

Natixis Investment Managers First to Gain Approval for Custom Baskets in Active Semi-transparent ETFs

- Offers potential to reduce trading costs, increase efficiency and improve trading spreads

BOSTON, Feb. 9, 2021 – Natixis Investment Managers today received approval from the Securities Exchange Commission (SEC) for the use of custom baskets in actively managed semi-transparent exchange-traded funds (ETFs) that follow the New York Stock Exchange (NYSE)'s Proxy Portfolio Methodology approach. Previously, Natixis active semi-transparent ETFs were required to disclose proxy portfolios that closely track the fund's actual intraday portfolio performance on a daily basis. This new approval from the SEC enables Natixis to create custom baskets that contain securities not included, or securities in different weights than are in the fund's Proxy Portfolio when creating or redeeming shares. The use of custom baskets for active semi-transparent ETFs has the potential to reduce trading costs, increase efficiency, and improve secondary markets for the shares.

"This is part of our team's ongoing commitment to product innovation and enhancement in the ETF market that benefits investors," said David Giunta, CEO at Natixis Investment Managers. "Ultimately, investors will continue to have access to highly skilled active managers while benefiting from even lower costs and more tax-efficient investment options."

"Today's approval is another step forward in the NYSE's efforts to optimize product development and innovation in the active ETF market. Access to custom baskets significantly improves the operational efficiency of the NYSE Proxy Portfolio Methodology, which will result in cost-saving benefits for both asset managers and end investors," said Douglas Yones, Head of Exchange Traded Products at the NYSE.

Natixis Investment Managers entered the [active semi-transparent ETF market](#) in September 2020 with the launch of the Natixis U.S. Equity Opportunities ETF (EQOP), Natixis Vaughan Nelson Mid Cap ETF (VNMC), and Natixis Vaughan Nelson Select ETF (VNSE), listed on NYSE Arca, Inc.

About Natixis Investment Managers

Natixis Investment Managers serves financial professionals with more insightful ways to construct portfolios. Powered by the expertise of more than 20 specialized investment managers globally, we apply Active Thinking® to deliver proactive solutions that help clients pursue better outcomes in all markets. Natixis Investment Managers ranks among the world's largest asset management firms¹ with nearly \$1.1 trillion assets under management² (€910.0 billion).

Headquartered in Paris and Boston, Natixis Investment Managers is a subsidiary of Natixis. Listed on the Paris Stock Exchange, Natixis is a subsidiary of BPCE, the second-largest banking group in France. Natixis Investment Managers' affiliated investment management firms include AEW; Alliance Entreprendre; AlphaSimplex Group; DNCA Investments;³ Dorval Asset Management; Flexstone Partners; Gateway Investment Advisers; H2O Asset Management; Harris Associates; Investors Mutual Limited; Loomis, Sayles & Company; Mirova; MV Credit; Naxicap Partners; Ossiam; Ostrum Asset Management; Seeyond; Seventure Partners; Thematics Asset Management; Vauban Infrastructure Partners; Vaughan Nelson Investment Management; Vega Investment Managers;⁴ and WCM Investment Management. Additionally, investment solutions are offered through Natixis Investment Managers Solutions, and Natixis Advisors offers other

investment services through its AIA and MPA division. **Not all offerings available in all jurisdictions.** For additional information, please visit Natixis Investment Managers' website at im.natixis.com | LinkedIn: [linkedin.com/company/natixis-investment-managers](https://www.linkedin.com/company/natixis-investment-managers).

Natixis Investment Managers' distribution and service groups include Natixis Distribution, L.P., a limited purpose broker-dealer and the distributor of various US registered investment companies for which advisory services are provided by affiliated firms of Natixis Investment Managers, Natixis Investment Managers S.A. (Luxembourg), Natixis Investment Managers International (France), and their affiliated distribution and service entities in Europe and Asia.

¹ Cerulli Quantitative Update: Global Markets 2020 ranked Natixis Investment Managers as the 17th largest asset manager in the world based on assets under management as of December 31, 2019.

² Assets under management ("AUM") as of September 30, 2020 is \$1,067.3 billion. AUM, as reported, may include notional assets, assets serviced, gross assets, assets of minority-owned affiliated entities and other types of non-regulatory AUM managed or serviced by firms affiliated with Natixis Investment Managers.

³ A brand of DNCA Finance.

⁴ A wholly-owned subsidiary of Natixis Wealth Management.

Before investing, consider the fund's investment objectives, risks, charges, and expenses. Visit im.natixis.com/ETFs for a prospectus or a summary prospectus containing this and other information. Read it carefully.

ALPS Distributors, Inc. is the distributor for the Natixis Vaughan Nelson Mid Cap ETF, the Natixis Vaughan Nelson Select ETF, and the Natixis U.S. Equity Opportunities ETF. Natixis Distribution, L.P. is a marketing agent.

ALPS Distributors, Inc. is not affiliated with Natixis Distribution, L.P.

Semi-transparent ETFs are different from traditional ETFs. Traditional ETFs tell the public what assets they hold each day. This ETF will not. This may **create additional risks** for your investment. For example: You may have to pay more money to trade the ETF's shares. This ETF will provide less information to traders, who tend to charge more for trades when they have less information. The price you pay to buy ETF shares on an exchange may not match the value of the ETF's portfolio. The same is true when you sell shares. These price differences may be greater for this ETF compared to other ETFs because it provides less information to traders. These additional risks may be even greater in bad or uncertain market conditions. The ETF will publish on its website each day a "Proxy Portfolio" designed to help trading in shares of the ETF. While the Proxy Portfolio includes some of the ETF's holdings, it is not the ETF's actual portfolio. The differences between this ETF and other ETFs may also have advantages. By keeping certain information about the ETF secret, this ETF may face less risk than other traders can predict or copy its investment strategy. This may improve the ETF's performance. If other traders are able to copy or predict the ETF's investment strategy, however, this may hurt the ETF's performance.

RISKS: ETF General Risk: Exchange-Traded Funds (ETFs) trade like stocks, are subject to investment risk, and will fluctuate in market value. Unlike mutual funds, ETF shares are not individually redeemable directly with the Fund, and are bought and sold on the secondary market at market price, which may be higher or lower than the ETF's net asset value (NAV). Transactions in shares of ETFs will result in brokerage commissions, which will reduce returns. **Active ETF:** Unlike typical exchange-traded funds, there are no indexes that the Fund attempts to track or replicate. Thus, the ability of the Fund to achieve its objectives will depend on the effectiveness of the portfolio manager. There is no assurance that the investment process will consistently lead to successful investing. **Equity Securities Risk:** Equity securities are volatile and can decline significantly in response to broad market and economic conditions. **Foreign Securities Risk:** Foreign securities may involve heightened risk due to currency fluctuations. Additionally, they may be subject to greater political, economic, environmental, credit, and information risks. Foreign securities may be subject to higher volatility than US securities, due to varying degrees of regulation and limited liquidity. **Currency Risk:** Currency exchange rates between the US dollar and foreign currencies may cause the value of the fund's investments to decline. **Small and Mid-Cap Stocks Risk:** Investments in small and midsize companies can be more volatile than those of larger companies.

This material is provided for informational purposes only and should not be construed as investment advice. The views and opinions expressed above may change based on market and other conditions. There can be no assurance that developments will transpire as forecasted.

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