

# Mirova Global Sustainable Equity Fund

A high conviction, thematic approach to global equity investing

## Portfolio highlights

- The Mirova Global Sustainable Equity Fund is an active, high conviction global all-cap equity fund seeking long-term capital appreciation. Portfolio managers aim to outperform its benchmark, the MSCI World Index<sup>2</sup>, over a full market cycle.
- Fundamental, bottom-up stock selection leads to a low turnover, high active share<sup>4</sup> portfolio of approximately 50 stocks.
- **100% thematic:** Managers employ a thematic approach based on four major transitions that Mirova believes will reshape the world over the next decade – Demographic, Environmental, Technological, and Governance – investing in companies positively exposed to these themes.
- **0% unsustainable:** Excludes businesses whose products and activities are detrimental to the achievement of the United Nations Sustainable Development Goals (SDGs).
- **Maximum impact:** All else equal, the team chooses the company with higher positive impact on the SDGs.
- Draws on the expertise of Mirova's multi-disciplinary specialists with complementary backgrounds: thematic strategy experts, engineers, financial and ESG analysts, and project finance professionals. This includes Mirova's in-house Responsible Investment Research Team with analysts solely dedicated to thematic and environmental, social, and governance (ESG) research.

## Portfolio applications

**Core global equity allocation:** Provides diversified exposure to global equities and aims to provide attractive performance with a risk profile similar to a broad global equity market index.

**Complement to core equity allocation:** May be used as an alpha-generating complement to a more passive equity allocation or an overlay for an equity allocation split between US and international.

**Improve portfolio sustainability:** To gain access to the growth potential associated with a diverse set of long-term, sustainable investment themes and potentially improve the overall carbon footprint and sustainability profile of a portfolio.



## ABOUT THE FUND

**Objective**  
Seeks long-term capital appreciation

**Portfolio manager(s)<sup>1</sup>**  
Hua Cheng, PhD, CFA®  
Amber Fairbanks, CFA®  
Jens Peers, CFA®

**Inception date**  
03/31/2016

**Share classes**

Class A	ESGMX
Class Y	ESGYX
Class N	ESGNX
Class C	ESGCX

**Benchmark<sup>2</sup>**  
MSCI World Index (Net)

**Expense ratios (gross/net)<sup>3</sup>**

ESGMX	1.38%	1.20%
ESGYX	1.14%	0.95%
ESGNX	1.07%	0.92%
ESGCX	2.13%	1.95%

<sup>1</sup> CFA® and Chartered Financial Analyst® are registered trademarks owned by the CFA Institute. Effective November 1, 2018 Amber Fairbanks joined the portfolio management team and Suzanne Senellart came off of the Fund. <sup>2</sup> MSCI World Index (Net) is an unmanaged index that is designed to measure the equity market performance of developed markets. It is composed of common stocks of companies representative of the market structure of developed market countries in North America, Europe, and the Asia/Pacific Region. The index is calculated without dividends, with net or with gross dividends reinvested, in both US dollars and local currencies. <sup>3</sup> As of the most recent prospectus, the investment advisor has contractually agreed to waive fees and/or reimburse expenses (with certain exceptions) once the expense cap of the fund has been exceeded. This arrangement is set to expire on 4/30/20. When an expense cap has not been exceeded, the gross and net expense ratios and/or yields may be the same. <sup>4</sup> Active share indicates the proportion of portfolio's holdings that are different from the benchmark. A higher active share indicates a larger difference between the benchmark and the portfolio.

## Philosophy, process, and risk management



Mirova believes there is an inextricable link between long-term value creation and sustainability.

This philosophy has three main pillars:

- Investors must connect to the real world economy by investing in innovative businesses that are playing a key role in building a sustainable world.
- By investing in companies that integrate sustainable development issues as effectively as possible, we create long-term value for our clients.
- Investors have a responsibility to be actively involved in improving corporate environmental, social and governance practices.

Selects companies from the global listed stock universe that managers believe:

- Are positively exposed to the major transitions, by providing solutions to negative trends such as resource scarcity, participating in positive trends, such as an aging population, or through exposure to neutral trends like cloud computing.
- Demonstrate responsible ESG practices, with respect to issues such as anti-corruption, human rights, fair business practices, mitigation of environmental impact, and the SDGs.
- Have strong fundamentals, including sustainable business models, clear competitive advantages, barriers to entry, effective management, financial soundness, and long-term growth potential.
- Offer attractive valuations: Team looks for at least a 20% discount to their estimate of intrinsic value based on a 36-month view.

Mirova is an investment manager dedicated to responsible investing through a conviction-driven approach. The firm's goal is to combine value creation over the long term with sustainable development. Mirova is a pioneer in sustainable finance and dedicated to developing impactful solutions for its clients.

## Four major transitions we believe may reshape the world over the next decade



Source: 2016, UN open data, World Bank, IPCC, OECD, Prophil

\*B-Corporations is a label attributed by an American NGO – B Lab, focused on environmental, social and governance performance.

**RISKS:** **Equity securities** are volatile and can decline significantly in response to broad market and economic conditions. **Foreign and emerging market securities** may be subject to greater political, economic, environmental, credit, currency and information risks. Foreign securities may be subject to higher volatility than US securities, due to varying degrees of regulation and limited liquidity. These risks are magnified in emerging markets. **Investments in small and midsize companies** can be more volatile than those of larger companies. **Sustainable investing** focuses on investments in companies that relate to certain sustainable development themes and demonstrate adherence to environmental, social and governance (ESG) practices; therefore the Fund's universe of investments may be reduced. It may sell a security when it could be disadvantageous to do so or forgo opportunities in certain companies, industries, sectors or countries. This could have a negative impact on performance depending on whether such investments are in or out of favor. **Currency exchange rates** between the US dollar and foreign currencies may cause the value of the Fund's investments to decline.

**Before investing, consider the fund's investment objectives, risks, charges, and expenses. Visit [im.natixis.com](http://im.natixis.com) or call 800-225-5478 for a prospectus or a summary prospectus containing this and other information. Read it carefully.**

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Mirova U.S., LLC ("Mirova US"), the investment advisor to the Fund, utilizes the portfolio management expertise of Mirova. Mirova is operated in the US through Mirova US., LLC.

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