

● REMUNERATION POLICY

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1. PREAMBLE

This Ostrum Asset Management remuneration policy consists of general principles applicable to all employees (see section “2. General principles”), specific principles applicable to the population identified by AIFM and UCITS V (see 3 “Implementation of the process applicable to the identified population under AIFM and/or UCITS V”), specific principles applicable to the relevant population under MiFID (see section 4 “Implementation of the framework applicable to the relevant population under MiFID”, a governance system applicable to all employees (see 5 “Governance”) and integration of the sustainability risk (see 6 “Integration of the sustainability risk into the remuneration policy”).

It forms part of the remuneration policy defined by Natixis and has been drawn up in accordance with the provisions relating to remuneration contained in the following regulations, as well as the guidelines of the European Securities and Markets Authority (ESMA) and the positions issued by the Autorité des Marchés Financiers (AMF) derived 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.

2. GENERAL PRINCIPLES

The remuneration policy is a strategic element of Ostrum Asset Management's policy. It is a tool that encourages employee mobilisation and commitment and ensures competitiveness and attractiveness in light of market practices, in strict compliance with broad financial and regulatory balances.

Ostrum Asset Management's remuneration policy, which applies to all employees, includes the alignment of employees' interests with those of investors among its fundamental principles:

- It is coherent, promotes sound and effective risk management and discourages risk-taking that is incompatible with the risk profiles, rules or governing documents of the products managed.
- It is consistent with the business strategy, objectives, values and goals, the values and interests of the management company and the products it manages and those of investors, and includes measures to avoid conflicts of interest.

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

Fixed remuneration rewards skills, professional experience and the employee's level of responsibility. It takes account of market conditions.

Variable remuneration is based on an assessment of collective performance, measured both at the level of the management company and the products managed, and by reference to individual performance. It takes into account quantitative and qualitative factors, which may be established on an annual or multi-annual basis.

2.1. Definition of performance

The objective and transparent assessment of annual and multi-annual performance based on pre-defined objectives is a prerequisite for applying Ostrum Asset Management's remuneration policy. It ensures the fair and selective treatment of employees. This assessment is discussed by the employee and their manager during an individual assessment meeting.

Each employee's contribution and performance level is assessed based on the employee's duties, tasks and level of responsibility at the management company. In this context, the remuneration policy distinguishes between several employee categories:

- The Executive Committee is assessed based on its contribution to defining and implementing the management company's strategy and its ability to develop the performance of products and services and risk-adjusted financial performance within its scope of oversight. For this category, performance is assessed annually through quantitative indicators, such as changes in Ostrum Asset Management's financial results and the activities overseen, as well as qualitative elements such as management quality and/or responsibility for and contribution to cross-functional projects.
- Support functions are assessed on their ability to assist with the management company's strategic objectives. Individual performance is assessed annually based on the quality of repeat business and/or the level of participation in cross-functional projects or strategic/regulatory projects.
- The performance of the control functions is assessed based only on qualitative criteria, such as participation in cross-functional projects or strategic/regulatory projects, defined annually, so as not to compromise their independence or create a conflict of interest with the activities they control. Therefore, the remuneration of control functions is based on specific objectives relating to their function and is not linked to quantitative commercial performances.
- The performance of the portfolio management functions is assessed based on quantitative criteria, as well as qualitative criteria. The quantitative criteria reflect the development of portfolio management performance sought by investors, yet without allowing excessive risk-taking that could impact the risk profile of Ostrum Asset Management and/or the products managed. These quantitative criteria are

calculated over a pre-defined period in line with the risk-adjusted performance horizon of the managed funds and the management company.

Qualitative criteria are used to assess the performance of all employee categories. These qualitative criteria always include compliance with regulations and Ostrum Asset Management's internal risk management and compliance procedures.

They may also cover the quality of relations with clients, including the level of expertise and advice provided, the contribution to the reliability of a process, participation in a cross-functional project, the contribution to the development of new expertise, participation in the development of operational efficiency, or any other subjects defined in line with Ostrum Asset Management's strategic objectives.

The method used to determine the variable remuneration of portfolio managers is consistent with the goal of serving the best interests of clients, whose satisfaction is evaluated based on responses to a questionnaire. In addition to this evaluation, the business line heads analyse feedback provided by the clients and make sure that portfolio managers apply the appropriate level of due diligence in response to clients' requests, while ensuring that such requests are appropriate.

Lastly, specific criteria incorporating sustainability risks, i.e. social, environmental and governance issues, must be defined for the Executive Committee members, as well as for the portfolio managers and analysts within the portfolio management teams.

For each employee category, all quantitative and qualitative objectives are defined and communicated individually at the beginning of the year, in line with Ostrum Asset Management's strategic objectives.

2.2. Components of remuneration

Fixed remuneration

Ostrum Asset Management ensures a level of fixed remuneration that sufficiently compensates employees for their employment activity.

Fixed remuneration remunerates the skills, professional experience and level of responsibility that are expected for a position.

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

The increase in fixed salaries is analysed once a year as part of the annual remuneration review. Outside that period, only promotions, internal transfers or exceptional individual situations may result in an increase.

Variable remuneration

The variable remuneration packages are defined based on Ostrum Asset Management's annual results, as well as by reference to qualitative elements, such as the practices of competitors, general market conditions in which the results were obtained, and any factors that may have temporarily impacted the business line's performance.

Variable remuneration, which may be awarded where applicable, remunerates annual collective and/or individual performance.

Ostrum Asset Management collective variable remuneration consists of incentive and profit-sharing schemes, combined with a company savings plan ("PEE") and a collective retirement savings plan (PERCOL). Under these plans, employees may benefit from a matching contribution scheme.

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

In compliance with the overall variable remuneration packages, individual variable remuneration is awarded, as part of the annual remuneration review, in an objective, discretionary manner based on the assessment of

individual performance and the way in which such performance is achieved. Variable remuneration awarded to employees is impacted in the event of inadequate risk and compliance management, or non-compliance with regulations and internal procedures during the relevant year (see section “2.1. Definition of performance” above).

The identified and/or relevant population is subject to specific obligations in terms of risk and compliance rules. Failure to comply with these obligations may result in a partial or total reduction in the individual variable remuneration awarded.

In case of a loss or a significant decline in its earnings, Ostrum Asset Management may also decide to reduce or fully cancel the amount allocated to individual variable remuneration, as well as any payments of variable remuneration in the process of being acquired already allocated and deferred.

Similarly, in case of the occurrence of a major sustainability risk, i.e. an environmental, social or governance event or situation that has a significant and lasting negative impact on the value of the funds/products managed, the amount allocated to individual variable remuneration may be reduced or even cancelled, as well as any payments of variable remuneration in the process of being acquired already allocated and deferred.

There is no contractual guarantee of variable remuneration, except, in some cases, variable remuneration awarded for a first year of service in connection with external recruitment.

“Golden parachute” schemes are prohibited. Payments relating to the early termination of an employment contract are determined in accordance with legal provisions (statutory and contractual compensation) and the performance of the beneficiary, his/her business line and the management company as a whole over the long term, and are designed so as not to reward failure.

Variable remuneration is not paid by means of instruments or methods that facilitate the circumvention of the requirements set out in regulations.

Key employee retention scheme

Ostrum Asset Management endeavours to assure its investors of the continued presence of its most talented employees, or those identified as key employees based on their commitment or their contribution to earnings.

To this end, a deferred remuneration scheme has been incorporated into the remuneration policies.

Under this scheme, above a certain threshold a portion of the variable remuneration is awarded in the form of cash indexed to the performance of a basket of products managed by Ostrum Asset Management. The portion of deferred variable remuneration is acquired in equal tranches over a minimum period of three years, thereby aligning employees’ remuneration with Ostrum Asset Management’s performance.

This scheme is subject to conditions of continued employment and the absence of unusual behaviour that may impact the risk level of Ostrum Asset Management and/or the products managed. These tranches may be required to be returned in whole or in part to ensure an ex-post risk adjustment.

Balance between fixed and variable remuneration

Ostrum Asset Management 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 implemented with respect to variable remuneration components, including the option of paying no variable component. All individual situations where variable remuneration is more than twice the fixed remuneration and that may be the result of market practices and/or an exceptional level of responsibility, performance and behaviour are documented by the Human Resources Department as part of the annual remuneration review.

3. IMPLEMENTATION OF THE FRAMEWORK APPLICABLE TO THE IDENTIFIED POPULATION UNDER AIFM AND / OR UCITS V

3.1. Identified population

In accordance with regulatory provisions, Ostrum Asset Management's identified population includes the employee categories, including General Management, risk-takers and those performing a control function, as well as any employee who, based on his/her total remuneration, is in the same remuneration bracket as General Management and risk-takers, and 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 total remuneration.

For the sake of consistency and harmonisation, Ostrum Asset Management has decided to apply the mechanism applicable to the identified population to all managed products (mandates, UCITSs and AIFs).

The identified population includes in particular the following employee categories:

- members of the management body;
- staff members responsible for portfolio management;
- the managers of the control functions (risks, compliance and internal control);
- the managers of the support and administrative activities;
- other risk-takers;
- employees who are in the same remuneration bracket as General Management and risk-takers based on their total remuneration.

Each year, prior to the annual remuneration review, the Human Resources Department determines and formalises the identification methodology and scope of Ostrum Asset Management's identified population together with the Permanent Controls Department.

The scope of the identified population is then validated by Ostrum Asset Management's General Management, reported to its Board of Directors in its role as supervisory function and, lastly, presented to Natixis' Remuneration Committee.

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

3.2. Scheme applicable to variable remuneration awarded to the identified population

In accordance with regulations and to ensure alignment between employees, investors and the management company, when the variable remuneration of the identified population exceeds a certain threshold, it is acquired on a pro rata basis, with a portion deferred and a portion awarded in the form of financial instruments over a minimum period of three years.

The proportion of variable remuneration that is deferred over three years increases with the amount of variable remuneration awarded and may reach 60% for those with the highest remuneration at Ostrum Asset Management. Currently, the procedure for implementing deferred remuneration is as follows:

- up to €199,000 in variable remuneration: no deferral;
- between €200,000 and €499,000 in variable remuneration: 50% deferred as from the first euro;
- €500,000 or more in variable remuneration: 60% deferred as from the first euro.

The thresholds for triggering deferred variable remuneration may change based on regulations or changes to internal policies. In this case, the new thresholds are submitted to Ostrum Asset Management's Executive Committee and Natixis' Remuneration Committee for approval.

A minimum of 50% of variable remuneration is also awarded in financial instruments in the form of cash indexed to the performance of a basket of products managed by Ostrum Asset Management.

Acquisition of the deferred portion of variable remuneration is subject to conditions of continued employment, the management company's financial performance and the absence of unusual behaviour that may impact the risk level of Ostrum Asset Management and/or the products managed.

This acquisition is also subject to obligations in terms of risk and compliance rules. Failure to comply with these obligations may result in a partial or total reduction of the amount acquired. This amount may be required to be returned in whole or in part to ensure an ex-post risk adjustment.

Employees who receive deferred variable remuneration are prohibited from using individual hedging or insurance strategies at any point during the acquisition period.

The terms and conditions applicable to the determination, valuation, awarding, acquisition and payment of deferred variable remuneration in equivalent financial instruments are set out in Ostrum Asset Management's Long-Term Incentive Plan (LTIP).

4. IMPLEMENTATION OF THE FRAMEWORK TO THE RELEVANT POPULATION UNDER MIFID

4.1. Definition of « Relevant persons »

The ESMA MiFID II Guidelines have a very broad scope, defined by (i) the provision of investment services and activities, and (ii) by the notion of "relevant persons" within the meaning of Article 2(1) of the MiFID II Delegated Regulation:

Relevant person: In the case of an investment company, any of the following persons:

- A director, partner or equivalent, portfolio manager or tied agent of the firm;
- A director, partner or equivalent, or manager of any tied agent of the firm;
- An employee of the firm or of a tied agent of the firm, as well as any other natural person whose services are placed at the disposal and under the control of the firm or a tied agent of the firm and who is involved in the provision by the firm of investment services and activities;
- A natural person who is directly involved in the provision of services to the investment firm or its tied agent under an outsourcing arrangement for the purpose of the provision by the firm investment services and activities.

Article 27(2) of the MiFID II Delegated Regulation specifies the required actions in terms of compliance: "Investment firms shall ensure that their remuneration policies and practices apply to all relevant persons with an impact, directly or indirectly, on the investment and ancillary services provided by the investment firm or on its corporate behaviour, regardless of the type of clients, to the extent that the remuneration of such persons and similar incentives may create a conflict of interest that encourages them to act against the interests of any firm's clients."

Each year, prior to the annual remuneration review, Human Resources determines and formalises the methodology for identifying and the scope of the relevant population at Ostrum Asset Management, together with the Compliance/Internal Control Department.

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

4.2. Scheme applicable to variable remuneration awarded to the concerned population

A correct weighting is ensured between qualitative and quantitative criteria when determining the variable remuneration of Relevant Persons, thereby allowing for:

- Aligning the interests of relevant persons and firms with those of clients,
- Acting in the best interests of the client,
- Not indirectly reintroducing quantitative commercial criteria likely to create conflicts of interest or incentives that could lead relevant persons to favor their own interests or those of their firm to the potential detriment of any client,
- Avoiding setting performance objectives likely to encourage relevant persons to adopt short-term gain-oriented behaviors.

As previously provided in the remuneration policy, the latter ensures that it does not create potential conflicts of interest or risks of harm to client interests, or incentives for excessive risk-taking, or favor the interests of the company's employees (including those of the management body) to the potential detriment of any client. It applies to everyone, including identified and relevant employees.

5. GOVERNANCE

The general and specific principles of the remuneration policy are defined and formalised by Ostrum Asset Management's Human Resources Department. Ostrum Asset Management's Permanent Controls Department and Risk Department play an active role in the development, ongoing monitoring and assessment of the remuneration policy. They are involved in determining the overall strategy applicable to the management company in order to promote the development of effective risk management.

To that end, they are involved in determining the scope of the identified population for the Permanent Controls Department or in determining the indexation and the basket of funds of the LTIP for the Risk Department. The latter is also responsible for assessing the impact of the variable remuneration structure on portfolio managers' risk profiles.

Ostrum Asset Management's remuneration policy is approved by its Board of Directors in its role as supervisory function.

The general and specific principles and the implementation procedure and figures set out in the remuneration policy, including the identified population and the highest remuneration levels, are approved in detail by the members of Ostrum Asset Management's Executive Committee.

Ostrum Asset Management's Remuneration Committee is established and acts in accordance with the regulations¹:

- Both with respect to its composition: independence and expertise of its members, the majority of whom, including its Chairman, do not hold executive positions within Ostrum Asset Management, and are therefore independent;
- And in the performance of its duties, which include the following roles:
 - Recommendation and assistance to the Board of Directors in preparing and implementing the management company's remuneration policy;
 - Assistance to the Board of Directors in overseeing the development and operation of the management company's remuneration system;
 - Special attention given to the assessment of the mechanisms adopted to ensure that the remuneration system properly takes into account all types of risks and liquidity and asset under management levels and the consistency of the remuneration policy with the business strategy, objectives, values and interests of the management company and the products it manages and those of investors;

In this context, the general and specific principles, the compliance of Ostrum Asset Management's remuneration policy with the regulations to which it is subject and the implementation procedure and summary figures set out in its remuneration policy, including the identified population and the highest remuneration levels, are reviewed by Ostrum Asset Management's Remuneration Committee and approved by its Board of Directors in its role as supervisory function.

Natixis Investment Managers' General Management then submits the above information, in a more concise format, for approval by Natixis' General Management, which ultimately submits it to Natixis' Remuneration Committee before it is approved by its Board of Directors in its role as supervisory function.

Natixis' Remuneration Committee is itself established and acts in accordance with the regulations, both with respect to its composition (independence and expertise of its members) and in the performance of its duties. The majority of its members, including its Chairman, do not hold executive positions within Ostrum Asset Management, are not part of the Natixis Group and are therefore fully independent².

The remuneration of Ostrum Asset Management's Chief Executive Officer is proposed by the General Management of Natixis Investment Managers and Natixis, and then presented to the Remuneration Committee of Ostrum Asset Management and finally to that of Natixis.

¹ For further details on the composition and role of Ostrum Asset Management's Remuneration Committee, see the Internal Rules of the Appointments and Remuneration Committee.

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

The remuneration of Ostrum Asset Management's Risk and Compliance Officers is reviewed, as part of the independent reviews carried out by the Risk and Compliance functions, by the Risk and Compliance Officers of Natixis Investment Managers. They are then submitted to Ostrum Asset Management's Remuneration Committee and then to Natixis' Remuneration Committee.

Ultimately, all the roles assigned to the remuneration committees and prescribed by law are, in practice, performed by the Remuneration Committee established at Ostrum Asset Management and/or by Natixis' Remuneration Committee.

The general and specific principles of the remuneration policy are communicated internally to all employees and to members of the works council. Ostrum Asset Management also complies with all its obligations regarding external advertising.

This entire review, approval and communication process takes place each year. It takes into account any regulatory and contextual changes and is carried out in accordance with Natixis' remuneration policy.

Lastly, Ostrum Asset Management's entire remuneration policy is subject to a centralised and independent annual review by Natixis Investment Managers' Internal Audit Department.

When Ostrum Asset Management delegates the financial management of any of the portfolios it manages to another management company, it ensures that this delegated management company complies with the regulations in force.

6. INTEGRATION OF THE SUSTAINABILITY RISK INTO THE REMUNERATION POLICY

Ostrum Asset Management's policy on sustainability risks is made public in accordance with Article 3 of the Regulation of the European Parliament and of the Council on disclosures relating to sustainable investments and sustainability risks, known as SFDR³.

Ostrum Asset Management incorporates sustainability risks⁴ into the assessment of industrial sectors and companies through the quality and risk analysis.

These sustainability risks are taken into account in various ways:

- Ostrum Asset Management's sector and exclusion policies;
- Ostrum Asset Management's controversy management policy;
- The inclusion of ESG criteria in nearly 100% of Ostrum Asset Management's assets;⁵
- The inclusion of non-financial information in the issuer analysis when it is considered material, i.e. when it has an impact on the issuer's credit risk;
- Ostrum Asset Management's engagement policy.

The variable remuneration of business lines that contribute to the consideration of sustainability risks is indexed to the sustainability objectives and implementation of the responsible asset management strategy. This primarily applies to managers and analysts, as well as members of the Executive Committee.

These components of remuneration are detailed each year in the Article 29 report of the Energy and Climate Act.

For more information: <https://www.ostrum.com/en/our-csr-and-esg-publications>

³ 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

⁴ Sustainability risk means an environmental, social or governance event or situation that, if it occurs, could have an actual or potential material negative impact on the value of the investment.

⁵ With the exception of some quantitative management funds, trackers and structured products.

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Ostrum Asset Management

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