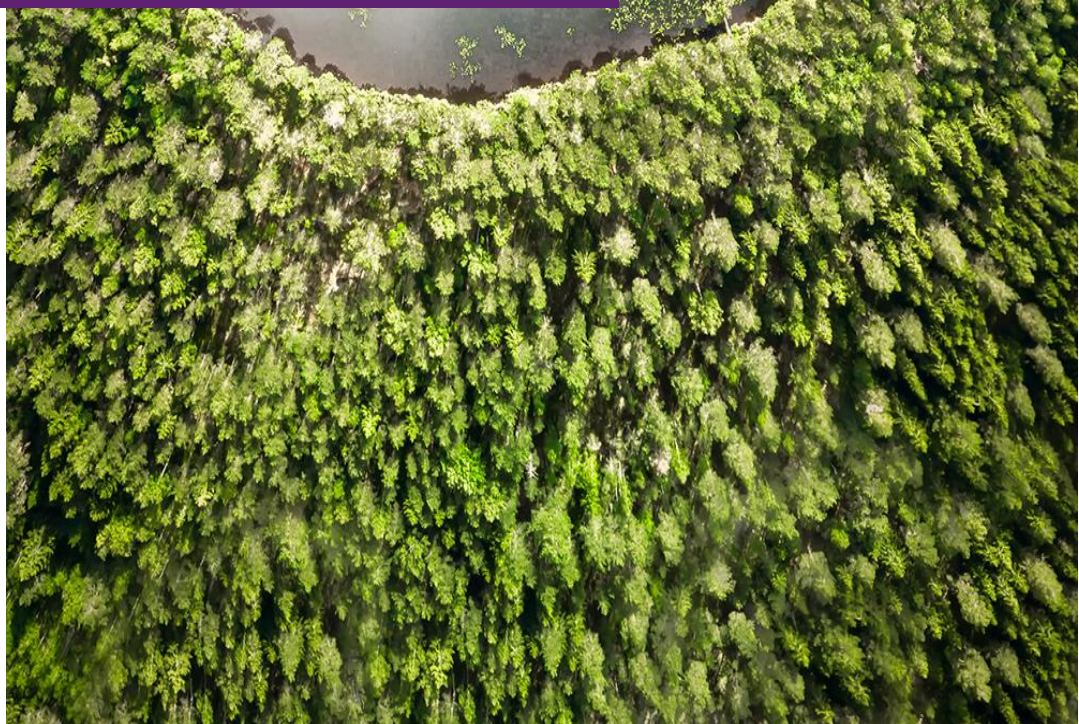
<https://www.thematics-am.com/being-responsible/reports-and-publications>



8



Consideration of ESG criteria in risk management



CHAPTER 8. CONSIDERATION OF ESG CRITERIA IN RISK MANAGEMENT

NIM International's process for identifying, assessing, prioritising and managing ESG risks is based around two key elements:



ESG/Sustainability risk framework

The ESG/Sustainability risk framework is one of the components of NIM International's overall risk management system. In this capacity, sustainability risk, like other types of risk, is reviewed and discussed by the Investment Risk Oversight Committee.

In the context of the ESG/sustainability risk framework, a risk-based approach has been adopted to assess sustainability risk, focusing on the worst performers by theme and which thus generate business, financial or operational risk.

In order to assess sustainability risk, NIM International has defined a set of risk indicators, including, albeit without limitation:

- involvement in controversial sensitive activities in 4 areas: controversial army/weapons, coal, oil & gas and tobacco; ESG Rating & Risk assessment focusing on worst offenders
- Principles' violations for both Corporates (UN Global Compact) and Sovereigns
- Sensitive controversial activities' involvement through 4 areas: unconventional weapons, coal, oil & gas, and tobacco
- Climate risk, transition including Paris alignment and stranded assets, physical risks from acute and chronic risks¹¹.

Flags by thematic and thresholds are set depending on SFDR classifications.

This set of sustainability risk indicators, which can be computed on a daily basis if needed, allows to define an overall flag on sustainability risk assessment.

In the context of direct management, which mainly involves Funds of Funds, risk assessment is based on the "Conviction & Narrative" process described in section 1. In order to strengthen its ESG risk management system, NIM International has decided to use the services of various renowned suppliers of extra-financial data.

¹¹ Investments or assets, the value of which is affected by sudden major changes in legislation, environmental constraints or technological innovations, making these obsolete before they are fully depreciated.

Following the analysis of the indicators, recommendations may be issued by NIM International's risk function.

Within the framework of delegated management, various measures available on ESG risk and different suppliers (ECPI, Trucost, Sustainalytics and MSCI) have been implemented. In this capacity, NIM International pays particular attention to:

- worst ratings proportion as well as severe ESG risk as risk indicators.
- the pillars of the principles on human rights or social offences, labour law and corruption;
- controversial activities regarded as sensitive, such as unconventional weapons (manufacture of nuclear and biological weapons, in addition to anti-personnel landmines and cluster bombs), coal (production and thermal energy), unconventional oil and gas (production of shale gas with hydraulic fracturing, sand oil producer) and tobacco (production and supply).

In this way, NIM International has implemented a multi-source data model to qualify the majority of its ESG data.

As part of its risk identification and management system, NIM International also distinguishes between physical risks and transition risks, specifically with regard to climate change.

NIM International takes into account physical risk at asset level by including 7 climate disaster indicators (water stress, sea level rise, heatwave, coldwave, hurricane, wildfire, river and coastal flood risk) across low, moderate and high climate change scenarios and a range of timeframes.

Physical risk, as defined by NIM International, is also divided into acute and chronic.

Physical risk can be qualified as "acute" when it results from extreme events, such as drought, floods and storms, and "chronic" when it results from gradual changes, such as rising temperatures, rises in sea level, water stress, biodiversity loss, land use change, habitat destruction and scarcity of resources.

NIM International decided to use and monitor percentage of assets with high sensitivity to physical risks. The sensitivity score reflects the expected sensitivity of each company to each physical risk indicator, based on company specific data. This sensitivity score is calculated based on the intensity of a relevant Trucost indicator for the respective physical risk.

For risks linked to climate change and the trajectory for alignment with the Paris Agreement, NIM International uses the information and methodology provided by Trucost. This determines whether greenhouse gas emissions per unit of value-added (GEVA) or the sectoral decarbonisation approach (SDA) should be used to assess scenario alignment.



With regard to transition risks, NIM International examines 3 indicators in order to define these:

- Temperature alignment with regard to the Paris Agreement via Trucost, with a set of forward-looking tools for quantifying and tracking the energy transition to a low-carbon economy. NIM International decided to look at percentage of assets with a net temperature above 3°C.
- Carbon Stranded assets exposure from Sustainalytics: Measures exposure to stranded asset risk based on carbon intensity of fuel mix and involvement in high cost production. This indicator captures issuers for which emissions and financial implications could arise if fossil fuel reserves become stranded / impaired assets.
- Carbon risk (Sustainalytics): this score indicates the overall material risk that a company faces from the transition to a low-carbon economy, given their own operations and products and services and management framework. The carbon risk score gives a score between 0 and 100 and differs according to 5 levels of risk: negligible, low, medium, high and severe. NIM International has decided to track the percentage of assets categorised as high and severe risk.



Investment constraints

NIM International has implemented an investment constraints management system which includes, among other things, a verification of the investment constraints defined in the SFDR pre-contractual annexes.

When a new product is launched, these investment constraints are defined in the internal systems:

Delegated management: the ESG constraints mentioned in the prospectus are set and monitored by the delegated investment managers.

Direct management: the ESG constraints mentioned in the prospectus are set and monitored by NIM International in the same way as other types of investment constraints. In this capacity:

- Starting in 2023, the risk team took over the monitoring of the constraints defined in the SFDR Annex for category 8 and 9 funds. At the end of the year, all the SFDR schedules for funds in these categories had been checked.
- From 2024 onwards, NIM International plans to develop ESG risk indicators by transparency, based on the aforementioned extra-financial data modules.

In parallel, NIM International's control plan has incorporated numerous ESG monitoring themes. This ESG approach will evolve as a function of regulatory developments.

By way of example, controls for 2023 focused on:

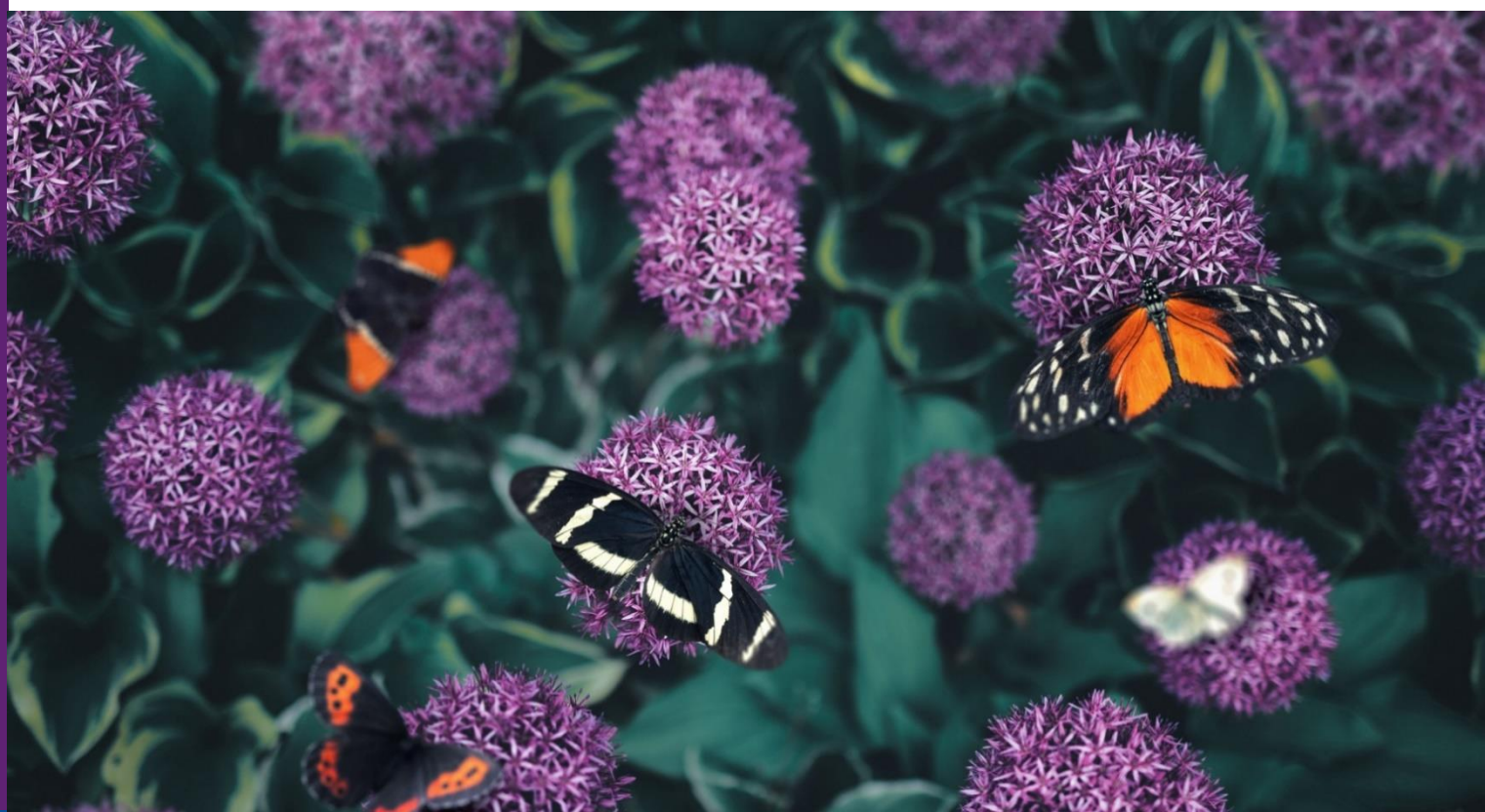
- The monitoring of pre-contractual investment constraints with regard to the SFDR annexes;
- The framework for AMF reporting of overshoots of ratios and compensation, including for the ESG aspect;
- The NIM International risk monitoring system for delegated management funds, including the aspect relating to sustainability risk;
- The sustainability risk monitoring system for delegated and direct funds;
- SFDR annual reports and annexes;
- Compliance with the AMF 2020 03 recommendation and SFDR requirements on regulatory and commercial documentation;
- The voting mechanism;



The sustainability risk management policy is reviewed periodically and updated as appropriate.

The definition of the quantitative financial impact of the main sustainability risks presupposes the use of a model based on proven calculation methods. This type of model is nevertheless still at an emerging stage and work in the marketplace has not yet resulted in well-established practices. Moreover, NIM International considers that the level of confidence in the data currently available is not yet adequate for mapping ESG risks with the required level of granularity.

Lastly, with regard to the characterisation, segmentation and indication of the economic sectors and geographical areas affected by these risks, as well as a possible action plan, NIM International considers that the level of confidence in the data that is currently available is not yet adequate for establishing a mapping with the required level of granularity.



9

Continuous improvement plan



CHAPTER 9. CONTINUOUS IMPROVEMENT PLAN

a) Concerning information relating to the European taxonomy

As with other subjects, we are looking for the highest quality data available in the market, but this depends on the ability of data suppliers to support us. We are well aware that the taxonomy is divided into 2 stages: eligibility and alignment. The ability to materialise the amount of assets for which we are responsible, that are eligible and then aligned with the Taxonomy, is one of the projects on our roadmap for 2024/2025.

We are aware that this subject, which all market players consider and to which all must submit, is still evolving and that the challenge of extra-financial data is also an important point for progress.

b) Alignment with the Paris Agreement

To date, NIM International has not made any commitments in relation to a strategy aimed at aligning with the international targets for limiting global warming provided in the Paris Agreement. It seems to us that such a commitment is possible at the level of a given product, but more difficult to implement across a diversified product range, a large part of the management of which is delegated to other companies.

On the other hand, NIM International will continue, in partnership with its management delegates, to develop products that take climate-related considerations into account in investment strategies, in order to broaden its offering on this theme.

c) Information on the strategy for aligning with long-term biodiversity -related objectives


































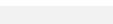





















To date, NIM International has not made any commitment regarding a strategy aimed at alignment with long-term biodiversity objectives. Here too, such a commitment seems possible at the level of a given product, but more difficult to implement across a diversified product range, the management of a large part of which is delegated to other companies.





































Our long-term ambition is to develop a commitment approach with our asset management companies on these biodiversity-related issues, particularly when we approach strategies relating to the issues of natural capital and the biodiversity footprint.

One of the keys to this development is access to relevant data and the identification of appropriate indicators.

Annex

Lists of labelled products
as of 31/12/2023

Product name	Delegated management?	Name of the label		
CAP ISR ACTIONS EUROPE	No			
CAP ISR CROISSANCE	No			
CAP ISR MIXTE SOLIDAIRE	No			
CAP ISR MONETAIRE	No			
CAP ISR OBLIG EURO	No			
CAP ISR RENDEMENT	No			
CARREFOUR EQUILIBRE SOLIDAIRE	No			
ESSENTIEL INFRA DEBT FUND	No			
GREEN YIELD INFRA DEBT FUND	No			
GREEN YIELD INFRA DEBT FUND 2	No			
IMPACT ACTIONS EMPLOI SOLIDAIRE	No			
IMPACT ISR DYNAMIQUE	No			
IMPACT ISR EQUILIBRE	No			
IMPACT ISR MIXTE SOLIDAIRE	No			
IMPACT ISR MONETAIRE	No			
IMPACT ISR OBLIG EURO	No			
IMPACT ISR PERFORMANCE	No			
IMPACT ISR RENDEMENT SOLIDAIRE	No			
INSERTION EMPLOI DYNAMIQUE	Yes			
MIROVA ACTIONS EURO	Yes			
MIROVA ACTIONS EUROPE	Yes			
MIROVA ACTIONS MONDE	Yes			
MIROVA CLIMATE SOLUTIONS EQUITY FUND	Yes			
MIROVA EMPLOI FRANCE	Yes			
MIROVA EURO GREEN AND SUSTAINABLE BOND FUND	Yes			
MIROVA EURO GREEN AND SUSTAINABLE CORPORATE BOND FUND	Yes			
MIROVA EURO HIGH YIELD SUSTAINABLE BOND FUND	Yes			
MIROVA EURO SHORT TERM SUSTAINABLE BOND FUND	Yes			
MIROVA EURO SUSTAINABLE EQUITY FUND	Yes			
MIROVA EUROPE ENVIRONMENTAL EQUITY FUND	Yes			
MIROVA EUROPE ENVIRONNEMENT	Yes			
MIROVA EUROPE SUSTAINABLE ECONOMY FUND	Yes			
MIROVA EUROPE SUSTAINABLE EQUITY FUND	Yes			
MIROVA GLOBAL GREEN BOND FUND	Yes			
MIROVA GLOBAL SUSTAINABLE CREDIT	Yes			

MIROVA GLOBAL SUSTAINABLE EQUITY FUND	Yes		
MIROVA OBLI EURO	Yes		
MIROVA US SUSTAINABLE EQUITY FUND	Yes		
MIROVA WOMEN LEADERS AND DIVERSITY EQUITY FUND	Yes		
OSTRUM CLIMATE AND SOCIAL IMPACT BOND	Yes		
OSTRUM SRI CASH	Yes		
OSTRUM SRI CASH A1P1	Yes		
OSTRUM SRI CASH PLUS	Yes		
OSTRUM SRI CREDIT 12M	Yes		
OSTRUM SRI CREDIT 6M	Yes		
OSTRUM SRI Credit Euro	Yes		
OSTRUM SRI CREDIT SHORT DURATION	Yes		
OSTRUM SRI CREDIT ULTRA SHORT PLUS	Yes		
OSTRUM SRI CROSSOVER	Yes		
OSTRUM SRI EURO AGGREGATE	Yes		
OSTRUM SRI EURO BONDS 1-3	Yes		
OSTRUM SRI EURO BONDS 3-5	Yes		
OSTRUM SRI EURO BONDS 5-7	Yes		
OSTRUM SRI EURO MINVOL EQUITY	Yes		
OSTRUM SRI EURO SOVEREIGN BONDS	Yes		
OSTRUM SRI EUROPE EQUITY	Yes		
OSTRUM SRI GLOBAL SUBORDINATED DEBT	Yes		
OSTRUM SRI MONEY	Yes		
OSTRUM SRI MONEY 6M	Yes		
OSTRUM SRI MONEY PLUS	Yes		
OSTRUM SRI TOTAL RETURN SOVEREIGN	Yes		
OSTRUM SRI US EQUITY	Yes		
SEEYOND SRI EUROPE MINVOL	Yes		
SEEYOND SRI GLOBAL MINVOL	Yes		
SÉLECTION MIROVA EUROPE ENVIRONNEMENT	No		
SEQUOIA ISR MONETAIRE	No		
THEMATICS EUROPE SELECTION	Yes		

Annex 2 – Lists of “Article 8”
and “Article 9” SFDR products as
of 31/12/2023

Annex 2 – Lists of “Article 8” and “Article 9” SFDR products as of 31/12/2023

List of so-called “Article 8” products

CLIENT 1 ISR

CLIENT 2 EQUILIBRE

AVENIR ACTIONS EUROPE

AVENIR ACTIONS LONG TERME

AVENIR ACTIONS MONDE

AVENIR DYNAMIQUE

AVENIR EQUILIBRE

AVENIR MIXTE SOLIDAIRE

AVENIR MONETAIRE

AVENIR OBLIGATAIRE

AVENIR PATRIMONIAL

AVENIR RENDEMENT

AVENIR RETRAITE 2020-2024

AVENIR RETRAITE 2025-2029

AVENIR RETRAITE 2030-2034

AVENIR RETRAITE 2035-2039

AVENIR RETRAITE 2040-2044

AVENIR RETRAITE 2045-2049

AVENIR RETRAITE 2050-2054

AVENIR RETRAITE 2055-2059

AVENIR RETRAITE 2060-2064

CLIENT 3 ISR DIVERSIFIÉ SOLIDAIRE

CLIENT 3 ISR DYNAMIQUE CLIMAT

CLIENT 3 ISR DYNAMIQUE EURO

CLIENT 3 ISR DYNAMIQUE MONDE

CLIENT 3 ISR EQUILIBRE

CLIENT 3 ISR EQUILIBRE PLANETE

CLIENT 4 TAUX

Essential Infra Debt Fund

CAP ISR MONETAIRE

CLIENT 5 MONETAIRE

CLIENT 6 INTERNATIONAL

CNP ASSUR-UNIVERS

CLIENT 7

CLIENT 8 DIVERSIFIÉ ISR

CLIENT 9 SALARIES FLEXIBLE ISR

CLIENT 9 SALARIES OFFENSIF

CLIENT 10 ISR DYNAMIQUE

CLIENT 10 ISR EQUILIBRE

ECUREUIL ACTIONS FRANCE

ECUREUIL SRI OBLI EURO

ECUREUIL SRI OBLI MOYEN TERME

CLIENT 11 MIXTE ISR

Green Yield Infra debt Fund

EXPERTISE ESG DYNAMIQUE

EXPERTISE ESG EQUILIBRE

EXPERTISE ESG RENDEMENT

CLIENT 12

CLIENT 13 ACTIONS EUROPE ISR
FRUCTI FLEXIBLE 100
FRUCTIVAL ACTIONS
FRUCTIVAL DIVERSIFIÉ ACTIONS
FRUCTIVAL DIVERSIFIÉ OBLIGATIONS
CLIENT 14 ISR
CLIENT 15
CLIENT 16 EQUILIBRE SOLIDAIRE
CLIENT 16 INDICIEL ACTIONS EURO
IMPACT ISR MONETAIRE
Infra Loans Invest
CLIENT 17 CROISSANCE
CLIENT 17 EQUILIBRE ET SOLIDAIRE
LE LIVRET PORTEFEUILLE
LIVRET BOURSE INVESTISSEMENTS
CLIENT 18 PARTICIPATION ISR
CLIENT 19
NATIXIS ES MONETAIRE
NATIXIS ESG PEA
NATIXIS HORIZON 2020-2024
NATIXIS HORIZON 2025-2029
NATIXIS HORIZON 2030-2034
NATIXIS HORIZON 2035-2039
NATIXIS HORIZON 2040-2044
NATIXIS HORIZON 2045-2049
NATIXIS HORIZON 2050-2054
NATIXIS HORIZON 2055-2059
NATIXIS HORIZON 2060-2064
CLIENT 20 SOLUTIONS EMERGING IG 1
CLIENT 21 RETRAITE
NATIXIS SOLUTIONS PROTECT 75
NATIXIS SOLUTIONS PROTECT 85
OFFENSIF ISR CLIENT 22
OSTRUM EURO INFLATION
OSTRUM SRI CASH
OSTRUM SRI CASH A1P1
Ostrum SRI Cash Plus
OSTRUM SRI CREDIT 12M
OSTRUM SRI CREDIT 6M
Ostrum SRI Credit Euro
OSTRUM SRI CRÉDIT EURO 1-3
OSTRUM SRI CREDIT SHORT DURATION
OSTRUM SRI CREDIT ULTRA SHORT PLUS
OSTRUM SRI CROSSOVER
OSTRUM SRI CROSSOVER 2026
OSTRUM SRI EURO AGGREGATE
Ostrum SRI EURO Bonds 1-3

OSTRUM SRI EURO BONDS 3-5
OSTRUM SRI EURO BONDS 5-7
OSTRUM SRI EURO MINVOL EQUITY
OSTRUM SRI EURO SOVEREIGN BONDS
OSTRUM SRI EUROPE EQUITY
OSTRUM SRI GLOBAL SUBORDINATED DEBT
OSTRUM SRI MONEY
OSTRUM SRI MONEY 6M
OSTRUM SRI MONEY PLUS
OSTRUM SRI TOTAL RETURN SOVEREIGN
OSTRUM SRI US EQUITY
CLIENT 23 DYNAMIQUE
SEAYOND MULTI ASSET CONSERVATIVE GROWTH FUND
SEAYOND MULTI ASSET DIVERSIFIED GROWTH FUND
SEAYOND SRI EUROPE MINVOL
SEAYOND SRI GLOBAL MINVOL
SÉLECTION DNCA ACTIONS EURO PME
SÉLECTION DNCA EVOLUTIF ISR
SÉLECTION DNCA SÉRÉNITÉ PLUS
SÉLECTION DORVAL GLOBAL CONVICTIONS
SÉLECTION SEAYOND ACTIONS EUROPE ISR
SELECTION VEGA EURO RENDEMENT ISR
CLIENT 24 ISR ACTIONS EURO
CLIENT 24 ISR MONETAIRE
CLIENT 25 MIXTE
THEMATICS EUROPE SELECTION
UNIVERS CLIENT 26 1

[List of so-called “Article 9” products](#)

ACTIONS MONDE DES SALARIES CLIENT 1 ISR
CAP ISR ACTIONS EUROPE
CAP ISR CROISSANCE
CAP ISR MIXTE SOLIDAIRE
CAP ISR OBLIG EURO
CAP ISR RENDEMENT
CAP CLIENT 2 OBLIGATAIRE
CLIENT 3 EQUILIBRE SOLIDAIRE
CLIENT 4 DYNAMIQUE ENVIRONNEMENT
CLIENT 5 OBLIGATIONS ISR
FFS ENR CE
CLIENT 6 OBLIGATIONS (OPTION F)
IMPACT ACTIONS EMPLOI SOLIDAIRE
IMPACT ISR DYNAMIQUE
IMPACT ISR EQUILIBRE
IMPACT ISR MIXTE SOLIDAIRE
IMPACT ISR OBLIG EURO
IMPACT ISR PERFORMANCE
IMPACT ISR RENDEMENT SOLIDAIRE
INSERTION EMPLOIS DYNAMIQUE
MIROVA ACTIONS EURO
MIROVA ACTIONS EUROPE
MIROVA ACTIONS MONDE

MIROVA BIODIVERSITY SOLUTIONS EQUITY FUND
MIROVA CLIMATE SOLUTIONS EQUITY FUND
MIROVA EMPLOI FRANCE
MIROVA EURO GREEN AND SUSTAINABLE BOND FUND
MIROVA EURO GREEN AND SUSTAINABLE CORPORATE BOND FUND
MIROVA EURO HIGH YIELD SUSTAINABLE BOND FUND
MIROVA EURO SHORT TERM SUSTAINABLE BOND FUND
MIROVA EURO SUSTAINABLE EQUITY FUND
MIROVA EUROPE ENVIRONMENTAL EQUITY FUND
MIROVA EUROPE ENVIRONNEMENT
MIROVA EUROPE SUSTAINABLE ECONOMY FUND
MIROVA EUROPE SUSTAINABLE EQUITY FUND
MIROVA FUTURE OF FOOD FUND
MIROVA GLOBAL GREEN BOND FUND
MIROVA GLOBAL SUSTAINABLE CREDIT
MIROVA GLOBAL SUSTAINABLE EQUITY FUND
CLIENT 7 GREEN IMPACT PRIVATE EQUITY
MIROVA OBLI EURO
MIROVA US SUSTAINABLE EQUITY FUND
MIROVA WOMEN LEADERS AND DIVERSITY EQUITY FUND
CLIENT 8 DIVERSIFIÉ OBLIGATAIRE ISR
OSTRUM CLIMATE AND SOCIAL IMPACT BOND
CLIENT 9 RETRAITE ACTIONS ISR
CLIENT 9 RETRAITE OBLIGATIONS ISR
SÉLECTION DNCA ACTIONS ISR
SELECTION DNCA MIXTE ISR
SÉLECTION MIROVA ACTIONS INTERNATIONALES
SÉLECTION MIROVA EUROPE ENVIRONNEMENT
SELECTION THEMATICS WATER
CLIENT 10 ACTIONS INTERNATIONALES



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