

MIROVA EUROPE ENVIRONNEMENT

PROSPECTUS

2 NOVEMBER 2023

I GENERAL FEATURES

1 Form of the UCITS

□ **NAME:**

Mirova Europe Environnement, hereinafter referred to in this document as “the Fund”.

□ **LEGAL FORM AND COUNTRY IN WHICH THE UCITS WAS ESTABLISHED:**

French mutual fund.

□ **FEEDER FUND:**

Feeder fund of the MIROVA EUROPE ENVIRONMENTAL EQUITY FUND master sub-fund (M/D shares (EUR)) of the “MIROVA FUNDS” SICAV governed by Luxembourg law.

□ **INCEPTION DATE AND EXPECTED TERM:**

The Fund was created on 12 November 2007 for a period of 99 years.

This Fund was approved by the Autorité des Marchés Financiers (AMF) on 27 September 2007.

□ **SUMMARY OF THE MANAGEMENT OFFER:**

Units	ISIN code	Allocation of distributable income	Base currency	Target subscribers	Minimum initial subscription	Minimum subsequent subscription	Initial net asset value
C	FR0010521575	Net income: Accumulation Net realised capital gains: Accumulation	Euro	All subscribers. The Fund is more specifically intended for natural persons	One ten-thousandth of a unit	One ten-thousandth of a unit	€1,000
D	FR0013321296	Net income: Distribution Net realised capital gains: Accumulation	Euro	All subscribers. The Fund is more specifically intended for natural persons	One ten-thousandth of a unit	One ten-thousandth of a unit	€1,000
N	FR0013299229	Accumulation	Euro	Subscriptions of this unit are reserved for investors subscribing via distributors or intermediaries: • Subject to national legislation prohibiting all retrocessions to distributors Or • Providing - an independent advisory service as defined by the MiFID II European regulation - or an individual portfolio management service under mandate	One ten-thousandth of a unit	One ten-thousandth of a unit	€1,000

□ **ADDRESS FROM WHICH THE LATEST ANNUAL AND INTERIM REPORTS AND ASSET COMPOSITION DETAILS CAN BE OBTAINED:**

These will be sent to unitholders within eight working days of receipt of a written request to:

**Natixis Investment Managers International**  
43, Avenue Pierre Mendès France  
75013 Paris, France  
E-mail: ClientServicingAM@natixis.com

The documents relating to the MIROVA EUROPE ENVIRONMENTAL EQUITY FUND master sub-fund of the MIROVA FUNDS SICAV governed by Luxembourg law and any further information may be obtained from Natixis Investment Managers International's Customer Service Department ("Service Clients") at the address above, or from your usual adviser.

□ **INFORMATION FOR PROFESSIONAL INVESTORS:**

Natixis Investment Managers International may send the breakdown of the Fund's portfolio to investors classified as professional investors by the ACPR (Autorité de contrôle prudentiel et de résolution [French prudential supervision and resolution authority]), the AMF or equivalent European authorities, for the sole purpose of calculating regulatory requirements under Directive 2009/138/EC (Solvency II).

## 2 Parties involved

□ **MANAGEMENT COMPANY:**

Natixis Investment Managers International

Legal form: *société anonyme* (public limited company)

Approved by the *Autorité des Marchés Financiers*, the French financial markets authority, hereinafter referred to as "the AMF", under number GP 90-009 of 22 May 1990.

Registered office: 43 avenue Pierre Mendès France, 75013 Paris, France

□ **DEPOSITARY, CENTRALISATION AGENT FOR SUBSCRIPTION AND REDEMPTION ORDERS BY DELEGATION OF THE MANAGEMENT COMPANY AND ESTABLISHMENT RESPONSIBLE FOR HOLDING REGISTERS OF SHARES:**

CACEIS BANK

Legal form: *société anonyme à conseil d'administration* (public limited company with a board of directors)

Credit institution approved by the ACPR (formerly CECEI), the French prudential supervision and resolution authority

Registered office: 89-91 rue Gabriel Péri, 92120 Montrouge, France

Postal address: 12 Place des États-Unis, 92549 Montrouge Cedex, France

As set out in the applicable Regulations, the depositary's duties include custody of the assets, checking that the management company's decisions are lawful, and monitoring UCITS' cash flows. The depositary is independent of the management company.

The description of the delegated custodial duties, the list of custodians and sub-custodians of CACEIS Bank and information relating to conflicts of interest that may result from these delegations are available on the CACEIS website: [www.caceis.com](http://www.caceis.com)

Updated information is available to investors upon request.

□ **PRIME BROKER:**

None

□ **STATUTORY AUDITOR:**

MAZARS represented by Mr Pierre Masieri,

61 rue Henri Régault

92075 La Défense Cedex, France

□ **MARKETING AGENTS:**

Branches of BANQUE POPULAIRE REGIONALE and NATIXIS.

A list of Banque Populaire Régionale branches with their addresses is available at [www.banquepopulaire.fr](http://www.banquepopulaire.fr).

This list of marketing agents is not exhaustive, insofar as the Fund has a Euroclear France code. There may be marketing agents that have not been appointed by the management company or of which it is not aware.

□ **DELEGATED SERVICES:**

**Delegated accounting services:**

CACEIS FUND ADMINISTRATION

Registered office: 89-91 rue Gabriel Péri, 92120 Montrouge, France

Postal address: 12 Place des États-Unis, 92549 Montrouge Cedex, France

Nationality: CACEIS FASTNET is a company governed by French law

**Delegation of financial management:**

Company name: MIROVA

Legal form: société anonyme (limited company), authorised by the Autorité des marchés financiers, hereinafter referred to as 'the AMF', under number GP 02014 of 26 August 2002

Registered office: 59 avenue Pierre Mendès France, 75013 Paris, France

The delegation of financial management covers all aspects of the financial management of the Fund.

The management company has not identified any conflicts of interest that may arise from such arrangements.

**ADVISERS:**

None

## II OPERATION AND MANAGEMENT PROCEDURES

### 1 General features:

**CHARACTERISTICS OF THE UNITS:**

- ◆ ISIN code:

Units	ISIN code
C	FR0010521575
D	FR0013321296
N	FR0013299229

- ◆ Rights associated with the unit class:

Each unitholder has co-ownership rights proportional to the number of units held.

Unitholders may be informed about changes affecting the Fund by any means that conform to AMF guidelines. Management of the Fund, which has no corporate personality and for which the rules concerning undivided ownership and companies have been waived, is carried out by the management company, acting on behalf of the unitholders and in their exclusive interest. In this context, the management company exercises the voting rights attached to the portfolio securities.

- ◆ Entry in a register or establishment of procedures for liability accounting:

Liability accounting is provided by CACEIS Bank.

- ◆ The units are administered by EUROCLEAR France. Voting rights:

The units do not carry any voting rights. The management of the Fund is carried out by the management company, which acts on behalf of the holders and in their exclusive interest. The management company's voting policy may be viewed at the registered office of the management company or at [www.im.natixis.com](http://www.im.natixis.com)

- ◆ Type of unit: bearer.

- ◆ Division of units: Units are divided into ten-thousandths of a unit.

**FINANCIAL YEAR-END:**

Last trading day of December.

The first financial year ended on 31 December 2008.

**INFORMATION ON TAX TREATMENT:**

The Fund is not subject to corporation tax. Unitholders may have to pay taxes on income distributed or upon the sale of Fund units. The tax regime applicable to the sums distributed by the Fund or to the unrealised capital gains or losses and the capital gains or losses realised by the Fund depends on the applicable tax provisions which take into account the tax position of the unitholder, their tax residence

and the jurisdiction of the investments made by the Fund. We advise you to obtain further information on this matter from the marketing agent for the Fund.  
Fund units are eligible for the French Equity Savings Plan (PEA) and for life insurance.

## 2 Specific provisions

□ **ISIN CODE:**

C unit: FR0010521575

D unit: FR0013321296

N unit: FR0013299229

□ **CLASSIFICATION:**

International equities

□ **HOLDING OF UNITS OR SHARES OF OTHER UCIS (UCITS OR AIFS) OR INVESTMENT FUNDS:**

The Fund may invest more than 20% of its assets in units and shares.

□ **MANAGEMENT OBJECTIVE:**

The Mirova Europe Environnement Fund is a feeder fund (M/D shares (EUR)) of the MIROVA EUROPE ENVIRONMENTAL EQUITY FUND master sub-fund of the MIROVA FUNDS SICAV. Consequently, its management objective is identical to that of the master sub-fund, namely:

*This Sub-fund:*

*Has a sustainable investment objective (as defined by Article 9 of the SFDR Regulation)*

*Promotes environmental and social characteristics but does not have sustainable investment as its objective*

***The pre-contractual information on sustainable investment relating to this Fund, required by Regulations (EU) 2019/2088 “SFDR” and (EU) 2020/852 “TAXONOMY”, are appended to this prospectus.***

*The investment objective of MIROVA EUROPE ENVIRONMENTAL EQUITY FUND (the “Sub-fund”) is to allocate the capital to sustainable economic models with environmental and/or social characteristics by investing in companies providing solutions that primarily address environmental issues.*

*The Sub-fund will seek to invest in companies listed on European stock exchanges, while systematically including Environmental, Social and Governance (ESG) considerations with financial performance measured against the MSCI Europe Dividend Net Reinvested Index over the recommended minimum investment period of five years.*

*The investment policy is based on active management. The Sub-fund’s performance may be compared to the benchmark index. In practice, the Sub-fund’s portfolio may include components of the benchmark index, but the Delegated Investment Manager is free to select the securities that make up the portfolio in compliance with the Sub-fund’s investment guidelines. However, the Sub-fund does not aim to replicate its benchmark index and may therefore deviate significantly from it.*

The Fund will underperform the master sub-fund as a result of its own management fees.

□ **BENCHMARK:**

Recap of the benchmark index for the Master Sub-fund MIROVA EUROPE ENVIRONMENTAL EQUITY FUND:

*The Sub-Fund is not managed in relation to a specific benchmark index, but its performance may be compared to that of the MSCI Europe index, net dividends reinvested.*

*The benchmark index can be used to determine the performance fee that will potentially be levied.*

*The benchmark index does not seek to be consistent with the sustainable investment objective of the Sub-fund which the Delegated Investment Manager aims to achieve by applying the sustainable investment strategy described below.*

□ **INVESTMENT STRATEGY:**

**1 - THE STRATEGY EMPLOYED:**

The Fund is a feeder fund of the MIROVA EUROPE ENVIRONMENTAL EQUITY FUND master sub-fund. Its assets are fully invested in M shares of the master sub-fund and, on an ancillary basis, in cash and cash equivalents.

**Reminder of the management objective for the master sub-fund:**

The MIROVA EUROPE ENVIRONMENTAL EQUITY FUND master sub-fund (M/D shares (EUR)) has the following management objective:

*Reference currency: Euro (EUR)*

*The Sub-Fund follows a thematic responsible investment strategy that focuses on European companies active in the management of renewable energy, transitional energy, energy efficiency and natural resources, such as the production cycles for agriculture/food and water. The investment process is based on stock-picking after in-depth fundamental analysis of the companies, combining both financial and ESG factors. This analysis must ensure that the company meets the following criteria:*

- *ability to provide innovative, positive solutions to address issues relating to identified sustainable themes;*
- *sustainability of the business model; competitive positioning, management team and ability to finance growth;*
- *overall quality of its ESG practices;*
- *the Delegated Financial Manager will seek to invest in companies with long-term growth prospects that offer an attractive valuation in the medium term.*

*For more information on the sustainable investment objective of the Sub-fund, please refer to the SFDR Annex.*

*The Sub-Fund primarily invests in the following key sustainable themes: energy, management of natural resources, consumption, construction and urban planning, and mobility.*

*The portfolio of the Sub-Fund invests at least 80% of its net assets in European equities of companies whose activity comprises the development, production, promotion or marketing of technologies, services or products that contribute to environmental protection.*

*The Sub-Fund is managed actively, combining strong convictions on sustainable themes and stock-picking.*

*The portfolio is constructed by way of the choices made by the Delegated Financial Manager as regards the best investment opportunities, free of restrictions in terms of market capitalisation, sector and weight compared to the Benchmark Index.*

*The Sub-Fund will permanently invest at least 75% of its net assets in securities eligible for the French Equity Savings Plan (PEA) and will thus be eligible for said Equity Savings Plan.*

*The Sub-Fund may invest up to 10% in money markets and in cash and cash equivalents.*

### ***Sustainable investment strategy***

*In order to meet the sustainable investment objective, all securities selected undergo an in-depth analysis of their sustainability and governance characteristics performed by the Delegated Investment Manager's dedicated research team (identification of sustainable opportunities, assessment of issuers' ESG practices, voting and commitment activities, ESG research, and sustainability opinions). Each sustainability opinion contains an analysis of the significant opportunities and risks being managed by a company. The result of these analyses is an overall qualitative opinion which is defined in relation to the achievement of the UN SDGs. Mirova strives to maximise exposure to companies with a positive impact on the SDGs, while avoiding companies whose activities or products have a negative impact on or inhibit the achievement of the goals.*

*Further information on Mirova's approach to achieving the sustainable investment objective can be found at <https://www.mirova.com/understand>.*

*The Sub-fund's investment process is based on a sophisticated and binding SRI approach with a greater focus on highly rated securities from an ESG viewpoint in order to mitigate the potential impact of sustainability risks on portfolio return. The Delegated Investment Manager uses the following data sources and methodologies to assess, measure and monitor the impact of the sustainable investments selected:*

- the overall ESG quality of the portfolio is constantly measured against the Benchmark Index of the Sub-fund in order to ensure that the Sub-fund has a higher ESG quality profile compared to the broader market index.*
- Mirova prepares qualitative sustainability analysis for each investment. This analysis encompasses the entire life cycle of Sub-fund development, from raw material extraction to consumer use and disposal, and focuses on the most pertinent issues to each investment. Principal adverse indicators specific to each sector are systematically integrated in the sustainability opinion.*
- Mirova also evaluates each investment using a physical indicator for carbon, assessing both risks and opportunities related to the energy transition. At the portfolio level, the aggregate emissions induced and avoided are considered in order to assign a level of alignment with climate scenarios published by international organisations such as the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA). Further information on the methodology used can be found at <https://www.mirova.com/en/research/demonstrating-impact>*
- Investments are also assessed against specific indicators such as gender diversity and employment as disclosed in the monthly reporting for each Sub-fund.*

➤ ***No material harm to the sustainable investment objectives***

*Upon investment and over the life of the Sub-fund, the Delegated Investment Manager assesses and monitors indicators that are deemed to indicate the presence of a principal adverse impact for each sector we invest in as further described on our website <https://www.mirova.com/understand>. Companies whose economic activities are deemed to have a material negative impact on the achievement of one or more of the UN SDGs are systematically excluded from the investment universe. Furthermore, a strict exclusion list is applied for controversial activities, particularly with regard to the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Acknowledging that even activities with a positive impact on one or more of the UN SDGs may create a risk of negatively impacting other SDGs, the Delegated Investment Manager also actively engages with portfolio companies in order to reduce this risk.*

➤ ***Description of the policy to assess good governance practices of the portfolio companies***

*Mirova incorporates governance considerations into its sustainability assessment and conducts detailed fundamental research to assess factors such as shareholder structure, depth of shareholder dispersion, ownership history, board composition, independence of the chairman and board of directors, quality of management, financial reporting, business ethics, remuneration policies and whether there is top-level commitment to sustainability issues.*

*Please refer to the section “Description of the extra-financial analysis and consideration of the ESG criteria” in the Prospectus for additional information on the SRI approach and ESG considerations.*

*Description of the extra-financial analysis and consideration of the ESG criteria*

*The Sub-fund aims to invest only in sustainable investments as defined in Article 2, paragraph 17, of the SFDR. The percentage of sustainable investments is therefore set at 90% of the Sub-fund’s net assets.*

*Mirova, including its affiliated company Mirova US LLC, is a conviction-based investment manager offering investment solutions that combine financial performance objectives with environmental and social impact.*

*Mirova’s ESG approach is to identify issuers contributing to the achievement of the United Nations Sustainable Development Goals (UN SDGs) and has therefore made it possible to develop unique and tailored ESG (environmental, social and governance) analysis methodologies for each issuer category, in order to filter the relevant investment universe accordingly. The sustainable investment approach implemented mainly combines systematic ESG and “Best-in-Universe” thematic approaches, complemented by sectoral exclusion and commitment approaches.*

*For more information on the sustainable investment objective of each Sub-fund, please refer to the SFDR Annex.*

*Mirova’s philosophy is available on its website:*

*<https://www.mirova.com/en/research/understand>*

*Mirova’s Transparency Codes are freely available on the Mirova website under the “Sustainability” section: <https://www.mirova.com/en/sustainability>*



### 1. Definition of the investment universe — extra-financial analysis

*Our investment process begins with a thematic assessment of the investment universe comprising securities included in the Benchmark Index, where applicable, and all other securities/companies that meet the sustainable investment criteria listed in the SFDR Annex of each Sub-fund.*

### 2. ESG analysis methodology — extra-financial analysis

*An extra-financial analysis of companies is systematically carried out, covering ESG aspects in particular, following a unique methodology developed by the Delegated Investment Manager. This extra-financial analysis methodology aims to assess the positive and negative impacts of each company in relation to the achievement of the UN SDGs. In particular, it involves the assessment of each company against the three extra-financial criteria below:*

<i>Environmental</i>	<i>Social</i>	<i>Governance</i>
<i>Environmental impacts of energy generation, Environmental design, Recycling.</i>	<i>Employee health and safety practices, Rights and working conditions in the supply chain.</i>	<i>Alignment of corporate governance with a long-term vision, Fair value distribution, Compliance with business ethics.</i>

*The ESG analysis is carried out on the basis of the key challenges specific to each sector. Responsible Investment (RI) research for Mirova and Mirova US LLC is conducted by a separate team entirely dedicated to sustainability analysis.*

***Applying the sustainability approach results in an increase in the rating compared to the average rating of the investment universe after eliminating at least 20% of the lowest-rated securities.***

*For more information on the ESG analysis methodology for each Sub-fund, please refer to the SFDR Annex.*

#### ***Methodological limitations***

*The sustainability analysis approach is based on a qualitative analysis of the environmental, social and governance practices of these actors and seeks to capture their overall level of compatibility with the achievement of the UN SDGs. Several limitations can be identified regarding the methodology used and the quality of the information available on these issues.*

*The analysis is largely based on qualitative and quantitative data provided by the companies themselves and is therefore dependent on the quality of this information. Although constantly improving, ESG reporting by companies is still very inconsistent.*

*In order to make the analysis as relevant as possible, the Delegated Investment Manager concentrates on those points most likely to have a concrete impact on the reviewed assets and on the company as a whole. These key issues are defined by sector and are regularly reviewed. They are, however, by definition not exhaustive.*

*Lastly, although the analysis methodology aims to incorporate forward-looking elements to ascertain the environmental and social quality of the selected companies, anticipating the*

*occurrence of controversies remains a difficult exercise and may result in a retroactive revision of the opinion of the Delegated Investment Manager on the ESG quality of an asset.*

*The ESG approach may lead to a bias in the constitution of the portfolio.*

***Information on the Taxonomy Regulation (EU) 2020/852:***

*Information on the Taxonomy can be found in the pre-contractual information on sustainable investment attached to this prospectus.*

***Investment in undertakings for collective investment***

*The Sub-Fund may invest up to 10% of its assets in undertakings for collective investment.*

***Use of derivatives or other investment techniques and instruments***

*The Sub-Fund may use derivatives for the purposes of hedging and investment, as described in the section entitled “Use of derivatives, special investment techniques and hedging”. The Sub-Fund may not enter into securities lending and borrowing operations, nor repurchase and reverse repurchase agreements on securities.*

□ **INFORMATION ON THE TAXONOMY REGULATION (EU) 2020/852:**

As a feeder fund, details regarding how the European Union’s criteria for environmentally sustainable economic activities are taken into account are outlined in its master fund.

□ **RISK PROFILE:**

The MIROVA EUROPE ENVIRONMENTAL EQUITY FUND Sub-fund will be invested in financial instruments selected by the asset manager in line with the investment strategy set out in the previous paragraph. These instruments will be subject to market trends and risks.

The net asset value may experience high variation due to the financial instruments included in the portfolio. This means that you may not get back all the capital you invested and this applies equally for investments made for the recommended investment period.

The risk profile of the feeder fund is identical to that of the master sub-fund.

These risks may lead to a fall in the net asset value of the Fund.

***Reminder of the master sub-fund’s risk profile:***

***Capital loss***

*The value and yield tend to fluctuate over time (due mainly to fluctuations in exchange rates), and at the time of redemption the value of the Shares may be greater or lower than their original cost. There is no guarantee that the capital invested in a Share will be returned in full to the investor.*

***Shares***

*Investing in equities entails risks linked to unpredictable price falls, periods of underperformance in the market price, or a fall in the stock market as a whole.*

***Company capitalisation***

***Small- and mid-cap companies***

*Investments in small- and mid-cap companies may entail greater risks than those in large companies, including fewer managerial and financial resources. Small- and mid-cap equities may be particularly sensitive to unforeseen changes in interest rates, borrowing costs and*

profits. Owing to less frequent trading, small- and mid-cap equities may also be subject to greater price fluctuations, thus becoming less liquid.

### **Large-cap companies**

Sub-Funds investing in large-cap companies are likely to perform less well than some other equity funds (particularly those targeting small-cap equities) during periods when large-cap equities are in decline. Similarly, well-established companies are generally not flexible enough and are sometimes unable to rise quickly to the challenges posed by competitors, such as technological progress and changing consumer tastes, which may harm the performance of the Sub-Fund.

### **Exchange rate**

Some Sub-Funds invest in securities denominated in several currencies which are different from their reference currency. Changes in foreign currency exchange rates affect the value of some of the securities held by these Sub-Funds. Exposure to currency risk may increase the volatility of investments compared to investments denominated in the reference currency. A Sub-fund may seek to hedge or mitigate the currency risk in accordance with its objective and investment guidelines, for example, by using derivatives. However, it may be impossible or difficult to hedge or mitigate this risk at all times.

### **Geographical focus**

Some Sub-Funds focus their investments in companies located in specific geographical regions, which involves more risk than investments with a wider geographic scope. Sub-funds that invest their assets in a small number of countries or in one or several particular regions will be more closely tied to those countries' or regions' market, currency, economic, political, environmental and regulatory conditions, as well as their changing situations. Consequently, these Sub-Funds are likely to perform less well than funds invested in other parts of the world when the economies within their investment areas encounter difficulties or their equities are in decline. In addition, the economies within the investment area of these Sub-Funds may be significantly affected by adverse political, economic or regulatory changes.

### **Portfolio focus**

Although the strategy of a number of Sub-Funds to invest in a limited number of equities offers the potential of generating attractive returns over time, this strategy is likely to increase the volatility of the investment performance of these Sub-Funds compared with funds that invest in a large number of equities. If the equities in which said Sub-Funds invest do not perform well, the Sub-Funds may suffer greater losses than if the investment had included a larger number of equities.

### **ESG-driven investments**

When provided for in their appendices, certain Sub-funds may seek to implement all or part of their investment policy in accordance with the Delegated Investment Manager's environmental, social and governance criteria ("ESG criteria"). By using ESG criteria, the relevant Sub-fund's objective would specifically be to better manage risk and generate sustainable, long-term returns.

ESG criteria may be generated using the Delegated Investment Manager's proprietary models, third party models and data, or a combination of both. Such models mainly take into account the ESG scoring as well as other metrics integrated in and applicable to the models of the issuing companies. The Delegated Investment Manager may also take into consideration case studies, environmental impact associated with the issuers and company visits. Shareholders should note that assessment criteria may change over time or vary depending on the sector or industry in which the relevant issuer operates. Applying ESG criteria to the investment process may lead the

*Delegated Investment Manager to invest in or exclude securities for non-financial reasons, regardless of the market opportunities available, if they are assessed without taking into account ESG criteria.*

*Shareholders should note that ESG data received from third parties may be incomplete, inaccurate or unavailable from time to time. As a result, there is a risk that the Delegated Investment Manager may incorrectly assess a security or issuer, resulting in the incorrect direct or indirect inclusion or exclusion of a security in the portfolio of a Sub-fund.*

*In addition, the ESG principles which may be applied by the Delegated Investment Manager when determining a company's compliance with predefined ESG criteria are intentionally non-prescriptive, allowing for a diversity of solutions for ESG incorporation for each relevant Sub-fund. However, the flexibility also leads to potential confusion around the application of ESG criteria without a generally agreed framework for constructing such an investment strategy.*

### ***Sustainability risk***

*The Sub-funds are subject to sustainability risks which, within the meaning of Regulation 2019/2088 (Article 2(22)), consist of environmental, social or governance events or conditions which, if they occur, could cause an actual or a potential material negative impact on the value of the investment.*

*Sustainability risks are principally linked to climate-related events resulting from climate change (physical risks) or to society's response to climate change (transition risks), which may result in unanticipated losses that could affect the Sub-funds' investments and financial position.*

*Social events (e.g. inequality, inclusiveness, labour relations, investment in human capital, accident prevention, changing customer behaviour, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, product quality and safety, selling practices, etc.) may also translate into sustainability risks.*

*Sustainability factors relate to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters (the "sustainability factors").*

*The portfolio investment process is based on a sophisticated and binding ESG approach with a greater focus on highly rated securities from an ESG viewpoint in order to mitigate the potential impact of sustainability risks on portfolio return. Further information on the framework for the incorporation of sustainability risks can be found in the Sustainability Risk Management Policy of the Management Company on its website.*

For a full description of the risks associated with an investment in the master sub-fund, please refer to the section entitled "Main Risks" in the prospectus for the MIROVA FUNDS SICAV.

### **□ TARGET SUBSCRIBERS AND TYPICAL INVESTOR PROFILE:**

(C) and (D) units are for all subscribers, more specifically intended for natural persons.

N units are intended for investors subscribing via distributors or intermediaries that:

- are subject to national legislation prohibiting all retrocessions to distributors
- provide an independent advisory service as defined by the European MiFID II regulation or an individual portfolio management service under mandate.

The Fund is intended for subscribers wishing to benefit from the performance of equities on an international level, issued by companies whose business relates in whole or in part to environmental services, public utilities, energy, energy efficiency and improving quality of life.

American investors, or investors residing in the territory of the United States of America, are not permitted to subscribe to this Fund.

Taking into account the provisions of Council Regulation (EU) 833/2014, subscription to units of this Fund is prohibited to any Russian or Belarusian national, to any natural person residing in Russia or Belarus, and to any legal person, entity or body incorporated in Russia or Belarus, except for nationals of a member state or any natural person holding a temporary or permanent residence permit in a member state.

The minimum recommended investment period is five years.

The amount that it would be reasonable to invest in the Fund depends on the amount of risk the investor is willing to take. This amount also depends on the holder's personal profile, particularly their financial situation and the current composition of their financial assets. **Building and holding a financial asset portfolio implies a diversification of investments.** It is also recommended that anyone wishing to subscribe to units in the Fund contact their usual adviser in order to obtain information or advice tailored to their personal circumstances.

□ **PROCEDURES FOR DETERMINING AND ALLOCATING DISTRIBUTABLE INCOME – ALLOCATION FREQUENCY**

The Fund is an accumulation fund (C and N units) and a distribution fund (D units).

The distributable income for accumulation units (C and N units) is accumulated (distribution frequency: annual).

The net income from distribution units (D units) is distributed.  
Net realised capital gains from distribution units (D units) are accumulated.

□ **CHARACTERISTICS OF THE UNITS:**

Units	ISIN code	Base currency	Divisions of units	Initial net asset value	Tax provisions
C	FR0010521575	Euro	One ten-thousandth of a unit	€1,000	PEA
D	FR0013321296	Euro	One ten-thousandth of a unit	€100	PEA
N	FR0013299229	Euro	One ten-thousandth of a unit	€1,000	PEA

□ **SUBSCRIPTION AND REDEMPTION PROCEDURES:**

- ◆ Subscription and redemption procedures and conditions:

Requests for subscriptions and redemptions are received mainly in regional branches of BANQUE POPULAIRE, as well as CAISSES d'EPARGNE, NATIXIS and CACEIS BANK. These requests are cleared by the institution responsible for this function (CACEIS BANK) on each valuation date (date on which the net asset value is calculated), at 11:00 a.m.

They are executed on the basis of the first net asset value calculated after receipt of the order, i.e. the price will not be known when the order is received.

Institution appointed to receive subscriptions and redemptions: CACEIS Bank  
Registered office: 89-91 rue Gabriel Péri, 92120 Montrouge, France  
Postal address: 12 Place des États-Unis, 92549 Montrouge Cedex, France

Investors should be aware that orders submitted to marketing agents are also subject to the closing time for the clearing of orders as applied to these marketing agents with regard to CACEIS BANK. Consequently, these marketing agents may stipulate an earlier cut-off deadline that precedes the cut-off time mentioned above to allow instructions to be sent to CACEIS BANK in good time. The net asset value is calculated on each full bank business day in Luxembourg, with the exception of official public holidays in Luxembourg.

Units	ISIN code	Minimum initial subscription	Minimum subsequent subscription
C	FR0010521575	One ten-thousandth of a unit	One ten-thousandth of a unit
D	FR0013321296	One ten-thousandth of a unit	One ten-thousandth of a unit
N	FR0013299229	One ten-thousandth of a unit	One ten-thousandth of a unit

The net asset value may be obtained from:

- the management company:  
Natixis Investment Managers International  
43 avenue Pierre Mendès France  
75013 Paris, France  
Website: [www.im.natixis.com](http://www.im.natixis.com)
- regional branches of Banque Populaire and Natixis.

- via the "Tonalité Finances & Assurances" server on +33 (0)8 92 68 22 00 (€0.34 per min within mainland France)

Orders are executed in accordance with the table below:

D business day	D business day	D: NAV calculation day	D+1 business day	D+2 business days	D+2 business days
Clearing before 11:00 CET for subscription orders*	Clearing before 11:00 CET for redemption orders*	Execution of the order on D at the latest	Publication of the net asset value	Settlement of subscriptions <sup>1</sup>	Settlement of redemptions <sup>1</sup>

\*Unless a specific deadline has been agreed with your financial institution.

Procedures for switching to another unit class and tax consequences: switching between two unit classes constitutes a sale followed by a subscription. It is likely to generate a taxable capital gain for the unitholder.

**Redemption capping mechanism (gates mechanism):**

The prospectus of MIROVA EUROPE ENVIRONMENTAL EQUITY FUND, the master sub-fund (the “Master”) of the MIROVA FUNDS SICAV, provides for the option of triggering the gates mechanism, under the conditions defined hereafter.

In the event that the Master triggers the gates mechanism and for as long as this mechanism lasts, your redemption orders may not be executed while the feeder fund is unable to redeem the units of the Master.

**Reminder of the redemption carry-forward mechanism of the Master fund:**

*If the total value of redemption requests received by the Registration and Transfer Agent, on any given day, corresponds to more than 5% of the net assets of a Sub-fund, the management company can postpone all or some of these redemption requests, and can also defer the payment of the redemption price for as long as it deems is in the interest of the Sub-fund and its shareholders. Any deferred redemptions or deferred payments of the redemption proceeds will be processed as a priority over any redemption requests received at a later redemption date.*

**Redemption capping mechanism (gates mechanism) of the feeder fund:**

*The Management Company may implement the so-called “gates mechanism” to spread redemption requests of the Fund’s unitholders over several net asset values when they exceed a certain level, determined in an objective manner.*

*It may decide not to execute all redemptions at the same net asset value, irrespective of the implementation of the management strategy, in the event of “unusual” market conditions degrading liquidity on the financial markets and if the interests of unitholders so dictate.*

**Description of the method used:**

The management company may decide not to carry out all redemptions at the same net asset value if its predetermined threshold is reached at the same net asset value.

As a reminder, the threshold for triggering the gates mechanism is linked to the ratio between:

- the difference, at the same clearing date, between the number of units of the Fund whose redemption is requested, expressed as an amount (number of shares multiplied by the last net asset value), and the number of units of the Fund whose subscription is requested or the total amount of these subscriptions; and
- the net assets or the total number of units of the Fund.

Redemption capping may be triggered by the management company when a 5% threshold of net assets is reached.

The trigger threshold is the same for all Fund unit classes.

When redemption requests exceed the trigger threshold, the management company may decide to honour them beyond said threshold and thus execute some or all orders that may be blocked.

.The maximum period for applying the redemption capping mechanism is 20 net asset values over three months.

**Information procedures for unitholders:**

If a redemption capping mechanism is activated, unitholders will be informed by any means on the website: <https://www.im.natixis.com/uk/home>.

The Fund’s unitholders whose orders have not been executed will receive a specific notification as soon as possible.

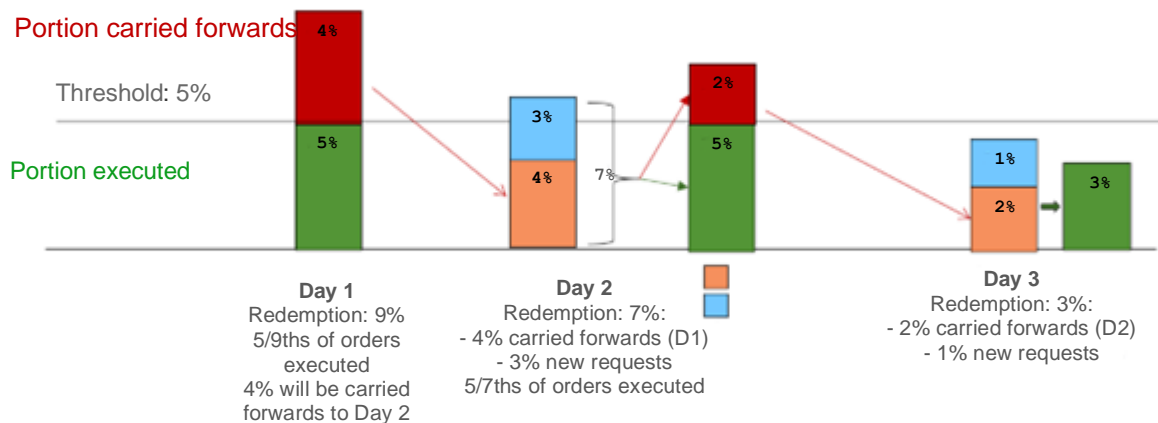


**Processing of non-executed orders:**

Redemption orders will be executed in the same proportions for Fund unitholders having requested a redemption from the last clearing date. Non-executed orders will automatically be carried forwards to the next net asset value and will not take priority over new redemption orders sent for execution at the following net asset value.

In any event, redemption orders that are not executed and are automatically carried forwards may not be cancelled by the Fund unitholders.

Example of implementing the mechanism on the Fund:



Day 1: Assuming that the threshold is set at 5% and that total redemption requests amount to 9% for Day 1, 4% of requests cannot be executed on Day 1 and will be carried forwards to Day 2.  
Day 2: Let's assume that total redemption requests amount to 7% (including 3% new requests). As the threshold is set at 5%, 2% of the requests will therefore not be executed on Day 2 and will be carried forwards to Day 3.

**FEES AND COMMISSIONS:**

**Subscription and redemption fees:**

Subscription and redemption fees increase the subscription price paid by the investor or reduce the redemption price. The fees charged by the Fund serve to offset the charges it incurs when investing and divesting investors' holdings. Remaining fees are paid back to the management company, marketing agent, etc.

<b>Fees charged to the investor, payable at the time of subscription or redemption</b>	<b>Base</b>	<b>Rate scale</b>
Subscription fee payable to third parties	Net asset value X Number of units	3%, maximum rate
Subscription fee retained by the Fund	Net asset value X Number of units	None
Redemption fee payable to third parties	Net asset value X Number of units	None
Redemption fee retained by the Fund	Net asset value X Number of units	None

Exception:

- Subscription/redemption operations carried out simultaneously on the basis of the same net asset value and for the same number of securities.

Fees invoiced to the Fund:

These charges cover:

- Financial management fees.
- Operating and other service expenses (statutory auditor, custodian, distribution, lawyers):
  - I. All fund registration and benchmarking fees
    - All costs related to the registration of the Fund in other Member States (including costs charged by advisers (lawyers, consultants etc.) for carrying out marketing procedures with the local regulator on behalf of the portfolio management company);
    - UCI listing fees and publication of net asset values for investor information;
    - Distribution platform fees (excluding retrocessions); agents in foreign countries involved in distribution: local transfer agent, paying transfer agent, facility agent etc.

Fund promotion fees, such as advertising, customer events and retrocessions to distributors, are excluded

II. All customer and distributor information costs

- Costs of compiling and distributing KIIDs/KIDs/prospectuses and regulatory reports;
- Costs related to the disclosure of regulatory information to distributors;
- Provision of information to unitholders by any means (publication in the press, other);
- Information specific to direct and indirect unitholders: letters to unitholders etc.;
- Website administration costs;
- Translation fees specific to the Fund.

Letters to unitholders are excluded if they relate to mergers, absorptions and liquidations.

III. All data charges

- Licensing costs of the benchmark index used by the Fund;
- Costs of data used for redistribution to third parties (e.g. reuse of issuer ratings, index compositions, data etc.);
- Costs arising from specific client requests (e.g. a request to add two specific non-financial indicators to the reporting as requested by the client);
- Data charges for single products that cannot be amortised over several portfolios. Example: an impact fund requiring specific indicators;
- Audit fees and label promotion costs (e.g. SRI label, Greenfin label).

This excludes research fees in the interest of maintaining the current approach of displaying research fees and financial and non-financial data charges for financial management (e.g. Bloomberg messaging service and data visualisation).

IV. All custodian, legal, audit, tax fees etc.

- Statutory auditors' fees;
- Fees related to the custodian;
- Fees related to account-holders;
- Fees related to the delegation of administrative and accounting management;
- Audit fees;
- Tax expenses including lawyers and external experts (recovery of withholding taxes on behalf of the Fund, local tax agent etc.);
- Legal fees specific to the UCI;
- Guarantee fees;
- Costs of creating a new sub-fund that can be amortised over five years.

V. Fees related to compliance with regulatory obligations and regulatory reporting

- Costs of preparing regulatory reports to the regulator specific to the UCI (MMF reporting, AIFM, ratio overruns etc.);
- Mandatory professional association contributions;
- Operating fees for monitoring threshold crossings;
- Operating fees for the deployment of voting policies at Shareholders' Meetings.

VI. Operating expenses

- Fees from compliance monitoring and control of investment restrictions where such restrictions arise from specific customer requests and are specific to the UCI.
- This excludes all fees relating to the purchase and sale of the UCI's assets and fees relating to risk control.

VII. Fees related to customer knowledge

- Operating fees for customer compliance (due diligence and creation/updating of customer files).
  
- Maximum indirect costs (management fees and charges) in the case of funds investing more than 20% in other UCITS, AIFs or investment funds.
- Transfer fees.
- Performance fees.

<b>Fees invoiced to the Fund:</b>	<b>Base</b>	<b>Rate scale</b>
Financial management fees	Net assets	0.80% incl. tax Maximum rate for C and D units
Operating and other service expenses		0.20% incl. tax Maximum rate for the N unit
Maximum indirect charges (management fees and charges)	Net assets	0.80%*
Performance fee	Net assets	20% of the performance in excess of the MSCI Europe DNR index denominated in euros
Transfer fees	Deduction from each transaction	None

*\* Recap of the direct fees and charges for the **MIROVA EUROPE ENVIRONMENTAL EQUITY FUND** master sub-fund, which represent the indirect fees for the feeder fund:*

<i>Share class</i>	<i>Management fees</i>	<i>Service fees</i>	<i>Total charges</i>	<i>Maximum subscription fee</i>	<i>Maximum redemption fee</i>	<i>Performance fee</i>
<i>M/D (EUR)</i>	<i>0.70% p.a.</i>	<i>0.10% p.a.</i>	<i>0.80% p.a.</i>	<i>None</i>	<i>None</i>	<i>None</i>

“Total charges” equates to the sum of “Management fees” and “Service fees”

**Method for calculating the performance fee for the feeder fund:**

The management company will receive a performance fee, where applicable, when the Fund's performance exceeds that of the benchmark index.

The performance fee applicable to a particular unit class is based on a comparison of the Fund's valued assets and its reference assets.

**The valued assets** of the Fund are the portion of the net assets corresponding to a specific unit class, valued in accordance with the valuation rules applicable to the assets and taking into account the actual operating and management fees corresponding to this unit class.

**The reference assets** are the portion of the Fund's assets corresponding to a specific unit class, adjusted to take into account the subscription/redemption amounts applicable to this unit class at each valuation and, if need be, valued in accordance with the performance of the selected benchmark index.

**The benchmark index** used for calculating the performance fee: MSCI Europe DNR, closing price. It is denominated in euros.

**The observation period** corresponds to:

- For the first observation period for the C unit: from 12 November 2013 to 31 December 2014.

- For the first observation period for the N unit: from 13 December 2017 to 31 December 2018.
- For the first observation period for the D unit: from 9 March 2018 to 31 December 2019.
- For the periods that follow: from 1 January to 31 December of each year.

If, during the observation period, the Fund's performance exceeds the reference assets as set out above, the variable portion of the management fees will represent up to 20% including tax of the difference between these two assets.

If, during the observation period, the Fund's valued assets are less than the reference assets, the variable portion of the management fees will be zero.

If, during the observation period, the Fund's valued assets exceed the reference assets, this difference will be subject to a provision for a performance fee at the time of the net asset value calculation.

In the event that the Fund's valued assets are less than the reference assets between two net asset values, any previously approved provision will be reduced accordingly. Reductions in provisions must not exceed the previous allocations.

This variable portion will only be collected at the end of the accounting period if, over the elapsed period, the Fund's valued assets exceed the reference assets at the time of the final net asset value for the reference period.

In the event of redemption, the portion of the provision corresponding to the number of units redeemed accrues permanently to the management company.

Where the Fund uses a performance fee model based on reference assets, the management company should ensure that any underperformance of the Fund in relation to the reference assets is offset before performance fees become payable over the five-year reference period.

The crystallisation frequency is the frequency at which the cumulative performance fee, where applicable, becomes payable to the management company.

The crystallisation frequency is aligned with the observation period and should be no more than once a year.

Any underperformance of the Fund's valued assets in relation to the reference assets at the end of the observation period in question must be offset before any performance fee becomes payable over five years on a rolling basis. That is, the management company must cover the previous five years in order to offset any underperformance.

There will be a reset if:

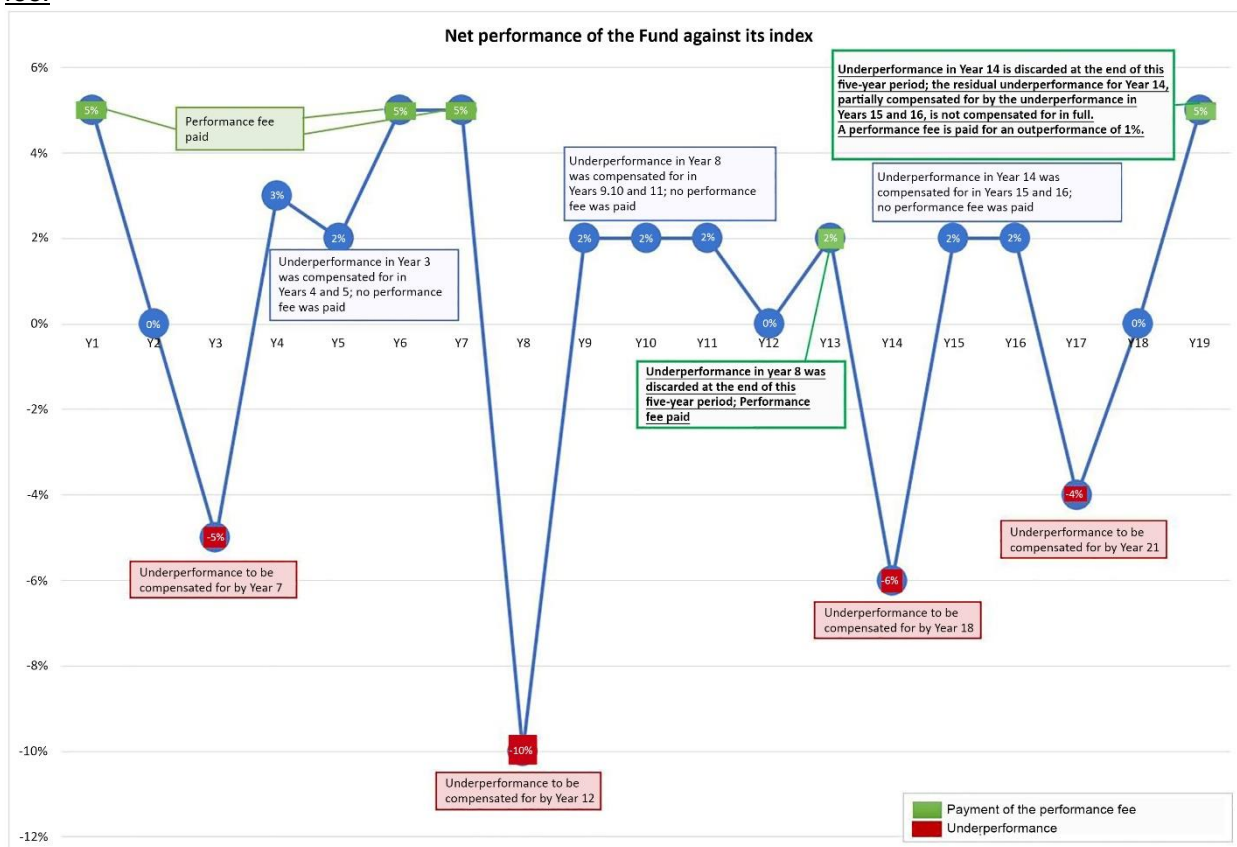
- underperformance has not been offset and ceases to be relevant as the five-year period elapses;
- a performance fee is paid at any time during this five-year period.

If the Fund's valued assets have outperformed the reference assets on the last valuation day of the observation period, the management company should be able to crystallise the performance fees accrued over the observation period (subject to any offsetting as indicated above). This crystallised performance fee will become payable to the management company within [one month].

When units are redeemed and/or closed/merged, the due portion of the performance fee corresponding to the number of units that have been redeemed becomes definitively payable to the management company within [one month] of the observation period in question.

This performance fee is only collected at the end of the accounting period if, over the elapsed period, the UCITS' valued assets exceed the reference assets at the time of the final net asset value for the reference period, even if the UCITS records a negative performance, provided that the UCITS outperforms its reference index.

**Examples of calculating and charging a 20% performance fee:**



Year No. (year-end date)	Performance of the valued assets in terms of value at year-end	Performance of the reference assets in terms of value at year-end	Net performance (Comparisons between valued assets in the Sub-fund and reference assets)	Outperformance/underperformance to be offset from the previous year	Payment of performance fee	Comments
31 December of Year 1	10	5	Performance of +5 Calculation: 10 - 5	X	Yes	(5 x 20%)
31 December of Year 2	5	5	Net performance of 0 Calculation: 5 - 5	X	No	
31 December of Year 3	3	8	Underperformance of -5 Calculation: 3 - 8	-5	No	Underperformance to be offset by Year 7
31 December of Year 4	4	1	Performance of +3 Calculation: 4 - 1	-2 (-5 + 3)	No	
31 December of Year 5	2	0	Performance of +2 Calculation: 2 - 0	0 (-2 + -2)	No	Underperformance from Year 3 rectified
31 December of Year 6	-1	-6	Performance of +5 Calculation: -1 - (-6)	X	Yes	(5 x 20%)

			6)			
31 December of Year 7	4	-1	Performance of +5 Calculation: 4 - (-1)	X	Yes	(5 x 20%)
31 December of Year 8	-10	+0	Underperformance of -10 Calculation: -10 - 0	-10	No	Underperformance to be offset by Year 12
31 December of Year 9	-1	-3	Performance of 2 Calculation: -1 - (-3)	-8 (-10 + 2)	No	
31 December of Year 10	-5	-7	Performance of +2 Calculation: -5 - (-7)	-6 (-8 + 2)	No	
31 December of Year 11	0	-2	Performance of +2 Calculation: 0 - (-2)	-4 (-6 + 2)	No	
31 December of Year 12	1	1	Net performance of +0 Calculation: 1 - 1	-4	No	The underperformance from Year 12 to be carried over to the following year (13) is 0 (not -4). The residual underperformance (-10) from Year 8 has not been offset (-4) at the end of the five-year period. It is therefore discarded.
31 December of Year 13	4	2	Performance of +2 Calculation: 4 - 2	No	Yes	(2 x 20%)
31 December of Year 14	1	7	Underperformance of -6 Calculation: 1 - 7	-6	No	Underperformance to be offset by Year 18
31 December of Year 15	6	4	Performance of +2 Calculation: 6 - 4	-4 (-6 + 2)	No	
31 December of Year 16	5	3	Performance of +2 Calculation: 5 - 3	-2 (-4 + 2)	No	
31 December of Year 17	1	5	Underperformance of -4 Calculation: 1 - 5	-6 (-2 + -4)	No	Underperformance to be offset by Year 21
31 December of Year 18	3	3	Net performance of 0 Calculation: 3 - 3	-4	No	The underperformance from Year 18 to be carried over to the following year (19) is -4 (not -6). The residual underperformance

						(-6) from Year 14 has not been offset at the end of the five-year period. It is therefore discarded.
31 December of Year 19	7	2	Performance of 5 Calculation: 7 - 2	X +1 (-4 + 5)	Yes	The residual underperformance from Year 17 had not been fully compensated for (-4) and is now offset by the performance from Year 19 (5) (1 X 20%).

For further information, please refer to the annual report for the Fund.

**BRIEF DESCRIPTION OF THE SELECTION PROCEDURE FOR INTERMEDIARIES**

The management company has implemented a selection and assessment procedure for intermediaries and counterparties, which takes into account such objective criteria as quality of research, commercial monitoring and execution. This procedure is available on the management company's website at: [www.im.natixis.com](http://www.im.natixis.com) (under the section "Commitments", "Intermediary/counterparty selection policy").

**III COMMERCIAL INFORMATION**

**□ DISTRIBUTION OF INFORMATION ABOUT THE FUND - INFORMATION FOR UNITHOLDERS**

**DISTRIBUTION OF THE PROSPECTUS AND ANNUAL AND INTERIM DOCUMENTS**

• These documents will be sent to unitholders on written request to:

Natixis Investment Managers International  
43 avenue Pierre Mendès France  
Direction « Service Clients »  
75013 Paris, France  
[ClientServicingAM@natixis.com](mailto:ClientServicingAM@natixis.com)

These documents will be sent within one week.

***The information documents pertaining to the MIROVA EUROPE ENVIRONMENTAL EQUITY FUND master sub-fund under Luxembourg law, are available from Natixis Investment Managers International.***

• These documents are also available at [www.im.natixis.com](http://www.im.natixis.com)

• Further information may be obtained from regional branches of BANQUE POPULAIRE and from NATIXIS.

A list of Banque Populaire regional branches with their addresses is available at [www.banquepopulaire.fr](http://www.banquepopulaire.fr).

**INFORMATION ON THE NET ASSET VALUE**

The net asset value may be obtained from Natixis Investment Managers International, regional branches of BANQUE POPULAIRE and at [www.im.natixis.com](http://www.im.natixis.com) and from the "Tonalité Finances & Assurances" server on +33 (0)8 92 68 22 00 (€0.34 per min within mainland France).

**COMMERCIAL DOCUMENTATION**

Commercial documentation is available to the Fund's unitholders and subscribers at regional branches of BANQUE POPULAIRE and NATIXIS and at [www.im.natixis.com](http://www.im.natixis.com)



#### **INFORMATION IN THE EVENT OF AN AMENDMENT TO FUND OPERATIONS**

Unitholders are informed of any changes concerning the Fund in line with the procedures drawn up by the AMF either individually, by post, via the press, or by any other means.

If applicable, this information may be provided via Euroclear France and its associated financial intermediaries.

#### **ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) CRITERIA:**

Information on the procedures for taking account of criteria relating to compliance with environmental, social and governance (ESG) quality objectives can be found in the annual reports for the relevant UCITS/AIF and on the management company's website.

### **IV INVESTMENT RULES**

The Fund is fully and permanently invested in equities within a single master sub-fund, MIROVA EUROPE ENVIRONMENTAL EQUITY FUND, and on an ancillary basis, in cash and cash equivalents held up to the limits of the requirements pertaining to the management of the Fund's cash flows.

### **V OVERALL RISK**

Global Risk Exposure of the Master Sub-fund is managed using the "Commitment Approach" described in the "Use of derivatives, special investment techniques and hedging" — "Global Risk Exposure" section.

The calculation method used by the feeder fund is the commitment method.

### **VI ASSET VALUATION AND ACCOUNTING RULES**

Securities held in the portfolio of the feeder fund are valued at the last net asset value of the MIROVA EUROPE ENVIRONMENTAL EQUITY FUND master sub-fund (M/D Equity (EUR)).

### **VII REMUNERATION**

Details of the management company's remuneration policy are available at [www.im.natixis.com](http://www.im.natixis.com).

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:** Mirova Europe Environnement  
**Legal entity identifier:** 969500OI9KB7CE54ZD73

**Sustainable investment objective**

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<input checked="" type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: 60%</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input type="checkbox"/> It promotes <b>Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input checked="" type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: 1%</b>	<input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

**What is the sustainable investment objective of this financial product?**

- The Fund's sustainable investment objective is to allocate capital to companies:
- that offer positive innovative solutions to address problems related to key environmental issues such as renewable energy, industrial energy efficiency, sustainable waste and water management, sustainable agriculture, clean transport, green building; and
  - that contribute positively, through their products, services and/or practices, to achieving one or more UN Sustainable Development Goals (SDGs).

Furthermore, given the importance of a stable climate and successful ecosystem services, the delegated investment manager aims to build an investment portfolio that is representative of an economy in which global warming should be kept below 2°C, in accordance with the 2015 Paris Agreement, and that contributes to preserving biodiversity and using its components sustainably.

The investment manager's exclusive sustainability research framework was developed to assess the overall impact of assets on sustainability and to select investment objectives that contribute to the SDGs without having a material adverse impact on the other SDGs.

This Fund may invest in economic activities that contribute to the environmental objectives set out in Article 9 of the Regulation (EU) 2020/852 (the EU Taxonomy Regulation): (a) climate change mitigation and adaptation, (b) sustainable use and protection of water and marine resources, (c) transition to a circular economy, (d) pollution prevention and control, (e) protection and restoration of biodiversity and ecosystems.

The alignment of each company's economic activities with the above objectives is identified and measured, provided that the investment manager has the necessary data and that this data is of suitable quality. Depending on the investment opportunities available, the Fund may contribute to one of the aforementioned environmental objectives and may not contribute to all of the objectives at all times.

No benchmark has been designated for the purpose of achieving the sustainable investment objective.

● **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

The attainment of the sustainable investment objective is measured by, but is not limited to, the following qualitative and quantitative indicators:

- 1) the percentage of the Fund assets aligned with the sustainable investment objectives, measured in accordance with the internally developed sustainable opinion, showing the positive net impact of the portfolio on the achievement of the SDGs;
- 2) The percentage contribution of the Fund assets by SDG and/or by environmental and social impact pillar (i.e. climate, biodiversity, circular economy, socio-economic development, health and well-being, diversity and inclusion);
- 3) the estimated impact of the Fund on average global warming, taking into account the carbon footprint of each investee company throughout its life cycle (i.e. Scope 1, 2 and 3 emissions) and focusing on two main indicators:

- “induced” emissions arising from the “life cycle” of a company’s activities, including direct emissions and emissions from suppliers and products;
  - “avoided” emissions thanks to improved energy efficiency or through adopting green solutions.
- 4) 4. Exposure level: The Fund’s exposure to activities contributing to the energy or ecological transition, such as renewable energy, industrial energy efficiency, sustainable waste and water management, sustainable land use, clean transport, and green building.

***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

The sustainability analysis aims to identify any relevant residual environmental and social risks stemming from the companies’ activities and/or practices and to assess the quality of the measures taken by those companies to mitigate these risks (the “DNSH Test”). In particular, this analysis takes into account the level of exposure of the investee company to certain sectors or activities that may be considered harmful to the environment and/or to the company and the exposure to any relevant social or environmental controversies.

Following this qualitative analysis, the investment manager issues a binding opinion that systematically excludes from the investment universe companies whose economic activities or practices are considered to have a material adverse impact on the achievement of one or more UN SDGs, regardless of their positive contribution.

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

As part of the residual ESG risk analysis carried out by each investee company, the investment manager systematically assesses and monitors indicators that are deemed to indicate the presence of principal adverse impacts, in particular by taking into account data on mandatory principal adverse impact (PAI) indicators referred to in consolidated regulatory technical standards for the assessment of sustainable investments, in accordance with Article 2, paragraph 17, of the Sustainable Finance Disclosure Regulation (SFDR). Where the data necessary for the calculation of certain PAI indicators is not available, the investment manager may use qualitative or quantitative substitutes covering topics similar to the PAI indicators in question.

Adverse impacts are prioritised according to the specificities of the sectors and business models of the companies being considered for investment, using a combination of criteria based on:

- analysis of the company’s exposure to environmental impacts drawing on scientific data from international organisations (e.g. energy intensity, impacts on biodiversity etc.);

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- analysis of the company's exposure to problems associated with workers' rights and employee-related issues through its sites, business model and supply chain setup (e.g. exposure to health and safety risks, exposure to countries with specific human rights risks etc.);
- analysis of the company's impact on local communities and consumers;
- analysis of ongoing or potential controversies.

Where the investment manager believes that the processes and practices of the portfolio company are insufficient to mitigate environmental, social and governance risks, in particular regarding the relevant PAIs, the company's impact is considered negative, making it ineligible for investment.

*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 selects portfolio companies by ensuring that they comply with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The investment manager continuously reviews companies' backgrounds and current affairs to identify key controversies. Business involvement and remedial action are taken into account. The risk of potential breaches may be monitored by analysing companies' commitments for additional assurance. Companies that the investment manager considers to be in serious breach of the OECD Guidelines for Multinational Enterprises or the UN Guiding Principles on Business and Human Rights are recognised as causing significant harm and are therefore no longer eligible.



### **Does this financial product consider principal adverse impacts on sustainability factors?**

Yes

The PAI indicators are included in the sustainability analysis framework and the results are part of the DNSH Test.

More information on principal adverse impacts in relation to sustainability can be found in the periodic reports in accordance with Article 11(2) of the SFDR.

No



## What investment strategy does this financial product follow?

The Fund follows a multi-thematic sustainable investment strategy and aims to identify European companies that offer sustainable, green solutions to environmental problems and that contribute positively to the achievement of one or more SDGs.

The investment policy is based on active management, combining a strong stance on sustainability issues and selection of securities that is based on in-depth fundamental analysis of companies, combining financial and sustainability considerations.

The sustainable investment strategy combines:

- the systematic thematic approach (selecting issuers that are active in sustainable development issues or sectors, as evidenced by an internal rating system demonstrating the net positive impact of the portfolio on the achievement of the SDGs);
- the “best-in-universe” approach (selecting the highest-rated issuers, regardless of their business sector, compared to the MSCI Europe Net Dividends Reinvested index, the Fund’s benchmark (the “Benchmark”), which is a broad market index);
- the exclusion approach: does not consider exclusions as a central element of its sustainability approach. However, the Fund applies the investment manager’s minimum standards exclusion policy, which sets out exclusion criteria for companies exposed to controversial activities (fossil fuels, palm oil, tobacco, military equipment etc.).

Further information on the Fund’s general investment policy can be found in the Investment Policy section of the prospectus.

## ● *What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?*

The Fund employs the following binding elements:

- The Fund invests only in assets assessed as having a positive impact (i.e. assessed as having a high, moderate or low impact according to the investment manager’s sustainability opinion methodology). Companies or issuers with a negligible or negative impact on the achievement of the SDGs are excluded. The Fund does not invest in assets with a rating lower than “Low impact”;
- The Fund’s exposure to companies with a positive impact is consistently higher than that of the benchmark;
- The temperature of the Fund’s portfolio is consistent with the scenario of limiting global warming to a maximum of 2°C, taking into account induced and avoided emissions according to the investment manager’s internal methodology;
- The Fund complies with the investment manager’s “minimum standards” exclusion policy, which applies exclusion criteria for companies exposed to controversial activities (fossil fuels, palm oil, tobacco, military equipment etc.).

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

### Good governance

practices include sound management structures, employee relations, remuneration of staff and tax compliance.

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

Governance considerations are incorporated into the investment manager's financial assessment and sustainability opinion. Such considerations include:

- the effective monitoring of environmental and social issues (such as relationships with employees) and the integration of sustainability into the area of responsibility of the Board of Directors and the management team;
- sound practices in terms of commercial ethics;
- the fair distribution of value between stakeholders (particularly with regard to staff remuneration) and compliance with all tax obligations;
- the analysis of the quality of the company's management;
- the alignment of corporate governance with a long-term vision;
- the balance of power between the executive body, the supervisory body and the shareholders of the issuer;
- the overall remuneration allocated to the company's management;
- an analysis of the quality and independence of the Board of Directors, and of respect for the interests of minority shareholders.



### Asset allocation

describes the share of investments in specific assets.

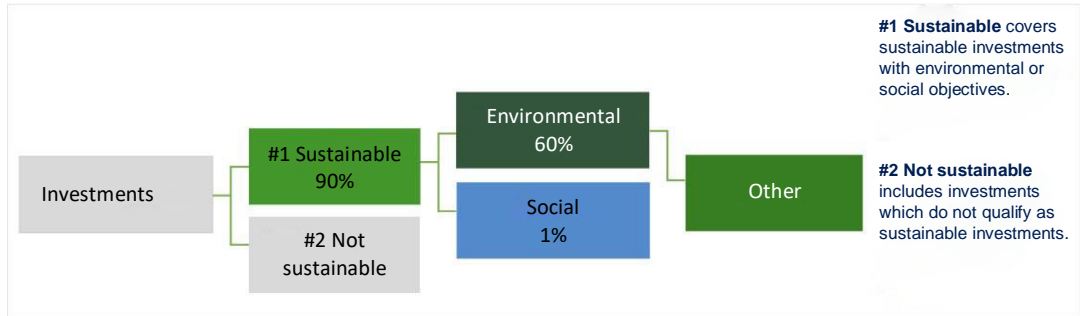
### **What is the asset allocation and the minimum share of sustainable investments?**

The Fund aims to invest only in sustainable investments as defined in Article 2, paragraph 17, of the SFDR. The percentage of sustainable investments is therefore set at 90% of the Fund's net assets (#1 Sustainable).

Sustainable investment with environmental and/or social objectives is assessed with regard to the achievement of the environmental and/or social SDGs.

Asset allocation may change over time and sustainable investment percentages should be taken as a minimum commitment averaged over a long period of time.

Furthermore, the Fund may hold cash or cash equivalents and derivatives for the purposes of exchange risk management up to a maximum of 10% of its net assets (#2 Not sustainable).



● **How does the use of derivatives attain the sustainable investment objective?**

The Fund may use derivatives for hedging and investment purposes (permitted, but very rarely used).

The use of derivatives does not alter the Fund’s capital allocation or exposure and therefore has no impact on its sustainable investment objective or sustainability indicators.



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

N/A

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

Yes:

In fossil gas

In nuclear energy

No

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



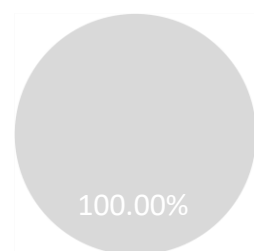
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

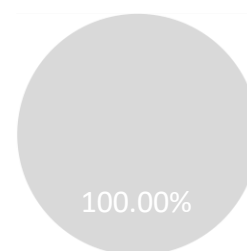
*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy alignment of investments excluding sovereign bonds\*



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

\* 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?**

N/A



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

The Fund will invest a minimum of 60% in sustainable investments with an environmental objective. These are likely to include sustainable investments that are not aligned with the EU Taxonomy. The investment manager has developed an internal taxonomy to identify companies that contribute positively, through their products, services or practices, to environmental issues. This internal taxonomy defines quantitative and qualitative criteria to assess a company's contribution to these issues. It also includes a wider range of issues and sectors than those currently identified by the EU Taxonomy. The overall sustainability assessment carried out for each investee company includes an examination of the positive impacts on three environmental issues: climate stability, biodiversity and the circular economy. The examination of these issues aims to identify companies whose activities or practices:



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

- contribute to the development of low-carbon energy, eco-efficiency, clean transport and green building or align with an advanced decarbonisation strategy; or
- promote sustainable land use, land conservation and sustainable water management or align with an advanced biodiversity conservation strategy; or
- promote sustainable waste management or a circular business model.



**What is the minimum share of sustainable investments with a social objective?**

The Fund will invest a minimum of 1% in sustainable investments with a social objective.

The overall sustainability assessment carried out for each investee company includes an examination of the positive impacts on three social issues: socio-economic development, health and well-being, and diversity and inclusion.

The examination of these issues aims to identify companies whose activities or practices:

- contribute to promoting access to sustainable basic services, to making an impact on the local community or to promoting better working conditions; or
- support the development of healthcare, healthy eating habits, knowledge, education, or safety; or
- promote diversity and inclusion through dedicated products and services or advanced practices relating to the workforce.



**What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?**

For technical or hedging purposes, the Fund may hold cash or cash equivalents and derivatives for the purposes of exchange risk management up to 10% of its net assets. Due to their technical and neutral nature, these assets are not considered to be sustainable investments, and no minimum safeguard has been put in place.



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

N/A

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

N/A

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

N/A

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

N/A

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

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.



#### Where can I find more product-specific information online?

More product-specific information can be found on the website:

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