

# Mirova U.S. Sustainable Equity Fund

Q1 • March 31, 2021

## Fund Highlights

- A high conviction all-cap US equity strategy focused on integrating sustainability, with the goal of outperforming the S&P 500®
- The managers take a thematic approach, investing in companies that should benefit from their exposure to long-term trends shaping the economy over the next decade across demographic, environmental, technological and governance transitions
- A strict buy and sell discipline focused on fundamental quality, sustainability, and valuation leads to a low turnover, high active share portfolio of 30-50 names
- Maximizes exposure to companies with positive impact on the UN Sustainable Development Goals (SDGs) and maintains coherence with a 2 degree Celsius global warming scenario in line with the objectives of the Paris Agreement
- Draws on the expertise of Mirova's multi-disciplinary investment specialists with complementary backgrounds and Mirova's ESG Research Team, fully dedicated to thematic and ESG research
- Managed by the Boston-based Mirova Global Equities Team co-portfolio managers Jens Peers, CFA®, Hua Cheng, PhD, CFA® and Amber Fairbanks, CFA®

## Average annualized total returns† (%)

	3 months	YTD	Life of class 12/15/2020
Class Y	3.62	3.62	5.80
Class A at NAV	3.53	3.53	5.70
Class A with 5.75% <i>maximum sales charge</i>	-2.40	-2.40	-0.38
S&P 500® Index <sup>3</sup>	6.17	6.17	8.00

## Calendar year returns (%)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 <sup>2</sup>
Class Y	-	-	-	-	-	-	-	-	-	2.10
S&P 500® Index <sup>3</sup>	-	-	-	-	-	-	-	-	-	1.72

## Fund Facts

### Objective

Seeks long-term capital appreciation

Share Class	Ticker	Cusip
Class Y	MUSYX	63872R-29-3
Class A	MUSAX	63872R-33-5
Class C	MUSCX	63872R-32-7
Class N	MUSNX	63872R-31-9

Class A maximum sales charge of 5.75 %  
Class C maximum CDSC of 1.00%

Total net assets	\$5.3 million
Inception date	12/15/2020
Number of holdings	33
Turnover as of 12/31/2020	0%
Distribution frequency	Annual
Gross Expense Ratios (Y/A) <sup>1</sup>	34.34%/34.59%
Net Expense Ratios (Y/A) <sup>1</sup>	0.80%/1.05%

Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results. Total return and value will vary, and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted. For most recent month-end performance, visit [im.natixis.com](http://im.natixis.com).

Performance for other share classes will be greater or less than shown based on differences in fees and sales charges. You may not invest directly in an index.

†Performance for periods less than one year is cumulative, not annualized. Returns reflect changes in share price and reinvestment of dividends and capital gains, if any.

<sup>1</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 limitation of the fund has been exceeded. This arrangement is set to expire on 04/30/2022. When an expense limitation has not been exceeded, the gross and net expense ratios and/or yields may be the same. <sup>2</sup> The calendar year performance shown for 2020 is a partial year of performance since inception on 12/15/20 through 12/31/20.

Not all share classes are available for purchase by all investors. Class Y shares are available to institutional investors with a minimum initial investment of \$100,000 and through certain wrap-fee programs, retirement plans and investment advisory accounts with no minimum. See the prospectus for more details.

## Portfolio Overview

Sector breakdown<sup>4</sup>

Sector	% of Portfolio
Information Technology	31.34
Industrials	15.37
Health Care	15.29
Utilities	9.93
Consumer Discretionary	9.10
Materials	5.48
Consumer Staples	4.18
Communication Services	3.51
Financials	2.63

Thematic breakdown<sup>5</sup>

Theme	% of Portfolio
Information and communications technology	29.57
Health	17.27
Resources	14.65
Energy	12.86
Finance	9.33
Consumption	8.69
Mobility	2.61
Buildings & cities	1.85

## Fund statistics

Active Share <sup>6</sup>	83.3
P/E (Trailing) Ratio <sup>7</sup>	31.5
P/B Ratio <sup>8</sup>	6.2
Median market cap <sup>9</sup>	\$87.0 billion

Top ten equity holdings<sup>10</sup>

Company	% of Portfolio
1. Microsoft Corp.	6.83
2. Danaher Corp.	5.40
3. Thermo Fisher Scientific, Inc.	5.24
4. Eaton Corp. PLC	4.60
5. MasterCard, Inc.	4.55
6. Adobe, Inc.	4.53
7. eBay, Inc.	4.52
8. NextEra Energy, Inc.	4.29
9. Ecolab, Inc.	4.14
10. Taiwan Semiconductor Manufacturing Co. Ltd.	3.58

## ESG opinion breakdown (%)

	Fund	Index
Committed	6	8
Positive	72	20
Neutral	19	31
Risk	0	34
Negative	0	6
Not Followed	0	1

The ESG Opinion assesses whether the investment is compatible with the UN Sustainable Development Goals (SDGs).

**Committed:** Contributes very favorably to achieving the SDGs

**Positive:** Contributes positively to achieving the SDGs

**Neutral:** In line with some of the SDGs, but impacts are low or unquantified

**Risk:** Hinders achievement of the SDGs

**Negative:** Strongly opposes achievement of the SDGs

**Not followed:** Not rated by either Mirova or Oekem

The ESG Opinion is designed to assess whether the investment is compatible with the UN SDGs and is based upon the analysis of Mirova and Oekem, a third party. The assessment does not guarantee a profit or protect against a loss, and does not ensure the stability or safety of the overall portfolio.



## Manager Overview

## Investment Manager

Mirova is an investment manager dedicated to sustainable 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.

**Headquarters:** Paris, France

**Founded:** 2012

**Assets under management:** \$23.9 billion (as of 12/31/2020)<sup>11</sup>

**Mirova US LLC<sup>12</sup>**

**Headquarters:** Boston, MA

**Founded:** 2014

**Assets under management:** \$4.96 billion (as of 12/31/2020)<sup>11</sup>

**Portfolio Managers<sup>13</sup>**

**Hua Cheng, PhD, CFA®**

**Amber Fairbanks, CFA®**

**Jens Peers, CFA®**

## Risks

**Equity securities** are volatile and can decline significantly in response to broad market and economic conditions. **Investments in small and mid size companies** can be more volatile than those of larger companies. **The Fund's ESG investment approach** could cause the Fund to perform differently compared to funds that do not have such an approach or compared to the market as a whole. The Fund's application of ESG-related considerations may affect the Fund's exposure to certain issuers, industries, sectors, style factors or other characteristics and may impact the relative performance of the Fund—positively or negatively—depending on the relative performance of such investments.

<sup>3</sup> S&P 500® Index is a widely recognized measure of U.S. stock market performance. It is an unmanaged index of 500 common stocks chosen for market size, liquidity, and industry group representation, among other factors. It also measures the performance of the large cap segment of the U.S. equities market. <sup>4</sup> Source: GICS Sectors via FactSet Research Systems Inc. Cash and Unassigned allocations are not included. <sup>5</sup> Source: Mirova themes via FactSet Research Systems Inc. Cash allocations not included. <sup>6</sup> Active share indicates the proportion of a portfolio's holdings that are different from the benchmark. A higher active share indicates a larger difference between the benchmark and the portfolio. <sup>7</sup> P/E (Trailing) Ratio is the weighted harmonic average of the price-to-earnings (P/E) ratios of all the stocks in the portfolio. P/E ratio is the ratio of a stock's price to its earnings per share for the trailing twelve months. Does not include options. This excludes negative earnings. <sup>8</sup> P/B Ratio is the weighted harmonic average of the price-to-book (P/B) ratios of all the stocks in the portfolio. P/B ratio is the ratio of a stock's price to its book value per share. This excludes negative earnings. <sup>9</sup> Median market cap provides a measure of the market capitalization value of all the stocks in the portfolio. Market capitalization reflects the total market value of a company, as calculated by multiplying the current share price by the number of outstanding shares. <sup>10</sup> The portfolio is actively managed and holdings are subject to change. References to specific securities or industries should not be considered a recommendation. For current holdings, please visit our website. <sup>11</sup> Assets under management ("AUM"), as reported, may include notional assets, assets serviced, gross assets and other types of non-regulatory AUM. <sup>12</sup> Mirova is operated in the US through Mirova US LLC (Mirova US). Prior to April 1, 2019, Mirova operated through Ostrum US. <sup>13</sup> CFA® and Chartered Financial Analyst® are registered trademarks owned by the CFA Institute.

Before investing, consider the fund's investment objectives, risks, charges, and expenses. Visit [im.natixis.com](http://im.natixis.com) or call 800-862-4863 for a prospectus or a summary prospectus or a summary prospectus containing this and other information. Read it carefully.

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