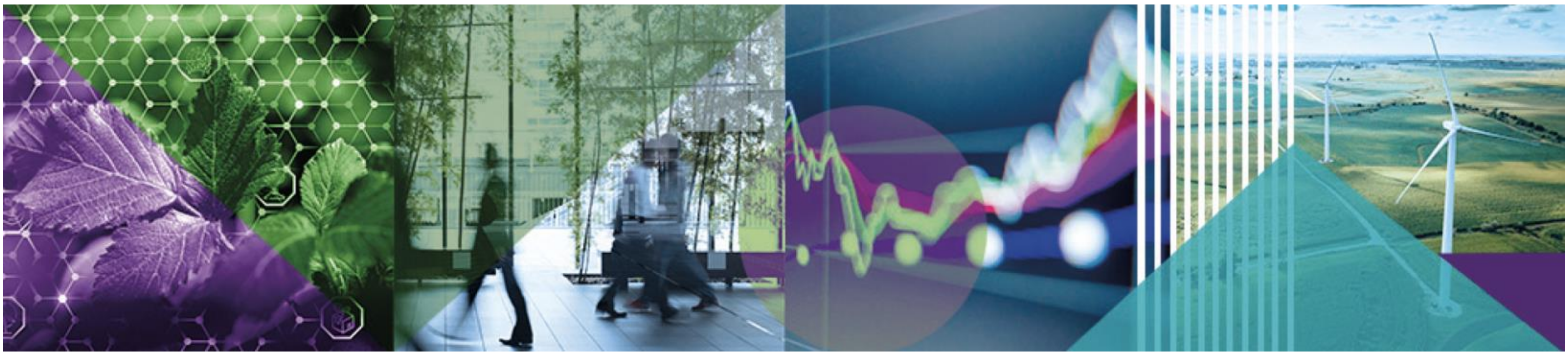

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NATIXIS CIB POLICY FOR TAKING INTO ACCOUNT SUSTAINABILITY RISKS AND PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS IN INVESTMENT ADVICE

This policy is published pursuant to articles 3(2), 4(5) and 5 of Regulation (EU) 2019/2088/EU Sustainable Finance Disclosure Regulation (SFDR). It only applies in connection with the provision by Natixis (as defined below) of investment advice as defined in article D. 321-1 (5) of the French Monetary and Financial Code and in article 4(1)4) of Directive 2014/65/EU (MiFID II).

The Regulation (EU) 2019/2088/EU requires financial advisors to provide greater transparency about the policies on the integration of sustainability risks in the investment advice.

SCOPE OF APPLICATION

This policy only covers the activities of the Corporate & Investment Banking ("CIB") division of Natixis S.A (Natixis) within EEA. For sake of clarity, it does not cover the asset and wealth management activities of Natixis, which are carried out through Natixis Investment Managers ("NIM").

1. SUSTAINABILITY RISKS

A "Sustainability Risk" as defined in Article 2(22) of SFDR is: "an environmental, social or governance (ESG) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment".

1.1 Policy on the integration of sustainability risks into investment advice

Article 3(2) of SFDR, requires financial advisers to publish on their websites information about their policies on the integration of sustainability risks in their investment advice.

Environmental, Social and Governance (ESG) risks are factored into Natixis financing and investment activities as part of a global approach involving the business lines, the ESG/Sustainability Department and the control functions.

1.1.1. Natixis commitments

As a significant player in the financing of the economy, Natixis intends to play a role in the transition to sustainable development and, through its business lines, contributes to creating value for all its internal and external stakeholders.

The Code of Conduct adopted by Natixis in December 2020 is instilling a risk culture, as it defines the rules of conduct applicable to all employees and encourages greater involvement and accountability. Four guiding principles serve as the building blocks of Natixis' DNA and are adapted to each profession and function. The rules fall into the following themes:

- being client-centric;
- behaving ethically;
- acting responsibly towards society;
- protecting Natixis' and Groupe BPCE's assets and reputation.

Natixis made, as part of its business activities, ESG-related commitments towards its stakeholders and society, as detailed in Natixis Universal Registration Document-URD[1].

1.1.2. Implementation of ESG policies in sensitive sectors

With regards to its financing and investment activities, Natixis decided to exclude sub-sectors or specific borrowers which do not fit in its risk appetite. ESG sector policies have been drawn up and included in the risk policies applied by the business lines working with the most sensitive sectors. These policies cover the following sectors: coal industries, defense, tobacco, and oil and gas.

Further information about ESG policies in sensitive sectors can be found in the Universal Registration Document-URD.

1.2 Integration of sustainability risks into the remuneration policy

This sub-section contributes to meeting the regulatory requirements set out in Article 5 of SFDR.

[1] Natixis URD https://natixis.groupebpce.com/natixis/en/financial-information-lpaz5_132353.html

Natixis' compensation policy is structured in such a way as to promote employee engagement over the long term, while discouraging excessive risk-taking in investment advisory activities.
ESG criteria are factored into Natixis' compensation policy through:

- the inclusion of Natixis' ESG criteria related to its strategic plan when determining the Chief Executive Officer's and senior management's variable annual compensation;
- the inclusion of similar ESG criteria in Natixis' profit-sharing and incentive agreements;
- the inclusion of additional specific ESG goals for the assessment of performance for certain categories of staff in some Natixis subsidiaries;
- the focus on open-ended funds labeled Socially Responsible Investment (SRI) or incorporating ESG criteria for collective employee savings plans

In accordance with conflict of interests' policies, the remuneration policy of Natixis SA does not favor the advice on financial products that would be detrimental to the protection of the interest of clients.

2. ADVERSE IMPACTS ON SUSTAINABILITY FACTORS IN INVESTMENT ADVICE

Article 4(5) of SFDR requires financial advisers to publish disclosures on their website on the integration into their investment advisory of principal adverse impacts (PAI) on sustainability factors. Adverse impacts refer to the negative effects investment advice on environmental, climate, social and governance factors.

For eligible products, Natixis is improving the PAI indicators integration into its investment advice activity and its product governance framework.

The Global Markets department of Natixis CIB continues to develop an internal ESG product classification framework which takes into consideration the main ESG characteristics of the investment products based on the ESG intensity of the use of proceeds and the underlying as well as the principal adverse impacts.