

Sustainability-related Product Disclosure

Information
Product Name: Le Livret Portefeuille Legal Entity Identifier: 969500XWR5HX7PR7CV33 SFDR Classification : Article 8

(a) Summary

See fund's documentation.

(b) No sustainable investment objective

Does this financial product have a sustainable investment objective?

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

Not applicable

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Not applicable

How have the indicators for adverse impacts on sustainability factors been taken into account?

Not applicable

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

Not applicable

(c) Environmental or social characteristics of the financial product

The Fund seeks to promote the environmental and social characteristics of maintaining a value weighted ESG score better than its "investment universe" (as defined below), maintaining a carbon footprint lower than that of its "investment universe", and excluding companies that are considered as controversial and actively engaging with portfolio companies on ESG issues.

No reference benchmark has been designated for the purpose of attaining the E/S characteristics promoted by the Fund.

What investment strategy does this financial product follow?

The investment objective of Le Livret Portefeuille will systematically include Environmental, Social and Governance ("ESG") considerations such as, but not limited to:

- Environmental issues including carbon emissions, waste treatment and water stress.
- Social issues including employee safety, human capital management, and compliance with international labour standards.
- Corporate governance issues including the composition of supervisory and governance bodies, and accounting practices.

The investment strategy will include a process for selecting issuers that meet ESG requirements.

1. Exclusions.

- 1) The Fund excludes issuers that are in breach of international norms or that are related to 'severe' controversies, based on the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption.
- 2) The Fund also defines an exclusion policy on controversial sectors, which excludes companies that have more than 25% revenue from thermal coal, 10 % revenue from non-conventional fossil fuels or 25% revenue from palm oil and more than 0% revenue from tobacco or controversial weapons.

2. Positive screening.

- 1) The Fund favours companies that effectively address ESG consideration or actively seek ESG opportunities, by maintaining an ESG rating that is better than that of its 'investment universe'. For this product, "investment universe" is defined as all issuers from the MSCI World All Countries Index. The ESG score is provided by an external provider. Concretely, this methodology increases the portfolio's exposure to securities with top-quality ESG score and reduces exposure to those with lower-quality ESG score.
- 2) The Fund favours companies with lower carbon footprint. It maintains a carbon footprint, both in total greenhouse gas emissions (GHG scope 1,2 3) and average carbon intensity, lower than that of its investment universe.

3. Active ownership.

- 1) The Fund seeks to engage with portfolio companies on ESG issues, through voting rights realized by a proxy voting approach. It is also done through a collaborative engagement service realized by a dedicated external provider.
- 2) The Fund favours companies with more independent board members. It aims to have an average percentage of board members at the fund's level who meet independence criteria (such as but not limited to : Board majority independent of management, Board majority independent of

Other interest, Executives on Board, No Independent Directors, Related-Party Transactions, ...) higher than that of its investment universe.

The ESG analysis of the portfolio will permanently cover at least 90% of the stocks within the portfolio.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

1. The Fund excludes issuers that violate the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption.
2. The Fund excludes issuers that generate:
 - a. more than 25% revenue from thermal coal,
 - b. more than 10 % revenue from non-conventional fossil fuels
 - c. more than 25% revenue from palm oil
 - d. more than 0% revenue from tobacco
 - e. more than 0% revenue from controversial weapons.
3. The Fund maintains an ESG score that is higher than the one of its investment universe.
4. The Fund maintains a carbon footprint, both in total greenhouse gas emissions (GHG scope 1,2 3) and average carbon intensity, lower than that of its investment universe.
5. The Fund keeps an average percentage of board members of issuers of securities held who meet independence criteria higher than that of its investment universe.

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

The fund commit to exclude 20% of its initial investment universe through the implementation of its ESG-strategy.

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

The governance quality is assessed in particular by measuring the board independence.

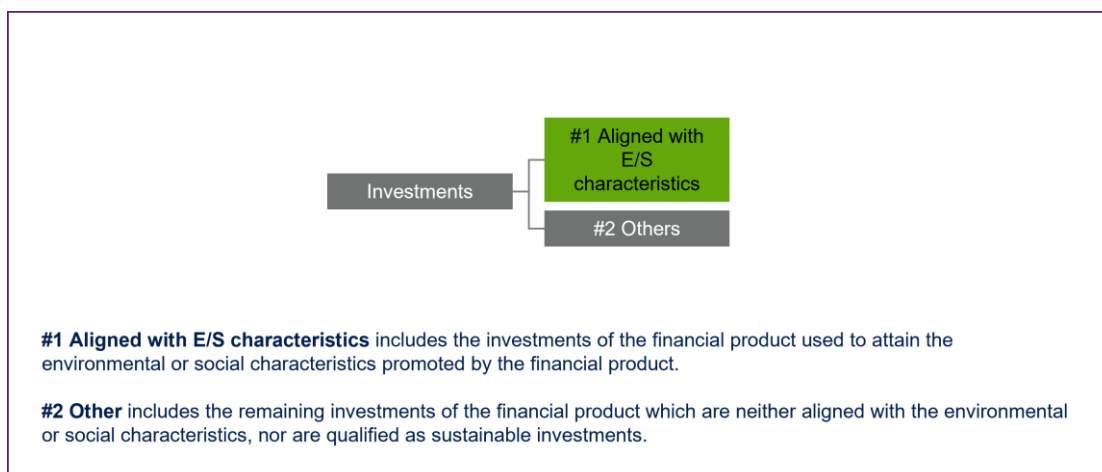
Governance quality is also followed through the Investment Manager active ownership policy notably the proxy voting implementation that deals with these topics such as voting principles for: shareholders right, governance structure (director Nominees, gender diversity, independence, accountability, climate responsibility), executives remuneration.

(e) Proportion of investments

What is the asset allocation planned for this financial product?

The Fund is expected to invest at least 80% of its NAV in companies that qualify as aligned with E/S characteristics (#Aligned with E/S characteristics).

The Fund is allowed to invest up to 20% of its NAV in cash, cash equivalents and/or hedging instruments (# Other).

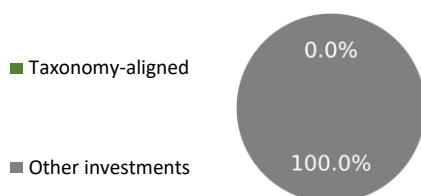


To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

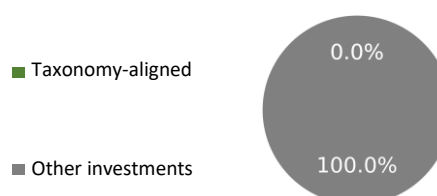
Not applicable

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

1. Taxonomy-alignment of investments **including** sovereign bonds*



2. Taxonomy-alignment of investments **excluding** sovereign bonds*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

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

The Fund does not currently commit to invest in any "sustainable investment" within the meaning of the EU Taxonomy. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

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

As the Fund does not commit to invest any "sustainable investment" within the meaning of the EU Taxonomy, the minimum share of investments in transitional and enabling activities within the meaning of the EU Taxonomy is therefore also set at 0%.

What investments are included under "#2 others"/"#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

The Fund promotes environmental and social characteristics but does not commit to making any sustainable investments. As a consequence, the Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

(f) Monitoring of environmental or social characteristic

- 1) Percentage of issuers that violate the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption.
- 2) Percentage of issuers that generate more than 25% revenue from thermal coal.
- 3) Percentage of issuers that generate more than 10 % revenue from non-conventional fossil fuels.
- 4) Percentage of issuers that generate more than 25% revenue from palm oil.
- 5) Percentage of issuers that generate more than 0% revenue from tobacco or controversial weapons.
- 6) Portfolio ESG Score on value-weighted average basis versus the ESG score of the investment universe.
- 7) Total greenhouse gas emissions (GHG scope 1,2 3)
- 8) GHG score of the investment universe.
- 9) Average carbon intensity of the fund
- 10) carbon intensity score of the investment universe.
- 11) Average percentage of board members of the issuers of securities held who meet independence criteria ESG SCORE.

The environmental or social characteristics and the sustainability indicators are monitored by the portfolio managers through their Portfolio Management Systems and by the Risk department through their dedicated tools. The indicators are then reported in different forms such as monthly factsheets and dedicated SRI label reports

(g) Methodologies

Ostrum applies an exclusion policy of controversial issuers thanks to sectorial and exclusion policies and controversies management. This exclusion policy represents a major pillar in the global ESG Ostrum policy and specifically for the methodology which aims at attaining environmental and social characteristics.

The second pillar is around the ESG integration applied by Ostrum by leveraging different ESG data providers which reinforces this methodology through different controls of E/S characteristics for the different regulations or contractual agreements (SFDR article 8; SRI accreditation, ...).

For the article 8 products which are SRI accredited, the control undertaken by Ostrum for the SRI accreditation allows to:

- for the funds with an average score methodology, make sure that the average ESG score of the portfolio is above to the investment universe filtered of the worst 20% issuers in terms of ESG (including the most controversial issuers defined by Ostrum in its sectorial and exclusion policies and the bottom issuers);
- for the funds with an exclusion methodology, make sure that the investments are done on an universe reduced of the 20% bottom issuers (this 20% includes the most controversial issuers defined by Ostrum in its sectorial and exclusion policies and the bottom issuers)

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- make sure that the portfolio overperforms its filtered investment universe defined by the SRI accreditation framework on the E/S indicators if these indicators are the ones to overperform (for instance: carbon intensity, government spending on health and education)

For the article 8 products which are not SRI accredited, Ostrum defined an approach allowing that the average ESG score of the portfolio is better than the investment universe one while ensuring a minimal threshold of the ESG portfolio coverage

Beyond these two processes, there is a control of ESG contractual constraints which allows to ensure the attainment of E/S characteristics (for instance, decrease of intensity carbon, ESG overperformance of the portfolio vs. its investment universe)

(h) Data sources and processing

The data are sourced from different data providers such as Trucost, MSCI, Vigeo, Sustainalytics and SDG Index and are integrated in the Ostrum IT Systems. The data are mainly estimated, and a few are directly sourced from issuers.

- <https://www.spglobal.com/esg/trucost>
 - <https://www.msci.com/>
 - <https://www.moody's.com/>
 - <https://www.sustainalytics.com/>
 - <https://www.sdgindex.org/>
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(i) Limitations to methodologies and data

The methodology could lead to an under-representation of certain sectors due to a poor ESG score or else through the sectorial and exclusion policies.

For the data, the limitation is around the periodical updates done by the providers which could not reflect events that took place after the updates (and such events could lead to a change of data)

(j) Due diligence

The process is based on a review and a systematic validation of ESG criteria described in the documentation.

For the SRI accredited funds, the validation carries on an internal document (SRI clause) and on the legal documentation of the fund. An external certifier officially validates the consideration of the SRI specifications of the accreditation and the legal documentation after having performed an audit when the accreditation is requested.

For the non-accredited article 8 funds, it is carried on precontractual documents based on the information in the prospectus document.

The Risk department is in charge of the right application of the ESG strategy and ensures a continuous control of the ESG constraints for the article 8 funds, accredited or not. They participate in SRI accreditation and annual audits to make sure the accreditation criteria are well considered.

(k) Engagement policies

Is engagement part of the environmental or social investment strategy?

☒ Yes

☐ No

If so, what are the engagement policies? (Including any management procedures applicable to sustainability-related controversies in investee companies)

Ostrum AM's engagement policies: <https://www.ostrum.com/en/our-engagement-policies>

(l) Designated reference benchmark (if applicable)

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

Not applicable

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

Not applicable

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

Not applicable

How does the designated index differ from a relevant broad market index?

Not applicable

Where can the methodology used for the calculation of the designated index be found?

Not applicable

(m) Additional Information

Fund's documentation:

<https://www.seeyond-am.fr/fr/nonpro/produits/166?isin=FR0000096695>

Ostrum AM CSR and ESG publications: <https://www.ostrum.com/en/our-csr-and-esg-publications>

Natixis IM International SFDR documentation:

<https://www.im.natixis.com/intl/intl-fund-documents>

This document is issued to disclose sustainability-related information on this product, in relation to the Article 10 of the EU Sustainable Finance Disclosure Regulation (SFDR). Please refer to the prospectus of the fund and to the KIID before making any final investment decisions.