

US ESG Minimum Variance Index NR

Rebalancing Report - 18-Mar-2019

Stock Statistics

The US ESG Minimum Variance Index NR rebalances each third Friday of the month. The new composition is implemented at the opening of the next business day after the third Friday - usually the next Monday. The weights are computed using closing prices four days prior to the third Friday. Both the US ESG Minimum Variance Index NR and the benchmark Solactive US Large Cap Index NR are computed in USD. The calculations in the document are performed by Ossiam using Solactive, Sustanalytics and Datastream sources.

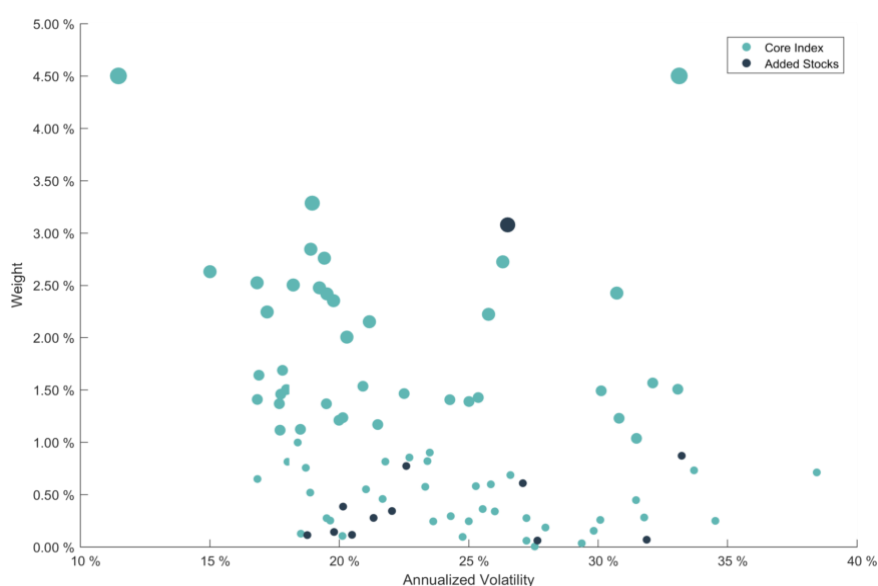
The number of constituents in the index increased from **87** to **88**. The Turnover is **27.61%**, lower than its historical mean at **39.65%**. The weight of the Index Core Portfolio decreased from **97.20%** to **93.17%**.

Characteristics	18-Mar-2019
Number of Stocks	88
Added Stocks	12
Deleted Stocks	11
Core Number	76
Old weight of Core	97.20%
New weight of Core	93.17%
Turnover	27.61%
Historical Turnover	39.65%

Added and deleted stocks are relative to 18-Mar-2019. The Core is defined as the subset of stocks that belong to the current as well as the previous composition.

Volatility/Weight profile

The chart on the right shows the distribution of the new US ESG Minimum Variance Index NR composition on 18-Mar-2019 in terms of annualized volatility (x-axis) and weight (y-axis). Volatility computed over 125 days ending on 11-Mar-2019. On the upper left corner we find low volatile stocks with big weight in the index. On the lower right corner we find high volatile stocks with low weight in the index. These stocks usually enter the index for diversification purposes. We distinguish between Core index and added stocks to appreciate how these newly added stock are positioned in terms of volatility and weight.



Stock ESG Statistics

The table on the right gives an overview of the ESG characteristics of the US ESG Minimum Variance Index NR (STRAT) with respect to the Solactive US Large Cap Index NR (BENCH).

The ESG score for US ESG Minimum Variance Index NR is **61.90**, higher than the ESG score of Solactive US Large Cap Index NR at **58.13**. The ESG score for US ESG Minimum Variance Index NR on 18-Mar-2019 is also in line with the previous ESG score on 19-Feb-2019: **61.90** versus **61.95**.

	STRAT	BENCH
Current ESG Score	61.90	58.13
Previous ESG Score	61.95	57.99
Weight Controversy 5	-	2.65%
Weight Controversial Weapons	-	2.65%
Weight Non-Compliant	-	3.35%

ESG scores are computed with weights as of 18-Mar-2019. Previous ESG scores are computed with weights as of 19-Feb-2019. The ESG score is computed as the weighted sum of ESG scores. Stocks excluded for normative reasons are assigned zero score.

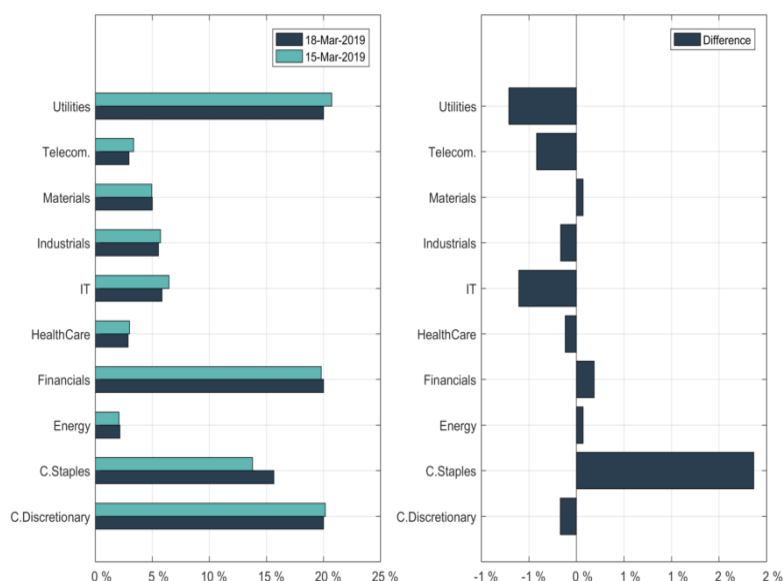
Below the list of stocks excluded for ESG criteria or Missing ESG data:

Name	Sector	WW	Vol	Comment
BLACKROCK INC	Financials	0.21%	27.36%	Contr. Weapon.
BOEING CO/THE	Industrials	0.92%	34.46%	Contr. Weapon.
COVETRUS INC	HealthCare	0.01%	21.91%	Missing ESG Data
EQUITRANS MIDSTREAM CORP	Energy	0.02%	30.50%	Missing ESG Data
EVERGY INC	Utilities	0.06%	17.64%	Missing ESG Data
FREEPORT-MCMORAN INC	Materials	0.07%	49.77%	Contr., Compl.
GENERAL DYNAMICS	Industrials	0.19%	25.11%	Contr. Weapon.
HONEYWELL INTERNATIONAL INC	Industrials	0.49%	19.44%	Contr. Weapon.
JACOBS ENGINEERING GROUP INC	Industrials	0.04%	32.33%	Contr. Weapon.
JOHNSON & JOHNSON	HealthCare	1.59%	22.27%	Contr., Compl.
KKR & CO INC	Financials	0.05%	37.83%	Missing ESG Data
LINDE PLC	Materials	0.40%	25.51%	Missing ESG Data
LIVENT CORP	Materials	0.01%	48.61%	Missing ESG Data
LOCKHEED MARTIN CORP	Industrials	0.31%	25.05%	Contr. Weapon.
NORTHROP GRUMMAN CORP	Industrials	0.21%	28.82%	Contr. Weapon.
P G & E CORP	Utilities	0.04%	169.65%	Contr., Compl.
RAYTHEON B	Industrials	0.22%	26.56%	Contr. Weapon.
RESIDEO TECHNOLOGIES INC	Industrials	0.01%	60.19%	Missing ESG Data
T ROWE PRICE GROUP INC	Financials	0.10%	28.05%	Contr. Weapon.
TEXTRON INC	Industrials	0.05%	30.56%	Contr. Weapon.
UNITED TECHNOLOGIES CORP	Industrials	0.44%	26.23%	Contr. Weapon.
WELLS FARGO & CO	Financials	0.88%	21.68%	Contr., Compl.

Sector Allocation

The most significant changes in sector exposures are: **1.87%** for C.Staples. The biggest sector exposures are: **20.00%** for Utilities , **20.00%** for C.Discretionary , **20.00%** for Financials .

	PREV.	CURR.	Diff.
C.Discretionary	20.17%	20.00%	-0.17%
C.Staples	13.78%	15.65%	1.87%
Energy	2.08%	2.15%	0.07%
Financials	19.81%	20.00%	0.19%
HealthCare	2.99%	2.87%	-0.12%
IT	6.46%	5.85%	-0.61%
Industrials	5.71%	5.54%	-0.17%
Materials	4.94%	5.01%	0.07%
Telecom.	3.35%	2.93%	-0.42%
Utilities	20.71%	20.00%	-0.71%

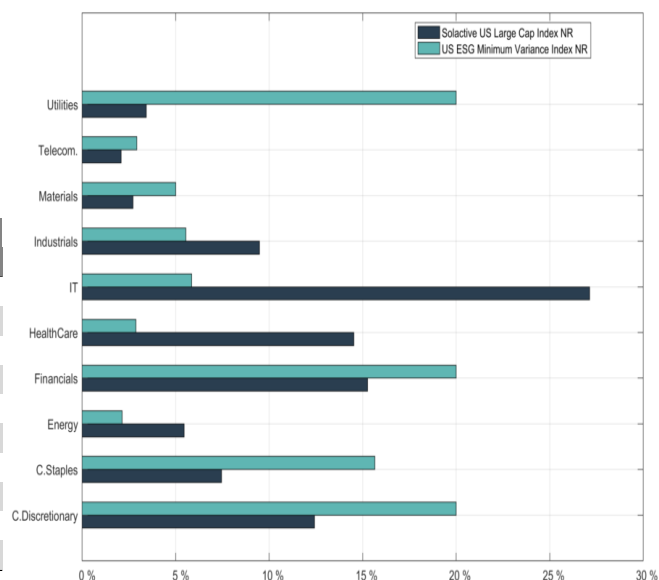


The left-hand side of the chart below shows the sector deviations at rebalancing. Differences are shown on the right-hand side. Index weights are taken as of 15-Mar-2019 (last business day before the new composition is implemented) compared to the new rebalancing weights as of 18-Mar-2019.

Sector breakdown vs. benchmark

The US ESG Minimum Variance Index NR overweights Utilities by **16.57%** and C.Staples by **8.18%** compared to Solactive US Large Cap Index NR. The US ESG Minimum Variance Index NR underweights IT by **-21.28%** and HealthCare by **-11.66%** compared to Solactive US Large Cap Index NR.

	B		Diff.	Vol.	
	B	S		B	S
C.Discretionary	12.42%	20.00%	7.58%	21.01%	11.82%
C.Staples	7.46%	15.65%	8.18%	14.66%	13.48%
Energy	5.46%	2.15%	-3.31%	22.77%	27.15%
Financials	15.26%	20.00%	4.74%	16.87%	12.51%
HealthCare	14.53%	2.87%	-11.66%	17.72%	17.37%
IT	27.13%	5.85%	-21.28%	25.64%	17.29%
Industrials	9.48%	5.54%	-3.94%	19.77%	15.01%
Materials	2.72%	5.01%	2.28%	20.54%	30.15%
Telecom.	2.09%	2.93%	0.84%	19.16%	17.75%
Utilities	3.43%	20.00%	16.57%	15.31%	15.19%

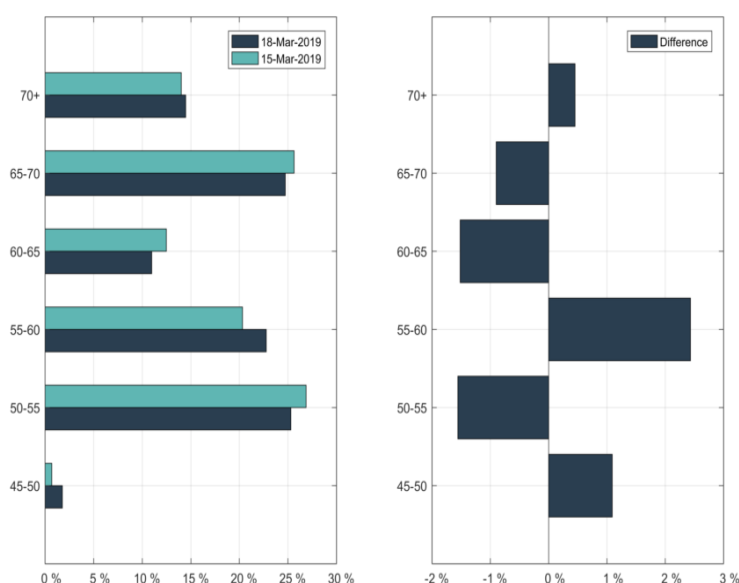


The table above shows, for each sector, the weight in the US ESG Minimum Variance Index NR (S), in the benchmark Solactive US Large Cap Index NR (B) and their difference. We also show the annualized volatility of each sector in the US ESG Minimum Variance Index NR and in the benchmark. Annualized volatilities are computed using 125 business days ending on 11-Mar-2019

ESG Allocation

The most significant changes in ESG bucket exposures are: **2.43%** for bucket **55-60**, **-1.56%** for bucket **50-55**. The biggest ESG bucket exposures are: **25.30%** for **50-55** bucket, **24.73%** for **65-70** bucket.

	PREV.	CURR.	Diff.
45-50	0.70%	1.79%	1.09%
50-55	26.86%	25.30%	-1.56%
55-60	20.32%	22.76%	2.43%
60-65	12.48%	10.97%	-1.52%
65-70	25.63%	24.73%	-0.90%
70+	14.01%	14.46%	0.45%

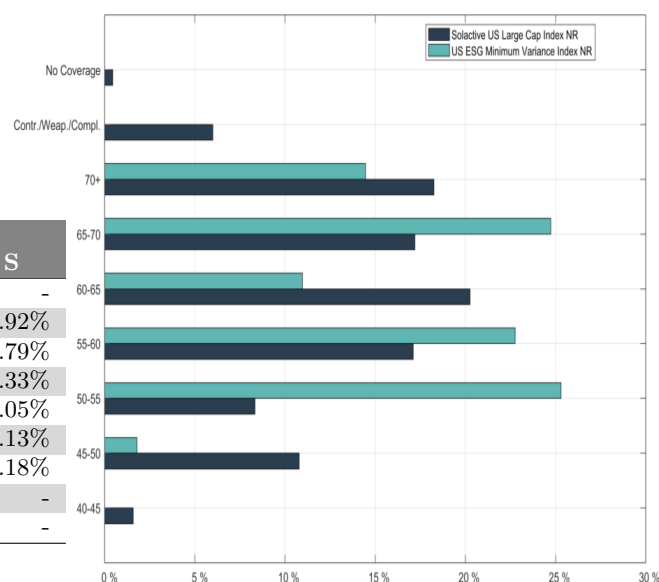


The left-hand side of the chart below shows the ESG deviations at rebalancing. Differences are shown on the right-hand side. Index weights are taken as of 15-Mar-2019 (last business day before the new composition is implemented) compared to the new rebalancing weights as of 18-Mar-2019.

ESG breakdown vs. benchmark

The US ESG Minimum Variance Index NR overweights **50-55** by **16.97%** and **65-70** by **7.52%** compared to Solactive US Large Cap Index NR. The US ESG Minimum Variance Index NR underweights **60-65** by **-9.30%** and **45-50** by **-9.00%** compared to Solactive US Large Cap Index NR.

	Vol.				
	B	S	Diff.	B	S
40-45	1.59%	-	-1.59%	27.91%	-
45-50	10.79%	1.79%	-9.00%	23.21%	17.92%
50-55	8.33%	25.30%	16.97%	15.07%	10.79%
55-60	17.11%	22.76%	5.64%	16.06%	11.33%
60-65	20.26%	10.97%	-9.30%	16.73%	12.05%
65-70	17.21%	24.73%	7.52%	15.03%	11.13%
70+	18.25%	14.46%	-3.79%	22.56%	14.18%
Contr./Weap./Compl.	6.00%	-	-6.00%	18.14%	-
No Coverage	0.45%	-	-0.45%	23.55%	-



The table above shows, for each ESG bucket, the weight in the US ESG Minimum Variance Index NR (S), in the benchmark Solactive US Large Cap Index NR (B) and their difference. We also show the annualized volatility of each ESG bucket in the US ESG Minimum Variance Index NR and in the benchmark. Annualized volatilities are computed using 125 business days ending on 11-Mar-2019

Added Stocks

The rebalancing has added 12 new stocks. In the table below, T is the current rebalancing date (18-Mar-2019), while T-1 is the previous rebalancing date (19-Feb-2019). Vol(T-1) and Vol(T) are the annualized volatilities computed over 125 business days ending, respectively, on 11-Mar-2019 and 11-Feb-2019. The average daily volumes ADV(T-1) and ADV(T), expressed in mln USD, are computed over 50 business days ending on the same dates as before, with the relative ranking over the benchmark Solactive US Large Cap Index NR. WW(T) is the stock weight at the current rebalancing date. Finally, the column Reason Excl. details the reasons of exclusion at the previous rebalancing.

Name	Sector	ESG	WW(T)	Vol		ADV		Reason Exclusion
				T-1	T	T-1	T	
ADV.AUTO PARTS	C.Discretionary	45-50	0.07%	32.56%	31.88%	-Inf(360)	211.60(166)	Excl. Best In Class
AFLAC INC	Financials	50-55	0.11%	20.47%	20.50%	187.45(200)	163.39(210)	Excl. Minimum Variance
BUNGE LTD	C.Staples	55-60	3.08%	26.03%	26.51%	84.52(335)	93.92(309)	Excl. Liquidity
CHUBB LTD	Financials	55-60	0.14%	19.77%	19.80%	242.80(151)	214.44(165)	Excl. Minimum Variance
DENTSPLY SIRONA INC	HealthCare	55-60	0.87%	22.48%	33.23%	86.24(333)	90.97(317)	Excl. Liquidity
DOLLAR TREE	C.Discretionary	45-50	0.61%	34.54%	27.10%	280.28(128)	251.42(133)	Excl. Minimum Variance
HARTFORD FINANCIAL SERVICES GROUP INC	Financials	65-70	0.38%	21.08%	20.15%	128.57(272)	108.78(293)	Excl. Minimum Variance
M & T BANK CORP	Financials	45-50	0.77%	22.26%	22.59%	-Inf(500)	148.30(230)	Excl. Best In Class
MEDTRONIC PLC	HealthCare	65-70	0.34%	22.92%	22.04%	567.45(60)	533.94(57)	Excl. Minimum Variance
PINNACLE WEST CAPITAL CORP	Utilities	70+	0.11%	18.94%	18.77%	103.97(311)	99.94(301)	Excl. Minimum Variance
PPL CORP	Utilities	65-70	0.28%	21.90%	21.33%	168.55(220)	146.77(233)	InPortfolio
TRACTOR SUPPLY COMPANY	C.Discretionary	55-60	0.06%	29.05%	27.66%	139.81(252)	136.11(248)	Excl. Minimum Variance

Deleted Stocks

The rebalancing has deleted 11 new stocks. In the table below, T is the current rebalancing date (18-Mar-2019), while T-1 is the previous rebalancing date (19-Feb-2019). Vol(T-1) and Vol(T) are the annualized volatilities computed over 125 business days ending, respectively, on 11-Mar-2019 and 11-Feb-2019. The average daily volumes ADV(T-1) and ADV(T), expressed in mln USD, are computed over 50 business days ending on the same dates as before, with the relative ranking over the benchmark Solactive US Large Cap Index NR. WW(T-1) is the stock weight at the previous rebalancing date. Finally, the column Reason Excl. details the reasons of exclusion at the current rebalancing.

Name	Sector	ESG	WW(T-1)	Vol		ADV		Reason Exclusion
				T-1	T	T-1	T	
AMERICAN INTERNATIONAL GROUP INC	Financials	50-55	0.51%	27.51%	31.55%	288.21(121)	255.05(129)	Excl. Minimum Variance
ARCHER-DANIELS-MIDLAND CO	C.Staples	55-60	0.98%	20.60%	20.69%	166.54(223)	-Inf(482)	Excl. Best In Class
CARDINAL HEALTH INC	HealthCare	55-60	0.17%	28.93%	30.41%	175.40(210)	159.74(215)	Excl. Minimum Variance
CIGNA CORP	HealthCare	60-65	0.07%	27.42%	29.82%	617.15(55)	553.47(56)	Excl. Minimum Variance
COMERICA INC	Financials	55-60	0.04%	25.57%	26.35%	182.16(205)	161.11(212)	Excl. Minimum Variance
MCKESSON CORP	HealthCare	55-60	0.05%	27.22%	27.80%	226.65(165)	207.61(169)	Excl. Minimum Variance
NRG ENERGY INC	Utilities	60-65	0.44%	27.16%	26.02%	182.80(204)	-Inf(376)	Excl. Best In Class
SCHLUMBERGER LTD	Energy	65-70	0.30%	30.06%	30.77%	632.61(53)	502.17(61)	Excl. Minimum Variance
TARGET CORP	C.Discretionary	55-60	0.04%	29.89%	30.33%	393.22(86)	389.52(81)	Excl. Minimum Variance
TJX COMPANIES INC	C.Discretionary	60-65	0.17%	24.06%	23.84%	349.83(100)	321.80(100)	Excl. Minimum Variance
WELLCARE HEALTH PLANS	HealthCare	50-55	0.03%	31.26%	33.78%	227.23(162)	168.13(206)	Excl. Minimum Variance

Ranking Index Constituents - Top 25

The table shows the top 25 positions in the US ESG Minimum Variance Index NR as of 18-Mar-2019. The column WW indicates the weights in the US ESG Minimum Variance Index NR as of 18-Mar-2019. The column Vol gives the annualized volatility computed over 125 business days ending on 11-Mar-2019. We also provide the ranking of these volatilities (Rank Vol) relative to the Filtered Selection at the rebalancing date. The column Corr gives the average correlation of each stock relative to the rest of the filtered selection, computed over 500 business days ending on 11-Mar-2019. We also provide the ranking of these correlations (Rank Corr) relative to the Filtered Selection at the rebalancing date. The Rank Blend is computed as 66% Rank Vol + 34% Rank Corr. The lower the stock's Rank Blend, the higher the likelihood that the stock will be overweighted in the Index. Finally, the column Core shows whether the stock was in the US ESG Minimum Variance Index NR already (YES) or it entered at this rebalancing (NO).

	Sector	ESG	WW	Vol	Rank Vol	Corr	Rank Corr	Rank Blend	Core
TWENTY-FIRST CENTURY FOX INC	C.Discretionary	50-55	4.50%	11.48%	1	17.93%	70	24	YES
NEWMONT MINING CORP	Materials	70+	4.50%	33.13%	353	5.52%	3	234	YES
CME GROUP	Financials	50-55	3.28%	18.96%	34	24.45%	177	82	YES
BUNGE LTD	C.Staples	55-60	3.08%	26.51%	198	14.15%	34	142	NO
SEMPRA ENERGY	Utilities	65-70	2.84%	18.91%	33	12.11%	20	28	YES
WALMART INC	C.Staples	55-60	2.76%	19.43%	41	21.64%	119	67	YES
AUTOZONE INC	C.Discretionary	50-55	2.72%	26.32%	191	11.82%	17	131	YES
REPUBLIC SERVICES INC	Industrials	50-55	2.63%	15.01%	3	30.26%	343	118	YES
DUKE ENERGY CORP	Utilities	60-65	2.52%	16.83%	5	9.08%	5	5	YES
HERSHEY CO/THE	C.Staples	65-70	2.50%	18.23%	21	15.56%	45	29	YES
CITRIX SYSTEMS INC	IT	55-60	2.48%	19.24%	37	29.33%	308	129	YES
VIACOM INC-CLASS B	C.Discretionary	55-60	2.42%	30.72%	307	13.82%	32	213	YES
MCDONALDS CORP	C.Discretionary	55-60	2.42%	19.53%	45	20.13%	99	63	YES
AMERICAN TOWER CORP	Financials	50-55	2.35%	19.79%	50	17.79%	64	54	YES
AMERICAN ELECTRIC POWER	Utilities	65-70	2.24%	17.22%	9	9.03%	4	7	YES
HASBRO INC	C.Discretionary	60-65	2.22%	25.77%	172	19.45%	90	144	YES
VENTAS INC	Financials	65-70	2.15%	21.17%	73	12.56%	24	56	YES
INTERCONTINENTAL EXCHANGE INC	Financials	50-55	2.00%	20.30%	61	29.26%	302	142	YES
NEXTERA ENERGY INC	Utilities	65-70	1.69%	17.81%	15	12.77%	25	18	YES
EVERSOURCE ENERGY	Utilities	70+	1.64%	16.90%	8	13.01%	27	14	YES
BAKER HUGHES A GE CO LLC	Energy	65-70	1.57%	32.11%	335	20.71%	107	257	YES
SIMON PROPERTY GROUP INC	Financials	55-60	1.53%	20.92%	70	18.49%	74	71	YES
CHIPOTLE MEXICAN GRILL INC	C.Discretionary	50-55	1.51%	33.08%	351	14.24%	35	243	YES
DTE ENERGY CO	Utilities	70+	1.50%	17.97%	16	10.61%	10	13	YES
EBAY INC	IT	60-65	1.49%	30.12%	293	24.43%	176	253	YES

DISCLAIMERS

This document is of a commercial and not of a regulatory nature.

Ossiam, a subsidiary of Natixis Investment Managers, is a French asset manager authorized by the Autorité des Marchés Financiers (Agreement No. GP-10000016). Although information contained herein is from sources believed to be reliable, Ossiam makes no representation or warranty regarding the accuracy of any information of which it is not the source. The information presented in this document is based on market data at a given moment and may change from time to time.

This material has been prepared solely for informational purposes only and it is not intended to be and should not be considered as an offer, or a solicitation of an offer, or an invitation or a personal recommendation to buy or sell participating shares in any Ossiam Fund, or any security or financial instrument, or to participate in any investment strategy, directly or indirectly. It is intended for use only by those recipients to whom it is made directly available by Ossiam. Ossiam will not treat recipients of this material as its clients by virtue of their receiving this material.

This material reflects the views and opinions of the individual authors at this date and in no way the official position or advices of any kind of these authors or of Ossiam and thus does not engage the responsibility of Ossiam nor of any of its officers or employees. Past performance is not a guide to future performance. Any opinions expressed herein are statements of our judgment on this date and are subject to change without notice. Ossiam assume no fiduciary responsibility or liability for any consequences, financial or otherwise, arising from, an investment in any security or financial instrument described herein or in any other security, or from the implementation of any investment strategy. This information contained herein is not intended for distribution to, or use by, any person or entity in any country or jurisdiction where to do so would be contrary to law or regulation or which would subject Ossiam to any registration requirements in these jurisdictions.

The risks associated with the Fund and the Index are detailed in the “General Risk Considerations’ section of the Prospectus, available in English on www.ossiam.com. Investments decision should only be made on the basis of the Prospectus. Investors should also be well informed about the main characteristics of the Index (number of stocks, sector and or country breakdown, past evolution...) in order to have an overview of the risks and opportunities related to an exposure to the Index.

Ossiam US Minimum Variance ESG Index Net Return USD (the Index) is the exclusive property of Ossiam, which has contracted with Standard & Poor’s Financial Services LLC (S&P) to maintain and calculate the Index. Standard & Poor’s® and S&P® are registered trademarks of Standard & Poor’s Financial Services LLC - Calculated by S&P Custom Indices- and its related stylized mark(s) are service marks of Standard & Poor’s Financial Services LLC and have been licensed for use by Ossiam. S&P and its affiliates shall have no liability for any errors or omissions in calculating the Index. OSSIAM US MINIMUM VARIANCE ESG NR UCITS ETF is not sponsored, endorsed, sold or promoted by S&P, its affiliates or their third party licensors and neither S&P, its affiliates nor their third party licensors make any representation regarding the advisability of investing in OSSIAM US MINIMUM VARIANCE NR UCITS ETF.

The financial instrument is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index Price at any time or in any other respect. The Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Index is calculated correctly. Irrespective of its obligations towards the Issuer, Solactive AG has no obligation to point out errors in the Index to third parties including but not limited to investors and/or financial intermediaries of the financial instrument. Neither publication of the Index by Solactive AG nor the licensing of the Index or Index trade mark for the purpose of use in connection with the financial instrument constitutes a recommendation by Solactive AG to invest capital in said financial instrument nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this financial instrument.

No portion of this material may be reproduced in any form without the expressed, written permission of Sustainalytics. Nothing contained in this presentation shall be construed as to make a representation or warranty, express or implied, regarding the advisability to invest in or include companies in investable universes and/or portfolios. The performance represented is historical; past performance is not a reliable indicator of future results and results and the information provided in this brochure is not intended to be relied upon as, nor to be a substitute for specific professional advice and in particular financial advice. The information is provided *as is* and, therefore Sustainalytics assumes no responsibility for errors or omissions. Sustainalytics accepts no liability for damage arising from the use of this brochure or information contained herein in any manner whatsoever.

The funds switched of name, Index and benchmark: Previously Ossiam US Minimum Variance NR UCITS ETF is now Ossiam US Minimum Variance ESG NR UCITS ETF ; The Reference Index (resp. the Benchmark) was Ossiam US Minimum Variance NR (resp. S&P 500 Index NR) until June 16th 2017 and is now US ESG Minimum Variance NR Index (resp. Solactive US Large Cap NR Index). The funds also switched of replication method previously synthetic,

the replication method is physical since June 19th 2017 The Reference Index (resp. the Benchmark) is computed using the performance of the Ossiam US Minimum Variance NR (resp. S&P 500 Index NR) until June 16th 2017 and the performance of the US ESG Minimum Variance NR Index [ESGUSMVNR Index] (resp. Solactive US Large Cap NR Index [SOLUSLCX Index]) afterwards. This computation method reflects the change of replicated index and benchmark that became effective on the fund at the close of June 16 2017.

This material may not be distributed, published, or reproduced, in whole or in part.