NATIXIS INVESTMENT MANAGERS INTERNATIONAL

UCITS under French law

MIROVA EUROPE ENVIRONNEMENT

The UCITS is a feeder fund for the master UCI MIROVA EUROPE ENVIRONMENTAL EQUITY FUND

ANNUAL REPORT as at 30 December 2022

Management Company: Natixis Investment Managers International

Depositary: CACEIS Bank

Statutory Auditor: Mazars

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1. Management report

a) Investment guidelines

■ Management policy

The MIROVA EUROPE ENVIRONNEMENT Fund/Sub-fund invests all its assets in units/shares of the master UCI MIROVA EUROPE ENVIRONMENTAL EQUITY FUND, and, on an ancillary basis, in cash.

- 2486 - 001325: Mirova Europe Environnement
    - FR0010521575 Net perf. -22.505% Bench perf. -9.492%,
    - FR0013299229 Net perf. -22.040% Bench perf. -9.492%,
    - FR0013321296 Net perf. -22.503% Bench perf. -9.492%.

2022 was dominated by issues such as the energy crisis and geopolitical risk, inflationary pressures and disruption to supply chains, exacerbated by increasing interest rates and the economic slowdown. In this context, unprecedented in Europe, the European markets favoured the commodities (raw materials, fossil fuels), healthcare and financial sectors, although industrial sectors, technologies and alternative materials were oversold. The disparity in performance between different sectors within the MSCI Europe Index is strongly correlated to the macro-economic environment.

With the outbreak of war in Ukraine and the spectre of an energy crisis, the European Commission announced its “REPowerEU” plan to reduce Europe’s dependence on Russian energy. In line with the structural themes promoted by the Green Deal and Fit for 55, Europe took the initiative to accelerate the rollout of renewable energies and electrification to address the issue of energy security. This acceleration is expected to result in €1tn of investments in wind and solar power by 2030, strengthening the growth outlook of equipment manufacturers and renewable energy developers. A scenario of sustained geopolitical tension, which seems increasingly likely, would keep energy prices high and more than compensate for the cost increases suffered by players in the renewable energy sector. Reducing dependence on Russian fossil fuels will also be achieved by investing in energy sobriety, which will benefit companies investing in energy efficiency and heat pumps. Another driver proposed by the Commission is the large-scale development of biomethane and green hydrogen. The Fund is **perfectly aligned with the European decarbonisation strategy**, which is expected to significantly accelerate **the market penetration of the low-carbon technologies** that are embedded in the companies making up the portfolio. The acceleration of the United States Inflation Reduction Act, a plan for large-scale investment in technologies and green energy, will provide support from 2023 onwards to European companies involved in eco-activities, such as Vestas, Orsted, EDP, Acciona, etc.

2023 could see further progress made by the European Union in terms of financing the energy transition, with a view to accelerating the rollout of renewable energies and energy efficiency. The challenge remains energy sovereignty, as well as reducing emissions and costs. In 2022, Europe made a considerable financial effort to support the energy shock to the economy. In 2023, we believe that Europe could provide extensive support to European companies that meet REPowerEU’s ambitious objectives (climate, environmental, sovereignty and technology-mastery objectives).

1. Management report

In this unprecedented climate caused by the energy crisis and the market's "risk-off" position, the main factors of underperformance are linked to the lack of exposure to raw materials and fossil fuels, and the quality/growth and small-/smid-cap biases, which are integral to the investment process, and which contribute to underperformance by rotation.

The Fund's investment process focuses solely on companies with positive environmental impacts, that are geared towards decarbonising the economy and protecting biodiversity.

In 2022, the portfolio was penalised by an underweighting in the defensive sectors (telecommunications, healthcare, consumer staples, etc.), which were not part of the environmental investment process.
Up to **86% of the Fund's portfolio is exposed to environmental solutions**, more than **42% of which are pure players in transition technologies**.

1) Sustainable management of resources, 30.8% of the Fund, made a negative contribution (-9.71%), heavily exposed as it is to quality/growth stocks, that address the issues of the circular economy and protecting biodiversity.

This pillar was heavily impacted by sector rotation and the rise in interest rates (DSM, Croda and Novozymes). However, the publication of very good results throughout the year confirmed the strong pricing power of groups, and renewed competitiveness with regard to petroleum products. For the most part, alternative/bio-sourced materials securities offer a defensive profile and low cyclical exposure. In the context of an economic slowdown, this component achieved very attractive valuations. Many companies are approaching historic 10-year valuations, despite the solidity of the fundamentals.

Ratings heavily eroded due to rotation and interest rate hikes: the fundamentals were not affected for these groups, which have real pricing power. Novozymes demonstrated its confidence to operate in an inflationary environment by way of offering an alternative to petroleum products. The Danish group revised upwards its organic growth forecasts and its ability to preserve margins. Valuations are returning to the historic 10-year average.

2) Energy efficiency, 22.8% of the portfolio, underperformed (-6.45%), particularly green buildings perceived as cyclical, which were impacted by fears of a slowdown or even recession in 2023 (Kingspan, Saint-Gobain, Nibe). Groups exposed to energy efficiency solutions are identified by the European Union as acting in favour of sobriety, and provide significant leverage for reducing energy consumption in a climate of energy emergency. Despite the publication of very good results, all securities in the portfolio were oversold, demonstrating a strong ability to increase prices, offsetting the increase in the cost of raw materials. Consequently, Saint-Gobain reported record margins, while Schneider and Nibe published favourable forecasts. Nibe, a major player in heat pumps, reported strong organic growth of 26% year-on-year and posted solid fundamentals, driven by strong support for government policies. In terms of industrial energy efficiency, ASML contributed negatively due to rotation outside the technology sector, despite solid results with excellent visibility, thanks to a record order book, which, depending on the company, is relatively immune to recession.

1. Management report

The underperformance of the energy efficiency pillar can be explained by fears of recession, which pushed valuations to record 15-year lows. We believe that prices are now clearly reflecting a sharp recession scenario. However, we note that these companies show a resilience in margins associated with enhanced pricing power, in an inflationary climate. These players' fundamentals are structurally supported by the regulatory context, government support policies and significant exposure to building renovation.

3) Renewable energy and mobility, 31.4% of the Fund, were more resilient to the slowdown (-3.61%), with most of the underperformance incurred by mobility (Infineon, Faurecia, Alstom), particularly semiconductors, heavily penalised by fears of a slowdown despite excellent results, record margins and enhanced guidance, boosted by the accelerating trend to electrify the mobility and industrial sectors. On the other hand, renewable energies outperformed, particularly power farm developers that benefit from higher electricity prices over the long term and ambitious objectives for increasing the installed capacity for renewable energy (Acciona, Vestas, Alfen). Despite the increase in interest rates, in the context of an energy crisis, financing new renewable energy capacity will remain an absolute and well-supported priority. To address the issue of energy sovereignty, Europe has to quadruple its current installed renewable energy base by 2030 as part of the new European energy plan "REPowerEU".

In mobility, semiconductors, the main catalysts and beneficiaries of the acceleration of electrification in the mobility and industrial sectors, experienced a sharp downgrading linked to rotation and the increase in rates, despite resilience and very positive momentum. Valuations are at historical levels and could be close to the low point of the cycle.

In energy, Vestas, the world leader in wind power, underperformed due to a sharp reduction in profitability in 2022. The structural support plans for renewable energies, and the repricing of new contracts, revised significantly upwards (~20–30%), should enable its profitability to recover from 2023.

4) Environmental best practices, i.e. 8.4%, outperformed the market, thanks in particular to its defensive exposure to insurance.

It should be noted that, in a context of macroeconomic deterioration, the results published by portfolio companies demonstrated **a good ability on the whole to preserve organic growth** and **protect margins and profitability**.

The main changes to the portfolio were the strengthening of conviction stocks, at attractive rates: Novozymes, Waga and Veolia in the sustainable management of resources envelope. In the low-carbon technologies envelope: STM, Orsted and EDP.

1. Management report

The five best contributors to performance: Corporacion Acciona Energias Renovables SA (+11.64%), Munich Reinsurance Company (+22.53%), Vestas Wind Systems A/S (+1.26%), Alfen NV (-4.58%) and Axfood AB (+5.35%).
The five main detractors of performance: Koninklijke DSM N.V. (-41.16%), ASML Holding NV (-27.82%), Kingspan Group Plc (-51.64%), Compagnie de Saint-Gobain SA (-24.02%) and Croda International Plc (-37.38%).

Main purchases: STMICROELECTRONICS, ORSTED, ENERGIAS DE PORTUGAL, NOVOZYMES and BANCO SANTANDER.
Main sales: AVIVA PLC, EUROFINS, SIEMENS GAMESA and MUENCHENER RUECKVER.

C2 – Internal Natixis

Past performance is no guarantee of future results.

1. Management report

b) Information regarding the UCI

■ Main changes to the portfolio during the financial year

Securities	Changes ("Accounting currency")	
	Purchases	Sales
MIROVA EUROPE ENVIR EQ FD M EUR DIS	140,326,859.60	124,371,354.39

■ Material changes occurring during the financial year and in the future

There were no substantial changes to this UCI.

■ Index-linked UCI

This UCI is not classified as an index-linked UCI.

■ Alternative funds of funds

This UCI is not classified as an alternative fund of funds.

■ SFTR in EUR

The UCI did not conduct any transactions during the financial year that fell within the scope of the SFTR.

■ Access to documentation

The legal documentation for the Fund (KIID, prospectus, periodic reports, etc.) is available from the Management Company at its head office or from the following email address: **ClientServicingAM@natixis.com**

1. Management report

c) Information regarding risks

■ Overall risk calculation method

The Management Company uses the commitment method to measure the overall risk of this Fund.

■ Exposure to securitisation

This UCI has no exposure to securitisation.

■ Risk management

None.

■ Cash management

None.

■ Handling of non-liquid assets

This is not relevant to this UCI.

1. Management report

d) Environmental, social and governance (ESG) criteria

The extent to which ESG criteria are taken into account in the investment process is explained in detail in the pre-contractual document appended to the Fund's prospectus.

Information on the Taxonomy Regulation (EU) 2020/852: Article 9

Pursuant to Article 58 of the Level 2 SFDR Delegated Regulation, information on the achievement of the sustainable investment objective of the financial product is available in the appendix to this report.

1. Management report

e) French Law on Energy and Climate

This annual report will be supplemented by the information that meets the requirements of Decree No. 2021-663 of 27 May 2021 implementing Article 29 of the French Law on Energy and Climate within six months of the end of the accounting year.

2. Governance and compliance commitments

■ Procedure for selecting and assessing intermediaries and counterparties – Order execution

For the Management Company to meet its best execution obligation, the selection and monitoring of fixed income intermediaries, stockbrokers and counterparties are governed by a specific process.
The Management Company's policy regarding the selection of intermediaries/counterparties and order execution is available online at: https://www.im.natixis.com/fr/resources/politique-selection-des-intermediaires.

■ Voting policy

Details of the conditions under which the Management Company intends to exercise the voting rights associated with securities held in the portfolio by the funds it manages, as well as the latest annual report, are available from the Company's registered office or online at: https://www.im.natixis.com/fr/resources/natixis-investment-managers-international-rapport-sur-lexercice-des-droits-de-vote.

■ Remuneration policy of the delegating management company

This NIMI remuneration policy consists of general principles applicable to all employees (see point I), specific principles applicable to employees identified by the AIFM and UCITS V (see point II), and a governance mechanism applicable to all employees (see point III).
It falls under the remuneration policy defined by Natixis and is established in compliance with the provisions relating to remuneration stipulated in the following regulatory texts, as well as the guidelines of the European Securities and Markets Authority (ESMA) and the positions of the French Financial Markets Authority (Autorité des Marchés Financiers – AMF) resulting therefrom:
- Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, transposed into the French Monetary and Financial Code by Order No. 2013-676 of 27 July 2013 ("AIFM Directive").
- Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 on undertakings for collective investment in transferable securities (UCITS), transposed into the French Monetary and Financial Code by Order No. 2016-312 of 17 March 2016 ("UCITS V Directive").
- Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, transposed into the French Monetary and Financial Code by Order No. 2016-827 of 23 June 2016, supplemented by Delegated Regulation 2017/565/EU of 25 April 2016 ("MiFID II Directive").
- Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

I- GENERAL PRINCIPLES OF THE REMUNERATION POLICY

The remuneration policy is a strategic element of the NIMI policy. As a tool to enhance employee motivation and commitment, it aims to be competitive and attractive in relation to the rest of the industry while fully complying with key financial indicators and regulations.

2. Governance and compliance commitments

NIMI's remuneration policy, which applies to all employees, counts the alignment of employees' interests with those of investors among its fundamental principles:

- It is consistent and promotes sound and efficient risk management and does not encourage risk-taking that would be incompatible with the risk profiles, regulations or documents constituting the products managed.
- It is in line with the economic strategy, objectives, values and interests of the Management Company and the products it manages, as well as those of investors, and includes measures aimed at preventing conflicts of interest.

The remuneration policy covers all components of remuneration, which include fixed remuneration and, where applicable, variable remuneration.

Fixed remuneration rewards skills, professional experience and level of responsibility. It takes into account market conditions.

Variable remuneration depends on the assessment of collective performance – which is measured on the basis of Management Company performance and the performance of the products managed – and individual performance. It considers quantitative and qualitative factors, which may be established on a yearly or multi-year basis.

I-1. Definition of performance

The objective and transparent assessment of annual and multi-year performance based on predefined objectives is the prerequisite for the application of NIMI's remuneration policy. It ensures the fair and selective treatment of employees. This assessment is shared between the employee and their manager during an individual appraisal interview.

The contribution and performance level of each employee are evaluated with regard to their duties, assignments and level of responsibility in the Management Company. In this context, the remuneration policy distinguishes several categories of staff:

- The Management Committee is assessed on its contribution to the definition and implementation of the Management Company's strategy, this strategy being part of that of the international distribution platform and that of Solutions. The Management Committee is also assessed on its ability to expand the performance of product and service offerings, on the performance of the distribution activity and, more generally, on the development of the group's multi-boutique model, as well as on the risk-adjusted financial performance within its scope of supervision.
For this category, performance is assessed annually through quantitative indicators linked to changes in NIMI's financial results and supervised activities, as well as a contribution to the overall performance of Natixis IM. Performance is also assessed through the achievement of qualitative objectives, such as the quality of management and/or responsibility for/contribution to cross-functional projects.

- Support functions are assessed on their ability to proactively support the strategic challenges of the Management Company. Individual performance is assessed annually through the achievement of qualitative objectives, such as the quality of recurring business activity and/or the degree of participation in cross-functional projects or strategic/regulatory projects. These objectives are defined annually in accordance with those of NIMI, those of the international distribution platform and, where applicable, those of Solutions.

2. Governance and compliance commitments

- Assessment of the performance of control functions is based on the evaluation of qualitative criteria only, such as participation in cross-functional projects or in strategic/regulatory plans, defined annually, to avoid compromising their independence or creating conflicts of interest with the activities they control.

- The performance of management functions is assessed according to a quantitative criterion linked to the generation of value through allocation, supplemented by qualitative criteria.
This quantitative criterion reflects the challenges of achieving the management performance sought by investors without causing excessive risk-taking, which may have an impact on the risk profile of NIMI and/or the products managed.
This quantitative criterion is calculated over a predefined period in line with the risk-adjusted performance horizon of the funds managed and of the Management Company.
Specific criteria incorporating risks related to sustainability, i.e. environmental, social and governance issues, must be defined for all management team employees.

- Assessment of the performance of real asset private debt management functions is based on two criteria (one quantitative, one qualitative), which, if successfully met, means that the interests of the Management Company and investor clients are both being served by the funds and strategies managed by the team.
The quantitative criterion measures the amount of funds raised from investors and reflects each manager's involvement in the development of the assets under management, which generate income for the business activity. The qualitative criterion is designed to ensure that investments made on the behalf of clients have been made with strict application of the investment criteria defined with those clients. It also aims to ensure that the manager has performed an exhaustive advance analysis of the risk factors expected during the investment and throughout the entire holding period. In the event that any risk factor occurs, the relevance of the corrective measures that will be carried out diligently, and in the sole interest of the investor, will be taken into account. In other words, this criterion does not penalise the manager for the occurrence of a credit event (credit risk is in fact inherent in this business activity). It is intended to guarantee clients that an exhaustive analysis of the risks and their mitigation factors has been carried out ab initio, followed by a control process conducted for the full duration of the holding period. This enables a well-considered and effective response in case of a credit event in order to neutralise or limit the impact for investors.

- Assessment of the performance of the distribution functions is based on the evaluation of quantitative and qualitative criteria. The quantitative criteria are based on gross inflows, net inflows, revenue, the profitability of the assets under management and how these change. The qualitative criteria include the diversification and development of the business (new clients, new affiliates, new expertise, etc.) and the joint consideration of NIMI's interests and those of the clients.

For all categories of staff, the performance assessment incorporates qualitative criteria.
These qualitative criteria always include compliance with the regulations and NIMI's internal procedures in terms of risk management and compliance.

2. Governance and compliance commitments

They may also include the quality of the relationship with clients, including the level of expertise and advice provided, improving the reliability of a process, participating in a cross-functional project, participating in the development of new expertise, contributing to the development of operational efficiencies or any other aspects defined by the strategic objectives set out by NIMI.

For each category of staff, all quantitative and qualitative objectives are defined and communicated individually at the start of the year, in line with NIMI's strategic objectives.

I-2. Remuneration components

I-2.1. Fixed remuneration

NIMI strives to maintain a level of fixed remuneration that sufficiently remunerates employees for their professional activity.

Fixed remuneration rewards the skills, professional experience and level of responsibility expected of an employee when performing their duties.

The positioning of fixed remuneration is reviewed periodically to ensure that it is consistent with regard to geographical and professional market practices.

Fixed salaries are reviewed once a year as part of the annual remuneration review. Outside that period, only promotions, internal job moves or exceptional individual circumstances may lead to a review.

I-2.2. Variable remuneration

Variable remuneration packages are defined on the basis of the annual results of NIMI, the international distribution platform and Solutions, and also as a function of qualitative elements, such as the practices of competitor companies, the general market conditions applicable at the time the results were obtained and any factors that may have temporarily influenced the business line's performance.

Variable remuneration, where awarded, is paid to reward an individual annual performance achieved as part of a collective performance.

NIMI's collective variable remuneration consists of a profit-sharing and incentive scheme, together with a company savings plan (plan d'épargne d'entreprise – PEE) and a company collective retirement savings plan (plan d'épargne pour la retraite collectif – PERCO). Employees can benefit from a matching scheme under these plans.

This collective variable remuneration has no incentive impact on the risk management of NIMI and/or the managed products and does not fall within the scope of the AIFM or UCITS V directives.

2. Governance and compliance commitments

In compliance with the total variable remuneration packages, individual variable remuneration is allocated as part of the annual remuneration review in an objective and discretionary manner, on the basis of the assessment of individual performance and the way in which this performance is achieved. Variable remuneration awarded to employees is affected by inappropriate risk and compliance management or non-compliance with regulations and internal procedures over the year considered (see I-1. above).

Identified employees are subject to specific obligations for adherence to the rules on risks and compliance. A breach of these obligations may result in the partial reduction or removal of the individual variable remuneration awarded.

In the event of a loss or a significant decline in its profits, NIMI may also decide to reduce or entirely cancel the amount allocated to individual variable remuneration, together with any deferred, but not fully vested, instalments of variable remuneration previously awarded.

Similarly, in the event that a major sustainability-related risk materialises, i.e. an ESG event or situation occurs that could be expected to have a material and lasting adverse impact on the value of the funds/products under management, the package allocated to individual variable remuneration may be reduced or even cancelled, as may any deferred instalments of variable remuneration previously awarded and not yet fully vested, if applicable.

There are no contractual guarantees for variable remuneration, with the occasional exception of variable remuneration awarded for the first year of work in connection with external recruitment.

“Golden parachute” agreements are forbidden. Payments related to the early termination of an employment contract are defined in accordance with legal provisions (legal and contractual indemnities) and the performance of the beneficiary, the area of the business to which they belong and the performance of the entire Management Company over the period. They are designed to avoid rewarding failure.

Variable remuneration is not paid through instruments or methods that facilitate circumvention of the requirements established in the regulations.

I-2.3. Key employee retention scheme

NIMI wants to ensure that its investors have confidence in the stability of its teams.

In order to achieve this, a deferred remuneration system has been incorporated into its remuneration policies.

Beyond a certain variable threshold, this scheme leads to the allocation of a proportion of the variable remuneration in the form of a cash payment indexed to changes in the consolidated financial performance of Natixis IM measured by its earnings before tax (EBT), recorded each year over a minimum period of three years. The proportion of variable remuneration thus deferred is vested in equal tranches over a period of at least three years and gives employees a stake in the performance of Natixis IM. The deferred variable remuneration rate is calculated by applying a deferred remuneration table.

2. Governance and compliance commitments

This scheme is subject to the employee meeting conditions relating to continued employment and the absence of conduct inconsistent with the company's standards that could have an impact on NIMI's level of risk. Vesting of these tranches may be subject to a repayment commitment, either in full or in part, in order to ensure ex-post risk adjustment.

I-2.4. Balance between fixed and variable remuneration

NIMI ensures that there is an appropriate balance between the fixed and variable components of the total remuneration and that the fixed component represents a sufficiently high proportion of the total remuneration so that a fully flexible policy can be exercised with regard to variable components of remuneration, including the option of not paying a variable component. All individual situations for which variable remuneration represents more than 100% of the fixed remuneration, and which can be explained by market practice and/or an exceptional level of responsibility, performance and behaviour, are documented by the Human Resources Department as part of the annual remuneration review.

II- APPLICATION OF THE SCHEME APPLICABLE TO IDENTIFIED EMPLOYEES UNDER THE AIFM AND/OR UCITS V DIRECTIVES

II-1. Identified employees

In accordance with regulatory provisions, NIMI's identified employees comprise the categories of employee, including executive managers, risk-takers and individuals exercising a control function, as well as any employee who, based on their total remuneration, is in the same remuneration bracket as executive managers and risk-takers, whose employment activities have a material impact on the risk profile of the Management Company and/or the products managed by the Management Company. These individuals are identified based on their employment activities, their level of responsibility or their overall level of remuneration.

To maintain consistency and alignment, NIMI has decided to implement the system applicable to identified employees across the full scope of products managed (mandates, UCITS and AIFs).

The following employee categories are identified:
- Members of the management body,
- Members of staff responsible for portfolio management,
- Managers of control functions (risk, compliance and internal control),
- Managers of support or administrative activities,
- Other risk-takers,
- Employees who, given their overall remuneration, are in the same remuneration bracket as executive management and risk-takers.

Each year, prior to the annual remuneration review, the Human Resources Department draws up and formally records the identification methodology and scope of NIMI's identified population in conjunction with the Director of Permanent Controls.

2. Governance and compliance commitments

The scope of the entire identified employee population is then validated by NIMI's General Management and sent for approval to the Board of Directors in its supervisory function, before being provided to the Natixis Remuneration Committee.

The entire identification process is documented and archived by the Human Resources Department. The employees concerned are also informed of their status.

II-2. Scheme applicable to variable remuneration allocated to identified employees

In accordance with regulations and in order to ensure alignment between employees and investors and the Management Company, as soon as the variable remuneration of identified employees exceeds a certain threshold, it is partly deferred and partly awarded in the form of a financial instrument vesting over a period of at least three years, acquired pro rata temporis.

The proportion of the variable remuneration that is deferred over three years increases with the amount of variable remuneration awarded and can reach 60% for the highest remuneration at NIMI. Currently, the application methods for the deferred payment are as follows:

- Up to €199,000 in variable remuneration: no deferral,
- Between €200,000 and €499,000: 50% of the amount deferred from the first euro,
- From €500,000: 60% of the amount deferred from the first euro.

The thresholds for triggering deferred variable remuneration are subject to change depending on regulations or changes to internal policies. In this case, the new thresholds are subject to approval by NIMI's Management Committee and the Natixis Remuneration Committee.

A minimum of 50% of the variable remuneration is also awarded in financial instruments in the form of indexed cash payments:

- For teams directly involved in portfolio management, with the exception of those managing real asset private debt, on the basis of the performance of a basket of products managed by NIMI;
- For teams that are not directly involved in portfolio management and teams managing real asset private debt, on the basis of changes in Natixis IM's consolidated financial performance measured by its earnings before tax (EBT), recorded each year over a minimum period of three years.

The vesting of the deferred portion of variable remuneration is subject to conditions relating to continued employment and to Natixis IM's consolidated financial performance as well as the absence of conduct inconsistent with the company's standards that could have an impact on the level of risk for NIMI and/or the products managed.

This vesting is also subject to obligations in terms of adherence to the rules on risks and compliance. Failure to comply with these obligations may result in a partial or total reduction in the vesting portion. It may also be subject to a full or partial repayment commitment in order to ensure ex-post risk adjustment.

Employees in receipt of deferred variable remuneration are prohibited from using individual hedging or insurance strategies over the entire vesting period.

2. Governance and compliance commitments

The terms and conditions for calculating, valuing, allocating, vesting and paying deferred variable remuneration in equivalent financial instruments are set out in the NIMI and Natixis IM Long-Term Incentive Plan (LTIP).

III- GOVERNANCE

The general and specific principles of the remuneration policy are drawn up and formally documented by NIMI's Human Resources Department in line with the policy applicable to the global distribution platform.

NIMI's Permanent Controls Department and Risk Department have an active role in the development, ongoing monitoring and assessment of the remuneration policy. They are thus involved in determining the overall strategy applicable to the Management Company to promote the development of effective risk management. As such, they are involved in determining the scope of identified employees. They are also responsible for assessing the impact of the variable remuneration structure on the risk profile of managers.

NIMI's remuneration policy is approved by the NIMI Board of Directors in its supervisory function.

The general and specific principles, the application methods and quantified data of the remuneration policy, including details of identified employees and the highest remuneration levels, are approved in turn and in detail by the members of NIMI's Management Committee, then by an Intermediary Committee established at Federation level that encompasses all of the distribution, support and control functions of the Natixis IM Group, which integrates NIMI, in particular. This Intermediary Committee includes the General Management teams of NIMI and Natixis IM. It then submits the above information in summary form for the approval of the Natixis General Management, which then transmits it to the Natixis Remuneration Committee.

NIMI, which does not have its own Remuneration Committee but is a member of the Natixis Group, reports to the Natixis Remuneration Committee.
The Natixis Remuneration Committee was established and acts in accordance with regulations[1]:

- Both in its composition: the independence and expertise of its members, the majority of whom, like its Chairman, do not perform executive functions within NIMI, are external to the Natixis Group and are therefore completely independent.
- And in the exercise of its duties, which in management companies more specifically includes the following roles:

o Advice and assistance to the Board of Directors for the development and implementation of the Management Company's remuneration policy.
o Assistance to the Board of Directors in supervising the development and operation of the Management Company's remuneration system.

[1] For more details on the composition and role of the Natixis Remuneration Committee, see the company's Registration Document.

2. Governance and compliance commitments

o Specific attention is paid to the evaluation of the mechanisms used to ensure that the remuneration system takes proper account of all categories of risk, liquidity and the levels of assets under management, and that the remuneration policy is compatible with the economic strategy, objectives, values and interests of the Management Company, the products managed and those of investors.

In this context, the general and specific principles, the compliance of NIMI's remuneration policy with the applicable regulations, and the application methods and summary data of the remuneration policy, including details of identified employees and the highest remuneration levels, are submitted to the Natixis Remuneration Committee for a final review, before being approved by its Board of Directors in its supervisory function.

The remuneration of NIMI's Chief Executive Officer is set by the General Management teams of Natixis IM and Natixis, then presented to the Natixis Remuneration Committee.

The remuneration of NIMI's Risk and Compliance Directors is reviewed by Natixis IM's Risk and Compliance Directors as part of the independent reviews carried out by the risk and compliance functions. They are then submitted to the Natixis Remuneration Committee.
In short, all roles assigned to remuneration committees and set out in the regulatory texts are, in practice, performed by the Intermediary Committee established at Federation level, which incorporates NIMI, and/or by the Natixis Remuneration Committee.

The general and specific principles of the remuneration policy are communicated internally to all employees and members of the Works Council. NIMI also complies with all its obligations in external advertising.

This entire review, validation and communication process takes place every year. It includes any regulatory and contextual changes and is conducted in line with the Natixis remuneration policy.

Finally, the entire NIMI remuneration policy is subject to a centralised and independent annual review by the Natixis IM Internal Audit Department.

When NIMI delegates the financial management of one of the portfolios that it manages to another management company, it ensures that this delegated company complies with the regulations in force.

2. Governance and compliance commitments

Remuneration paid during the last financial year

The total amount of fixed and variable remuneration for the financial year paid by the Management Company to its staff, and the number of beneficiaries, is as follows:

Fixed remuneration in 2022*: €27,383,602
Variable remuneration awarded for 2022: €9,378,250
Employees concerned: 363
** Theoretical fixed remuneration for full-time equivalents (FTE) in December 2022*

The aggregate amount of remuneration, broken down between the Management Company’s senior executives and members of staff whose activities have a material impact on the risk profile of the Management Company and/or the portfolios is as follows:

Total remuneration awarded for 2022: €9,689,885 including:
- Senior executives: €2,647,162
- Members of staff: €7,042,723
Employees concerned: 54

2. Governance and compliance commitments

■ Remuneration policy of the delegated management company

This MIROVA remuneration policy consists of general principles applicable to all employees (see point I), specific principles applicable to employees identified by the AIFM and UCITS V (see point II), and a governance mechanism applicable to all employees (see point III).

It falls under the remuneration policy defined by Natixis and is established in compliance with the provisions relating to remuneration stipulated in the following regulatory texts, as well as the guidelines of the European Securities and Markets Authority (ESMA) and the positions of the French Financial Markets Authority (Autorité des Marchés Financiers – AMF) resulting therefrom:

- Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, transposed into the French Monetary and Financial Code by Order No. 2013-676 of 27 July 2013 ("AIFM Directive").

- Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 on undertakings for collective investment in transferable securities, transposed into the French Monetary and Financial Code by Order No. 2016-312 of 17 March 2016 ("UCITS V Directive").

- Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, transposed into the French Monetary and Financial Code by Order No. 2016-827 of 23 June 2016, supplemented by the Delegated Regulation 2017/565/EU of 25 April 2016 ("MIFID II Directive").

- Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

I. General principles of the remuneration policy

The remuneration policy is a strategic aspect of the MIROVA policy. As a tool to enhance employee motivation and commitment, it aims to be competitive and attractive in relation to the rest of the industry while fully complying with key financial indicators and regulations.

MIROVA's remuneration policy, which applies to all employees, counts the alignment of employees' interests with those of investors among its fundamental principles:

- It is consistent and promotes sound and efficient risk management and does not encourage risk-taking that would be incompatible with the risk profiles, regulations or documents constituting the products managed.
- It is in line with the economic strategy, objectives, values and interests of the Management Company and the products it manages, as well as those of investors, and includes measures aimed at preventing conflicts of interest.

The remuneration policy covers all components of remuneration, which include fixed remuneration and, where applicable, variable remuneration.

2. Governance and compliance commitments

Fixed remuneration rewards skills, professional experience and level of responsibility. It takes into account market conditions.

Variable remuneration depends on the assessment of collective performance – which is measured on the basis of Management Company performance and the performance of the products managed – and individual performance. It considers quantitative and qualitative factors, which may be established on a yearly or multi-year basis.

I-1. Definition of performance

The objective and transparent assessment of annual and multi-year performance based on predefined objectives is the prerequisite for the application of MIROVA's remuneration policy. It ensures the fair and selective treatment of employees. This assessment is shared between the employee and their manager during an individual appraisal interview.

The contribution and performance level of each employee are evaluated with regard to their duties, assignments and level of responsibility in the Management Company. In this context, the remuneration policy distinguishes several categories of staff:

- The Executive Committee is evaluated on its contribution to the definition and implementation of the Management Company's strategy and on its ability to increase performance in terms of product and service offerings and the risk-adjusted financial performance for its scope of supervision. For this category of staff, performance is assessed annually through quantitative indicators, such as changes in MIROVA's financial results and supervised activities, as well as qualitative elements, such as the quality of management and/or responsibility/contribution to cross-functional projects.

- Support functions are assessed on their ability to assist with the strategic challenges of the Management Company. Individual performance is assessed annually depending on the quality of recurring business activity and/or the degree of participation in cross-functional projects or strategic/regulatory plans.

- Assessment of the performance of control functions is based on the evaluation of qualitative criteria only, such as participation in cross-functional projects or in strategic/regulatory projects, defined annually, so as to avoid compromising their independence or creating conflicts of interest with the activities they control.

- The performance of management functions is assessed according to quantitative criteria, supplemented by qualitative criteria.

Quantitative criteria reflect the development issues of the management performance sought by investors without causing excessive risk-taking, which may have an impact on the risk profile of MIROVA and/or the products managed.
These quantitative criteria are calculated over a predefined period in line with the risk-adjusted performance horizon of the funds managed and of the Management Company.

2. Governance and compliance commitments

Specific criteria incorporating risks related to sustainability, i.e. social, environmental and governance issues, must be defined as a minimum for all management team employees.

- The performance of management teams in infrastructure funds (energy and ecological transition infrastructure funds, natural capital funds, etc.) can only be achieved over a long period, which in turn depends on the duration of the funds, which can exceed ten years. For this reason, management quality is assessed qualitatively, based on the quality and diversification of the portfolio, the number and amount of investments made during the year, along with analysis of the performance of the assets held in portfolios (no default or solvency problems, stability of cash flow, etc.).

Infrastructure teams are also assessed on their ability to raise funds from investors. The annual volume collected during the fundraising phase is used as a quantitative criterion.

For all categories of staff, the performance assessment incorporates qualitative criteria.

These qualitative criteria always include compliance with regulations and MIROVA's internal procedures in terms of risk management and compliance.

They may also include the quality of the relationship with clients, including the level of expertise and advice provided, improving the reliability of a process, participating in a cross-disciplinary project, participating in the development of new expertise, contributing to the development of operational efficiencies or any other aspects defined by the strategic objectives set out by MIROVA.

For each category of staff, all quantitative and qualitative objectives are defined and communicated individually at the start of the year, in line with MIROVA's strategic objectives.

I-2. Components of remuneration

I-2.1. Fixed remuneration

MIROVA strives to maintain a level of fixed remuneration that sufficiently remunerates employees for their professional activity.

Fixed remuneration rewards the skills, professional experience and level of responsibility expected of an employee when performing their duties.

The positioning of fixed remuneration is reviewed periodically to ensure that it is consistent with regard to geographical and professional market practices.

Fixed salaries are reviewed once a year as part of the annual remuneration review. Outside that period, only promotions, internal job moves or exceptional individual circumstances may lead to a review.

2. Governance and compliance commitments

I-2.2. Variable remuneration

Variable remuneration packages are defined based on MIROVA's annual results, as well as on qualitative information, such as the practices of competitors, the general market conditions in which the results were obtained and factors that may have temporarily influenced the performance of the business.

Variable remuneration, which can be allocated if applicable, remunerates annual performance, both collective and/or individual.

MIROVA's collective variable remuneration consists of mandatory and optional profit-sharing and incentive schemes, together with a company savings plan (plan d'épargne d'entreprise – PEE) and a company collective retirement savings plan (plan d'épargne pour la retraite collectif – PERCO). Employees can benefit from a matching scheme under these plans.

This collective variable remuneration has no incentive impact on the risk management of MIROVA and/or the managed products, and does not fall within the scope of the AIFM or UCITS V directives.

In compliance with the total variable remuneration packages, individual variable remuneration is allocated as part of the annual remuneration review in an objective and discretionary manner, on the basis of the assessment of individual performance and the way in which this performance is achieved. Variable remuneration awarded to employees is affected by inappropriate risk and compliance management or non-compliance with regulations and internal procedures over the year considered (see I-1. above).

Identified employees are subject to specific obligations for adherence to the rules on risks and compliance. A breach of these obligations may result in the partial reduction or removal of the individual variable remuneration awarded.

In the event of a loss or a significant fall in its profits, MIROVA may also decide to reduce or entirely cancel the amount allocated to individual variable remuneration, together with any deferred instalments of variable remuneration previously awarded and in the process of vesting.

Similarly, in the event that a major sustainability-related risk materialises, i.e. an ESG event or situation occurs that could be expected to have a material and lasting adverse impact on the value of the funds/products under management, the package allocated to individual variable remuneration may be reduced or even cancelled, as may any deferred instalments of variable remuneration previously awarded and not yet fully vested, if applicable.

There are no contractual guarantees for variable remuneration, with the occasional exception of variable remuneration awarded for the first year of work in connection with external recruitment.

"Golden parachute" agreements are forbidden. Payments related to the early termination of an employment contract are defined in accordance with legal provisions (legal and contractual indemnities) and the performance of the beneficiary, the area of the business to which they belong and the performance of the entire Management Company over the period. They are designed to avoid rewarding failure.

2. Governance and compliance commitments

Variable remuneration is not paid through instruments or methods that facilitate circumvention of the requirements established in the regulations.

I-2.3. Key employee retention scheme

MIROVA wants to ensure that its investors benefit from the stability of its most talented employees and those identified as key in terms of their commitment or contribution to results.

In order to achieve this, a deferred remuneration system has been incorporated into its remuneration policies.

Beyond a certain variable threshold, this system leads to a proportion of variable remuneration being awarded in the form of cash payments indexed to the performance of an equally weighted portfolio of products managed by MIROVA. The proportion of variable remuneration thus deferred is vested in equal tranches over a period of at least three years and links employees to the performance of MIROVA.

This scheme is subject to conditions of continued employment and the absence of conduct inconsistent with the Management Company's standards, which may affect the level of risk of MIROVA and the products managed. Vesting of these tranches may be subject to a repayment commitment, either in full or in part, in order to ensure ex-post risk adjustment.

I-2.4. Mechanism for investing in ordinary units and/or carried units in infrastructure funds

In accordance with local practices, and in order to meet investors' requirements, MIROVA ensures that, in relation to its infrastructure fund activities, the interests of the management teams dedicated to investment in these funds are aligned with those of the investors themselves. To do this, MIROVA provides a mechanism enabling these employees to invest in ordinary units and/or carried units of infrastructure funds.

Subscriptions by the employees concerned in ordinary units and/or carried units of the funds under management using a portion of the variable remuneration paid to them by MIROVA are considered deferred variable remuneration within the meaning of the AIFM Directive.

They constitute a transfer of units of the funds to employees in these teams, the reimbursement for which is spread over time in accordance with the regulations. The return obtained correlates to the financial performance of the funds, and therefore the holding of these units aligns the interests of the management teams with the interests of investors.

Accordingly, the amounts subscribed in ordinary units and/or carried units by employees in infrastructure fund management teams are deductible from the deferred variable remuneration allocated to them.

If the deferred variable remuneration is not used in full to subscribe to units of managed funds, the balance of this remuneration is indexed to the performance of a basket of products managed by MIROVA, acquired in equal tranches over a minimum period of three years, in accordance with the regulations.

2. Governance and compliance commitments

The amount of commitment available in carried units varies significantly from year to year and depends on the timetable for launching new funds. Under these conditions, compliance with regulatory constraints and their application within MIROVA, i.e. a deferral threshold of 50% (or 60%) and indexation of a minimum of 50% to the performance of a basket of managed products will be verified over a rolling period of a maximum of three years (see II-2.).

Payments made to employees by the funds in exchange for their investment in ordinary units and/or carried units are not considered as remuneration within the meaning of the AIFM Directive.

Income from carried units subscribed, which recompenses management services rendered and corresponds to a sharing of the excess return, is, however, equivalent to remuneration within the meaning of the AIFM Directive.

Nevertheless, the carried interest scheme requires that a minimum personal financial risk be taken on by the employees involved, depending on the size of the fund; therefore the sharing of excess returns from the units acquired is conditional upon a minimum positive return from the ordinary units of investors and upon the generation of long-term profits.
Consequently, this excess return, which aims to align the interests of the employees concerned and investors from the outset, falls outside the scope of the AIFM Directive, while upholding the Directive's principles as to how it is established and operated.

MIROVA Management ensures that the carried interest scheme, both in terms of its approach to allocation and how it operates, contributes to sound management that does not affect the risk profile of MIROVA and/or the products managed, and is aligned with the interests of investors.

The Human Resources Department ensures that the distribution of the amounts allocated between the teams and the Management Company are in line with market standards.

I-2.5. Free allocation of performance shares

Key employees may be eligible, within the framework of long-term plans, for the allocation of performance shares, the acquisition of which is subject to a performance condition assessed over at least three financial years, as well as to conditions of presence and the absence of non-standard behaviour which may affect the level of risk of MIROVA and/or the products managed. This aligns the interests of key employees with those of investors. It falls within the scope of the AIFM and UCITS V Directives.

I-2.6. Balance between fixed and variable remuneration

MIROVA ensures that there is an appropriate balance between the fixed and variable components of overall remuneration and that the fixed component represents a sufficiently high proportion of overall remuneration so that a fully flexible policy can be exercised with regard to variable components of remuneration, including the option of paying no variable component. All individual situations for which variable remuneration represents more than 100% of the fixed remuneration, and which can be explained by market practice and/or an exceptional level of responsibility, performance and behaviour, are documented by the Human Resources Department as part of the annual remuneration review.

2. Governance and compliance commitments

II. Breakdown of the system applicable to the identified employees under the AIFM or UCITS V

II-1. Identified employees

In accordance with regulatory provisions, MIROVA's identified employees include the categories of employee, including executive managers, risk-takers and those exercising a control function, as well as any employee who, based on their total remuneration, is in the same remuneration bracket as executive managers and risk-takers, whose employment activities have a material impact on the risk profile of the Management Company and/or the products managed by the Management Company. These persons are identified based on their employment activities, their level of responsibility or their overall level of remuneration.

To maintain consistency and alignment, MIROVA has decided to implement the system applicable to identified employees across the full scope of products managed (mandates, UCITS and AIFs).

The following employee categories are identified:
- Members of the management body,
- Employees responsible for portfolio management,
- Managers of control functions (risk, compliance and internal control),
- Managers of support or administrative functions,
- Other risk-takers,
- Employees who, given their total remuneration, are in the same remuneration bracket as executive management and risk-takers.

Each year, before the annual remuneration review, the Human Resources Department determines and formalises the identification methodology and scope of MIROVA's identified employees, in collaboration with the Internal Control and Risk Department.

The names of all identified employees are then validated by MIROVA's General Management and sent for approval to the Board of Directors in its supervisory function, before being provided to the Natixis Remuneration Committee.

The entire identification process is documented and archived by the Human Resources Department. The employees concerned are also informed of their status.

II-2. Scheme applicable to variable remuneration allocated to identified employees

In accordance with regulations and in order to ensure alignment between employees and investors and the Management Company, as soon as the variable remuneration of identified employees exceeds a certain threshold, it is partly deferred and partly awarded in the form of a financial instrument vesting over a period of at least three years, acquired pro rata temporis.

2. Governance and compliance commitments

The proportion of variable remuneration, which is deferred over three years, increases with the amount of variable remuneration awarded and may reach 60% for those with the highest remuneration at MIROVA. Currently, the application methods for the deferred payment are as follows:

- Up to €199,000 in variable remuneration: no deferral,
- Between €200,000 and €499,000: 50% of the amount deferred from the first euro,
- From €500,000: 60% of the amount deferred from the first euro.

The thresholds for triggering deferred variable remuneration are subject to change depending on regulations or changes to internal policies. In this case, the new thresholds defined are subject to approval by the MIROVA Executive Committee and the NATIXIS Remuneration Committee.

Moreover, a minimum of 50% of variable remuneration is also awarded in financial instruments in the form of cash payments indexed to the performance of a portfolio of products managed by MIROVA.

Vesting of the proportion of the variable remuneration, which is deferred, is subject to conditions of continued employment, to the Management Company's financial performance, to the relative performance of managed products against benchmark market indices and to the absence of conduct inconsistent with the Management Company's standards that could have an impact on the MIROVA risk level and/or the products managed.

This vesting is also subject to obligations in terms of adherence to the rules on risks and compliance. Failure to comply with these obligations may result in a partial or total reduction in the vesting portion. It may also be subject to a full or partial repayment commitment in order to ensure ex-post risk adjustment.

Employees in receipt of deferred variable remuneration are prohibited from using individual hedging or insurance strategies over the entire vesting period.
The terms and conditions for determining, valuing, awarding, vesting and paying deferred variable remuneration as an equivalent financial instrument are detailed in the MIROVA Long-Term Incentive Plan (LTIP).

III. Governance

The general and specific principles of the remuneration policy are defined and documented by the MIROVA Human Resources Department.

The Compliance Department, the Internal Control Department and the Risk Department of MIROVA have an active role in the development, continuous monitoring and evaluation of the remuneration policy. They are thus involved in determining the overall strategy applicable to the Management Company to promote the development of effective risk management. As such, they are involved in determining the scope of identified employees. They are also responsible for assessing the impact of the variable remuneration structure on the risk profile of managers.

2. Governance and compliance commitments

MIROVA's remuneration policy is approved by the MIROVA Board of Directors in its supervisory function.

The general and specific principles, the application methods and quantified data of the remuneration policy, including the identified population and the highest levels of remuneration, are approved in turn, in detail, by members of MIROVA's General Management, then by an Intermediary Committee involving the General Management of MIROVA and the General Management of Natixis IM. It then submits the above information in summary form for the approval of the Natixis General Management, which then transmits it to the Natixis Remuneration Committee.

MIROVA does not have its own remuneration committee but, as a member of the Natixis Group, reports to the Natixis Remuneration Committee.

The Natixis Remuneration Committee was established and acts in accordance with regulations[2]:

- Both in terms of its composition, with regard to the independence and expertise of its members, the majority of whom, like its Chairman, do not perform executive functions within MIROVA, are external to the Natixis Group and are therefore completely independent.

- And in the exercise of its duties which, more specifically for management companies, include the following roles:

○ Providing recommendations and assistance to the Board of Directors in the development and implementation of the Management Company's remuneration policy.

○ Providing assistance to the Board of Directors in supervising the development and operation of the Management Company's remuneration system.

○ Special attention is paid to the evaluation of the mechanisms used to ensure that the remuneration system takes proper account of all categories of risk, liquidity and the levels of assets under management and that the remuneration policy is compatible with the economic strategy, objectives, values and interests of the Management Company and the products managed and with those of investors.

In this context, the general and specific principles, the compliance of MIROVA's remuneration policy with the applicable regulations, and the application methods and summary figures of the remuneration policy, including details of identified employees and the highest levels of remuneration, are submitted to the Natixis Remuneration Committee for a final review, before being approved by its Board of Directors in its supervisory function.

The remuneration of MIROVA's Chief Executive Officer is set by the General Management teams of Natixis IM and Natixis, then presented to the Natixis Remuneration Committee.

[2] *For more details on the composition and role of the Natixis Remuneration Committee, see the company's Registration Document.*

2. Governance and compliance commitments

The remuneration of MIROVA's Risk and Compliance Directors is reviewed, as part of the independent reviews carried out by the risk and compliance functions, by Natixis IM's Risk and Compliance Directors. They are then submitted to the Natixis Remuneration Committee.

In short, all roles assigned to remuneration committees and set out in the regulatory texts are, in practice, performed by the Intermediary Committee established at MIROVA level and/or by the NATIXIS Remuneration Committee.

The general and specific principles of the remuneration policy are communicated internally to all employees and members of the Works Council. MIROVA also complies with all its obligations in terms of external advertising.

This entire review, validation and communication process takes place every year. It includes any regulatory and contextual changes and is conducted in line with the Natixis remuneration policy.

Finally, the entire MIROVA remuneration policy is subject to a centralised and independent annual review by Natixis IM's Internal Audit Department.

When MIROVA delegates the financial management of one of the portfolios that it manages to another management company, it ensures that this delegated company complies with the regulations in force.

2. Governance and compliance commitments

IV. Appendices

Specific annual compliance and risk objectives

Impact grid

Follow the mandatory compliance training courses (in-person or e-learning), within the established deadlines:		
Market abuse Anti-Money Laundering and Combating the Financing of Terrorism FATCA Associated persons (US) Compliance awareness – code of ethics, code of conduct	If unauthorised absence from a course or e-learning not carried out	-5%
	If unauthorised absence from more than one course or more than one e-learning not carried out	-10%
Comply with all applicable compliance rules as defined in the Natixis Code of Conduct, Mirova's Internal Regulations and Code of Ethics, and the compliance policies and procedures available in Mirova's procedures directory		
	Non-compliance with a rule notified by a letter from the Compliance and Internal Control Officer	-20%
	Recurrence notified by a letter from the Compliance and Internal Control Officer	-50%
	Serious breach of the rules notified by a letter from the Compliance and Internal Control Officer	-100%
Compliance with investment rules		
	More than 5 non-significant limit violations or less than 5 significant violations	-10%
	More than 5 significant violations	-25%
	More than 5 serious violations	-50%
	Violations that are particularly serious, repeated or abnormal or carry a reputational risk for Mirova	-100%
Non-significant violations: less than 10% of limits		
Significant violations: violations between 10–50% of limits		
Serious violations: violations of more than 50% of the allocated limit		

How the impact is calculated

In the event of an impact on individual variable pay, the following calculation methods are applied:

Variable remuneration **capped at the amount for year n-1** x impact rate defined in the above grid*.

* The criteria may be cumulative. The RCCI will be responsible for proposing the final impact rate.

2. Governance and compliance commitments

Remuneration paid during the last financial year

The total amount of remuneration for the financial year paid by the Management Company to its staff, broken down into fixed and variable remuneration, and the number of beneficiaries, is as follows:

Fixed remuneration in 2022*: €12,317,024
Variable remuneration awarded for 2022: €9,876,450
Employees concerned: 132 employees

** Theoretical fixed remuneration for full-time equivalents (FTE) in December 2022*

The aggregate amount of remuneration, broken down between the Management Company's senior executives and members of staff whose activities have a material impact on the risk profile of the Management Company and/or the portfolios is as follows:

Total remuneration awarded for 2022: €15,030,540 including:
- Senior executives: €4,635,800
- Members of staff: €10,394,740

Employees concerned: 63

3. Fees and taxation

■ Intermediation fees

Detailed information on the terms and conditions applied by the Management Company for order execution or investment decision-making support services during the year ended can be found on its website at **http://www.im.natixis.com**.

■ Management fees (feeder)

Your fund is a feeder fund for the UCI/Sub-fund MIROVA EUROPE ENVIRONMENTAL EQUITY FUND. The total fees charged during the year amounted to 1.71% inclusive of tax, of which 0.90% inclusive of tax was for direct management fees and 0.81% inclusive of tax was for indirect management fees (representing the ongoing charges of the master fund over the same period) for MIROVA EUROPE ENVIRONNEMENT C units.

The total fees charged during the year amounted to 1.71% inclusive of tax, of which 0.90% inclusive of tax was for direct management fees and 0.81% inclusive of tax was for indirect management fees (representing the ongoing charges of the master fund over the same period) for MIROVA EUROPE ENVIRONNEMENT D units.

The total fees charged during the year amounted to 1.11% inclusive of tax, of which 0.30% inclusive of tax was for direct management fees and 0.81% inclusive of tax was for indirect management fees (representing the ongoing charges of the master fund over the same period) for MIROVA EUROPE ENVIRONNEMENT N units.

The annual report of the master fund is appended to this report.

■ Withholding tax

This UCI is not involved in recoveries of withholding tax in respect of this year.

4. Statutory Auditor’s report

MIROVA EUROPE ENVIRONNEMENT FUND

43 Avenue Pierre Mendès France
75013 Paris, France

Statutory Auditor’s report on the annual financial statements

Financial year ended 30 December 2022

To the unitholders of the MIROVA EUROPE ENVIRONNEMENT Fund,

Opinion

In execution of the assignment entrusted to us by the Management Company, we have audited the annual financial statements of the undertaking for collective investment in the form of the MIROVA EUROPE ENVIRONNEMENT mutual investment fund relating to the financial year ended 30 December 2022, as attached to this report.

We certify that the annual financial statements are, in compliance with French accounting rules and principles, accurate and consistent and give a true and fair view of the financial performance for the previous financial year, as well as the financial situation and assets of the Fund at the end of this financial year.

Basis of our opinion

Audit terms of reference

We conducted our audit in accordance with the standards of professional practice applicable in France. We believe that the information that we collected is sufficient and appropriate to form a basis for our opinion.

Our responsibilities pursuant to these standards are set out in the section of this report entitled “Statutory Auditor’s responsibilities regarding the audit of the annual financial statements”.

Independence

We conducted our audit in accordance with the rules of independence set out in the French Commercial Code and in the Code of Ethics for Statutory Auditors, for the period from 1 January 2022 to the date of issue of our report.

Justification of our assessments

In accordance with the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you that, in our professional opinion, the most significant assessments we conducted were based on the appropriateness of the accounting principles applied, particularly regarding the financial instruments held in the portfolio, and on the overall presentation of the financial statements in terms of the chart of accounts for open-ended undertakings for collective investment.

The assessments were made as part of our audit of the annual financial statements, taken as a whole, and therefore contributed to the formation of the opinion expressed above. We thus have no comments to make on any individual aspects of these annual financial statements.

Specific verifications

We also performed the specific verifications required by the relevant legal and regulatory provisions, and in accordance with professional auditing standards in France.

We have no observations to make concerning the accuracy and consistency with the annual financial statements of the information provided in the management report prepared by the Management Company.

Responsibilities of the senior management and the persons in charge of corporate governance with respect to the annual financial statements

It is the Management Company’s responsibility to prepare annual financial statements that provide a true and fair view, in accordance with French accounting rules and principles, and to implement the internal controls it deems necessary for the preparation of annual financial statements that are free of material misstatement, whether due to fraud or error.

When preparing the annual financial statements, it is the Management Company’s responsibility to assess the Fund’s ability to continue as a going concern, to present in said financial statements, where applicable, the necessary information relating to its viability as a going concern, and to apply the going concern accounting policy unless it intends to wind up the Fund or to cease trading.

The annual financial statements were prepared by the Management Company.

Statutory Auditor's responsibilities regarding the audit of the annual financial statements

It is our responsibility to draft a report on the annual financial statements. Our aim is to obtain reasonable assurance that the annual financial statements, taken as a whole, are free from material misstatements. Reasonable assurance corresponds to a high level of assurance but does not guarantee that an audit performed in accordance with the accepted standards of professional practice will be able to systematically detect all material misstatements. Misstatements may arise from fraud or error and are considered material where it might reasonably be expected that, taken individually or together, they could influence the economic decisions made by users of the financial statements that are based upon such misstatements.

As specified in Article L. 823-10-1 of the French Commercial Code, our task is to certify the financial statements and not to guarantee the viability or the quality of the management of your Fund.

In conducting an audit in accordance with the standards of professional practice applicable in France, the Statutory Auditor exercises their professional judgement throughout. In addition:

- they identify and assess the risks of material misstatements in the annual financial statements, whether due to fraud or error, design and carry out audit procedures intended to counter these risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than from one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation or the override of internal control;

- the Statutory Auditor becomes familiar with the internal control processes relevant to the audit so as to set out audit procedures that are appropriate to the circumstances, and not to express an opinion on the effectiveness of the internal control processes;

- they assess the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by the management, as well as the information provided in this regard in the annual financial statements;

- they assess the appropriateness of the Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. This assessment is based on the information gathered up to the date of their report, on the understanding that subsequent events or circumstances may affect the Fund's viability as a going concern. If they conclude that significant uncertainty exists, they draw the attention of the reader of the report to the information provided in the annual financial statements about this uncertainty or, if this information is not provided or is not relevant, they issue a certification with reservations or a refusal to certify;

- they evaluate the overall presentation of the annual financial statements and assess whether these statements reflect the underlying transactions and events in a manner that achieves fair presentation.

The Statutory Auditor

Mazars

Drawn up in Courbevoie, date of electronic signature

Document authenticated and dated through electronic signature

[Signature] 2023.04.07 18:31:36 +02'00'

Jean-Luc Mendiela

5. Annual financial statements

a) Annual financial statements

■ BALANCE SHEET – ASSETS AT 30/12/2022 IN EUR

	30/12/2022	31/12/2021
FINANCIAL INSTRUMENTS	**908,536,048.70**	**1,148,860,461.37**
MASTER UCI	**908,536,048.70**	**1,148,860,461.37**
Forward financial instruments	**0.00**	**0.00**
Transactions on a regulated or equivalent market	0.00	0.00
Other transactions	0.00	0.00
RECEIVABLES	**76,790.53**	**106,814.89**
Forward foreign exchange transactions	0.00	0.00
Other	76,790.53	106,814.89
FINANCIAL ACCOUNTS	**1,440,372.47**	**1,389,014.02**
Cash and cash equivalents	1,440,372.47	1,389,014.02
TOTAL ASSETS	**910,053,211.70**	**1,150,356,290.28**

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■ BALANCE SHEET – LIABILITIES AT 30/12/2022 IN EUR

	30/12/2022	31/12/2021
SHAREHOLDERS' EQUITY		
Capital	875,773,776.52	1,104,877,983.83
Undistributed prior net profits and losses (a)	0.00	0.00
Retained earnings (a)	0.00	0.00
Net profits and losses for the financial year (a, b)	30,262,772.05	51,669,599.35
Income for the financial year (a, b)	3,281,502.74	-7,217,466.88
TOTAL SHAREHOLDERS' EQUITY*	**909,318,051.31**	**1,149,330,116.30**
** Amount representative of net assets*		
FINANCIAL INSTRUMENTS	**0.00**	**0.00**
Forward financial instruments	0.00	0.00
Transactions on a regulated or equivalent market	0.00	0.00
Other transactions	0.00	0.00
PAYABLES	**735,160.39**	**1,026,173.98**
Forward foreign exchange transactions	0.00	0.00
Other	735,160.39	1,026,173.98
FINANCIAL ACCOUNTS	**0.00**	**0.00**
Current bank loans	0.00	0.00
Borrowings	0.00	0.00
TOTAL LIABILITIES	**910,053,211.70**	**1,150,356,290.28**

(a) Including adjustments.

(b) Minus interim dividends paid over the financial year.

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■ OFF-BALANCE SHEET ITEMS AT 30/12/2022 IN EUR

	30/12/2022	31/12/2021
HEDGING TRANSACTIONS	0.00	0.00
Commitments on regulated or equivalent markets	0.00	0.00
Commitments on over-the-counter markets	0.00	0.00
Other commitments	0.00	0.00
OTHER TRANSACTIONS	0.00	0.00
Commitments on regulated or equivalent markets	0.00	0.00
Commitments on over-the-counter markets	0.00	0.00
Other commitments	0.00	0.00

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■ INCOME STATEMENT AT 30/12/2022 IN EUR

	30/12/2022	31/12/2021
Income from financial transactions		
Income from deposits and financial accounts	1,866.48	0.00
Income from equities and equivalent securities	11,586,108.57	2,343,311.68
Income from bonds and equivalent securities	0.00	0.00
Income from debt securities	0.00	0.00
Income from securities financing transactions	0.00	0.00
Income from forward financial instruments	0.00	0.00
Other financial income	0.00	0.00
TOTAL (1)	**11,587,975.05**	**2,343,311.68**
Expenses on financial transactions		
Expenses on securities financing transactions	0.00	0.00
Expenses on forward financial instruments	0.00	0.00
Expenses on financial debt	3,555.51	48,250.63
Other financial expenses	0.00	0.00
TOTAL (2)	**3,555.51**	**48,250.63**
PROFIT/LOSS FROM FINANCIAL TRANSACTIONS (1 - 2)	**11,584,419.54**	**2,295,061.05**
Other income (3)	0.00	0.00
Management fees and provisions for depreciation and amortisation (4)	8,382,445.38	9,457,884.92
NET PROFIT/LOSS FOR THE FINANCIAL YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	**3,201,974.16**	**-7,162,823.87**
Income equalisation for the financial year (5)	79,528.58	-54,643.01
Interim dividends paid over the financial year (6)	0.00	0.00
PROFIT/LOSS (1 - 2 + 3 - 4 + 5 - 6)	**3,281,502.74**	**-7,217,466.88**

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b) Annual financial statements – Accounting appendices

1. Accounting rules and methods

The annual financial statements are presented in the form provided for by ANC Regulation 2014-01, as amended.

The following general accounting principles apply:
- a true and fair view, comparability and business continuity;
- lawfulness and fairness;
- prudence;
- consistency in accounting methods from one financial year to the next.

Income from fixed-income securities is recorded on the basis of interest received.

Purchases and sales of securities are recorded inclusive of fees.
The reference currency of the portfolio is the euro.

The length of the financial year is 12 months.

Asset valuation rules

Financial instruments are recorded using the historical cost method and entered in the balance sheet at their current value, i.e. at their last known market value, or, where there is no market, via any external method or using financial modelling. Differences between the current values used to calculate the net asset value (NAV) and the historical costs of transferable securities when these were first included in the portfolio are recorded in the accounts as “valuation differences”.

Securities denominated in currencies other than the portfolio’s reference currency are valued in accordance with the principle outlined below, and then converted into the portfolio’s reference currency at the exchange rate on the valuation date.

UCIs held:

UCI units or shares will be valued at the last known net asset value.

Management fees

Operating and management fees cover all fees relating to the UCI: fees for financial management, administration, accounting, custody, distribution, auditing services, etc.
These fees are recorded in the income statement for the UCI.
Management fees do not include transaction fees. For more information about the fees charged to the UCI, please see the prospectus.

These are recorded pro rata temporis at each net asset value calculation.

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The combined total of these fees is limited to the maximum fee rate for net assets, as indicated in the prospectus or the Fund regulations:

FR0013321296 - MIROVA EUROPE ENVIRONNEMENT D: Maximum fee rate of 0.90% including tax;
FR0013299229 - MIROVA EUROPE ENVIRONNEMENT N: Maximum fee rate of 0.30% including tax;
FR0010521575 - MIROVA EUROPE ENVIRONNEMENT C: Maximum fee rate of 0.90% including tax.

Performance fee

Where appropriate, the Management Company will levy a performance fee when the Fund outperforms 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 Fund's valued assets are the portion of net assets corresponding to a specific unit class, valued in accordance with the valuation rules applicable to the assets and taking account of the
actual operating and management fees corresponding to that unit class.

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

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

The observation period corresponds to:

For the first observation period for the C unit: 12 November 2013 to 31 December 2014.
For the first observation period for the N unit: 13 December 2017 to 31 December 2018.
For the first observation period for the D unit: 9 March 2018 to 31 December 2019.

- Subsequent periods: from 1 January to 31 December each year.

If, during the observation period, the Fund's performance is higher than that of 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 lower 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 asset value, this difference is subject to a provision for variable management fees at the time of the net asset value calculation.

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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.
Reversals of 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 are greater than 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 is permanently retained by the Management Company.

As of 1 January 2019, the performance fee will be calculated according to the High Water Mark principle:
The High Water Mark is set by the Reference Asset until it is outperformed for a maximum observation period of three years, with an annual payment maintained and a High Water Mark reset at the last payment or after three consecutive observation periods with no performance fee deductions.

In the event of outperformance, a performance fee will be paid and the observation period will be extended.
In the subsequent observation period, in the event of outperformance, no performance fee will be paid until the fund exceeds the previous underperformance and therefore the outperformance reaches the High Water Mark level. This means that any previous underperformance must be recovered by subsequent outperformance before a performance fee is paid, provided that the outperformance reaches the High Water Mark.

For further information, please also refer to the Fund's annual report.

Allocation of distributable income

Definition of distributable income

Distributable income consists of:

Income:

The net income for the financial year is equal to the interest, arrears, premiums and bonuses, dividends, directors' fees and any other income generated by the securities held in the portfolio, plus income generated by temporary cash holdings, less management fees and borrowing costs.
It is increased by retained earnings and increased or reduced by the balance of the accrual account.

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Profits and losses:

The profits realised, net of fees, less the realised losses, net of fees, recorded in the financial year, plus the net profits of the same type recognised in previous years that have not been distributed or accumulated, plus or minus the balance of the profit accrual account.

Allocation of distributable income:

Units	*Allocation of net income*	*Allocation of net realised profits or losses*
MIROVA EUROPE ENVIRONNEMENT C unit	Accumulation	Accumulation
MIROVA EUROPE ENVIRONNEMENT D unit	Distribution	Accumulation
MIROVA EUROPE ENVIRONNEMENT N unit	Accumulation	Accumulation

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■ 2. CHANGE IN NET ASSETS AT 30/12/2022 IN EUR

	30/12/2022	31/12/2021
NET ASSETS AT THE START OF THE FINANCIAL YEAR	**1,149,330,116.30**	**934,885,585.49**
Subscriptions (including subscription fees accruing to the UCI)	129,533,292.90	182,914,119.63
Redemptions (less redemption fees accruing to the UCI)	-116,467,364.17	-129,975,749.64
Profits earned on deposits and financial instruments	29,495,681.18	50,765,533.06
Losses incurred on deposits and financial instruments	0.00	0.00
Profits earned on forward financial instruments	0.00	0.00
Losses incurred on forward financial instruments	0.00	0.00
Transaction fees	0.00	0.00
Exchange rate differences	0.00	0.00
Changes in the valuation difference for deposits and financial instruments	-285,775,599.06	117,903,501.63
Valuation difference, financial year N	*150,048,228.23*	*435,823,827.29*
Valuation difference, financial year N-1	*-435,823,827.29*	*-317,920,325.66*
Changes in the valuation difference for forward financial instruments	0.00	0.00
Valuation difference, financial year N	*0.00*	*0.00*
Valuation difference, financial year N-1	*0.00*	*0.00*
Dividends paid in the previous financial year on net profits and losses	0.00	0.00
Dividends paid in the previous financial year on income	0.00	0.00
Net income for the financial year before accruals	3,201,974.16	-7,162,823.87
Interim dividend(s) paid during the financial year on net profits and losses	0.00	0.00
Interim dividend(s) paid during the financial year on income	0.00	0.00
Other items	-50.00 (**)	-50.00(*)
NET ASSETS AT THE END OF THE FINANCIAL YEAR	**909,318,051.31**	**1,149,330,116.30**

(*) N: Annual certification fee for an LEI: €-50.00.
(**) N: Annual certification fee for an LEI: €-50.00.

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■ 3. ADDITIONAL INFORMATION

■ 3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC TYPE

	Amount	%
OFF-BALANCE SHEET ITEMS		
HEDGING TRANSACTIONS		
TOTAL HEDGING TRANSACTIONS	**0.00**	**0.00**
OTHER TRANSACTIONS		
TOTAL OTHER TRANSACTIONS	**0.00**	**0.00**

■ 3.2. BREAKDOWN OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS BY RATE TYPE

	Fixed rate	%	Variable rate	%	Adjustable rate	%	Other	%
OFF-BALANCE SHEET ITEMS								
Hedging transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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■ 3.3. BREAKDOWN OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS BY RESIDUAL MATURITY(*)

	< 3 months	%	]3 months – 1 year]	%	]1−3 years]	%	]3−5 years]	%	> 5 years	%
OFF-BALANCE SHEET ITEMS										
Hedging transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(*) Positions in interest rate futures are shown based on the maturity of the underlying asset.

■ 3.4. BREAKDOWN OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS BY LISTING OR VALUATION CURRENCY (NON-EURO)

	Currency 1		Currency 2		Currency 3		Currency N OTHER(S)	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Master UCI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LIABILITIES								
Payables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OFF-BALANCE SHEET ITEMS								
Hedging transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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■ 3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type of debit/credit	30/12/2022
RECEIVABLES		
	Deferred settlement sales	46,003.28
	Subscriptions receivable	30,787.25
TOTAL RECEIVABLES		**76,790.53**
PAYABLES		
	Deferred settlement purchases	30,925.42
	Redemptions payable	45,792.31
	Fixed management fees	658,442.66
TOTAL PAYABLES		**735,160.39**
TOTAL PAYABLES AND RECEIVABLES		**-658,369.86**

■ 3.6. SHAREHOLDERS' EQUITY

• 3.6.1. Number of securities issued or redeemed

	Units	Amount
MIROVA EUROPE ENVIRONNEMENT C unit		
Units subscribed during the financial year	54,394.1594	104,799,457.28
Units redeemed during the financial year	-26,305.6346	-53,283,381.07
Net subscriptions/redemptions	28,088.5248	51,516,076.21
Number of units outstanding at the end of the financial year	301,586.6031	
MIROVA EUROPE ENVIRONNEMENT D unit		
Units subscribed during the financial year	14,026.1674	20,352,162.83
Units redeemed during the financial year	-39,831.5655	-58,657,893.31
Net subscriptions/redemptions	-25,805.3981	-38,305,730.48
Number of units outstanding at the end of the financial year	238,711.3038	
MIROVA EUROPE ENVIRONNEMENT N unit		
Units subscribed during the financial year	2,906.6450	4,381,672.79
Units redeemed during the financial year	-2,997.7842	-4,526,089.79
Net subscriptions/redemptions	-91.1392	-144,417.00
Number of units outstanding at the end of the financial year	11,607.0144	

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• 3.6.2. Subscription and/or redemption fees

	Amount
MIROVA EUROPE ENVIRONNEMENT C unit	
Total subscription and/or redemption fees accrued	0.00
Subscription fees accrued	0.00
Redemption fees accrued	0.00
MIROVA EUROPE ENVIRONNEMENT D unit	
Total subscription and/or redemption fees accrued	0.00
Subscription fees accrued	0.00
Redemption fees accrued	0.00
MIROVA EUROPE ENVIRONNEMENT N unit	
Total subscription and/or redemption fees accrued	0.00
Subscription fees accrued	0.00
Redemption fees accrued	0.00

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■ 3.7. MANAGEMENT FEES

	30/12/2022
MIROVA EUROPE ENVIRONNEMENT C units	
Guarantee fees	0.00
Fixed management fees	5,136,339.79
Percentage of fixed management fees	0.90
Provisional variable management fees	0.00
Percentage of provisional variable management fees	0.00
Acquired variable management fees	0.00
Percentage of variable management fees	0.00
Retrocessions of management fees	0.00
MIROVA EUROPE ENVIRONNEMENT D units	
Guarantee fees	0.00
Fixed management fees	3,191,748.78
Percentage of fixed management fees	0.90
Provisional variable management fees	0.00
Percentage of provisional variable management fees	0.00
Acquired variable management fees	0.00
Percentage of variable management fees	0.00
Retrocessions of management fees	0.00
MIROVA EUROPE ENVIRONNEMENT N units	
Guarantee fees	0.00
Fixed management fees	54,356.81
Percentage of fixed management fees	0.30
Provisional variable management fees	0.00
Percentage of provisional variable management fees	0.00
Acquired variable management fees	0.00
Percentage of variable management fees	0.00
Retrocessions of management fees	0.00

■ 3.8. COMMITMENTS RECEIVED AND GIVEN

• 3.8.1. Guarantees received by the UCI:

None.

• 3.8.2. Other commitments received and/or given:

None.

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3.9. OTHER INFORMATION

3.9.1. Current value of financial instruments acquired under securities financing transactions

	30/12/2022
Securities received under reverse repurchase agreements	0.00
Borrowed securities	0.00

3.9.2. Current value of financial instruments constituting collateral deposits

	30/12/2022
Financial instruments given as collateral and retained under their original entry	0.00
Financial instruments received as collateral and not posted in the balance sheet	0.00

3.9.3. Financial instruments held, issued and/or managed by the Group

	ISIN code	Denomination	30/12/2022
Equities			0.00
Bonds			0.00
Negotiable debt securities			0.00
UCIs			908,536,048.70
	LU0914732598	MIROVA EUROPE ENVIR EQ FD M EUR DIS	908,536,048.70
Forward financial instruments			0.00
Total Group securities			**908,536,048.70**

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■ 3.10. ALLOCATION OF DISTRIBUTABLE INCOME

• Allocation table for the portion of distributable income relating to profit/loss

	30/12/2022	31/12/2021
Amounts still to be allocated		
Retained earnings	0.00	0.00
Income	3,281,502.74	-7,217,466.88
Total	**3,281,502.74**	**-7,217,466.88**

	30/12/2022	31/12/2021
MIROVA EUROPE ENVIRONNEMENT C unit		
Allocation		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	1,995,207.22	-4,323,004.46
Total	**1,995,207.22**	**-4,323,004.46**

	30/12/2022	31/12/2021
MIROVA EUROPE ENVIRONNEMENT D unit		
Allocation		
Distribution	1,124,330.24	0.00
Retained earnings for the financial year	2,322.65	0.00
Accumulation	0.00	-2,876,427.22
Total	**1,126,652.89**	**-2,876,427.22**
Information on units with distribution rights		
Number of units	238,711.3038	264,516.7019
Distribution per unit	4.71	0.00
Tax credit		
Tax credit relating to the distribution of income	**0.00**	**0.00**

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	30/12/2022	31/12/2021
MIROVA EUROPE ENVIRONNEMENT N unit		
Allocation		
Distribution	0.00	0.00
Retained earnings for the financial year	0.00	0.00
Accumulation	159,642.63	-18,035.20
Total	**159,642.63**	**-18,035.20**

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• **Allocation table for the portion of distributable income relating to net profits and losses**

	30/12/2022	31/12/2021
Amounts still to be allocated		
Undistributed prior net profits and losses	0.00	0.00
Net profits and losses for the financial year	30,262,772.05	51,669,599.35
Interim dividends paid on net profits and losses for the financial year	0.00	0.00
Total	**30,262,772.05**	**51,669,599.35**

	30/12/2022	31/12/2021
MIROVA EUROPE ENVIRONNEMENT C unit		
Allocation		
Distribution	0.00	0.00
Undistributed net profits and losses	0.00	0.00
Accumulation	19,053,516.81	30,118,983.84
Total	**19,053,516.81**	**30,118,983.84**

	30/12/2022	31/12/2021
MIROVA EUROPE ENVIRONNEMENT D unit		
Allocation		
Distribution	0.00	0.00
Undistributed net profits and losses	0.00	0.00
Accumulation	10,669,665.91	20,607,970.44
Total	**10,669,665.91**	**20,607,970.44**

	30/12/2022	31/12/2021
MIROVA EUROPE ENVIRONNEMENT N unit		
Allocation		
Distribution	0.00	0.00
Undistributed net profits and losses	0.00	0.00
Accumulation	539,589.33	942,645.07
Total	**539,589.33**	**942,645.07**

5. Annual financial statements

■ 3.11. TABLE OF RESULTS AND OTHER SIGNIFICANT ITEMS OVER THE LAST FIVE FINANCIAL YEARS

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Total net assets in EUR	**413,245,436.94**	**657,826,321.77**	**934,885,585.49**	**1,149,330,116.30**	**909,318,051.31**
MIROVA EUROPE ENVIRONNEMENT C unit in EUR					
Net assets	159,455,260.56	303,810,522.31	493,580,643.16	669,911,422.62	572,466,435.85
Number of securities	124,321.7316	179,452.8821	234,906.1128	273,498.0783	301,586.6031
Net asset value per unit	1,282.60	1,692.98	2,101.18	2,449.41	1,898.18
Accumulation per unit from net profits/losses	12.28	5.08	58.08	110.12	63.17
Accumulation per unit from income	-6.34	-17.41	-109.46	-15.80	6.61
MIROVA EUROPE ENVIRONNEMENT D unit in EUR					
Net assets	247,671,381.19	338,855,940.27	421,366,001.42	458,381,375.33	320,578,632.34
Number of securities	272,683.1770	282,826.7592	283,511.5490	264,516.7019	238,711.3038
Net asset value per unit	908.27	1,198.10	1,486.23	1,732.90	1,342.95
Accumulation per unit from net profits/losses	0.15	3.60	41.10	77.90	44.69
Distribution per unit from income	0.00	0.00	0.00	0.00	4.71
Tax credit per unit	0.00	0.00	0.00	0.00	0.00
Accumulation per unit from income	-10.07	-13.15	-78.18	-10.87	0.00
MIROVA EUROPE ENVIRONNEMENT N unit in EUR					
Net assets	6,118,795.19	15,159,859.19	19,938,940.91	21,037,318.35	16,272,983.12
Number of securities	6,606.5725	12,341.2559	13,002.6199	11,698.1536	11,607.0144
Net asset value per unit	926.16	1,228.38	1,533.45	1,798.34	1,401.99
Accumulation per unit from net profits/losses	8.42	3.67	42.30	80.58	46.48
Accumulation per unit from income	-2.04	-7.50	-73.23	-1.54	13.75

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■ 3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS IN EUR

Name of security	Currency	Quantity (number or nominal value)	Current value	% of net assets
Undertakings for collective investment				
General-purpose UCITS and AIFs intended for non-professional investors, and their equivalents in other countries				
LUXEMBOURG				
MIROVA EUROPE ENVIR EQ FD M EUR DIS	EUR	8,737.0476	908,536,048.70	99.91
TOTAL LUXEMBOURG			**908,536,048.70**	**99.91**
TOTAL General-purpose UCITS and AIFs intended for non-professional investors, and their equivalents in other countries			**908,536,048.70**	**99.91**
TOTAL Undertakings for collective investment			**908,536,048.70**	**99.91**
Receivables			**76,790.53**	**0.01**
Payables			**-735,160.39**	**-0.08**
Financial accounts			**1,440,372.47**	**0.16**
Net assets			**909,318,051.31**	**100.00**

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■ **Additional information about the coupon tax system**

Coupon breakdown: MIROVA EUROPE ENVIRONNEMENT D unit

	TOTAL NET	CURRENCY	NET PER UNIT	CURRENCY
Income subject to compulsory non-definitive withholding tax	0.00		0.00	
Shares giving entitlement to reductions and subject to compulsory non-definitive withholding tax	1,124,330.24	EUR	4.71	EUR
Other income not giving entitlement to reductions and subject to compulsory non-definitive withholding tax	0.00		0.00	
Non-reportable and non-taxable income	0.00		0.00	
Amount distributed on profits and losses	0.00		0.00	
TOTAL	1,124,330.24	EUR	4.71	EUR

6. Appendices

Preliminary point: the MIROVA EUROPE ENVIRONNEMENT Fund is a feeder fund, 99.91% of the assets of which are invested in its master fund, MIROVA EUROPE ENVIRONMENTAL EQUITY FUND as at 30 December 2022.

Template periodic 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

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

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.

Sustainable investment objective

Did this financial product have a sustainable investment objective?	
☒ Yes	☐ No
☒ It made **sustainable investments with an environmental objective:** 79.52% ☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ______% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☒ It made **sustainable investments with a social objective:** 17.24%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

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.

To what extent was the sustainable investment objective of this financial product met?

The Fund's sustainable investment objective is to allocate capital to companies:

- that offer positive innovative solutions to address the challenges associated with key environmental themes: renewable energies, industrial energy efficiency, sustainable waste and water management, sustainable land use, clean transport, green buildings, and

- whose economic activities and products, services or practices contribute positively to the achievement of one or more United Nations Sustainable Development Goals (the "SDGs").

The Fund aims to help maintain the maximum increase in the global temperature at the limit of 2°C.

Regulation (EU) 2020/852 (the "Taxonomy Regulation") seeks to establish criteria for the purposes of determining whether an economic activity qualifies as environmentally sustainable. This Fund may invest in economic activities contributing to the environmental objectives set out in Article 9 of the 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.

To date, only two environmental objectives have been defined and only a limited number of activities can be analysed according to the EU's technical screening criteria.

The extent to which each company's economic activities align with the above objectives is identified and measured if data of an adequate quality is available to the financial manager. Depending on the investment opportunities available, the Fund may contribute to any one of the environmental objectives mentioned above 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.

As at 30 December 2022, 96.77% of the Fund's net assets were aligned with the sustainable investment objectives. Alignment with the EU Taxonomy was at 14.69%.

These indicators have not been subject to an assurance provided by an auditor, nor have they been reviewed by a third party.

How did the sustainability indicators perform?

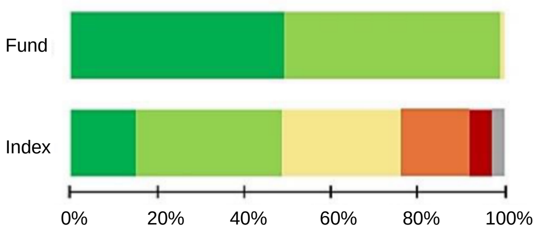
Benchmark index: MSCI EUROPE NET TOTAL RETURN EUR

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The benchmark index is not intended to align with the environmental and social ambitions promoted by the Fund.

BREAKDOWN BY ESG POSITION*

as % of outstanding amount, excluding cash equivalent



	“Committed”/“Positive” positions
Fund	98.8%
Index	49.0%

Realisation of SDGs**

- **Committed: Contributes very positively to the realisation of the SDGs**
- **Positive: Contributes positively to the realisation of the SDGs**
- **Neutral: Conforms with some of the SDGs, but impacts are low or not quantified**
- **Risk: Impedes realisation of the SDGs**
- **Negative: Strongly opposed to realisation of the SDGs**
- **Not monitored: Not rated by Mirova or ISS ESG**

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (“SDGs”)

as a % of the outstanding amount with Committed/Positive positions

	Mirova pillars	Fund	Index
Environment	**CLIMATE STABILITY** Limiting greenhouse gas emissions to keep the global temperature rise below 2°C	81%	26%
	ECO-SYSTEMS Maintaining terrestrial and marine eco-systems in most favourable ecological conditions	54%	10%
	RESOURCES Preserving natural resources through efficient use and the use of the circular economy	64%	16%
Social	**BASIC NEEDS** Ensuring access to basic needs for all: food, water, health, energy, housing, sanitation, transport, credit	14%	17%
	WELL-BEING Improving access to education, health, justice and equal opportunities	40%	25%
	DECENT WORK Offering employment with good working conditions and social integration to all	29%	16%

Extent to which an asset contributes to the SDGs corresponding to each pillar

17 Sustainable Development Goals were adopted by the UN in 2015, with the ambition to achieve these by 2030. Please refer to an overview of all the SDGs (1–17) on the UN website: www.un.org/sustainabledevelopment /sustainable-development-goals/. This graph shows the extent to which an asset contributes to the United Nations Sustainable Development Goals (“SDGs”). Mirova has entered into an agreement with the University of Cambridge, based on a research partnership focusing on sustainable development themes as well as the establishment of a working group, the Investors Leaders Group, in 2013. To illustrate the key sustainable impacts of our investments, six impact pillars have been developed – three environmental and three social – for each asset (as shown on the left). The same assets can contribute to several pillars/SDGs.

The ESG position aims to assess whether the investment is consistent with the UN SDGs and is based on analysis by Mirova and ISS ESG, a third party.
Valuation does not guarantee a profit or protection against loss, nor does it ensure the stability or security of the overall portfolio.
The percentages shown represent the share of portfolio holdings (by weight) that positively contribute to the pillar concerned (companies with a “Committed” or “Positive” position on the pillar).*
Our measure of contribution is based on both the ability of companies to deliver positive impact products and services and the quality of their environmental and social practices across their value chain.*
Due to dynamic management, the characteristics of the portfolios are subject to change. Any reference to specific securities or sectors of activity should not be considered to be a recommendation. Source: Mirova
The percentages shown represent the proportion of portfolio holdings (by weight) that positively contribute to the pillar concerned (companies with a “Committed” or “Positive” position on the pillar).
Our measure of contribution is based on both the ability of companies to deliver positive impact products and services and the quality of their environmental and social practices across their value chain.

* For more information on our methodologies, please visit the Mirova website: https://www.mirova.com/fr/recherche
** In 2015, all countries in the world agreed on 17 universal sustainable development goals (SDGs) to end poverty, combat inequality and injustice, and address climate change by 2030.
* For more information on our methodologies, please refer to the Mirova website: https://www.mirova.com/en/research

ESTIMATED IMPACT ON THE GLOBAL AVERAGE TEMPERATURE INCREASE

	Fund	Index
	1.5°C	2.5–3°C
Emissions produced *(eq. CO_2/€ million)*	162.4	200.9
Emissions prevented *(eq. CO_2/€ million)*	59.1	12.4
Coverage rate *(% of securities analysed)*	97%	99%

In 2015, Mirova and Carbone 4 co-developed a method for assessing carbon data in light of the specific challenges facing a low-carbon economy: Carbon Impact Analytics (CIA). Companies are initially evaluated individually against a sector-specific framework. This method focuses on two main indicators:

- "Induced" emissions resulting from the "life cycle" of a company's activities, taking into account both direct emissions and those from suppliers and products
- "Avoided" emissions through energy efficiency improvements or "green" solutions

These indicators are improved by assessing corporate policies and decarbonisation objectives.
The evaluations of individual companies are then used to calculate the extent to which the Fund aligns with a global warming trajectory of 1.5°C to 5°C by 2100.
For more information on the methodologies, please refer to the Mirova website: www.mirova.com/en/research/demonstrating-impact
* This methodology has changed with effect from 31 May 2022. The main change to our methodology involves the calculation of temperature (addition of a qualitative analysis of the Company's decarbonisation strategy) and in the way temperature is presented (in increments rather than rounded to the nearest tenth).

AUM of global funds help to prevent

150,442 tCO_2

equivalent to

45,588 European households
In Europe, an average household emits 3.3 tCO_2/year for heating and electricity

or

88,495 vehicles
In Europe, a standard vehicle emits on average about 1.7 tCO_2/year

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.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The sustainability analysis aims to identify any relevant residual environmental and social risks stemming from the companies' activities and practices and assesses 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 Management Company issues a binding opinion, on the basis of which companies whose economic activities or practices are considered to have a significant negative impact on the achievement of one or more of the UN SDGs are automatically excluded from the investment universe, regardless of any positive contribution they make.

Consequently, during the period under consideration, all investments in the Fund complied with the Management Company's DNSH criteria.

How were the indicators for adverse impacts taken into account?

As part of its risk assessment process, the Management Company systematically assesses and monitors any relevant indicators that are deemed to indicate the presence of significant negative impacts (including the consideration of data relating to indicators of mandatory principal adverse impacts – PAIs).

If the data required to calculate certain PAI indicators is unavailable, the Management Company may use qualitative or quantitative estimates covering issues that are similar to the PAI indicators in question.

Negative impacts are prioritised according to the specific features of each sector and the economic models of the companies, using a combination of criteria based on:

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

- an analysis of the company's exposure to fundamental rights and employee-related matters, seen through the prism of its sites, its business model and its supply chain organisation (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;

- the monitoring of ongoing or potential controversies.

If the Management Company considers that the investee company's processes and practices are not adequate to mitigate environmental, social and governance risks, particularly in terms of

the relevant PAIs, the company is considered to have a negative impact, which makes it ineligible for investment.

Further details are provided in the table below, which lists the principle adverse impacts on sustainability factors that MIROVA takes into account:

Adverse Sustainability Indicator		How Mirova takes the PAIs into account
Greenhouse gas emissions	1. GHG emissions 2. Carbon footprint 3. GHG intensity of investee companies	- Exclusion of the most carbon-intensive entities and companies whose GHG reduction plan does not exist or is inadequate - Systematic inclusion in internal qualitative analysis
	4. Exposure to companies active in the fossil fuel sector	- Exclusion of companies active in the fossil fuel sector For companies involved in the extraction, processing/refining and trading of fossil fuels, the exclusion applies to companies that derive: • >5%of their revenue from coal or oil, including unconventional oil; • >10% of their revenue from unconventional gas. For companies that produce equipment for or provide services to the fossil fuel sector, the exclusion applies to companies that derive more than 50% of their revenue from such equipment or services. For companies that produce electricity (>10% of sales related to electricity production), the exclusion applies to companies whose production mix is dominated by coal, the carbon intensity of which is more than 350 gCO2/kWh.
	5. Share of non-renewable energy consumption and production	- Inclusion in internal qualitative analysis when relevant
	6. Energy consumption intensity per high impact climate sector	- Inclusion in internal qualitative analysis when relevant
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	- Exclusion of companies or projects severely harming sensitive biodiversity areas - Systematic inclusion in internal qualitative analysis - Inclusion in controversy analysis
Water	8. Emissions to water	- Inclusion in internal qualitative analysis when relevant
Waste	9. Hazardous waste and radioactive waste ratio	- Inclusion in internal qualitative analysis when relevant
Social and employee matters	10. Violations of the principles of the United Nations Global Compact and OECD Guidelines for Multinational Enterprises	- Exclusion of companies that violate the principles of the United Nations Global Compact and the OECD - Systematic inclusion in internal qualitative analysis - Included in controversy analysis
	11. Lack of processes and compliance mechanisms to monitor compliance with the principles of the United Nations Global Compact and OECD Guidelines for Multinational Enterprises	- Exclusion for large companies, on a case-by-case basis for small companies or projects - Systematic inclusion in internal qualitative analysis - Commitment plans/ESAPs with owned entities
	12. Unadjusted gender pay gap	- Systematic inclusion of gender equality in internal qualitative analysis - Commitment plans/ESAPs with owned entities
	13. Board gender diversity	- Systematic inclusion of gender equality in internal qualitative analysis - Commitment plans/ESAPs with owned entities
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	- Exclusion (from the first euro of revenue)
Additional PAI indicators	4. Investments in companies without carbon emission reduction initiatives	- Exclusion of the most carbon-intensive entities and companies whose GHG reduction plan does not exist or is inadequate - Systematic inclusion in internal qualitative analysis
	14. Number of identified cases of severe human rights issues and incidents	- Exclusion of companies adopting bad practices or involved with serious human rights incidents - Systematic inclusion in internal qualitative analysis - Inclusion in controversy analysis
	17. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	- Exclusion of companies adopting bad practices or involved with serious human rights incidents - Systematic inclusion in internal qualitative analysis - Inclusion in controversy analysis

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Management Company assesses the investee companies with regard to compliance with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

The Management Company continually monitors the companies’ track records and news feeds in order to identify significant controversies. The companies’ engagement and resolution measures are taken into account. The risks of potential breaches may be monitored by engaging with the companies to obtain additional assurance.

Companies the Management Company deems to be in serious breach of the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights are considered to be doing significant harm and therefore become ineligible.

Consequently, during the reporting period, all investments were considered to comply with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

How did this financial product consider principal adverse impacts on sustainability factors?

The PAI indicators are included in the sustainability analysis framework and the results are part of the DNSH test. As described above, the outcome of the DNSH test is a binding opinion identifying the companies whose economic activities or practices are considered to have a significant negative impact on the attainment of one or more of the UN SDGs, and these companies are automatically excluded from the investment universe, regardless of any positive contribution they make. Consequently, these financial products take PAI indicators into account on an ongoing basis.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of** the financial product's **investments** during the reference period, which is from 1 January 2022 to 31 December 2022

Largest investments	Sector	% assets	Country
THERMO FISHER UN USD	Medical devices	4.19%	United States
ASML HOLDING NA EUR	Production technology and equipment	4.12%	Netherlands
SAINT-GOBAIN FP EUR	Construction materials: other	4.01%	France
VESTAS WIND DC DKK	Renewable energy production equipment	3.7%	Denmark
INFINEON TECH GY EUR	Semiconductors	3.45%	Germany
SYMRISE AG GY EUR	Chemical products: diversified	3.19%	Germany
VEOLIA FP EUR	Water	3.16%	France
CORP ACCIONA SQ EUR	Alternative electricity	3.09%	Spain
DSM (KONIN) NA EUR	Food products	2.97%	Netherlands
MERCEDES-BENZ GY EUR	Automobiles	2.81%	Germany
AIR LIQUIDE FP EUR	Speciality chemical products	2.77%	France
ORSTED A/S DC DKK	Alternative electricity	2.76%	Denmark
SOLARIA SQ EUR	Alternative electricity	2.67%	Spain
CREDIT FP EUR	Banks	2.63%	France
SCHNEIDER FP EUR	Electrical components	2.55%	France

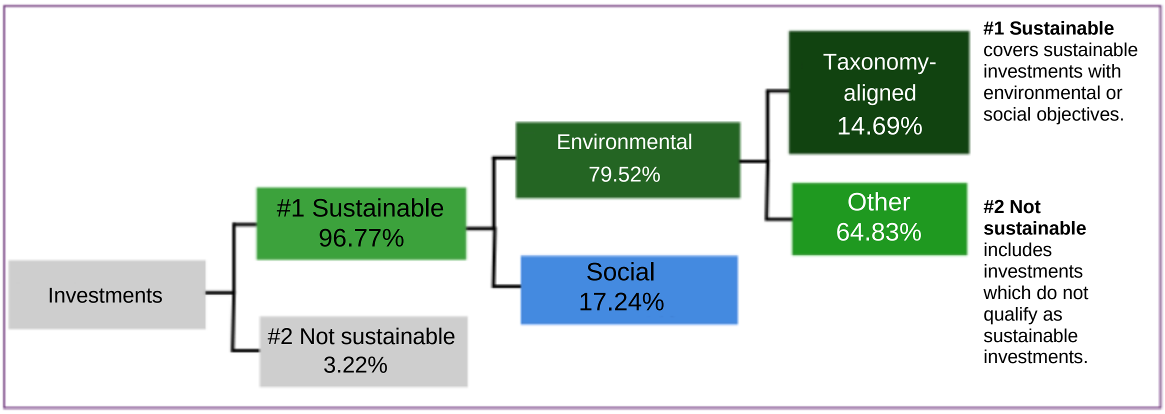
What was the proportion of sustainability-related investments?

The Fund aims to invest only in sustainable investments as defined in Article 2(17) of the SFDR. As at 30 December 2022, 96.77% of the Fund's net assets were aligned with the sustainable investment objectives.

The Fund may use derivatives for hedging purposes.

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



In which economic sectors were the investments made?

SECTOR BREAKDOWN (%)	Fund	Index
Industry	26.1	14.2
Materials	21.1	7.4
Public utilities	15.8	4.4
Information technology	12.4	6.9
Finance	8.7	16.8
Healthcare	4.7	15.5
Consumer discretionary	4.3	10.8
Consumer staples	2.5	13.1
Energy	1.0	6.6
Communications services	-	3.3
Real estate	-	0.9
UCIs	1.2	-
Cash	2.2	-

MSCI classifications

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 economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

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

Because of its sustainable objective, this Fund may invest in economic activities that contribute to the environmental objectives set out in Article 9 of Regulation (EU) 2020/852 (the "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 extent to which each company's economic activities align with the above objectives (limited to objective (a) to date) is identified and measured insofar as data of an adequate quality is available to the Manager. Data may also be estimated if certain information is missing, under the conditions defined by the regulators and in particular in compliance with the principle of prudence. The methodology for collecting alignment data and the quality of available data are improving.
Consequently, the alignment percentage provided is conservative: As at 30 December 2022, 14.69% of the Fund's net assets are aligned with the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

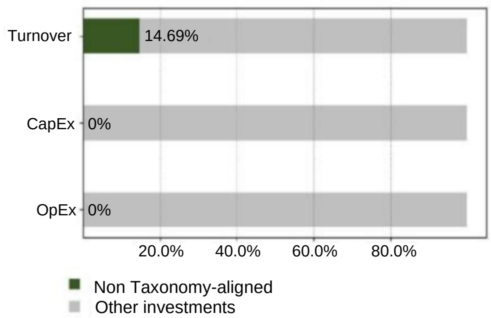
☒ No

Taxonomy-aligned activities are expressed as a share of:

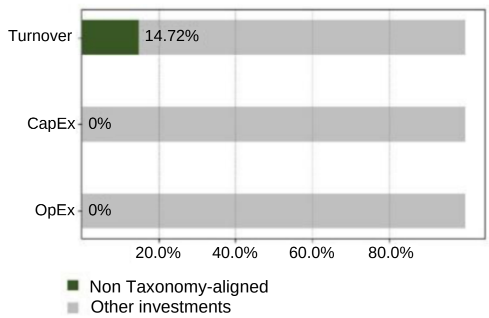
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities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

The graphs below show in green the 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***



This graph represents 100% of the total investments.

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

[1] 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 no significant harm to any EU Taxonomy objective – 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.

What was the share of investments made in transitional and enabling activities?

The share of investments in transitional and enabling activities was 7.02%.

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

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Fund has invested 79.52% in sustainable investments with an environmental objective that may include sustainable investments that are not aligned with the EU Taxonomy.

The Management Company carries out an overall assessment of the positive impacts of each eligible company, which includes an analysis of the positive impacts on three environmental themes: climate stability, biodiversity and the circular economy.

These themes aim to identify companies that, through their products, services and/or practices, contribute to:

- helping to develop low-carbon energy, eco-efficiency, clean transportation or green building, or are aligned with an advanced decarbonisation strategy; or
- supporting sustainable land use, land conservation and sustainable water management, or are aligned with an advanced biodiversity conservation strategy; or
- promoting sustainable waste management or a circular economic model.

The Fund is not committed to undertaking a minimum share of sustainable investments with an environmental objective that is not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

The share of the Fund's socially sustainable investments is 17.24%.

The Management Company carries out an overall assessment of the positive impacts of each eligible company, which includes an analysis of the positive impacts on three social themes: socio-economic development, health and well-being, and inclusion in diversity.

These themes aim to identify companies that, through their products, services and/or practices, contribute to:

- promoting access to basic and sustainable services with a local impact or promoting advanced working conditions;
- supporting the development of health care, healthy nutrition, education or security;

- promoting diversity and inclusion through dedicated products and services or advanced practices relating to the workforce.

What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

The Fund aims to invest solely in equities that are classed as sustainable investments.
For technical or hedging purposes, the Fund may hold cash or cash equivalents and derivatives for the purposes of exchange risk management. Due to the technical and neutral nature of the assets, these instruments are not considered investments and therefore no minimum guarantee has been put in place.

What actions have been taken to attain the sustainable investment objective during the reference period?

Engagement is an integral part of Mirova’s responsible investment approach.

Mirova’s engagement strategy aims to monitor and improve company products and practices from an environmental, social and governance perspective. Consequently, one of the main tasks of the sustainable investment research team is engagement, both on an individual and collaborative level:

Individual engagement: in which Mirova’s ESG analysts interact face-to-face with companies to monitor performance and progress on ESG topics, and to encourage them to improve their sustainability practices. The aim of individual engagement is not only to ensure responsible practices in accordance with our standards, but also to promote better ESG practices and to encourage the development of solutions for the main environmental and social challenges associated with each sector.

Collaborative engagement: Mirova partners with other investors and community representatives to identify controversial practices, encourage greater transparency and require companies to change their practices, if necessary.

In addition, Mirova takes advantage of its voting rights to further propel companies towards developing more sustainable portfolios and adopting best practices, by systematically exercising their voting rights on the basis of an internal voting policy that fully incorporates the concepts of sustainable governance within stakeholders. Proxy voting is used to send messages during pre-/post-vote discussions, as opposed to ad-hoc agenda items. Where possible, Mirova may co-sign or direct the submission of shareholders’ agenda items.

Mirova also engages with regulators to share its vision for sustainable investment in order to improve standards and regulations in the financial sector and promote sustainable investment. Mirova is committed to promoting regulations, including legislative changes, standards or labels, and practices that support sustainable investment and create long-term value.

Additional information about Mirova's priorities and engagement policy is available on the website at https://www.mirova.com/en/research/voting-and-engagement.

How did this financial product perform compared to the reference sustainable benchmark?

Not applicable

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

- ***How did the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?***

  Not applicable

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