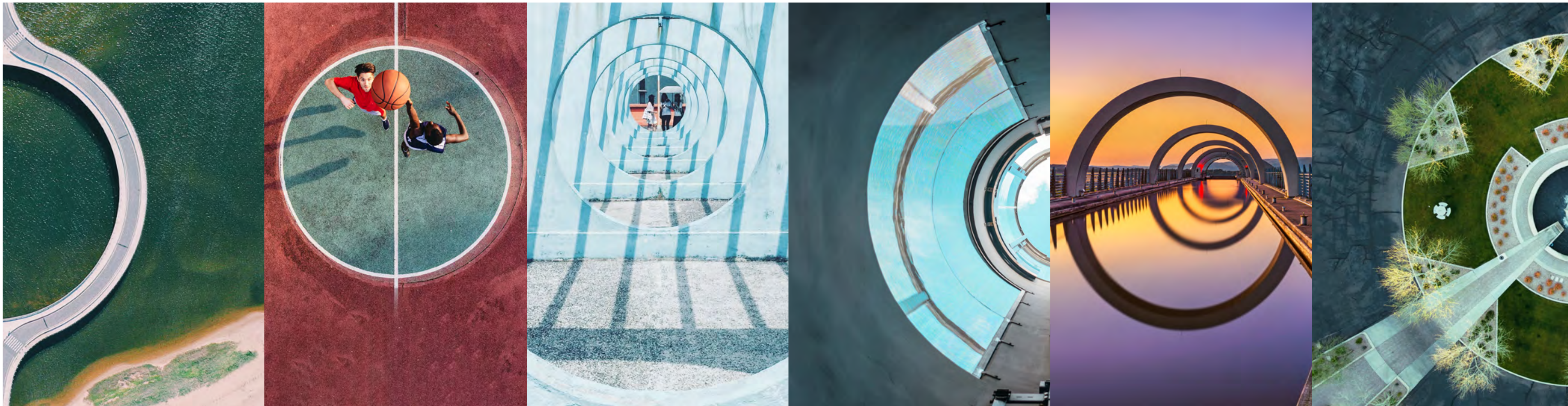


CORPORATE SOCIAL RESPONSIBILITY REPORT 2021



ÉDITO

● 2021 will go down in history as yet another mixed year. The pandemic continued in a battle that is by no means over; the effects of global warming became increasingly evident; and we witnessed a geopolitical power struggle. Yet 2021 was also the year in which the world became more acutely aware of the risks to the climate and biodiversity, the global economy recovered with unemployment falling back, and remarkable progress was made on the public health situation and vaccine rollouts.

● We are going to have to rally together to deal with the many issues affecting our economies, our way of life and our social bonds. Global warming, biodiversity loss, population growth, resource scarcity, epidemics and geopolitical crises are going to bring globalisation as we have known it for the past thirty years to a premature end. These are all factors that we are going to have to take on board if we are to speed up our transition to a more sustainable world. Finance has a major role to play here, and it must step up to the plate. We, at Ostrum AM, are proud to be part of this effort.

● Client satisfaction in the world of asset management has always relied on two fundamental pledges: to deliver a return while also keeping risk under control. We added a third priority to our list quite some years ago: to factor in the corporate responsibility of our investee companies and, especially, to help our clients honour their own commitments to the climate transition. Ostrum AM has been by their side each step of the way, helping them to adjust to the latest regulations [SFDR, EU taxonomy, Energy-Climate Law, etc.] and working with them to devise methods to factor their convictions into the way their assets are managed. One of the highlights of 2021 was our drive to step up our engagement policy across the board, i.e. with respect to our individual and collective engagement initiatives, and in our capacity as a shareholder and bondholder. We also

reinforced our coal exit policy and set out the key principles underlying our upcoming oil and gas policy. We continued with our push to obtain SRI labels for our open-ended funds, reaching 92.8% of our target by the end of 2021.

● We were able to achieve all this thanks to the efforts made by our employees. We applied a resolutely social policy seeking to build on their engagement by creating the sense of a community working towards a common goal; we did this by giving each staff member what they needed to thrive in a hybrid working environment and by pro-actively promoting diversity and inclusion in all its forms.

● We have high ambitions, in keeping with the challenges that lie ahead: by deploying our climate and biodiversity policies, upholding our commitment to transparency and pursuing our engagement initiatives, Ostrum AM will be able to exert ever more influence on issuers and play its part in discussions and deliberations within the financial marketplace.

Phillipe Setbon
Chief Executive Officer of Ostrum
Asset Management



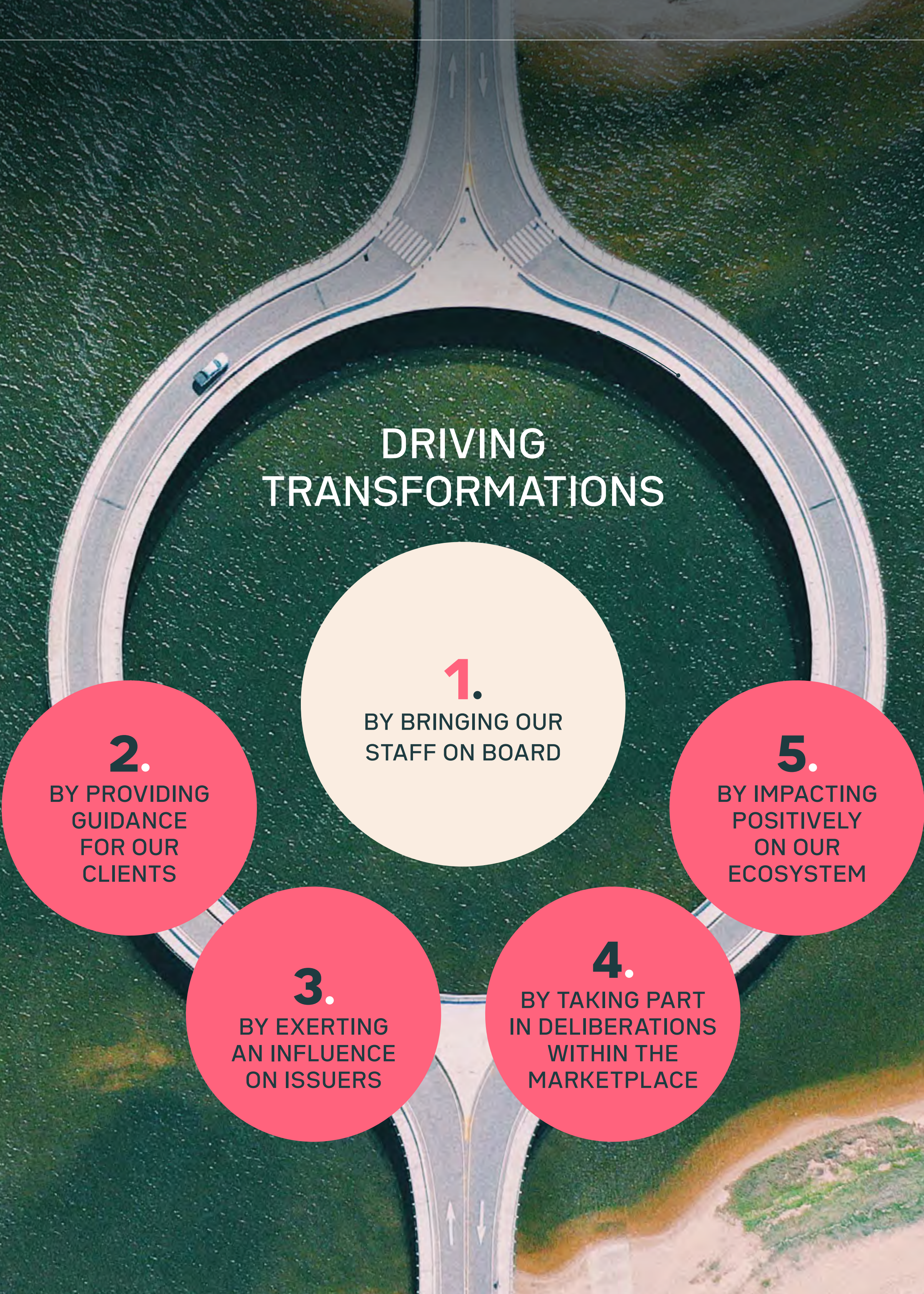
OUR CORPORATE RESPONSIBILITY

We place corporate responsibility at the core of what we do as asset managers and of the way we operate as a company.

We have been committed to responsible investment for many years now, endeavouring to build lasting relations with our clients on the foundations of responsibility and transparency while also being an exemplary employer and a company capable of contributing positively to our society.

OUR PURPOSE

“Extend our clients’ commitments through investment in order to help ensure the life, health and retirement plans of European citizens.”



EMPOWERING YOU FURTHER

As an advocate of responsible finance¹ and one of Europe's leading institutional asset managers², Ostrum AM assists its liability-driven investment clients by offering them both asset management solutions and investment services.

OUR GOAL

To deliver the best possible investment outcomes for our clients and thus help them achieve their long-term financial objectives.

OUR SHAREHOLDING STRUCTURE

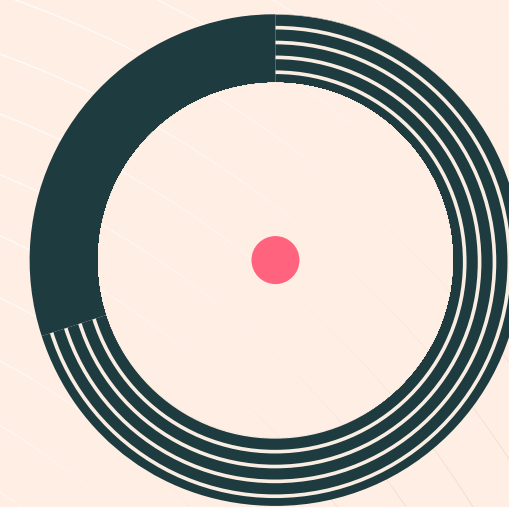
Natixis Investment Managers has owned 100% of Ostrum AM's share capital since 13th May 2022.

At 31st December 2021, Ostrum AM's ownership was divided between Natixis Investment Managers, with 57.24% of its share capital and 55% of its voting rights, and La Banque Postale Asset Management, with 42.76% of its share capital and 45% of its voting rights.

Ostrum AM is an affiliate of Natixis Investment Managers. Natixis Investment Managers is one of the world's biggest asset managers³ and forms part of the Global Financial Services⁴ division of Groupe BPCE, which is France's 2nd-largest banking group.

¹ Ostrum AM was among the first French asset managers to sign the PRI in 2008. Find out more here: www.unpri.org. ² IPE Top 500 Asset Managers 2021 ranked Ostrum AM as the 51st largest asset manager at 31/12/2020. References to a ranking are not an indicator of the asset manager's future performance. ³ Cerulli Quantitative Update: Global Markets 2021 ranked Natixis Investment Managers as the 15th largest asset manager in the world based on assets under management at 31/12/2020. ⁴ Groupe BPCE's Global Financial Services division covers Groupe BPCE's global business lines, i.e. asset and wealth management (primarily under the Natixis Investment Managers brand, of which Ostrum AM is an affiliate) and wholesale banking (primarily under the Natixis Corporate & Investment Banking brand).

A TOP-TIER PLAYER IN EUROPE



€442bn

of assets under management

of which

€341bn

of insurance-related assets/LDI

>100

investment
professionals

**A DUAL SERVICE
SPANNING THE ENTIRE
INVESTMENT VALUE CHAIN**

ASSET MANAGEMENT

- Insurance-related/LDI funds (fixed income, equities, multi-assets)
€341bn of AUM
- Bond funds (fixed income, credit)
€101bn of AUM, of which
€20bn of sustainable bonds
- **>35-year** track record⁵

SERVICES PLATFORM

- Analysis and portfolio optimisation, post-trade and position monitoring, order trading, reporting, data management.
- **€581bn** of assets under administration⁶
- **>10 years** of experience

Source: Ostrum AM, figures at 31/12/2021. References to a ranking, label, price or rating are not an indicator of a fund's or fund manager's future performance.

⁵ The legal structure has been reorganised on several occasions. ⁶ Assets under administration include Ostrum AM's own assets. Services provided for a given client may concern only certain services.

GIVING MEANING TO OUR CLIENTS' INVESTMENTS

INCORPORATING

ESG¹ criteria into each asset class

CERTIFYING

funds with the French SRI label² within each investment strategy

REINFORCING

our engagement policy in our capacity as a shareholder and bondholder

HELPING

our investor-clients to put their own climate transition commitments into action

ASSISTING

our investor-clients with applying new regulatory standards

100%

of our analyses factor in material ESG issues (excluding ABS and RTO)

93%

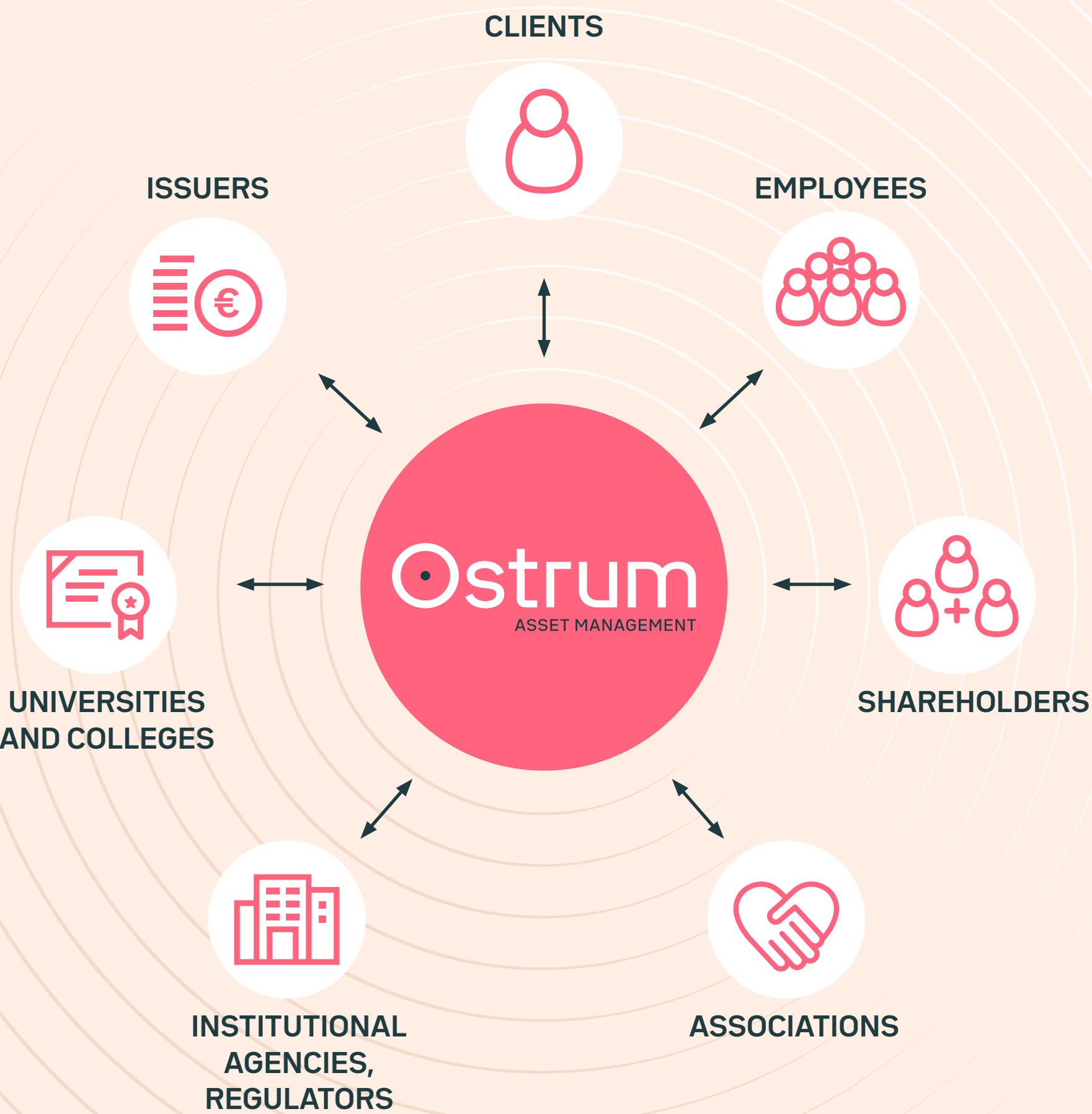
Around of our open-ended fund assets carry the French "Label ISR"

€20bn

of sustainable bonds

Source : Ostrum AM at 31/12/2021. **1.** Environmental, social and governance criteria. **2.** An SRI label created and backed by France's Ministry of Finance and used to select responsible and sustainable investments. For more information: www.llelabelisr.fr - References to a ranking, label, price or rating are not an indicator of a fund's or fund manager's future performance.

PERMANENT DIALOGUE WITH OUR STAKEHOLDERS



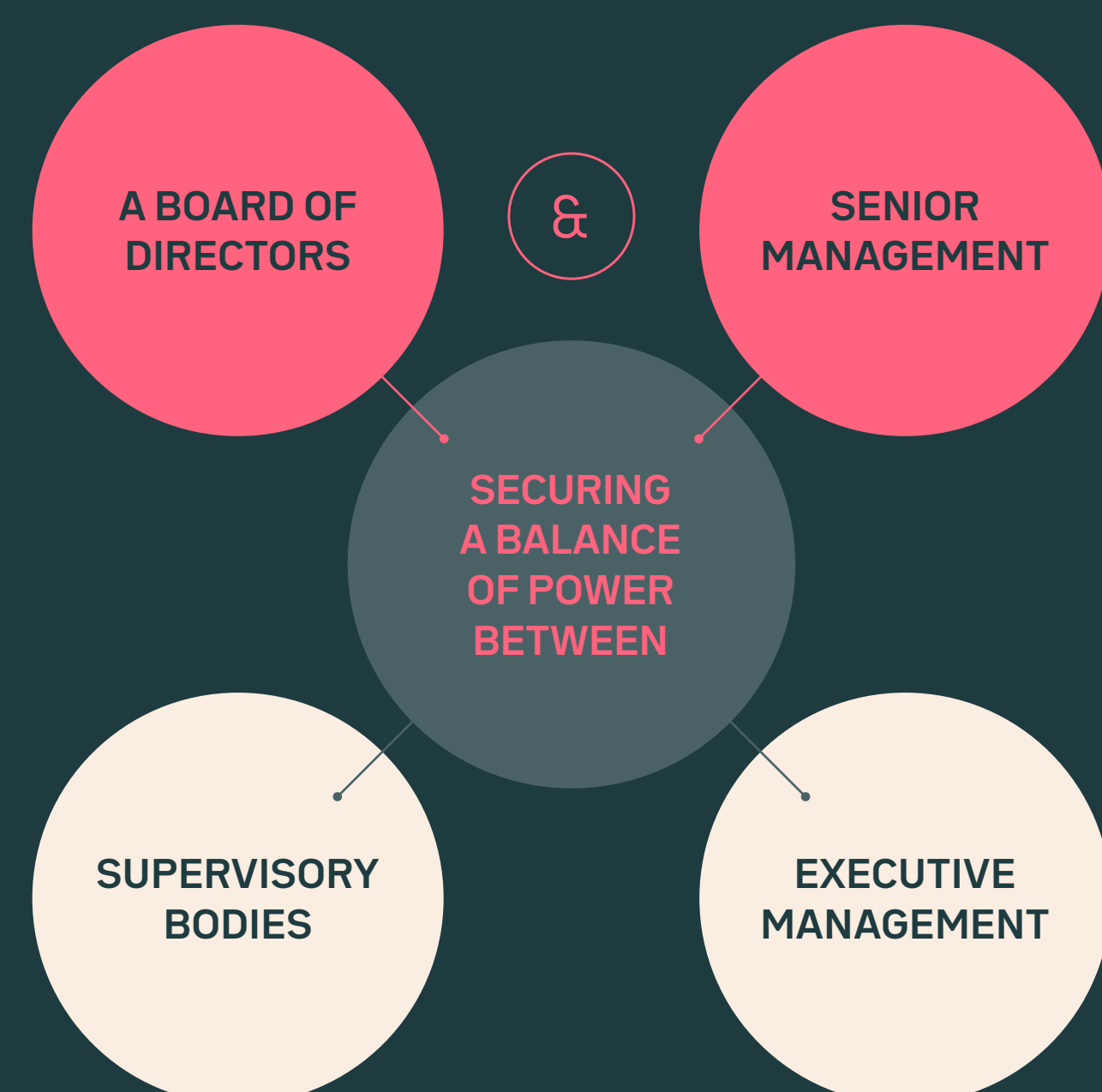
STAKEHOLDERS	<div></div> <div>CLIENTS<ul style="list-style-type: none">• Corporates• Institutional investors• Retail investors• Distribution platforms</div>	<div></div> <div>EMPLOYEES<ul style="list-style-type: none">• Ostrum AM employees• Staff and trade union representatives</div>	<div></div> <div>SHAREHOLDERS<ul style="list-style-type: none">• Global Financial Services and Natixis Investment Managers (Natixis IM) shareholders</div>	<div></div> <div>ASSOCIATIONS<ul style="list-style-type: none">• Planète Urgence• Vox Populi• AP-HP (Paris hospital trust)• Sciences Po</div>	<div></div> <div>INSTITUTIONAL AGENCIES, REGULATORS<ul style="list-style-type: none">• Financial regulators• Market authorities</div>	<div></div> <div>UNIVERSITIES AND COLLEGES<ul style="list-style-type: none">• Business / finance schools and universities</div>	<div></div> <div>ISSUERS<ul style="list-style-type: none">• Shares• Corporate bonds• Sovereign bonds</div>
RELATIONSHIP FORMAT	<ul style="list-style-type: none">• Questionnaires / surveys• RFPs and investment management proposals• Advisory services, product design / management• Establishing / amending contracts• Economic / financial reporting and information• Investment management, credit, SRI and project monitoring committees• Seminars, business meetings• Informal contacts, lunch meetings with clients• Site visits• Operational due diligence	<ul style="list-style-type: none">• Internal communication material• Annual staff meetings• Conferences• Special committees (e.g. CSE economic and social committee, CSSCT health and safety committee, trading committee)	<ul style="list-style-type: none">• Several Global Financial Services and Natixis IM shareholders sit on Ostrum AM's Board of Directors• Ostrum AM's Chief Executive Officer sits on Natixis IM's Management Committee• Numerous meetings and committees	<ul style="list-style-type: none">• Presentation of associations to staff members• Forums, Ostrum AM presentations• Interaction and skills sponsorship	<ul style="list-style-type: none">• Active participation in numerous market bodies and regulatory authorities, both national and international• Transmission of information and documentation for control and audit purposes	<ul style="list-style-type: none">• Partnerships: mentoring, presentations to students, forums• Hosting interns and students on vocational sandwich courses or apprenticeships	<ul style="list-style-type: none">• Participating in general meetings, engaging in dialogue with companies

OUR GOVERNANCE

We have established an evenly-balanced governance structure so as to ensure our activities are managed independently while safeguarding the long-term interests of our clients, our company and our stakeholders.

This is consistent with the principles of governance observed by our Group's subsidiaries and with our regulatory requirements.

Our governance structure is made up of:



A pluralist Board of Directors

Evenly-balanced representation:

- between our shareholding group
- and our banking network partners
- including representatives from our Economic and Social Union (two representatives attend meetings as non-voting participants)

The Board's role:

To ensure:

- Senior Management's independence when fulfilling its duties in the long-term interests of the company and of its shareholders,
- the highest quality of service provided to our distributor clients, primarily the Banques Populaires and Caisses d'Épargne networks.

Oversight of ESG and climate-related matters

The Board of Directors approves strategic decisions, including those involving our duties as a responsible asset manager accountable to our stakeholders.

By way of example, in 2021 it adopted a position in favour of reviewing our carbon policy and the key principles underlying our future oil & gas policy.

CHAIRMAN OF THE BOARD OF DIRECTORS

Timothy Ryan,

Chief Executive Officer of Natixis Investment Managers

DIRECTORS

Cyril Marie,

Chief Financial Officer and Head of Strategy & Corporate Development of Natixis Investment Managers

Christophe Lanne,

Chief Transformation & Talent Officer of Natixis Investment Managers

Sophie Debon,

Head of Retail Banking & Insurance products and solutions / Groupe BPCE products and solutions (representing Groupe BPCE)

Véronique Sani,

Chief Operating Officer of Natixis

Emmanuelle Mourey,

Chief Executive Officer of LBPAM (representing LBPAM Holding)

Christiane Marcellier,

Chair and Founder of JD4C Conseil

Sarah Russell,

member of the Supervisory Board and Chair of the Audit Committee of The Currency Exchange Fund NV (Netherlands), member of the Board of Directors and Chair of the Audit Committee of Nordea Bank ABP, Finland

Pierre Ernst,

General Secretary and member of the Management Board of LBPAM

Bertrand Cousin,

Managing Director of Corporate and Investment Banking and member of the Management Board of LBPAM

OUR EXECUTIVE TEAM

The Executive Committee encourages a form of deliberation that is collegial and interdisciplinary when deciding on the company's strategic priorities.

9 members representing the company's business lines and core functions.



Philippe Setbon
Chief Executive Officer



Mathieu Cheula
Deputy Chief Executive Officer



Ibrahima Kobar
Chief Investment Officer



Gaëlle Mallejac
Head of Portfolio Management for Insurance and ALM



Guillaume Abel
Head of Business Development



Julien Raimbault
Head of Operations & Technologies



Emmanuelle Portelle
Head of Permanent Controls



Rémi Ardaillou
Head of Risk



Sylvie Soulère Guidat
Head of Human Resources

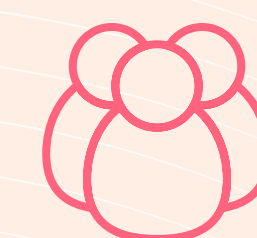
MAKING OUR EMPLOYEES THE DRIVERS OF OUR TRANSFORMATION

Ostrum AM places its staff at the very core of its CSR¹ strategy by actively involving them in its relations with its various stakeholders.

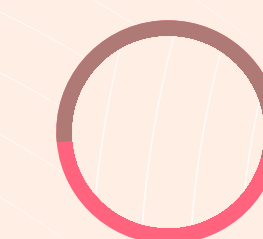
At the same time, we continue to roll out our responsible employer policy in an effort to promote workforce diversity and give all our employees an opportunity to develop their skills.

Our priorities in 2021:

- 1 To involve staff members in our corporate life and corporate culture, particularly in the current hybrid working environment.
- 2 To step up our diversity and inclusion policy by bringing in an external agency to assess our initiatives.



389 employees



61% men

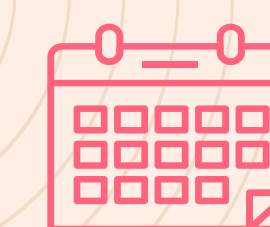
39% women²

90/100 our score on the professional gender equality index³



25

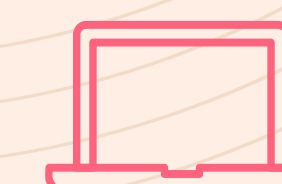
staff members on sandwich courses (i.e. 6% of the workforce)⁵



8.7 years average seniority within the company⁴



>92% of staff members having received training



89% of staff members working from home⁵

1. CSR: corporate social responsibility. 2. Source: permanent + fixed-term staff excluding those on sandwich courses at 31/12/2021. 3. Gender equality index: an indicator enabling companies to measure the pay gap between men and women. 4. Source: permanent staff at 31/12/2021. 5. Provisional consolidated data at 22/02/22 corresponding to at least 90% of hours worked over the year.

INVOLVING STAFF MORE CLOSELY IN OUR CORPORATE LIFE AND CORPORATE CULTURE

ROLLING OUT OUR CULTURAL TRANSFORMATION

Our cultural transformation in a few words:
success, pride and a sense of forming part of a collective undertaking.

3 key steps to roll out our cultural transformation

Discussions led by the Human Resources Department enabled our transformation to advance and evolve, just as the company itself is doing.

This holistic and participative approach created a melting pot of ideas from which we were able to identify various working principles to be spread throughout the company.

One of the most salient points that arose from these discussions was the key role that managers have to play alongside employees in making our cultural transformation a success.



CONVICTION

"The community approach and collective dynamic driving our people are consistently geared towards achieving excellence and client satisfaction."

Mathieu Cheula,
Deputy Chief
Executive Officer



ENCOURAGING A COLLECTIVE FORM OF ENERGY

A sense of involvement and togetherness

A whole variety of initiatives were organised to encourage employees to become involved in our corporate life and corporate culture:

- Cultural transformation workshops
- A Feel Good evening event for all staff members enabling them to share a moment together in a friendly and informal setting
- Events rallying employees together to mark Quality of Life at Work Week
- An in-house monthly newsletter, L'EchO d'Ostrum
- An in-house photo competition held to mark Earth Day and to familiarise employees with Ostrum's new corporate identity as well as some of the issues facing our planet...

"O FOR OSTRUM" PHOTO COMPETITION
To mark Earth Day, Ostrum AM invited its staff to take part in a photo competition based on the theme "The loveliest O on Earth".



Photographer:
Winter Rouska



Photographer:
Sophie Potard



Photographer:
Maia Arband

MAKING DAY-TO-DAY LIFE EASIER FOR OUR EMPLOYEES

Our working lives and personal lives are naturally overlapping more and more nowadays. Ostrum AM has therefore set up a structure aimed at creating a working environment that is conducive to employee engagement and also at guaranteeing a better work-life balance, both on-site and remotely.

A charter of best practices for productive meetings

Ostrum AM's General Management was keen to help staff members set themselves up for hybrid working, make time for meetings and work more efficiently. It therefore circulated a "charter of meeting best practices" reminding them of the conduct they ought to adopt before, during and after a meeting. The charter also ensures that employees' personal lives are respected by stipulating which time slots can be chosen to hold meetings.

10 days
of remote working
per month

100%
of employees eligible to
work from home

>89%
of employees
working from home

Services to promote employee well-being

A wide range of services are on offer within our premises aimed at making day-to-day life easier for our employees and Ostrum AM a pleasant place to work:



A concierge service

The concierge service offers a whole variety of services within Ostrum AM's building to make life easier for its employees: a dry-cleaner's, a hairdresser's, a beauty salon and a shop selling everyday items.



A network of nurseries

The parents among our staff enjoy access to a large number of available spots in childcare centres, including the 1,900 nurseries within the Babilou and 1,001 Crèches networks, and to the Babirelais service for occasional childcare needs.



A gym

Available to employees to help them look after their health.



A bicycle parking lot

We encourage the use of sustainable forms of mobility by providing our staff with a secure bicycle parking lot.

Remote working is encouraged

Ostrum AM has encouraged remote working since 2015, the aim being to help employees organise their schedules fully independently while remaining flexible when it comes to organising teamwork. An amendment to the teleworking agreement signed in September 2021 set the number of remote working days at 10 per month.

GIVING OUR STAFF OPPORTUNITIES TO UPGRADE THEIR SKILLS

The market is changing fast. By giving our staff opportunities to develop their skills and knowledge, we are leveraging on our own ability to keep performing well now and in the future and to remain at the forefront of innovation, while offering fresh career prospects for one and all.

Developing “core business” skills

We are committed to building on the expertise and employability of our staff and therefore offer them preparatory courses to help them obtain certificates and diplomas that are recognised in the financial market:

7,175 hours

of training provided
(of which 17.5% in an e-learning format)¹

>92%

of staff members received training

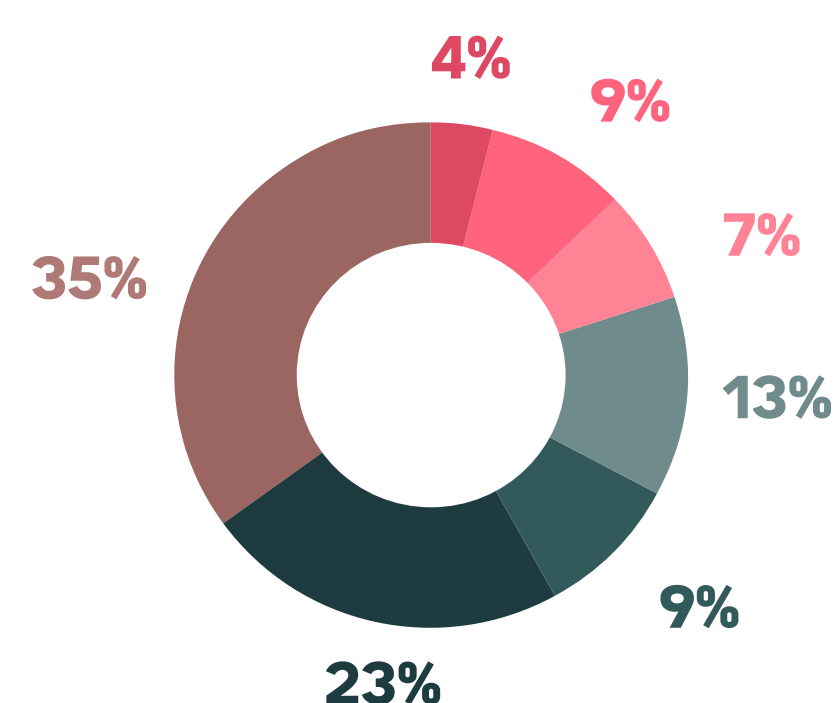
20

employees followed a certification or qualification course in 2021

>16,000

training courses available to our employees on a self-service basis on the LinkedIn Learning platform

TRAINING THEMES



- Risks and regulations
- Business line
- Languages
- General interest (personal and professional effectiveness, management, etc.)
- Certification or qualification courses
- Office applications and IT
- Other

Source : Ostrum AM – 31/12/2021

A training programme focused on ESG issues

Sustainable finance is central to Ostrum AM's strategy at a time when the regulatory, environmental and social climate is imposing increasingly high standards in this area. We therefore decided to:

- raise awareness of sustainable finance issues among all our staff members, regardless of their job profiles
- ensure our staff fully understand the reasons for our involvement in sustainable finance and our determination to build on our expertise in this field.

2021: a focus on biodiversity

Two mandatory training modules on the theme of biodiversity were set up in 2021:

1. A training course for all staff members:

An introduction to the issues of biodiversity and natural capital conservation as applied to the world of asset management, so that all our staff have a shared foundation of knowledge and culture in these areas:

- “Discovering the economic and financial impacts of biodiversity loss”
- “Understanding the implications of these impacts for securities portfolios”

2. A training course for specialists & experts

(fund managers-analysts, risk and permanent control experts, product specialists and key account managers):

Further training in biodiversity footprints - concepts and measurement tools:

- “Identifying best practices, measurement tools and investment risks and opportunities”
- “The tools needed to apply a credible strategic approach when managing a portfolio”

Training courses

2020
ESG

2021
BIODIVERSITY

ESG: issues and competitive & regulatory climate

100% of staff members

Biodiversity: issues and regulatory climate

100% of staff members

Responsible investment + Ostrum's vision

100% of fund managers, analysts and the client relations department

ESG and biodiversity

100% of fund managers and analysts

Exclusion policy, ESG integration policy (equities + credit research) & collaborative engagements

Product specialists and analysts

Awareness training sessions on various themes on the request of the Research & SRI department

Primarily fund managers, analysts and product specialists

Meeting on the EU Taxonomy

Fund managers, analysts and product specialists

1. Provisional consolidated data at 22/02/22, corresponding to at least 90% of hours worked over the year.

PROMOTING DIVERSITY AND INCLUSION

The diversity of Ostrum AM's workforce is a real source of innovation and creativity for the company. Inclusion therefore takes centre stage in our human resources policy and we endeavour to give all our employees an opportunity to fully unleash their talent.

ASSESSING OUR EFFORTS TO WORK OUT THE BEST COURSE OF ACTION

Watchwords for 2021:

ASSESS

ACT

IMPROVE

CONVICTION

"It seemed important for us to be assessed objectively by a third party so that we could adjust our diversity and inclusion action plan to the real world more effectively and determine which areas need to be improved more specifically."

Sylvie Soulère-Guidat,
Head of Human Resources



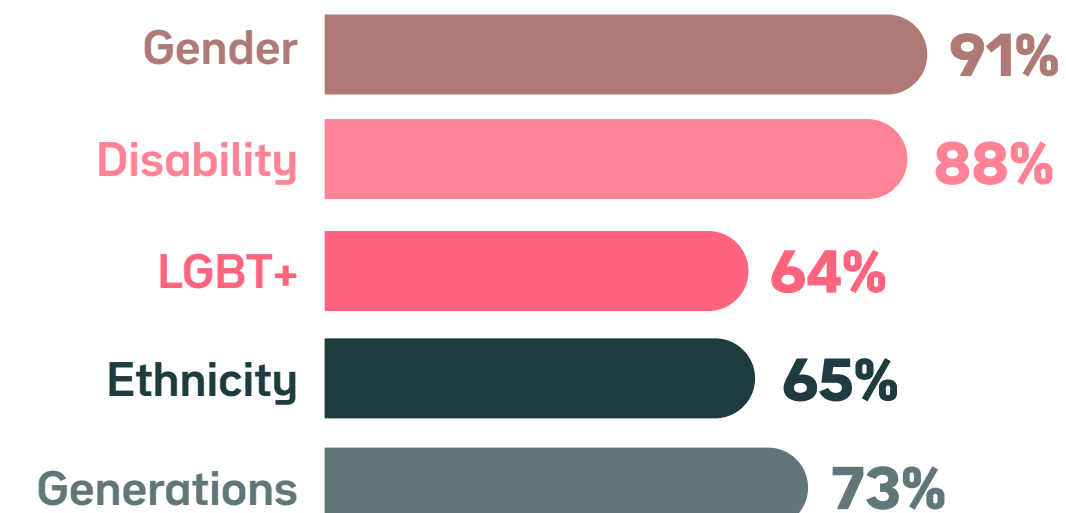
MEASURING OUR EFFECTIVENESS

Ostrum AM decided in 2021 to find out how effective its diversity and inclusion policy was in order to identify any scope for improvement. It called on the services of a "Tech for Good" start-up called Mixity, which helps businesses and organisations create more diverse and inclusive working environments. Mixity therefore carried out an in-depth assessment of Ostrum AM's diversity and inclusion policy based on 5 indicators: gender, disability, LGBT+, ethnicity and generations.

86%

Our overall score for diversity and inclusion versus a 75% average for all the companies covered.

MIXITY SCORES OBTAINED



These results reflect the efforts made within Ostrum AM to tackle discrimination and promote inclusion.

TAKE ACTION & IMPROVE

Ostrum AM aims to take things a notch further in 2022 by setting up task forces made up of staff members who will choose which themes to examine more in-depth and suggest a concrete course of action to take.

How?

Through collaborative workshops

Some twenty staff members met up in workshops in the first quarter of 2022 to work out an action plan that would then be submitted to Ostrum's Executive Committee. The aim of this action plan is to improve our approach to diversity and inclusion on a number of themes selected in early 2022: Disability, Generations and LGBT+.

Through training courses in inclusive leadership

All of Ostrum AM's managers have received mandatory training in inclusive leadership.

74
managers trained
in inclusive leadership
in 2021

GENDER EQUALITY

Ostrum AM is keen to embrace diversity as a permanent fixture, so it supports women's career development and endeavours to hire more women.

39%

share of women in the company

>52 %

vacant positions filled by women

>42%

women at the managerial level

3 out of 9

members of the Executive Committee are women

90/100

score on the Gender Equality Index which reflects any gender gaps in terms of pay, individual pay rises, promotions, and salary reviews on returning from maternity leave

100%

of the employee's salary paid during paternity leave and childbirth leave

Our initiatives

Accelerating women's career development

- Raising awareness of inclusive management among our managers
- Promoting WINN (the Women in Natixis Network) which advocates for diversity at the managerial level within the company and takes action to attract and retain talented women
- Participating in the Women's Sponsorship Programme (an annual programme set up by Natixis) to develop women's skills, assist them with their career plans and encourage them to raise their profile
- Mentoring women as part of their career path and career development within Ostrum AM, with mentoring provided by members of the Executive Committee

Promoting diversity during the hiring process

- Participating in the Women in Finance student mentoring programme
- Launching a "Bring your daughter to work" day for our employees' daughters (and their friends) aged between 15 and 18
- Introducing a pro-active female hiring policy with at least one female candidate put forward in each hiring shortlist

Guaranteeing equal pay

- Allocating a budget each year to close any gender pay gaps
- Systematically revising the salaries of all women returning from maternity leave

Communicating and raising awareness

- Organising a round table on the role of women at Ostrum AM on 8th March to mark International Women's Day
- Participating in the AFG's (French Asset Management Association) initiative on the theme of "Taking action to promote diversity"
- Carrying out a self-assessment of sexism in the workplace and making the results available to all our staff
- Calling on our staff to participate in various initiatives organised to mark International Women's Day: employees were invited to Submit photos via our in-house social network on the theme of #ChooseToChallenge

International Women's Day

Our experts marked International Women's Day by holding a round table to exchange their views about the role of women at Ostrum AM. The discussion was chaired by Armel Mombouli, an Aggregate/Total Return bond fund manager, and participants included Stéphane Déo, Head of Market Strategy, Sylvie Soulière-Guidat, Head of Human Resources, Nathalie Pistre, Head of Research and SRI, and Julien Raimbault, Head of Operations & Technologies.



"I see no difference between men and women in their approach to asset management, whether in terms of performance or risk assessment. It is all a matter of personality"

Armel Mombouli,
Aggregate / Total Return bond fund manager



"Attitudes are changing thanks to a new generation that is more mindful about the impact companies have on our ecosystems"

Nathalie Pistre,
Head of Research and SRI

DISABILITY: A PLACE FOR TALENT IN ALL ITS FORMS

Any one of us might experience disability in our lifetime, whether directly or indirectly, on a temporary or permanent basis. So, at Ostrum AM, we rally together to gain a better understanding of disability in the workplace and find ways to mitigate its effects and assist those with disabilities.

4.95%

share of employees with a disability

40

individual interviews organised by PiDieM [an organisation advocating for disabled employees] to prepare a report on the representation and acceptance of disability

Our initiatives

Hire and integrate

- With HandiFormaFinance, a financial market initiative driven by Ostrum AM and supported by the AGEFIPH (an association advocating for the integration of disabled people in the workplace) which seeks to make it easier for disabled people to access jobs in finance by offering them suitable training.
- Through specific partnerships and initiatives: Sciences PoAccessible, forums, presentations given to disabled young people introducing them to different financial occupations...

Adapt the working environment

- By improving access to our premises.
- By adjusting work stations (ergonomics, financing to acquire suitable equipment, etc.).
- By offering each disabled employee suitable support from the occupational health physician, social worker and disability contact person.

Support businesses in the adapted employment sector

- Prioritising where possible the use of services provided by businesses operating in the sheltered and adapted employment sector (which caters to disabled employees), in concert with the Natixis unit.

Change attitudes to disability

- By regularly taking part in events, conferences and training programmes organised by Natixis.
- Thanks to the latest season of the web series on disability awareness made available to staff.
- Through a series of articles circulated on the in-house social network to mark Handi'Days 2021.

Support families

- By offering a specific type of support to those employees who have a close family member affected by disability.

Source: Ostrum AM - 31/12/2021



LGBT+ INCLUSION: MEASURES PROMOTING THE INCLUSION OF LGBT+ STAFF MEMBERS

The ALL EQUALS network launched by Natixis staff members in 2020 and supported by Ostrum AM is dedicated to promoting equality and inclusion for LGBT+ employees within the Group. It is open to all employees regardless of their sexual orientation, gender identity, work location or job profile.

What action does the ALL EQUALS network take to promote the integration of LGBT+ employees?

- It ensures that no discrimination takes place within the company
- It runs awareness campaigns in all the countries in which we operate

Our initiatives

Philippe Setbon took part in the Open Talks organised by All Equals to discuss the role of straight allies

The Ostrum logo took on the colours of the rainbow flag to mark Pride Month

An Ostrum employee has been appointed as the LGBT Leading Role Model for Autre Cercle [a non-profit organisation advocating for LGBT+ inclusion]

In June 2021, Natixis signed Autre Cercle's Charter of LGBT+ Commitment under which companies pledge to:

- Create an inclusive environment for LGBT+ staff members
- Ensure that all staff members enjoy the same rights and treatment regardless of their sexual orientation and gender identity
- Provide support for any employees who are the target of discriminatory language or behaviour
- Measure progress made and spread best practice so as to improve the working environment for everyone

2021

Natixis signs Autre Cercle's Charter of LGBT+ Commitment

PILLAR 2

GUIDING OUR CLIENTS TOWARDS A MORE RESPONSIBLE FORM OF INVESTMENT

As an asset manager we are committed to providing assistance and guidance for our clients by applying their ESG policies to their dedicated funds and mandates and by offering them a range of products tailored to precise ESG criteria.

A RESPONSIBLE AND BESPOKE RANGE OF SOLUTIONS

Each of our clients is unique. Our organisation, experts and IT systems therefore seek to cater precisely to the specific features of their responsible investment policies, and especially their climate strategies (carbon footprint management portfolios, specific exclusions, products geared towards the energy transition, etc.). In order to provide proper guidance for our clients, we must:

- help them make the right choices so that they can draw up their own policies based on their objectives, all within a strict regulatory framework;
- inform them of our own convictions and responsible investment policy, which we apply to our range of open-ended funds.



LABELLED FUNDS

92.8%

of assets held in our open-ended funds¹

GREEN, SOCIAL AND SUSTAINABLE BONDS

€19.6bn

of AUM²

ARTICLE 8 (SFDR³) FUNDS

73.1%

of our AUM (i.e. €323.2bn)²

Our goal

To factor our clients' corporate responsibility into their investments

¹. References to a ranking, label, price and/or rating are not an indicator of a fund's or fund manager's future performance. ². Source: Ostrum AM at 31/12/2021. ³. SFDR: Sustainable Finance Disclosure Regulation.

ASSISTING OUR CLIENTS WITH THEIR ESG POLICIES

Support is at the core of our approach to CSR. We therefore endeavour to guide, assist and advise our clients at each stage of their ESG approach, from defining their policies to applying regulations, always with the utmost transparency.

AT ALL DECISION-MAKING LEVELS

1. Defining ESG policies

All exclusion, selection, labelling and sector-based policy decisions have repercussions for the investments made and the portfolio management targets set. We provide our clients with the guidance they need to reconcile their fiduciary duties towards their own clients with their responsibilities as an investor. And we help them consider the consequences of the various options available to them so that they can make the right decisions when establishing their ESG policies.

In 2021, Ostrum AM was keen to ensure that its clients are satisfied with the ESG management support it provides and so it now systematically includes questions on these topics in its annual satisfaction survey. Ostrum AM will therefore be able to fine-tune its efforts to continually improve the guidance it provides on these topics and establish action plans depending on the feedback it gets from its clients.

2022 GOALS

- ⊕ To assist **100%** of our major clients with the latest regulatory requirements on sustainable finance and keep them informed about their portfolio's carbon intensity or carbon footprint

CONVICTION

"What distinguishes us is our capacity to assist our clients with their ESG policies, whatever their investment objectives, priorities and methodologies."

Guillaume Abel,
Head of Business
Development



2. Obtaining SRI labels¹

Ostrum AM undertook in 2020 to step up its efforts to obtain SRI labels for its open-ended funds: we are actively pursuing this goal and have acquired expertise that enables us to support our clients by both providing them with advice and helping them obtain labels.

In 2021, we were already able to provide assistance with the labelling process for every single one of our clients who expressed an interest.

3. Applying regulatory requirements

Sustainable finance regulations are being reinforced, examples including Europe's green taxonomy², the SFDR (and the option to classify funds as Article 8 or 9 funds) and France's Energy-Climate Law³. And they continue to evolve in France and Europe alike in response to social and environmental issues.

We therefore provide our clients with the tools they need to understand and prepare for these new regulations so that they can fulfil their obligations with respect to their reporting requirements and investment decisions.

ALL WITH THE UTMOST TRANSPARENCY

Our clients have access to all the information on our responsible investment policy:

- **CSR policy:** Corporate Social Responsibility report;
- **ESG policy:** France's Energy-Climate Law report, TCFD⁴ report, voting policy, engagement policy, voting report and engagement report, sector-based policies;
- **Climate risk management policy:** TCFD report, our report on managing sustainability risks and adverse impacts;
- **Reporting:** portfolio ESG reports

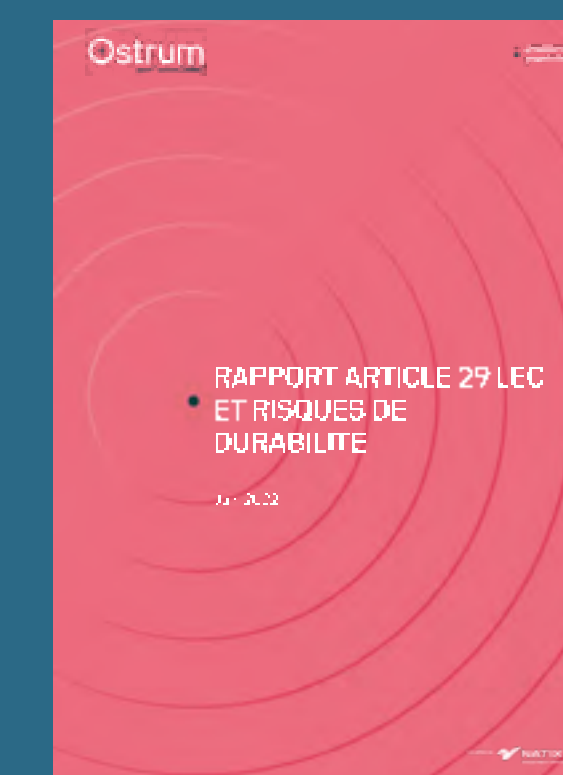
1. More information available at www.lelabelisr.fr. References to a ranking, label, price and/or rating are not an indicator of a fund's or fund manager's future performance. 2. A tool for classifying activities according to whether they should be considered "green" or "sustainable" 3. This law was adopted on 8th November 2019 and sets ambitious targets for France's climate and energy policy [gradual withdrawal from fossil fuels, development of renewable energies, etc.] 4. TCFD: Task Force on Climate-related Financial Disclosures.



2021 TCFD REPORT
April 2022



ENGAGEMENT REPORT
April 2022



REPORT ON LEC ARTICLE 29 AND SUSTAINABILITY RISKS
June 2022

A LEADING RESPONSIBLE INVESTOR

A and A+

PRI ratings of A and A+ assigned to all the asset classes under our management

€19.6bn

of our assets invested in green, social or sustainable bonds

€442.2bn

Total AUM (funds and mandates)

€323.2bn

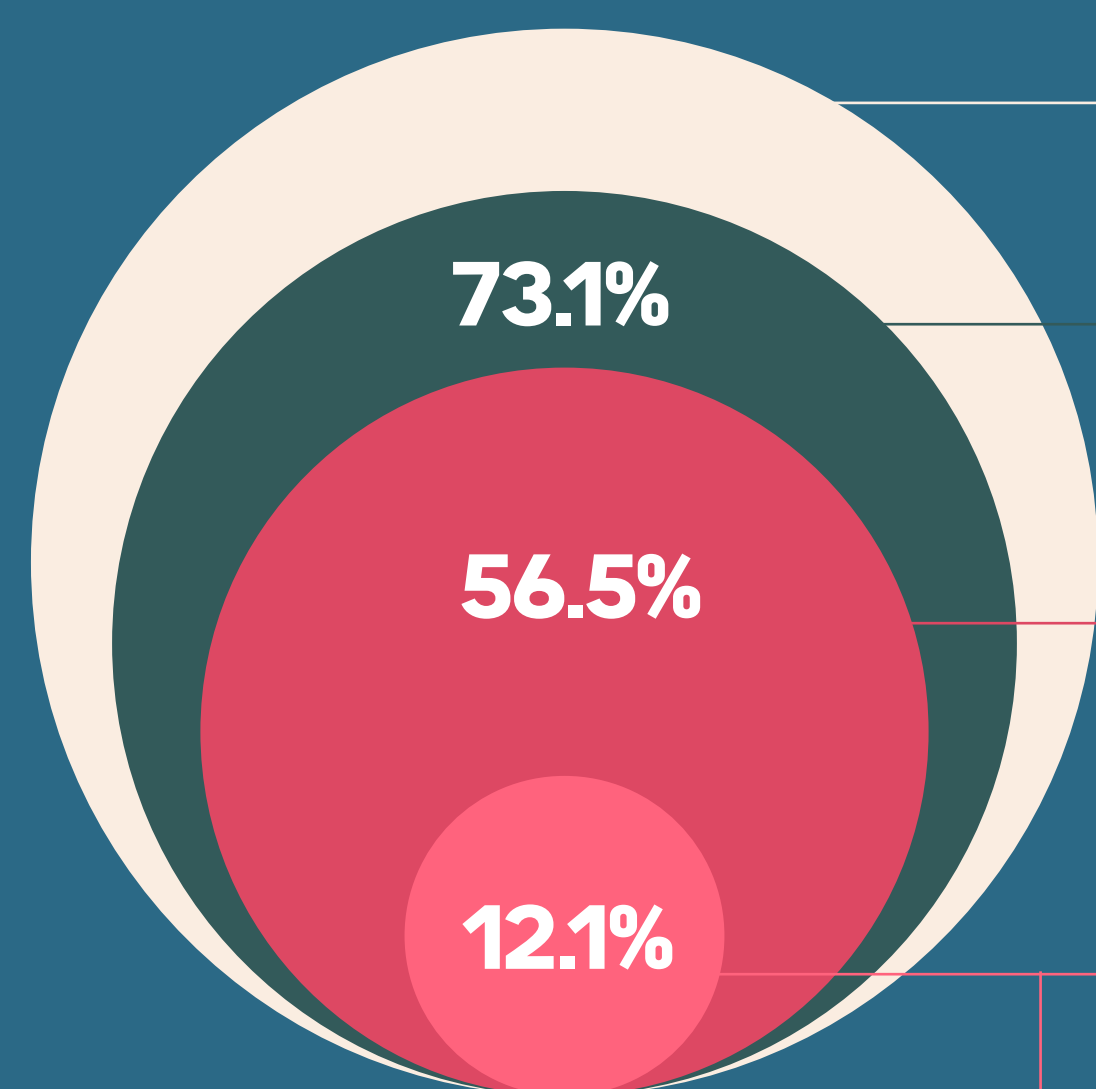
Article 8 under the SFDR¹

€249.9bn

Sustainable funds

€53.9bn

SRI-labelled funds



i.e.

92.8%

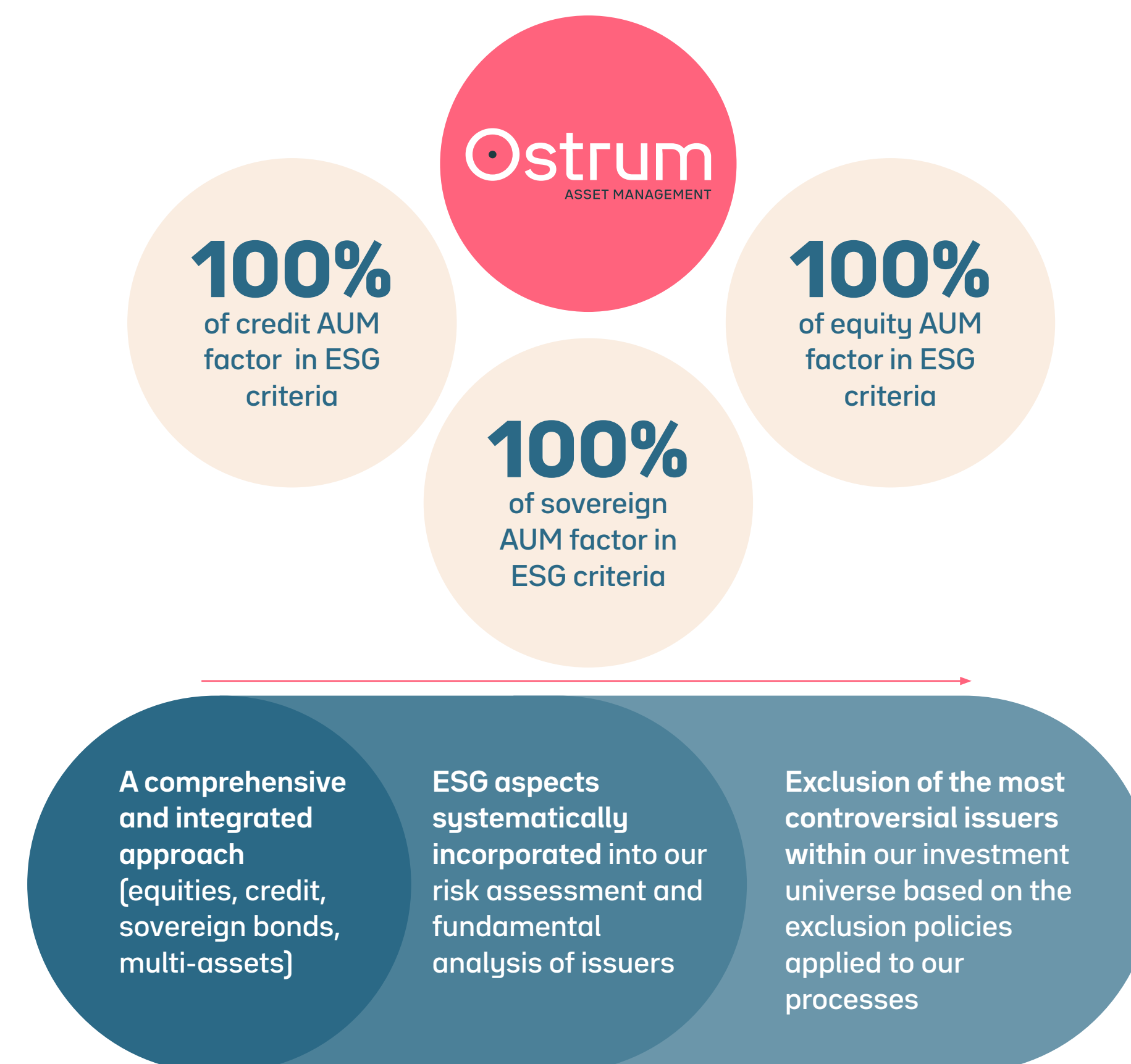
of the assets held in our open-ended funds carry the SRI label

¹ Funds classified as Article 8 funds promote environmental, social and governance (ESG) characteristics but do not have sustainable investment as an objective. They may partially invest in assets with a sustainable objective, for example, as defined by the EU's classification.

DEEPER INTEGRATION OF ESG CRITERIA

We firmly believe that material non-financial metrics offer crucial information about an issuer's risk profile or a security's performance, and we therefore incorporate ESG criteria into all our investment strategies. We are able to offer our clients responsible investment solutions catering to their varied requirements by working with them to define bespoke strategies tailored to their ESG objectives.

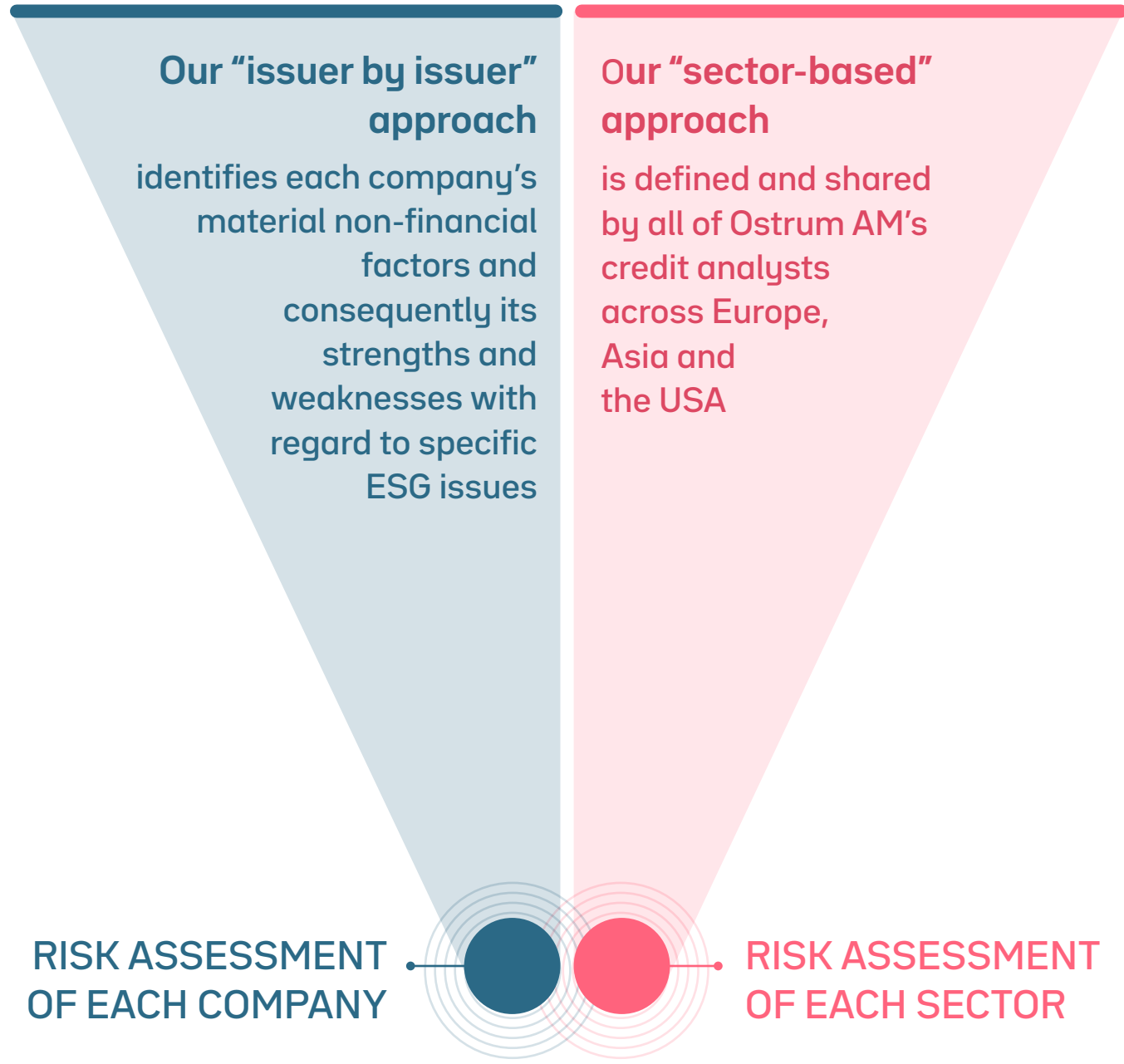
Systematic ESG analysis & a comprehensive approach



CREDIT

Our credit research team systematically incorporates non-financial aspects into its analyses whenever it considers them to be material, i.e. impacting on the issuer’s credit risk.

Our analysts ensure that their issuer assessments are consistent and fair by taking a dual approach, the results of which are shared and integrated in our investment management tools:



This entire methodology is quantified using an evaluation scale measuring material ESG risks and opportunities:

THE ESG MATERIALITY SCORE

SOVEREIGN BONDS

Non-financial aspects are systematically factored into our sovereign bond investment processes, with each country’s risk profile assessed in two stages:

1. Our sovereign risk assessment model¹

This is a proprietary quantitative model used to carry out medium-term assessments of developed and emerging countries

- It covers all developed and emerging countries
- It evaluates the probability of a change in the rating assigned by Standard & Poor’s within the next 1 to 3 years

2. Integration of ESG factors when selecting sovereign bonds

Whenever there is a possibility that E, S or G aspects might potentially impact on:

- the investment horizon,
- sovereign risk,
- or valuation of a country’s debt,

the Sovereign Debt Selection sector team will factor them into its investment views.

1. Sources: macroeconomic data from S&P and non-financial data from the World Bank, United Nations and ND-GAIN.

EQUITIES

When it comes to investing in equities, ESG practices are considered an integral part of a company’s overall quality and such aspects are discussed during contacts with the company. Ostrum AM’s equity fund management team therefore factors in ESG criteria to identify the risks involved in investing in a company or sector but also the opportunities.

1. Risk assessment of a company or sector

- Identifying long-term trends that might disrupt certain business sectors.
- Incorporating ESG aspects into traditional financial analysis in order to increase visibility on an issuer’s quality in the longer term.

2. Identification of quality growth companies

- Evaluating a company’s quality, upside potential and aggregate growth based on meetings with its management
 - Incorporating ESG aspects in order to complete our assessment of the company’s quality: environmental risks (relating to the company’s products and services), social risks, governance and management, etc.
- Our fund managers will therefore not select a company if it has poor ESG credentials or presents ESG risks.

Catering to our clients’ increasingly demanding ESG requirements

Certain portfolios and mandates may be subject to specific SRI requirements, in which case we will guarantee significantly higher ESG standards on the request of our clients:

- a minimum ESG quality threshold for a company to be included in the investment universe
- a portfolio ESG score that is:
 - significantly higher than that of the benchmark index
 - or higher than the ESG scores of the index’s top 4 quintiles, in accordance with the standards set by the French government’s SRI label

SRI STRATEGIES

catering to all our clients' needs

Besides incorporating ESG criteria when analysing our entire spectrum of asset classes, Ostrum AM also applies an SRI approach to its investments and a total of 73.1% of its AUM are classified as Article 8 under the SFDR. Thanks to our long-standing experience of responsible investment, we are able to offer our clients specific SRI and ESG products covering all our asset classes and work alongside them to build bespoke strategies tailored specifically to their ESG objectives.



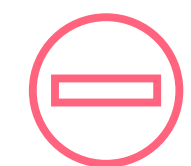
BEST-IN-CLASS AND POSITIVE SCREENING

Excluding issuers with high ESG risk profiles and favouring issuers with the best ESG ratings



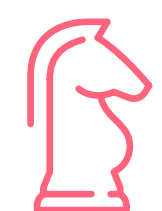
BEST-IN-UNIVERSE

Favouring issuers with the best ESG credentials within the investment universe, all sectors combined



STRICTER EXCLUSION CRITERIA

Excluding issuers with the highest ESG risk profiles



SMART CARBON STRATEGIES

Suggesting portfolio decarbonisation strategies as well as carbon footprint management portfolios



ROBUST TOOLS

We make use of the following resources to apply our SRI strategies:

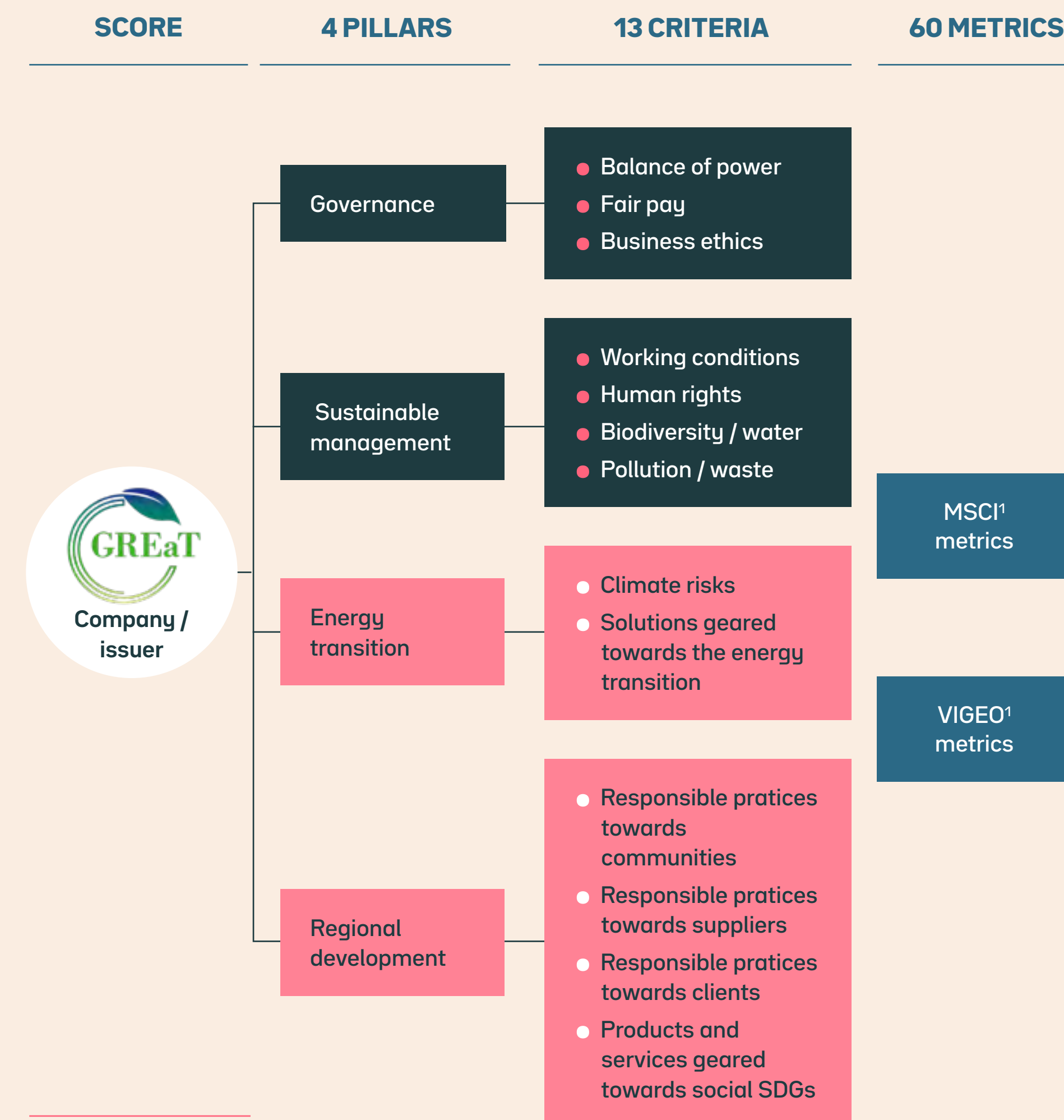
- **External databases**
renowned for their quality and broad coverage, in particular the SDG Index for sovereign issuers [a United Nations initiative].
- **The GREaT methodology**,
which analyses companies through the prism of sustainable development issues.

In the case of certain open-ended funds or dedicated funds, this approach to SRI investment management is combined with our exclusion policies and our process for incorporating E, S and G aspects which we apply systematically to almost all our asset classes.

THE GREaT METHODOLOGY

Besides incorporating Environmental, Social and Governance (ESG) criteria, the GREaT method for assigning non-financial ratings to private issuers is also based on several other criteria: engagement, responsibility, opportunities and risks for each company.

Investments are therefore assessed according to non-financial aspects on a scale of 1 [high non-financial quality] to 10 [low non-financial quality].



Source : LBPAM 1. www.vigeo-eiris.com

AN AMBITIOUS SECTOR-BASED POLICY with exclusion as a last resort

Ostrum AM has defined strict exclusion policies with the aim of excluding sectors or issuers from its investment universe if they do not observe certain fundamental principles of responsibility. We promote them to our clients through a process of permanent dialogue.

Exclusion policies

When we need to apply strict exclusion policies, we do so on different levels based on clearly defined themes:

- applicable to all our funds (weapons, blacklisted states)
- applicable to all our open-ended funds (coal, tobacco and Worst Offenders)
- bespoke exclusions applied specifically for certain clients (according to their objectives)

Oil & Gas policy

In 2021, Ostrum AM unveiled the key principles underlying its Oil & Gas policy which took effect in 2022.

Ostrum AM will by 2030 fully withdraw from activities involved in the exploration and production of unconventional and/or controversial oil and gas:

- those that make use of fracking processes (shale oil and gas, tight liquids and gas)
- or that rely on ultra deepwater drilling or Arctic drilling,
- and the mining of tar sands, coal methane and extra-heavy oil.

Starting from 2022, Ostrum AM is ceasing investment in issuers that generate 10% or more of their hydrocarbon production in volume terms in these categories¹.

¹. More information is available in the TCDF report

CONVICTION

"We engage in dialogue with companies in order to encourage them to improve their practices. Exclusion is a last resort."

Joséphine Chevallier,
Head of ESG integration
and ESG strategy



DETAILS OF OUR SECTOR-BASED POLICY

COAL

In 2021, Ostrum AM stepped up its sector-based policy aimed at withdrawing from the coal sector. It now excludes companies that:

- develop new coal capacity
- have not by 2021 defined a coal exit plan in accordance with the Paris Agreement
- exceed the following thresholds:
- 20% of energy generation revenue
- streams derived from coal or from coal production
- 10 m tons of thermal coal
- 5 GW of installed coal capacity
- a coal share of power generation of 20%

WORST OFFENDERS

Ostrum AM excludes all companies, whether listed or not, that:

- prove to be in serious breach of the principles set out in internationally established standards (United Nations Global Compact, OECD Guidelines),
- particularly in the areas of human rights, labour laws, environmental conservation and business ethics.

CONTROVERSIAL WEAPONS

Ostrum AM broadened its controversial weapons policy in 2021. It now excludes companies involved in:

- the production,
- use or stockpiling,
- sale or transport of cluster munitions and anti-personnel mines (new purchases and existing stocks)
- chemical weapons, biological weapons, nuclear weapons (outside the framework of the Treaty on Non-Proliferation) and depleted uranium weapons (new purchases).

BLACKLISTED STATES

Ostrum AM complies with current regulations and therefore does not invest in countries:

- that are under a US or European embargo,
- that are seriously failing in their efforts to tackle money laundering and terrorist financing, according to the Financial Action Task Force (FATF).

TOBACCO

Ostrum AM pledged in 2018 to cease supporting the tobacco sector:

- which has particularly adverse social, societal and environmental impacts
- which runs contrary to the United Nations Sustainable Development Goals.



ASSISTING ISSUERS WITH THEIR TRANSFORMATIONS

As an asset manager, we are responsible for steering share and bond issuers towards best practice in the environmental, social and governance arenas. For this we engage in constructive dialogue with them and apply a strict voting policy.

Some of the key measures taken in 2021 included stepping up our coal policy and engaging in dialogue with those issuers that did not meet our new exclusion thresholds to encourage them to publish a coal exit plan in keeping with the Paris Agreement.



8
engagement
themes

312
engagement
initiatives in 2021*



26%
of them concerned
climate action



121
companies were
engaged as part of an
engagement mission

Dialogue Ostrum AM engages in dialogue with all the companies in which its portfolios are invested, whether in their shares or their bonds. A joint engagement policy is established, after which specific levers are activated depending on the type of assets in question.

100% Annual General Meeting
attendance rate



80.5%
resolutions approved
19.4%
resolutions opposed

0.1%
abstention

*all issuers combined

CONVICTION

Ibrahima Kobar, Chief Investment Officer

"We make use of dialogue as a means of encouraging companies to improve their practices."

As a committed asset manager, we pay close attention to the conduct of all the companies in which we invest, whether in their shares or their bonds¹. The aim here is to draw each issuer's attention to the ESG risks it might have neglected or underestimated, and to share our ESG best practices with it. Any changes adopted are followed up over time so that the improvements made by the issuer can be measured and its valuation adjusted accordingly.

Permanent dialogue with bond issuers

Ostrum AM engages in permanent dialogue with bond issuers on the whole spectrum of social, environmental and

governance-related topics, the aim being to help them manage their ESG risks more effectively, enhance the transparency and quality of their ESG reporting, and improve their practices. With this in mind, we keep in regular contact with bond issuers whether before investing in them (during the due diligence process) or after adding their securities to our portfolio. The purpose of such dialogue is primarily to forestall ESG risks, but we may also engage with an issuer in response to an issue that is affecting it, such as a controversy.

Shareholder engagement to improve practices

As an active and involved shareholder,

we keep in very regular contact with the companies in which we invest. This dialogue forms part of a meticulous approach to responsible investment that carefully examines each company's practices, identifies its main sectoral issues and pinpoints any scope for improvement. One of the key aspects of this process is an assessment of an issuer's ESG practices in the run-up to its annual general meeting at which we will be exercising our voting rights.



2022 GOALS

- ⊕ Further step up our engagement with bond issuers
- ⊕ Step up our engagement on climate issues

1. You can read our engagement report by clicking here <https://www.ostrum.com/fr/notre-documentation-rse-et-esg#vote-et-engagement>

A METICULOUS AND DEMANDING VOTING POLICY

As part of its commitment to responsible investment, Ostrum AM is meticulous and demanding when it comes to exercising its voting rights² at annual general meetings. Its voting rights cover a comprehensive voting scope dealing with social, environmental and governance issues. For transparency purposes, we publish all the votes we cast at the annual general meetings we attend.

100 %

Ostrum AM's attendance rate at annual general meetings

Full exercise of our voting rights

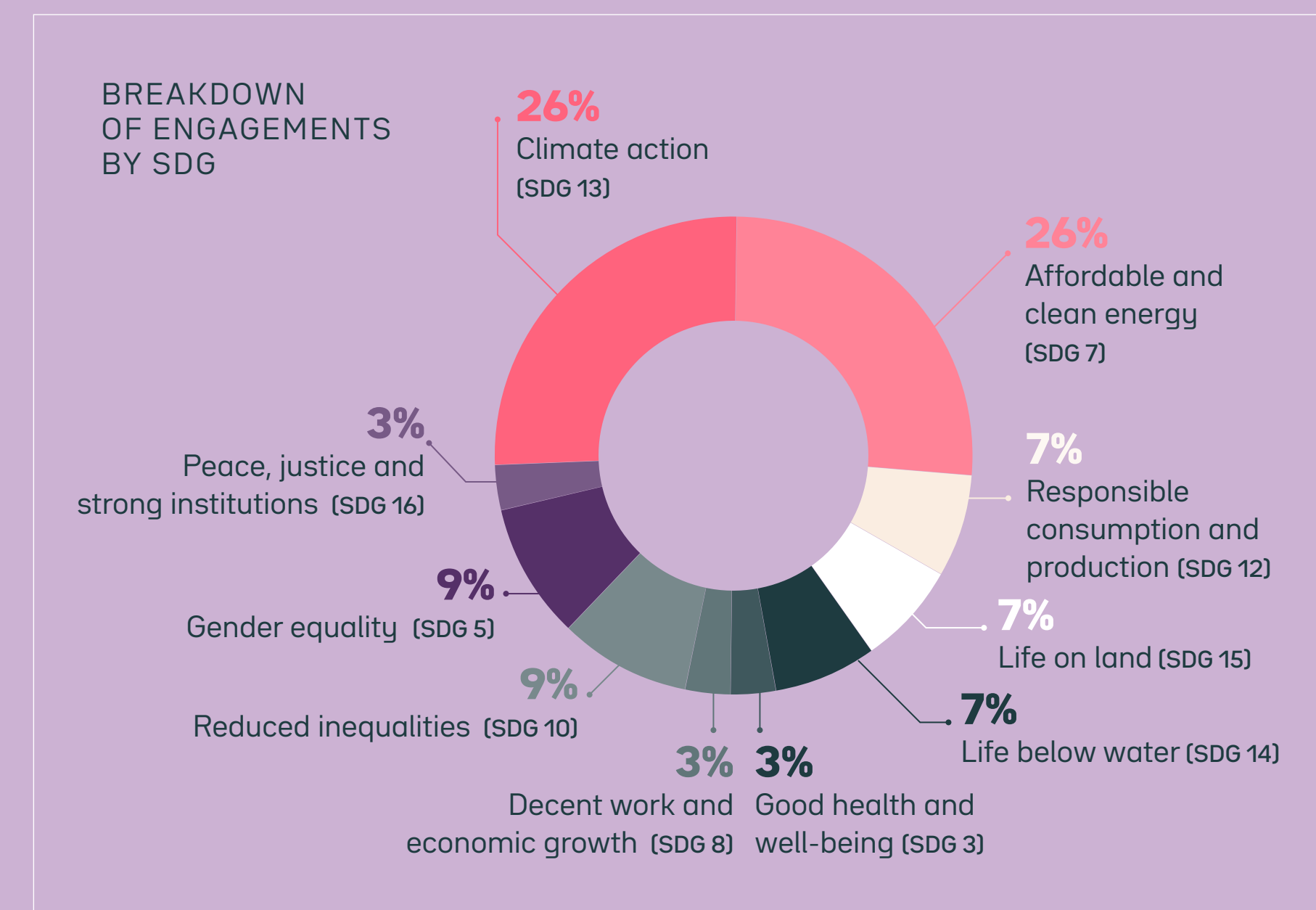
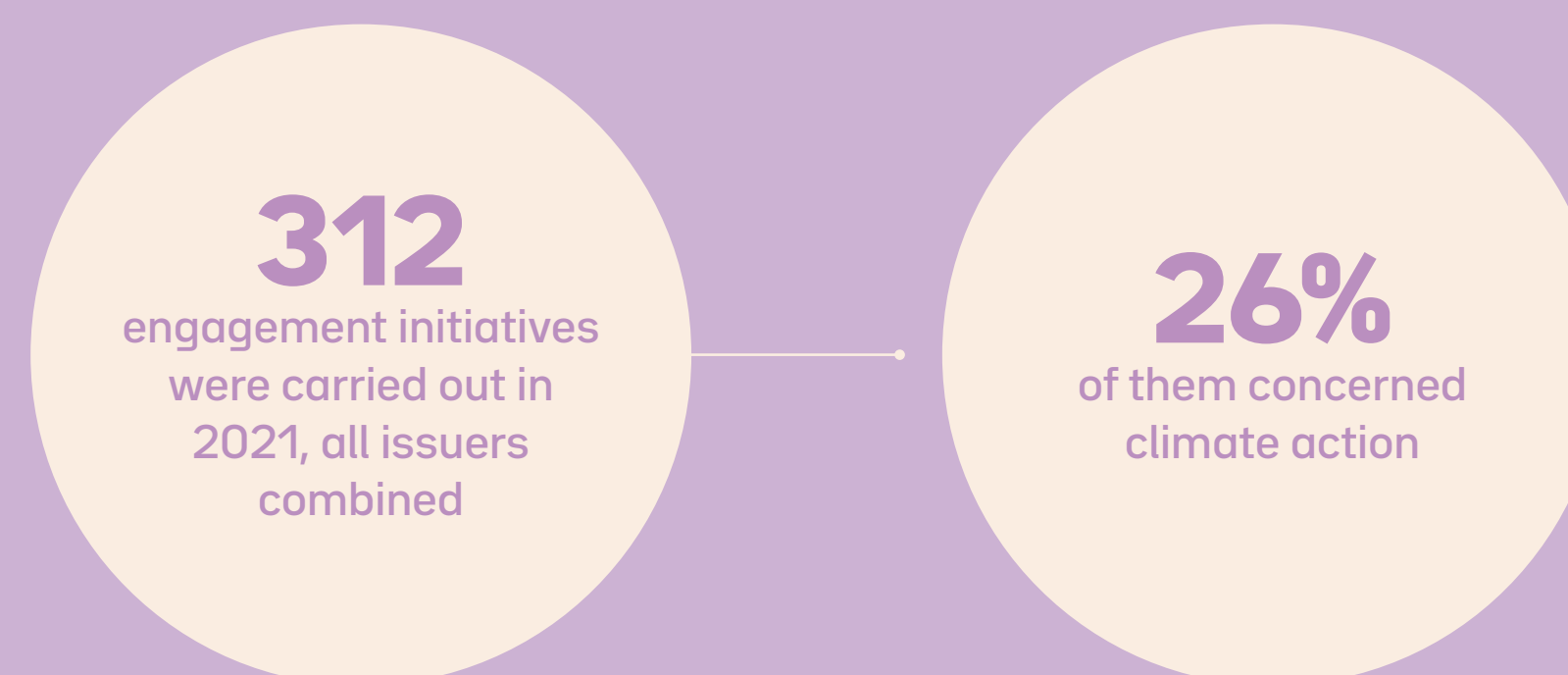
Ostrum AM exercised the voting rights attached to all the securities held in its portfolios at 31/12/2021.

In cases where we oppose a resolution, we will systemically inform the company in question and give them our reasons for voting against the resolution.

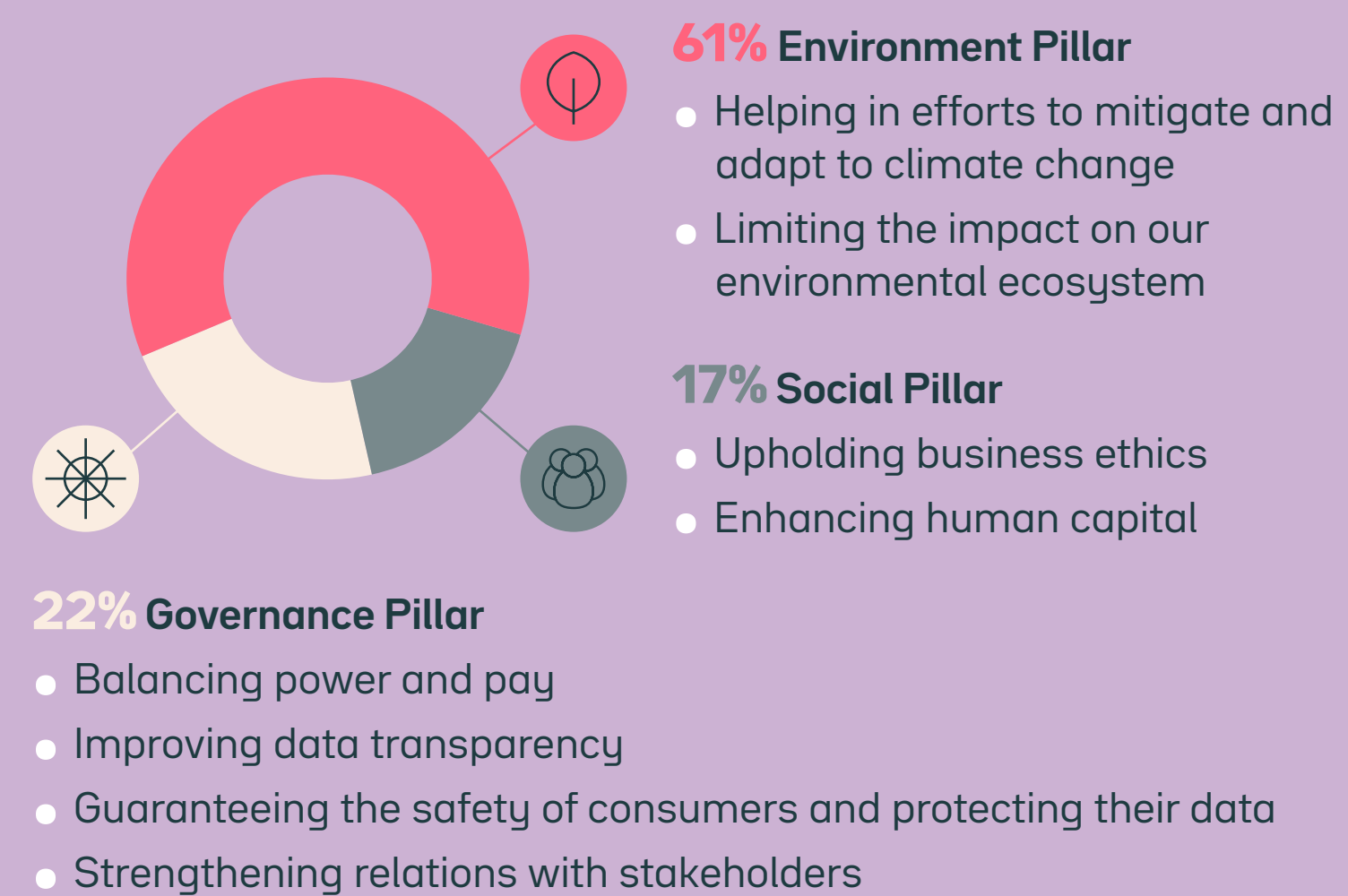
- Annual general meetings: **126**
- Resolutions voted: **2,231**
- Resolutions approved: **80.5%**
- Resolutions opposed: **19.4%**
- Abstention: **0.1%**

2. You can find our voting policy and voting report here: <https://www.ostrum.com/en/our-csr-and-esg-publications>

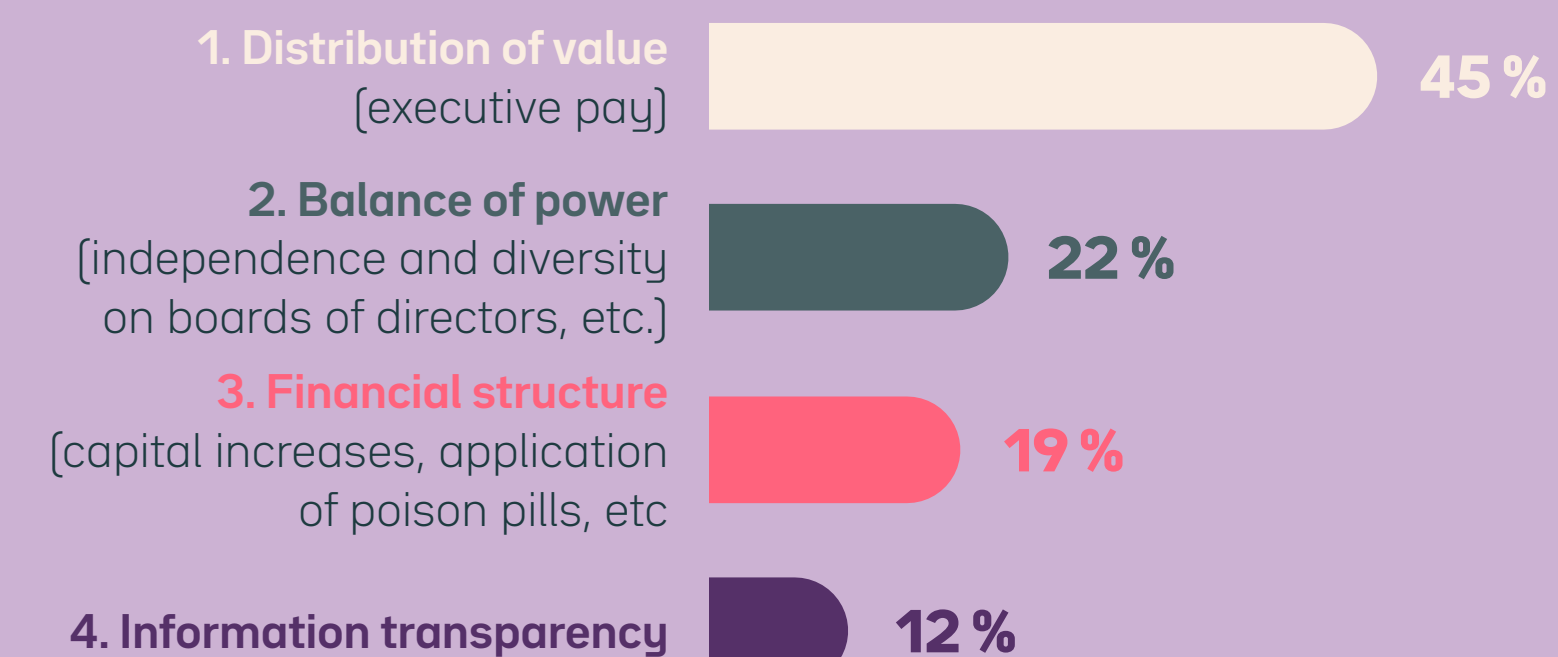
DIALOGUE AND VOTING POLICY: TWO LEVERS FOR EXERTING AN INFLUENCE ON COMPANIES



MAIN TOPICS OF DIALOGUE IN 2021



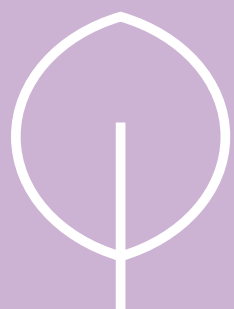
KEY REASONS FOR OPPOSING RESOLUTIONS DURING VOTING



OUR 8 ENGAGEMENT THEMES

The eight engagement themes spanning every one of our investment funds relate to environmental, social and governance issues.

Each of these themes is linked to the Sustainable Development Goals set by the UN in 2015 for the good of people and the planet. Using these SDGs as a foundation, each investment fund (equities or bonds) then decides on its own specific initiatives while observing our voting policy.



ENVIRONNEMENT

1 Helping in efforts to mitigate global warming and adapt to climate change (SDGs 7 & 13)

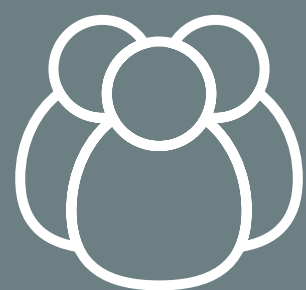
Climate change is now one of the most critical challenges facing our society over the coming decades.

- **Reduce CO₂ emissions and achieve carbon neutrality** by 2050
- **Manage the physical risks** and transition risks

2 Limiting the impact on our environmental ecosystem (SDGs 12, 14 & 15)

Biodiversity conservation is a growing concern for civil society, regulators and businesses alike.

- **Manage resources**
- **Protect health and biodiversity**



SOCIAL

3 Helping in efforts to mitigate global warming and adapt to climate change (SDGs 7 & 13)

It is essential to maintain good relations with employees in order to ensure business continuity and productivity.

- **Maintain good relations** with employees
- **Ensure the health and safety** of staff members and service providers

4 Strengthening relations with stakeholders (SDGs 8 & 10)

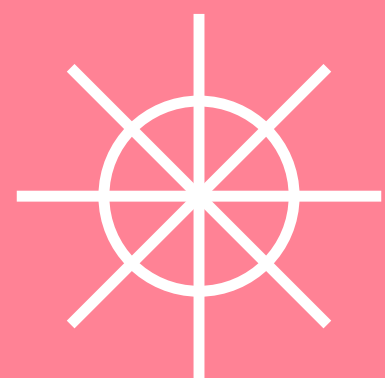
Good relations must be maintained with all stakeholders (suppliers, workers throughout the supply chain, local communities) in order to ensure business continuity.

- **Guarantee human rights** throughout the supply chain
- **Maintain good relations** with local communities

5 Guaranteeing the safety of consumers and protecting their data (SDG 3)

Poor management of consumer health, safety and data can have a lasting effect on a company's brand image and on its financial trajectory.

- **Ensure the health and safety** of consumers
- **Manage cybersecurity risk** and data confidentiality



GOVERNANCE

6 Upholding business ethics (SDG 16)

Companies face significant ethical and commercial risks and can potentially incur costs if they fail to tackle certain bad practices effectively (e.g. corruption).

- **Establish an anti-corruption policy**
- **Guarantee a transparent tax policy**

7 Balancing power and pay (SDGs 5 & 10)

The balance of power within a company and its compensation policy are key indicators of the quality of its governance.

- **Balance power evenly**
- **Standardise the compensation policy** and make sure it is transparent

8 Improving data transparency

The financial and non-financial information published by companies is generally deemed to be neither comparable, reliable, relevant or transparent enough.

- **Guarantee the transparency of financial and non-financial data**

CLIMATE, A CENTRAL PILLAR OF OUR RELATIONS WITH ISSUERS

Besides incorporating ESG criteria, Ostrum AM also takes a specific approach to addressing climate issues. It stepped up its engagement on the climate and energy transition in 2021 by applying sector-based and exclusion policies as well as a strategy geared towards financing a low-carbon economy.

Coal policy stepped up in 2021

Ostrum AM stepped up its coal policy by incorporating stricter exclusion criteria and aims to pull out of all issuers operating in the coal industry by 2030 (for OECD countries) or 2040 (for non-OECD countries). On 1st January 2021, Ostrum AM stopped investing in companies that are adding new coal capacity.

We also exclude companies whose core business consists in producing, transporting and/or selling coal that is mined using one of the industry's most aggressive techniques and found in Appalachia in the USA.

Last of all, we have set new exclusion thresholds which are defined in Pillar 2 (see page 21). Divestments from the companies concerned will be completed within a period of 6 months (in transactions conducted at arm's length). Moreover, in 2022 Ostrum stopped investing in companies that by 2021 had failed to establish a coal exit plan in line with the Paris Agreement.

Such investments ceased on 1st January 2022 and divestments are to be completed within a period of 6 months in transactions conducted at arm's length. This is therefore a major component of Ostrum AM's engagement and dialogue with companies.

Principles of a new oil & gas policy

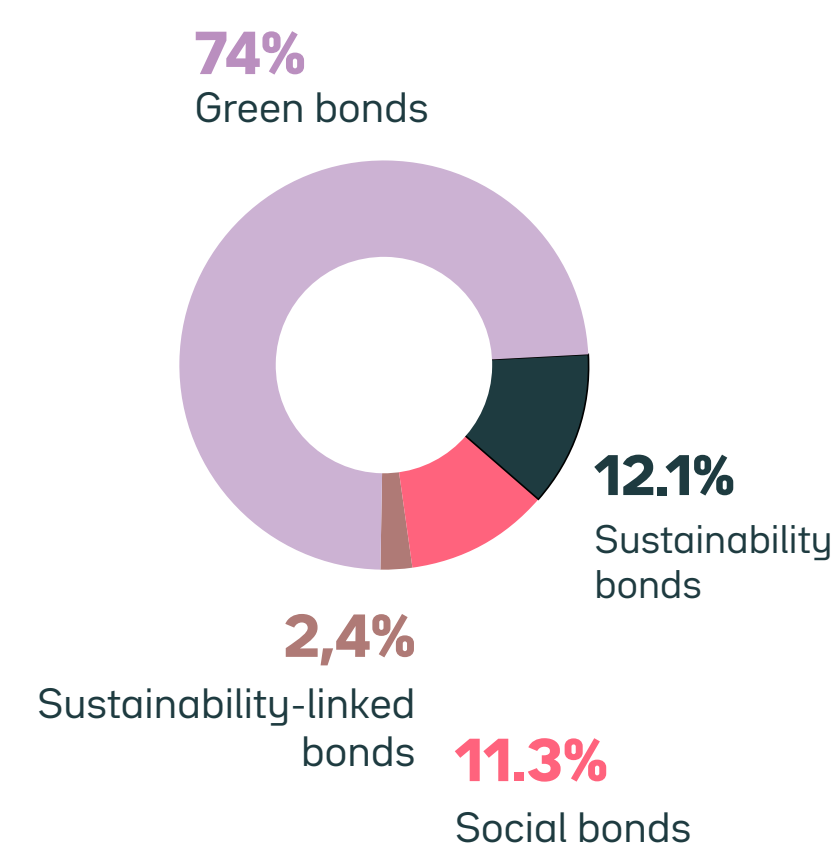
Ostrum AM set up an oil & gas working group in 2021 tasked with preparing a policy to take effect in 2022.

The principles underlying this policy were published in December 2021 and commended by the Reclaim Finance NGO.¹

Speedier funding of a low-carbon economy

Ostrum AM greatly increased its exposure to and expertise in sustainable bonds (i.e. green, social, sustainability & sustainability-linked bonds) in 2021. Assets held in such instruments totalled €19.6 billion at end-2021.

BREAKDOWN OF SUSTAINABLE BONDS BY THEME



2022 GOALS

- ⊕ Implement our «Oil & Gas» policy
- ⊕ Step up our commitments to the climate, biodiversity and human rights

CONVICTION

“Companies that factor their climate impact into their strategies are less likely to face losses from stranded assets in the future.”

Nathalie Pistre,
Head of Research
and SRI



¹. Find out more by reading the Article 29 report - (<https://reclaimfinance.org/site/>)

PILLAR 4

PROMOTING PROGRESS IN THE MARKET PLACE

Alongside its investing activities, Ostrum AM is also actively engaged within the financial market place in a drive to help the industry transition towards more responsible investment practices. For this purpose we are reinforcing our SRI labelling policy, actively participating in efforts to define CSR-SRI standards, and getting involved in specific market initiatives.



92.8%

of our open-ended fund assets carry the SRI label



2022 target

100%

A to A+

ratings for all the asset classes under our management, in accordance with the PRI

10/10

The rating assigned by the Coal Policy Tool designed by the Reclaim Finance NGO to assess each financial institution's coal phase-out strategy

9

collaborative engagements in 2021, of which 5 new ones.

CONVICTION

"We joined the Coalition for a Just Transition established by Finance for Tomorrow on the firm belief that the ecological transition should be socially acceptable for one and all."

CONVICTION

Christophe Da Silva, Head of Business Strategy

"We apply an ambitious labelling policy"

What is your labelling strategy?

We aim to be a benchmark in the field of responsible investment and have thus reinforced our SRI labelling policy further. As a result, SRI-labelled open-ended funds as a share of our total assets under management jumped from 63% in 2020 to 91.8% at end-2021. We aim to increase this share to 100% in 2022.¹ Our SRI-labelled funds cover a whole variety of business sectors and seek primarily to improve the portfolio's ESG quality and make our investment process more transparent. This makes it possible to support a specific sector or specific theme, such as renewable energies, a just transition or efforts to tackle global warming.

How do you report on your funds' non-financial performances?

Funds operating under the SRI label must disclose certain aspects of their environmental performance, such as the portfolio's carbon footprint. One requirement is to design an indicator that measures direct (scope 1) and indirect (scope 2)

greenhouse gas (GHG) emissions resulting from the consumption of energy needed to manufacture a product within the company's portfolio (in tonnes of CO₂ equivalent). Other relevant indicators can also be added.

What were the highlights of 2021?

We actively pursued this approach last year with our open-ended funds. 3 funds obtained the SRI label²:

- Ostrum SRI Obli 3-5 ans: one of the first funds invested in sovereign and quasi-sovereign bonds to be labelled in France³;
- Ostrum SRI Euro Aggregate: one of the few "aggregate" funds to be labelled, and the biggest in terms of assets under management⁴ with €870.7 million;
- Ostrum SRI Money Plus.

We also obtained labels for some of our dedicated funds on the request of our investors.

Labelled AUM at end-2021:

17

open-ended funds

92.8%

of assets held in our open-ended funds (€53.9bn)

100%

Our target for end-2022¹

¹ Excluding ABS, Inflation and Total Return funds. ² The asset management company to which these funds belong is Natixis Investment Management International, and financial management is delegated to Ostrum AM. These funds incur the risk of loss of capital. The characteristics, fees and risk-return profile of investing in a given fund are described in the fund's Key Investor Information Document (KIID). The KIID, prospectus and periodic documents are available on request from Ostrum AM. ³ Source: Ostrum AM at end-December 2021. ⁴ Source: Ostrum AM at end-October 2021. More information available at: lelabelisr.fr, europerformance



RENOWNED FOR OUR RESPONSIBLE APPROACH

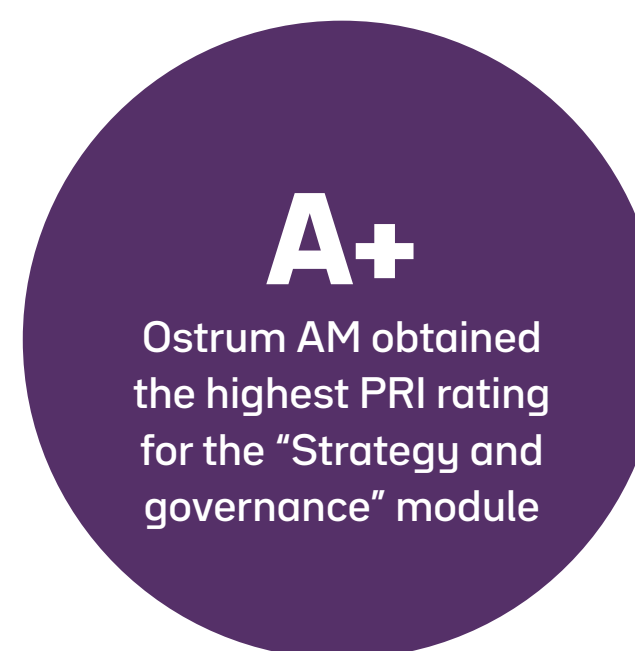
Ostrum AM endeavours to incorporate the entire ESG spectrum into its investment decisions, in keeping with the recommendations set out by the main international standard-setting bodies such as the United Nations Principles for Responsible Investment (PRI) of which we have been a signatory since 2008.

A carbon policy commended by Reclaim Finance

The Reclaim Finance non-governmental organisation designed the Coal Policy Tool as part of its drive to create a climate-friendly form of finance. The tool is used to examine the quality of coal policies applied by financial institutions in order to assess their practices based on five criteria.¹ Ostrum AM's scores in 2021 were among the highest and they were also better than in the previous year.²

Moreover, Reclaim Finance emphasised that the measures we announced after reinforcing our carbon policy on 1st July 2021 were all relevant, with respect to exclusions, dialogue and engagement alike. Ostrum AM was also commended for the high standard of the new principles set out in its upcoming Oil & Gas policy.

CRITERIA	OSTRUM AM SCORE
Developers Exclusion of all companies developing new coal projects	9/10
Relative threshold Exclusion of companies that are highly exposed to coal	10/10
Absolute threshold Exclusion of companies that are heavily involved in the coal industry	10/10
Phase-out strategy Adoption of a robust strategy geared towards the closure of existing coal infrastructure	10/10



An excellent PRI rating

On completion of a detailed reporting exercise, the PRI assigns a rating on six levels to each applicable module. Ratings are assigned on a scale ranging from A+ to E, with A+ being the highest rating and E the lowest.

The PRI commends the quality and ambitious nature of our approach to responsible investment. Our efforts were rewarded in the form of excellent ratings assigned to each of the modules for which we were assessed (an A+ rating for strategy and governance and A ratings for all asset classes under management, in 2020). The 2021 assessment has not yet been published.³

Responsible investment is in our brand DNA

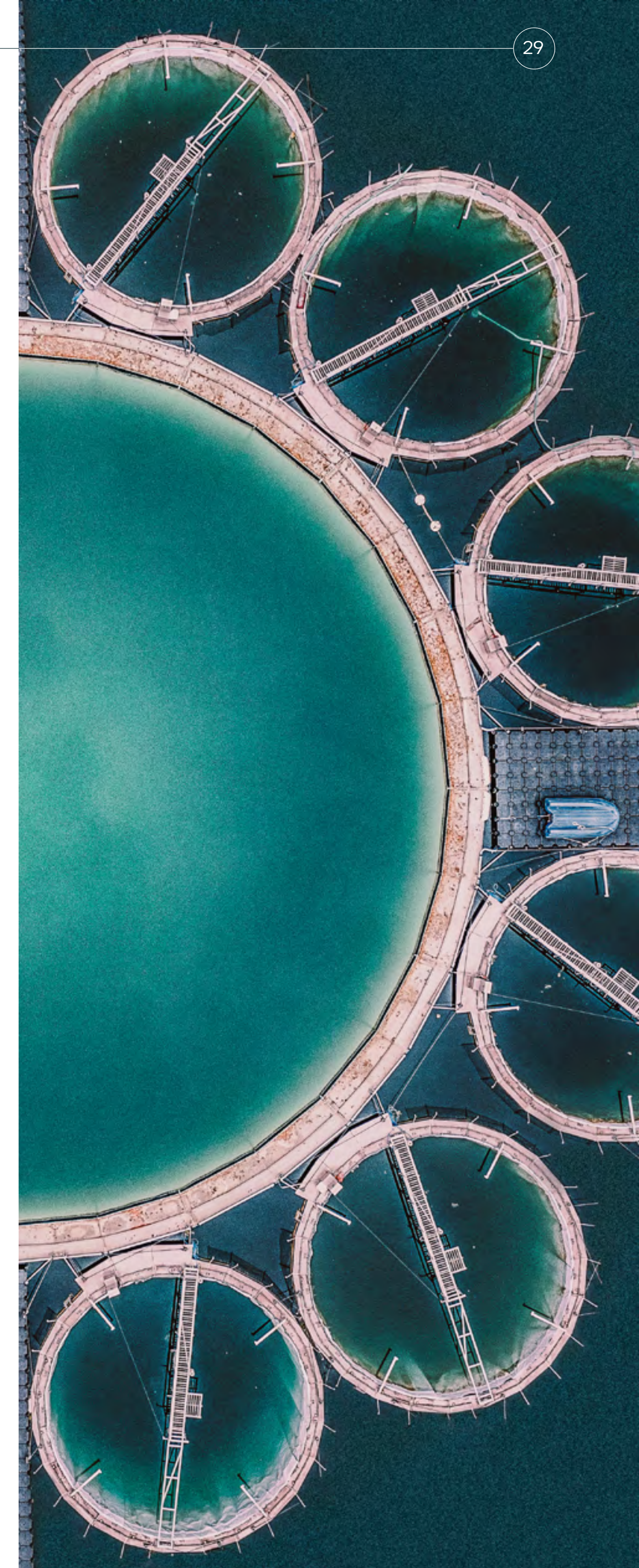
In 2021, and for the 2nd year running, Ostrum AM was included in the exclusive club of asset managers recognised by the Hirschel and Kramer Responsible Investment Brand Index™ (RIBI) 2021 as being in the “avant-gardist” category of responsible investors.

The index evaluates over 500 asset managers worldwide and measures their ability to translate their commitment to sustainable development into their corporate identity and brand image.

Ostrum AM ranks:

- in the Top 5 in France
- in the Top 10 in Europe
- in the avant-gardist category [i.e. those ranking above average on both their commitment rating and their brand rating].

1. <https://coalpolicytool.org/> 2. References to a ranking, price or rating are not an indicator of a fund's or asset manager's future performance. 3. Written on 11th May 2022. To find out more about Ostrum AM's ESG reporting, please refer to its full PRI Transparency Report available to the public on the PRI website at <https://www.unpri.org/signatories/about-pri-assessment>. 4. <https://www.ri-brandindex.org/>



HELPING TO IMPROVE RESPONSIBLE INVESTMENT PRACTICES

Ostrum AM participates in discussions held within financial market organisations and authorities aimed at establishing responsible investment standards and at ensuring that SRI and ESG issues and practices are standardised and spread across the financial market

Ostrum AM is a member of the main financial market organisations

We are keen to be involved in developing and promoting ESG standards, which is why Ostrum AM plays an active role in market initiatives aimed at improving and standardising responsible investment practices. We are therefore members of a large number of French, European and international financial market organisations:



Energy-Climate Law, green taxonomy, SFDR... we are helping to build the framework governing the exercise of sustainable finance

Ostrum AM stepped up its involvement in 2021 by participating in two of AFG's working groups, one dealing with the creation of practical guides to the Oil & Gas sector and the other dealing with the application of Article 29 of the French Energy-Climate Law. We are also involved in deliberations carried out within the Forum pour l'Investissement Responsable (FIR). In addition, we are members of various bodies and working groups within the ICMA (International Capital Market Association): the Advisory Council of the Green Bond Principles and Social Bond Principles Executive Committee, Social Bonds, Climate Transition Finance, and Sustainability-Linked Bonds.

Ostrum AM is also a member of the following sub-working groups within the ICMA's "Task Force on Sustainable Financial Products": green commercial paper, green securitisation, covered bonds, and green repos.

Ostrum AM also responds to consultations launched by French or European authorities on topics such as the green taxonomy, the application of measures relating to the sustainable finance disclosure regulation (SFDR) and the IOSCO questionnaire on ESG and climate-related issues.

Collaborative engagement initiatives

Ostrum AM has for several years been involved in collective initiatives alongside other investors working to raise awareness among issuers, public authorities and regulators about the importance of environmental, social, societal and governance-related issues. We prioritise taking up positions on initiatives that promote the following Sustainable Development Goals (SDGs):

- 3 (good health and well-being);
- 5 (gender equality);
- 13 (climate action);
- 14 (life below water);
- 15 (life on land).

SDG

Ostrum AM prioritises commitments to five SDGs in particular

Ostrum AM took part in 9 initiatives in 2021

1. COAL NEW IN 2021

Letter addressed to the Prime Minister of the United Kingdom, Boris Johnson, to oppose the opening of a new deep coking coal mine in Cumbria.

SDG: 13 LEAD ORGANISATION: IGCC

2. FORESTS AND WATER NEW IN 2021

Requests sent to 7,500 companies urging them to disclose information about their management of climate change, forests and water security.

SDG: 13, 14 & 15 LEAD ORGANISATION: CDP

3. ENGAGEMENT WITH GOVERNMENTS NEW IN 2021

Investor statement calling on governments to raise their climate ambitions.

SDG: 13 LEAD ORGANISATION: THE INVESTOR AGENDA

4. ENGAGEMENT WITH COMPANIES NEW IN 2021

Open letter encouraging companies to commit to emission targets grounded in science (SBT).

SDG: 13, 14 & 15 LEAD ORGANISATION: CDP

5. JUST TRANSITION NEW IN 2021

Coalition aiming to take into account the social implications of climate change.

SDG: 13 LEAD ORGANISATION: FINANCE FOR TOMORROW

6. TOBACCO

Tobacco-free finance pledge.

SDG: 3 LEAD ORGANISATION: TOBACCO FREE PORTFOLIOS

7. DIVERSITY

Engagement with SBF companies to promote greater diversity at the managerial level.

SDG: 5 LEAD ORGANISATION: THE 30% CLUB INVESTOR GROUP

8. SECTOR STRATEGY INCENTIVISING THE AVIATION INDUSTRY

Engagement with airlines and aerospace companies on the issue of climate change.

SDG: 13 LEAD ORGANISATION: PRI

9. DECARBONATION

Investor decarbonisation initiative.

SDG: 7 & 13 LEAD ORGANISATION: SHARE ACTION

SPOTLIGHT ON TWO COLLABORATIVE ENGAGEMENTS LAUNCHED IN 2021

Member of the Coalition for a Just Transition

There is a consensus on the need to factor in the social implications of climate change, but this is not yet being adequately incorporated into investment decisions. Ostrum AM therefore joined the "Coalition for a Just Transition" launched by Finance for Tomorrow in June 2021. The coalition's objectives are to encourage companies to integrate the just transition into their strategies, promote best practices in the sectors most affected by the environmental transition, and facilitate collaboration between investors and businesses.

Global investor statement on the climate crisis addressed to governments

The statement was prepared by The Investor Agenda, which Ostrum AM joined in April 2021, and calls on governments to raise their climate ambitions by passing strong national climate policies and committing to mandatory climate risk disclosure requirements. Investors are urging governments to step up their action in order to meet the climate targets set out in the Paris Agreement and achieve net zero by 2050.

PILLAR 5

CREATING A POSITIVE IMPACT ON OUR ECOSYSTEM

Ostrum AM endeavours to build a more sustainable model of economic and financial development. We apply the same standards required of the companies in which we invest to ourselves, and thus strive to be exemplary in the way we operate as a company. We are also eager to contribute to civil society. Our staff members play a leading role in our approach to corporate responsibility, whether by managing resources in a responsible manner, recycling materials, applying ethical business practices or participating in our patronage activities.

Carbon footprint

6t

of CO₂ equivalent per FTE¹,
a year-on-year reduction



100%

of our emissions are offset



Engagement

Ostrum AM is committed to eliminating single-use items. The goal for 2022 is to completely do away with single-use water bottles, cups, glasses and food containers.

15,600

cigarette butts collected and recycled in 2021



Solidarity

Patronage is a corporate project in itself for Ostrum AM and an opportunity for its employees to get involved with the associations we support

¹. Full-time equivalent

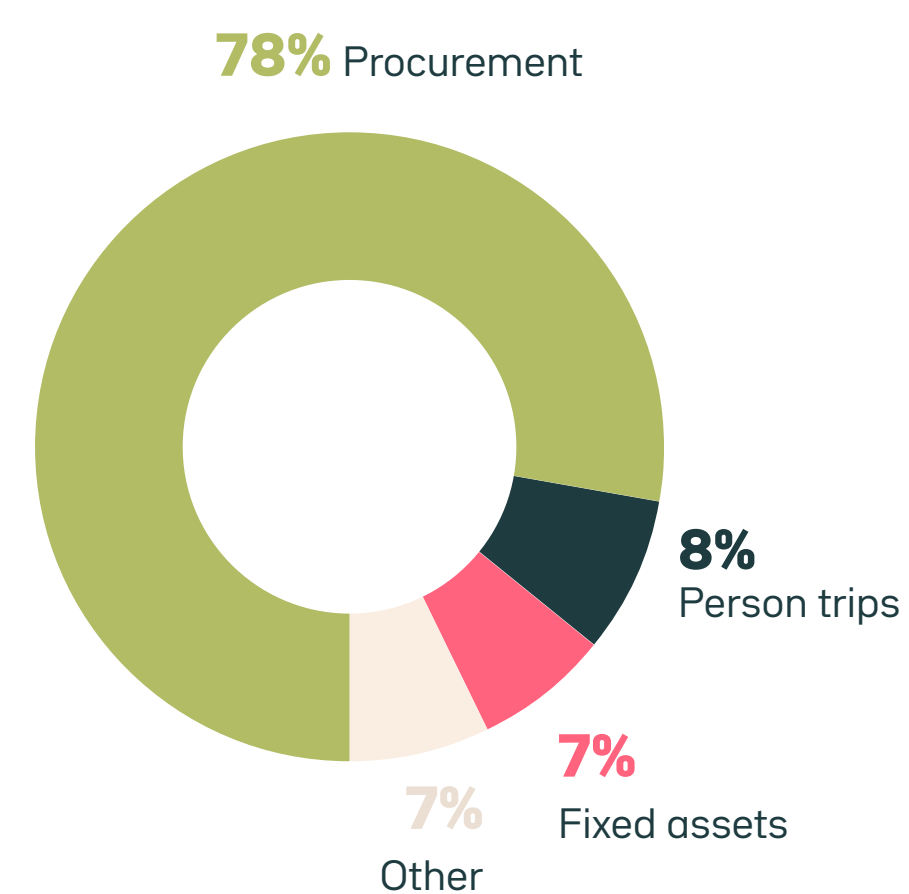
CARBON FOOTPRINT: MEASURE, REDUCE AND OFFSET

Alongside the initiatives rolled out during the course of our business activities, we also take measures to reduce the carbon footprint created by our own day-to-day operations. We have thus established a procedure broken down into 3 parts and aimed at managing our direct environmental impact: measure, reduce and offset.

Our carbon footprint in 2021

The ratio of metric tons of CO₂ equivalent emitted per FTE (full-time equivalent) declined from 7 to 6 in 2021 despite a slight increase in overall emissions. At approximately 80%, procurement and services accounted for the largest share of our emissions. By analysing our footprint, we are able to take the measures needed to manage our environmental impact more effectively.

RESULTS PER ITEM IN %



Rallying together on the environmental front

Applying high environmental standards to our building management

Natixis' property management services oversee and maintain the technical facilities in the buildings used by Ostrum AM, and are ISO 9001 and ISO 14001-certified. The building we occupy has also obtained the NF Bâtiments Tertiaires, Démarche HQE®, HPE, Effienergie+ and BREEAM® certifications testifying to their high environmental standards.¹

Preventing environmental risks and pollution

The staff responsible for overseeing, operating and maintaining our buildings receive training in these aspects. We apply Groupe BPCE's regulatory and environmental charter, which sets out the requirements to observe for any type of refitting or renovation work. It also stipulates the environmental standards that must be upheld.

Involving our staff members

In April 2021, we joined the second edition of Cyber World CleanUp Day alongside Natixis and BPCE by teaching our staff members about best practice in the area of digital responsibility.

Reducing our energy use

Our lighting systems are equipped with motion sensors. Our building also relies on natural light and is fitted with light-emitting diodes (LEDs).

Setting guidelines for business travel

Business trips undertaken by our staff must adhere to our business travel policy and car policy. We also encourage our employees to use low-carbon modes of transport for their home-work commutes (by partially refunding their bicycle-sharing and public transport travel cards and by providing them with bicycle parking spaces).

Adapting our IT equipment

We have streamlined our printer fleet and make greater use of all-in-one printers.

100%
of our emissions
are offset

Offsetting our emissions

Ostrum AM has offset 100% of its direct carbon emissions every year since 2016 thanks to our partnership with EcoAct, a leading European climate consultancy.

We selected the Marajó Amazon REDD project in Brazil for this purpose in 2021. The project protects over 86,000 hectares of biodiverse Amazonian forest and has thus prevented the emission of more than 2 million metric tons of CO₂ equivalent over a period of 30 years.

Recovering the energy produced from our datacentre!

Our 3,000 m³ datacentre, Vega, hosts some of the group's IT infrastructure and generates heat. Instead of being released into the atmosphere, the heat is recovered and reused to heat other facilities. In 2022, we hope to sign up to the EU Code of Conduct on Data Centre Energy Efficiency for both our datacentres, Sirius and Vega. This code is governed by the European Commission and aspires to make datacentres more energy-efficient.

1. HQE: High Environmental Quality – HPE: High Energy Performance – BREEAM: Building Research Establishment Environmental Assessment Method

MANAGING OUR RESOURCES AND RECYCLING OUR WASTE

We have set up various initiatives encouraging our employees to use resources in a responsible manner on a day-to-day basis. Another of our priorities is to sort and recycle our waste.

An end to single-use items

Ostrum AM remains committed to eliminating single-use items. When remote working was enforced in 2020, we sent thermos flasks to all our staff members. All plastic cups have been eliminated from our offices and replaced with reusable mugs and glasses. We have also launched a drive to remove plastic water bottles from our vending machines and to stop selling them in the building's staff canteen. They will be replaced with still and sparkling water fountains by mid-2022.

2022 GOALS

- ⊕ To eliminate single-use items: still and sparkling water bottles, cups, glasses and food containers.

Improved waste management

- Paper sorting and recycling facilities in office spaces;
- Collection and processing of used ink cartridges and batteries;
- Recovery of Waste from Electrical and Electronic Equipment (WEEE);
- Sorting and recycling of pens, cups, cans and plastic bottles.

Our paperless programme

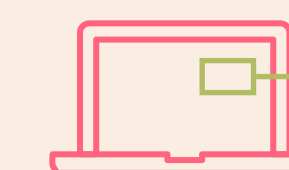
Ostrum AM launched its Paperless programme in 2018 and has drastically reduced the amount of paper it uses as a result.

7,800 m³

of water protected
from cigarette butt
pollution

An end to cigarette butt pollution

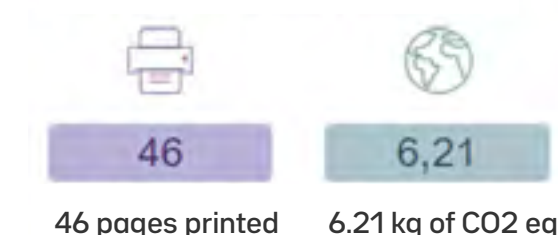
Cy-clope collected and recycled some 15,600 cigarette butts from the entire building in 2021. This equates to 7,800 m³ of water protected from cigarette butt pollution, which corresponds to enough water to fill 3 Olympic swimming pools.



"Paperless"

A widget informs each staff member of the number of pages they have printed.

Employee footprint



ADOPTING A RESPONSIBLE PROCUREMENT POLICY

Our procurement policy is overseen by Natixis’ procurement department as part of an approach decided together with Groupe BPCE’s procurement department. It seeks to promote more environmentally-friendly products and services that can safeguard and create social and societal value-added.

Groupe BPCE is thus a signatory of the Charter for Responsible Procurement. This charter requires our suppliers to adhere to certain commitments made in the areas of human rights, working conditions, the environment and anti-corruption efforts, in accordance with the fundamental principles of the United Nations Global Compact. The charter is sent to suppliers whenever we launch requests for proposals.

GUARANTEEING COMPLIANCE WITH THE PRINCIPLES OF BUSINESS ETHICS

The Code of Conduct drafted by Natixis in 2017 sets out the rules of good conduct and best practice that must be observed to ensure compliance with our principles of professional ethics. It applies to all our employees but also to the suppliers and partners working with Natixis, its subsidiaries and its affiliates.

CODE OF CONDUCT	TYPES OF CONDUCT AND CORRESPONDING GUIDELINES
Be client-centric	<ul style="list-style-type: none">● Protect the interests of our clients● Communicate clearly with our clients● Protect our clients’ information and data● Handle claims and other requests filed by our clients in a fair and timely manner
Behave ethically	<ul style="list-style-type: none">● Show respect for staff members and offer them opportunities for personal development● Show a sense of professional ethics● Uphold market integrity
Behave responsibly towards society	<ul style="list-style-type: none">● Behave in accordance with Natixis’ CSR commitments● Safeguard financial security
Safeguard the assets and reputation of Natixis and Groupe BPCE	<ul style="list-style-type: none">● Protect assets● Ensure business continuity● Communicate responsibly with external stakeholders

PATRONAGE: CONTRIBUTING TO CIVIL SOCIETY

Ostrum AM has made its patronage programme a corporate project in itself. We offer all our staff members an opportunity to invest some of their time and energy by contributing to the initiatives and events that are organised in support of a given association.



A 360° partner for the Planète Urgence association

This association supports development projects in communities that are economically and socially vulnerable and isolated and in areas where natural habitats are being destroyed. In 2021, we continued to provide aid for reforestation programmes in Madagascar involved in planting 20,000 trees. We also helped to finance national delegates working for the association in Peru and Ecuador. Last of all, we took part in Planète Urgence’s marketing campaign.

A focus on training and education

We redefined the central focus of our patronage in 2021 and decided to promote diversity and inclusion through better access to training and education. We thus asked our employees to select a new association, which we have been supporting since the start of 2022: Vox Populi. As a result, a class of a dozen or so students is now receiving training in soft skills with the assistance and patronage of Ostrum AM staff members.



Involved in efforts to tackle the coronavirus

Ostrum AM decided in 2020 to support the Covid-19 research efforts carried out by the Fondation AP-HP [Paris hospital trust] for a period of three years. We sponsor one or more research projects selected by the foundation from each of its areas of expertise, including patient treatment trials, preventive treatment for care workers and research on at-home patient care, among others.



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Additional notes

Ostrum Asset Management
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