Sustainability-related Product Disclosure

	Information
	Product Name: **Thematics Subscription Economy Fund** Legal Entity Identifier: **5493 00FSLUEG4G4YTX 88** SFDR Classification: **Article 8** Date of the document : **2025-05-16**

(a) Summary

1. Environmental & social characteristics

The Fund invests in companies exposed to the global structural trend around subscription economy.
It aims to promote ESG through selecting companies exposed to the scope of the theme, avoiding companies exposed to controversial activities, non-compliant companies to global sustainability standards and norms, exposed to high with negative outlook and/or severe ESG controversies, maintaining better score in overall ESG and other select indicators than the Thematics universe, and actively voting and engaging with investee companies.
No reference benchmark has been designated for the purpose of attaining the E/S characteristics promoted by the Fund.

2. Investment Strategy

The Fund applies the following sustainablity approaches (as detailed in the dedicated section):

1. Sustainable or other thematic screening
2. Product-based exclusion
3. Behaviour-based exclusion
4. ESG Integration
5. Selectivity
6. Controversies monitoring
7. Voting
8. Engagement

3. Proportion of investment

The Fund commits to invest 30% of its NAV in sustainable investments (#1A Sustainable).
The Fund is expected to invest at least 1% of its NAV in environmental sustainable investments and 10% of its NAV in social sustainable investments, of which at least 0% are taxonomy-aligned;
The Fund is expected to invest at least 90% of its NAV in companies that qualify as aligned with E/S characteristics (#1).
The Fund is expected to invest up to 10% of its NAV in cash or cash equivalent for liquidity purposes (#2 Other).

4. Data sources, methodology & limitations

Thematics AM has developed its proprietary methodology:

- to identify companies that contributes to one or more outcomes stated in the prospectus,
- to identify and assess the most important ESG risks and opportunities companies are exposed to and also the most material environmental and social areas where companies could have adverse impact.

Also, The EU SFDR's PAIs are considered at different stages of the investment process through the 4 sustainability approaches: product-based exclusions, behaviour-based exclusion, ESG integration and voting and engagement.

Within this framework, Portfolio Managers will draw from a range of resources when analysing a company. The data used to form an overall opinion on a company is a synthesis of outputs that come from a combination of some or all of the following:
- Portfolio Managers' network of contacts from the broader relevant industry,
- Equity sell-side analysts and research documents,
- Third party sustainability data providers.

Methodologies and data are subject to limitations including dependency on the availability and quality of data provided by investee companies and/or the coverage by third-party providers.

5. Monitoring & due diligence

Portfolios Managers are primarily responsible of the investment due diligence. This means that they are in charge of the sustainability analyses to ensure that the security meets the selection criteria, they perform the ESG assessment according to the proprietary scoring methodology, they are also involved in the proxy voting process and carry out ESG-focused engagement with the support of the ESG Team. Independent monitoring and controls are carried out by Risk, Compliance and Internal Control departments on compliance with the minimum commitments and binding elements, the investment restrictions, compliance with Sustainable Finance Regulations etc.

6. Engagement strategy

Engagement is an integral part of Thematic AM's Responsible Investment approach. Thematics's targeted results focus on achieving the following: Transparency, Strong governance and Investee actions on critical sustainability challenges: climate change, biodiversity, and human rights.

(b) No sustainable investment objective

Does this financial product have a sustainable investment objective?
No

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?
The objectives of the sustainable investments are to: enhance social and economic inclusion, resource use optimization and circular economy and promote healthy living and overall wellbeing.

The Investment Manager assesses a sustainable investment's contribution to the sustainable investment objectives based on a dedicated thematic screening methodology.The thematic screening methodology further assesses whether the sustainable investment meets the materiality or leadership requirement, where the materiality requirements entail that the sustainable investments must at least generate 20% of the revenue/profits from relevant products and the leadership requirements entail that sustainable investment's products must be a leader in the industry, innovative or with the potential to become disruptive. Lastly, sustainable investments will be required to comply with all the elements listed in the description of the investment strategy further below.

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?

In order to ensure that the sustainable investments that the Fund intends to make do not cause significant harm to any environmental or social investment objective, the Fund takes into account the indicators for adverse impacts and ensures that the Fund investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights as further outlined below. Controversies monitoring is also in place.

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

The Investment Manager takes into account the EU SFDR's PAIs at different stages of its investment process through its 4 sustainability approaches: product-based exclusion, behaviour/norms-based assessment, ESG integration, voting & engagement.

- The Investment Manager excludes companies that generate more than 5% of revenue from fossil fuels, or more than 1% from the extraction and distribution of thermal coal (PAI 4); electric utilities generating non-renewable energy (PAI 5); companies that are exposed to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) (PAI 14).

- In the behaviour/norms-based assessment, the Investment Manager excludes companies that are non-compliant to internationally agreed standards and norms and manage controversies. Therefore, the Investment Manager excludes: companies in violations with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (PAI 10); companies with activities negatively affecting biodiversity-sensitive areas (PAI 7).

- In the ESG integration, where the Investment Manager scores companies across material ESG indicators, the following PAIs are considered: GHG emissions (PAI 1); carbon footprint (PAI 2) and GHG intensity of investee companies (PAI 3); share of non-renewable energy consumption (PAI 5); energy consumption intensity per high impact climate sector (PAI 6); activities negatively affecting biodiversity sensitive areas (PAI 7); emissions to water (PAI 8); hazardous waste and radioactive waste ratio (PAI 9); unadjusted gender pay-gap (PAI 12); board gender diversity (PAI 13); carbon emission reduction initiatives (additional PAI) and anti-corruption and anti-bribery policies (additional PAI); lack of processes and

compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (PAI 11).

- Post investment, the Investment Manager votes based on sustainability principles and targets companies for formal engagement, including: companies which lack disclosures and governance on GHG emissions (PAI 1) and intensity (PAI 3), carbon footprint (PAI 2), companies with activities negatively affecting biodiversity sensitive areas (PAI 7) and unadjusted gender pay-gap (PAI 12); companies which lack processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (PAI 11); companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement (additional PAI).

More information on the consideration of principal adverse impacts on sustainability can be found in the annual report.

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

The Investment Manager excludes companies in violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises; the Investment Manager also incorporates into the ESG analysis a company's processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises. It also engages with some companies lacking these processes and mechanisms.

(c) Environmental or social characteristics of the financial product

The Fund invests in companies exposed to the global structural trend around subscription economy.

It aims to promote ESG through selecting companies exposed to the scope of the theme, avoiding companies exposed to controversial activities, non-compliant companies to global sustainability standards and norms, exposed to high with negative outlook and/or severe ESG controversies, maintaining better score in overall ESG and other select indicators than the Thematics universe, and actively voting and engaging with investee companies.

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

(d) Investment strategy

What investment strategy does this financial product follow?

1. Sustainable or other thematic screening

The Investment Managers select securities whose solutions both:

- contribute to the theme via the theme's sub-segments that in turn contribute to:

- 1 or more of the following sustainability outcomes: to promote active lifestyle and access to sports infrastructure; to help promote early disease detection and prevention, access to health services, and social and economic inclusion; to enhance access to the digital economy and promoting civic engagement; to increase access to basic services; increase access to information and enable advancement of legal, scientific and medical research; promote circular economy, optimize resource usage, and reduce waste and energy consumption; to promote digital safety and protection for all; to increase access to information and promote civic engagement; to promote mental health and overall well-being; or,

- other thematics outcomes linked to the theme of the Fund which are not classified as sustainable.

- meet the materiality or leadership requirement of the theme.

Materiality means: the issuer must at least generate 20% of the revenue and/or profits from the relevant products.
Leadership requirements: the issuer's products must be, in the opinion of the Investment Managers, leader in the industry, innovative or with the potential to become disruptive.

2. Product-based exclusion

For the avoidance of doubt, exclusions mentioned below are applied, notably:The Investment Manager further screens the Thematics Universe by excluding securities that have exposure to harmful and controversial activities, such as coal, conventional oil and gas, non-conventional weapons etc. For more information, please refer to our exclusion policy under:
https://www.thematics-am.com/en-FR/being- responsible/reports-and-publications.

- Article 12, paragraphe 1, points a) to g), of Commission Delegated Regulation 2020/1818 of 17 July 2020:
  https://eur-lex.europa.eu/legal- content/EN/TXT/PDF/?uri=CELEX:32020R1818

- Label ISR V3:
- https://www.tresor.economie.gouv.fr/Articles/ff2f6ef4-9470-4aab-8ea0-eb17eea5cff5/files/3b614d61-0225-4da6-8081-47c31d8b33e2

3. Behaviour-based exclusion

In addition, the Investment Managers systematically exclude securities whose behaviour and overall performance are considered non-compliant to established global sustainability norms and principles governing corporate behaviour, in particular on environmental protection, human rights, labour rights, and business ethics. These standards include the UN Global Compact Principles, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights, and the International Labour Conventions. The screening is informed by third-party data.

4. ESG Integration

In the final Fund construction phase, the Investment Managers carry out an ESG analyses using its proprietary ESG assessment guided by established materiality frameworks, such as but not limited to, Sustainability Accounting Standards Board

(SASB) and Global Reporting Initiative (GRI). The Investment Managers score individual companies across the 11 different material environmental, social, and governance indicators drawing from a range of resources, including desktop research, company engagement and ESG Ratings from at least two third-party rating agencies. The total ESG score carries an equal weight (25%) as other investment criteria (i.e. Quality, Trading Risk and Management) and will impact the security's inclusion and final weight of the investment.

In addition, to assess the quality of the climate transition plans of the companies invested in, as well as companies in the Thematics Universe, the investment manager has developed a framework named "Thematics Climate Transition Assessment" (TCTA) that classifies companies from laggards to leaders according to five pillars:

- Climate Governance
- Climate Strategy and Risk Management
- Climate Engagement
- Quality of climate-related disclosures
- Quality of Decarbonization Targets

The TCTA is notably used for:

- Engaging with the laggards,
- Assessing the climate part of the internal ESG scoring.

5. Selectivity

- In order to measure the effectiveness of the ESG approach implemented, the Investment Manager ensures thatthe Fund will have a better ESG risk score than its Thematics Universe (measured as the rolling 3 months average of the weekly rating), after eliminating at least 25% and 30% as from 01/01/2026 of the worst-rated securities of the latter, based on external third-party ESG rating. The coverage must be above 90%. The weighting of pillars E, S and G cannot be generalized within the framework of the provider's rating because the methodology is based on a materiality analysis taking into account in particular the sector and idiosyncrasies of the companies scored. It should be noted that the provider's scoring methodology may lead some companies to be scored on certain ESG themes more than others. Therefore, all or part of the Fund may have a pillar weighting of less than 20%.
- the Fund will outperform its Thematics Universe in terms of weighted average carbon intensity.
- the Fund will outperform its Thematics Universe in terms of board gender diversity.

6. Controversies monitoring

- Companies exposed to high with negative outlook and/or severe level controversies are excluded. If the company is already in the Fund and becomes exposed to high with negative outlook and/or severe ESG controversies, the Investment Managers will cap the position at 2% The total number of capped securities cannot be more than 5. Further, targeted engagement with the company is initiated. The cap will be lifted if sufficient performance improvement is demonstrated within 6 months. Investment Managers will exit the investment if not enough progress is made.

7. Voting

The Investment Manager intends to exercise 100% of the voting rights on the issuers of the securities held in the Fund managed, and in compliance with its sustainability principled-based voting policy.

8. Engagement

The Investment Manager intends to initiate a certain number of engagements each year. This target could be achieved with one or more issuers, depending on the number of engagement objectives set per issuer. Furthermore, within issuers from "high climate impact" sectors, the Investment Manager intends to invest in a minimum percentage of issuers that have a credible climate transition plan in line with the climate goals set by the Paris Agreement. Finally, within issuers from "high climate impact" sectors under enhanced scrutiny, the Investment Manager intends to engage with a minimum percentage of issuers.

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. Percentage of Fund's asset under management that contributes to the theme and the environmental and/or social objectives and meet the materiality or leadership criteria is 100% excluding cash.

2. Percentage of the Fund's assets under management of issuers generating more the internally defined thresholds (% of revenue exposure) from harmful and/or controversial activities is 0%

3. Percentage of the Fund's assets under management of issuers whose behaviour and overall performance are considered non-compliant to established global sustainability norms and principles governing corporate behaviour is 0%

4. Percentage of the Fund's assets under management that are subject to ESG analysis by the Investment Manager is 100%.

5. Fund ESG risk score's outperforms the ESG risk score of the Thematics Universe (measured as the rolling 3 months average of the weekly score), after eliminating at least 25% and 30% as from 01/01/2026 of the worst-rated securities of the latter, based on external third-party ESG rating.

6. Fund outperforms the Thematics Universe in terms of weighted average carbon intensity.

7. Fund outperforms the Thematics Universe in terms of board gender diversity.

8. Controversies monitoring
   A. Percentage of the Fund's assets under management of newly invested issuers that has already high with negative outlook and/or severe ESG controversies at the time of investment is 0%.
   B. Number of already invested issuers that becomes exposed to high with negative outlook and/or severe ESG controversies and are capped to 2% is maximum 5.
   C. Number of already invested issuers that becomes exposed to high with negative outlook and/or severe ESG controversies and, within a 6 month time frame:
      - are not engaged or,

- are engaged but do not demonstrate sufficient performance improvement, is 0.

9. Voting and Engagement
   A. Total percentage of submitted votes is at least 95%.
   B. Total percentage of confirmed votes is at least 75%.
   C. Percentage of submitted votes according to the sustainability-principled policy is at least 95%.

10. Percentage of issuers from « high climate impact" sectors that have a transition plan is at least 15%. A share greater than 15% can count as a difference in achieving the threshold below;
Percentage of engaged issuers from "high climate impact" sectors under enhanced scrutiny is at least 20% with a maximum duration of 3 years. In the absence of the publication of a credible transition plan at the end of this period, the issuer cannot be retained in the portfolio.

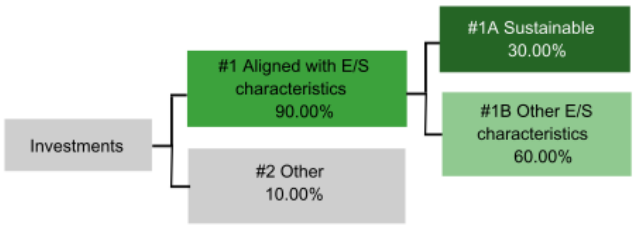
11. Number of initiated ESG engagements is at least three per year. This target could be achieved with one or more issuers, depending on the number of engagement objectives set per issuer.

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

What is the policy to assess good governance practices of the investee companies?
Good governance is promoted across the investment process through the following: behaviour-based exclusion, which is an assessment of company's governance and performance on various governance indicators; ESG assessment, which include material governance indicators such as board quality, business ethics, remuneration and shareholder protection; and voting and engagement on targeted governance issues, including sustainability management and transparency.

(e) Proportion of investments

What is the asset allocation planned for this financial product?
The Fund commits to invest 30% of its NAV in sustainable investments (#1A Sustainable).
The Fund is expected to invest at least 1% of its NAV in environmental sustainable investments and 10% of its NAV in social sustainable investments, of which at least 0% are taxonomy-aligned;
The Fund is expected to invest at least 90% of its NAV in companies that qualify as aligned with E/S characteristics (#1).
The Fund is expected to invest up to 10% of its NAV in cash or cash equivalent for liquidity purposes (#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

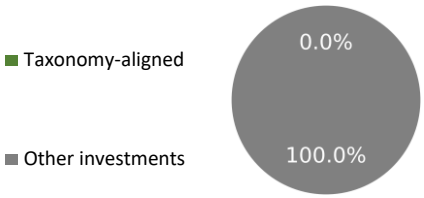
The category #1A Aligned with E/S characteristics covers :
- The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.
- The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?
Not applicable.

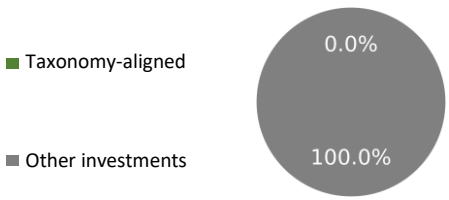
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?
Not applicable.

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?
Not applicable.

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

The Fund commits to make a minimum 1% of environmentally sustainable investments aligned with SFDR. These investments could be aligned with the EU Taxonomy, but

the Investment Manager is not currently in a position to specify the exact proportion of the Fund's underlying investments which take into account the EU criteria for environmentally sustainable economic activities. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

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

Cash and cash equivalent for liquidity purposes. This investment does not follow any minimum environmental or social safeguards.

(f) Monitoring of environmental or social characteristic

The Fund plans to report on the following in an annual basis:

- Percentage of Fund's asset under management that contributes to the theme theme and the environmental and/or social objectives.
- Percentage of the Fund's assets under management of issuers generating more than the internally defined thresholds (% of revenue exposure) from harmful and/or controversial activities.
- Percentage of the Fund's assets under management of issuers whose behaviour and overall performance are considered non-compliant to established global sustainability norms and principles governing corporate behaviour.
- Percentage of the Fund's assets under management that are subject to ESG analysis by the Investment Manager.
- Fund's ESG risk score vs Thematics Universe's risk score (measured as the rolling 3 months average of the weekly rating), after eliminating at least 25% and 30% as from 01/01/2026 of the worst-rated securities of the latter.
- Fund's weighted average carbon intensity (WACI) versus the Thematics Universe (measured as the rolling 3 months average of the weekly rating).
- Fund's board gender diversity percentage versus the Thematics Universe (measured as the rolling 3 months average of the weekly rating).
- Percentage of the Fund's assets under management of newly invested issuers that has already high with negative outlook and/or severe ESG controversies at the time of investment.
- Number of already invested issuers that becomes exposed to high with negative outlook and/or severe ESG controversies and within a 6 month time frame:
    - are not engaged or,
    - are engaged but do not demonstrate sufficient performance improvement.
- Total percentage of submitted and confirmed votes.

- Percentage of submitted votes according to the sustainability-principled policy.

- Number of initiated ESG engagements. This target could be achieved with one or more issuers, depending on the number of engagement objectives set per issuer.

Percentage of issuers from “high climate impact” sectors under enhanced scrutiny that have a transition plan.
Percentage of engaged issuers from “high climate impact” sectors under enhanced scrutiny.

- Percentage of Fund's asset under management that contributes to the theme.
> Ongoing monitoring by Portfolio managers (“PMs”) and the ESG team.
> Annual monitoring by the ESG Team.
> Annual reporting.

- Percentage of the Fund’s assets under management of issuers generating more than the internally defined thresholds (% of revenue exposure) from harmful and/or controversial activities, such as thermal coal, conventional oil and gas, non-conventional weapons.
> Exclusion list is hard-coded in pre-trade mode into the trading platform and updated periodically.
> Annual reporting.

- Percentage of the Fund’s assets under management of issuers whose behaviour and overall performance are considered non-compliant to established global sustainability norms and principles governing corporate behaviour.
> Exclusion list is hard-coded in pre-trade mode into the trading platform and updated periodically.
> Annual reporting.

- Percentage of the Fund’s assets under management that are subject to ESG analysis by PMs.
> Ongoing monitoring by PMs.
> Annual monitoring by the ESG Team.
> Annual reporting.

- Fund’s ESG rating risk score vs Investable Thematics Universe’s rating risk score (measured as the rolling 3 months average of the weekly rating), after eliminating at least 250% of the worst-rated securities of the latter, and covering at least 90% of the portfolio. .

Fund’s weighted average carbon intensity (WACI) (measured as the rolling 3 months average of the weekly rating), versus the Thematics Investable Universe
Fund’s board gender diversity percentage (measured as the rolling 3 months average of the weekly rating), versus the Thematics Investable Universe or versus a threshold.
> Weekly monitoring by the Risk Team.
> Annual reporting.

- Percentage of the Fund’s assets under management of newly invested issuers that has already high with negative outlook and/or severe ESG controversies at the time of investment.
> Ongoing monitoring by PMs and Risk.
> Annual reporting.

- Number of already invested issuers that becomes exposed to high with negative outlook and/or severe ESG controversies and within a 6-month time frame:
    - are not engaged or,
    - are engaged but do not demonstrate sufficient performance improvement.
        > Ongoing monitoring by PMs and Risk.
        > Annual reporting.

- Total percentage of submitted and confirmed votes.
- Percentage of submitted votes according to the sustainability-principled policy.
    > Task delegated to a service provider.
    > Annual monitoring by the ESG Team.
    > Annual reporting.

- Percentage Number of issuers covered by targeted engagement.
    > Ongoing monitoring by PMs and the ESG team.
    > Annual monitoring by the ESG Team.
    > Annual reporting.

(g) Methodologies

Thematics AM ("The Investment Manager") maintains comprehensive methodology documents on its website. These documents go into greater depth, provide further insight into data sources and processes applied and Thematics AM proprietary assessment frameworks https://www.thematics-am.com/fr-FR/esg

1. Thematic screening

The Investment Manager selects securities whose solutions both:

- contribute to the theme via the theme's sub-segments that in turn contribute to 1 or more of the outcomes stated in the prospectus.
- meet the materiality or leadership requirement of the theme.
    - Materiality means: the issuer must at least generate 20% of the revenue and/or profits from the relevant products.
    - Leadership requirements: the issuer's products must be, in the opinion of the Investment Managers, leader in the industry, innovative or with the potential to become disruptive.

Based on the portfolio as of 31 Dec of each reporting year:

- Percentage of AUM invested per subsegment and the subsegment's corresponding outcomes.
- The Materiality and Leadership percent distribution of the subsegment: % of Leaders, % of Materially exposed (20-90% of revenue, % of Pureplay (90-100% revenue).

2. Product-based exclusion

The Investment Manager further screens the Investable Universe by excluding issuers generating more than the internally defined thresholds (% of revenue exposure) from harmful and/or controversial activities, such as thermal coal, conventional oil and gas, non-conventional weapons.

> Percentage of the Fund's assets under management of issuers generating more than the internally defined thresholds (% of revenue exposure) from harmful and/or

controversial activities, such as thermal coal, conventional oil and gas, non-conventional weapons, based on the portfolio as of 31 Dec of each reporting year.

3. Behaviour-based exclusion

In addition, the Investment Manager systematically excludes securities whose behaviour and overall performance are considered non-compliant to established global sustainability norms and principles governing corporate behaviour, in particular on environmental protection, human rights, labour rights, and business ethics. These standards include the UN Global Compact Principles, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights, and the International Labour Conventions. The screening is informed by third-party data.

> Percentage of the Fund's assets under management of issuers whose behaviour and overall performance are considered non-compliant to established global sustainability norms and principles governing corporate behaviour, based on the portfolio as of 31 Dec of each reporting year.

4. In the final portfolio construction phase, the Investment Manager carries out an ESG analyses using its proprietary ESG assessment. The Investment Manager scores individual companies across the 11 different material environmental, social, and governance indicators drawing from a range of resources, including desktop research, company engagement and ESG ratings from at least two third-party rating agencies. The total ESG score carries an equal weight (25%) as other investment criteria (i.e. Quality, Trading Risk and Management) and will impact the security's inclusion and final weight of the investment.

> Indication of % of portfolio subjected to internal ESG scoring based on the portfolio as of 31 Dec of each reporting year.

5. In order to measure the effectiveness of the ESG approach implemented, the Investment Manager ensures that the Fund will have a better ESG risk score than its Thematics Universe (measured as the rolling 3 months average of the weekly score), after eliminating at least 25% of the worst-rated securities of the latter, based on external third-party ESG rating. Additionally, the Fund commits to outperform the universe in terms of Weighted Average Carbon Intensity (WACI) and board gender diversity. The review of the ESG criteria permanently covers at least 90% of the Fund's net assets.

> Number of active breaches which occurred during the year and their rational.

6. Companies exposed to high with negative outlook and/or severe level controversies are excluded. If the company is already in the portfolio and becomes exposed to high with negative outlook and/or severe ESG controversies, the Investment Manager will cap the position at 2% The total number of capped securities cannot be more than 5. Further, targeted engagement with the company is initiated. The cap will be lifted if sufficient performance improvement is demonstrated within 6 months. The Investment Manager will exit the investment if not enough progress is made.

> Throughout the year: percentage of the Fund's assets under management of newly invested issuers that has already high with negative outlook and/or severe ESG controversies at the time of investment; Number of already invested issuers that becomes exposed to high with negative outlook and/or severe ESG controversies and are capped to 2%; Number of already invested issuers that becomes exposed to high

with negative outlook and/or severe ESG controversies and, within a 6-month time frame:

- are not engaged or,
- are engaged but do not demonstrate sufficient performance improvement.

7. Thematics AM intends to exercise 100% of the voting rights on the issuers of the securities held in the portfolios managed, and in compliance with its sustainability principled-based voting policy.

> Throughout the year: Total percentage of submitted and confirmed votes; Percentage of submitted votes according to the sustainability-principled policy.

8. Thematics AM intends to engage with a certain number of issuers each year. This target could be achieved with one or more issuers, depending on the number of engagement objectives set per issuer. Furthermore, within issuers from "high climate impact" sectors, the Investment Manager intends to invest in a minimum percentage of issuers that have a credible climate transition plan in line with the climate goals set by the Paris Agreement.
Finally, within issuers from "high climate impact" sectors under enhanced scrutiny, the Investment Manager intends to engage with a minimum percentage of issuers.

> Number of issuers covered by targeted engagement based on the portfolio as of 31 Dec of each reporting year.

(h) Data sources and processing

- **Sources & Processing:** Thematic screening: internal research, Third-party data, brokers sell-side research; Portfolio Managers estimate the thematic alignment based on internal thematic scope and boundary.
- **Exclusions:** internal research, third-party data, external databases; ESG Team builds the list using the sources listed, and is reviewed and validated by the Responsible Investment Committee.
- **Controversies:** Third-party data; PMs have access to news and monitors exposure to potential ESG controversies.
- **ESG Scoring:** Third-party data, internal research, company engagement. PMs conduct their own ESG scoring, using the multiple third-party data to inform their assessment.
- **Voting:** Third-party service, Internal research; PMs receive alerts on upcoming proxy meeting and voting recommendations, they specifically review resolutions where the recommendation by the third-party proxy voting service is Against the Management.
- **Engagement:** Internal research.
- For some data sets, i.e. GHG emission, we are able to ascertain the percentage of reported vs estimated data. For most of the data sets, i.e. revenue from products or services, such data is unavailable.

Third-party sustainability data providers are mainly:

- ISS Proxy Research - Voting: ISS Proxy Research conducts the primary analyses of resolutions applying defined set of sustainability principles.

Sustainalytics - Exclusions: The list is built based on Sustainalytics screening data.

- ESG Scoring

Bloomberg ESG - ESG Scoring

S&P Global Trucost - Environmental and Climate data
MSCI - ESG Scoring

- Climate data
CDP - Climate data

(i) Limitations to methodologies and data

Lack of corporate disclosure and coverage. Not all companies are covered by third-party data providers. Frequency of update: Data providers may not necessarily update the companies in the most timely manner. Third-party revenue data is both disclosed and estimated. Analysis is partly based on data provided by investee companies and is therefore dependent on the quality of this information which can be very heterogeneous. Mitigation measure: final ESG scores are based on PMs own conviction, multiple sources, including third-party and their own desktop research.

(j) Due diligence

Due diligence is performed by PMs, supported by the ESG Team. The sustainability approaches used by Thematics AM are fully integrated into the end-to-end investment process, alongside financial analysis.

In the Define Phase, PMs conduct various checks to ensure the security selection meets the following: thematic screening criteria, product-based and behaviour-based exclusion thresholds.

In the Select Phase, the PMs carry out the ESG scoring using Thematics AM's proprietary ESG scoring framework.

In the Act Phase post investment, PMs particularly focus on items where third-party voting recommendation is to vote against the management, as well as carry out ESG-focused engagements, with the support of the ESG Team.

Compliance and Internal Control Controls – annually:

- ESG management system: ESG framework organization; human and technical resources implemented.
- ESG methodology: quality of data, ESG criteria, consideration of climate risk, rating of issuers, selection of securities, exclusion of securities, engagement policy, external suppliers use, controversies monitoring.
- A priori and a posteriori information provided to investors on the implementation of the ESG/voting policy.
- Checking the configuration of the constraints stipulated in the ESG management process.
- Monitoring of breaches, and implementation of an escalation procedure until the actual resolution.
- Voting policy controls: Internal organization and tools, annual report on the exercise of voting rights.
- Compliance with SFDR and Taxonomy Regulation including SFDR product classification and Taxonomy-alignment commitment.

The ESG process is also subject to pluri-annual internal audit.

(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)

The Engagement Policy and Engagement Report can be accessed here : https://www.thematics-am.com/en-FR/being-responsible/reports-and-publications

---

(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

https://www.im.natixis.com/en-intl/funds

Disclaimer : 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.