

THEMATICS AM COUNTERPARTIES SELECTION AND ORDERS EXECUTION PROCEDURE

1. FUNDAMENTAL PRINCIPLES ADOPTED BY THEMATICS ASSET MANAGEMENT

Thematics Asset Management, as a professional asset manager, must carry out its duties independently and in the exclusive interest of its clients. In application of the European Directive 2014/65/EU on markets in financial instruments ("MiFID2"), Thematics Asset Management has set itself the following principles of conduct:

- Respect for the integrity, transparency and security of the markets;
- Compliance with the applicable regulations and the general rules of good conduct laid down by the profession;
- Respect for the primacy of clients' interests.

This policy applies when the management company manages the portfolios directly, as part of an investment and collective management service – unless the management of portfolios is delegated to a third party. In this case, the policy of this third party applies.

This policy applies to professional and non-professional clients of Thematics Asset Management within the meaning of MiFID2. It is reviewed annually and is likely to change without notice at any time.

2. INTERMEDIARY SELECTION POLICY

In accordance with the Markets in Financial Instruments Directive (MiFID2), Thematics Asset Management has set up a global organisation to obtain **the best result for its clients** when transmitting and executing their orders.

Thematics Asset Management chooses the status of professional client towards intermediaries/counterparties.

Thematics Asset Management transmits its orders resulting from management decisions on financial instruments to Natixis TradEx Solutions (hereafter "NTEX").

The use of external intermediation expertise allows us to respond to the best interests of our clients and to obtain the best result: NTEX is an entity dedicated to intermediation activities and equipped with ad hoc tools and processes. This infrastructure allows it to process orders in the best interest of its clients and therefore of Thematics Asset Management. It acts in complete independence - which, given the volume of orders processed, enables better prices to be obtained and operational risk to be reduced.

Thematics Asset Management may at any time ask NTEX to be treated as a non-professional client and thus benefit from the high protection regime. As such, the overriding criterion will be the total cost representing the price of the financial instrument or contract plus all costs related to the execution.

Thematics Asset Management has the possibility to instruct NTEX for specific orders such as closing, linked and constrained orders.

NTEX's "Best execution / best selection" policy applies to orders issued by Thematics Asset Management.

It is available on the company's website at the following address : <https://www.tradex-solutions.natixis.com/sites/default/files/pictures/pdf/site/Politique%20de%20s%C3%A9lection%20et%20d'ex%C3%A9cution%20des%20ordres%20f%C3%A9vrier%202021.pdf>.

Accreditation process for intermediaries:

The best selection is based on a list of authorised counterparties validated by Thematics Asset Management.

The selection of third parties takes into account price, cost, speed, probability of execution and settlement, size, nature of the orders or any other considerations relating to the execution of orders.

3. EXECUTION POLICY

The financial instruments covered by this order execution policy are those defined in section C of Annex 1 of MiFID 2014/65/EU.

Main execution venues for orders entrusted to Natixis TradEx Solutions

Thematics Asset Management transmits its orders to NTEX which, having its own execution policy, has the possibility to benefit from a diversity of execution venues in order to provide the best selection of intermediaries and the best execution.

The locations proposed by NTEX can be summarized in the following non-exhaustive list :

1. Regulated Markets (via an intermediary authorised by the Customer);
2. Multilateral Trading Facilities;
3. The OTC Market (with a counterparty authorised by the Client).

Thematics Asset Management authorises NTEX to carry out an order outside a regulated market or a multilateral trading facility. The OTC Market involves counterparty risk and does not have an order book system.

NTEX clients' orders may be executed on the following non-exhaustive execution venues in the MiFID2 universe :

- Regulated markets (RMs);
- Multilateral Trading Facilities (MTFs);
- Organised trading systems (OTS);
- Systematic internalisers (SI);
- Market makers;
- Other liquidity providers;
- Entities that perform similar tasks in a country not party to the European Economic Area Agreement.

NTEX may execute client orders with the intermediaries listed in the Order Selection and Execution Policy, which is available on the NTEX website at the following page: <https://www.tradex-solutions.natixis.com/fr/transparence>.

Selection criteria

The selection or execution factors considered by NTEX to determine the transmission or execution of orders are as follows

- Price: price of the financial instrument
- Cost: price and brokerage
- Probability of execution and settlement: reflects the risk of not being able to process the entire order and/or settle post-trade
- Speed: between receipt of the order, confirmation of its essential characteristics and its execution in the market
- Size of the order: reflects the risk to the market and the strategy to deal with that risk
- Nature of the order or instrument notably refers to the following situations:
 - A specific instruction overrides the default execution criteria
 - An investment/disinvestment strategy combining several instruments requires an order handling strategy that seeks the best overall result and not instrument by instrument
 - Putting in place the legal documentation (usually ISDA master agreement) and bilateral credit lines (on behalf of clients) are the two prerequisites for dealing with OTC contracts. The competence and speed of potential counterparties in this area are crucial

In order to determine the relative importance of the execution factors, NTEX considers the following criteria when executing client orders:

- the characteristics of the order concerned, such as its market impact;
- the characteristics of the financial instruments that are the subject of the order, such as their liquidity, geographical area or sector;
- the characteristics of the execution venues to which the order may be routed;
- the characteristics of its clients.

The importance of each order execution factor in determining all sufficient measures to obtain the best possible result for the client is set out below:

Asset class	Execution venues	Factor 1 Price	Factor 2 Cost ¹	Factor 3 Speed of execution	Factor 4 Probability of execution and settlement	Factor 5 Size of order	Factor 6 Nature of order
Actions	Multilateral trading platforms ² Systematic internalisers Market maker Other liquidity providers	1	1	2	2	1	2

Rating: 1 (primordial), 2 (important), 3 (to be considered), 0 (not applicable)

Source: NTEX

Grouped orders

NTEX has the possibility to group the orders of customers among themselves in compliance with the AMF General Rules. In each case:

- NTEX ensures beforehand that the grouping of orders does not work to the detriment of one of the clients;
- Order circuit procedures materialize how the volume and price of orders determine the distributions and processing of partial executions.

4. UPDATING AND MONITORING OF THE POLICY

Thematics AM regularly verifies whether the execution device provided for in this policy achieves the best possible result for the customer or if modifications must be done. The best execution and/or selection do not necessarily apply to individual transactions (line-to-line) but are estimated, based on all transactions made over a given period.

Thematics AM can justify the best execution for the orders entrusted to NTEX throughout information and reports set up by NTEX, archived under: Groupe BPCE\Thematics AM - Documents\Operations\EXECUTION\TradEX.

This system is notably based on the holding of a semi-annual committee between Thematics Asset Management and NTEX, which gathers:

- representatives of Management, COO and CCO of Thematics AM,
- the Chief executive, the head of the Intermediation Table and the RCCI of NTEX or their representatives.

Items are archived under: Groupe BPCE\Thematics AM - Documents\Operations\EXECUTION\TradeEX

Thematics Asset Management and NTEX then carry out the corrective measures adapted to the possible failures observed.

As an example, NTEX provides Thematics AM with the following reporting elements:

- The cash action activity dashboard specifies the amounts of fees paid to brokers;
- "Intermediation" statistics detail the distribution of orders among brokers by financial instruments;
- The overall summary of the result of broker votes;
- The Transaction Cost Analysis reporting;
- Presentation by NTEX of each amendment and annual presentation of its policy.

5. CONSENT

Customers will be deemed to have read, understood and consented to this Best Execution Policy as well as its application, once the customer has accepted the Thematics AM terms and conditions.