The ESG and low carbon effect in the Shiller US strategy.

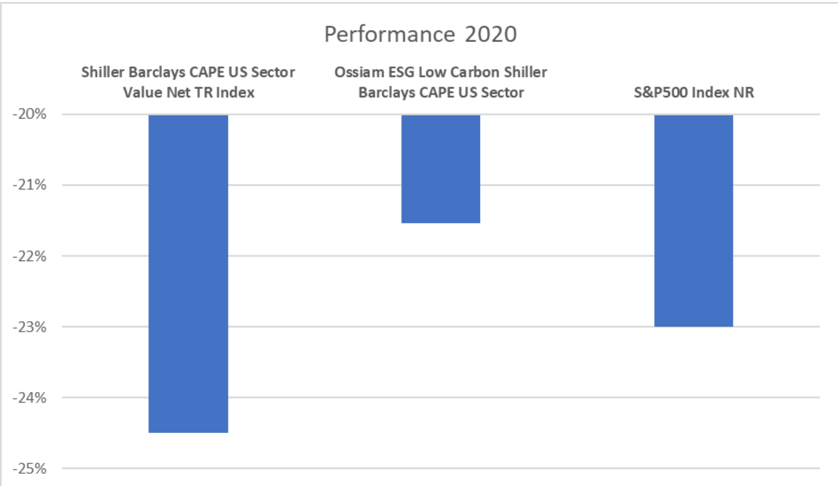
Carmine de Franco, PhD

Head of fundamental Research

March 13, 2020

Abstract: The paper analyses the excess return between the Shiller Barclays CAPE® US Sector Value Index and its ESG and low carbon version since the beginning of 2020. Although expected, we prove that the low carbon feature has been a very powerful feature of the strategy in these last few weeks, allowing it to avoid stocks that have been seriously hit by fears of economic disruptions and recession caused by the spread of Covid-19 pandemic. The document is based on the performances of the indices/strategies and not of the investment vehicles. Moreover, the period analysed in this document is very short and volatile, therefore the results may be affected.by statistical errors and may not be representative of long-term metrics.

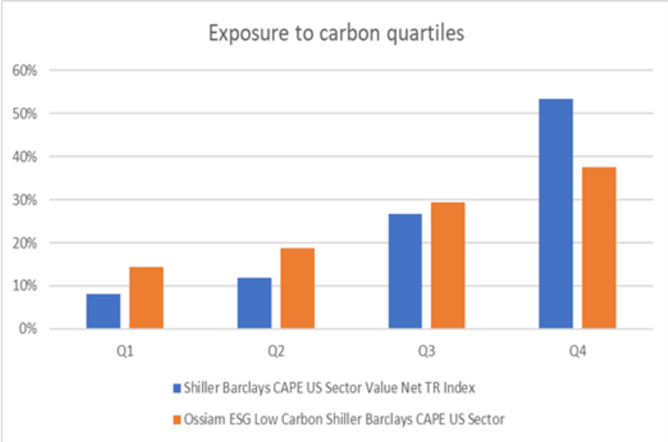
The Ossiam ESG Low Carbon Shiller Barclays CAPE® US Sector strategy, the ESG and low carbon version of the Shiller Barclays CAPE® US Sector Value Index, is outperforming its original version substantially since the beginning of the year. While the objective of the former is to deliver a very similar risk/return profile, while significantly reducing the carbon foot print and improving the ESG quality of the portfolio by performing several exclusion filters, it is a remarkable fact that in the last two severe drawdowns (Q4 2018 and since mid-February 2020) the Ossiam ESG Low Carbon Shiller Barclays CAPE® US Sector strategy is proving more resilient.



Source: Bloomberg, Barclays, Ossiam, Sustainalytics, Trucost. Calculation in USD.
Data from December 31, 2019 to March 12, 2020.
Past performance is not a reliable indicator of future performance.

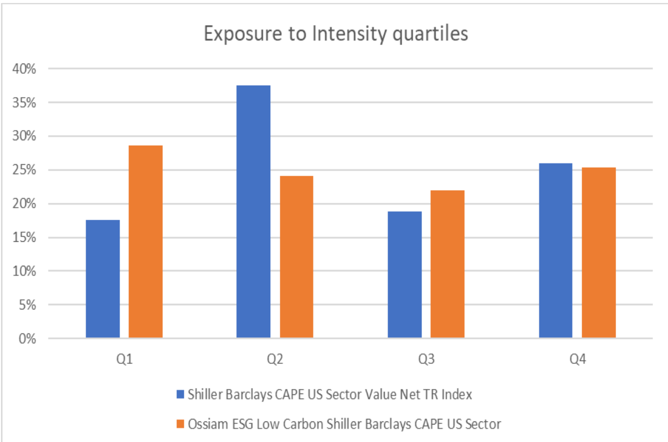
The gap between the two strategies is ~3% since the beginning of the year, and it has grown larger over the last few weeks, as fears of the economic impact of Covid-19 on the economies are pushing the market down. Because both strategies share the same sector selection based on long-term valuations and the Relative CAPE®, the difference must be the results of the ESG and Low Carbon overlay, which exclude, on average, half of the names in the CAPE strategy (both for ESG exclusions and the low carbon optimization).

To see the effect of the overlay, we first classify each stock in the S&P 500 Index into quartiles based on their a) GHG Emissions as well as b) Intensities (i.e. GHG Emissions over Revenues). Stocks in the lowest quartile are those with lower emissions (resp. intensities), while stocks in the upper quartile are those with the highest emissions (resp. intensities). The exposure to these quartiles, as of March 12, 2020 is given below:



Source: Bloomberg, Barclays, Ossiam, Sustainalytics, Trucost. Calculation in USD.
Data from December 31, 2019 to March 12, 2020.
Past performance is not a reliable indicator of future performance.

Not surprisingly, the ESG Low carbon version favours stocks in the lowest quartiles (so with less GHG emissions and intensities) while lowering the exposure to stocks in the highest quartiles. This is the direct consequence of the 40% reduction target in both GHG emissions and intensities (as well as GHG potential emission from reserves).



Source: Bloomberg, Barclays, Ossiam, Sustainalytics, Trucost. Calculation in USD.
Data from December 31, 2019 to March 12, 2020.
Past performance is not a reliable indicator of future performance.

We can then run a classic Brinson-like performance attribution of the Ossiam ESG Low Carbon Shiller Barclays CAPE® US Sector strategy over the classic Shiller Barclays CAPE® US Sector Value Index, across different dimensions of the ESG Low Carbon policy to have a better understanding of the sources of this gap in performance. We start by looking first at GICS-1 sectors:

31-Dec-2019 12-Mar-2020	Sector Allocation	Stock Picking	Excess Return	Avg. Ossiam ESG Low Carbon Shiller Barclays CAPE US Sector Weight	PnL Sector	ret Sector	Avg. Shiller Barclays CAPE US Sector Value Net TR Index Weight	PnL Sector	ret Sector
Total	-0.29%	3.25%	2.95%		-21.54%			-24.49%	
Communication Services	0.00%	0.19%	0.20%	24.90%	-5.42%	-20.74%	25.08%	-5.38%	-20.38%
Consumer Staples	-0.05%	0.27%	0.22%	12.34%	0.75%	3.07%	12.24%	0.31%	1.96%
Industrials	0.01%	0.99%	1.00%	22.89%	-6.86%	-25.71%	23.13%	-8.03%	-29.64%
Information Technology	0.01%	0.43%	0.44%	25.52%	-3.93%	-16.27%	25.26%	-4.49%	-17.97%
Materials	-0.27%	1.36%	1.09%	14.35%	-6.95%	-25.92%	14.30%	-8.06%	-28.78%

Source: Bloomberg, Barclays, Ossiam, Sustainalytics, Trucost. Calculation in USD.
Data from December 31, 2019 to March 12, 2020. Past performance is not a reliable indicator of future performance.

The total excess return since December 31,2019 is 2.95%. This can be explained essentially by the stock picking effect (since the sector allocation of both strategies is matched). Most of the stock picking comes from two sectors: Industrials and Materials. Not surprising, these sectors are usually carbon intensive and usually contains stocks that are excluded by our ESG policy (ex. Controversial weapons, Controversy, etc.).

More precisely, we see how the Industrial sector in the classical Shiller Barclays CAPE® US Sector Value Index delivered a -29.64%, while the same sector in the Ossiam ESG Low Carbon Shiller Barclays CAPE® US Sector strategy is down by -25.71%. Same picture for Materials. A better selection in these sectors contributed for 2.35% (1.36% + 0.99%) of the total excess returns. If we look at the carbon quartiles, which form a dynamic classification of stocks, the excess return is equally split between allocation and picking effects: 1.29% (out of 2.95% of excess return) comes from the allocation effect; the rest (1.66%) is the stock picking effect.

31-Dec-2019 12-Mar-2020	Carbon Allocation	Stock Picking	Excess Return	Avg.Ossiam ESG Low Carbon Shiller Barclays CAPE US Sector Weight	PnL Carbon	ret Carbon	Avg.Shiller Barclays CAPE US Sector Value Net TR Index Weight	PnL Carbon	ret Carbon
Total	1.29%	1.66%	2.95%		-21.54%			-24.49%	
Q1	0.52%	-0.04%	0.48%	14.65%	-2.31%	-16.72%	7.65%	-1.31%	-16.26%
Q2	0.28%	0.11%	0.38%	18.33%	-3.76%	-19.65%	11.46%	-2.45%	-20.11%
Q3	0.31%	0.32%	0.62%	24.45%	-7.72%	-24.54%	24.74%	-7.39%	-25.90%
Q4	0.19%	1.27%	1.46%	42.55%	-8.59%	-22.01%	56.16%	-14.21%	-25.49%

Source: Bloomberg, Barclays, Ossiam, Sustainalytics, Trucost. Calculation in USD.
Data from December 31, 2019 to March 12, 2020. Past performance is not a reliable indicator of future performance.

The allocation effect (1.29%) is positive for the four quartiles. For the lowest one (Q1) we see that it is the result of a greater exposure (14.65% on average for the Ossiam ESG Low Carbon Shiller Barclays CAPE® US Sector strategy compared to only 7.65% for the Shiller Barclays CAPE® US Sector Value Index) and this quartile is proving particularly resilient since the beginning of the year (~-16% in both strategies, compared to the -24.49% for the Shiller Barclays CAPE® US Sector Value Index).

For the picking effect, most of it comes from the highest quartile, the one with the stocks with the highest GHG emissions. This is the combined effect of lower exposure (-42.55% vs -56.16%) as well as a relative better performance (-22.01% vs. -25.49%). This simple analysis shows that the ESG and low carbon overlay tilts the portfolio towards stocks with lighter carbon footprints (Q1) and, at the same time gives the strategy a better edge, in terms of stock picking, for stocks with higher carbon footprints.

When we use intensity quartiles, the picture is consistent: positive allocation in the lowest quartile Q1 (stocks with the lowest intensities, therefore more carbon-efficient) and stock picking in the highest quartile Q4 (the most carbon-inefficient stocks).

31-Dec-2019 12-Mar-2020	Intensity Allocation	Stock Picking	Excess Return	Avg.Ossiam ESG Low Carbon Shiller Barclays CAPE US Sector Weight	PnL Intensity	ret Intensity	Avg.Shiller Barclays CAPE US Sector Value Net TR Index Weight	PnL Intensity	ret Intensity
Total	0.69%	2.26%	**2.95%**		**-21.54%**			**-24.49%**	
Q1	0.89%	0.14%	1.03%	28.37%	-4.41%	-15.52%	16.86%	-2.77%	-16.05%
Q2	-0.15%	-0.10%	-0.24%	27.68%	-5.69%	-22.87%	39.61%	-8.78%	-22.80%
Q3	-0.02%	0.72%	0.70%	21.64%	-5.08%	-22.82%	21.65%	-5.23%	-26.31%
Q4	-0.04%	1.50%	1.47%	22.29%	-7.30%	-25.40%	21.88%	-8.84%	-29.80%

Source: Bloomberg, Barclays, Ossiam, Sustainalytics, Trucost. Calculation in USD.
Data from December 31, 2019 to March 12, 2020. Past performance is not a reliable indicator of future performance.

Among the worst contributors the Ossiam ESG Low Carbon Shiller Barclays CAPE US Sector strategy avoided, we see Linde in the Materials sectors, whose business is highly related to global demand of industrial gases, that has reached -25% since the beginning of the year and represent ~4% of the Shiller Barclays CAPE US Sector Value Index. Other stocks in Quartile 4 (both carbon emissions and intensity) are Boeing (-52%, Aerospace & Defence), Du Pont De Nemours (-47%, Chemicals), Dow (-56%, Chemicals), Freeport-McMoran (-45%, Copper), Nucor (-43%, Steel), Delta (-41%), United Airlines (-57%), American Airlines (-52%), all airlines groups.

On the other end, Facebook who is down as the market (-25%) is excluded by the high controversy level. Among the few with positive return, Newmont (+3%, Gold) has a much larger weight in the Ossiam ESG Low Carbon Shiller Barclays CAPE US Sector strategy (3%) than in the Shiller Barclays CAPE US Sector Value (1.7%).

DISCLAIMERS

Ossiam, a subsidiary of Natixis Investment Managers, is a French asset manager authorized by the Autorité des Marchés Financiers (Agreement No. GP-10000016). Although information contained herein is from sources believed to be reliable, Ossiam makes no representation or warranty regarding the accuracy of any information of which it is not the source. The information presented in this document is based on market data at a given moment and may change from time to time. This material has been prepared solely for informational purposes only and it is not intended to be and should not be considered as an offer, or a solicitation of an offer, or an invitation or a personal recommendation to buy or sell or participating shares in any Ossiam Fund, or any security or financial instrument, or to participate in any investment strategy, directly or indirectly. It is intended for use only by those recipients to whom it is made directly available by Ossiam. Ossiam will not treat recipients of this material as its clients by virtue of their receiving this material. All performance information set forth herein is based on historical data and, in some cases, hypothetical data, and may reflect certain assumptions with respect to fees, expenses, taxes, capital charges, allocations and other factors that affect the computation of the returns. Past performance is not necessarily a guide to future performance. Any opinions expressed herein are statements of our judgment on this date and are subject to change without notice. Ossiam assume no fiduciary responsibility or liability for any consequences, financial or otherwise, arising from, an investment in any security or financial instrument described herein or in any other security, or from the implementation of any investment strategy. This information contained herein is not intended for distribution to, or use by, any person or entity in any country or jurisdiction where to do so would be contrary to law or regulation or which would subject Ossiam to any registration requirements in these jurisdictions. This material may not be distributed, published, or reproduced, in whole or in part.

"Barclays Bank PLC and its affiliates ("Barclays") is not the issuer or producer of Ossiam Shiller Barclays CAPE® US Sector Value TR and Barclays has no responsibilities, obligations or duties to investors in Ossiam Shiller Barclays CAPE® US Sector Value TR except in connection with their distribution pursuant to an agreement with Ossiam. The Shiller Barclays CAPE® US Sector Value Net TR index is a trademark owned by Barclays Bank PLC or Barclays Capital Inc., and may licensed for use by Ossiam Lux as the Issuer of Ossiam Shiller Barclays CAPE® US Sector Value TR. While Ossiam Lux as the Issuer of Ossiam Shiller Barclays CAPE® US Sector Value TR for itself execute transaction(s) with Barclays in or relating to the Shiller Barclays CAPE® US Sector Value Net TR index in connection with Ossiam Shiller Barclays CAPE® US Sector Value TR investors acquire Ossiam Shiller Barclays CAPE® US Sector Value TR from Ossiam Lux and investors neither acquire any interest in Shiller Barclays CAPE® US Sector Value Net TR index nor enter into any relationship of any kind whatsoever with Barclays upon making an investment in Ossiam Shiller Barclays CAPE® US Sector Value TR. The Ossiam Shiller Barclays CAPE® US Sector Value TR is not sponsored, endorsed, sold or promoted by Barclays and Barclays makes no representation regarding the advisability of the Ossiam Shiller Barclays CAPE® US Sector Value TR or use of the Shiller Barclays CAPE® US Sector Value Net TR index or any data included therein except in connection with their distribution pursuant to an agreement with Ossiam. Barclays shall not be liable in any way to the Issuer, investors or to other third parties in respect of the use or accuracy of the Shiller Barclays CAPE® US Sector Value Net TR index or any data included therein. " "Barclays Bank PLC and its affiliates ("Barclays") is not the issuer or producer of Ossiam Shiller Barclays CAPE® Europe Sector Value TR and Barclays has no responsibilities, obligations or duties to investors in Ossiam Shiller Barclays CAPE® Europe Sector Value TR except in connection with their distribution pursuant to an agreement with Ossiam. The Shiller Barclays CAPE® Europe Sector Value Net TR index is a trademark owned by Barclays Bank PLC or Barclays Capital Inc., and licensed for use by Ossiam Lux as the Issuer of Ossiam Shiller Barclays CAPE® Europe Sector Value TR UCITS ETF 1C(EUR). While Ossiam Lux as the Issuer of Ossiam Shiller Barclays CAPE® Europe Sector Value TR may for itself execute transaction(s) with Barclays in or relating to the Shiller Barclays CAPE® Europe Sector Value Net TR index in connection with Ossiam Shiller Barclays CAPE® Europe Sector Value TR investors acquire Ossiam Shiller Barclays CAPE® Europe Sector Value TR from Ossiam Lux and investors neither acquire any interest in Shiller Barclays CAPE® Europe Sector Value Net TR index nor enter into any relationship of any kind whatsoever with Barclays upon making an investment in Ossiam Shiller Barclays CAPE® Europe Sector Value TR. The Ossiam Shiller Barclays CAPE® Europe Sector Value TR is not sponsored, endorsed, sold or promoted by Barclays and Barclays makes no representation regarding the advisability of the Ossiam Shiller Barclays CAPE® Europe Sector Value TR or use of the Shiller Barclays CAPE® Europe Sector Value Net TR index or any data included therein except in connection with their distribution pursuant to an agreement with Ossiam. Barclays shall not be liable in any way to the Issuer, investors or to other third parties in respect of the use or accuracy of the Shiller Barclays CAPE® Europe Sector Value Net TR index or any data included therein."The Shiller Barclays CAPE® Index Family has been developed in part by RSBB-I, LLC, the research principal of which is Robert J. Shiller. RSBB-I, LLC is not an investment advisor, and does not guarantee the accuracy or completeness of the Shiller Barclays CAPE® Index Family, or any data or methodology either included therein or upon which it is based. Neither RSBB-I, LLC nor Robert J. Shiller shall have any liability for any errors, omissions, or interruptions therein, and makes no warranties, express or implied, as to performance or results experienced by any party from the use of any information included therein or upon which it is based, and expressly disclaims all warranties of merchantability or fitness for a particular purpose with respect thereto, and shall not be liable for any claims or losses of any nature in connection with the use of such information, including but not limited to, lost profits or punitive or consequential damages, even if RSBB-I, LLC is advised of the possibility of same. "Bloomberg Index Services Limited (formerly known as Barclays Risk Analytics and Index Solutions Limited) is the official index calculation and maintenance agent of the Shiller Barclays CAPE® Europe Sector Value Net TR and the Shiller Barclays CAPE® US Sector Value Net TR, an index owned and administered by Barclays (the "Index"). Bloomberg Index Services Limited does not guarantee the timeliness, accurateness, or completeness of the Index calculations or any data or information relating to the Index. Bloomberg Index Services Limited makes no warranty, express or implied, as to the Index or any data or values relating thereto or results to be obtained therefrom, and expressly disclaims all warranties of merchantability and fitness for a particular purpose with respect thereto. To the maximum extent allowed by law, Bloomberg Index Services Limited, its affiliates, and all of their respective partners, employees, subcontractors, agents, suppliers and vendors (collectively, the "protected parties") shall have no liability or responsibility, contingent or otherwise, for any injury or damages, whether caused by the negligence of a protected party or otherwise, arising in connection with the calculation of the Index or any data or values included therein or in connection therewith and shall not be liable for any lost profits, losses, punitive, incidental or consequential damages."Copyright © 2016 Sustainalytics. All rights reserved. No portion of this material may be reproduced in any form without the expressed, written permission of Sustainalytics. Nothing contained in this presentation shall be construed as to make a representation or warranty, express or implied, regarding the advisability to invest in or include companies in investable universes and/or portfolios. The performance represented is historical; past performance is not a reliable indicator of future results and results and the information provided in this brochure is not intended to be relied upon as, nor to be a substitute for specific professional advice and in particular financial advice. The information is provided "as is" and, therefore Sustainalytics assumes no responsibility for errors or omissions. Sustainalytics accepts no liability for damage arising from the use of this brochure or information contained herein in any manner whatsoever.Modelling or back-testing contained herein is no indication as to future performance. Backtested performance results do not represent the performance of actual trading using client assets but are achieved by means of the retroactive application of a model. Backtested performance suffers from several limitations, namely they are constructed based on hindsight, and material economic and market factors, as well as client will, may have affected investment decisions differently without such hindsight. Additionally, they do not reflect the impact of actual portfolio trading, which could have affected the price and availability of securities, as well as the transaction fees paid. Please note that if the performance of a strategy is calculated in a currency different from the currency of your area, any losses or gains generated by the strategy may be affected by exchange rate fluctuations (both upward and downward).

ADDITIONAL NOTES

NATIXIS INVESTMENT MANAGERS

This material has been provided for information purposes only to investment service providers or other Professional Clients or Qualified Investors and, when required by local regulation, only at their written request. This material must not be used with Retail Investors. In the E.U. (outside of the UK and France): Provided by Natixis Investment Managers S.A. or one of its branch offices listed below. Natixis Investment Managers S.A. is a Luxembourg management company that is authorized by the Commission de Surveillance du Secteur Financier and is incorporated under Luxembourg laws and registered under n. B 115843. Registered office of Natixis Investment Managers S.A.: 2, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg. Italy: Natixis Investment Managers S.A., Succursale Italiana (Bank of Italy Register of Italian Asset Management Companies no 23458.3). Registered office: Via San Clemente 1, 20122 Milan, Italy. Germany: Natixis Investment Managers S.A., Zweigniederlassung Deutschland (Registration number: HRB 88541). Registered office: Im Trutz Frankfurt 55, Westend Carrée, 7. Floor, Frankfurt am Main 60322, Germany. Netherlands: Natixis Investment Managers, Nederlands (Registration number 50774670). Registered office: Stadsplateau 7, 3521AZ Utrecht, the Netherlands. Sweden: Natixis Investment Managers, Nordics Filial (Registration number 516405-9601 - Swedish Companies Registration Office). Registered office: Kungsgatan 48 5tr, Stockholm 111 35, Sweden. Spain: Natixis Investment Managers, Sucursal en España, Serrano n°90, 6th Floor, 28006 Madrid, Spain. Belgium: Natixis Investment Managers S.A., Belgian Branch, Louizalaan 120 Avenue Louise, 1000 Brussel/Bruxelles, Belgium. ● In France: Provided by Natixis Investment Managers International – a portfolio management company authorized by the Autorité des Marchés Financiers (French Financial Markets Authority - AMF) under no. GP 90-009, and a public limited company (société anonyme) registered in the Paris Trade and Companies Register under no. 329 450 738. Registered office: 43 avenue Pierre Mendès France, 75013 Paris. ● In Switzerland: Provided by Natixis Investment Managers, Switzerland Sàrl, Rue du Vieux Collège 10, 1204 Geneva, Switzerland or its representative office in Zurich, Schweizergasse 6, 8001 Zürich. ● In the British Isles: Provided by Natixis Investment Managers UK Limited which is authorised and regulated by the UK Financial Conduct Authority (register no. 190258) - registered office: Natixis Investment Managers UK Limited, One Carter Lane, London, EC4V 5ER. When permitted, the distribution of this material is intended to be made to persons as described as follows: in the United Kingdom: this material is intended to be communicated to and/or directed at investment professionals and professional investors only; in Ireland: this material is intended to be communicated to and/or directed at professional investors only; in Guernsey: this material is intended to be communicated to and/or directed at only financial services providers which hold a license from the Guernsey Financial Services Commission; in Jersey: this material is intended to be communicated to and/or directed at professional investors only; in the Isle of Man: this material is intended to be communicated to and/or directed at only financial services providers which hold a license from the Isle of Man Financial Services Authority or insurers authorised under section 8 of the Insurance Act 2008. ● In the DIFC: Provided in and from the DIFC financial district by Natixis Investment Managers Middle East (DIFC Branch) which is regulated by the DFSA. Related financial products or services are only available to persons who have sufficient financial experience and understanding to participate in financial markets within the DIFC, and qualify as Professional Clients or Market Counterparties as defined by the DFSA. No other Person should act upon this material. Registered office: Office 23, Level 15, The Gate Building, East Wing, DIFC, PO Box 506752, Dubai, United Arab Emirates. ● In Taiwan: Provided by Natixis Investment Managers Securities Investment Consulting (Taipei) Co., Ltd., a Securities Investment Consulting Enterprise regulated by the Financial Supervisory Commission of the R.O.C. Registered address: 34F., No. 68, Sec. 5, Zhongxiao East Road, Xinyi Dist., Taipei City 11065, Taiwan (R.O.C.), license number 2018 FSC SICE No. 024, Tel. +886 2 8789 2788. ● In Singapore: Provided by Natixis Investment Managers Singapore (name registration no. 53102724D) to distributors and institutional investors only. Natixis Investment Managers Singapore is a division of Ostrum Asset Management Asia Limited (company registration no. 199801044D). ▯ In Hong Kong: Provided by Natixis Investment Managers Hong Kong Limited to institutional/ corporate professional investors only. ● In Australia: Provided by Natixis Investment Managers Australia Pty Limited (ABN 60 088 786 289) (AFSL No. 246830) and is intended for the general information of financial advisers and wholesale clients only. ● In New Zealand: This document is intended for the general information of New Zealand wholesale investors only. This is not a regulated offer for the purposes of the Financial Markets Conduct Act 2013 (FMCA) and is only available to New Zealand investors who have certified that they meet the requirements in the FMCA for wholesale investors. Natixis Investment Managers Australia Pty Limited is not a registered financial service provider in New Zealand. ● In Latin America: Provided by Natixis Investment Managers S.A. ● In Chile: Esta oferta privada se inicia el día de la fecha de la presente comunicación. La presente oferta se acoge a la Norma de Carácter General N° 336 de la Superintendencia de Valores y Seguros de Chile. La presente oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la Superintendencia de Valores y Seguros, por lo que los valores sobre los cuales ésta versa, no están sujetos a su fiscalización. Que por tratarse de valores no inscritos, no existe la obligación por parte del emisor de entregar en Chile información pública respecto de estos valores. Estos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el Registro de Valores correspondiente. ● In Colombia: Provided by Natixis Investment Managers S.A. Oficina de Representación (Colombia) to professional clients for informational purposes only as permitted under Decree 2555 of 2010. Any products, services or investments referred to herein are rendered exclusively outside of Colombia. This material does not constitute a public offering in Colombia and is addressed to less than 100 specifically identified investors. ● In Mexico: Provided by Natixis IM Mexico, S. de R.L. de C.V., which is not a regulated financial entity, securities intermediary, or an investment manager in terms of the Mexican Securities Market Law (Ley del Mercado de Valores) and is not registered with the Comisión Nacional Bancaria y de Valores (CNBV) or any other Mexican authority. Any products, services or investments referred to herein that require authorization or license are rendered exclusively outside of Mexico. While shares of certain ETFs may be listed in the Sistema Internacional de Cotizaciones (SIC), such listing does not represent a public offering of securities in Mexico, and therefore the accuracy of this information has not been confirmed by the CNBV. Natixis Investment Managers is an entity organized under the laws of France and is not authorized by or registered with the CNBV or any other Mexican authority. Any reference contained herein to "Investment Managers" is made to Natixis Investment Managers and/or any of its investment management subsidiaries, which are also not authorized by or registered with the CNBV or any other Mexican authority. ● In Uruguay: Provided by Natixis Investment Managers Uruguay S.A., a duly registered investment advisor, authorised and supervised by the Central Bank of Uruguay. Office: San Lucar 1491, Montevideo, Uruguay, CP 11500. The sale or offer of any units of a fund qualifies as a private placement pursuant to section 2 of Uruguayan law 18,627. ● The above referenced entities are business development units of Natixis Investment Managers, the holding company of a diverse line-up of specialised investment management and distribution entities worldwide. The investment management subsidiaries of Natixis Investment Managers conduct any regulated activities only in and from the jurisdictions in which they are licensed or authorised. Their services and the products they manage are not available to all investors in all jurisdictions. It is the responsibility of each investment service provider to ensure that the offering or sale of fund shares or third party investment services to its clients complies with the relevant national law.
The provision of this material and/or reference to specific securities, sectors, or markets within this material does not constitute investment advice, or a recommendation or an offer to buy or to sell any security, or an offer of any regulated financial activity. Investors should consider the investment objectives, risks and expenses of any investment carefully before investing. The analyses, opinions, and certain of the investment themes and processes referenced herein represent the views of the portfolio manager(s) as of the date indicated. These, as well as the portfolio holdings and characteristics shown, are subject to change. There can be no assurance that developments will transpire as may be forecasted in this material. Although Natixis Investment Managers believes the information provided in this material to be reliable, including that from third party sources, it does not guarantee the accuracy, adequacy, or completeness of such information.

 Amounts shown are expressed in USD unless otherwise indicated.