

Sustainability-related Product Disclosure

Information

Product Name: **Natixis Asia Equity Fund**
Legal Entity Identifier: **549300RD5RSNRI3UXN43**
SFDR Classification: **Article 8**

(a) Summary

The investment objective of the Natixis Asia Equity Fund is long-term growth of capital.

(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 promotes the environmental and social characteristics of investing in best-in-class companies based on a proprietary ESG assessment while excluding companies that are considered as being controversial.

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?

Step 1: Exclusion based approach: Companies engaging in tobacco business, cluster munitions, anti-personnel mines, revenues from coal or coal related business in excess of 30% and exclusion of worst offenders (exclusion list based on international standards – i.e. U.N. Global Compact and OECD Principles Of Corporate Governance)

Step 2: Mitigation based approach (positive screening)

The Investment Manager systematically chooses stocks based on ESG (Environmental, Social and Governance) considerations.

With respect to ESG considerations, the Investment Manager uses a proprietary ESG assessment for conducting its analysis. For each of the companies, it appraises both quantitative and qualitative indicators. Quantitative information is obtained through ESG data providers and through extra-financial reports from companies. Qualitative assessment is based on factual information and on interviews with the companies' management.

Quantitative scores are populated from external sources for the specific indicators and qualitative scores are assigned after engagement with the companies. Each scoring indicator either qualitative or quantitative carry a maximum of 20 points. An average of total scores is derived. No indicator has an over-riding effect on the scores and carry equal weightage. An average score above 10 points out of max 20 points is the minimum required.

ESG scores are generated from proprietary ESG assessment above based on both qualitative analysis and quantitative data. More specifically, the ESG considerations include, but are not limited to, the following criteria:

- Environmental criteria:
 - 1) Environmental footprint along the production chain and the product lifecycle;
 - 2) Responsible supply chain sourcing;
 - 3) Energy and water consumption; and
 - 4) Management of CO2 and waste emission.
- Social criteria:
 - 1) Ethics and working conditions along the entire production chain, including suppliers' practices and subcontracting risks;
 - 2) Employee treatment – e.g. safety, welfare, diversity, employee representation and compensation; and
 - 3) Quality/Safety of products or services offered.
- Governance criteria:
 - 1) Capital structure and protection of minority interest;
 - 2) Board and management;
 - 3) Management compensation;
 - 4) Accounting usage and financial risk; and
 - 5) Ethics- control of corruption and bribery risks.

Companies are monitored on a continuous basis through engagement and assessing the improvement in the ESG profile. Over 80 % of the portfolio (weighted) is subject to the abovementioned ESG approaches.

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. Exclusion based approach: The Fund will not invest in companies engaging in tobacco business, cluster munitions, anti-personnel mines, coal and coal-related business with revenues in excess of 30% and Exclusions in line with an exclusion list defined at the level of the Delegated Investment Manager parent company based on international standards – i.e. U.N. Global Compact and OECD Principles Of Corporate Governance
2. ESG scores above 10 points out of maximum of 20 points

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

Not applicable

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

The good governance assessment is done through our proprietary ESG assessment, which considers governance practices through dedicated governance criteria. Amongst others, the following governance criteria are included in the proprietary ESG assessment :

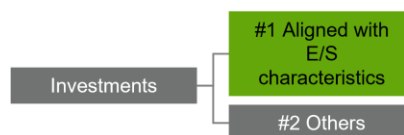
- 1) Capital structure and protection of minority interest;
- 2) Board and management;
- 3) Management compensation;
- 4) Accounting usage and financial risk, and
- 5) Ethics- control of corruption and bribery risks

(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 (#1).

The Fund is allowed to invest up to 20% of its NAV in cash, cash equivalents, money market instruments and/or hedging instruments (#2 Other).



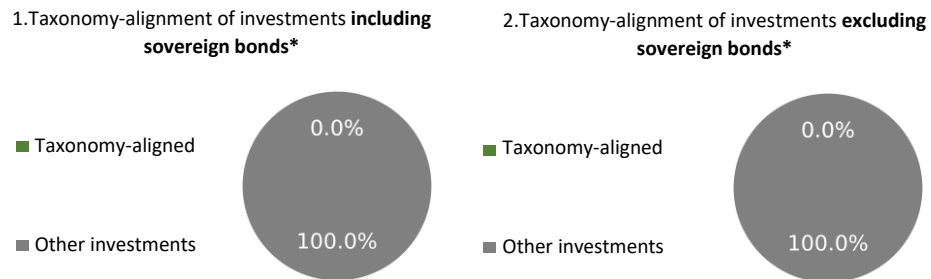
#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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

Derivatives are not used to attain the environmental or social characteristics promoted by the fund

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.*



* 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 Taxonomy Regulation. 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 Taxonomy Regulation, the minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation 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

- percentage of companies with more than 0% of their revenues from tobacco;
- percentage of companies with more than 0% of their revenues from cluster munitions and anti-personnel mines;
- percentage of companies with revenues in excess of 30% from coal or coal related businesses;

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- percentage of companies in the worst offenders list (exclusion list based on international standards – i.e. U.N. Global Compact and OECD Principles Of Corporate Governance);
 - percentage of companies with ESG scores below 10 points out of a maximum of 20 points).

NIM Singapore conducts continuous monitoring of Environmental, Social and Governance performance of its investment's portfolio. The indicators monitored include UN Global Compact violations (Corruption Bribery, Environmental Damages, Human Rights and Labor Rights), ESG scoring and ESG Risk assessment (nominal exposure and managed risks). NIM Singapore is also preparing the review of Physical and Transition Environmental risks to be implemented in 2023. To conduct this monitoring, NIM Singapore uses external data source providers including ECPI and Sustainalytics (Morningstar).

(g) Methodologies

ESG Scores

- Investment team will assign score after the qualitative assessment to each of the above mentioned criteria. Quantitative scores are pulled for indicators based aligned to the criteria. Combined score then becomes the basis of overall ESG assessment of companies.
- The findings of the ESG research are deliberated in detail by the investment team to identify any material non-financial risk associated with the company. The review is vital in assessing the strengths and weaknesses of any company in terms of a specific ESG dimension identified.
- In our role as a long-term investor, it is crucial to be able to ward off future ESG risks as we closely monitor the future of the companies, we invest in. In some cases, we can observe that some ESG risks are not necessarily material in the short term, but they will take on a material dimension in the next ten years e.g. risks resulting from climate change.
- We have therefore set out specific ESG issues that are not material for the moment or even in the medium term, but that are poised to become material in the long term. We monitor these aspects for change, providing a key advantage in our approach and setting our proprietary research as differentiated.

ESG Integration

- We resolutely believe that ESG dimensions can impact the analysis of companies' risk profiles and performances, so here at NIM Singapore, we take ESG aspects on board across almost 100% of assets analyzed.
 - We firstly screen to exclude the worst offenders from our investment universe using our various exclusion policies (further details are provided above), then our investment teams systematically assess whether non-financial factors can impact development and sustainability for each underlying issuer, as they consider both the risks and opportunities, as well as the likelihood that material events will emerge.
 - ESG practices are deemed to be an integral component of a company's overall quality. Our analysts/portfolio managers therefore analyze a company's or a sector's risk, while also identifying any opportunities related to ESG. Our teams engage with companies to discuss these aspects.
 - The equity portfolio management team thus seeks to ward off any potential risks via ESG considerations. ESG analysis is a keyway to single out any long-term trends that could disrupt certain business sectors, so incorporating ESG
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dimensions into traditional financial analysis enhances visibility on company's quality over the longer term. These considerations also offer an opportunity for the equity portfolio management team to ascertain opportunities (new markets, technologies, etc.) and companies that harbor growth potential.

- We systematically take on board ESG factors when assessing risk and analyzing companies' fundamentals.
 - With respect to ESG considerations, the Investment Manager uses a proprietary ESG model for conducting its analysis. For each of the companies, it appraises both quantitative and qualitative indicators.
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(h) Data sources and processing

We use Reuters to populate the data metrics of essential parameters required for overall ESG scoring of a company.

We also use restricted list created by the parent company that exclude companies on several environmental and social parameters. ECPI and Sustainalytics data aids in ESG risk monitoring.

(i) Limitations to methodologies and data

Not applicable

(j) Due diligence

With respect to ESG considerations, the Investment Manager uses a proprietary ESG model for conducting its analysis. For each of the companies, it appraises both quantitative and qualitative indicators.

- Quantitative information is obtained through ESG data providers and through extra-financial reports from companies.
- Qualitative assessment is based on factual information and on interviews with the companies' management.

Overall ESG assessment of an investee company is discussed thoroughly before approving it an investable idea. Any company failing to meet the minimum standards/score will be avoided but monitored for improvements.

The risk function also assesses independently the changes in the ESG profile of the company and portfolio using external tools. Any significant change in the scores or contours of ESG of an investee company will trigger engagement, assessment and monitoring.

(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)

NIM Singapore Engagement Policy:

<https://www.im.natixis.com/sg/resources/natixis-investment-managers-singapore-esg-policy>

Engagement process:

- NIM Singapore has made engagement one of its key priorities. The integration of ESG criteria is a growing area for dialogue with companies, and also offers us a much more extensive insight into the firms we invest in, as we support them in enhancing their ESG practices.
- Investment teams are having constant dialogue efforts with companies on specific theme/subject on ESG and/or there is insufficient data on them.
- Dialogue with companies offers an opportunity to address the ESG challenges identified by the investment team of analysts and portfolio managers as part of our broader analysis of corporate practices. The various aspects are presented and discussed, and we systematically monitor progress to assess each company's commitment.
- We will prioritize aspects related to controversies, where the company must clarify the possible risks for its stakeholders, assess its degree of responsibility and implement corrective measures.
- NIM Singapore may therefore dialogue with any issuer that seeks to engage with investors, encouraging an improvement in ESG practices.
- Corporate and shareholders' responsibility must seek to equally take on board the best interests of all stakeholders and not solely consider shareholder interests.
- Against this backdrop, NIM Singapore believes that exiting its investments is not the best way to express its disagreement on issues of corporate governance. Withdrawing from investments is a last resort and is only relevant as a way to protect unitholders' interests
- NIM Singapore's shareholder responsibility is reflected in its engagement approach, which endeavors to highlight any risks that are insufficiently taken into account by the company and urges it to take steps to mitigate these risks.
- Challenges facing companies are best analyzed with a long-term view in mind, and this particularly involves greater consideration of ESG matters. We also dialogue with companies to look at resolutions presented at shareholder meetings.
- By regularly discussing with companies, we are able to monitor how each one addresses major challenges facing its business over time.
- This ongoing engagement process applies to all securities held in NIM Singapore's portfolios. NIM Singapore takes a long-term engagement approach, and so we monitor corporate practices over time, shaping our buy and sell approach by degrees:
 - Improvement/deterioration in ESG rating;
 - Freeze or unfreeze on investment restriction in a stock;
 - Temporary divestment;
 - Exclusion/reintegration into our investment universe.
 - Exercising shareholder voting rights

In keeping with our engagement efforts, NIM Singapore encourages the companies that it invests in to develop their practices by voting at shareholder meetings for all investments in accordance with our active voting policy, as we consistently strive to meet the highest standards and take on board social and environmental questions.

NIM Singapore constantly endeavors to act transparently in its role as shareholder and has developed a platform summarizing our votes by company and by fund.

(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

Additional information: <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.