

## Principles of Internal Governance and Stewardship

### *Organisational and Investment Approach*

Natixis Investment Managers Australia Pty Ltd ("Natixis Investment Managers AU" or the "Firm") is a Discretionary Investment Manager to Wholesales Clients, as defined by the Corporations Act 2001, which supports the principles of the Financial Services Council's (FSC) standard No.23 on Internal Governance and Stewardship. Natixis Investment Managers AU is licensed and regulated by the Australian Securities and Investments Commission (ASIC) and is part of Natixis Investment Managers International Distribution ("Natixis Investment Managers Int'l"), the distribution arm of Natixis Investment Managers ("Natixis Investment Managers") headquartered in France (Paris) and USA (Boston) and uniting the expertise of specialised investment managers based in Europe, the US and Asia into a single organisation. In addition to its distribution activities, Natixis Investment Managers AU is licensed by the ASIC to provide financial product advice and deal in certain asset classes, and is therefore, able to sign investment management agreements with institutional clients. Where that is the case, Natixis Investment Managers AU delegates the investment management to its affiliate investment managers ("Delegate Manager") who have their own governance, procedures and policies based on their individual registrations. Natixis Investment Managers AU selects a Delegate Manager bearing in mind the Wholesale Client's investment objectives and general requirements and maintains effective oversight of its Delegate Managers through the Natixis Investment Managers International Delegate Oversight Programme. Natixis Investment Managers AU ensures that the Delegate Management is able to meet client expectations at the commencement of the appointment. Natixis Investment Managers AU, in most circumstances, arranges with the client to contract directly with the affiliate investment manager.

### *Internal Governance*

Natixis Investment Managers AU strives to create sustainable value and help investors seek more meaningful returns. Corporate social responsibility (CSR) principles have always been a core part of the culture. Natixis Investment Managers AU puts the interests of its clients, employees, communities, and environment first in everything it does. Natixis Investment Managers AU is dedicated to fostering a culture of collaboration, diversity, and inclusion that supports employee growth—and is deeply committed to strong corporate governance. Natixis Investment Managers, as a group, also focuses part of its global investor trend research on investigating changing attitudes towards ESG issues and has had a prominent voice in supporting the shift in thinking on the topic.

### *Code of Conduct and Ethics*

Natixis Investment Managers has in place a Code of Conduct and Code of Ethics (the Codes) which has been adopted by Natixis Investment Managers AU. The Codes set out the principles that guide employees in their daily business activities. The Codes also set out what is expected of employees, ensuring that all employees conduct their professional activities in compliance with applicable laws

and regulations, internal policies and procedures of the Firm, and in accordance with the highest ethical and professional standards. The Code of Ethics includes procedures covering personal trade reporting and gifts and entertainment requirements. Each Natixis Investment Managers AU employee is required to certify annually that they have read and understand the policies and procedures applicable to them, including the Codes.

### *Conflicts of Interest*

Natixis Investment Managers AU, as a regulated entity, has in place a policy covering the management of conflicts of interest. The policy sets out the principles and guidelines for identifying, preventing, managing, monitoring, recording and, where relevant, disclosing existing or potential conflicts and protecting the interests of the Firm's clients, funds managed or promoted by the Firm. Because the Firm is a member of the Natixis Investment Managers group, the Policy also takes into account any circumstances of which the Firm is or should be aware concerning the structure and business activities of affiliated companies that may give rise to a conflict of interest between the Firm, its clients, Funds and Investors.

### *Compliance and Risk*

Natixis Investment Managers, incorporating Natixis Investment Managers AU, has put in place dedicated compliance and risk frameworks to monitor and assess the adherence its policies, procedures and operations. Compliance is tasked with identifying any compliance exceptions. Where an exception has been detected, the compliance team will then set out the steps to be taken to rectify, and will recommend appropriate improvements to processes and systems. Risk is tasked with the identification of the operational risk which may affect Natixis Investment Managers, including Natixis Investment Managers AU, and evaluating the likelihood, consequences and impact of those risks. Where there has been a breakdown of an operational process, Risk will assess any remediation required, and re-evaluate the processes put in place. Both Compliance and Risk regularly provide reports to senior management, including the Natixis Investment Managers AU board.

### *Best Execution and Trade Allocation*

Natixis Investment Managers AU is committed to ensuring that all clients are treated equally and fairly and transactions are executed in the best interest of its clients. The delegate managers have tailored order execution procedures based on market characteristics of the subject asset class and their applicable regulatory requirements. Where an order is aggregated with one or more other client orders and the aggregated order is partially executed, the delegate manager shall allocate the related trades in accordance with its order allocation policy. Natixis Investment Managers AU maintains effective oversight of its Delegate Managers through the Natixis Investment Managers International Delegate Oversight Programme.

### *Brokerage and Commissions*

Natixis Investment Managers AU itself does not pay or receive any brokerage nor has in place any “soft dollar” arrangements for external research. Delegate Managers operate independently under their own trading policies and procedures, and where permitted in their jurisdiction, may include “soft dollar” arrangements for the provision of external research services. Natixis Investment Managers AU maintains effective oversight of its Delegate Managers through the Natixis Investment Managers International Delegate Oversight Programme to ensure its clients are treated fairly and transactions are executed in their best interest.

### *Remuneration Policy*

The Natixis Investment Managers remuneration policy, which includes Natixis Investment Managers AU, is designed to support overall business strategy, including the attraction, motivation, and retention of talented staff necessary to create long-term sustained value for Natixis Investment Managers and to promote sound and effective risk management and discourage risk-taking that exceeds the level of tolerated risk of Natixis Investment Managers. Remuneration consists of a base salary and a variable incentive. Base salaries are designed to provide a competitive, basic level of remuneration consistent with the employee's responsibilities and the relevant external labour market. Annual incentives are designed to provide remuneration linked to the Natixis group performance, and the individual employees' performance, consistent with their business objectives and accomplishments.

### *Whistleblower Protection Policy*

Natixis Investment Managers AU understands that maintaining the trust of our clients, shareholders, business partners, employees and the wider community in our activities is critically important. Natixis Investment Managers AU, as part of its Code of Ethics, has in place rights and protections for employees who have raised concerns, be that internally or to a regulatory authority.

### *Training and Development*

Natixis Investment Managers AU has an obligation to ensure that its representatives (its employees and any authorized representatives) are adequately trained and experienced to competently carry out their activities in the provision of financial services. Natixis Investment Managers AU's recruitment and appointment processes assists in appointing / employing the right people. Natixis Investment Managers AU aims to ensure that the skills, abilities and knowledge of Natixis Investment Managers AU's people remain current. Natixis Investment Managers AU utilizes a combination of internal and external sources to meet its aims.

### *Asset Stewardship*

Natixis Investment Managers AU relies upon the policies and processes of each delegate manager, which may differ across each market depending upon the jurisdiction the Delegate Manager operates. Clients may be directed to Delegate Managers' own policies and procedures on the Code, Proxy Voting and Conflicts of Interest.

Natixis Investment Managers AU itself maintains a Conflicts of Interest policy and keeps a Conflicts Register which sets out the controls surrounding potential conflicts that could arise as a result of its relationship with its parent, between Clients or a Delegate Manager.

Natixis Investment Managers AU also relies on the approaches developed by each Delegate Manager. Each Delegate Manager adopts its own investment process and proxy voting through which investee companies are first identified, assessed and monitored on an ongoing basis. Natixis Investment Managers AU would ensure, prior to appointing a Delegate Manager, that the Delegate Manager is committed to meeting the client's expectations in this area.

In relation to collaborative engagement with other investors including involvement with industry groups and associations, our affiliate Delegate Managers will consider the steps to be taken in specific situations on a case by case basis and in accordance with their internal policies and applicable requirements. Natixis Investment Managers AU will ensure that the Delegate Manager fulfills commitment given to clients in this area.

To the extent that a client does not retain voting rights, the responsibility for exercising voting decisions is assigned, through the delegation mandate, to the Delegate Manager appointed under the terms of the mandate. Where that is the case, the Delegate Manager's own proxy voting policy will apply.

Each Delegate Manager considers clients' reporting requirements and caters for those needs accordingly. Natixis Investment Managers AU will ensure that reporting is provided to clients as agreed.