



Audited annual report
Candriam Fund

31 December 2023



Candriam Fund

SICAV under Luxembourg Law

Audited annual report for the year
from January 1, 2023 to December 31, 2023



Table of contents

| | |
|---|----|
| Administration of the SICAV | 4 |
| Details about the SICAV | 5 |
| Report of the Board of Directors | 6 |
| Audit report | 14 |
| Statement of net assets as at December 31, 2023 | 17 |
| Statement of changes in net assets for the year ended December 31, 2023 | 19 |
| Statistics | 21 |
| Investment portfolio as at December 31, 2023 | 22 |
| Candriam Fund ONE Global Sustainability | 22 |
| Candriam Fund Sedes Sapientiae | 32 |
| Candriam Fund Sustainable Euro Corporate Bonds Fossil Free | 35 |
| Candriam Fund Sustainable European Equities Fossil Free | 42 |
| Candriam Fund Sustainable Short Term Equivalent | 45 |
| Other notes to the financial statements | 48 |
| Additional unaudited information | 53 |
| Sustainable Finance Disclosure Regulation (SFDR) | 56 |



Administration of the SICAV

Board of Directors

Chairman

Tanguy DE VILLENFAGNE
Advisor to the Group Strategic Committee
Candriam

Directors

Catherine DELANGHE
Independent Director

Pascal DEQUENNE
Global Head of Operations
Candriam

Nadège DUFOSSE
Head of Asset Allocation
Candriam

Renato GUERRIERO
Chief Sales & Distribution Officer, Member of the Group Strategic
Committee
Candriam

Koen VAN DE MAELE
Global Head of Investment Solutions
Candriam

Registered Office

5, Allée Scheffer
L-2520 Luxembourg

Depositary Bank and Principal Paying Agent

CACEIS Bank, Luxembourg Branch
5, Allée Scheffer
L-2520 Luxembourg

Management Company

Candriam
SERENITY - Bloc B
19-21, Route d'Arlon
L-8009 Strassen

The functions of **Administrative Agent, Domiciliary Agent** and **Transfer Agent** (including the **Register Holding** business) are delegated to:

CACEIS Bank, Luxembourg Branch
5, Allée Scheffer
L-2520 Luxembourg

Implementation of the **Portfolio Management** activities is performed by Candriam and/or by one or more of its branches:

Candriam - Belgian Branch
58, Avenue des Arts
B-1000 Brussels

Candriam Succursale française
40, rue Washington
F-75408 Paris Cedex 08

Candriam – UK Establishment
Aldersgate Street 200, London EC1A 4 HD

“Réviseur d’entreprises agréé”

PricewaterhouseCoopers, Société coopérative
2, Rue Gerhard Mercator
L-2182 Luxembourg



Details about the SICAV

The Annual General Meeting of the Shareholders of each sub-fund of the SICAV is held at the registered office of the SICAV or at any other place in Luxembourg as specified in the convening notice. It shall take place within 6 months after the financial year-end.

Notice for all General Meetings is sent to all registered shareholders by registered mail at their address specified in the share registrar, at least 8 days before the General Meeting. Such notice shall indicate the time and place of the General Meeting and the conditions for entry, the agenda and the quorum and majority required under Luxembourg law.

The net asset value per share of each sub-fund and the issue, redemption and conversion prices are made public on each valuation day at the registered offices of the SICAV.

Financial notices or all other information are sent to all the registered shareholders at their address recorded in the register, in accordance with the legislation currently in force. Notices will also be published in the "Mémorial, Recueil des Sociétés et Associations du Grand-Duché de Luxembourg", and in a Luxembourg newspaper the "Luxemburger Wort" if the legislation requires it, as well as in the press of the countries where the SICAV is marketed if the legislation of those countries so requires.

The accounting year begins on January 1, and ends on December 31, of each year.

The SICAV publishes each year a detailed report on its activities and the management of its assets, comprising the statements of net assets, the statements of changes in net assets, details of the composition of the investment portfolio and the audit report.

In addition, it publishes a semi-annual report, detailing, with regard to each sub-fund, the composition of the portfolio, the number of outstanding shares and the number of shares issued and redeemed since the previous publication.

The prospectus, Key Information Documents for packaged retail and insurance-based investment products (PRIIPs KID), the SICAV's articles of incorporation and financial reports are kept for public inspection, free of charge, at the registered office of the SICAV.

A list of changes made to the securities portfolio can be obtained free of charge and upon request from the registered office of the SICAV.



Report of the Board of Directors

Economic and financial background

At **United States**, in January and February 2023, with the exception of residential real estate, the vast majority of economic indicators remain fairly positive, despite past rate hikes by the Federal Reserve (Fed). On February 1, the latter raised its key rate by 25 basis points to 4.75%. Over these two months, more than 700,000 new jobs were created. The ISM service sector index stood at 55.1 in February. This briefly pushed the ten-year rate above 4% in early March. However, the closure by the authorities of the 16th largest US bank (Silicon Valley Bank) on March 10, following excessive deposit outflows, and, a few days later, of Signature Bank, have raised fears of contagion to other medium-sized banks. The FDIC, in consultation with the Federal Reserve and the US Treasury, can invoke a "Systemic Risk Exception", which enables it to insure all the deposits of these two banks (insured deposits (< \$250,000) and uninsured deposits). To avoid a liquidity and contagion problem, the Fed is opening a new borrowing facility (BTFFP - Bank Term Funding Program), the special feature of which is that the government bonds used as collateral are valued at par and not at market price. With the authorities in charge, the risk of contagion diminishes and stress on financial markets is reduced. In addition, thanks to reduced tensions in supply chains and lower energy and industrial metal prices, total inflation in the first few months of 2023 is falling steadily (5% in March 2023). Core inflation, on the other hand, is stagnating, hovering around 5.5. Indeed, while goods inflation is slowing, the "real estate" component of inflation (over 30% of CPI) and that of non-real estate services are not. On the other hand, wage growth is still significant, and is an important input in the price of services. These are the reasons why, despite the developments in March, the Federal Reserve raised its key rate by a further 25 basis points to 5% on March 22. At the end of March, the ten-year rate was 35 basis points lower at 3.48% than at the end of 2022. The stock market grew by 7%. In the second quarter, as in the rest of the world, the manufacturing sector experienced sluggish growth, while the service sector grew steadily. Over 600,000 new jobs were created during the quarter, while wage growth and underlying inflation slowed only slowly. In June, the unemployment rate was 3.6%. GDP growth in the 2th quarter was 0.5% quarter-on-quarter, after 0.6% in the first quarter. This led the Fed, on May 3, to raise its key rate by 25 basis points to 5.25%. However, at the FOMC meeting on June 14, the Federal Reserve announced a pause in its tightening cycle. This underpins the performance of the stock market, which rose - particularly in June - by 8.3% over the quarter, driven by the excitement surrounding companies linked to artificial intelligence. The ten-year rate rose by 33 basis points to 3.81%. In the third quarter, despite a tightening of 525 basis points - the final 25 basis point increase was decided on July 26 - and the downgrading of the US debt rating by Fitch in early August, the US economy continued to create over 650,000 jobs over the quarter. In September, the unemployment rate stood at 3.8%, the ISM service sector index remained above 50 and, in general, other economic indicators remained positive. Despite these good indicators, at its meeting on September 20, the Federal Reserve maintained its key rate unchanged at 5.5%, believing it to be sufficiently restrictive. These developments are leading the market to anticipate that the US will not fall into recession, but that the Fed will keep rates high for longer, despite core inflation falling to 4.1% (in September). During the quarter, caught between the absence of any prospect of recession in the United States and OPEC+ production cuts, the price of oil continued to climb. Both Brent and WTI exceeded \$90 a barrel at the end of September (compared with around \$70 at the beginning of July). All this pushed the ten-year rate up to 4.57% at the end of September, 77 basis points higher than at the end of June. Over the same period, in response to the sharp rise in interest rates, the stock market fell by 3.6%. At the beginning of October, both the labor market and activity in the services sector remained buoyant. At the end of October, third-quarter GDP growth was announced at 1.2% quarter-on-quarter (the fifth consecutive quarter with growth in excess of 2% quarter-on-quarter on an annualized basis). Against this backdrop, and with the bond risk premium rising sharply, the ten-year yield is almost 5%. However, at the beginning of November, job creation of barely 100,000, mortgage rates above 8% and slightly weaker ISM figures led the markets to think that activity might be slowing more sharply than expected, and that the Federal Reserve might cut its key rate faster than anticipated. This pushes the ten-year rate down. This movement was amplified in mid-December at the Federal Reserve's latest meeting, when its governor gave a more "dovish" message and federal funds rate projections for 2024 were lower than in September. All in all, after this bond rally, the ten-year yield closes the year at 3.87%, three basis points higher than at the end of 2022. The S&P500 ended 2023 up 24.2% on the year at 4770, helped by an 11.2% rise in the fourth quarter.



Report of the Board of Directors

Economic and financial background (Continued)

In the euro zone, in the first quarter 2023, while total inflation (6.9% in March) has been falling steadily since its peak in October 2022, core inflation has been rising steadily (5.7% in March) in a context where the labor market remains tight. The unemployment rate is 6.5% and wage growth is strong. In addition, as gas prices continue to fall, the outlook for growth has been revised upwards, as have expectations of terminal rates from the European Central Bank (ECB). On February 2, the latter raised its key rate by 50 basis points to 3%. Despite developments in the US banking system, the ECB raised its key rate by a further 50 basis points to 3.5% at its meeting on March 16. Indeed, as Christine Lagarde points out, the European banking sector is resilient, well capitalized and has no liquidity problems. The other reason is the ECB's latest macroeconomic forecasts, which show that inflation is likely to remain too high for too long. Over the weekend of March 18 and 19, the Swiss National Bank and the Swiss Financial Market Supervisory Authority are organizing the takeover of Credit Suisse by UBS. All in all, at the end of March, compared with the end of 2022, the German ten-year rate fell by 27 basis points to 2.3%. The stock market grew by 11.9%. In the second quarter, although both the manufacturing and services PMIs deteriorated, the services PMI remained above 50. Compared with the start of the year, consumer confidence is improving, but is becoming more heterogeneous between eurozone countries. As for the job market, it remains buoyant. With salaries growing by around five percent, the growth in the wage bill means that purchasing power is likely to improve as inflation falls. While total inflation continues to slow (5.5% in June), core inflation is showing more downward rigidity (5.5% in June). For this reason, the ECB raised its key rate twice, on May 4 and June 15 respectively, each time by 25 basis points. At the end of June, the ECB's key rate was 4%, the German ten-year yield was 2.39% and the stock market was up 1.0% over the quarter. In the third quarter, despite differing domestic dynamics between the Eurozone and the United States, European rates moved in tandem with US rates throughout the quarter, but with less amplitude. Although inflation is falling, it remains high (4.3% in September) and core inflation is decelerating even more slowly (4.5%). This is why the ECB raised rates twice more during the quarter (first on July 27 to 4.25%, then on September 14 to 4.5%). In this environment of higher interest rates, business is slowing down. While the PMI index for the eurozone manufacturing sector has been below 50 for the past fourteen months, in August the PMI for the services sector also fell below this threshold. It's becoming clear that growth in the eurozone will be sluggish at best, especially as production cuts by OPEC+ countries weigh on the price of Brent crude. Indeed, third-quarter GDP growth showed a quarter-on-quarter contraction of 0.1%. Overall, between the third quarter of 2023 and the third quarter of 2022, GDP in the eurozone rose by just 0.1%. Although partially offset by government aid, the main reason for this lack of growth is the energy shock, which has weighed heavily on household purchasing power and business activity. The only really positive element in the eurozone economy is the labor market, which remains buoyant. Unemployment remains low at 6.5% (in September) and wage growth is still fairly high. This helps household consumption to hold up and provides support for growth. Overall, the German ten-year yield rose by 42 basis points over the quarter to 2.81%. The stock market lost 4.6% over the same period. The fourth quarter was marked by PMI surveys for both the manufacturing and services sectors, which deteriorated further (the composite index averaged 47 over the quarter). However, with inflation falling and wages continuing to rise, this should enable households to regain purchasing power. At the end of October, German ten-year yields followed the trend in US yields, reaching almost 3%. As in the United States, weak growth is prompting expectations of a faster cut in ECB key rates, especially as November's inflation and core inflation figures are down to 2.4% and 3.5% respectively. At the last ECB meeting, however, the President of the ECB indicated that this was not the time to cut key rates. In fact, the labor market remains buoyant and wage growth is still relatively high, which is having an impact on service prices in particular. All in all, after the bond rally, the ten-year yield closes the year at 2%, 56 basis points lower than at the end of 2022. The stock market ended 2023 up 16% for the year, helped by a 7.5% rise in the fourth quarter.

Candriam Fund ONE Global Sustainability

The investment objective of this fund is to achieve a return in line with its benchmark, the MSCI World. The investment strategy takes into account environmental, social & governance (ESG) criteria. Excluding low ESG-ranked companies, (the bottom 30% of companies) keeps the composition of the portfolio quality-oriented. Within the stock selection, we tried to achieve a regional and sector allocation that remained within the limited boundaries of the index. The regional allocation was slightly overweight in European equities at the beginning of the year and mainly resulted from the improvement in performance driven by a rotation towards value at the end of 2022 driven by higher interest rates. During Q1 we rebalanced more into the US. Sector wise we continued to put forward financials benefiting from higher interest rates, mainly in Europe. In the US focus has been technology with hype in IA and strong performance of the magnificent 7. Although deviations were limited in order to keep the tracking error within maximum limit. Most of the portfolio adjustments were related to mastering tracking error and changes within the ESG universe.

For the coming year, we will try to continue to control the fund's tracking error relative to its benchmark in order to keep performance in line with its benchmark.

Candriam Fund Sedes Sapientiae

Market trends

ECONOMIC SITUATION AND MONETARY POLICY

After a difficult 2022, a rebound in the main asset classes made 2023 a better year. Still looking to slow down inflation, central banks continued their monetary tightening efforts to slow growth while avoiding a recession. Given the latest figures, their bet seems to have paid off.

On the economic front, there was surprisingly robust US growth, set to be slightly above 2% in 2023 owing to support from domestic consumption and government spending. Disinflation continued, thanks in large part to the slowdown in goods and energy prices. In the eurozone, economies are slowing and annual growth is expected to be around 0.5% (following 3.4% in 2022), while inflation fell sharply to 2.9% in December. Having eased its zero-Covid rules at the end of 2022, China is expected to achieve growth of around 5%. Figures on economic activity are nevertheless weak as the country looks to combat deflation (-0.5% in November). Lastly, inflation in Japan stabilised below 3% at the end of the year, with GDP growth at around 2%.



Report of the Board of Directors

Candriam Fund Sedes Sapientiae (Continued)

The tightening of most central banks' monetary policies to contend with inflation continued for a large part of the year:

- The US Federal Reserve raised its rates by 100bp between the start of January and mid-July, then kept them within the 5.25%-5.50% range (following a 425bp increase in 2022). At the last meeting in December, Jerome Powell said the FOMC was considering the date of the first rate cut, which would come even before inflation reached 2% in order to protect the US economy.
- Meanwhile, there was no word from the European Central Bank on a possible easing in 2024. It has paused its series of deposit rate increases since October after increasing it from 2% at the end of 2022 to 4% in September 2023 (a +200bp rise over the year following +250bp in 2022).
- The Bank of England ended the month with a 5.25% rate after a 175bp increase over the period.

Central banks were also active in the spring to ensure financial stability following the crisis among US regional banks, including the sensational bankruptcy of SVB and the rescue of Credit Suisse by UBS in Europe.

On the geopolitical front, the conflict in the Middle East that began in October has continued to grow, with numerous countries involved and uncertainty still a factor for investors. The war between Russia and Ukraine is still ongoing and trade tensions between the US and China remain, as the US wants to significantly limit technology investments in China (chips, artificial intelligence, quantum computing) by 2024. At the end of the period, North Korea's missile launches capable of reaching the US exacerbated tensions between the two countries.

CURRENCY MARKET

On the foreign exchange front, the US dollar fell against the euro by around 3%, as investors anticipated future rate cuts in the US and welcomed the difference in the monetary cycle between the US Federal Reserve and the European Central Bank.

The yen depreciated sharply against both the dollar (-7%) and the euro (-9.8%), impacted by the Japanese central bank's status quo despite 3% inflation.

In emerging currencies against the dollar, the Chinese currency weakened by 2.9%. Others, particularly in Latin America, gained ground, such as the Mexican peso (+14.9%) and the Colombian peso (+25.1%).

BOND MARKET

After a very negative year for performance in 2022, the bond market rebounded significantly in 2023, lifted at the end of the year by the prospect of a cut in central bank rates in 2024:

- Starting the year at 2.57% and nearing 3% at the beginning of October, the German 10-year yield ended 2023 at a low of 2.02%. Peripheral yields followed the same pattern, with the Italian 10-year yield starting the year at 4.71% and ending it at 3.70%. In the same vein, the Spanish 10-year yield fell from 3.66% to 2.99%. As a result, the JPM EMU IG sovereign bond index posted a performance of +7%.
- In the US, the US 10-year yield started the year at 3.87%. It then rose sharply, nearing 5% in October, before falling significantly to end the year at 3.88%.

This development supported the credit market. The investment-grade segment was up 8.2% while the high-yield segment posted a more significant increase of 12.2%, benefiting from a drop in credit premiums (iBoxx Euro Corporate and ML Euro HY ex-financials respectively).

In emerging sovereign debt, the impact of the fall in inflation combined with the fall in the dollar favoured the segment, taking it 11.1% higher (JPM EMBI Global Diversified in USD).

EQUITY MARKET

A year ago, investors feared a year of high inflation, rising interest rates, an impending economic recession and falling stock markets. However, the **economy** was surprisingly **resilient** and **disinflation** quickly took hold, enabling the equity and bond markets to rebound sharply at the start of the year.

Nevertheless, there was a significant performance **disparity** both in terms of sectors and individual stocks, both in Europe and the US.

In terms of **styles**, "quality" significantly outperformed "value" in the US, while the frenzy over artificial intelligence stimulated the strong rebound in large-cap tech shares. The difference between the two styles in Europe is much more moderate.



Report of the Board of Directors

Candriam Fund Sedes Sapientiae (Continued)

From a **regional** viewpoint, the US finished in first place at +22.2%, assisted by tech stocks. Next came the eurozone with a performance of 18.8%, followed by Japan gaining 16.2%, bolstered by the significant drop in the yen and the support of a continually stimulating monetary policy. Europe excluding the euro lagged behind. It advanced 12.9% and was adversely affected by the UK market, where the economic situation remains complicated, as well as the more defensive Swiss market. Lastly, emerging markets posted the worst performance at +6.1%. A key factor in this was China, which is struggling to achieve its growth target amidst the ongoing slowdown in the real estate sector. All performances cited are for MSCI indices in euros.

In the US, the Nasdaq 100 performed very well with a 53.8% progression, aided by the very strong outperformance of "**the Magnificent 7**" tech shares. These alone contributed nearly the entirety of the US index's performance, with advances at Nvidia (+228%), Apple (+43.4%), Microsoft (+51.8%), Amazon (+75.1%), Alphabet (+53.3%), Meta (+184.8%) and Tesla (+95.2%). These stocks significantly outperformed the MSCI USA by "just" 22%.

In Europe, the best sector performances came from technology (+34.4%) in the wake of the US, industry (+27%, particularly shares linked to defence and automation, gaining ground in the context of persistent geopolitical tensions) and financials (+21.5%).

The worst performing sectors were energy (+9%, hit by the 10% drop in oil prices to \$77 per barrel) and the defensive sectors of healthcare (+8.4% with the exception of Novo Nordisk +49%, focused on obesity treatments with its new GLP1 treatment) and consumer staples (+1.5%).

Portfolio Comments

- Asset-Allocation strategy

We started the year with an underweight positioning in equities of 4%. Gradually we reduced this underweight throughout the year and ended with an equity weight of 44.5%, just 0.5% less than the benchmark equity weight.

Fixed income stayed the whole year around 10% underweight versus benchmark

The pocket of diversification was held constant in 2023, slightly below 10% and was invested in Candriam Diversified Futures, a CTA to reduce the overall volatility of the overall fund.

- Equity strategy

The compartment is invested in a selection of regional funds managed by Comgest for the developed world and in Candriam Sustainable emerging markets.

- Fixed Income Strategy

The compartment is invested in a range of sustainable bond funds of Candriam for credit IG, credit HY and emerging bonds.

The European government bonds are managed via direct investments

- Performance

The **net global performance of the compartment for 2023 was +10.71%**, benefiting from positive performances of all asset classes.

The performance was 0.33% in excess of the corresponding benchmark which ended the year at +10.38%

Outlook for 2024

ECONOMIC SCENARIO FOR 2024

2024 should provide more **clarity** on developments in the economic and monetary situation.

The **decline in inflation** is set to continue, falling below 3% in the US and Europe, and becoming less of a concern for investors at these levels.

We are at the end of the main central banks' monetary tightening cycle. The main question for investors is no longer if but when there will be rate cuts, with the first expected to come in the first half of the year. However, the scale of the movement in 2024 could be more limited than the market currently expects.

Our economists are predicting a **soft landing** for US and European growth.

In **Japan**, given the current level of inflation at 3%, the central bank should eventually change its still accommodative monetary policy. Estimated growth is expected to decelerate to below 1% in 2024 as global growth declines.

Growth in **China** is also set to fall to around 4%. Sluggish consumer confidence, high unemployment especially among young people and the struggling real estate sector are expected to continue having an impact, unless the authorities implement supportive measures.



Report of the Board of Directors

Candriam Fund Sedes Sapientiae (Continued)

Political and geopolitical risks will still be a factor. Firstly, half of the world's population will go to the polls in 2024, with the elections in Taiwan and the US presidential elections a focal point. In addition, the wars in Ukraine and the Middle East, tensions between the US and China on the one hand and North Korea on the other, and the recent disruptions in trade flows following the attacks in the Red Sea are all factors that need to be kept in mind in our economic outlook and asset allocation strategy.

In this context, investor sentiment and positioning are much more positive than at the beginning of 2023, and therein lies the question for 2024: to what extent is this seemingly more predictable and readable environment already priced in?

POSITIONING FOR 2024

The persistently higher rate environment is changing the balance of a diversified portfolio, as investors now have a wider range of assets offering positive real returns.

Our target portfolio for 2024 should therefore continue to **favour bonds** over equities (within the strategic framework), with a longer duration given their better risk/return profile. However, the drop in rates at the end of 2023 was significant and very rapid, and we should be able to take advantage of more attractive entry points as bond issues get under way again in January, the latter usually being substantial in both the sovereign and credit segments. Over the year, we remain positive on **government debt**, **investment-grade corporate credit** in euros and **emerging debt**. The latter offers attractive yields in both the dollar and local currencies, and should perform well in a context of slower yet positive growth and a weaker dollar.

Following strong valuation gains in 2023, our expectations for 2024 equity returns are lower (single-digit). In the event of economic disappointment or an exogenous shock, central banks should be able to intervene much more easily than last year, with more room for manoeuvre. While we feel the overall market lacks a short-term catalyst, we believe there are attractive opportunities in some areas:

- **High-quality defensive companies** in the healthcare and consumer staples sectors significantly underperformed in 2023. In 2024, these companies should have the dual advantage of lower sensitivity to changes in the economic cycle and relatively attractive valuations.
- We also remain positive on companies in the **technology** sector, as they stand to gain from the artificial intelligence theme. Their stock market performance is bolstered by superior earnings growth, set to continue next year, while the interest rate environment should not pose an obstacle to their valuations.
- Lastly, we see opportunities in **companies with lower capitalisations**. However, a sustained rebound will depend on how strong economic activity is.

In regional terms, we will be particularly attentive to the eurozone in view of sluggish growth, which does not leave much room for manoeuvre. Exposure to the US is likely to remain significant given its technology bias. At the start of the period, we remain more cautious on emerging markets and China and will review our positioning if new measures are implemented. Lastly, a possible change in Japanese monetary policy could be a catalyst for attractively valued Japanese equities.

However, our positioning will need to remain flexible given the **potential risks identified**:

- If **recession fears or an exogenous risk** (geopolitical risk, risk to financial stability) reappear, we expect **government bonds** to perform well, providing partial hedging in the portfolio thanks to the negative correlation between the two asset classes of bonds and equities.
- **More resilient inflation** than expected, particularly in service prices, could also undermine the achievement of central banks' targets and adversely affect the recovery in the bond and equity markets.

Candriam Fund Sustainable Euro Corporate Bonds Fossil Free

Market context and changes

ECONOMIC AND MONETARY POLICY CONTEXT

After a difficult 2022, a rebound in the main asset classes made 2023 a better year. Still looking to slow down inflation, central banks continued their monetary tightening efforts to slow growth while avoiding a recession. Given the latest figures, their bet seems to have paid off.

On the economic front, there was surprisingly robust US growth, set to be slightly above 2% in 2023 owing to support from domestic consumption and government spending. Disinflation continued, reaching 3.1% in November thanks in large part to the slowdown in goods and energy prices. In the eurozone, economies are slowing and annual growth is expected to be around 0.5% (following 3.4% in 2022), while inflation fell sharply to 2.9% in December. Having eased its zero-Covid rules at the end of 2022, China is expected to achieve growth of around 5%. Figures on economic activity are nevertheless weak as the country looks to combat deflation (-0.5% in November). Lastly, inflation in Japan stabilised below 3% at the end of the year, with GDP growth at around 2%.



Report of the Board of Directors

Candriam Fund Sustainable Euro Corporate Bonds Fossil Free (Continued)

The tightening of most central banks' monetary policies to contend with inflation continued for a large part of the year:

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- Meanwhile, there was no word from the European Central Bank on a possible easing in 2024. It has paused its series of deposit rate increases since October after increasing it from 2% at the end of 2022 to 4% in September 2023 (a +200bp rise over the year following +250bp in 2022).
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Central banks were also active in the spring to ensure financial stability following the crisis among US regional banks, including the sensational bankruptcy of SVB and the rescue of Credit Suisse by UBS in Europe.

On the geopolitical front, the conflict in the Middle East that began in October has continued to grow, with numerous countries involved and uncertainty still a factor for investors. The war between Russia and Ukraine is still ongoing and trade tensions between the US and China remain, as the US wants to significantly limit technology investments in China (chips, artificial intelligence, quantum computing) by 2024. At the end of the period, North Korea's missile launches capable of reaching the US exacerbated tensions between the two countries.

Bond market

After a very negative year for performance in 2022, the bond market rebounded significantly in 2023, lifted at the end of the year by the prospect of a cut in central bank rates in 2024:

- Starting the year at 2.57% and nearing 3% at the beginning of October, the German 10-year yield ended 2023 at a low of 2.02%. Peripheral yields followed the same pattern, with the Italian 10-year yield starting the year at 4.71% and ending it at 3.70%. In the same vein, the Spanish 10-year yield fell from 3.66% to 2.99%. As a result, the JPM EMU IG sovereign bond index posted a performance of +7%.
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This development supported the credit market. The investment-grade segment was up 8.2% while the high-yield segment posted a more significant increase of 12.2%, benefiting from a drop in credit premiums (iBoxx Euro Corporate and ML Euro HY ex-financials respectively).

In emerging sovereign debt, the impact of the fall in inflation combined with the fall in the dollar favoured the segment, taking it 11.1% higher (JPM EMBI Global Diversified in USD).

Portfolio

Candriam Fund Sustainable Euro Corporate Fossil Free follows a strict investment process taking into account both the sustainable as the financial qualities of companies in the portfolio. Sectors like Energy, Mining and Electric Utilities are excluded from a sustainable perspective.

The search for issuers that are well positioned towards a sustainable economy on the one hand and stable credit fundamentals on the other hand is leading to an overweight positioning in technology, telecom, healthcare and financials. In this year, we remained positive on financial sector, given the sector has lagged the non-financial sector over the last years and will benefit from the increase in interest rates while its credit fundamentals remain strong while non-performing loans have been kept low.

A diversification to Green Bonds is adding an additional sustainable dimension to the total portfolio.

Faced with an uncertain economy, war in Ukraine, more sticky inflation than initially expected, the Israel-Gaza conflict, we increased our positions in names who can more easily pass-on price increase in raw materials (market leaders,..) or are less exposed such as financial institutions.

The main focus is to build a stable portfolio with companies that have a long term view and a low Carbon Footprint and water consumption.

Portfolio performance

The Fund reported a performance of 8.52% (Candriam Fund Sustainable Euro Corporate Bonds Fossil Free - Z) in 2023 versus 8.19% for the Iboxx Euro Corporate, supported by the bond selection within the Fossil Free Universe.

The long term fundamental and sustainable view, is leading to strong deviations in sector allocation and strong concentrations versus a traditional benchmark.

The fund slightly outperformed the reference benchmark, IBOXX EURO Corporate, with 0.33% mostly explained our bond selection process while some sectors are structurally underweighted given the exclusion of highly weighted sectors such as Oil & Gas and Electric Utilities, which rely on fossil fuels, and this results into an overweight in financials to compensate the structural underweight in non-financials.



Report of the Board of Directors

Candriam Fund Sustainable Euro Corporate Bonds Fossil Free (Continued)

Outlook 2024

ECONOMIC SCENARIO FOR 2024

2024 should provide more clarity on developments in the economic and monetary situation.

The decline in inflation is set to continue, falling below 3% in the US and Europe, and becoming less of a concern for investors at these levels.

We are at the end of the main central banks' monetary tightening cycle. The main question for investors is no longer if but when there will be rate cuts, with the first expected to come in the first half of the year. However, the scale of the movement in 2024 could be more limited than the market currently expects.

Our economists are predicting a soft landing for US and European growth.

In Japan, given the current level of inflation at 3%, the central bank should eventually change its still accommodative monetary policy. Estimated growth is expected to decelerate to below 1% in 2024 as global growth declines.

Growth in China is also set to fall to around 4%. Sluggish consumer confidence, high unemployment especially among young people and the struggling real estate sector are expected to continue having an impact, unless the authorities implement supportive measures.

Political and geopolitical risks will still be a factor. Firstly, half of the world's population will go to the polls in 2024, with the elections in Taiwan and the US presidential elections a focal point. In addition, the wars in Ukraine and the Middle East, tensions between the US and China on the one hand and North Korea on the other, and the recent disruptions in trade flows following the attacks in the Red Sea are all factors that need to be kept in mind in our economic outlook and asset allocation strategy.

In this context, investor sentiment and positioning are much more positive than at the beginning of 2023, and therein lies the question for 2024: to what extent is this seemingly more predictable and readable environment already priced in?

- Positioning for 2024

The persistently higher rate environment is changing the balance of a diversified portfolio, as investors now have a wider range of assets offering positive real returns.

Our target portfolio for 2024 should therefore continue to favour bonds over equities (within the strategic framework), with a longer duration given their better risk/return profile. However, the drop in rates at the end of 2023 was significant and very rapid, and we should be able to take advantage of more attractive entry points as bond issues get under way again in January, the latter usually being substantial in both the sovereign and credit segments. Over the year, we remain positive on government debt, investment-grade corporate credit in euros and emerging debt. The latter offers attractive yields in both the dollar and local currencies, and should perform well in a context of slower yet positive growth and a weaker dollar.

In regional terms, we will be particularly attentive to the eurozone in view of sluggish growth, which does not leave much room for manoeuvre. Exposure to the US is likely to remain significant given its technology bias. At the start of the period, we remain more cautious on emerging markets and China and will review our positioning if new measures are implemented. Lastly, a possible change in Japanese monetary policy could be a catalyst for attractively valued Japanese equities.

However, our positioning will need to remain flexible given the potential risks identified:

- If recession fears or an exogenous risk (geopolitical risk, risk to financial stability) reappear, we expect government bonds to perform well, providing partial hedging in the portfolio thanks to the negative correlation between the two asset classes of bonds and equities.
- More resilient inflation than expected, particularly in service prices, could also undermine the achievement of central banks' targets and adversely affect the recovery in the bond and equity markets.

Candriam Fund Sustainable European Equities Fossil Free

A year ago, investors feared a year characterized by significant inflation, rising interest rates, an imminent economic recession, and a decline in stock markets. Simultaneously, there was hope for an economic recovery in China after three challenging years due to the Covid-19 pandemic. However, the year unfolded unexpectedly with a remarkable rise in stock market indices. This year, 2023, is especially marked by a notable concentration of performance in a few stocks, commonly referred to as the '7 Magnificent'. Following the significant decline of technology stocks in 2022, this sector was initially supported by cost reductions and layoffs, followed by renewed interest in artificial intelligence, notably due to Microsoft's acquisition of ChatGPT. This has disrupted perspectives on the future of work, bringing new productivity gains and opening up new opportunities. Furthermore, inflation has significantly decreased, and interest rates eased towards the end of the year, prompting another market upturn, with investors anticipating a more accommodating monetary policy for 2024. Moreover, consumption remained robust, supported by a strong job market and near-full employment in many countries. However, China, despite expectations of a robust post-pandemic recovery, experienced a slowdown in its growth. Exports suffered due to the global economic slowdown and Western sanctions.

Looking ahead to 2024, we are adopting a partly defensive stance due to high geopolitical risks (with two major ongoing wars) and the significance of upcoming elections. 2024 can indeed be seen as historic, with nearly 4 billion citizens called upon to vote, representing over half of the world's population (United States, Russia, Indonesia, South Korea, India...). Additionally, the repercussions of recent monetary policies remain uncertain in terms of their magnitude. In this context of uncertainty, we favor investing in quality companies focused on long-term structural growth trends, particularly in key sectors such as health (which drew considerable attention due to obesity treatment in 2023) and themes related to climate change, electrification, infrastructure modernization, as well as artificial intelligence, poised to revolutionize numerous industries in the medium term.



Report of the Board of Directors

Candriam Fund Sustainable Short Term Equivalent

The year started with a positive risk sentiment as the global economic outlook improved amid Europe's resilience during the energy crisis, China reopening, and subsiding inflationary pressures. The market, expecting a sharp slowdown in inflation, directly opposed the ECB's view that we may not yet have seen peak inflation, as well as the FED's view that rates need to go above 5% and stay there for some time.

During their February meetings, neither central bank made a convincing effort to push back those dovish market expectations. Instead, markets succumbed to a barrage of economic data pointing towards a resilient economy in the US (but also in the EU) and stubbornly high (and accelerating) core inflation across both sides of the Atlantic, accompanied by a step-up in hawkish central bank messaging.

Both the FED and ECB hiked rates during their March meetings, despite the turmoil in financial markets. Yield curves strongly inverted, and the entire US and German treasury curve traded below the respective deposit rate, as investors repriced for a crisis that would force the hand of central banks.

Rates markets hence remained highly volatile over the quarter, and the Euribor 3 months and 12 months ended the period at 3.04% (+91 bps) and 3.62% (+33 bps) respectively.

Over Q2 2023 headline inflation sharply declined in the US and EU because of strong base energy effects, while core inflation remained sticky and, in some cases, accelerated. During their quarter, the heads of the ECB, Fed and BoE shared a common hawkish tone, while BoJ Governor Kazuo Ueda maintained a more dovish one. Instead, markets succumbed to a barrage of economic data pointing towards a resilient economy in the US and a relative slowdown in EU. In China, activity growth data is likely to show more evidence of China's struggle to keep the economy on track for recovery after the initial post-Covid reopening boost seen in Q1

Both the FED and ECB hiked rates during their meetings, despite the turmoil in financial markets. Yield curves strongly inverted, and the entire US and German treasury curve traded below the respective deposit rate, as investors repriced for a crisis that would force the hand of central banks.

Despite the uncertain macro backdrop, Post-SVB/CSG turmoil in March, market perception has gradually improved on Banks, as reflected by May being the second busiest month of the year after January. Turning to Non-Financials, primary activity was stronger YoY in H123, both for the IG and HY segment, including in Q2 despite a soft start to the quarter

Rates markets hence remained highly volatile over the quarter, and the Euribor 3 months and 12 months ended the period at 3.57% and 4.13% respectively.

Economic data continued to paint a mixed picture over the third quarter. Markets started off with reignited expectations of a policy pivot, which were quashed over the next months. The FED hiked rates in July, bringing the lower bound to 5.25%, the highest it has been since 2007. In September, the ECB raised rates, bringing the deposit rate to 4%, the highest it has ever been since the start of its mandate. The tightening cycle has been unprecedented, not only in its absolute level, but also the pace by which both central banks have raised rates over the short period of about 16 months.

Are we at the peak? Probably, but the focus has shifted from the level of rates to the duration that rates remain elevated. But the devil hides in the details, as any inflation slippage that puts the inflation target at risk would bring rate hikes back into play. Global rates curves bear steepened as markets reconciled with the fact that central banks can keep monetary policy tight by pushing back rate cuts further in time.

Earnings results were well-received, with most corporations beating expectations. Nevertheless, companies had a tougher time passing on higher prices to consumers as price-elasticities increased to historic average levels. Pricing pressure is expected to moderate over the remainder of the year, though dispersion is likely to increase as we will discover which companies truly have pricing power and will be able to defend their margins.

Rates markets remained highly volatile over the quarter, and the Euribor 3 months and 12 months ended the period at 3.95% and 4.23% respectively.

The final quarter of the year started with rate curves continuing to bear steepen over the start of the quarter until FED officials commented that the tightening in financial conditions and the sharp increase in long-term real yields had done some of the hard work for them. Over the quarter economic data highlighted that the transmission of restrictive monetary policy remains forceful across both sides of the Atlantic. Banks continued to tighten commercial credit, households are pulling back on discretionary spending, and the labor market gradually cooled. Central bankers would prefer to stay in wait-and-see-mode and let tighter credit conditions further cool economic activity and inflation, while warning that although inflation is moderating, it will take time to reach their targets. On the other hand, investors have heard the "high for longer" narrative and nauseam financial markets rallied strongly across the developed world over the final months of 2023, driven by the expectation of easier monetary policy as inflation fears evaporated.

The earnings season saw large dispersion, and roughly half of the companies missed on top-line expectations. Although the majority could beat on the operating margin, guidance has generally become more cautious, and companies conceded increasing concern about their ability to defend margins.

Rates markets remained highly volatile over the quarter, and the Euribor 3 months and 12 months ended the period at 3.91% and 3.51% respectively.

The Board of Directors

Luxembourg, March 28, 2024



Audit report

To the Shareholders of
Candriam Fund

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Candriam Fund (the “Fund”) and of each of its sub-funds as at 31 December 2023, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

What we have audited

The Fund’s financial statements comprise:

- the statement of net assets as at 31 December 2023;
- the statement of changes in net assets for the year then ended;
- the investment portfolio as at 31 December 2023; and
- the notes to the financial statements - Schedule of derivative instruments and the other notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or close any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund;



- conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund or any of its sub-funds to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 4 April 2024

Sébastien Sadzot



Statement of net assets as at December 31, 2023

| | | Candriam Fund ONE Global Sustainability | Candriam Fund Sedes Sapientiae | Candriam Fund Sustainable Euro Corporate Bonds Fossil Free |
|---|----|---|-----------------------------------|---|
| | | EUR | EUR | EUR |
| Assets | | | | |
| Investment portfolio at market value | 2a | 102,957,878 | 155,074,840 | 54,550,956 |
| Cash at bank and broker | | 900,524 | 580,420 | 498,365 |
| Interest and dividends receivable, net | | 80,066 | 189,399 | 636,600 |
| Other assets | | 0 | 3,502 | 1,892 |
| Total assets | | 103,938,468 | 155,848,161 | 55,687,813 |
| Liabilities | | | | |
| Payable on redemptions | | 0 | 0 | 0 |
| Legal Fund Engineering fees payable | | 1,750 | 6,580 | 939 |
| Depository fees payable | | 1,161 | 1,762 | 631 |
| Management fees payable | 3 | 52,628 | 22,551 | 4,803 |
| Operating and Administrative Expenses payable | 4 | 25 | 0 | 0 |
| Subscription tax payable | 6 | 2,597 | 2,516 | 1,461 |
| Other liabilities | | 523 | 2,253 | 0 |
| Total liabilities | | 58,684 | 35,662 | 7,834 |
| Total net assets | | 103,879,784 | 155,812,499 | 55,679,979 |



Statement of net assets as at December 31, 2023

| | | Candriam Fund Sustainable European Equities Fossil Free | Candriam Fund Sustainable Short Term Equivalent | Combined |
|---|----|--|---|--------------------|
| | | EUR | EUR | EUR |
| Assets | | | | |
| Investment portfolio at market value | 2a | 178,111,687 | 29,356,550 | 520,051,911 |
| Cash at bank and broker | | 551,886 | 638,132 | 3,169,327 |
| Interest and dividends receivable, net | | 14,062 | 141,378 | 1,061,505 |
| Other assets | | 987 | 163 | 6,544 |
| Total assets | | 178,678,622 | 30,136,223 | 524,289,287 |
| Liabilities | | | | |
| Payable on redemptions | | 41,710 | 0 | 41,710 |
| Legal Fund Engineering fees payable | | 1,505 | 383 | 11,157 |
| Depositary fees payable | | 1,981 | 333 | 5,868 |
| Management fees payable | 3 | 47,341 | 6,300 | 133,623 |
| Operating and Administrative Expenses payable | 4 | 0 | 0 | 25 |
| Subscription tax payable | 6 | 4,551 | 681 | 11,806 |
| Other liabilities | | 2,823 | 0 | 5,599 |
| Total liabilities | | 99,911 | 7,697 | 209,788 |
| Total net assets | | 178,578,711 | 30,128,526 | 524,079,499 |



Statement of changes in net assets for the year ended December 31, 2023

| | | Candriam Fund ONE Global Sustainability | Candriam Fund Sedes Sapientiae | Candriam Fund Sustainable Euro Corporate Bonds Fossil Free |
|--|----|---|-----------------------------------|---|
| | | EUR | EUR | EUR |
| Net assets at the beginning of the year | | 86,978,379 | 147,289,656 | 50,153,234 |
| Income | | | | |
| Dividends, net | 2h | 1,638,045 | 0 | 0 |
| Interest on bonds and money market instruments, net | | 0 | 543,466 | 1,104,039 |
| Bank interest | | 21,418 | 34,273 | 9,592 |
| Other income | | 0 | 336,022 | 2,301 |
| Total income | | 1,659,463 | 913,761 | 1,115,932 |
| Expenses | | | | |
| Management fees | 3 | 79,036 | 265,791 | 50,402 |
| Administration fees | 4 | 34,690 | 89,876 | 19,038 |
| <i>Legal Engineering fees</i> | | <i>19,508</i> | <i>78,377</i> | <i>10,714</i> |
| <i>Central Administration's fees</i> | | <i>15,182</i> | <i>11,499</i> | <i>8,324</i> |
| Distribution fees | | 34 | 57 | 20 |
| Depository fees | 5 | 4,291 | 6,716 | 2,357 |
| Subscription tax | 6 | 9,981 | 9,608 | 5,654 |
| Transaction costs | 2g | 9,428 | 94 | 607 |
| Bank interest | | 486 | 162 | 77 |
| Other expenses | | 11,390 | 18,131 | 6,496 |
| Total expenses | | 149,336 | 390,435 | 84,651 |
| Net income / (loss) from investments | | 1,510,127 | 523,326 | 1,031,281 |
| Net realised gain / (loss) on sales of investments | 2b | 1,225,167 | (173,995) | (1,567,853) |
| Net realised gain / (loss) on forward foreign exchange contracts | 2f | 0 | 0 | 0 |
| Net realised gain / (loss) on futures | 2e | 0 | 0 | (35,120) |
| Net realised gain / (loss) on foreign exchange | | 72,977 | (9,159) | (24) |
| Net realised gain / (loss) | | 2,808,271 | 340,172 | (571,716) |
| Change in net unrealised appreciation / depreciation on investments | 2a | 13,417,479 | 15,151,268 | 4,890,522 |
| Change in net unrealised appreciation / depreciation on forward foreign exchange contracts | 2f | 0 | 0 | 0 |
| Change in net unrealised appreciation / depreciation on futures | 2e | 0 | 0 | 0 |
| Net increase / (decrease) in net assets as a result of operations | | 16,225,750 | 15,491,440 | 4,318,806 |
| Evolution of the capital | | | | |
| Subscriptions of shares | | 14,101,499 | 0 | 4,477,567 |
| Redemptions of shares | | (13,425,844) | (6,968,597) | (3,269,628) |
| Net assets at the end of the year | | 103,879,784 | 155,812,499 | 55,679,979 |



Statement of changes in net assets for the year ended December 31, 2023

| | | Candriam Fund Sustainable European Equities Fossil Free | Candriam Fund Sustainable Short Term Equivalent | Combined |
|--|----|--|---|--------------------|
| | | EUR | EUR | EUR |
| Net assets at the beginning of the year | | 163,538,185 | 29,144,659 | 477,104,113 |
| Income | | | | |
| Dividends, net | 2h | 3,295,702 | 0 | 4,933,747 |
| Interest on bonds and money market instruments, net | | 0 | 856,151 | 2,503,656 |
| Bank interest | | 147,679 | 16,052 | 229,014 |
| Other income | | 211 | 166 | 338,700 |
| Total income | | 3,443,592 | 872,369 | 8,005,117 |
| Expenses | | | | |
| Management fees | 3 | 542,808 | 75,617 | 1,013,654 |
| Administration fees | 4 | 44,525 | 8,829 | 196,958 |
| <i>Legal Engineering fees</i> | | 17,434 | 4,436 | 130,469 |
| <i>Central Administration's fees</i> | | 27,091 | 4,393 | 66,489 |
| Distribution fees | | 65 | 11 | 187 |
| Depository fees | 5 | 7,671 | 1,515 | 22,550 |
| Subscription tax | 6 | 17,900 | 2,554 | 45,697 |
| Transaction costs | 2g | 228,803 | 5,592 | 244,524 |
| Bank interest | | 40 | 7 | 772 |
| Other expenses | | 22,700 | 4,113 | 62,830 |
| Total expenses | | 864,512 | 98,238 | 1,587,172 |
| Net income / (loss) from investments | | 2,579,080 | 774,131 | 6,417,945 |
| Net realised gain / (loss) on sales of investments | 2b | (494,830) | 153,087 | (858,424) |
| Net realised gain / (loss) on forward foreign exchange contracts | 2f | 0 | 38,072 | 38,072 |
| Net realised gain / (loss) on futures | 2e | 0 | 18,235 | (16,885) |
| Net realised gain / (loss) on foreign exchange | | 343,395 | (37,544) | 369,645 |
| Net realised gain / (loss) | | 2,427,645 | 945,981 | 5,950,353 |
| Change in net unrealised appreciation / depreciation on investments | 2a | 22,070,025 | 62,899 | 55,592,193 |
| Change in net unrealised appreciation / depreciation on forward foreign exchange contracts | 2f | 0 | (21,533) | (21,533) |
| Change in net unrealised appreciation / depreciation on futures | 2e | 0 | (3,480) | (3,480) |
| Net increase / (decrease) in net assets as a result of operations | | 24,497,670 | 983,867 | 61,517,533 |
| Evolution of the capital | | | | |
| Subscriptions of shares | | 10,813,386 | 0 | 29,392,452 |
| Redemptions of shares | | (20,270,530) | 0 | (43,934,599) |
| Net assets at the end of the year | | 178,578,711 | 30,128,526 | 524,079,499 |



Statistics

Candriam Fund ONE Global Sustainability

| Name | ISIN | Share type | Currency | Number of shares outstanding | Net asset value per share as at 31.12.2023 | Net asset value per share as at 31.12.2022 | Net asset value per share as at 31.12.2021 |
|-------------------------|--------------|----------------|------------|------------------------------|--|--|--|
| Total net assets | | | EUR | | 103,879,784 | 86,978,379 | 104,336,617 |
| S | LU1781258261 | Capitalisation | EUR | 36,437.30 | 2,850.92 | 2,406.83 | 2,730.95 |

Candriam Fund Sedes Sapientiae

| Name | ISIN | Share type | Currency | Number of shares outstanding | Net asset value per share as at 31.12.2023 | Net asset value per share as at 31.12.2022 | Net asset value per share as at 31.12.2021 |
|-------------------------|--------------|----------------|------------|------------------------------|--|--|--|
| Total net assets | | | EUR | | 155,812,499 | 147,289,656 | 186,988,832 |
| S | LU1444483835 | Capitalisation | EUR | 736,464.23 | 211.57 | 191.11 | 220.59 |

Candriam Fund Sustainable Euro Corporate Bonds Fossil Free

| Name | ISIN | Share type | Currency | Number of shares outstanding | Net asset value per share as at 31.12.2023 | Net asset value per share as at 31.12.2022 | Net asset value per share as at 31.12.2021 |
|-------------------------|--------------|----------------|------------|------------------------------|--|--|--|
| Total net assets | | | EUR | | 55,679,979 | 50,153,234 | 54,349,271 |
| C | LU1829309381 | Capitalisation | EUR | 4,776.04 | 143.84 | 133.60 | 155.81 |
| I | LU1829309464 | Capitalisation | EUR | 8,895.00 | 1,462.34 | 1,352.93 | 1,571.75 |
| Z | LU1829309621 | Capitalisation | EUR | 28,312.64 | 1,482.92 | 1,366.49 | 1,581.17 |

Candriam Fund Sustainable European Equities Fossil Free

| Name | ISIN | Share type | Currency | Number of shares outstanding | Net asset value per share as at 31.12.2023 | Net asset value per share as at 31.12.2022 | Net asset value per share as at 31.12.2021 |
|-------------------------|--------------|----------------|------------|------------------------------|--|--|--|
| Total net assets | | | EUR | | 178,578,711 | 163,538,185 | 195,904,974 |
| C | LU1829309894 | Capitalisation | EUR | 3,846.20 | 223.92 | 196.86 | 246.94 |
| I | LU1829309977 | Capitalisation | EUR | 34,351.14 | 2,284.12 | 1,991.23 | 2,476.87 |
| Z | LU1829310124 | Capitalisation | EUR | 40,389.87 | 2,457.43 | 2,127.37 | 2,627.75 |

Candriam Fund Sustainable Short Term Equivalent

| Name | ISIN | Share type | Currency | Number of shares outstanding | Net asset value per share as at 31.12.2023 | Net asset value per share as at 31.12.2022 | Net asset value per share as at 31.12.2021 |
|-------------------------|--------------|----------------|------------|------------------------------|--|--|--|
| Total net assets | | | EUR | | 30,128,526 | 29,144,659 | - |
| S | LU2444423664 | Capitalisation | EUR | 19,361.00 | 1,556.15 | 1,505.33 | - |



Candriam Fund ONE Global Sustainability

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|----------|----------|--------------------------|--------------|
| Transferable securities admitted to an official stock exchange listing or dealt in another regulated market | | | | |
| Shares | | | | |
| Australia | | | | |
| ANZ BANKING GROUP LTD | 6,566 | AUD | 105,127 | 0.10 |
| COCHLEAR | 734 | AUD | 135,415 | 0.13 |
| COMMONWEALTH BANK OF AUSTRALIA | 4,050 | AUD | 279,690 | 0.27 |
| CSL LTD | 1,137 | AUD | 201,323 | 0.19 |
| FORTESCUE LTD | 5,450 | AUD | 97,695 | 0.09 |
| MACQUARIE GROUP | 2,052 | AUD | 232,756 | 0.22 |
| NAT. AUSTRALIA BANK | 7,995 | AUD | 151,613 | 0.15 |
| REA GROUP LTD | 1,928 | AUD | 215,737 | 0.21 |
| RIO TINTO | 2,701 | AUD | 226,337 | 0.22 |
| SANTOS LTD | 35,847 | AUD | 168,285 | 0.16 |
| SEEK LTD | 11,183 | AUD | 184,645 | 0.18 |
| WESFARMERS | 3,526 | AUD | 124,234 | 0.12 |
| WOODSIDE ENERGY SHARES | 6,069 | AUD | 116,439 | 0.11 |
| WOODSIDE ENERGY SHARES | 1,282 | GBP | 24,603 | 0.02 |
| | | | 2,263,899 | 2.18 |
| Canada | | | | |
| BANK OF MONTREAL | 1,766 | CAD | 158,959 | 0.15 |
| BANK OF NOVA SCOTIA | 3,179 | CAD | 140,770 | 0.14 |
| BROOKFIELD ASSET MANAGEMENT LTD | 2,898 | CAD | 105,885 | 0.10 |
| BROOKFIELD PREFERENTIAL SHARE | 4,869 | CAD | 177,665 | 0.17 |
| CANADIAN NATIONAL RAILWAY | 1,300 | CAD | 148,644 | 0.14 |
| CENOVUS ENERGY INC | 5,506 | CAD | 83,463 | 0.08 |
| KINROSS GOLD CORP | 24,042 | CAD | 132,375 | 0.13 |
| MANULIFE FINANCIAL REGISTERED | 9,452 | CAD | 190,000 | 0.18 |
| METRO -A- SUB VTG | 3,366 | CAD | 158,502 | 0.15 |
| NUTRIEN - REGISTERED | 1,592 | CAD | 81,589 | 0.08 |
| ROGERS COMMUNICATIONS -B- NON VOTING | 2,185 | CAD | 93,049 | 0.09 |
| ROYAL BANK OF CANADA | 3,307 | CAD | 304,228 | 0.29 |
| SHOPIFY -A- SUBORD VOTING | 2,941 | CAD | 208,289 | 0.20 |
| SUN LIFE FINANCIAL INC | 3,440 | CAD | 162,294 | 0.16 |
| TC ENERGY - REG SHS | 4,089 | CAD | 145,302 | 0.14 |
| TECK RESOURCES LTD -B- | 4,116 | CAD | 158,271 | 0.15 |
| TELUS CORP | 8,348 | CAD | 135,141 | 0.13 |
| THOMSON REUTERS COR | 1,363 | CAD | 181,281 | 0.17 |
| TORONTO DOMINION BANK | 3,994 | CAD | 234,770 | 0.23 |
| WASTE CONNECTIONS | 594 | CAD | 80,687 | 0.08 |
| WHEATON PRECIOUS METAL - REG SHS | 6,153 | CAD | 276,137 | 0.27 |
| | | | 3,357,301 | 3.23 |
| Denmark | | | | |
| DSV A/S | 1,021 | DKK | 162,370 | 0.16 |
| NOVO NORDISK - BEARER AND/OR - REG SHS | 6,976 | DKK | 653,285 | 0.63 |
| ORSTED | 1,201 | DKK | 60,303 | 0.06 |
| VESTAS WIND SYSTEMS - BEARER AND/OR SHS | 4,083 | DKK | 117,376 | 0.11 |
| | | | 993,334 | 0.96 |
| Finland | | | | |
| KESKO CORP | 5,053 | EUR | 90,575 | 0.09 |
| NORDEA BANK | 8,909 | USD | 99,810 | 0.10 |
| UPM KYMMENE CORP | 3,298 | EUR | 112,330 | 0.11 |
| | | | 302,715 | 0.29 |
| France | | | | |
| ACCOR SA | 2,872 | EUR | 99,371 | 0.10 |
| AIR LIQUIDE SA | 1,409 | EUR | 248,153 | 0.24 |
| BNP PARIBAS SA | 3,407 | EUR | 213,244 | 0.21 |
| CREDIT AGRICOLE SA | 8,654 | EUR | 111,221 | 0.11 |
| DANONE SA | 2,315 | EUR | 135,844 | 0.13 |

The accompanying notes form an integral part of the financial statements.
Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund ONE Global Sustainability

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--------------------------------------|----------|----------|--------------------------|--------------|
| ESSILORLUXOTTICA SA | 701 | EUR | 127,302 | 0.12 |
| HERMES INTERNATIONAL SA | 98 | EUR | 188,042 | 0.18 |
| KERING | 210 | EUR | 83,790 | 0.08 |
| LEGRAND SA | 1,712 | EUR | 161,099 | 0.16 |
| L'OREAL SA | 519 | EUR | 233,887 | 0.23 |
| LVMH MOET HENNESSY LOUIS VUITTON SE | 584 | EUR | 428,422 | 0.41 |
| PUBLICIS GROUPE | 1,569 | EUR | 131,796 | 0.13 |
| SANOFI | 2,695 | EUR | 241,903 | 0.23 |
| SCHNEIDER ELECTRIC SE | 1,786 | EUR | 324,659 | 0.31 |
| TOTALENERGIES SE | 5,909 | EUR | 363,994 | 0.35 |
| UNIBAIL RODAMCO | 759 | EUR | 50,792 | 0.05 |
| VINCI SA | 1,939 | EUR | 220,464 | 0.21 |
| | | | 3,363,983 | 3.24 |
| Germany | | | | |
| ADIDAS AG - REG SHS | 577 | EUR | 106,260 | 0.10 |
| ALLIANZ SE PREFERENTIAL SHARE | 1,138 | EUR | 275,339 | 0.27 |
| BASF SE PREFERENTIAL SHARE | 2,917 | EUR | 142,291 | 0.14 |
| BMW AG | 252 | EUR | 25,397 | 0.02 |
| DAIMLER TRUCK HOLDING AG | 1,406 | EUR | 47,832 | 0.05 |
| DEUTSCHE BANK AG PREFERENTIAL SHARE | 13,181 | EUR | 162,970 | 0.16 |
| DEUTSCHE BOERSE AG - REG SHS | 434 | EUR | 80,941 | 0.08 |
| DEUTSCHE POST AG - REG SHS | 2,960 | EUR | 132,771 | 0.13 |
| DEUTSCHE TELEKOM AG - REG SHS | 5,788 | EUR | 125,889 | 0.12 |
| E.ON SE | 6,111 | EUR | 74,249 | 0.07 |
| FRESENIUS SE | 2,910 | EUR | 81,684 | 0.08 |
| INFINEON TECHNOLOGIES - REG SHS | 3,595 | EUR | 135,891 | 0.13 |
| MERCEDES-BENZ GROUP | 2,812 | EUR | 175,891 | 0.17 |
| MUENCHENER RUECK - REG SHS | 422 | EUR | 158,292 | 0.15 |
| SAP AG | 2,238 | EUR | 312,156 | 0.30 |
| SCOUT24 | 1,932 | EUR | 123,957 | 0.12 |
| SIEMENS AG PREFERENTIAL SHARE | 2,117 | EUR | 359,721 | 0.35 |
| | | | 2,521,531 | 2.43 |
| Hong Kong | | | | |
| AIA GROUP LTD | 36,841 | HKD | 290,645 | 0.28 |
| HONG KONG EXCHANGES AND CLEARING LTD | 4,696 | HKD | 145,904 | 0.14 |
| NEW WORLD DEVELOPMENT CO LTD | 32,000 | HKD | 44,963 | 0.04 |
| THE LINK REIT UNITS | 29,160 | HKD | 148,238 | 0.14 |
| | | | 629,750 | 0.61 |
| Ireland | | | | |
| ACCENTURE - SHS CLASS A | 1,307 | USD | 415,190 | 0.40 |
| CRH PLC | 4,388 | USD | 274,724 | 0.26 |
| JOHNSON CONTROLS INTL | 2,889 | USD | 150,746 | 0.15 |
| LINDE PLC | 1,143 | EUR | 423,913 | 0.41 |
| MEDTRONIC HLD | 1,966 | USD | 146,616 | 0.14 |
| TRANE TECH - REG SHS | 1,083 | USD | 239,120 | 0.23 |
| | | | 1,650,309 | 1.59 |
| Italy | | | | |
| ENEL SPA | 29,457 | EUR | 198,246 | 0.19 |
| ENI SPA | 10,245 | EUR | 157,240 | 0.15 |
| TERNA SPA | 22,955 | EUR | 173,402 | 0.17 |
| UNICREDIT SPA - REG SHS | 7,921 | EUR | 194,579 | 0.19 |
| | | | 723,467 | 0.70 |
| Japan | | | | |
| BRIDGESTONE CORP | 4,100 | JPY | 153,750 | 0.15 |
| DAI-ICHI LIFE HOLDINGS INC | 4,400 | JPY | 84,534 | 0.08 |
| DAIICHI SANKYO CO LTD | 4,100 | JPY | 101,938 | 0.10 |
| DAIKIN INDUSTRIES LTD | 1,100 | JPY | 162,351 | 0.16 |
| DAIWA HOUSE REIT INV SHS | 40 | JPY | 64,649 | 0.06 |
| DENSO CORP | 11,200 | JPY | 152,969 | 0.15 |

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Candriam Fund ONE Global Sustainability

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|-------------------------------------|----------|----------|--------------------------|--------------|
| EAST JAPAN RAILWAY CO | 3,600 | JPY | 187,913 | 0.18 |
| EISAI | 1,700 | JPY | 76,980 | 0.07 |
| FANUC CORP SHS | 5,300 | JPY | 141,133 | 0.14 |
| FAST RETAILING CO LTD | 400 | JPY | 89,871 | 0.09 |
| FUJITSU LTD | 700 | JPY | 95,628 | 0.09 |
| HITACHI LTD | 3,700 | JPY | 241,624 | 0.23 |
| HONDA MOTOR CO LTD | 24,900 | JPY | 234,397 | 0.23 |
| HOYA CORP | 1,100 | JPY | 124,491 | 0.12 |
| KEYENCE CORP | 500 | JPY | 199,443 | 0.19 |
| KUBOTA CORP | 6,500 | JPY | 88,589 | 0.09 |
| mitsubishi UFJ FINANCIAL GROUP INC | 25,500 | JPY | 198,372 | 0.19 |
| mitsui FUDOSAN CO LTD | 6,900 | JPY | 153,212 | 0.15 |
| MURATA MANUFACTURING CO LTD | 7,500 | JPY | 144,140 | 0.14 |
| NIDEC CORP | 1,600 | JPY | 58,510 | 0.06 |
| NINTENDO CO LTD | 4,100 | JPY | 193,741 | 0.19 |
| NISSHIN FOODS | 2,400 | JPY | 75,837 | 0.07 |
| ORIENTAL LAND CO LTD | 5,000 | JPY | 168,589 | 0.16 |
| ORIX CORP | 7,200 | JPY | 122,794 | 0.12 |
| PANASONIC HLDGS - REG SHS | 10,600 | JPY | 95,053 | 0.09 |
| RAKUTEN | 19,600 | JPY | 79,038 | 0.08 |
| RECRUIT HOLDINGS CO LTD | 3,500 | JPY | 134,014 | 0.13 |
| RESONA HOLDINGS INC | 18,000 | JPY | 82,815 | 0.08 |
| SHIMIZU CORP | 16,700 | JPY | 100,436 | 0.10 |
| SHIN-ETSU CHEM. CO LTD | 5,600 | JPY | 212,769 | 0.20 |
| SHIZUOKA FINANCIAL GROUP, INC. | 11,900 | JPY | 91,313 | 0.09 |
| SOFTBANK GROUP | 4,000 | JPY | 161,635 | 0.16 |
| SONY CORP | 3,100 | JPY | 266,937 | 0.26 |
| SUMITOMO METAL MINING CO LTD | 2,600 | JPY | 70,888 | 0.07 |
| SUMITOMO MITSUI FINANCIAL GROUP INC | 4,100 | JPY | 181,130 | 0.17 |
| SUMITOMO MITSUI TRUST - SHS | 5,600 | JPY | 97,305 | 0.09 |
| TERUMO CORP. | 2,900 | JPY | 86,069 | 0.08 |
| TOBU RAILWAY CO LTD | 7,300 | JPY | 177,609 | 0.17 |
| TOKIO MARINE HOLDINGS INC | 5,300 | JPY | 120,101 | 0.12 |
| TOKYO ELECTRON LTD | 1,500 | JPY | 243,252 | 0.23 |
| TOKYU CORP | 11,500 | JPY | 127,086 | 0.12 |
| TOYOTA MOTOR CORP | 26,000 | JPY | 432,489 | 0.42 |
| YAKULT HONSHA CO LTD | 2,400 | JPY | 48,806 | 0.05 |
| YASKAWA ELECTRIC CORP | 2,800 | JPY | 105,899 | 0.10 |
| | | | 6,230,099 | 6.00 |
| Jersey | | | | |
| APTIV PLC | 1,601 | USD | 130,034 | 0.13 |
| FERGUSON NEWCO PLC | 941 | GBP | 163,810 | 0.16 |
| WPP PLC | 13,973 | GBP | 121,420 | 0.12 |
| | | | 415,264 | 0.40 |
| Luxembourg | | | | |
| SNOWFLAKE INC-CLASS A | 812 | USD | 146,280 | 0.14 |
| ZOOM VIDEO COMMUNICATIONS INC | 1,522 | USD | 99,078 | 0.10 |
| | | | 245,358 | 0.24 |
| Netherlands Antilles | | | | |
| SLB | 5,680 | USD | 267,584 | 0.26 |
| | | | 267,584 | 0.26 |
| Netherlands | | | | |
| ADYEN | 52 | EUR | 60,663 | 0.06 |
| ARGENX SE | 188 | EUR | 64,578 | 0.06 |
| ASML HOLDING NV | 864 | EUR | 588,989 | 0.57 |
| ING GROUP NV | 14,032 | EUR | 189,797 | 0.18 |
| KONINKLIJKE AHOLD DELHAIZE NV | 4,037 | EUR | 105,023 | 0.10 |
| NN GROUP NV | 2,846 | EUR | 101,745 | 0.10 |
| NXP SEMICONDUCTORS | 895 | USD | 186,089 | 0.18 |

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Candriam Fund ONE Global Sustainability

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|---|----------|----------|--------------------------|--------------|
| PROSUS NV | 4,727 | EUR | 127,558 | 0.12 |
| UNIVERSAL MUSIC GROUP N.V. | 4,966 | EUR | 128,172 | 0.12 |
| | | | 1,552,614 | 1.49 |
| New Zealand | | | | |
| FISCHER AND PAYKEL INDUSTRIES LTD | 4,412 | NZD | 59,680 | 0.06 |
| | | | 59,680 | 0.06 |
| Norway | | | | |
| EQUINOR ASA | 5,984 | NOK | 171,836 | 0.17 |
| | | | 171,836 | 0.17 |
| Singapore | | | | |
| OVERSEA-CHINESE BANKING CORPORATION LTD | 16,800 | SGD | 149,882 | 0.14 |
| SINGAPORE TELECOM - SH BOARD LOT 1000 | 107,100 | SGD | 181,544 | 0.17 |
| | | | 331,426 | 0.32 |
| Spain | | | | |
| BANCO BILBAO VIZCAYA ARGENTARIA SA | 24,804 | EUR | 204,038 | 0.20 |
| BANCO SANTANDER SA - REG SHS | 41,425 | EUR | 156,566 | 0.15 |
| CELLNEX TELECOM SA | 1,638 | EUR | 58,411 | 0.06 |
| IBERDROLA SA | 19,101 | EUR | 226,729 | 0.22 |
| INDITEX SHARE FROM SPLIT | 4,313 | EUR | 170,062 | 0.16 |
| TELEFONICA SA | 28,010 | EUR | 98,987 | 0.10 |
| | | | 914,793 | 0.88 |
| Sweden | | | | |
| ATLAS COPCO AB -A- | 15,920 | SEK | 248,185 | 0.24 |
| INDUSTRIVAERDEN AB -A- FREE | 3,271 | SEK | 96,639 | 0.09 |
| INVESTOR - REG SHS -B- | 10,481 | SEK | 219,835 | 0.21 |
| NIBE INDUSTRIER | 10,680 | SEK | 67,922 | 0.07 |
| SKANDINAVISKA ENSKILDA BANKEN -A- | 9,920 | SEK | 123,683 | 0.12 |
| SVENSKA HANDELSBANKEN AB-A- | 8,902 | SEK | 87,521 | 0.08 |
| | | | 843,785 | 0.81 |
| Switzerland | | | | |
| ALCON - REG SHS | 1,842 | CHF | 130,052 | 0.13 |
| CHUBB - REG SHS | 1,287 | USD | 263,307 | 0.25 |
| CIE FINANCIERE RICHEMONT - REG SHS | 1,518 | CHF | 188,995 | 0.18 |
| GARMIN | 960 | USD | 111,708 | 0.11 |
| LONZA GROUP | 260 | CHF | 98,916 | 0.10 |
| NESTLE SA PREFERENTIAL SHARE | 5,755 | CHF | 603,603 | 0.58 |
| NOVARTIS AG PREFERENTIAL SHARE | 4,332 | CHF | 395,458 | 0.38 |
| PARTNERS GROUP HLDG - REG SHS | 136 | CHF | 177,442 | 0.17 |
| ROCHE HOLDING LTD | 1,288 | CHF | 338,729 | 0.33 |
| SANDOZ GROUP AG | 1,032 | CHF | 30,038 | 0.03 |
| SIKA - REGISTERED SHS | 624 | CHF | 183,703 | 0.18 |
| TE CONNECTIVITY LTD - REG SHS | 1,282 | USD | 163,057 | 0.16 |
| UBS GROUP SA | 11,792 | CHF | 331,044 | 0.32 |
| ZURICH INSURANCE GROUP - REG SHS | 526 | CHF | 248,714 | 0.24 |
| | | | 3,264,766 | 3.14 |
| United Kingdom | | | | |
| ANGLO AMERICAN PLC | 4,122 | GBP | 93,737 | 0.09 |
| ASTRAZENECA PLC | 3,503 | GBP | 428,502 | 0.41 |
| AUTO TRADER GROUP PLC | 16,970 | GBP | 141,275 | 0.14 |
| BARCLAYS PLC | 70,887 | GBP | 125,798 | 0.12 |
| BP PLC | 39,029 | GBP | 209,952 | 0.20 |
| COMPASS GROUP | 6,738 | GBP | 166,866 | 0.16 |
| EXPERIAN GROUP | 3,113 | GBP | 115,029 | 0.11 |
| GSK REG SHS | 9,987 | GBP | 167,136 | 0.16 |
| HSBC HOLDINGS PLC | 42,173 | GBP | 309,283 | 0.30 |
| INFORMA PLC | 19,286 | GBP | 173,864 | 0.17 |
| LLOYDS BANKING GROUP PLC | 251,154 | GBP | 138,279 | 0.13 |
| LSE GROUP | 1,308 | GBP | 139,985 | 0.13 |
| NATIONAL GRID PLC | 13,045 | GBP | 159,271 | 0.15 |
| PRUDENTIAL PLC | 6,884 | GBP | 70,480 | 0.07 |

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Candriam Fund ONE Global Sustainability

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|---------------------------------|----------|----------|--------------------------|--------------|
| RECKITT BENCKISER GROUP PLC | 1,856 | GBP | 116,087 | 0.11 |
| RELX PLC | 7,069 | GBP | 253,703 | 0.24 |
| RIO TINTO PLC | 3,596 | GBP | 242,431 | 0.23 |
| SHELL PLC | 4,122 | EUR | 122,836 | 0.12 |
| SHELL PLC | 10,531 | GBP | 312,509 | 0.30 |
| STANDARD CHARTERED PLC | 8,627 | GBP | 66,364 | 0.06 |
| UNILEVER | 5,211 | GBP | 228,513 | 0.22 |
| VODAFONE GROUP PLC | 120,023 | GBP | 94,960 | 0.09 |
| | | | 3,876,860 | 3.73 |
| United States of America | | | | |
| ABBOTT LABORATORIES | 2,777 | USD | 276,707 | 0.27 |
| ABBVIE INC | 3,388 | USD | 475,298 | 0.46 |
| ADOBE INC | 1,008 | USD | 544,401 | 0.52 |
| ADVANCED MICRO DEVICES INC | 3,437 | USD | 458,650 | 0.44 |
| AGILENT TECHNOLOGIES | 753 | USD | 94,772 | 0.09 |
| AIR PRODUCTS & CHEMICALS INC | 571 | USD | 141,529 | 0.14 |
| AKAMAI TECHNOLOGIES | 1,111 | USD | 119,030 | 0.11 |
| ALBEMARLE - REGISTERED SHS | 624 | USD | 81,615 | 0.08 |
| ALEXANDRIA REAL ESTATE | 926 | USD | 106,268 | 0.10 |
| ALLSTATE CORP | 1,089 | USD | 137,997 | 0.13 |
| ALPHABET INC -A- | 9,772 | USD | 1,235,731 | 1.19 |
| ALPHABET INC -C- | 12,600 | USD | 1,607,494 | 1.55 |
| AMAZON.COM INC | 17,847 | USD | 2,454,780 | 2.36 |
| AMERICAN WATER WORKS CO INC | 1,212 | USD | 144,817 | 0.14 |
| AMERICAN EXPRESS | 1,813 | USD | 307,471 | 0.30 |
| AMERICAN INTL | 3,222 | USD | 197,611 | 0.19 |
| AMERICAN TOWER CORP | 1,256 | USD | 245,458 | 0.24 |
| AMERIPRISE FINANCIAL INC | 733 | USD | 252,039 | 0.24 |
| AMGEN INC | 1,106 | USD | 288,372 | 0.28 |
| AMPHENOL -A- | 2,237 | USD | 200,746 | 0.19 |
| ANALOG DEVICES INC | 962 | USD | 172,919 | 0.17 |
| APA - REGISTERED SHS | 4,015 | USD | 130,411 | 0.13 |
| APPLE INC | 29,793 | USD | 5,192,638 | 5.00 |
| APPLIED MATERIALS INC | 1,822 | USD | 267,317 | 0.26 |
| AQUA AMERICA - REGISTERED SHS | 3,027 | USD | 102,348 | 0.10 |
| ARCHER-DANIELS MIDLAND CO | 2,293 | USD | 149,912 | 0.14 |
| ARISTA NETWORKS INC | 597 | USD | 127,280 | 0.12 |
| AT&T INC | 12,343 | USD | 187,494 | 0.18 |
| ATMOS ENERGY CORP | 1,066 | USD | 111,845 | 0.11 |
| AUTODESK INC | 648 | USD | 142,828 | 0.14 |
| AUTOMATIC DATA PROCESSING INC | 1,216 | USD | 256,454 | 0.25 |
| AUTOZONE INC | 49 | USD | 114,692 | 0.11 |
| AXON ENTERPRISE - REGISTERED | 425 | USD | 99,389 | 0.10 |
| BANK OF AMERICA CORP | 15,784 | USD | 481,100 | 0.46 |
| BANK OF NY MELLON | 2,856 | USD | 134,572 | 0.13 |
| BAXTER INTERNATIONAL INC | 2,385 | USD | 83,469 | 0.08 |
| BECTON DICKINSON | 569 | USD | 125,596 | 0.12 |
| BIOGEN IDEC INC | 547 | USD | 128,138 | 0.12 |
| BOOKING HOLDINGS INC | 123 | USD | 394,974 | 0.38 |
| BOSTON PROPERTIES INC | 1,271 | USD | 80,737 | 0.08 |
| BRISTOL-MYERS SQUIBB CO | 5,243 | USD | 243,533 | 0.23 |
| BROADCOM INC - REGISTERED SHS | 876 | USD | 885,199 | 0.85 |
| BUILDERS FIRSTSOURCE | 975 | USD | 147,347 | 0.14 |
| CADENCE DESIGN SYSTEMS INC | 859 | USD | 211,801 | 0.20 |
| CAPITAL ONE FINANCIAL CORP | 1,240 | USD | 147,186 | 0.14 |
| CARRIER GLOBAL CORP-WI | 4,795 | USD | 249,376 | 0.24 |
| CATERPILLAR - REG SHS | 1,338 | USD | 358,128 | 0.34 |
| CBRE GROUP | 1,919 | USD | 161,716 | 0.16 |

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Candriam Fund ONE Global Sustainability

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|----------|----------|--------------------------|--------------|
| CENTENE CORP | 2,110 | USD | 141,749 | 0.14 |
| CERIDIAN - REGISTERED SHS | 1,335 | USD | 81,116 | 0.08 |
| CHARLES SCHWAB CORP/THE | 3,558 | USD | 221,600 | 0.21 |
| CHEVRON CORP | 4,160 | USD | 561,721 | 0.54 |
| CHIPOTLE MEXICAN GRILL -A- | 76 | USD | 157,343 | 0.15 |
| CHURCH AND DWIGHT CO | 1,391 | USD | 119,072 | 0.11 |
| CINTAS | 394 | USD | 214,953 | 0.21 |
| CISCO SYSTEMS INC | 6,815 | USD | 311,677 | 0.30 |
| CITIGROUP INC | 3,662 | USD | 170,528 | 0.16 |
| CITIZENS FINANCIAL GROUP INC | 4,295 | USD | 128,852 | 0.12 |
| CLIFFS NATURAL RESOURCES INC | 3,841 | USD | 71,003 | 0.07 |
| CLOROX CO | 666 | USD | 85,968 | 0.08 |
| CME GROUP -A- | 985 | USD | 187,789 | 0.18 |
| COCA-COLA CO | 8,790 | USD | 468,922 | 0.45 |
| COGNIZANT TECHNOLOGY SOLUTIONS -A- | 1,472 | USD | 100,647 | 0.10 |
| COLGATE-PALMOLIVE CO | 1,929 | USD | 139,194 | 0.13 |
| COMCAST CORP | 9,186 | USD | 364,646 | 0.35 |
| CONAGRA BRANDS INC | 4,504 | USD | 116,856 | 0.11 |
| CONOCOPHILLIPS CO | 2,748 | USD | 288,743 | 0.28 |
| CONSOLIDATED EDISON INC | 2,481 | USD | 204,315 | 0.20 |
| COOPER COMPANIES INC | 341 | USD | 116,823 | 0.11 |
| COPART INC | 4,148 | USD | 183,997 | 0.18 |
| CORNING INC | 3,852 | USD | 106,182 | 0.10 |
| COSTCO WHOLESALE CORP | 880 | USD | 525,841 | 0.51 |
| CROWDSTRIKE HOLDINGS INC | 653 | USD | 150,929 | 0.15 |
| CROWN CASTLE INC | 1,245 | USD | 129,825 | 0.12 |
| CUMMINS - REGISTERED | 845 | USD | 183,259 | 0.18 |
| CVS HEALTH | 2,310 | USD | 165,118 | 0.16 |
| DANAHER CORP | 1,610 | USD | 337,172 | 0.32 |
| DEERE AND CO | 718 | USD | 259,907 | 0.25 |
| DEXCOM INC | 903 | USD | 101,438 | 0.10 |
| DISCOVER FINANCIAL SERVICES - SHS | 1,217 | USD | 123,832 | 0.12 |
| DOCUSIGN INC | 709 | USD | 38,157 | 0.04 |
| DOLLAR GENERAL | 357 | USD | 43,936 | 0.04 |
| DOWDUPONT - REG SHS | 2,068 | USD | 144,020 | 0.14 |
| EBAY INC | 2,806 | USD | 110,802 | 0.11 |
| ECOLAB INC | 710 | USD | 127,487 | 0.12 |
| EDISON INTERNATIONAL | 2,735 | USD | 177,002 | 0.17 |
| EDWARDS LIFESCIENCES CORP | 2,388 | USD | 164,835 | 0.16 |
| ELECTRONIC ARTS - REGSHS | 1,188 | USD | 147,133 | 0.14 |
| ELEVANCE HEALTH | 609 | USD | 259,974 | 0.25 |
| ELI LILLY & CO | 1,618 | USD | 853,813 | 0.82 |
| EMERSON ELECTRIC CO | 2,587 | USD | 227,939 | 0.22 |
| ENPHASE ENERGY | 456 | USD | 54,547 | 0.05 |
| EOG RESOURCES INC | 2,048 | USD | 224,239 | 0.22 |
| EQUIFAX INC | 392 | USD | 87,754 | 0.08 |
| EQUINIX INC | 302 | USD | 220,185 | 0.21 |
| ESTEE LAUDER COMPANIES INC -A- | 622 | USD | 82,350 | 0.08 |
| ETSY | 487 | USD | 35,732 | 0.03 |
| EVERSOURCE ENERGY | 1,990 | USD | 111,187 | 0.11 |
| EXELON CORP | 2,313 | USD | 75,170 | 0.07 |
| EXPEDITORS INTERNATIONAL OF WASHINGTON | 1,302 | USD | 149,925 | 0.14 |
| EXXON MOBIL CORP | 8,287 | USD | 750,042 | 0.72 |
| FEDEX CORP | 609 | USD | 139,464 | 0.13 |
| FIDELITY NATIONAL INFO SERVICES INC | 2,075 | USD | 112,837 | 0.11 |
| FISERV INC | 1,866 | USD | 224,396 | 0.22 |
| FORTINET | 2,705 | USD | 143,325 | 0.14 |
| FORTIVE CORP | 2,710 | USD | 180,634 | 0.17 |

The accompanying notes form an integral part of the financial statements.
Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund ONE Global Sustainability

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|---|----------|----------|--------------------------|--------------|
| FOX CORP -B- | 3,500 | USD | 87,607 | 0.08 |
| GENERAL ELECTRI | 3,071 | USD | 354,820 | 0.34 |
| GENERAL MILLS INC | 2,758 | USD | 162,636 | 0.16 |
| GENERAL MOTORS CO | 2,534 | USD | 82,398 | 0.08 |
| GENUINE PARTS CO | 714 | USD | 89,521 | 0.09 |
| GILEAD SCIENCES INC | 1,862 | USD | 136,551 | 0.13 |
| GS ACQN HLDG - REGISTERED SHS -A- | 2,410 | USD | 104,786 | 0.10 |
| HCA INC | 706 | USD | 172,996 | 0.17 |
| HEALTHPEAK PROPERTIES INC | 4,513 | USD | 80,892 | 0.08 |
| HENRY SCHEIN INC | 414 | USD | 28,375 | 0.03 |
| HERSHEY | 1,030 | USD | 173,841 | 0.17 |
| HILTON WORLDWIDE HLDGS INC - REG SHS | 1,244 | USD | 205,060 | 0.20 |
| HOLOGIC INC | 1,330 | USD | 86,026 | 0.08 |
| HOME DEPOT INC | 2,044 | USD | 641,242 | 0.62 |
| HORMEL FOODS CORP | 939 | USD | 27,295 | 0.03 |
| HOST HOTELS & RESORTS - SHS | 7,539 | USD | 133,015 | 0.13 |
| HOWMET AEROSPC - REGISTERED SHS | 3,928 | USD | 192,444 | 0.19 |
| HP ENTERPRISE CO | 7,696 | USD | 118,298 | 0.11 |
| HP INC | 4,070 | USD | 110,864 | 0.11 |
| HUMANA INC | 367 | USD | 152,099 | 0.15 |
| HUNTINGTON BANCSHARES INC | 7,416 | USD | 85,395 | 0.08 |
| IBM CORP | 2,175 | USD | 322,022 | 0.31 |
| IDEX CORP | 699 | USD | 137,383 | 0.13 |
| IDEXX LABS CORP | 165 | USD | 82,907 | 0.08 |
| ILLINOIS TOOL WORKS | 1,144 | USD | 271,271 | 0.26 |
| INTEL CORP | 8,487 | USD | 386,070 | 0.37 |
| INTERCONTINENTAL EXCHANGE INC | 1,662 | USD | 193,229 | 0.19 |
| INTERNATIONAL PAPER CO | 2,843 | USD | 93,038 | 0.09 |
| INTERPUBLIC GROUP OF COMPANIES INC | 3,982 | USD | 117,659 | 0.11 |
| INTL FLAVORS & FRAG | 856 | USD | 62,744 | 0.06 |
| INTUIT | 684 | USD | 387,019 | 0.37 |
| INTUITIVE SURGICAL | 854 | USD | 260,812 | 0.25 |
| IQVIA HOLDINGS INC | 426 | USD | 89,230 | 0.09 |
| J.M. SMUCKER CO SHS | 937 | USD | 107,200 | 0.10 |
| JOHNSON & JOHNSON | 4,722 | USD | 670,010 | 0.64 |
| JPMORGAN CHASE CO | 5,310 | USD | 817,663 | 0.79 |
| KELLANOVA | 2,009 | USD | 101,682 | 0.10 |
| KEURIG DR PEPPR - REG SHS | 3,621 | USD | 109,222 | 0.11 |
| KIMBERLY-CLARK CORP | 1,114 | USD | 122,538 | 0.12 |
| KROGER CO | 2,351 | USD | 97,283 | 0.09 |
| LABORATORY CORP OF AMERICA HOLDINGS | 668 | USD | 137,446 | 0.13 |
| LAM RESEARCH CORP | 398 | USD | 282,205 | 0.27 |
| LOWE'S CO INC | 1,269 | USD | 255,661 | 0.25 |
| LULULEMON ATHLETICA INC SHS WHEN ISSUED | 303 | USD | 140,244 | 0.14 |
| MARATHON PETROLEUM | 1,504 | USD | 201,995 | 0.19 |
| MARKETAXESS HOLDING INC | 289 | USD | 76,616 | 0.07 |
| MARSH MCLENNAN COS | 1,223 | USD | 209,769 | 0.20 |
| MASCO CORP | 2,212 | USD | 134,124 | 0.13 |
| MASTERCARD INC -A- | 1,688 | USD | 651,744 | 0.63 |
| MCCORMICK & CO INC NON VOTING | 1,749 | USD | 108,330 | 0.10 |
| MCDONALD'S CORP | 1,568 | USD | 420,882 | 0.41 |
| MERCADOLIBRE | 117 | USD | 166,451 | 0.16 |
| MERCK & CO INC | 4,834 | USD | 477,077 | 0.46 |
| METLIFE INC | 2,484 | USD | 148,705 | 0.14 |
| METTLER TOLEDO INTERNATIONAL | 99 | USD | 108,707 | 0.10 |
| MICROCHIP TECHNOLOGY | 1,801 | USD | 147,028 | 0.14 |
| MICRON TECHNOLOGY INC | 2,942 | USD | 227,285 | 0.22 |
| MICROSOFT CORP | 13,440 | USD | 4,575,185 | 4.40 |

The accompanying notes form an integral part of the financial statements.
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Candriam Fund ONE Global Sustainability

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|-------------------------------------|----------|----------|--------------------------|--------------|
| MODERNA INC | 607 | USD | 54,647 | 0.05 |
| MONDELEZ INTERNATIONAL INC | 4,571 | USD | 299,713 | 0.29 |
| MONGODB INC | 242 | USD | 89,568 | 0.09 |
| MOODY S CORP | 576 | USD | 203,651 | 0.20 |
| MORGAN STANLEY | 2,425 | USD | 204,709 | 0.20 |
| MOTOROLA SOLUTIONS INC | 547 | USD | 155,036 | 0.15 |
| NEXTERA ENERGY | 5,512 | USD | 303,081 | 0.29 |
| NIKE INC | 2,640 | USD | 259,471 | 0.25 |
| NORTHERN TRUST CORP | 1,205 | USD | 92,045 | 0.09 |
| NUCOR CORP | 1,114 | USD | 175,513 | 0.17 |
| NVIDIA CORP | 4,768 | USD | 2,137,518 | 2.06 |
| OCCIDENTAL PETROLEUM CORP | 1,561 | USD | 84,377 | 0.08 |
| OLD DOMINION FREIGHT LINES INC | 329 | USD | 120,720 | 0.12 |
| ON SEMICONDUCTOR CORP | 1,756 | USD | 132,783 | 0.13 |
| ORACLE CORP | 3,869 | USD | 369,265 | 0.36 |
| OVINTIV INC | 3,213 | USD | 127,746 | 0.12 |
| PACCAR INC | 2,598 | USD | 229,661 | 0.22 |
| PALO ALTO NETWORKS | 654 | USD | 174,582 | 0.17 |
| PARAMOUNT GLOBAL | 3,094 | USD | 41,425 | 0.04 |
| PARKER-HANNIFIN CORP | 775 | USD | 323,218 | 0.31 |
| PAYCHEX INC | 928 | USD | 100,063 | 0.10 |
| PAYPAL HOLDINGS | 2,584 | USD | 143,650 | 0.14 |
| PEPSICO INC | 3,201 | USD | 492,154 | 0.47 |
| PFIZER INC | 9,521 | USD | 248,142 | 0.24 |
| PHILLIPS 66 | 1,346 | USD | 162,229 | 0.16 |
| PNC FINANCIAL SERVICES GROUP INC | 1,256 | USD | 176,066 | 0.17 |
| POOL CORP | 237 | USD | 85,542 | 0.08 |
| PPG INDUSTRIES INC | 554 | USD | 75,002 | 0.07 |
| PROCTER & GAMBLE CO | 4,358 | USD | 578,121 | 0.56 |
| PROGRESSIVE CORP | 1,739 | USD | 250,747 | 0.24 |
| PROLOGIS | 2,360 | USD | 284,785 | 0.27 |
| PRUDENTIAL FINANCIAL INC | 1,938 | USD | 181,949 | 0.18 |
| PUBLIC SERVICE ENTERPRISE GROUP INC | 2,337 | USD | 129,369 | 0.12 |
| QUALCOMM INC | 2,146 | USD | 280,972 | 0.27 |
| REGENERON PHARMACEUTICALS INC | 286 | USD | 227,394 | 0.22 |
| REPUBLIC SERVICES -A- RESMED | 1,032 | USD | 154,064 | 0.15 |
| ROCKWELL AUTOMATION | 616 | USD | 95,926 | 0.09 |
| ROPER TECHNOLOGIES | 670 | USD | 188,314 | 0.18 |
| ROSS STORES INC | 375 | USD | 185,071 | 0.18 |
| S&P GLOBAL INC | 1,367 | USD | 171,257 | 0.16 |
| SALESFORCE INC | 794 | USD | 316,637 | 0.30 |
| SALESFORCE INC | 2,113 | USD | 503,340 | 0.48 |
| SBA COMMUNICATIONS -A | 535 | USD | 122,866 | 0.12 |
| SEMPRA ENERGY | 535 | USD | 122,866 | 0.12 |
| SEMPRA ENERGY | 2,610 | USD | 176,568 | 0.17 |
| SERVICENOW INC | 533 | USD | 340,886 | 0.33 |
| SHERWIN WILLIAMS CO | 782 | USD | 220,799 | 0.21 |
| SNAP ON INC | 480 | USD | 125,509 | 0.12 |
| SPLUNK INC | 587 | USD | 80,957 | 0.08 |
| STANLEY BLACK & DECKER INC | 1,145 | USD | 101,683 | 0.10 |
| STARBUCKS CORP | 3,088 | USD | 268,392 | 0.26 |
| STRYKER CORP | 709 | USD | 192,203 | 0.19 |
| SVB FINANCIAL GROUP | 283 | USD | 8 | 0.00 |
| SYNOPSYS | 466 | USD | 217,216 | 0.21 |
| SYSCO CORP | 1,349 | USD | 89,306 | 0.09 |
| TAKE TWO INTERACTIVE SOFTWARE INC | 836 | USD | 121,807 | 0.12 |
| TARGET CORP | 885 | USD | 114,101 | 0.11 |
| TELEFLEX INC | 350 | USD | 79,001 | 0.08 |
| TESLA MOTORS INC | 5,589 | USD | 1,257,190 | 1.21 |

The accompanying notes form an integral part of the financial statements.
Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund ONE Global Sustainability

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|----------|----------|--------------------------|--------------|
| TEXAS INSTRUMENTS INC | 1,969 | USD | 303,839 | 0.29 |
| THE CIGNA GROUP - REG SHS | 736 | USD | 199,516 | 0.19 |
| THE KRAFT HEINZ | 4,287 | USD | 143,514 | 0.14 |
| THERMO FISHER SCIENT SHS | 867 | USD | 416,598 | 0.40 |
| TJX COS INC | 3,279 | USD | 278,462 | 0.27 |
| TOAST INC | 2,716 | USD | 44,896 | 0.04 |
| TRAVELERS COS INC/THE | 1,264 | USD | 217,969 | 0.21 |
| TRUIST FINANCIAL CORP | 4,458 | USD | 148,997 | 0.14 |
| UNITED PARCEL SERVICE INC | 1,594 | USD | 226,881 | 0.22 |
| UNITED RENTALS INC | 326 | USD | 169,225 | 0.16 |
| UNITEDHEALTH GROUP INC | 1,743 | USD | 830,704 | 0.80 |
| VALERO ENERGY CORP | 852 | USD | 100,267 | 0.10 |
| VERALTO CORPORATION | 1,266 | USD | 94,275 | 0.09 |
| VERISIGN INC | 561 | USD | 104,597 | 0.10 |
| VERIZON COMMUNICATIONS INC | 7,938 | USD | 270,912 | 0.26 |
| VERTEX PHARMACEUTICALS INC | 639 | USD | 235,371 | 0.23 |
| VF - REG SHS | 2,088 | USD | 35,536 | 0.03 |
| VISA INC -A- | 3,106 | USD | 732,039 | 0.70 |
| WALGREENS BOOTS | 3,696 | USD | 87,360 | 0.08 |
| WALMART INC | 2,516 | USD | 359,071 | 0.35 |
| WALT DISNEY CO | 3,832 | USD | 313,213 | 0.30 |
| WARNER BROS DISCOVERY INC | 6,310 | USD | 65,005 | 0.06 |
| WASTE MANAGEMENT | 1,213 | USD | 196,667 | 0.19 |
| WATERS | 403 | USD | 120,110 | 0.12 |
| WELLTOWER OP - REG SHS | 2,706 | USD | 220,884 | 0.21 |
| WEST PHARMACEUTICAL SERVICES INC | 355 | USD | 113,160 | 0.11 |
| WESTERN DIGITAL CORP | 2,091 | USD | 99,132 | 0.10 |
| WESTLAKE - REGISTERED SHS | 630 | USD | 79,821 | 0.08 |
| WEYERHAEUSER CO | 4,305 | USD | 135,504 | 0.13 |
| WORKDAY INC -A- | 730 | USD | 182,432 | 0.18 |
| WW GRAINGER INC | 177 | USD | 132,782 | 0.13 |
| YUM BRANDS INC | 1,197 | USD | 141,583 | 0.14 |
| ZOETIS INC -A- | 1,060 | USD | 189,392 | 0.18 |
| ZSCALER INC | 389 | USD | 78,022 | 0.08 |
| Total Shares | | | 68,977,435 | 66.40 |
| Warrants | | | | |
| Australia | | | | |
| MAGELLAN FI 16.04.27 WAR | 824 | AUD | 89 | 0.00 |
| | | | 89 | 0.00 |
| Total Warrants | | | 89 | 0.00 |
| Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market | | | 102,957,878 | 99.11 |
| Total investment portfolio | | | 102,957,878 | 99.11 |
| Acquisition cost | | | 73,074,418 | |

The accompanying notes form an integral part of the financial statements.
Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund ONE Global Sustainability

Geographical and economic breakdown of investments as at December 31, 2023

Geographical breakdown (in % of net assets)

| | |
|--------------------------|--------------|
| United States of America | 66.40 |
| Japan | 6.00 |
| United Kingdom | 3.73 |
| France | 3.24 |
| Canada | 3.23 |
| Switzerland | 3.14 |
| Germany | 2.43 |
| Australia | 2.18 |
| Ireland | 1.59 |
| Netherlands | 1.49 |
| Denmark | 0.96 |
| Spain | 0.88 |
| Sweden | 0.81 |
| Italy | 0.70 |
| Hong Kong | 0.61 |
| Jersey | 0.40 |
| Singapore | 0.32 |
| Finland | 0.29 |
| Netherlands Antilles | 0.26 |
| Luxembourg | 0.24 |
| Norway | 0.17 |
| New Zealand | 0.06 |
| | 99.11 |

Economic breakdown (in % of net assets)

| | |
|--|--------------|
| Internet and internet services | 13.81 |
| Banks and other financial institutions | 13.04 |
| Pharmaceuticals | 8.70 |
| Electronics and semiconductors | 7.92 |
| Office supplies and computing | 6.97 |
| Retail trade and department stores | 6.00 |
| Petroleum | 4.47 |
| Foods and non alcoholic drinks | 3.50 |
| Machine and apparatus construction | 3.10 |
| Insurance | 3.01 |
| Road vehicles | 2.71 |
| Utilities | 2.50 |
| Electrical engineering | 2.15 |
| Graphic art and publishing | 2.11 |
| Real estate | 1.92 |
| Communication | 1.83 |
| Miscellaneous consumer goods | 1.67 |
| Healthcare | 1.62 |
| Chemicals | 1.56 |
| Transportation | 1.51 |
| Hotels and restaurants | 1.50 |
| Miscellaneous services | 1.50 |
| Textiles and garments | 1.32 |
| Building materials | 1.09 |
| Biotechnology | 1.06 |
| Non ferrous metals | 0.92 |
| Environmental services and recycling | 0.42 |
| Coal mining and steel industry & Chemicals | 0.39 |
| Precious metals and stones | 0.36 |
| Paper and forest products | 0.32 |
| Tires and rubber | 0.15 |
| | 99.11 |

Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund Sedes Sapientiae

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|-----------|----------|--------------------------|--------------|
| Transferable securities admitted to an official stock exchange listing or dealt in another regulated market | | | | |
| Bonds | | | | |
| Belgium | | | | |
| BELGIUM 1.00 15-31 22/06A | 200,000 | EUR | 180,669 | 0.12 |
| BELGIUM 1.00 16-26 22/06A | 200,000 | EUR | 193,644 | 0.12 |
| BELGIUM 1.45 17-37 22/06A | 550,000 | EUR | 464,593 | 0.30 |
| BELGIUM 3.75 13-45 22/06A | 150,000 | EUR | 165,934 | 0.11 |
| | | | 1,004,840 | 0.64 |
| Denmark | | | | |
| DENMARK 1.75 13-25 15/11A | 3,250,000 | DKK | 430,608 | 0.28 |
| | | | 430,608 | 0.28 |
| France | | | | |
| FRANCE 0.50 14-25 25/05A | 150,000 | EUR | 145,542 | 0.09 |
| FRANCE 0.75 17-28 25/05A | 270,000 | EUR | 253,548 | 0.16 |
| FRANCE 1.25 15-36 25/05A | 610,000 | EUR | 516,383 | 0.33 |
| FRANCE 1.50 18-50 25/05A | 300,000 | EUR | 218,004 | 0.14 |
| FRANCE 2.50 13-30 25/05A | 1,150,000 | EUR | 1,164,801 | 0.75 |
| FRANCE 2.75 11-27 25/10A | 360,000 | EUR | 366,718 | 0.24 |
| FRANCE 3.25 12-45 25/05A | 400,000 | EUR | 417,460 | 0.27 |
| FRANCE 4 05-38 25/10A | 400,000 | EUR | 457,834 | 0.29 |
| FRANCE 4.75 03-35 25/04A | 310,000 | EUR | 373,232 | 0.24 |
| FRANCE 5.5 97-29 25/04A | 170,000 | EUR | 197,044 | 0.13 |
| UNEDIC 1.25 15-27 21/10A | 300,000 | EUR | 286,379 | 0.18 |
| | | | 4,396,945 | 2.82 |
| Germany | | | | |
| GERMANY 0.00 21-31 15/02U | 350,000 | EUR | 306,114 | 0.20 |
| GERMANY 0.00 22-32 15/02U | 2,020,000 | EUR | 1,728,181 | 1.11 |
| GERMANY 1.25 17-48 15/08A | 450,000 | EUR | 365,191 | 0.23 |
| GERMANY 2.6 23-33 15/08A | 350,000 | EUR | 367,502 | 0.24 |
| | | | 2,766,988 | 1.78 |
| Ireland | | | | |
| IRELAND 0.35 22-32 18/10A | 100,000 | EUR | 84,270 | 0.05 |
| | | | 84,270 | 0.05 |
| Italy | | | | |
| BUONI POLIENNAL 2.45 20-50 01/09S | 100,000 | EUR | 73,290 | 0.05 |
| ITALY 0.60 21-31 01/08S | 950,000 | EUR | 777,233 | 0.50 |
| ITALY 1.60 16-26 01/06S | 200,000 | EUR | 194,640 | 0.12 |
| ITALY 2.00 15-25 01/12S | 770,000 | EUR | 758,157 | 0.49 |
| ITALY 2.45 16-33 01/09S | 110,000 | EUR | 99,974 | 0.06 |
| ITALY 3.10 19-40 01/03S | 170,000 | EUR | 150,699 | 0.10 |
| ITALY 3.45 17-48 01/03S | 360,000 | EUR | 322,571 | 0.21 |
| ITALY 3.75 14-24 01/09S | 540,000 | EUR | 540,894 | 0.35 |
| ITALY 4.00 05-37 01/02S | 130,000 | EUR | 131,873 | 0.08 |
| ITALY 4.75 13-28 01/09S | 100,000 | EUR | 107,773 | 0.07 |
| ITALY 5.00 03-34 01/08S | 350,000 | EUR | 390,187 | 0.25 |
| ITALY 5.00 09-40 01/09S | 200,000 | EUR | 221,484 | 0.14 |
| ITALY BTP 6.50 97-27 01/11S | 300,000 | EUR | 339,587 | 0.22 |
| | | | 4,108,362 | 2.64 |
| Netherlands | | | | |
| NETHERLANDS 0.50 16-26 15/07A | 600,000 | EUR | 574,680 | 0.37 |
| NETHERLANDS 0.50 19-40 15/01A | 250,000 | EUR | 185,310 | 0.12 |
| NETHERLANDS 2.50 12-33 15/01A | 310,000 | EUR | 315,552 | 0.20 |
| | | | 1,075,542 | 0.69 |
| Portugal | | | | |
| PORTUGAL 2.875 16-26 21/07A | 150,000 | EUR | 152,772 | 0.10 |
| PORTUGAL 4.10 06-37 15/04A | 30,000 | EUR | 33,641 | 0.02 |
| | | | 186,413 | 0.12 |
| Slovakia | | | | |
| SLOVAKIA 1.375 15-27 21/01A | 100,000 | EUR | 96,007 | 0.06 |

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Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund Sedes Sapientiae

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|-----------|----------|--------------------------|--------------|
| | | | 96,007 | 0.06 |
| Spain | | | | |
| SPAIN 1.95 15-30 30/07A | 500,000 | EUR | 478,435 | 0.31 |
| SPAIN 1.95 16-26 30/04A | 150,000 | EUR | 147,765 | 0.09 |
| SPAIN 2.15 15-25 31/10A | 950,000 | EUR | 940,804 | 0.60 |
| SPAIN 2.35 17-33 30/07A | 500,000 | EUR | 475,450 | 0.31 |
| SPAIN 2.70 18-48 31/10A | 200,000 | EUR | 172,172 | 0.11 |
| SPAIN 2.75 14-24 31/10A | 500,000 | EUR | 497,663 | 0.32 |
| SPAIN 4.20 05-37 31/01A | 250,000 | EUR | 276,696 | 0.18 |
| SPAIN 4.70 09-41 30/07A | 330,000 | EUR | 386,173 | 0.25 |
| SPAIN 5.15 13-28 31/10A | 150,000 | EUR | 167,649 | 0.11 |
| | | | 3,542,807 | 2.27 |
| Sweden | | | | |
| SWEDEN 2.25 11-32 01/06A | 1,490,000 | SEK | 136,457 | 0.09 |
| | | | 136,457 | 0.09 |
| United Kingdom | | | | |
| UK TREASURY STOCK 4.50 09-34 07/09S | 330,000 | GBP | 409,353 | 0.26 |
| UNITED KINGDOM 0.500 21-29 31/01S | 450,000 | GBP | 450,935 | 0.29 |
| UNITED KINGDOM 1.25 20-41 22/10S | 320,000 | GBP | 239,630 | 0.15 |
| UNITED KINGDOM 3.25 12-44 22/01S | 400,000 | GBP | 406,638 | 0.26 |
| UNITED KINGDOM 3.5 23-25 22/10S | 150,000 | GBP | 171,736 | 0.11 |
| UNITED KINGDOM 3.75 11-52 22/07S | 230,000 | GBP | 249,153 | 0.16 |
| UNITED KINGDOM 4.25 03-36 07/03S | 360,000 | GBP | 436,046 | 0.28 |
| UNITED KINGDOM 4.25 06-27 07/12S | 330,000 | GBP | 392,715 | 0.25 |
| UNITED KINGDOM 4.25 08-49 07/12S | 570,000 | GBP | 668,667 | 0.43 |
| UNITED KINGDOM 4.75 07-30 07/12S | 590,000 | GBP | 737,246 | 0.47 |
| | | | 4,162,119 | 2.67 |
| Total bonds | | | 21,991,358 | 14.11 |
| Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market | | | 21,991,358 | 14.11 |
| Undertakings for Collective Investment | | | | |
| Shares/Units in investment funds | | | | |
| France | | | | |
| CANDRIAM DIVERSIFIED FUTURES I C | 1,019 | EUR | 14,669,747 | 9.42 |
| | | | 14,669,747 | 9.42 |
| Ireland | | | | |
| COMGEST GROUP PLC - COMGEST GROWTH EUROPE EUR ACC | 545,152 | EUR | 23,316,150 | 14.96 |
| COMGEST GROWTH PLC - COMGEST GROWTH AMERICA I USD ACC | 383,977 | USD | 17,953,570 | 11.52 |
| COMGEST GROWTH PLC - COMGEST GROWTH GLOBAL FLEX I EUR CAP | 650,794 | EUR | 9,677,307 | 6.21 |
| COMGEST GROWTH PLC - COMGEST GROWTH GLOBAL USD ACC | 319,404 | USD | 12,279,987 | 7.88 |
| | | | 63,227,014 | 40.58 |
| Luxembourg | | | | |
| CANDRIAM BONDS FLOATING RATE NOTES Z C | 6,183 | EUR | 9,637,195 | 6.19 |
| CANDRIAM BONDS GLOBAL GOVERNMENT Z C | 12,575 | EUR | 15,672,473 | 10.06 |
| CANDRIAM SUSTAINABLE BOND EMERGING MARKETS Z C | 8,027 | USD | 8,367,438 | 5.37 |
| CANDRIAM SUSTAINABLE BOND EURO CORPORATE Z C | 7,942 | EUR | 8,173,668 | 5.25 |
| CANDRIAM SUSTAINABLE BOND GLOBAL HIGH YIELD Z C | 6,066 | EUR | 7,231,218 | 4.64 |
| CANDRIAM SUSTAINABLE EQUITY EMERGING MARKETS Z C | 2,856 | EUR | 6,104,729 | 3.92 |
| | | | 55,186,721 | 35.42 |
| Total Shares/Units in investment funds | | | 133,083,482 | 85.41 |
| Total Undertakings for Collective Investment | | | 133,083,482 | 85.41 |
| Total investment portfolio | | | 155,074,840 | 99.53 |
| Acquisition cost | | | 129,684,080 | |

The accompanying notes form an integral part of the financial statements.
Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund Sedes Sapientiae

Geographical and economic breakdown of investments as at December 31, 2023

Geographical breakdown (in % of net assets)

| | |
|----------------|--------------|
| Ireland | 40.63 |
| Luxembourg | 35.42 |
| France | 12.24 |
| United Kingdom | 2.67 |
| Italy | 2.64 |
| Spain | 2.27 |
| Germany | 1.78 |
| Netherlands | 0.69 |
| Belgium | 0.64 |
| Denmark | 0.28 |
| Portugal | 0.12 |
| Sweden | 0.09 |
| Slovakia | 0.06 |
| | 99.53 |

Economic breakdown (in % of net assets)

| | |
|---|--------------|
| Investments funds | 85.41 |
| Bonds of States, Provinces and municipalities | 13.93 |
| Miscellaneous services | 0.18 |
| | 99.53 |



Candriam Fund Sustainable Euro Corporate Bonds Fossil Free

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|----------|----------|--------------------------|--------------|
| Transferable securities admitted to an official stock exchange listing or dealt in another regulated market | | | | |
| Bonds | | | | |
| Australia | | | | |
| WESTPAC BANKING CORP 0.766 21-31 13/05A | 400,000 | EUR | 367,380 | 0.66 |
| | | | 367,380 | 0.66 |
| Belgium | | | | |
| ELIA SYSTEM OPERATOR 1.375 17-27 07/04A | 500,000 | EUR | 473,149 | 0.85 |
| ELIA TRANSMISSION BE 3.625 23-33 18/01A | 100,000 | EUR | 103,392 | 0.19 |
| | | | 576,541 | 1.04 |
| Canada | | | | |
| TORONTO DOMINION BANK 3.631 22-29 13/12A | 444,000 | EUR | 449,942 | 0.81 |
| | | | 449,942 | 0.81 |
| Denmark | | | | |
| NYKREDIT REALKREDIT 0.25 20-26 23/11A | 200,000 | EUR | 187,893 | 0.34 |
| NYKREDIT REALKREDIT 0.375 21-28 24/02A | 300,000 | EUR | 264,560 | 0.48 |
| | | | 452,453 | 0.81 |
| Finland | | | | |
| NOKIA OYJ 4.375 23-31 21/08A | 200,000 | EUR | 201,514 | 0.36 |
| OP CORPORATE BANK PL 0.25 21-26 24/03A | 400,000 | EUR | 373,886 | 0.67 |
| STORA ENSO OYJ 4.25 23-29 01/09A | 200,000 | EUR | 205,426 | 0.37 |
| | | | 780,826 | 1.40 |
| France | | | | |
| BFCM 1.875 16-26 04/11A | 400,000 | EUR | 383,552 | 0.69 |
| BFCM 1.875 19-29 18/06A | 400,000 | EUR | 365,746 | 0.66 |
| BFCM BANQUE FEDERATI 3.75 22-33 01/02A | 200,000 | EUR | 204,477 | 0.37 |
| BNP PARIBAS SA FL.R 20-27 14/10A | 200,000 | EUR | 184,647 | 0.33 |
| BOUYGUES SA 3.2500 22-37 30/06A | 200,000 | EUR | 196,219 | 0.35 |
| BPCE SA 4.00 23-28 13/07A | 500,000 | EUR | 517,537 | 0.93 |
| CAPGEMINI SE 1.125 20-30 23/06A | 100,000 | EUR | 89,392 | 0.16 |
| CARREFOUR SA 1.0000 19-27 17/05A | 300,000 | EUR | 280,650 | 0.50 |
| CIE DE SAINT-GOBAIN 2.625 22-32 10/08A | 100,000 | EUR | 96,250 | 0.17 |
| COVIVIO 4.6250 23-32 05/06A | 100,000 | EUR | 103,903 | 0.19 |
| CREDIT AGRICOLE SA 2.625 15-27 17/03A | 400,000 | EUR | 388,264 | 0.70 |
| CREDIT MUTUEL ARKEA 0.875 21-33 11/03A | 200,000 | EUR | 159,361 | 0.29 |
| FAURECIA 2.7500 21-2715/02S | 200,000 | EUR | 191,947 | 0.34 |
| FONCIERE DES REGIONS 1.125 15-21 31/01S | 300,000 | EUR | 247,710 | 0.44 |
| FORVIA 7.25 22-26 15/06S | 100,000 | EUR | 106,257 | 0.19 |
| ICADE SA 1.00 22-30 19/01A | 200,000 | EUR | 170,339 | 0.31 |
| KERING SA 0.75 20-28 13/05A | 300,000 | EUR | 275,478 | 0.49 |
| KLEPIERRE (EX-COMPAG 0.875 20-31 17/11A | 200,000 | EUR | 166,695 | 0.30 |
| KLEPIERRE 1.625 17-32 13/12A | 300,000 | EUR | 257,339 | 0.46 |
| LA BANQUE POSTALE 0.75 21-31 23/06A | 400,000 | EUR | 328,786 | 0.59 |
| PRAEMIA HEALTHCARE 0.875 19-29 04/11A | 100,000 | EUR | 82,893 | 0.15 |
| PRAEMIA HEALTHCARE 375 20-30 17/09A | 100,000 | EUR | 82,564 | 0.15 |
| REXEL SA 2.1250 21-28 15/12S | 200,000 | EUR | 186,978 | 0.34 |
| SOCIETE GENERALE 4.25 22-30 06/12A | 300,000 | EUR | 305,163 | 0.55 |
| SOCIETE GENERALE SA 0.875 19-26 01/07A | 300,000 | EUR | 282,200 | 0.51 |
| SOCIETE GENERALE SA 0.875 19-29 24/09A | 300,000 | EUR | 257,118 | 0.46 |
| SOCIETE GENERALE SA FL.R 20-26 21/04A04A | 200,000 | EUR | 193,102 | 0.35 |
| SOCIETE GENERALE SA FL.R 20-28 22/09A | 200,000 | EUR | 181,804 | 0.33 |
| UNIBAIL-RODAMCO 1.5 17-28 22/02A | 200,000 | EUR | 187,453 | 0.34 |
| | | | 6,473,824 | 11.63 |
| Germany | | | | |
| DEUTSCHE BAHN 1.375 18-31 28/09A | 200,000 | EUR | 182,395 | 0.33 |
| EUROGRID GMBH 1 3.722 23-30 27/04A | 200,000 | EUR | 204,325 | 0.37 |
| EUROGRID GMBH 1.50 16-28 18/04A | 200,000 | EUR | 187,272 | 0.34 |
| EUROGRID GMBH 1.875 15-25 10/06A | 200,000 | EUR | 195,631 | 0.35 |
| EUROGRID GMBH 3.2790 22-31 05/09A | 100,000 | EUR | 99,654 | 0.18 |

The accompanying notes form an integral part of the financial statements.
Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund Sustainable Euro Corporate Bonds Fossil Free

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|----------|----------|--------------------------|--------------|
| HENKEL AG AND CO.KGAA 0.5 21-32 17/11A | 200,000 | EUR | 166,356 | 0.30 |
| INFINEON TECHNO 1.1250 20-26 24/06A | 300,000 | EUR | 285,677 | 0.51 |
| MERCK FIN SERVI 2.3750 22-30 15/06A | 200,000 | EUR | 193,900 | 0.35 |
| MUENCHENER RUECK FL.R 20-41 26/05A | 200,000 | EUR | 166,381 | 0.30 |
| O2 TELEFONICA DE FIN 1.75 18-25 05/07A | 400,000 | EUR | 389,416 | 0.70 |
| SAP SE 0.375 20-29 18/05A | 300,000 | EUR | 267,248 | 0.48 |
| VOLKSWAGEN LEASING G 0.5 21-29 12/01A | 200,000 | EUR | 173,799 | 0.31 |
| VONOVIA 0.75 21-32 01/09A | 400,000 | EUR | 304,770 | 0.55 |
| VONOVIA SE 0.2500 21-28 01/09A | 200,000 | EUR | 170,234 | 0.31 |
| VONOVIA SE 0.625 21-31 24/03A | 300,000 | EUR | 236,970 | 0.43 |
| VONOVIA SE 4.75 22-27 23/05A | 100,000 | EUR | 103,837 | 0.19 |
| | | | 3,327,865 | 5.98 |
| Ireland | | | | |
| CRH SMW FINANCE DAC 4.00 23-31 11/07A | 200,000 | EUR | 208,014 | 0.37 |
| CRH SMW FINANCE DAC 4.25 23-35 11/07A | 200,000 | EUR | 210,732 | 0.38 |
| JOHNSON CONTROLS INT 4.25 23-35 01/06A | 200,000 | EUR | 212,377 | 0.38 |
| KERRY GROUP FINANCIAL 0.875 21-31 01/12A | 269,000 | EUR | 228,702 | 0.41 |
| VODAFONE INTERNATIONAL 3.25 22-29 02/03A | 240,000 | EUR | 243,294 | 0.44 |
| VODAFONE INTERNATIONAL 3.75 22-34 02/12A | 300,000 | EUR | 310,275 | 0.56 |
| | | | 1,413,394 | 2.54 |
| Italy | | | | |
| ASSICURAZ GENERALI 2.124 19-30 01/10A | 200,000 | EUR | 176,802 | 0.32 |
| TERNA RETE ELETTRICA 3.875 23-33 24/07A | 310,000 | EUR | 320,114 | 0.57 |
| UNICREDIT SPA 1.625 22-32 18/01A | 200,000 | EUR | 171,414 | 0.31 |
| UNICREDIT SPA FL.R 22-27 15/11A | 400,000 | EUR | 424,096 | 0.76 |
| | | | 1,092,426 | 1.96 |
| Japan | | | | |
| TAKEDA PHARMA 1.375 20-32 09/07A | 100,000 | EUR | 86,343 | 0.16 |
| TAKEDA PHARMA 2 20-40 09/07A | 100,000 | EUR | 80,424 | 0.14 |
| TAKEDA PHARMA 2.25 18-26 21/11A | 300,000 | EUR | 293,690 | 0.53 |
| TAKEDA PHARMA 3 18-30 21/11A | 200,000 | EUR | 198,282 | 0.36 |
| | | | 658,739 | 1.18 |
| Luxembourg | | | | |
| DH EUROPE FIN 1.35 19-39 18/09A | 200,000 | EUR | 151,588 | 0.27 |
| MEDTRONIC GLOBAL HLDG 0.375 20-28 15/10A | 135,000 | EUR | 120,202 | 0.22 |
| MEDTRONIC GLOBAL HLDG 1.50 19-39 02/07A | 200,000 | EUR | 153,077 | 0.27 |
| MEDTRONIC GLOBAL HLDG 3.375 22-34 15/10A | 100,000 | EUR | 101,102 | 0.18 |
| MEDTRONIC GLOBAL HOLD 0.25 19-25 02/07A | 100,000 | EUR | 95,450 | 0.17 |
| MEDTRONIC GLOBAL HOLD 1.125 19-27 07/03A | 300,000 | EUR | 283,784 | 0.51 |
| PROLOGIS IN 4.625 23-35 21/02A | 100,000 | EUR | 104,398 | 0.19 |
| PROLOGIS INTERNATION 0.75 21-33 23/03A | 200,000 | EUR | 153,097 | 0.27 |
| TRATON FINANCE LUXEM 0.125 21-25 24/03A | 500,000 | EUR | 478,182 | 0.86 |
| TRATON FINANCE LUXEM 1.25 21-33 24/03A | 200,000 | EUR | 160,813 | 0.29 |
| | | | 1,801,693 | 3.24 |
| Mexico | | | | |
| AMERICA MOVIL 0.75 19-27 26/06A | 400,000 | EUR | 369,312 | 0.66 |
| AMERICA MOVIL 2.125 16-28 10/03A | 200,000 | EUR | 191,687 | 0.34 |
| | | | 560,999 | 1.01 |
| Netherlands | | | | |
| ABN AMRO BANK 0.5 21-29 23/09A | 500,000 | EUR | 425,535 | 0.76 |
| ABN AMRO BANK 1.25 22-34 20/01A | 200,000 | EUR | 162,503 | 0.29 |
| ABN AMRO BANK 3.625 23-26 10/01A | 100,000 | EUR | 100,799 | 0.18 |
| ABN AMRO BANK 4.25 22-30 21/02A | 300,000 | EUR | 312,087 | 0.56 |
| ABN AMRO BANK NV 4.5 22-34 21/11A | 400,000 | EUR | 430,482 | 0.77 |
| AKZO NOBEL NV 1.5 22-28 28/03A | 200,000 | EUR | 188,201 | 0.34 |
| AKZO NOBEL NV 1.625 20-30 14/04A | 200,000 | EUR | 180,962 | 0.33 |
| ASML HOLDING NV 0.25 20-30 25/02A | 200,000 | EUR | 171,943 | 0.31 |
| COOPERATIEVE RABOBANK FL.R 21-27 01/12A | 300,000 | EUR | 275,441 | 0.49 |
| DIGITAL INTREPID 1.375 22-32 18/07A8/07A | 202,000 | EUR | 165,004 | 0.30 |

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Candriam Fund Sustainable Euro Corporate Bonds Fossil Free

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|----------|----------|--------------------------|--------------|
| ING GROUP NV 1.375 17-28 11/01A | 200,000 | EUR | 188,425 | 0.34 |
| ING GROUP NV 1.75 22-31 16/02A | 200,000 | EUR | 179,195 | 0.32 |
| KONINKLIJKE DSM NV 0.25 20-28 23/06A | 200,000 | EUR | 180,391 | 0.32 |
| RELX FINANCE BV 0.5 20-28 10/03A | 300,000 | EUR | 272,543 | 0.49 |
| RELX FINANCE BV 0.875 20-32 10/03A | 200,000 | EUR | 169,251 | 0.30 |
| SIEMENS FINANCIERING 1.75 19-39 28/02A | 100,000 | EUR | 83,096 | 0.15 |
| SIEMENS FINANCIERING 2.75 22-30 09/09A | 200,000 | EUR | 199,339 | 0.36 |
| SIEMENS FINANCIERING 3 22-33 08/09A | 200,000 | EUR | 200,396 | 0.36 |
| SIEMENS FINANCIERINGS 3.375 23-31 24/08A | 500,000 | EUR | 516,349 | 0.93 |
| SIKA CAPITAL BV 3.75 23-30 03/05A | 175,000 | EUR | 180,387 | 0.32 |
| THERMO FISHER SCIENT 0.80 21-30 18/10A | 400,000 | EUR | 347,528 | 0.62 |
| THERMO FISHER SCIENTI 1.125 21-33 18/10A | 200,000 | EUR | 166,586 | 0.30 |
| TOYOTA MOTOR FINANCE 0.0 21-28 25/02A | 400,000 | EUR | 355,484 | 0.64 |
| UNILEVER NV 1.125 16-28 29/04A | 300,000 | EUR | 280,910 | 0.50 |
| VOLKSWAGEN INTL FIN 1.25 20-32 23/09A | 200,000 | EUR | 166,923 | 0.30 |
| VW INTL FINANCE FL.R 22-XX 28/12A | 200,000 | EUR | 187,929 | 0.34 |
| WOLTERS KLUWER 1.50 17-27 22/03A | 200,000 | EUR | 191,447 | 0.34 |
| WOLTERS KLUWER N.V. 0.75 20-30 03/07A | 200,000 | EUR | 173,874 | 0.31 |
| WOLTERS KLUWER NV 3.75 23-31 03/04A | 200,000 | EUR | 207,744 | 0.37 |
| | | | 6,660,754 | 11.96 |
| Norway | | | | |
| TELENOR AS 4.25 23-35 03/10A | 117,000 | EUR | 127,357 | 0.23 |
| TELENOR ASA 0.25 20-28 14/02A | 200,000 | EUR | 179,508 | 0.32 |
| | | | 306,865 | 0.55 |
| Spain | | | | |
| BANCO BILBAO VI -29 14/01A | 400,000 | EUR | 363,068 | 0.65 |
| BANCO BILBAO VIZCAYA 1.00 19-26 21/06A | 300,000 | EUR | 285,134 | 0.51 |
| BANCO DE SABADELL SA 0.875 19-25 22/07A | 200,000 | EUR | 192,558 | 0.35 |
| CELLNEX TELECOM SA 1.875 20-29 26/06A06A | 200,000 | EUR | 182,774 | 0.33 |
| | | | 1,023,534 | 1.84 |
| Sweden | | | | |
| SKANDINAVISKA ENSKIL 3.25 22-25 24/11A | 500,000 | EUR | 500,449 | 0.90 |
| SKANDINAVISKA ENSKIL 4.00 22-26 09/11A | 200,000 | EUR | 203,658 | 0.37 |
| SVENSKA HANDELSBANKEN 2.625 22-29 05/09A | 180,000 | EUR | 176,039 | 0.32 |
| SWEDBANK AB 4.25 23-28 11/07A | 400,000 | EUR | 411,456 | 0.74 |
| TELIA COMPANY AB 3.50 13-33 05/09A | 200,000 | EUR | 205,600 | 0.37 |
| | | | 1,497,202 | 2.69 |
| United Kingdom | | | | |
| ASTRAZENECA PLC 0.375 21-29 03/06A | 300,000 | EUR | 264,375 | 0.47 |
| ASTRAZENECA PLC 1.25 16-28 12/05A | 200,000 | EUR | 188,528 | 0.34 |
| DS SMITH PLC 0.8750 19-26 12/09A | 350,000 | EUR | 327,121 | 0.59 |
| LLOYDS BANKING GROUP 1.50 17-27 12/09A | 300,000 | EUR | 283,854 | 0.51 |
| LLOYDS BANKING GROUP FL.R 19-25 12/11A | 200,000 | EUR | 194,330 | 0.35 |
| NATIONWIDE BUILDING SO 0.25 21-28 14/09A | 300,000 | EUR | 262,092 | 0.47 |
| NATWEST MARKETS PLC 0.125 21-25 12/11A | 140,000 | EUR | 131,902 | 0.24 |
| NATWEST MARKETS PLC 1.375 22-27 02/03A | 200,000 | EUR | 188,365 | 0.34 |
| NOMAD FOODS BONDCO 2.50 21-28 24/06S | 200,000 | EUR | 188,593 | 0.34 |
| RECKITT BENCKIS 3.8750 23-33 14/09A | 247,000 | EUR | 261,866 | 0.47 |
| VODAFONE GROUP 1.6250 19-30 24/11A | 200,000 | EUR | 181,836 | 0.33 |
| VODAFONE GROUP 1.875 17-29 20/11A | 200,000 | EUR | 187,023 | 0.34 |
| WESTPAC SEC NZ 0.4270 21-26 14/12A | 134,000 | EUR | 123,320 | 0.22 |
| WESTPAC SECURITIES 1.099 22-26 24/03A | 429,000 | EUR | 407,636 | 0.73 |
| | | | 3,190,841 | 5.73 |
| United States of America | | | | |
| AMERICAN TOWER CORP 0.875 21-29 21/05A | 200,000 | EUR | 174,653 | 0.31 |
| AMERICAN TOWER CORP 1.25 21-33 21/05A | 200,000 | EUR | 161,755 | 0.29 |
| BANK OF AMERICA CORP 1.102 21-32 24/05A | 300,000 | EUR | 250,425 | 0.45 |
| DANAHER CORP 2.5 20-30 30/03A | 500,000 | EUR | 485,929 | 0.87 |
| DIGITAL EURO FINCO 2.5 19-26 16/01A | 200,000 | EUR | 194,973 | 0.35 |

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Candriam Fund Sustainable Euro Corporate Bonds Fossil Free

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|----------|----------|--------------------------|--------------|
| ECOLAB INC 2.625 15-25 08/07A | 200,000 | EUR | 197,675 | 0.36 |
| FISERV INC 1.125 19-27 01/07A | 500,000 | EUR | 469,507 | 0.84 |
| FISERV INC 1.625 19-30 01/07A | 200,000 | EUR | 181,173 | 0.33 |
| GENERAL MILLS INC 0.45 20-26 15/01A | 200,000 | EUR | 188,848 | 0.34 |
| GENERAL MILLS INC 3.907 23-29 13/04A | 200,000 | EUR | 206,729 | 0.37 |
| IBM CORP 1.25 19-27 29/01A | 400,000 | EUR | 380,408 | 0.68 |
| IBM CORP 1.2500 22-34 09/02U | 100,000 | EUR | 83,897 | 0.15 |
| IBM CORP 3.6250 23-31 06/02A | 200,000 | EUR | 206,613 | 0.37 |
| IBM INTL BUSINESS MA 3.75 23-35 06/02A | 200,000 | EUR | 209,235 | 0.38 |
| ILLINOIS TOOL WORKS 0.625 19-27 05/12A | 600,000 | EUR | 552,533 | 0.99 |
| INTERNATIONAL BUSINE 0.3 20-28 11/02A | 285,000 | EUR | 257,114 | 0.46 |
| MANPOWERGROUP INC 1.75 18-26 22/06A | 300,000 | EUR | 290,634 | 0.52 |
| MMS USA INVESTMENTS 1.25 19-28 13/06A | 200,000 | EUR | 185,075 | 0.33 |
| MORGAN STANLEY CAP F.LR 22-32 07/05A | 200,000 | EUR | 189,575 | 0.34 |
| MORGAN STANLEY CAPIT 1.102 21-33 29/04A | 200,000 | EUR | 162,602 | 0.29 |
| NASDAQ INC 0.9 21-33 30/07A | 200,000 | EUR | 159,080 | 0.29 |
| NASDAQ INC 4.50 23-32 15/02A | 200,000 | EUR | 214,548 | 0.39 |
| PROLOGIS EURO FINANC 3.875 23-30 31/01A | 304,000 | EUR | 309,837 | 0.56 |
| PROLOGIS EURO FINANCE 0.375 20-28 06/02A | 260,000 | EUR | 232,354 | 0.42 |
| PROLOGIS EURO FINANCE 1.0 20-35 06/02A | 100,000 | EUR | 74,810 | 0.13 |
| THERMO FISHER SCIEN 1.95 17-29 24/07A | 100,000 | EUR | 95,060 | 0.17 |
| THERMO FISHER SCIENT 0.50 19-28 01/03A | 139,000 | EUR | 126,491 | 0.23 |
| THERMO FISHER SCIENT 0.875 19-31 01/10A | 100,000 | EUR | 85,480 | 0.15 |
| THERMO FISHER SCIENT 3.2 22-26 21/01A | 105,000 | EUR | 105,245 | 0.19 |
| TOYOTA MOTOR CREDIT 0.125 21-27 06/05A | 600,000 | EUR | 539,093 | 0.97 |
| TOYOTA MOTOR CREDIT 3.85 23-30 24/07A | 200,000 | EUR | 208,151 | 0.37 |
| TOYOTA MOTOR CREDIT 4.05 23-29 13/09A | 292,000 | EUR | 306,737 | 0.55 |
| UNILEVER CAPITAL 3.4000 23-33 06/06A | 200,000 | EUR | 206,348 | 0.37 |
| UNITED PARCEL 1.00 16-28 28/11A | 400,000 | EUR | 368,764 | 0.66 |
| VERIZON COMM 0.875 19-27 08/04A | 486,000 | EUR | 454,825 | 0.82 |
| VERIZON COMM 2.625 14-31 01/12A31 01/12A | 100,000 | EUR | 95,634 | 0.17 |
| VERIZON COMM 4.75 22-34 31/10A | 100,000 | EUR | 111,053 | 0.20 |
| VERIZON COMMUNICATIO 1.3 20-33 18/05A | 200,000 | EUR | 167,396 | 0.30 |
| VERIZON COMMUNICATIO 1.85 20-40 18/05A | 300,000 | EUR | 236,175 | 0.42 |
| VERIZON COMMUNICATION 1.875 17-29 26/10A | 200,000 | EUR | 186,989 | 0.34 |
| VERIZON COMMUNICATION 3.25 14-26 17/02A | 300,000 | EUR | 302,024 | 0.54 |
| | | | 9,615,447 | 17.27 |
| Total bonds | | | 40,250,725 | 72.29 |
| Floating rate notes | | | | |
| Austria | | | | |
| ERSTE GROUP BANK AG FL.R 20-31 08/09 | 200,000 | EUR | 186,768 | 0.34 |
| | | | 186,768 | 0.34 |
| Belgium | | | | |
| KBC GROUPE FL.R 1.5 22-26 29/03A | 500,000 | EUR | 486,459 | 0.87 |
| KBC GROUPE FL.R 22-27 23/11A | 300,000 | EUR | 307,371 | 0.55 |
| KBC GROUPE SA FL.R 20-27 16/06A | 200,000 | EUR | 186,555 | 0.34 |
| KBC GROUPE SA FL.R 21-27 01/03A27 01/03A | 300,000 | EUR | 280,709 | 0.50 |
| KBC GROUPE SA FL.R 21-31 07/12A | 400,000 | EUR | 361,742 | 0.65 |
| | | | 1,622,836 | 2.91 |
| Finland | | | | |
| OP CORPORATE BANK FL.R 20-30 09/06A/06A | 200,000 | EUR | 191,224 | 0.34 |
| | | | 191,224 | 0.34 |
| France | | | | |
| AXA FL.R 23-43 11/07A | 100,000 | EUR | 107,336 | 0.19 |
| AXA SA FL.R 14-XX 08/10A | 300,000 | EUR | 297,404 | 0.53 |
| AXA SA FL.R 16-47 06/07A | 300,000 | EUR | 294,237 | 0.53 |
| AXA SA FL.R 21-41 07/04A | 200,000 | EUR | 165,616 | 0.30 |
| BNP PARIBAS CARDIF FL.R 14-XX 25/11A | 400,000 | EUR | 395,422 | 0.71 |

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Candriam Fund Sustainable Euro Corporate Bonds Fossil Free

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|---|----------|----------|--------------------------|--------------|
| BNP PARIBAS FL.R 23-29 13/01A | 200,000 | EUR | 207,306 | 0.37 |
| BNP PARIBAS FL.R 23-31 13/04A | 200,000 | EUR | 207,295 | 0.37 |
| BPCE FL.R 22-28 14/01A | 200,000 | EUR | 182,730 | 0.33 |
| BPCE FL.R 23-34 14/06A | 200,000 | EUR | 213,132 | 0.38 |
| BPCE SA FL.R 23-35 25/01A | 600,000 | EUR | 618,143 | 1.11 |
| CA ASSURANCES SA FL.R 18-48 29/01AA | 200,000 | EUR | 186,437 | 0.33 |
| CNP ASSURANCES FL.R 19-50 27/07A | 200,000 | EUR | 173,966 | 0.31 |
| CREDIT AGRICOLE SA FL.R 22-27 22/04A | 200,000 | EUR | 193,017 | 0.35 |
| CREDIT AGRICOLE SA FL.R 23-29 11/07A | 300,000 | EUR | 309,912 | 0.56 |
| SCOR SE FL.R 15-46 08/06A | 500,000 | EUR | 487,297 | 0.88 |
| SOCIETE GENERALE SA FL.R 21-27 02/12A | 300,000 | EUR | 275,273 | 0.49 |
| | | | 4,314,523 | 7.75 |
| Germany | | | | |
| ALLIANZ SE FL.R 17-47 06/07A | 300,000 | EUR | 294,299 | 0.53 |
| CMZB FR FL.R 22-28 21/03A | 300,000 | EUR | 307,412 | 0.55 |
| COMMERZBANK AKTIENG FL.R 23-29 25/03A | 100,000 | EUR | 105,182 | 0.19 |
| HANNOVER RUCKVERSICH FL.R 22-43 26/08A | 200,000 | EUR | 223,716 | 0.40 |
| | | | 930,609 | 1.67 |
| Ireland | | | | |
| BANK OF IRELAND GROUP FL.R 23-29 13/11A | 100,000 | EUR | 104,036 | 0.19 |
| BANK OF IRELAND GRP FL.R 21-27 10/03A | 600,000 | EUR | 558,146 | 1.00 |
| BANK OF IRELAND GRP FL.R 22-26 05/06A | 100,000 | EUR | 97,272 | 0.17 |
| BANK OF IRELAND GRP FL.R 23-31 04/07A | 200,000 | EUR | 213,703 | 0.38 |
| | | | 973,157 | 1.75 |
| Italy | | | | |
| UNICREDIT FL.R 23-29 16/02A | 500,000 | EUR | 511,944 | 0.92 |
| | | | 511,944 | 0.92 |
| Netherlands | | | | |
| ING GROEP NV FL.R 21-28 29/09A | 400,000 | EUR | 355,514 | 0.64 |
| ING GROUP NV FL.R 17-29 26/09A | 200,000 | EUR | 195,151 | 0.35 |
| ING GROUP NV FL.R 22-26 23/05A | 200,000 | EUR | 195,715 | 0.35 |
| NN GROUP NV FL.R 23-43 03/11A | 207,000 | EUR | 221,354 | 0.40 |
| TELEFONICA EUROPE BV FL.R 19-XX 14/03A | 200,000 | EUR | 198,912 | 0.36 |
| VOLKSWAGEN INTL FIN FL.R 14-26 24/03A | 400,000 | EUR | 398,304 | 0.72 |
| VOLKSWAGEN INTL FIN FL.R 18-XX 27/06A | 300,000 | EUR | 297,407 | 0.53 |
| VOLKSWAGEN INTL FIN FL.R 23-99 31/12A | 200,000 | EUR | 217,786 | 0.39 |
| | | | 2,080,143 | 3.74 |
| Norway | | | | |
| DNB BANK ASA FL.R 23-28 19/07A | 365,000 | EUR | 377,603 | 0.68 |
| | | | 377,603 | 0.68 |
| Spain | | | | |
| BANCO BILBAO VIZCAYA FL.R 20-30 16/01A | 600,000 | EUR | 577,571 | 1.04 |
| BANCO DE SABADELL SA FL.R 20-27 11/09A | 200,000 | EUR | 189,953 | 0.34 |
| BBVA FL.R 23-31 13/01A | 400,000 | EUR | 420,562 | 0.76 |
| BBVA FL.R 23-33 15/09A | 200,000 | EUR | 210,539 | 0.38 |
| | | | 1,398,625 | 2.51 |
| Sweden | | | | |
| SWEDBANK AB FL.R 21-27 20/05A | 400,000 | EUR | 369,778 | 0.66 |
| | | | 369,778 | 0.66 |
| United Kingdom | | | | |
| LLOYDS BANKING GROUP FL.R 20-26 01/04A | 200,000 | EUR | 199,468 | 0.36 |
| LLOYDS BANKING GROUP FL.R 23-29 11/01A | 300,000 | EUR | 312,021 | 0.56 |
| NATWEST GROUP PLC FL.R 18-25 04/03A | 200,000 | EUR | 199,275 | 0.36 |
| NATWEST GROUP PLC FL.R 18-26 02/03A | 300,000 | EUR | 292,191 | 0.52 |
| NATWEST GROUP PLC FL.R 21-30 26/02A | 200,000 | EUR | 172,595 | 0.31 |
| | | | 1,175,550 | 2.11 |
| United States of America | | | | |
| BANK OF AMERICA CORP FL.R 21-31 22/03A | 200,000 | EUR | 167,471 | 0.30 |
| | | | 167,471 | 0.30 |

The accompanying notes form an integral part of the financial statements.
Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund Sustainable Euro Corporate Bonds Fossil Free

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|----------|----------|--------------------------|--------------|
| Total floating rate notes | | | 14,300,231 | 25.68 |
| Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market | | | 54,550,956 | 97.97 |
| Total investment portfolio | | | 54,550,956 | 97.97 |
| Acquisition cost | | | 57,384,080 | |

The accompanying notes form an integral part of the financial statements.
Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund Sustainable Euro Corporate Bonds Fossil Free

Geographical and economic breakdown of investments as at December 31, 2023

Geographical breakdown (in % of net assets)

| | |
|--------------------------|--------------|
| France | 19.38 |
| United States of America | 17.57 |
| Netherlands | 15.70 |
| United Kingdom | 7.84 |
| Germany | 7.65 |
| Spain | 4.35 |
| Ireland | 4.29 |
| Belgium | 3.95 |
| Sweden | 3.35 |
| Luxembourg | 3.24 |
| Italy | 2.88 |
| Finland | 1.75 |
| Norway | 1.23 |
| Japan | 1.18 |
| Mexico | 1.01 |
| Canada | 0.81 |
| Denmark | 0.81 |
| Australia | 0.66 |
| Austria | 0.34 |
| | 97.97 |

Economic breakdown (in % of net assets)

| | |
|--|--------------|
| Banks and other financial institutions | 58.57 |
| Communication | 6.43 |
| Real estate | 5.38 |
| Insurance | 5.02 |
| Pharmaceuticals | 3.35 |
| Office supplies and computing | 2.04 |
| Machine and apparatus construction | 1.87 |
| Internet and internet services | 1.81 |
| Chemicals | 1.67 |
| Miscellaneous consumer goods | 1.67 |
| Utilities | 1.61 |
| Electronics and semiconductors | 1.56 |
| Miscellaneous services | 1.23 |
| Graphic art and publishing | 1.03 |
| Retail trade and department stores | 1.00 |
| Foods and non alcoholic drinks | 0.71 |
| Transportation | 0.66 |
| Packaging industries | 0.59 |
| Road vehicles | 0.54 |
| Building materials | 0.53 |
| Paper and forest products | 0.37 |
| Electrical engineering | 0.34 |
| | 97.97 |

Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund Sustainable European Equities Fossil Free

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|----------|----------|--------------------------|--------------|
| Transferable securities admitted to an official stock exchange listing or dealt in another regulated market | | | | |
| Shares | | | | |
| Belgium | | | | |
| AEDIFICA SA | 9,995 | EUR | 636,182 | 0.36 |
| KBC GROUPE SA | 53,869 | EUR | 3,163,188 | 1.77 |
| WAREHOUSES DE PAUW SCA - REGISTERED SHS | 21,167 | EUR | 603,260 | 0.34 |
| | | | 4,402,630 | 2.47 |
| Denmark | | | | |
| GENMAB AS | 2,651 | DKK | 766,365 | 0.43 |
| NOVO NORDISK - BEARER AND/OR - REG SHS | 88,586 | DKK | 8,295,857 | 4.65 |
| | | | 9,062,222 | 5.07 |
| France | | | | |
| AXA SA | 162,449 | EUR | 4,790,621 | 2.68 |
| BIOMERIEUX SA | 9,586 | EUR | 964,352 | 0.54 |
| CAPGEMINI SE | 2,186 | EUR | 412,608 | 0.23 |
| DASSAULT SYST. | 13,885 | EUR | 614,203 | 0.34 |
| ESSILORLUXOTTICA SA | 15,049 | EUR | 2,732,898 | 1.53 |
| HERMES INTERNATIONAL SA | 1,941 | EUR | 3,724,391 | 2.09 |
| KERING | 4,415 | EUR | 1,761,585 | 0.99 |
| LVMH MOET HENNESSY LOUIS VUITTON SE | 10,023 | EUR | 7,352,872 | 4.12 |
| SANOFI | 41,271 | EUR | 3,704,485 | 2.07 |
| SCHNEIDER ELECTRIC SE | 25,346 | EUR | 4,607,396 | 2.58 |
| SOITEC SA RGPT | 7,845 | EUR | 1,269,321 | 0.71 |
| | | | 31,934,732 | 17.88 |
| Germany | | | | |
| ADIDAS AG - REG SHS | 4,897 | EUR | 901,832 | 0.51 |
| ALLIANZ SE PREFERENTIAL SHARE | 20,816 | EUR | 5,036,431 | 2.82 |
| BEIERSDORF AG | 13,667 | EUR | 1,854,612 | 1.04 |
| DEUTSCHE BOERSE AG - REG SHS | 19,137 | EUR | 3,569,051 | 2.00 |
| DEUTSCHE POST AG - REG SHS | 37,365 | EUR | 1,676,007 | 0.94 |
| DEUTSCHE TELEKOM AG - REG SHS | 108,172 | EUR | 2,352,741 | 1.32 |
| INFINEON TECHNOLOGIES - REG SHS | 25,142 | EUR | 950,368 | 0.53 |
| MERCK KGAA | 19,744 | EUR | 2,845,110 | 1.59 |
| MUENCHENER RUECK - REG SHS | 9,097 | EUR | 3,412,285 | 1.91 |
| PUMA AG | 31,434 | EUR | 1,588,046 | 0.89 |
| SAP AG | 24,836 | EUR | 3,464,125 | 1.94 |
| SIEMENS AG PREFERENTIAL SHARE | 14,307 | EUR | 2,431,045 | 1.36 |
| SYMRISE AG | 11,463 | EUR | 1,142,173 | 0.64 |
| TAG IMMOBILIEN AG | 146,657 | EUR | 1,935,139 | 1.08 |
| | | | 33,158,965 | 18.57 |
| Ireland | | | | |
| KERRY GROUP -A- | 28,855 | EUR | 2,269,734 | 1.27 |
| SMURFIT KAPPA PLC | 40,684 | EUR | 1,459,742 | 0.82 |
| | | | 3,729,476 | 2.09 |
| Italy | | | | |
| FINECOBANK | 220,776 | EUR | 2,999,242 | 1.68 |
| UNICREDIT SPA - REG SHS | 125,043 | EUR | 3,071,681 | 1.72 |
| | | | 6,070,923 | 3.40 |
| Netherlands | | | | |
| ALFEN NV | 13,015 | EUR | 784,544 | 0.44 |
| ASM INTERNATIONAL NV | 5,744 | EUR | 2,699,393 | 1.51 |
| ASML HOLDING NV | 6,333 | EUR | 4,317,206 | 2.42 |
| BESI - REG SHS | 15,848 | EUR | 2,162,460 | 1.21 |
| ING GROUP NV | 76,371 | EUR | 1,032,994 | 0.58 |
| QIAGEN - REG SHS | 76,139 | EUR | 2,999,877 | 1.68 |
| STMICROELECTRONICS NV | 11,572 | EUR | 523,575 | 0.29 |
| UNIVERSAL MUSIC GROUP N.V. | 36,449 | EUR | 940,749 | 0.53 |
| | | | 15,460,798 | 8.66 |

The accompanying notes form an integral part of the financial statements.
Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund Sustainable European Equities Fossil Free

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|----------|----------|--------------------------|--------------|
| Spain | | | | |
| AMADEUS IT GROUP SA -A- | 11,028 | EUR | 715,497 | 0.40 |
| BANCO BILBAO VIZCAYA ARGENTARIA SA | 280,943 | EUR | 2,311,037 | 1.29 |
| BANKINTER SA - REG SHS | 270,836 | EUR | 1,569,765 | 0.88 |
| | | | 4,596,299 | 2.57 |
| Sweden | | | | |
| AAK - REGISTERED SHS | 88,968 | SEK | 1,796,542 | 1.01 |
| ASSA ABLOY -B- NEW I | 78,196 | SEK | 2,039,102 | 1.14 |
| | | | 3,835,644 | 2.15 |
| Switzerland | | | | |
| DSM FIRMENICH | 21,965 | EUR | 2,020,780 | 1.13 |
| NESTLE SA PREFERENTIAL SHARE | 74,831 | CHF | 7,848,521 | 4.39 |
| NOVARTIS AG PREFERENTIAL SHARE | 35,335 | CHF | 3,225,644 | 1.81 |
| ROCHE HOLDING LTD | 9,589 | CHF | 2,521,793 | 1.41 |
| SIKA - REGISTERED SHS | 6,495 | CHF | 1,912,102 | 1.07 |
| ZURICH INSURANCE GROUP - REG SHS | 6,182 | CHF | 2,923,101 | 1.64 |
| | | | 20,451,941 | 11.45 |
| United Kingdom | | | | |
| ASTRAZENECA PLC | 44,616 | GBP | 5,457,615 | 3.06 |
| COMPASS GROUP | 67,376 | GBP | 1,668,558 | 0.93 |
| CRODA INTL - REG SHS | 26,369 | GBP | 1,536,708 | 0.86 |
| EXPERIAN GROUP | 65,573 | GBP | 2,422,996 | 1.36 |
| LSE GROUP | 25,461 | GBP | 2,724,890 | 1.53 |
| RECKITT BENCKISER GROUP PLC | 45,151 | GBP | 2,824,054 | 1.58 |
| RELX PLC | 120,233 | GBP | 4,315,096 | 2.42 |
| SEGRO (REIT) | 60,907 | GBP | 623,022 | 0.35 |
| SPIRAX-SARCO ENGIN | 18,019 | GBP | 2,184,405 | 1.22 |
| UNILEVER | 100,296 | GBP | 4,398,186 | 2.46 |
| | | | 28,155,530 | 15.77 |
| United States of America | | | | |
| ADVANCED MICRO DEVICES INC | 7,647 | USD | 1,020,454 | 0.57 |
| ALPHABET INC -A- | 17,009 | USD | 2,150,896 | 1.20 |
| ANALOG DEVICES INC | 4,522 | USD | 812,826 | 0.46 |
| APPLE INC | 7,285 | USD | 1,269,706 | 0.71 |
| APPLIED MATERIALS INC | 5,663 | USD | 830,854 | 0.47 |
| KLA CORPORATION | 854 | USD | 449,400 | 0.25 |
| LAM RESEARCH CORP | 671 | USD | 475,777 | 0.27 |
| MARVELL TECH - REGISTERED SHS | 18,040 | USD | 984,920 | 0.55 |
| MICROSOFT CORP | 9,981 | USD | 3,397,687 | 1.90 |
| OWENS CORNING SHS | 3,412 | USD | 457,847 | 0.26 |
| PALO ALTO NETWORKS | 10,705 | USD | 2,857,639 | 1.60 |
| QUALCOMM INC | 14,350 | USD | 1,878,822 | 1.05 |
| TEXAS INSTRUMENTS INC | 4,314 | USD | 665,699 | 0.37 |
| | | | 17,252,527 | 9.66 |
| Total Shares | | | 178,111,687 | 99.74 |
| Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market | | | 178,111,687 | 99.74 |
| Total investment portfolio | | | 178,111,687 | 99.74 |
| Acquisition cost | | | 156,901,941 | |

The accompanying notes form an integral part of the financial statements.
Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund Sustainable European Equities Fossil Free

Geographical and economic breakdown of investments as at December 31, 2023

Geographical breakdown (in % of net assets)

| | |
|--------------------------|--------------|
| Germany | 18.57 |
| France | 17.88 |
| United Kingdom | 15.77 |
| Switzerland | 11.45 |
| United States of America | 9.66 |
| Netherlands | 8.66 |
| Denmark | 5.07 |
| Italy | 3.40 |
| Spain | 2.57 |
| Belgium | 2.47 |
| Sweden | 2.15 |
| Ireland | 2.09 |
| | 99.74 |

Economic breakdown (in % of net assets)

| | |
|--|--------------|
| Pharmaceuticals | 17.70 |
| Banks and other financial institutions | 15.45 |
| Foods and non alcoholic drinks | 9.13 |
| Electronics and semiconductors | 9.06 |
| Insurance | 9.05 |
| Internet and internet services | 7.62 |
| Textiles and garments | 7.60 |
| Electrical engineering | 3.94 |
| Chemicals | 2.57 |
| Graphic art and publishing | 2.42 |
| Communication | 2.37 |
| Machine and apparatus construction | 2.37 |
| Real estate | 2.13 |
| Biotechnology | 2.11 |
| Miscellaneous consumer goods | 1.58 |
| Retail trade and department stores | 0.99 |
| Transportation | 0.94 |
| Hotels and restaurants | 0.93 |
| Paper and forest products | 0.82 |
| Office supplies and computing | 0.71 |
| Building materials | 0.26 |
| | 99.74 |



Candriam Fund Sustainable Short Term Equivalent

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|----------|----------|--------------------------|--------------|
| Transferable securities admitted to an official stock exchange listing or dealt in another regulated market | | | | |
| Bonds | | | | |
| Belgium | | | | |
| AEDIFICA NV/SA ZCP 050124 | 500,000 | EUR | 497,872 | 1.65 |
| BARRY CALLEBAUT SERV ZCP 090124 | 500,000 | EUR | 494,576 | 1.64 |
| KBC GROUPE SA ZCP 230424 | 500,000 | EUR | 489,965 | 1.63 |
| | | | 1,482,413 | 4.92 |
| Finland | | | | |
| OP CORPORATE BANK PL 0.375 19-24 19/06A | 900,000 | EUR | 885,110 | 2.94 |
| | | | 885,110 | 2.94 |
| France | | | | |
| CREDIT MUTUEL ARKEA 1.25 17-24 31/05A | 100,000 | EUR | 98,969 | 0.33 |
| DASSAULT SYSTEMES ZCP 040324 | 500,000 | EUR | 495,122 | 1.64 |
| | | | 594,091 | 1.97 |
| Luxembourg | | | | |
| DIGITAL EURO 2.625 16-24 15/04A | 200,000 | EUR | 198,940 | 0.66 |
| | | | 198,940 | 0.66 |
| Netherlands | | | | |
| DEUT TELEKOM INT FIN 0.875 17-24 30/01A | 540,000 | EUR | 538,847 | 1.79 |
| ENEL FINANCE INT NV ZCP 310124 | 500,000 | EUR | 498,253 | 1.65 |
| RABOBANK 0.625 19-24 27/02A | 900,000 | EUR | 895,581 | 2.97 |
| RELX FINANCE BV 0.00 20-24 18/03A | 100,000 | EUR | 99,168 | 0.33 |
| RELX FINANCE BV 1.00 17-24 22/03A | 600,000 | EUR | 596,226 | 1.98 |
| | | | 2,628,075 | 8.72 |
| Spain | | | | |
| IBERDROLA FINANZAS 1.00 16-24 07/03A | 700,000 | EUR | 696,472 | 2.31 |
| | | | 696,472 | 2.31 |
| United Kingdom | | | | |
| MONDI FINANCE 1.50 16-24 15/04A | 750,000 | EUR | 744,750 | 2.47 |
| | | | 744,750 | 2.47 |
| United States of America | | | | |
| FISERV INC ZCP 080224 | 500,000 | EUR | 496,645 | 1.65 |
| FISERV INC ZCP 220224 | 500,000 | EUR | 497,064 | 1.65 |
| INTL FLAVORS & FRAG 1.75 16-24 14/03A | 200,000 | EUR | 199,046 | 0.66 |
| MET LIFE GLOB FUND 0.375 19-24 09/04A | 800,000 | EUR | 792,516 | 2.63 |
| | | | 1,985,271 | 6.59 |
| Total bonds | | | 9,215,122 | 30.59 |
| Floating rate notes | | | | |
| Belgium | | | | |
| KBC GROUPE SA FL.R 22-25 23/02Q | 400,000 | EUR | 400,306 | 1.33 |
| | | | 400,306 | 1.33 |
| Canada | | | | |
| BANK OF MONTREAL FL.R 23-25 06/06Q | 871,000 | EUR | 873,517 | 2.90 |
| BANK OF NOVA SC FL.R 23-25 12/12Q | 200,000 | EUR | 200,176 | 0.66 |
| BANK OF NOVA SCOTIA FL.R 23-25 02/05Q | 700,000 | EUR | 701,439 | 2.33 |
| CAN IMP BK E3R FL.R 22-24 26/01Q | 600,000 | EUR | 600,273 | 1.99 |
| CAN IMP BK FL.R 23-25 09/06Q | 300,000 | EUR | 300,441 | 1.00 |
| NATL BANK OF CANADA FL.R 23-25 13/05Q | 750,000 | EUR | 751,241 | 2.49 |
| TORONTO DOMINION BANK FL.R 23-25 20/01Q | 800,000 | EUR | 801,832 | 2.66 |
| TORONTO DOMINION BANK FL.R 23-25 21/07Q | 100,000 | EUR | 100,268 | 0.33 |
| | | | 4,329,187 | 14.37 |
| Denmark | | | | |
| NYKREDIT REALKREDIT FL.R 21-24 25/03Q | 450,000 | EUR | 450,842 | 1.50 |
| | | | 450,842 | 1.50 |
| France | | | | |
| COMPAGNIE DE SAINT G FL.R 23-24 18/07Q | 700,000 | EUR | 700,270 | 2.32 |
| CREDIT AGRICOLE SA FL.R 23-25 07/03Q | 900,000 | EUR | 901,562 | 2.99 |
| L OREAL S A E3R+ F.LR 22-24 29/03Q | 700,000 | EUR | 700,938 | 2.33 |

The accompanying notes form an integral part of the financial statements.
Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund Sustainable Short Term Equivalent

Investment portfolio as at December 31, 2023

| Description | Quantity | Currency | Market value (in EUR) | % net assets |
|--|----------|----------|--------------------------|--------------|
| | | | 2,302,770 | 7.64 |
| Italy | | | | |
| INTE FL.R 23-25 17/03Q | 300,000 | EUR | 300,432 | 1.00 |
| INTESA SANPAOLO FL.R 23-25 16/11Q | 300,000 | EUR | 300,735 | 1.00 |
| | | | 601,167 | 2.00 |
| Netherlands | | | | |
| ABN AMRO BK FL.R 23-25 10/01Q | 900,000 | EUR | 902,039 | 2.99 |
| ALLIANZ FINANCE FL.R 21-24 22/11Q | 600,000 | EUR | 603,684 | 2.00 |
| ING BANK NV FL.R 23-26 02/10Q | 900,000 | EUR | 904,031 | 3.00 |
| SIEMENS FINANCIE FL.R 23-25 18/12Q | 900,000 | EUR | 901,593 | 2.99 |
| SIKA CAPITAL BV FL.R 23-24 01/11Q | 880,000 | EUR | 880,400 | 2.92 |
| TOYOTA MOTOR FINANCE FL.R 21-24 29/03Q | 900,000 | EUR | 901,395 | 2.99 |
| | | | 5,093,142 | 16.90 |
| Spain | | | | |
| BBVA FL.R 22-25 26/11Q | 800,000 | EUR | 810,580 | 2.69 |
| | | | 810,580 | 2.69 |
| Sweden | | | | |
| SKANDINAVISKA ENSKIL FL.R 23-25 13/06Q | 900,000 | EUR | 902,600 | 3.00 |
| | | | 902,600 | 3.00 |
| United Kingdom | | | | |
| LLOYDS BANKING GROUP FL.R 17-24 21/06Q | 800,000 | EUR | 802,180 | 2.66 |
| NATIONWIDE BUILDING FL.R 23-25 07/06Q | 760,000 | EUR | 762,257 | 2.53 |
| | | | 1,564,437 | 5.19 |
| United States of America | | | | |
| PROLOGIS EURO FINANCE FL.R 22-24 08/02Q | 800,000 | EUR | 800,336 | 2.66 |
| | | | 800,336 | 2.66 |
| Total floating rate notes | | | 17,255,367 | 57.27 |
| Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market | | | 26,470,489 | 87.86 |
| Undertakings for Collective Investment | | | | |
| Shares/Units in investment funds | | | | |
| Luxembourg | | | | |
| CANDRIAM SUSTAINABLE MONEY MARKET EURO Z C | 2,650 | EUR | 2,886,061 | 9.58 |
| | | | 2,886,061 | 9.58 |
| Total Shares/Units in investment funds | | | 2,886,061 | 9.58 |
| Total Undertakings for Collective Investment | | | 2,886,061 | 9.58 |
| Total investment portfolio | | | 29,356,550 | 97.44 |
| Acquisition cost | | | 29,309,472 | |

The accompanying notes form an integral part of the financial statements.
Any differences in the percentage of Net Assets are the result of roundings.



Candriam Fund Sustainable Short Term Equivalent

Geographical and economic breakdown of investments as at December 31, 2023

Geographical breakdown (in % of net assets)

| | |
|--------------------------|--------------|
| Netherlands | 25.63 |
| Canada | 14.37 |
| Luxembourg | 10.24 |
| France | 9.62 |
| United States of America | 9.25 |
| United Kingdom | 7.66 |
| Belgium | 6.25 |
| Spain | 5.00 |
| Sweden | 3.00 |
| Finland | 2.94 |
| Italy | 2.00 |
| Denmark | 1.50 |
| | 97.44 |

Economic breakdown (in % of net assets)

| | |
|--|--------------|
| Banks and other financial institutions | 71.29 |
| Investments funds | 11.23 |
| Real estate | 5.95 |
| Pharmaceuticals | 2.99 |
| Building materials | 2.32 |
| Insurance | 2.00 |
| Foods and non alcoholic drinks | 1.64 |
| | 97.44 |



Other notes to the financial statements

Note 1 - General Information

Candriam Fund (hereafter “the SICAV”) was set up in Luxembourg on September 23, 1999 (initially under the name of OXALIS Fund), for an unlimited period, as a mutual fund (FCP), pursuant to the provisions of part I of the law of December 17, 2010 related to Undertakings for Collective Investment (“UCI”), as amended.

The FCP Candriam Fund was converted into a SICAV subject to Part I of the Law as from January 1, 2016 by way of a deed of Me Henri Hellinckx, notary residing in Luxembourg, that was published in the “Memorial C, Recueil des Sociétés et Associations” (the “Memorial”) on January 21, 2016. The SICAV is established for an indefinite period of time from the date of incorporation. Its articles of incorporation were last amended on October 5, 2020.

The corresponding amendments were published in the “Recueil Electronique des Sociétés et Associations”. The SICAV is registered at the Luxembourg Trade and Companies Register under reference B-202872.

The Management Company of the SICAV is the partnership limited by shares Candriam, whose registered office is at SERENITY - Bloc B, 19-21, Route d'Arlon, L-8009 Strassen (hereinafter the “Management Company”). The Management Company has been approved as a management company pursuant to chapter 15 of the amended law of December 17, 2010.

The capital of the SICAV has at all times been equal to the value of the net assets of the SICAV. The minimum capital of the SICAV is the legal minimum provided by law (i.e. EUR 1,250,000), represented by fully paid-up Shares of no par value.

The SICAV is open-ended, which means that, upon their request, shareholders can redeem their shares at prices based on the applicable net asset value as described in the Prospectus.

The following sub-funds are currently available to investors:

| <u>Sub-funds</u> | <u>Reference currency</u> |
|--|---------------------------|
| Candriam Fund ONE Global Sustainability | EUR |
| Candriam Fund Sedes Sapientiae | EUR |
| Candriam Fund Sustainable Short Term Equivalent | EUR |
| Candriam Fund Sustainable Euro Corporate Bonds Fossil Free | EUR |
| Candriam Fund Sustainable European Equities Fossil Free | EUR |

The structure of multiple sub-funds offers investors not only the advantage of being able to choose between different sub-funds but also of being able to switch between these sub-funds.

In each sub-fund, the SICAV is able to issue registered in different classes, which differed in particular by having different fees and commissions or a different distribution policy.

The shares classes that are be issued are the following:

- The **C class** is available to both individuals and legal entities.
- The **I class** is reserved exclusively for institutional investors whose minimum initial subscription is EUR 250,000 or the equivalent in any other currency as decided by the Board of Directors (this minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same valuation date (in relation to a Sub-Fund's investments, the valuation date is a Business Day, other than a day on which any exchange or market on which a substantial portion of the relevant Sub-Fund's investments is traded, is closed (“Valuation Date”)). The Valuation Date is detailed in each Fact Sheet).
- The **S class** is reserved for institutional investors specifically approved by the Management Company.
- The **Z class** is reserved:
 - For institutional/professional investors approved by the Management Company. The portfolio management activity for this class is directly remunerated through the contract concluded with the investor, so no portfolio management fee is payable for the assets of this class.
 - For UCIs approved by the Management Company and managed by an entity of the Candriam Group.

Currently, depending on the sub-fund, the SICAV offers traditional distribution and capitalisation classes and/or Institutional distribution and capitalisation classes, as well as Z capitalisation class and/or V capitalisation and distribution class.

Furthermore, a currency hedging process may be applied to the Share Classes:

- **Base currency hedged share classes:**
These hedged share classes aim to reduce the effect of exchange rate fluctuations between the base currency of the sub-fund and the currency in which the hedged share class is denominated.
The aim of this type of hedging is for the performance of the hedged share class to be reasonably comparable (after adjusting for the difference in interest rates between the two currencies) to the performance of a share class denominated in the sub-fund's base currency. This type of hedging is identified with the suffix H added in the denomination of the share class.
- **Asset hedged share classes:**
These hedged share classes aim to reduce the effect of exchange rate fluctuations between the currencies in which a sub-fund's investments are held and the currency of the hedged share class. This type of hedging is identified with the suffix AH added in the denomination of the share class.



Other notes to the financial statements

Note 1 - General Information (Continued)

In the frame of the Sustainable Finance Disclosure Regulation (SFDR), information on environmental and/or social characteristics and/or sustainable investments is available in the relevant annexes under the (unaudited) Sustainable Finance Disclosure Regulation section.

Note 2 - Principal accounting policies

The financial statements of the SICAV are prepared in accordance with Luxembourg regulations relating to Undertakings for Collective Investment. Some small discrepancies might appear in some totals or sub-totals in the financial statements due to rounding rules.

The net asset value of each sub-fund has been calculated on January 2, 2024 on the basis of the last known prices at the time of the valuation.

a) Valuation of each sub-fund's portfolio

The valuation of any security admitted for trading to an official listing or any other normally operating regulated market which is recognised and open to the public is based on the last price known in Luxembourg on the valuation date or, if this stock is traded on several markets, on the last known price on the principal market on which it is traded. If the last known price is not representative, the valuation shall be based on the probable realisation value as estimated by the Board of Directors with prudence and good faith. Securities which are neither quoted nor traded on a stock market or any other normally operating regulated market which is recognised and open to the public shall be valued on the basis of the probable realisation value as estimated with due prudence and good faith. All other assets shall be valued by the directors on the basis of the probable realisation value which must be estimated in good faith and according to generally accepted principles and procedures.

b) Net realised profits or losses on sales of investments

The realised profits or losses realised on sales of investments from each sub-fund are calculated based on the average cost of the investments sold.

c) Foreign currency translation

The values expressed in a currency other than the reference currency of each sub-fund are translated into that currency at the exchange rate prevailing at closing date.

Income and expenses in a currency other than the reference currency of each sub-fund are translated into that currency at the exchange rates prevailing at the transaction date.

The acquisition cost of securities in each sub-fund expressed in a currency other than the reference currency of the sub-fund is translated into that currency at the exchange rates prevailing at the day of purchase.

Exchange rates used as at December 31, 2023 are following:

| | | | | | | | | | | | |
|---------|----------|-----|---------|----------|-----|---------|------------|-----|---------|-----------|-----|
| 1 EUR = | 1.618900 | AUD | 1 EUR = | 7.454550 | DKK | 1 EUR = | 155.733550 | JPY | 1 EUR = | 11.132500 | SEK |
| 1 EUR = | 1.456600 | CAD | 1 EUR = | 0.866550 | GBP | 1 EUR = | 11.218500 | NOK | 1 EUR = | 1.457150 | SGD |
| 1 EUR = | 0.929700 | CHF | 1 EUR = | 8.625750 | HKD | 1 EUR = | 1.744700 | NZD | 1 EUR = | 1.104650 | USD |

d) Combined financial statements of the SICAV

The combined statement of the SICAV's net assets and the combined statement of changes in net assets which are expressed in EUR are the sum of the statement of net assets, the statement of changes in net assets of each sub-fund.

e) Valuation of options and futures

The valuation of options and futures admitted to an official listing or any other organised market is based on the last known price or, if the option is traded on more than one market, on the basis of the last known price in the market on which the contract was concluded by the SICAV.

Options and futures that are not traded on a stock exchange or any other organised market will be valued at their probable market value estimated conservatively and in good faith. The market value of options is included in the statement of net assets under the heading "options (long position) / (short position) at market value".

The realised gains / (losses) and change in unrealised appreciation / depreciation on options are disclosed in the statement of changes in net assets respectively under the headings "Net realised gain / (loss) on options" and "Change in net unrealised appreciation / depreciation on options".

The unrealised appreciation / (depreciation) on future contracts is disclosed in the statement of net assets under "Net unrealised appreciation / (depreciation) on futures". Changes in the market value of open future contracts are recorded as unrealised appreciation / depreciation in the statement of changes in net assets under "Change in net unrealised appreciation / depreciation on futures".

Realised gains or losses, representing the difference between the value of the contract at the time it was opened and the value at the time it was closed, are reported at the closing or expiration of futures contracts in the statement of changes in net assets under "Net realised gain / (loss) on futures".

For the details of outstanding options or financial futures, if any, please refer to the section "Notes to the financial statements - Schedule of derivative instruments".



Other notes to the financial statements

Note 2 - Principal accounting policies (Continued)

f) Valuation of forward foreign exchange contracts

The forward foreign exchange contracts are valued on the basis of forward exchange rates prevailing at the closing date and applicable to the remaining period until the expiration date. The unrealised appreciation / (depreciation) on forward foreign exchange contracts is disclosed in the statement of net assets under "Net unrealised appreciation / (depreciation) on forward foreign exchange contracts".

Realised gains / (losses) and change in unrealised appreciation / depreciation resulting there from are included in the statement of changes in net assets respectively under "Net realised gain / (loss) on forward foreign exchanges contracts" and "Change in net unrealised appreciation / depreciation on forward foreign exchange contracts".

For the details of outstanding forward foreign exchange contracts, if any, please refer to the section "Notes to the financial statements - Schedule of derivative instruments".

g) Transaction costs

For the year ended December 31, 2023, the SICAV incurred transaction costs and broker's charges related to the purchase and sale of transferable securities, money market instruments, other eligible assets and derivatives instruments. Those charges are disclosed in the statement of changes in net assets under the heading "Transaction costs".

h) Income

Interest income is accrued pursuant to the terms of the underlying investment. Income is recorded net of respective withholding taxes, if any. Dividends are recognised on ex-date.

i) Abbreviations used in investment portfolios

A: Annual
 FL.R: Floating Rate Notes
 Q: Quarterly
 S: Semi-Annual
 XX: Perpetual Bonds
 ZCP or U: Zero Coupon

Note 3 - Management fees

Candriam, a partnership limited by shares under Luxembourg law whose registered office is located at SERENITY - Bloc B, 19-21, Route d'Arlon, L-8009 Strassen, has been appointed Management Company. An agreement to that effect was entered into for an unlimited term. Either party is entitled to terminate the agreement at any time by registered letter (with signed receipt requested) sent to the other party, subject to 90 days' notice.

Candriam is a subsidiary of Candriam Group, an entity of the New York Life Insurance Company group. It is authorised as a Management Company of Chapter 15 of the law of December 17, 2010, concerning UCITS and is authorised to exercise the activities of collective portfolio management, investment portfolio management and to provide investment advisory services.

The Management Company is vested with the widest powers to carry out all actions relating to the management and administration of the SICAV within the scope of this purpose, in accordance with its articles of association. It is responsible for the portfolio management activities, administration activities (Administrative Agent, Transfer Agent (including the Register holding business)) and marketing activities (distribution).

The portfolio management function is performed directly by Candriam and/or by one or more of its branches : Candriam-Belgian Branch, Candriam - Succursale française, Candriam - UK Establishment.

The Management Company receives management fees as payment for its services, expressed as an annual percentage of the average net asset value. These fees are payable by the SICAV at the end of each month.

The rates applicable as at December 31, 2023 are as follows:

| Sub-funds | Share class | Share type | ISIN | Management fee |
|--|-------------|----------------|--------------|----------------|
| Candriam Fund ONE Global Sustainability* | S | Capitalisation | LU1781258261 | 0.03% |
| Candriam Fund Sedes Sapientiae* | S | Capitalisation | LU1444483835 | 0.22% |
| Candriam Fund Sustainable Euro Corporate Bonds Fossil Free | C | Capitalisation | LU1829309381 | 0.75% |
| | I | Capitalisation | LU1829309464 | 0.40% |
| | Z | Capitalisation | LU1829309621 | 0.00% |
| Candriam Fund Sustainable European Equities Fossil Free | C | Capitalisation | LU1829309894 | 1.50% |
| | I | Capitalisation | LU1829309977 | 0.70% |
| | Z | Capitalisation | LU1829310124 | 0.00% |
| Candriam Fund Sustainable Short Term Equivalent* | S | Capitalisation | LU2444423664 | 0.10% |

* See details below at sub-fund level:



Other notes to the financial statements

Note 3 - Management fees (Continued)

Details for Candriam Fund Sedes Sapientiae: a rate of 0.10% of the average net asset value, plus a variable fee based on assets managed by Candriam is applied as per the following rule: 0.12% for Asset Under Management (AUM) below 100 Mios EUR, 0.11% for 100 Mios to 200 Mios EUR, 0.10% above 200 Mios EUR.

Details for Candriam Fund ONE Global Sustainability: the basis of calculation of the management fee shall disregard shares and/or interests in funds managed or co-managed by entities of Candriam Investors Group, other than class Z shares of the aforementioned funds. The following rule is applied: 0.05% for AUM under 50 Mios EUR and 0.03% for AUM above 50 Mios EUR. A fixed Management Fee at sub-fund's level (additional) p.a amounts to 50,000 EUR.

Details for Candriam Fund Sustainable Short Term Equivalent: 0.10% for AUM below 100 Mios EUR and 0.06% above 100 Mios EUR, with a minimum of 75,000 EUR per year.

The following table summarises the annual rates of the management fees applied to the collective investment undertakings invested in by the Candriam Fund Sedes Sapientiae and Candriam Fund Sustainable Short Term Equivalent:

| Target fund | Maximum rate |
|---|--------------|
| CANDRIAM BONDS FLOATING RATE NOTES Z C | 0.00% |
| CANDRIAM BONDS GLOBAL GOVERNMENT Z C | 0.00% |
| CANDRIAM DIVERSIFIED FUTURES I EUR CIC | 1.20% |
| CANDRIAM SUSTAINABLE BOND EMERGING MARKETS Z C | 0.00% |
| CANDRIAM SUSTAINABLE BOND EURO CORPORATE Z C | 0.00% |
| CANDRIAM SUSTAINABLE BOND GLOBAL HIGH YIELD Z C | 0.00% |
| CANDRIAM SUSTAINABLE EQUITY EMERGING MARKETS Z C | 0.00% |
| CANDRIAM SUSTAINABLE MONEY MARKET EURO Z C | 0.00% |
| COMGEST GROUP PLC - COMGEST GROWTH EUROPE EUR ACC | 1.50% |
| COMGEST GROWTH PLC - COMGEST GROWTH AMERICA I USD ACC | 0.75% |
| COMGEST GROWTH PLC - COMGEST GROWTH GLOBAL FLEX I EUR CAP | 0.90% |
| COMGEST GROWTH PLC - COMGEST GROWTH GLOBAL USD ACC | 1.50% |

Note 4 - Administration fees

Central Administration's fees

Under the terms of a Central Administration Agreement, the Management Company has appointed, at its own expense and under its control and responsibility, CACEIS Bank, Luxembourg Branch, with its registered office at 5, Allée Scheffer, L-2520 Luxembourg as registrar and transfer agent and administrative agent. The Central Administration Agreement is concluded for an indefinite period of time and may be terminated by either party with three months' written notice.

CACEIS Bank, Luxembourg Branch operates as the Luxembourg branch of CACEIS Bank, a société anonyme under French law whose registered office is at sis 1-3, place Valhubert, 75013 Paris, France, Trade Register number RCS Paris 692 024 722. It is a credit institution approved and supervised by the European Central Bank (ECB) and the French Prudential Supervision and Resolution Authority (ACPR). The institution is also authorised to perform banking activities and central administration activities in Luxembourg through its Luxembourg branch.

Legal Fund Engineering fees

Pursuant to the SICAV Appointment Contract, as payment for its legal fund engineering activities, the Management Company receives handling fees expressed as an annual percentage of the average net asset value of each sub-fund of the SICAV. These fees are payable by the SICAV at the end of every quarter, during the following month at the latest, and according to the breakdown below.

The maximum rates applicable as at December 31, 2023 are as follows:

| Sub-funds | Share class | Share type | ISIN | Maximum rate |
|--|-------------|----------------|--------------|--------------|
| Candriam Fund ONE Global Sustainability | S | Capitalisation | LU1781258261 | 0.04% |
| Candriam Fund Sedes Sapientiae | S | Capitalisation | LU1444483835 | 0.01% |
| Candriam Fund Sustainable Euro Corporate Bonds Fossil Free | C | Capitalisation | LU1829309381 | 0.06% |
| | I | Capitalisation | LU1829309464 | 0.04% |
| Candriam Fund Sustainable European Equities Fossil Free | Z | Capitalisation | LU1829309621 | 0.04% |
| | C | Capitalisation | LU1829309894 | 0.08% |
| Candriam Fund Sustainable Short Term Equivalent | I | Capitalisation | LU1829309977 | 0.05% |
| | Z | Capitalisation | LU1829310124 | 0.05% |
| Candriam Fund Sustainable Short Term Equivalent | S | Capitalisation | LU2444423664 | 0.05% |

Note 5 - Depositary fees

CACEIS Bank, Luxembourg Branch (hereinafter the "Depositary") has been appointed as Depositary of the assets of the SICAV in accordance with an open-ended agreement. This agreement may be cancelled by either party with 90 days' written notice.

The Depositary charges a commission on the net assets of each sub-fund expressed as an annual percentage of the average net asset value of each sub-fund of the SICAV, as detailed below.

The fees are payable at the end of each quarter, at the latest during the following month.

The maximum rates applicable as at December 31, 2023 are as follows:



Other notes to the financial statements

Note 5 - Depositary fees (Continued)

| Sub-funds | Share class | Share type | ISIN | Maximum rate |
|--|-------------|----------------|--------------|--------------|
| Candriam Fund ONE Global Sustainability | S | Capitalisation | LU1781258261 | 0.050% |
| Candriam Fund Sedes Sapientiae | S | Capitalisation | LU1444483835 | 0.005% |
| Candriam Fund Sustainable Euro Corporate Bonds Fossil Free | C | Capitalisation | LU1829309381 | 0.050% |
| | I | Capitalisation | LU1829309464 | 0.050% |
| | Z | Capitalisation | LU1829309621 | 0.050% |
| Candriam Fund Sustainable European Equities Fossil Free | C | Capitalisation | LU1829309894 | 0.050% |
| | I | Capitalisation | LU1829309977 | 0.050% |
| | Z | Capitalisation | LU1829310124 | 0.050% |
| Candriam Fund Sustainable Short Term Equivalent | S | Capitalisation | LU2444423664 | 0.050% |

Note 6 - Subscription tax

The SICAV is subject to an annual tax in Luxembourg representing 0.05% of the net asset value. This rate is reduced to 0.01% for classes reserved for institutional investors. This tax is payable quarterly on the basis of the net assets of the SICAV calculated at the end of the quarter to which the tax refers.

No subscription tax is due on the assets which the SICAV holds in units of other UCITS already subject to the subscription tax in Luxembourg.

Note 7 - Swing Pricing

For some of the sub-funds of the SICAV, provision has been made for the following measure:

On the valuation days on which the difference between the amount of subscriptions and the amount of redemptions in a sub-fund (that is, the net transactions) exceeds a threshold previously set by the Board of Directors (partial Swing Pricing), the Board reserves the right:

- to determine the net asset value by adding to the assets (for net subscriptions) or deducting from the assets (for net redemptions) a certain percentage of fees and costs corresponding to market practices in buying or selling securities for Candriam Fund Sustainable European Equities Fossil Free and Candriam Fund ONE Global Sustainability;
- to value the securities portfolio of the sub-fund on the basis of buying or selling prices or by setting spreads at a level representative of the market in question (in the case, respectively, of net inflow or net outflow) applicable for Candriam Fund Euro Corporate Bonds Fossil Free.

During the year, Swing Pricing was applied to the Net Asset Values of the Candriam Fund ONE Global Sustainability and Candriam Fund Sustainable Euro Corporate Bonds Fossil Free.

As at December 31, 2023, no swing was applied.

The swing factor is the amount by which the NAV is swung when the swing pricing process is triggered after net subscriptions or redemptions exceed the swing threshold. The factors to consider when setting the swinging factor include:

For equity method:

- Net broker commissions paid by the sub-fund
- Fiscal charges (e.g. stamp duty and sales tax)

For fixed income method:

- Swing Pricing Policy
- linked to Bid/Ask spread

| Sub-funds | Maximum swing factor Inflow rate (in %) | Maximum swing factor Outflow rate (in %) |
|---|--|---|
| Candriam Fund ONE Global Sustainability | 0.06 | 0.04 |
| Candriam Fund Sustainable European Equities Fossil Free | 0.19 | 0.04 |

Note 8 - Changes in portfolio composition

A list including the transactions (sales and purchases) in the investment portfolios is available free of charge at the SICAV's registered office.

Note 9 - Subsequent events

There is no subsequent event.



Additional unaudited information

Global Risk Exposure

As required by the CSSF Circular 11/512, the Board of Directors of the Company must determine the Company risk management method, using either the commitment approach or the VaR approach.

The Board of Directors of the Company has chosen to adopt the commitment approach as the method for determining overall risk for all the Sub-Funds of the Company.

Engagement & voting policies, use of voting rights

Candriam exercises voting rights for the considered funds.

For all engagement matters, we refer to management company's engagement policy and to the associated reports, all available under available on Candriam website <https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities>.

Proxy Voting

Since January 1, 2004, Candriam has decided to actively exercise the voting rights attached to the shares of top-tier European companies that it manages on behalf of its clients. This decision indicates Candriam's determination to assume its responsibilities in the context of corporate governance, and to fully exercise its voting rights in companies in which it invests. The details of the voting are available on the web site: <https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities>.

Non voted meetings result from operational / technical burdens defined in our voting policy (for more details please refer to Candriam voting policy) or others encountered at our third party levels and for which remediation plans have been defined.

For the present SICAV, Candriam exercised voting rights for the following sub-fund:

- Candriam Fund Sustainable European Equities Fossil Free

As announced above, details of the voting are available on the web site <https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities>. All General Assembly Meetings the Management company attended or was represented at are detailed, as well as the voted resolutions, effective votes and associated rationales when votes against management were registered.

Candriam has formulated and implemented a voting policy based on four principles of corporate governance. Voting decisions are taken in accordance with these principles:

1. Protection of all shareholders' rights in accordance with the "one share – one vote – one dividend" rule.
2. Guaranteed equality of treatment of shareholders, including minority and foreign shareholders.
3. Communication of accurate and transparent financial information.
4. Accountability and independence of the Board of Directors and the external auditors.

As part of its voting decisions, Candriam satisfies itself that it has obtained all the information required for the decision to be taken. Candriam's ESG and financial analysts examine the resolutions presented to the shareholders, taking into account the voting recommendations provided by external corporate governance advisors. Candriam does, however, retain total independence as regards its votes.

This voting policy is available under Candriam website (*) and notably details:

- The definition of the voting scope,
- How conflict of interest are identified and managed,
- The Role of proxy Advisers.

In addition, a Proxy Voting Committee has been established within Candriam, Its role is to evaluate the voting policy and make changes to it when deemed appropriate.

The Committee consists of internal representatives from the Management, Operations, Risk and ESG Research & Stewardship Teams. Representatives of the Legal department may attend meetings upon request.

(*) <https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities>



Additional unaudited information

European directive on shareholders' rights (SRD II) (1)

In accordance with the transparency rules set out in the "Shareholders' Rights" European directive and related to annual disclosures to institutional investors, you can obtain additional information on the investment strategy implemented by Candriam and the contribution of this strategy to the medium to long-term performance of the fund.

You may submit your request to the following address: <https://www.candriam.fr/contact/>.

Our engagement policy is available under Candriam website to the following address: <https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>

(1) Directive (EU) 2017/828 of the European Parliament and of the Council amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement.

| Sub-Funds | Portfolio Turnover Rate (in %)* |
|---|------------------------------------|
| Candriam Fund Sustainable European Equities Fossil Free | 127.68 |

* Formula used: $[(Total\ purchases + total\ sales) - (total\ subscriptions + total\ redemptions)] / Average\ of\ net\ assets\ during\ the\ year\ under\ review$



Additional unaudited information

Information concerning the remuneration policy

European Directive 2014/91/EU amending Directive 2009/65/EC on undertakings for collective investment in transferable securities, which is applicable to the SICAV, came into force on 18 March 2016. It is implemented in national law under the Luxembourg Act of 10 May 2016 implementing Directive 2014/91/EU. Due to these new regulations, the SICAV is required to publish information relating to the remuneration of identified employees within the meaning of the Act in the annual report.

Candriam holds a double license, first, as a management company in accordance with section 15 of the Law of December 17, 2010 on undertakings for collective investment and, second, as a manager of alternative investment funds in accordance with the Law of July 12, 2013 relating to alternative investment fund managers. The responsibilities incumbent on Candriam under these two laws are relatively similar and Candriam considers that its personnel is remunerated in the same manner for tasks relating to administration of UCITS and of alternative investment funds.

During its financial year ended on December 31, 2023, Candriam paid the following amounts to its personnel:

- Total gross amount of fixed remunerations paid (excluding payments or benefits that can be considered to be part of a general and nondiscretionary policy and to have no incentive effect on risk management): EUR 17,425,254.
- Total gross amount of variable remunerations paid: EUR 6,348,617.
- Number of beneficiaries: 146.

Aggregate amount of remunerations, broken down between senior management and the members of the personnel of the investment manager whose activities have a significant impact on the funds risk profile. The systems of Candriam do not permit such an identification for each fund under management. The numbers below also show the aggregate amount of overall remunerations at Candriam.

- Aggregate amount of the remunerations of the senior management: EUR 5,155,684.
- Aggregate amount of the remunerations of the members of the personnel of Candriam whose activities have a significant impact on the risk profile of the funds of which it is the management company (excluding senior management): EUR 2,015,066.

Remunerations paid by Candriam to the personnel of its Belgian branch (i.e. Candriam – Belgian Branch), acting as investment manager, during the financial year ended on December 31, 2023:

- Total gross amount of fixed remunerations paid (excluding payments or benefits that can be considered to be part of a general and nondiscretionary policy and to have no incentive effect on risk management): EUR 25,071,403.
- Total gross amount of variable remunerations paid: EUR 8,188,525.
- Number of beneficiaries: 245.

Aggregate amount of remunerations, broken down between senior management and the members of the personnel of the investment manager whose activities have a significant impact on the funds risk profile. The systems of the investment manager do not permit such an identification for each fund under management. The numbers below also show the aggregate amount of overall remunerations at the level of the investment manager.

- Aggregate amount of the remunerations of the senior management: EUR: 6,214,566
- Aggregate amount of the remunerations of the members of the personnel of the investment manager whose activities have a significant impact on the risk profile of the funds of which it is the investment manager (excluding senior management): EUR 4,602,623.

Remunerations paid by Candriam to the personnel of its French branch (i.e. Candriam – Succursale française), acting as investment manager(s), during the financial year ended on December 31, 2023:

- Total gross amount of fixed remunerations paid (excluding payments or benefits that can be considered to be part of a general and nondiscretionary policy and to have no incentive effect on risk management): EUR 19,094,936.
- Total gross amount of variable remunerations paid: EUR 6,255,350.
- Number of beneficiaries: 202.

Aggregate amount of remunerations, broken down between senior management and the members of the personnel of the investment manager whose activities have a significant impact on the funds risk profile. The systems of the investment manager do not permit such an identification for each fund under management. The numbers below also show the aggregate amount of overall remunerations at the level of the investment manager.

- Aggregate amount of the remunerations of the senior management: EUR 4,298,365.
- Aggregate amount of the remunerations of the members of the personnel of the investment manager whose activities have a significant impact on the risk profile of the funds of which it is the investment manager (excluding senior management): EUR 3,422,966.

The remuneration policy was last reviewed by the remuneration committee of Candriam on January 29, 2021 and was adopted by the Board of Directors of Candriam



Additional unaudited information

Sustainable Finance Disclosure Regulation (SFDR)

The sub-funds of the SICAV are falling under Art. 8 or 9 of SFDR and the respective information are disclosed at sub-fund level below.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

YES

- It made **sustainable investments with an environmental objective**: ___%
- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- It made **sustainable investments with a social objective**: ___%

NO

- It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 74.34% of sustainable investments
 - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
 - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
 - with a social objective
- It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics promoted by the Sub-fund have been achieved by:

- avoiding exposure to companies that present structural risks that are both material and severe and are most seriously in breach of normative principles taking into account practices in environmental and social issues as well as compliance with standards such as the United Nations Global Compact and the 'OECD Guidelines for Business standards.
- avoiding exposure to companies that are significantly exposed to controversial activities such extraction, transportation or distribution of thermal coal, the manufacturing or retailing of Tobacco and production or sale of controversial weapons (anti-personnel mines, cluster bombs, chemical, biological, phosphorus weapons white and depleted uranium.
- integrating Candriam's ESG research methodology into the investment process and investing a proportion of its assets in Sustainable Investments.

How did the sustainability indicators perform?

For the selection of sustainable investments, the portfolio manager has taken into account ESG assessments of issuers, produced by Candriam's ESG analyst team.

For companies, these assessments are based on the analysis of the company's interactions with its key stakeholders and the analysis of its business activities and their impact, positive or negative, on key sustainability challenges such as climate change and resource depletion. In addition, Candriam's ESG analysis includes exclusion filters based on compliance with international standards and involvement in controversial activities.

For sovereign issuers, these assessments are based on the analysis of the countries' management of their natural, human, social and economic capital. In addition, exclusion filters are used to screen out issuers that do not meet democratic and governance standards.

Candriam's ESG research and analysis for sustainable investments also assesses the compliance of investments with the "do no harm" principle to a sustainable investment objective and with good governance practices for the corporates.

This integration of Candriam's ESG research methodology has enabled the Fund to meet the minimum proportion of sustainable investments defined in the prospectus (minimum 20%). The proportion of sustainable investments in the Fund was therefore above this minimum threshold, as detailed in the section "What was the proportion of sustainability-related investments?"

● **... And compared to previous periods?**

The sub-fund has also been managed in line with its sustainability indicators.

The asset allocation of the financial product has evolved over the years.

| Investment Category | Proportion of Investments | Proportion of Investments |
|-------------------------------------|---------------------------|---------------------------|
| | 2023 | 2022 |
| #1 Aligned with E/S characteristics | 98.99% | 98.55% |
| #2 Other | 1.01% | 1.45% |
| #1A Sustainable | 74.34% | 71.95% |
| #1B Other E/S characteristics | 24.65% | 26.60% |
| Taxonomy-aligned | 0.00% | 0.00% |
| Other environmental | 24.49% | 23.18% |
| Social | 49.85% | 48.77% |

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?**

The sustainable investments which the Sub-fund intended to achieve for a portion of the portfolio were to have a positive impact on environment and social domains in the long-term.

The proportion of sustainable investments was higher than the minimum defined in the prospectus (minimum 20%). It allowed the Sub-fund to exceed the objectives initially set.

However, the Sub-fund is not able to publish a percentage of alignment with the Taxonomy since a small number of companies at global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Candriam ensured that those investments have not cause significant harm to any environmental and/or social sustainable investment objective by means of its ESG research and analysis of corporate and sovereign issuers.

Based on its proprietary ESG Ratings and Scorings, Candriam's ESG methodology sets criteria and minimum thresholds to identify those issuers that qualify as 'sustainable investment' and, in particular, have not cause significant harm to any environmental and/or social sustainable investment objective.

The 'Do not significant harm' principle, in particular, was assessed for corporates through:

- the consideration of "principal adverse impacts"
- the alignment with the OECD Guidelines for Multinational Enterprises and the UN Global Compact to ensure minimum environmental & social safeguards.

For more details, refer to the section below on the consideration of principal adverse impacts on sustainability factors.

How were the indicators for adverse impacts on sustainability factors taken into account?

The consideration of adverse impacts is central to Candriam's sustainable investment approach. Principal adverse impacts were taken into account throughout the entire ESG research and analysis process and through a wide range of methods:

1. ESG rating of corporates: the ESG research and screening methodology considers and assesses the principal adverse impact on sustainability from two distinct, but interlinked, angles:

- the company's issuers' business activities and how they impact, either positively or negatively, key sustainable challenges such as climate change and resource depletion;.
- company's interactions with key stakeholders.

2. Negative screening of companies, which includes a norms-based exclusion and an exclusion of companies involved in controversial activities.

3. Engagement activities with companies, through dialogue and voting activities, which contribute to avoiding or reducing the extent of the adverse impacts. The ESG analysis framework and its results feed our engagement process, and vice versa.

The integration of the principal adverse impacts on sustainability factors has been based on the materiality or likely materiality of each indicator for each specific industry / sector to which the company belongs. The materiality is dependent on several factors, such as: type of information, data quality and breadth, applicability, relevance, and geographical coverage.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The sustainable investments of the Sub-fund have been compliant with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

They are subject to a norms-based controversy analysis that considers the compliance with the international social, human, environmental and anti-corruption standards, as defined by the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises. The International Labour Organisation and International Bill of Human Rights are part of the many international references integrated into our norms-based analysis and ESG model.

This analysis aimed to exclude companies that have significantly and repeatedly breached any of these principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



How did this financial product consider principal adverse impacts on sustainability factors?

At Financial Product level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means: voting, dialogue, exclusions and/or monitoring (cfr. Candriam's PAI statement: <https://www.candriam.com/en/private/sfdr/>)

ENGAGEMENT

Our engagement policy is available on Candriam website [\[https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities\]](https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities).

DIALOGUE with corporate issuers

This financial product is invested in corporate issuers. Below statistics refer to engagement activities we have performed with these corporate issuers.

Climate (PAI1 to PAI6) is obviously central in our exchanges with companies. Priorities of Climate-engagement on the corporate side are identified taking into account :

- issuers presenting a weak transition profile (proprietary risk transition model), and/or still highly carbon intensive (Scope 1-2) or with large Scope 3 emissions
- issuers from financial sectors still largely exposed to fossil fuel and with a key role in financing the transition
- relative exposure of managed portfolios to the above issuers.

Candriam has joined in November 2021 the Net Zero Asset Management Initiative [\[https://www.netzeroassetmanagers.org/signatories/candriam/\]](https://www.netzeroassetmanagers.org/signatories/candriam/). Through engagement, our objective is to encourage companies to publicly report on how they align with a 1.5D trajectory and to encourage such an alignment. We expect issuers in particular to explain how their strategy and capital expenditures plan serve their decarbonisation commitment. We usually combine individual and collaborative dialogue.

26 issuers in the financial product are actually part of the priority targets of Candriam Net Zero Engagement campaign.

In addition, we continue to actively support CDP Climate [\[https://www.cdp.net/en\]](https://www.cdp.net/en), a large transparency survey feeding our investment processes : out of the 440 financial product's issuers targeted, 90.68% have properly filled the last survey. Filled surveys give us access to updated and more accurate Scope 1-2-3 emissions' data.

Candriam also actively participate to several collaborative initiatives such as Climate Action 100+ or IIGCC & ShareAction Climate initiatives on Financials. Such initiatives targeted 74 issuer(s) of the financial product. These initiatives contribute not only to increase the level of transparency on Greenhouse gas emissions and related strategy, but also to gain fundamental leverage for supporting strategic changes. Outcomes of these engagements are detailed in our annual engagement & voting report, available on our public website (Publications | Candriam) [\[https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications\]](https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications).

Given the geopolitical context and observed increase in inequalities, 292 issuer(s) with presence in the financial product have also been contacted in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10 PAI11).

Inclusion is not to be outdone, with 281 issuers, of the portfolio having been more specifically engaged on topics related to PAI 12 (Unadjusted gender pay gap) or PAI 13 (Board gender diversity).

While above mentioned PAI are prevalent when considering engagement performed for this financial product in 2023, other PAI such as biodiversity-related ones may also have been addressed in our dialogues with issuers. For more information, please refer to Candriam Engagement Annual review under Candriam website [\[https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities\]](https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities).

EXCLUSIONS

PAI10

In accordance with PAI10 Candriam's normative analysis determines whether a company complies with the 10 principles of the United Nations Global Compact for each of the main categories: Human Rights (HR), Labor Rights (LR), Environment (ENV) and Anti-Corruption (AC). Our norms based analysis incorporates various international references, including the United Nations Declaration of Human Rights, ILO Fundamental Conventions, and OECD Guidelines for Multinational Enterprises, ensuring comprehensive coverage of human rights, labor standards, corruption, and discrimination.

In Candriam's "Level 1" company exclusion policy, companies that have committed the most serious violations of the UN Global Compact principles are excluded. This list focuses on a strict interpretation of violations of the UN Global Compact, as assessed by Candriam's ESG analysts.

Over the reference period, no additional issuer(s) directly covered became ineligible for the financial product, in addition to those previously excluded, for significant and repeated breaches of international social, human, environmental and anti-corruption standards, as defined by the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

PAI14

Candriam is firmly committed to excluding from all its investments companies directly involved in the development, production, testing, maintenance and sale of controversial weapons (anti-personnel landmines, cluster bombs, depleted uranium weapons and armor, chemical weapons, biological weapons and white phosphorus weapons). We consider these damaging activities to present systemic and reputational risks.

Over the reference period, no additional issuer(s) directly covered became ineligible for the financial product, in addition to those previously excluded, due to their involvement in these activities.

MONITORING: calculation and evaluation of the principal adverse impact indicators

Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the Financial Product. See below the results of the indicators of this Financial Product

| PAI indicators | Value | Coverage (% rated / total assets) | Eligible assets (% eligible assets / total assets) |
|---|--------|-----------------------------------|--|
| 10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises | 0.64%* | 99.09% | 99.16% |
| 14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) | 0.00% | 99.14% | 99.16% |

* The fund has complied with the exclusion policy in accordance with the prospectus.



What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 01/01/2023 - 31/12/2023.

| Largest investments | Sector | % of Assets | Country |
|-------------------------------|--|-------------|---------|
| APPLE INC | Office supplies and computing | 5.06% | USA |
| MICROSOFT CORP | Internet and internet services | 4.13% | USA |
| AMAZON.COM INC | Retail trade and department stores | 2.10% | USA |
| NVIDIA CORP | Electronics and semiconductors | 1.78% | USA |
| ALPHABET INC -C- | Internet and internet services | 1.44% | USA |
| TESLA MOTORS INC | Road vehicles | 1.21% | USA |
| ALPHABET INC -A- | Internet and internet services | 1.13% | USA |
| EXXON MOBIL CORP | Petroleum | 0.87% | USA |
| UNITEDHEALTH GROUP INC | Healthcare | 0.78% | USA |
| ELI LILLY & CO | Biotechnology | 0.78% | USA |
| JPMORGAN CHASE CO | Banks and other financial institutions | 0.72% | USA |
| JOHNSON & JOHNSON | Pharmaceuticals | 0.69% | USA |
| VISA INC -A- | Internet and internet services | 0.68% | USA |
| CHEVRON CORP | Petroleum | 0.64% | USA |
| BROADCOM INC - REGISTERED SHS | Office supplies and computing | 0.63% | USA |

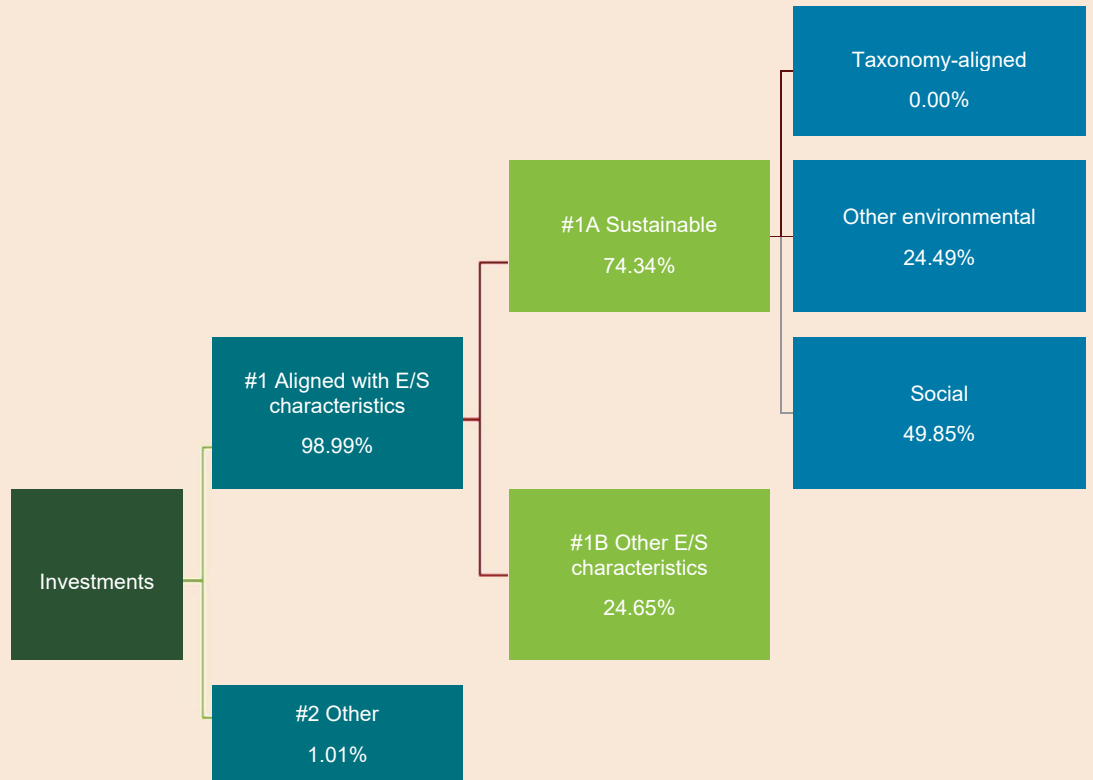
Data based on the main investments held on average during the reference period. This data is not comparable with those presented in the "Investment portfolio" section of the annual report.



What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

● What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● **In which economic sectors were the investments made?**

| Top sector | % of Assets |
|--|-------------|
| Internet and internet services | 13.49% |
| Banks and other financial institutions | 12.22% |
| Pharmaceuticals | 8.63% |
| Electronics and semiconductors | 7.31% |
| Office supplies and computing | 6.73% |
| Retail trade and department stores | 5.87% |
| Petroleum | 4.75% |
| Foods and non alcoholic drinks | 3.81% |
| Machine and apparatus construction | 3.49% |
| Insurance | 3.01% |
| Utilities | 2.83% |
| Road vehicles | 2.82% |
| Chemicals | 2.15% |
| Real estate | 2.13% |
| Electrical engineering | 2.13% |

Data based on the main investments held on average during the reference period. This data is not comparable with those presented in the "Investment portfolio" section of the annual report.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting the green operational activities of investee companies.

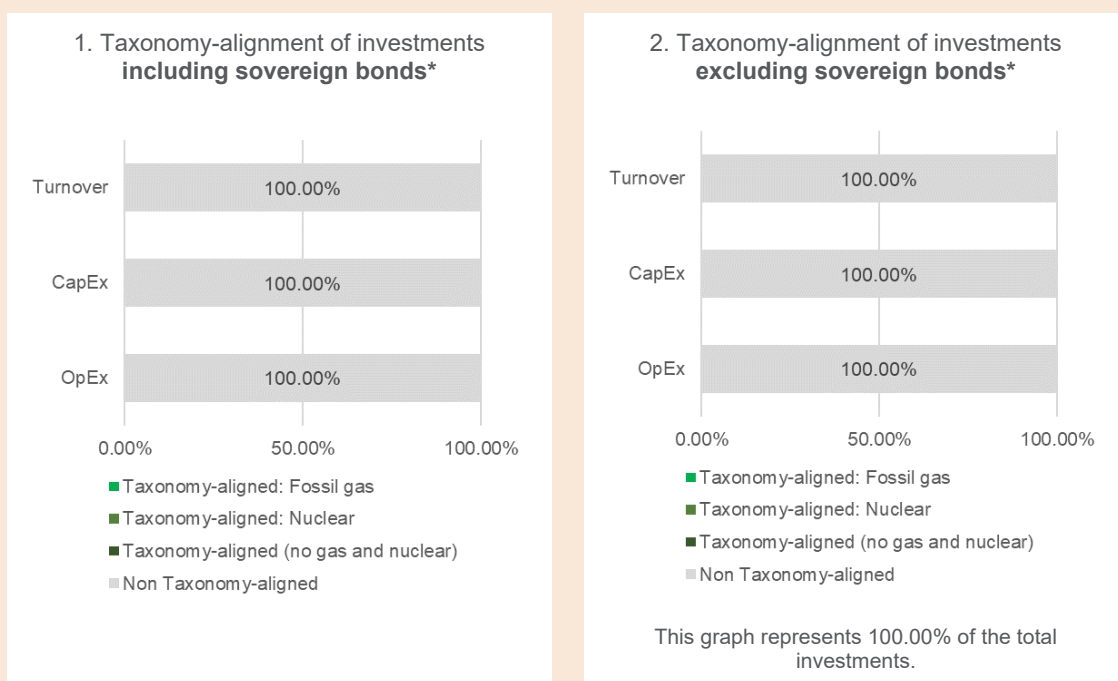


To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?¹

- Yes
- In fossil gas In nuclear energy
- No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

● **What was the share of investments made in transitional and enabling activities?**

The Sub-Fund is unable to publish a percentage of alignment with the Taxonomy, nor on the transitional and enabling activities, as very few companies at global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

| Year | % EU Taxonomy Aligned |
|------|-----------------------|
| 2023 | 0.00% |
| 2022 | 0.00% |

● **What is the breakdown of the proportion of the investments per each of the EU Taxonomy to which those investments contributed?**

The Sub-Fund is unable to publish a percentage of alignment with the Taxonomy, as very few companies at global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy

Therefore, this percentage is considered as null.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

 **What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?**

The Sub-Fund had a share of 24.49% in sustainable investments on the environmental plan not aligned with the EU taxonomy.

Indeed to date, only two of the six objectives have entered into force in 2023 and very few companies at global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

 **What was the share of socially sustainable investments?**


The Sub-fund had a share of investments with a social objective of 49.85%

 **What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

The investments included under "Other" are present in the Sub-fund for 1.01% of the total net assets.

These investments include one or more of the following assets:

- Cash: Cash at sight, cash deposit, reverse repo needed to manage the liquidity of the Sub-fund following subscriptions/redemptions or being the result of the decision of market exposure of the Sub-Fund;
- Investments with issuers with E/S characteristics at the moment of the investment and are not fully aligned anymore with the Candriam investment with E/S criteria. These investments have been sold during the period or considered as other investments;
- Other investments (including single name derivatives) purchased for diversification purposes, which do not meet environmental or social characteristics or which may not be subject to an ESG screening or for which ESG data was not available. These investments have respected the good governance;
- Non single name derivatives used for exposition and hedging purposes.

 **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The financial product took actions to respect the environmental and/or social characteristics.

In order to materialize some aspects of the ESG integration, some metrics are calculated.

For your information, the carbon footprint is measured. Over the reference period, the financial product emitted 36.06 Tons CO2eq per million € invested, 24% lower than the benchmark.

Compared to the previous year, the financial product's carbon footprint has decreased by 5%.

The financial product has favoured issuers with lower carbon footprint. More precisely, the financial product divested from issuers in Gas Utilities and Rail Transportation with deteriorating carbon footprint.

The ESG Score is also measured, based on Candriam's proprietary ESG methodology. Over the reference period, the financial product displayed an ESG score of 52.65, 2% higher compared to its benchmark.

In comparison to the previous year, the financial product overall ESG score is flat.

The financial product favoured issuers that display a stronger ESG profile and divested from issuers in Copper and Industrial Conglomerates with deteriorating ESG profiles.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

YES

- It made **sustainable investments with an environmental objective**: ___%
- in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- It made **sustainable investments with a social objective**: ___%

NO

- It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 57.44% of sustainable investments
- with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- with a social objective
- It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics promoted by the Sub-fund have been achieved by:

- avoiding exposure to companies that present structural risks that are both material and severe and are most seriously in breach of normative principles taking into account practices in environmental and social issues as well as compliance with standards such as the United Nations Global Compact and the 'OECD Guidelines for Business standards.
- avoiding exposure to companies that are significantly exposed to controversial activities such extraction, transportation or distribution of thermal coal, the manufacturing or retailing of Tobacco and production or sale of controversial weapons (anti-personnel mines, cluster bombs, chemical, biological, phosphorus weapons white and depleted uranium.

Regarding sovereign issuers, the environmental and social characteristics promoted by the Sub-fund have been achieved by:

- limiting exposure to countries considered as oppressive regimes
- integrating Candriam's ESG research methodology into the investment process and investing a proportion of its assets in Sustainable Investments.

● How did the sustainability indicators perform?

For the selection of sustainable investments, the portfolio manager has taken into account ESG assessments of issuers, produced by Candriam's ESG analyst team.

For companies, these assessments are based on the analysis of the company's interactions with its key stakeholders and the analysis of its business activities and their impact, positive or negative, on key sustainability challenges such as climate change and resource depletion. In addition, Candriam's ESG analysis includes exclusion filters based on compliance with international standards and involvement in controversial activities.

For sovereign issuers, these assessments are based on the analysis of the countries' management of their natural, human, social and economic capital. In addition, exclusion filters are used to screen out issuers that do not meet democratic and governance standards.

Candriam's ESG research and analysis for sustainable investments also assesses the compliance of investments with the "do no harm" principle to a sustainable investment objective and with good governance practices for the corporates.

This integration of Candriam's ESG research methodology has enabled the Fund to meet the minimum proportion of sustainable investments defined in the prospectus (minimum 10%). The proportion of sustainable investments in the Fund was therefore above this minimum threshold, as detailed in the section "What was the proportion of sustainability-related investments?"

● **... And compared to previous periods?**

The sub-fund has also been managed in line with its sustainability indicators.

The asset allocation of the financial product has evolved over the years.

| Investment Category | Proportion of Investments | Proportion of Investments |
|-------------------------------------|---------------------------|---------------------------|
| | 2023 | 2022 |
| #1 Aligned with E/S characteristics | 69.07% | 76.45% |
| #2 Other | 30.93% | 23.40% |
| #1A Sustainable | 57.44% | 53.36% |
| #1B Other E/S characteristics | 11.63% | 23.10% |
| Taxonomy-aligned | 0.00% | 0.00% |
| Other environmental | 30.27% | 28.59% |
| Social | 27.16% | 24.77% |

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?**

The sustainable investments which the Sub-fund intended to achieve for a portion of the portfolio were to contribute to the reduction of greenhouse gas emissions by means of exclusions and the use of climate indicators in the analysis of companies, and to have a positive impact on environment and social domains in the long-term.

The proportion of sustainable investments was higher than the minimum defined in the prospectus (minimum 10%). It allowed the Sub-fund to exceed the objectives initially set.

However, the Sub-fund is not able to publish a percentage of alignment with the Taxonomy since a small number of companies at global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Candriam ensured that those investments have not cause significant harm to any environmental and/or social sustainable investment objective by means of its ESG research and analysis of corporate and sovereign issuers.

The 'Do not significant harm' principle, in particular, was assessed for corporates through:

- the consideration of "principal adverse impacts"
- the alignment with the OECD Guidelines for Multinational Enterprises and the UN Global Compact to ensure minimum environmental & social safeguards.

For more details, refer to the section below on the consideration of principal adverse impacts on sustainability factors.

How were the indicators for adverse impacts on sustainability factors taken into account?

The principal adverse impacts were taken into account throughout ESG research and analysis process and through a wide range of methods.

The integration of the principal adverse impacts on sustainability factors has been based on the materiality or likely materiality of each indicator for each specific industry / sector to which the company belongs. The materiality is dependent on several factors, such as: type of information, data quality and breadth, applicability, relevance, and geographical coverage.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The sustainable investments of the Sub-fund have been compliant with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

They are subject to a norms-based controversy analysis that considers the compliance with the international social, human, environmental and anti-corruption standards, as defined by the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises. The International Labour Organisation and International Bill of Human Rights are part of the many international references integrated into our norms-based analysis and ESG model.

This analysis aimed to exclude companies that have significantly and repeatedly breached any of these principles.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

At Financial Product level, for the part invested in Candriam funds, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means: voting, dialogue, exclusions and/or monitoring (cfr. Candriam's PAI statement: <https://www.candriam.com/en/private/sfdr/>)

ENGAGEMENT

Our engagement policy is available on Candriam website [\[https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities\]](https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities).

DIALOGUE with non corporate issuers

This financial product is invested in non corporate issuers we engage with. For non-corporate issuers, such as sovereigns, agencies or supranationals, large majority of our engagement is done through collaborative dialogues and statements. Climate (PAI1 to PAI6) and biodiversity (PAI7) are the topics we predominantly engage on with them. For more information, please refer to Candriam

DIALOGUE with corporate issuers

As the current financial product is also investing in funds for corporate issuers (fixed income and Sustainable Emerging equities), for any information on related engagement, we invite you to refer to the annual reports of the invested funds. Candriam engagement policy is available on Candriam website [<https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities>].

EXCLUSIONS

PAI10

In accordance with PAI10 Candriam's normative analysis determines whether a company complies with the 10 principles of the United Nations Global Compact for each of the main categories: Human Rights (HR), Labor Rights (LR), Environment (ENV) and Anti-Corruption (AC). Our norms based analysis incorporates various international references, including the United Nations Declaration of Human Rights, ILO Fundamental Conventions, and OECD Guidelines for Multinational Enterprises, ensuring comprehensive coverage of human rights, labor standards, corruption, and discrimination.

In Candriam's "Level 1" company exclusion policy, companies that have committed the most serious violations of the UN Global Compact principles are excluded. This list focuses on a strict interpretation of violations of the UN Global Compact, as assessed by Candriam's ESG analysts.

Over the reference period, no additional issuer(s) directly covered became ineligible for the financial product, in addition to those previously excluded, for significant and repeated breaches of international social, human, environmental and anti-corruption standards, as defined by the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

PAI14

Candriam is firmly committed to excluding from all its investments companies directly involved in the development, production, testing, maintenance and sale of controversial weapons (anti-personnel landmines, cluster bombs, depleted uranium weapons and armor, chemical weapons, biological weapons and white phosphorus weapons). We consider these damaging activities to present systemic and reputational risks.

Over the reference period, no additional issuer(s) directly covered became ineligible for the financial product, in addition to those previously excluded, due to their involvement in these activities.

PAI16

Our list of repressive regimes is made up of countries in which human rights are regularly violated, fundamental freedoms are systematically denied and personal safety is not guaranteed due to government failure and systematic ethical violations. We are also extremely vigilant with regard to totalitarian states or countries whose governments are involved in a war against their own people. To compile the list of repressive regimes, we rely on data provided by external sources, such as Freedom House's Index of Freedom in the World, the World Bank's Governance Indicators and the Economist Intelligence Unit's Democracy Index, which guide our qualitative examination of non-democratic countries.

For this list of countries, Candriam's analysts have developed processes that apply to both sovereign and corporate investments, including exclusion, mitigation and engagement processes based on our risk assessment. Candriam considers debt issued by sovereign or quasi-sovereign entities on the list of repressive regimes to be ineligible for investment.

Over the reference period, no additional sovereign issuer(s) directly covered became ineligible for the financial product, in addition to those previously excluded.

MONITORING: calculation and evaluation of the principal adverse impact indicators

Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the Financial Product. See below the results of the indicators of this Financial Product

| PAI indicators | Value | Coverage (% rated / total assets) | Eligible assets (% eligible assets / total assets) |
|---|-------|-----------------------------------|--|
| 10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises | 0.00% | 20.69% | 20.74% |
| 14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) | 0.00% | 20.66% | 20.74% |
| 16 - Investee countries subject to social violations | 0.00% | 27.98% | 28.13% |



What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 01/01/2023 - 31/12/2023.

| Largest investments | Sector | % of Assets | Country |
|--|---|-------------|---------|
| COMGEST GROUP PLC GROWTH EUROPE FUND | Investments funds | 14.38% | IRL |
| COMGEST GRW AMERICA I USD ACC | Investments funds | 10.77% | IRL |
| CANDRIAM BDS GLOBAL GOVERNMENT Z EUR C | Non Classifiable Institutions | 10.13% | LUX |
| CANDRIAM DIVERSIFIED FUTURES I EUR C | Banks and other financial institutions | 9.48% | FRA |
| CANDRIAM BDS FLOAT RATE NOTES Z EUR C | Non Classifiable Institutions | 8.16% | LUX |
| COMGEST GROWTH PLC - WORLD | Investments funds | 7.21% | IRL |
| COMGEST GROWTH PLC GLOBAL FLEX I EUR CAP | Investments funds | 6.37% | IRL |
| CANDRIAM SUS BOND EMG MARKETS Z USD C | Banks and other financial institutions | 5.30% | LUX |
| CANDRIAM SUS BD EURO CORPORATE Z EUR C | Banks and other financial institutions | 5.11% | LUX |
| CANDRIAM SUS BD GLO HIGH YIELD Z EUR C | Banks and other financial institutions | 4.54% | LUX |
| CANDRIAM SUS EQUITY EMG MARKETS Z EUR C | Banks and other financial institutions | 3.99% | LUX |
| SPAIN 2.15 15-25 31/10A | Bonds of States, Provinces and municipalities | 0.61% | ESP |
| GERMANY 0 22-32 15/02A | Bonds of States, Provinces and municipalities | 0.60% | DEU |
| ITALY 3.75 14-24 01/09S | Bonds of States, Provinces and municipalities | 0.55% | ITA |
| ITALY 2.00 15-25 01/12S | Bonds of States, Provinces and municipalities | 0.49% | ITA |

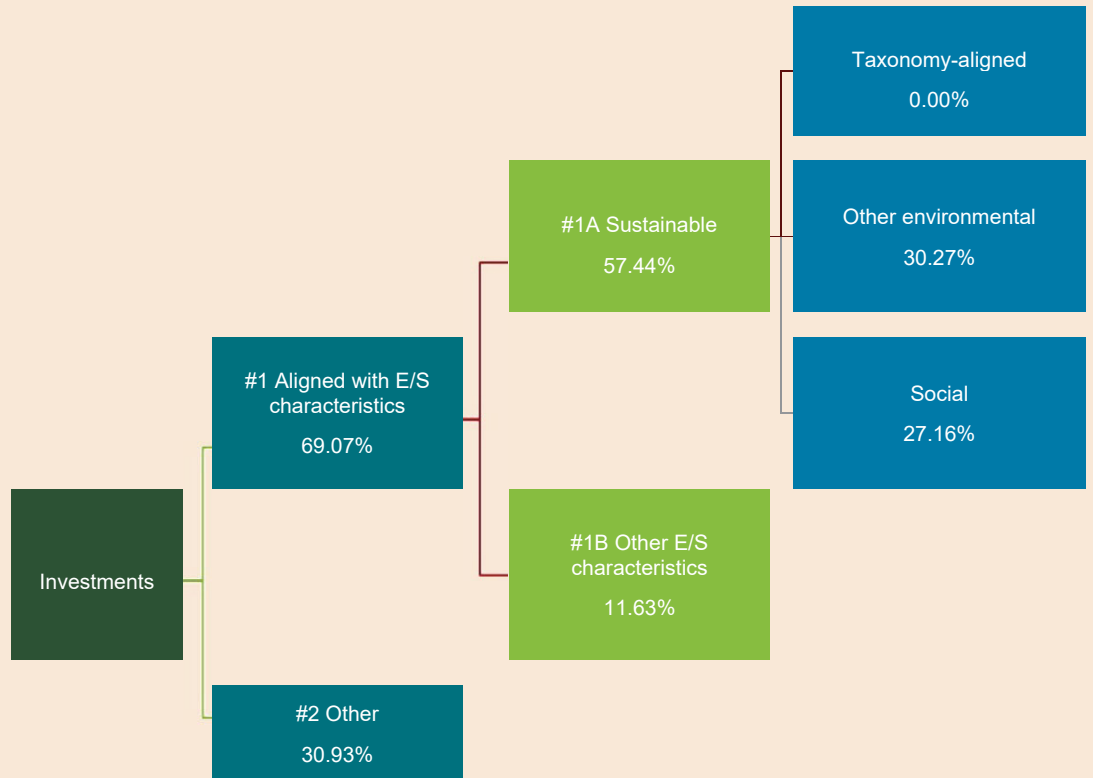
Data based on the main investments held on average during the reference period. This data is not comparable with those presented in the "Investment portfolio" section of the annual report.



What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

● What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● **In which economic sectors were the investments made?**

| Top sector | % of Assets |
|---|-------------|
| Investments funds | 38.73% |
| Banks and other financial institutions | 29.10% |
| Non Classifiable Institutions | 18.29% |
| Bonds of States, Provinces and municipalities | 13.69% |
| Miscellaneous services | 0.18% |

Data based on the main investments held on average during the reference period. This data is not comparable with those presented in the "Investment portfolio" section of the annual report.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting the green operational activities of investee companies.

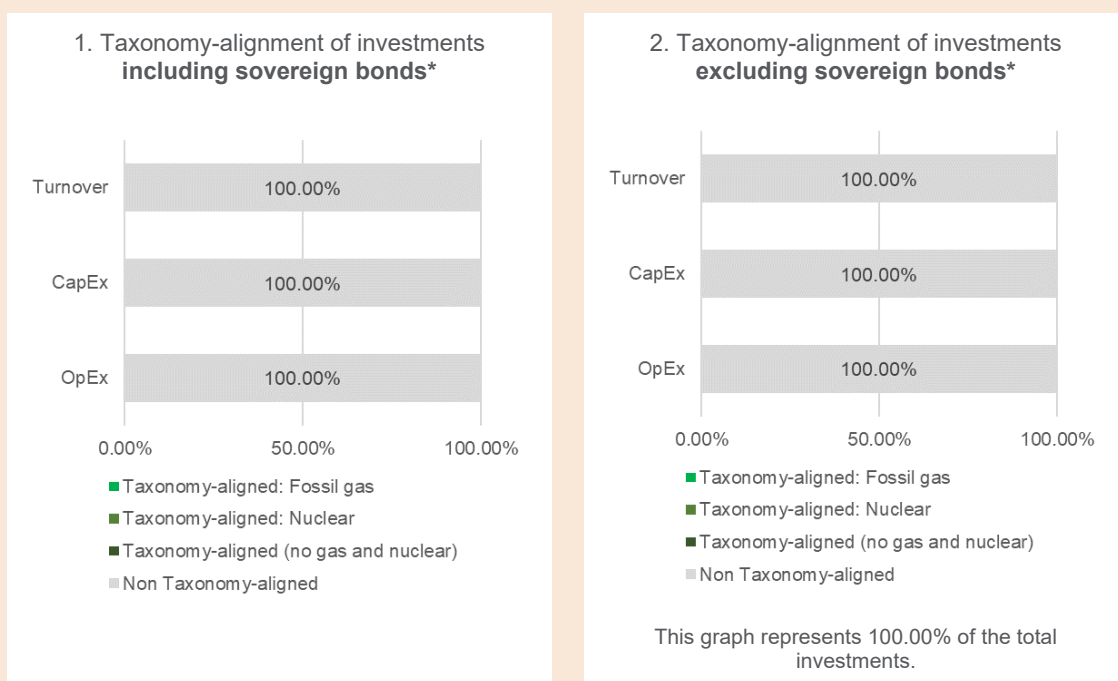


To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?¹

- Yes
- In fossil gas In nuclear energy
- No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

● **What was the share of investments made in transitional and enabling activities?**

The Sub-Fund is unable to publish a percentage of alignment with the Taxonomy, nor on the transitional and enabling activities, as very few companies at global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

| Year | % EU Taxonomy Aligned |
|------|-----------------------|
| 2023 | 0.00% |
| 2022 | 0.00% |

● **What is the breakdown of the proportion of the investments per each of the EU Taxonomy to which those investments contributed?**

The Sub-Fund is unable to publish a percentage of alignment with the Taxonomy, as very few companies at global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy

Therefore, this percentage is considered as nul.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

 **What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?**

The Sub-Fund had a share of 30.27% in sustainable investments on the environmental plan not aligned with the EU taxonomy.

Indeed to date, only two of the six objectives have entered into force in 2023 and very few companies at global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

 **What was the share of socially sustainable investments?**

The Sub-fund had a share of investments with a social objective of 27.16%

 **What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

The investments included under "Other" are present in the Sub-fund for 30.93% of the total net assets.

These investments include one or more of the following assets:

- Cash: Cash at sight, cash deposit, reverse repo needed to manage the liquidity of the Sub-fund following subscriptions/redemptions or being the result of the decision of market exposure of the Sub-Fund;
- Investments with issuers with E/S characteristics at the moment of the investment and are not fully aligned anymore with the Candriam investment with E/S criteria. These investments have been sold during the period or considered as other investments;
- Other investments (including single name derivatives) purchased for diversification purposes, which do not meet environmental or social characteristics or which may not be subject to an ESG screening or for which ESG data was not available. These investments have respected the good governance;
- Non single name derivatives used for exposition and hedging purposes.

 **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

For the part invested in Candriam products, the financial product selected the underlying funds to respect the environmental and/or social characteristics.

Some metrics are calculated In order to materialize some aspects of the ESG integration.

For your information, the carbon footprint is measured. Over the reference period, the financial product emitted 45.22 Tons CO2eq per million € invested, 48% lower than the benchmark. In comparison to the previous year, the carbon footprint has decreased by 37%. The financial product has favoured issuers with lower carbon footprint.

The ESG Score is also measured, based on Candriam's proprietary ESG methodology. Over the reference period, the financial product displayed an ESG score of 53.79, 5% higher compared to its benchmark. In comparison to the previous year, the financial product overall ESG score is higher. The financial product has favoured issuers with a stronger ESG profile.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund

Candriam Fund Sustainable Euro Corporate Bonds Fossil Free



549300NYPPSEF7YO3014

Sustainable investment objective

| Did this financial product have a sustainable investment objective? | |
|--|---|
| <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO |
| <ul style="list-style-type: none"> <input checked="" type="checkbox"/> It made sustainable investments with an environmental objective: 59.62% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> It made sustainable investments with a social objective: 39.95% | <ul style="list-style-type: none"> <input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments |

To what extent was the sustainable investment objective of this financial product met?

The attainment of the sustainable investment objectives was measured through the following sustainability indicators:

- Carbon footprint : a carbon footprint at least 30% lower than the carbon footprint of the Sub-Fund's reference Benchmark.
- Green bonds : at least 10% of the Sub-Fund's total net assets invested in Green Bonds. The Sub-Fund aimed to increase the proportion of Green Bonds to 20% by the end of 2025.
- ESG score : a weighted average ESG score higher than the weighted average ESG score of the Sub-Fund's reference benchmark. The ESG Score is computed employing Candriam's proprietary ESG analysis methodology.

Moreover, the following indicators were monitored:

- OECD Guidelines for Multinational Enterprises, UN Global Compact: to ensure that there were no investments in companies that are in violation with the these principles.
- Candriam's Exclusion Policy: to ensure that there were no investments in companies that are on the Candriam's SRI Level 3 exclusion list as a result of the application of Candriam's Exclusion Policy.

How did the sustainability indicators perform?

The Sub-Fund has been managed in accordance with its sustainability indicators as defined below.

For the selection of sustainable investments, the portfolio manager has taken into account ESG assessments of issuers, produced by Candriam's ESG analyst team.

For companies, these assessments are based on the analysis of the company's interactions with its key stakeholders and the analysis of its business activities and their impact, positive or negative, on key sustainability challenges such as climate change and resource depletion. In addition, Candriam's ESG analysis includes exclusion filters based on compliance with international standards and involvement in controversial activities.

Candriam's ESG research and analysis for sustainable investments also assesses the compliance of investments with the "do no harm" principle to a sustainable investment objective and with good governance practices.

This integration of Candriam's ESG research methodology has enabled the Fund to meet the minimum proportion of sustainable investments defined in the prospectus (minimum 75%). The proportion of sustainable investments in the Fund was therefore above this minimum threshold, as detailed in the section "What was the proportion of sustainability-related investments?"

The Sub-Fund's reference benchmark has not been designated for the purpose of attaining the sustainable investment objective of the Sub-Fund.

The Sub-Fund's reference benchmark does not qualify as an EU Climate Transition Benchmark or an EU Paris-Aligned Benchmark under Title III, Chapter 3a, of Regulation (EU) 2016/1011.

However, the Sub-Fund aimed to have a carbon footprint that is at least 30% lower than the carbon footprint of the Sub-Fund's reference benchmark.

Moreover, Candriam being part of the Net Zero Asset Management initiative, the Sub-Fund aimed to reduce greenhouse gas emissions in line with the objectives of the Paris Agreement.

| Sustainability KPI Name | Portfolio | Benchmark | New indicator |
|---|-----------|-----------|---------------|
| Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench | 20.22 | 88.89 | |
| ESG Score - Corporate - Higher than bench | 56.59 | 52.51 | |
| Green Bonds - Country and Corporate - Min 10% / Min 20% 2025 | 14.75% | | |

● ... And Compared to Previous Periods?

The sub-fund has also been managed in line with its sustainability indicators.

| Sustainability KPI Name | Year | Portfolio | Benchmark |
|---|------|-----------|-----------|
| Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench | 2022 | 20.22 | 92.06 |
| ESG Score - Corporate - Higher than bench | 2022 | 56.29 | 51.95 |
| Green Bonds - Min 1% / Min 2% 225 | 2022 | 12.69% | |

The asset allocation of the financial product has evolved over the years.

| Investment Category | Proportion of Investments | Proportion of Investments |
|---------------------|---------------------------|---------------------------|
| | 2023 | 2022 |
| #1 Sustainable | 99.57% | 99.19% |
| #2 Not sustainable | 0.43% | 0.81% |
| Environmental | 59.62% | 58.30% |
| Social | 39.95% | 40.89% |
| Taxonomy-aligned | 0.00% | 0.00% |
| Other | 59.62% | 58.30% |

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

Candriam ensured that its sustainable investments did not cause significant harm to any environmental and/or social sustainable investment objective by means of its ESG research and analysis of corporate and sovereign issuers. Based on its proprietary ESG Ratings and Scorings, Candriam's ESG methodology set clear requirements and minimum thresholds to identify those issuers that qualify as 'sustainable investment' and, in particular, do not cause significant harm to any environmental and/or social sustainable investment objective.

The 'Do not significant harm' principle, in particular, was assessed for corporates through:

- the consideration of "principal adverse impacts"
- the alignment with the OECD Guidelines for Multinational Enterprises and the UN Global Compact to ensure minimum environmental & social safeguards.

For more details, refer to the section below on the consideration of principal adverse impacts on sustainability factors.

How were the indicators for adverse impacts on sustainability factors taken into account?

The consideration of adverse impacts is central to Candriam's sustainable investment approach. Principal adverse impacts were taken into account throughout the entire ESG research and analysis process and through a wide range of methods:

1. ESG rating of corporates: the ESG research and screening methodology considers and assesses the principal adverse impact on sustainability from two distinct, but interlinked, angles:

- the company's issuers' business activities and how they impact, either positively or negatively, key sustainable challenges such as climate change and resource depletion;
- company's interactions with key stakeholders.

2. Negative screening of companies, which includes a norms-based exclusion and an exclusion of companies involved in controversial activities.

3. Engagement activities with companies, through dialogue and voting activities, which contribute to avoiding or reducing the extent of the adverse impacts. The ESG analysis framework and its results feed our engagement process, and vice versa.

The integration of the principal adverse impacts on sustainability factors has been based on the materiality or likely materiality of each indicator for each specific industry / sector to which the company belongs. The materiality is dependent on several factors, such as: type of information, data quality and breadth, applicability, relevance, and geographical coverage.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Sub-fund's investments were subject to a norms-based controversy analysis that considered the compliance with the international social, human, environmental and anti-corruption standards, as defined by the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises. The International Labour Organisation and International Bill of Human Rights are part of the many international references integrated into our norms-based analysis and ESG model.

This analysis aimed to exclude companies that have significantly and repeatedly breached any of these principles.



How did this financial product consider principal adverse impacts on sustainability factors?

At Financial Product level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means: voting, dialogue, exclusions and/or monitoring (cfr. Candriam's PAI statement: <https://www.candriam.com/en/private/sfdr/>)

ENGAGEMENT

Our engagement policy is available on Candriam website [<https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities>].

DIALOGUE with corporate issuers

This financial product is invested in corporate issuers. Below statistics refer to engagement activities we have performed with these corporate issuers.

Climate (PAI1 to PAI6) is obviously central in our exchanges with companies. Priorities of Climate-engagement on the corporate side are identified taking into account :

- issuers presenting a weak transition profile (proprietary risk transition model), and/or still highly carbon intensive (Scope 1-2) or with large Scope 3 emissions
- issuers from financial sectors still largely exposed to fossil fuel and with a key role in financing the transition
- relative exposure of managed portfolios to the above issuers.

Candriam has joined in November 2021 the Net Zero Asset Management Initiative [<https://www.netzeroassetmanagers.org/signatories/candriam/>]. Through engagement, our objective is to encourage companies to publicly report on how they align with a 1.5D trajectory and to encourage such an alignment. We expect issuers in particular

to explain how their strategy and capital expenditures plan serve their decarbonisation commitment. We usually combine individual and collaborative dialogue.

14 issuers in the financial product are actually part of the priority targets of Candriam Net Zero Engagement campaign.

In addition, we continue to actively support CDP Climate [<https://www.cdp.net/en>], a large transparency survey feeding our investment processes : out of the 86 financial product's issuers targeted, 98.84% have properly filled the last survey. Filled surveys give us access to updated and more accurate Scope 1-2-3 emissions' data.

Candriam also actively participate to several collaborative initiatives such as Climate Action 100+ or IIGCC & ShareAction Climate initiatives on Financials. Such initiatives targeted 21 issuer(s) of the financial product. These initiatives contribute not only to increase the level of transparency on Greenhouse gas emissions and related strategy, but also to gain fundamental leverage for supporting strategic changes. Outcomes of these engagements are detailed in our annual engagement & voting report, available on our public website (Publications | Candriam) [<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>].

Given the geopolitical context and observed increase in inequalities, 50 issuer(s) with presence in the financial product have also been contacted in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10 PAI11).

Inclusion is not to be outdone, with 72 issuers, of the portfolio having been more specifically engaged on topics related to PAI 12 (Unadjusted gender pay gap) or PAI 13 (Board gender diversity).

While above mentioned PAI are prevalent when considering engagement performed for this financial product in 2023, other PAI such as biodiversity-related ones may also have been addressed in our dialogues with issuers. For more information, please refer to Candriam Engagement Annual review under Candriam website [<https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities>].

EXCLUSIONS

PAI3

In addition to companies involved in the thermal coal, oil and gas activities (PAI 4), electricity-generating companies with a carbon intensity greater than 354 gCO₂/kWh (PAI 3), are considered risky for inclusion in sustainable investments, even if they are not universally controversial. Given that emissions vary according to electricity generation sources, it is important to assess the carbon footprint per kilowatt-hour (kWh) to determine how closely companies are aligned with the 2 degrees Celsius trajectory.

This is why Candriam includes the carbon intensity of energy producers in our sustainability assessment. Where carbon intensity data is not available, Candriam's ESG analysts use other indicators to assess alignment with the Paris Agreement, such as progress in the energy transition in line with Paris Agreement targets and integration of a 1.5D limit scenario, taking into account investment plans and the credibility of carbon neutrality targets. These indicators are forward-looking and evolve over time to reflect the progress made by companies in their transition.

The carbon intensity (PAI 3) threshold for the product in 2023 was established at 354 gCO₂/kWh. Over the reference period, no additional issuer(s) became ineligible for the financial product due to exceeding this threshold, in addition to those previously excluded.

PAI4

Exposure to fossil fuels (PAI 4) undergoes stringent exclusions across all Candriam sustainable funds. Thermal coal, recognized for its detrimental impact and serious financial and sustainability implications, poses systemic and reputational risks that financial benefits cannot outweigh.

Companies deriving more than 5% of their sales from coal mining, coal-fired power generation, and coal-related operations such as exploration, processing, transport, and distribution are automatically excluded.

Additionally, companies exceeding a 5% threshold of revenue from conventional oil and gas activities, including exploration, extraction, refining, and transportation, are ineligible for investment. Similarly, entities with over 5% exposure to unconventional oil and gas activities are also excluded.

Over the reference period, no additional issuer(s) became ineligible for the financial product due to exceeding the 5% threshold of exposure to thermal coal activities, supplementing the previously excluded entities.

Furthermore, no additional issuer(s) lost their eligibility due to surpassing the 5% threshold of exposure to conventional oil and gas activities, while no additional issuer(s) lost their eligibility for exceeding the 5% threshold of exposure to unconventional oil and gas activities.

PAI10

In accordance with PAI10 Candriam's normative analysis determines whether a company complies with the 10 principles of the United Nations Global Compact for each of the main categories: Human Rights (HR), Labor Rights (LR), Environment (ENV) and Anti-Corruption (AC). Our norms based analysis incorporates various international references, including the United Nations Declaration of Human Rights, ILO Fundamental Conventions, and OECD Guidelines for Multinational Enterprises, ensuring comprehensive coverage of human rights, labor standards, corruption, and discrimination.

In Candriam's "Level 3" SRI exclusion policy, companies with severe to very severe violations of the UN Global Compact principles are excluded. This list focuses on a strict interpretation of violations of the UN Global Compact, as assessed by Candriam's ESG analysts.

Over the reference period, no additional issuer(s) directly covered became ineligible for the financial product, in addition to those previously excluded, for significant and repeated breaches of international social, human, environmental and anti-corruption standards, as defined by the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

PAI14

Candriam is firmly committed to excluding from all its investments companies directly involved in the development, production, testing, maintenance and sale of controversial weapons (anti-personnel landmines, cluster bombs, depleted uranium weapons and armor, chemical weapons, biological weapons and white phosphorus weapons). We consider these damaging activities to present systemic and reputational risks.

Over the reference period, no additional issuer(s) directly covered became ineligible for the financial product, in addition to those previously excluded, due to their involvement in these activities.

MONITORING: calculation and evaluation of the principal adverse impact indicators

Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the Financial Product. See below the results of the indicators of this Financial Product

| PAI indicators | Value | Coverage (% rated / total assets) | Eligible assets (% eligible assets / total assets) |
|---|--------|-----------------------------------|--|
| Scope 1 GHG Emissions | 610.34 | 83.38% | 84.95% |
| Scope 2 GHG Emissions | 299.15 | 83.38% | 84.95% |
| Total GHG Emissions | 909.49 | 83.38% | 84.82% |
| 2 - Carbon Footprint | 20.22 | 83.38% | 84.82% |
| 3 - GHG intensity of investee companies | 39.55 | 83.38% | 84.83% |
| 4 - Exposure to companies active in fossil fuel sector | 0.32% | 81.53% | 84.76% |
| 10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises | 0.00% | 99.57% | 99.57% |
| 13 - Board gender diversity | 38.38% | 85.66% | 99.57% |
| 14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) | 0.00% | 99.57% | 99.57% |



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 01/01/2023 - 31/12/2023.

| Largest investments | Sector | % of Assets | Country |
|--|--|-------------|---------|
| BPCE SA FL.R 23-35 25/01A | Banks and other financial institutions | 1.11% | FRA |
| BANCO BILBAO VIZCAYA FL.R 20-30 16/01A | Banks and other financial institutions | 1.05% | ESP |
| BANK OF IRELAND GRP FL.R 21-27 10/03A | Banks and other financial institutions | 1.01% | IRL |
| ILLINOIS TOOL WORKS 0.625 19-27 05/12A | Machine and apparatus construction | 1.00% | USA |
| TOYOTA MOTOR CREDIT 0.125 21-27 06/05A | Banks and other financial institutions | 0.97% | USA |
| SIEMENS FINANCIERINGS 3.375 23-31 24/08A | Banks and other financial institutions | 0.94% | NLD |
| SKANDINAVISKA ENSKIL 3.25 22-25 24/11A | Banks and other financial institutions | 0.92% | SWE |
| UNICREDIT FL.R 23-29 16/02A | Banks and other financial institutions | 0.92% | ITA |
| KBC GROUPE FL.R 1.5 22-26 29/03A | Banks and other financial institutions | 0.89% | BEL |
| TRATON FINANCE LUXEM 0.125 21-25 24/03A | Banks and other financial institutions | 0.88% | LUX |
| ELIA SYSTEM OPERATOR 1.375 17-27 07/04A | Utilities | 0.86% | BEL |
| FISERV INC 1.125 19-27 01/07A | Internet and internet services | 0.85% | USA |
| VERIZON COMM 0.875 19-27 08/04A | Communication | 0.83% | USA |
| TORONTO DOMINION BANK 3.631 22-29 13/12A | Banks and other financial institutions | 0.81% | CAN |
| SCOR SE FL.R 15-46 08/06A | Insurance | 0.80% | FRA |

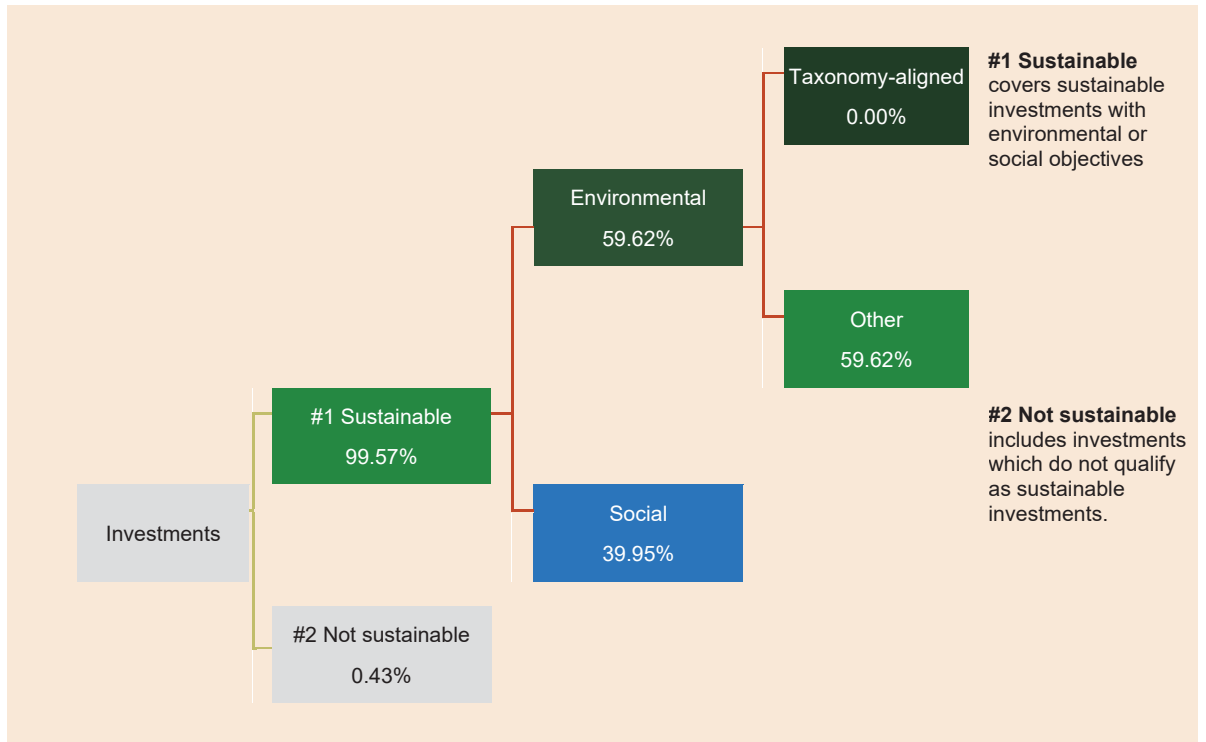
Data based on the main investments held on average during the reference period. This data is not comparable with those presented in the "Investment portfolio" section of the annual report.



What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

● What was the asset allocation?



● **In which economic sectors were the investments made?**

| Top sector | % of Assets |
|--|-------------|
| Banks and other financial institutions | 60.47% |
| Communication | 5.83% |
| Real estate | 5.53% |
| Insurance | 4.67% |
| Pharmaceuticals | 3.44% |
| Internet and internet services | 2.05% |
| Office supplies and computing | 2.01% |
| Machine and apparatus construction | 1.88% |
| Chemicals | 1.65% |
| Utilities | 1.59% |
| Electronics and semiconductors | 1.58% |
| Miscellaneous consumer goods | 1.49% |
| Graphic art and publishing | 1.18% |
| Miscellaneous services | 1.07% |
| Non Classifiable Institutions | 1.04% |

Data based on the main investments held on average during the reference period. This data is not comparable with those presented in the "Investment portfolio" section of the annual report.



To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are economic activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

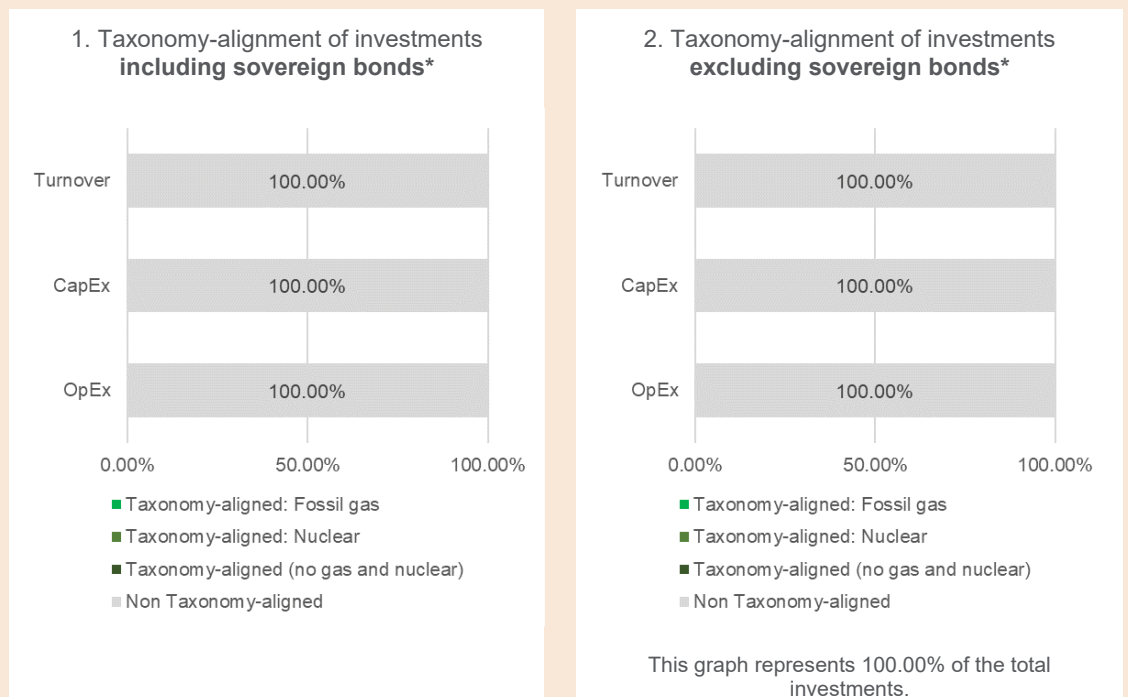
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy? ¹

- Yes
- In fossil gas In nuclear energy
- No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

¹Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

● **What was the share of investments made in transitional and enabling activities?**

The Sub-Fund is unable to publish a percentage of alignment with the Taxonomy, nor on the transitional and enabling activities, as very few companies at global level provide the data necessary for a rigorous assessment their alignment with the Taxonomy.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

| Year | % EU Taxonomy Aligned |
|------|-----------------------|
| 2023 | 0.00% |
| 2022 | 0.00% |

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

● **What is the breakdown of the proportion of the investments per each of the EU Taxonomy to which those investments contributed?**

The Sub-Fund is unable to publish a percentage of alignment with the Taxonomy, as very few companies at global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

Therefore, this percentage is considered as nul.

 **What was the share of sustainable investments with an environmental objective that were not aligned with the EU taxonomy?**

The Sub-Fund had a share of 59.62% in sustainable investments with an environmental objective not aligned with the EU taxonomy.

Indeed to date, only two of the six objectives have entered into force in 2023 and very few companies at global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

 **What was the share of socially sustainable investments?**

The Sub-Fund had a share of investments with a social objective of 39.95%

 **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

The investments included under "Not sustainable" are present in the Sub-fund for 0.43% of the total net assets.

These investments include one or more of the following assets:

- Cash: Cash at sight, cash deposit, reverse repo needed to manage the liquidity of the Sub-fund following subscriptions/redemptions and/or being the result of the market exposure decision of the Sub-fund.
- Investments with issuers considered as sustainable investments at the moment of the investment and that are not fully aligned anymore with the Candriam sustainable investment criteria. These investments have been sold during the period.
- Non single name derivatives used for exposition and hedging purposes.

These investments do not affect the delivery of the sustainable investment objectives of the Sub-Fund as they represent a minor proportion of its assets.

 **What actions have been taken to attain the sustainable investment objective during the reference period?**

The financial product took actions to respect its sustainable investment objectives.

The financial product aims to achieve a carbon footprint that is at least 30% lower than the carbon footprint of the benchmark. Over the reference period, the financial product emitted 20.22 Tons CO2eq per million € invested, 77.25% lower than the benchmark. The financial product has achieved its objective by favouring issuers with lower carbon footprint.

Moreover, the financial product aims also to have an ESG score, based on Candriam's proprietary ESG methodology, higher than its benchmark. Over the reference period, the financial product displayed an ESG score of 56.59, 7.76% higher than the benchmark. In comparison to the previous year, the financial product overall ESG score is flat.

Finally, the financial product aims to invest at least 10% of net assets in green bonds.

Over the reference period, the financial product invested in 14.75% of its net assets in green bonds.

In comparison to the previous year, the proportion of net assets invested green bonds is higher.

The financial product has achieved its objective by continued active participation in green bond markets. Notably, it invested in green bonds issued by Banks, Basic Resources, Industrial Goods & Services and Insurance.



How did this financial product perform compared to the reference sustainable benchmark?

No specific index is designated as a reference sustainable benchmark to meet the sustainable investment objectives.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

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Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

| Did this financial product have a sustainable investment objective? | |
|---|--|
| <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO |
| <input checked="" type="checkbox"/> It made sustainable investments with an environmental objective: 34.13% | <input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investment |
| <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy | <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| <input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| <input checked="" type="checkbox"/> It made sustainable investments with a social objective: 62.39% | <input type="checkbox"/> with a social objective |
| | <input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments |



To what extent was the sustainable investment objective of this financial product met?

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The attainment of the sustainable investment objectives was measured through the following sustainability indicators:

- Carbon footprint: the Sub-Fund had a carbon footprint that is at least 30% lower than the carbon footprint of the Sub-Fund's reference Benchmark.
- ESG score: the Sub-Fund had a weighted average ESG score that is higher than the weighted average ESG score of the Sub-Fund's reference benchmark. The ESG Score is computed employing Candriam's proprietary ESG analysis methodology.

Moreover, the following indicators were monitored:

- OECD Guidelines for Multinational Enterprises, UN Global Compact: to ensure that there were no investments in companies that are in violation with the these principles.
- Candriam's Exclusion Policy: to ensure that there were no investments in companies that are on the Candriam's SRI Level 3 exclusion list as a result of the application of Candriam's Exclusion Policy.
- Number of holdings for which Candriam voted.

How did the sustainability indicators perform?

The Sub-Fund has been managed in accordance with its sustainability indicators as defined below.

For the selection of sustainable investments, the portfolio manager has taken into account ESG assessments of issuers, produced by Candriam's ESG analyst team.

For companies, these assessments are based on the analysis of the company's interactions with its key stakeholders and the analysis of its business activities and their impact, positive or negative, on key sustainability challenges such as climate change and resource depletion. In addition, Candriam's ESG analysis includes exclusion filters based on compliance with international standards and involvement in controversial activities.

Candriam's ESG research and analysis for sustainable investments also assesses the compliance of investments with the "do no harm" principle to a sustainable investment objective and with good governance practices.

This integration of Candriam's ESG research methodology has enabled the Fund to meet the minimum proportion of sustainable investments defined in the prospectus (minimum 75%). The proportion of sustainable investments in the Fund was therefore above this minimum threshold, as detailed in the section "What was the proportion of sustainability-related investments?"

The Sub-Fund's reference benchmark has not been designated for the purpose of attaining the sustainable investment objective of the Sub-Fund.

The Sub-Fund's reference benchmark does not qualify as an EU Climate Transition Benchmark or an EU Paris-Aligned Benchmark under Title III, Chapter 3a, of Regulation (EU) 2016/1011.

However, the Sub-Fund aimed to have a carbon footprint that is at least 30% lower than the carbon footprint of the Sub-Fund's reference benchmark.

Moreover, Candriam being part of the Net Zero Asset Management initiative, the Sub-Fund aimed to reduce greenhouse gas emissions in line with the objectives of the Paris Agreement.

| Sustainability KPI Name | Portfolio | Benchmark | New indicator |
|---|-----------|-----------|---------------|
| Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench | 12.33 | 76.15 | |
| ESG Score - Corporate - Higher than bench | 57.15 | 53.67 | |

● ... And Compared to Previous Periods?

The sub-fund has also been managed in line with its sustainability indicators.

| Sustainability KPI Name | Year | Portfolio | Benchmark |
|---|------|-----------|-----------|
| Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench | 2022 | 18.80 | 77.43 |
| ESG Score - Corporate - Higher than bench | 2022 | 57.72 | 53.65 |

The asset allocation of the financial product has evolved over the years.

| Investment Category | Proportion of Investments | Proportion of Investments |
|---------------------|---------------------------|---------------------------|
| | 2023 | 2022 |
| #1 Sustainable | 96.52% | 99.24% |
| #2 Not sustainable | 3.48% | 0.76% |
| Environmental | 34.13% | 32.24% |
| Social | 62.39% | 67.00% |
| Taxonomy-aligned | 0.00% | 0.00% |
| Other | 34.13% | 32.24% |

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

Candriam ensured that its sustainable investments did not cause significant harm to any environmental and/or social sustainable investment objective by means of its ESG research and analysis of corporate and sovereign issuers. Based on its proprietary ESG Ratings and Scorings, Candriam's ESG methodology set clear requirements and minimum thresholds to identify those issuers that qualify as 'sustainable investment' and, in particular, do not cause significant harm to any environmental and/or social sustainable investment objective.

The 'Do not significant harm' principle, in particular, was assessed for corporates through:

- the consideration of "principal adverse impacts"
- the alignment with the OECD Guidelines for Multinational Enterprises and the UN Global Compact to ensure minimum environmental & social safeguards.

For more details, refer to the section below on the consideration of principal adverse impacts on sustainability factors.

How were the indicators for adverse impacts on sustainability factors taken into account?

The consideration of adverse impacts is central to Candriam's sustainable investment approach. Principal adverse impacts were taken into account throughout the entire ESG research and analysis process and through a wide range of methods:

1. ESG rating of corporates: the ESG research and screening methodology considers and assesses the principal adverse impact on sustainability from two distinct, but interlinked, angles:

- the company's issuers' business activities and how they impact, either positively or negatively, key sustainable challenges such as climate change and resource depletion;
- company's interactions with key stakeholders.

2. Negative screening of companies, which includes a norms-based exclusion and an exclusion of companies involved in controversial activities.

3. Engagement activities with companies, through dialogue and voting activities, which contribute to avoiding or reducing the extent of the adverse impacts. The ESG analysis framework and its results feed our engagement process, and vice versa.

The integration of the principal adverse impacts on sustainability factors has been based on the materiality or likely materiality of each indicator for each specific industry / sector to which the company belongs. The materiality is dependent on several factors, such as: type of information, data quality and breadth, applicability, relevance, and geographical coverage.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Sub-fund's investments were subject to a norms-based controversy analysis that considered the compliance with the international social, human, environmental and anti-corruption standards, as defined by the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises. The International Labour Organisation and International Bill of Human Rights are part of the many international references integrated into our norms-based analysis and ESG model.

This analysis aimed to exclude companies that have significantly and repeatedly breached any of these principles.



How did this financial product consider principal adverse impacts on sustainability factors?

At Financial Product level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means: voting, dialogue, exclusions and/or monitoring (cfr. Candriam's PAI statement: <https://www.candriam.com/en/private/sfdr/>)

ENGAGEMENT

Our engagement and voting policies are available on Candriam website [<https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities>].

VOTING

The Candriam's approach to Corporate Governance relies on internationally-recognized standards.

Candriam has exercised voting rights when available on positions of the portfolio. Shareholders' rights, equality of shareholders, board accountability, transparency and integrity of financial statements are core pillars of our voting policy. When exercising our votes we pay a particular attention to the respect of pay-for-performance principle and to the board's independence level, diversity (PAI13) and expertise level.

In the context of Candriam's voting policy, specific guidelines are applied for a range of environmental- (e.g. climate (PAI1 to PAI6), biodiversity (PAI7)), social- (e.g. diversity, gender pay gap (PAI12), human rights (PAI10 PAI11)) and governance- related management or shareholder resolutions.

Candriam has an active approach to voting, in line with the consideration of the principle adverse impacts. Resolutions and voting opportunities are analysed in detail. Candriam always considers the relevance, consistence and feasibility of measures sponsored by any ESG resolution before casting vote. Thus, Candriam may vote against certain resolutions if they do not correspond to the principles defined in its voting policy or to the requirements relating to principle adverse impacts.

This year, we voted at 72 meetings: for 95.83 % of them we cast at least once against management.

With respect to environmental or social related resolutions, management submitted 11 of which we supported 90.91 %.

More specifically, 1 proposals were related to climate (100 % support).

In addition, and for any voted director-election items (375 resolutions), we took into consideration Board Gender diversity aspects (PAI13).

In total 27 resolutions were filed by shareholders and we supported 70.37 % of them.

More specifically 6 were Human Rights, Climate or Diversity & Inclusion related: we supported 100 % of them.

For more detailed information about Candriam Voting policy evolution, votes and associated rationales, please refer to our voting dashboard [<https://vds.issgovernance.com/vds/#/NDA0Nw==/>]

DIALOGUE with corporate issuers

This financial product is invested in corporate issuers. Below statistics refer to engagement activities we have performed with these corporate issuers.

Climate (PAI1 to PAI6) is obviously central in our exchanges with companies. Priorities of Climate-engagement on the corporate side are identified taking into account :

- issuers presenting a weak transition profile (proprietary risk transition model), and/or still highly carbon intensive (Scope 1-2) or with large Scope 3 emissions
- issuers from financial sectors still largely exposed to fossil fuel and with a key role in financing the transition
- relative exposure of managed portfolios to the above issuers.

Candriam has joined in November 2021 the Net Zero Asset Management Initiative [<https://www.netzeroassetmanagers.org/signatories/candriam/>]. Through engagement, our objective is to encourage companies to publicly report on how they align with a 1.5D trajectory and to encourage such an alignment. We expect issuers in particular to explain how their strategy and capital expenditures plan serve their decarbonisation commitment. We usually combine individual and collaborative dialogue.

7 issuers in the financial product are actually part of the priority targets of Candriam Net Zero Engagement campaign.

In addition, we continue to actively support CDP Climate [<https://www.cdp.net/en/>], a large transparency survey feeding our investment processes : out of the 74 financial product's issuers targeted, 98.65% have properly filled the last survey. Filled surveys give us access to updated and more accurate Scope 1-2-3 emissions' data.

Candriam also actively participate to several collaborative initiatives such as Climate Action 100+ or IIGCC & ShareAction Climate initiatives on Financials. Such initiatives targeted 6 issuer(s) of the financial product. These initiatives contribute not only to increase the level of transparency on Greenhouse gas emissions and related strategy, but also to gain fundamental leverage for supporting strategic changes. Outcomes of these engagements are detailed in our annual engagement & voting report, available on our public website (Publications | Candriam) [<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>].

Given the geopolitical context and observed increase in inequalities, 54 issuer(s) with presence in the financial product have also been contacted in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10 PAI11).

Inclusion is not to be outdone, with 64 issuers, of the portfolio having been more specifically engaged on topics related to PAI 12 (Unadjusted gender pay gap) or PAI 13 (Board gender diversity).

While above mentioned PAI are prevalent when considering engagement performed for this financial product in 2023, other PAI such as biodiversity-related ones may also have been addressed in our dialogues with issuers. For more information, please refer to Candriam Engagement Annual review under Candriam website [<https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities>].

EXCLUSIONS

PAI3

In addition to companies involved in the thermal coal, oil and gas activities (PAI 4), electricity-generating companies with a carbon intensity greater than 354 gCO₂/kWh (PAI 3), are considered risky for inclusion in sustainable investments, even if they are not universally controversial. Given that emissions vary according to electricity generation sources, it is important to assess the carbon footprint per kilowatt-hour (kWh) to determine how closely companies are aligned with the 2 degrees Celsius trajectory.

This is why Candriam includes the carbon intensity of energy producers in our sustainability assessment. Where carbon intensity data is not available, Candriam's ESG analysts use other indicators to assess alignment with the Paris Agreement, such as progress in the energy transition in line with Paris Agreement targets and integration of a 1.5D limit scenario, taking into account investment plans and the credibility of carbon neutrality targets. These indicators are forward-looking and evolve over time to reflect the progress made by companies in their transition.

The carbon intensity (PAI 3) threshold for the product in 2023 was established at 354 gCO₂/kWh. Over the reference period, no additional issuer(s) became ineligible for the financial product due to exceeding this threshold, in addition to those previously excluded.

PAI4

Exposure to fossil fuels (PAI 4) undergoes stringent exclusions across all Candriam sustainable funds. Thermal coal, recognized for its detrimental impact and serious financial and sustainability implications, poses systemic and reputational risks that financial benefits cannot outweigh.

Companies deriving more than 5% of their sales from coal mining, coal-fired power generation, and coal-related operations such as exploration, processing, transport, and distribution are automatically excluded.

Additionally, companies exceeding a 5% threshold of revenue from conventional oil and gas activities, including exploration, extraction, refining, and transportation, are ineligible for investment. Similarly, entities with over 5% exposure to unconventional oil and gas activities are also excluded.

Over the reference period, no additional issuer(s) became ineligible for the financial product due to exceeding the 5% threshold of exposure to thermal coal activities, supplementing the previously excluded entities.

Furthermore, no additional issuer(s) lost their eligibility due to surpassing the 5% threshold of exposure to conventional oil and gas activities, while no additional issuer(s) lost their eligibility for exceeding the 5% threshold of exposure to unconventional oil and gas activities.

PAI10

In accordance with PAI10 Candriam's normative analysis determines whether a company complies with the 10 principles of the United Nations Global Compact for each of the main categories: Human Rights (HR), Labor Rights (LR), Environment (ENV) and Anti-Corruption (AC). Our norms based analysis incorporates various international references, including the United Nations Declaration of Human Rights, ILO Fundamental Conventions, and OECD Guidelines for Multinational Enterprises, ensuring comprehensive coverage of human rights, labor standards, corruption, and discrimination.

In Candriam's "Level 3" SRI exclusion policy, companies with severe to very severe violations of the UN Global Compact principles are excluded. This list focuses on a strict interpretation of violations of the UN Global Compact, as assessed by Candriam's ESG analysts.

Over the reference period, no additional issuer(s) directly covered became ineligible for the financial product, in addition to those previously excluded, for significant and repeated breaches of international social, human, environmental and anti-corruption standards, as defined by the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

PAI14

Candriam is firmly committed to excluding from all its investments companies directly involved in the development, production, testing, maintenance and sale of controversial weapons (anti-personnel landmines, cluster bombs, depleted uranium weapons and armor, chemical weapons, biological weapons and white phosphorus weapons). We consider these damaging activities to present systemic and reputational risks.

Over the reference period, no additional issuer(s) directly covered became ineligible for the financial product, in addition to those previously excluded, due to their involvement in these activities.

MONITORING: calculation and evaluation of the principal adverse impact indicators

Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the Financial Product. See below the results of the indicators of this Financial Product

| PAI indicators | Value | Coverage (% rated / total assets) | Eligible assets (% eligible assets / total assets) |
|---|----------|-----------------------------------|--|
| Scope 1 GHG Emissions | 1,154.14 | 96.52% | 96.52% |
| Scope 2 GHG Emissions | 932.85 | 96.52% | 96.52% |
| Total GHG Emissions | 2,086.99 | 96.52% | 96.52% |
| 2 - Carbon Footprint | 12.33 | 96.52% | 96.52% |
| 3 - GHG intensity of investee companies | 32.51 | 96.52% | 96.52% |
| 4 - Exposure to companies active in fossil fuel sector | 0.00% | 95.79% | 96.52% |
| 10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises | 0.00% | 96.52% | 96.52% |
| 13 - Board gender diversity | 41.42% | 95.63% | 96.53% |
| 14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) | 0.00% | 96.52% | 96.52% |



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:
01/01/2023 - 31/12/2023.

| Largest investments | Sector | % of Assets | Country |
|--|--|-------------|---------|
| NESTLE SA PREFERENTIAL SHARE | Foods and non alcoholic drinks | 5.15% | CHE |
| LVMH MOET HENNESSY LOUIS VUITTON SE | Miscellaneous services | 4.64% | FRA |
| ASTRAZENECA PLC | Pharmaceuticals | 3.61% | GBR |
| UNILEVER | Foods and non alcoholic drinks | 2.95% | GBR |
| AXA SA | Insurance | 2.65% | FRA |
| NOVO NORDISK - BEARER AND/OR - REG SHS | Pharmaceuticals | 2.51% | DNK |
| SANOFI | Pharmaceuticals | 2.49% | FRA |
| MICROSOFT CORP | Internet and internet services | 2.39% | USA |
| SCHNEIDER ELECTRIC SE | Electrical engineering | 2.30% | FRA |
| ASML HOLDING NV | Electronics and semiconductors | 2.28% | NLD |
| KBC GROUPE SA | Banks and other financial institutions | 2.25% | BEL |
| ALLIANZ SE PREFERENTIAL SHARE | Insurance | 2.22% | DEU |
| RELX PLC | Graphic art and publishing | 2.20% | GBR |
| NOVO NORDISK | Pharmaceuticals | 2.19% | DNK |
| ROCHE HOLDING LTD | Pharmaceuticals | 2.17% | CHE |

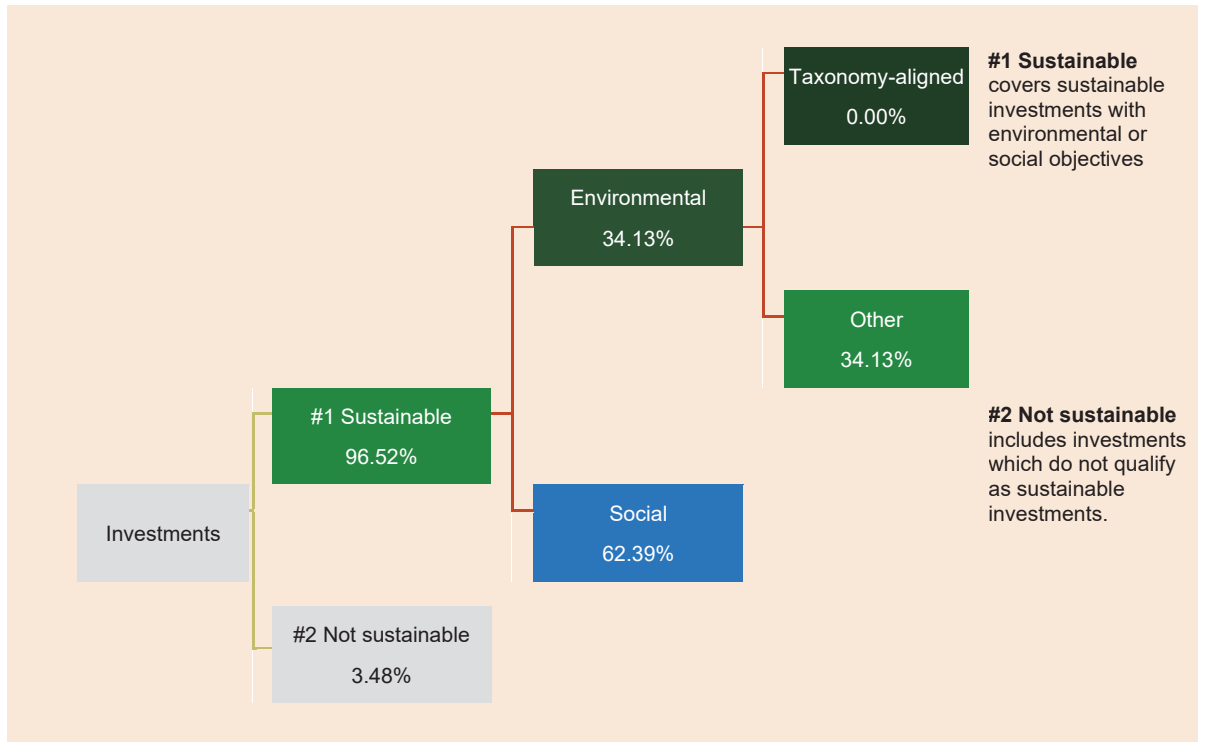
Data based on the main investments held on average during the reference period. This data is not comparable with those presented in the "Investment portfolio" section of the annual report.



What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

● What was the asset allocation?



● **In which economic sectors were the investments made?**

| Top sector | % of Assets |
|--|-------------|
| Pharmaceuticals | 18.00% |
| Banks and other financial institutions | 16.05% |
| Foods and non alcoholic drinks | 10.81% |
| Insurance | 8.27% |
| Electronics and semiconductors | 8.22% |
| Internet and internet services | 7.27% |
| Miscellaneous services | 4.64% |
| Textiles and garments | 3.31% |
| Electrical engineering | 2.93% |
| Communication | 2.51% |
| Biotechnology | 2.35% |
| Graphic art and publishing | 2.20% |
| Miscellaneous consumer goods | 2.10% |
| Real estate | 1.95% |
| Chemicals | 1.94% |

Data based on the main investments held on average during the reference period. This data is not comparable with those presented in the "Investment portfolio" section of the annual report.



To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

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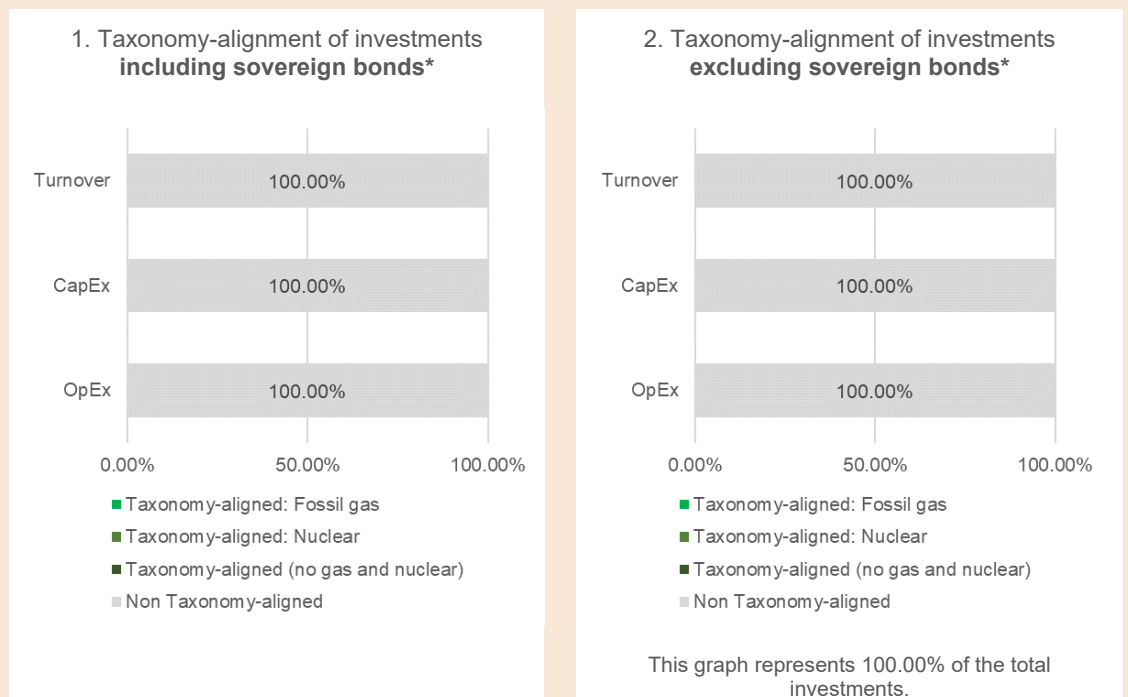
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Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy? ¹

- Yes
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The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



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Therefore, this percentage is considered as nul.

 **What was the share of sustainable investments with an environmental objective that were not aligned with the EU taxonomy?**

The Sub-Fund had a share of 34.13% in sustainable investments with an environmental objective not aligned with the EU taxonomy.

Indeed to date, only two of the six objectives have entered into force in 2023 and very few companies at global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

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The Sub-Fund had a share of investments with a social objective of 62.39%

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The investments included under "Not sustainable" are present in the Sub-fund for 3.48% of the total net assets.

These investments include one or more of the following assets:

- Cash: Cash at sight, cash deposit, reverse repo needed to manage the liquidity of the Sub-fund following subscriptions/redemptions and/or being the result of the market exposure decision of the Sub-fund.
- Investments with issuers considered as sustainable investments at the moment of the investment and that are not fully aligned anymore with the Candriam sustainable investment criteria. These investments have been sold during the period.
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These investments do not affect the delivery of the sustainable investment objectives of the Sub-Fund as they represent a minor proportion of its assets.

 **What actions have been taken to attain the sustainable investment objective during the reference period?**

The financial product took actions to respect its sustainable investment objectives.

The financial product aims to achieve a carbon footprint that is at least 30% lower than the carbon footprint of the Benchmark.

Over the reference period, the financial product emitted 12.33 Tons CO2eq per million € invested, 83.8% lower than the benchmark.

Compared to the previous year, the financial product's carbon footprint has decreased by 34.4%.

The financial product has achieved its objective by favouring issuers with lower carbon footprint.

The financial product also aims to achieve an ESG score, based on Candriam's proprietary ESG methodology, higher than its benchmark.

Over the reference period, the financial product displayed an ESG score of 57.15, 6.5% higher compared to its benchmark.

The financial product has achieved its objective by selectively favouring issuers that display a stronger ESG profile and for example divesting a company in Semiconductors with deteriorating ESG profile.



How did this financial product perform compared to the reference sustainable benchmark?

No specific index is designated as a reference sustainable benchmark to meet the sustainable investment objectives.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

Candriam Fund Sustainable Short Term Equivalent



549300WECXAMS06L9Q73

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

| Did this financial product have a sustainable investment objective? | |
|---|---|
| <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO |
| <input checked="" type="checkbox"/> It made sustainable investments with an environmental objective: 54.50% | <input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment |
| <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy | <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| <input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| <input checked="" type="checkbox"/> It made sustainable investments with a social objective: 42.55% | <input type="checkbox"/> with a social objective |
| | <input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments |



To what extent was the sustainable investment objective of this financial product met?

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The attainment of the sustainable investment objectives was measured through the following sustainability indicators:

- carbon footprint: a carbon footprint below a determined absolute threshold. This threshold has been set at around 30% lower than the investment universe.
- ESG score: a weighted average ESG score, including corporate and sovereign issuers, which results from Candriam's proprietary ESG analysis, higher than 50 (on a scale from 0 to 100).

Moreover, the following indicators were monitored:

- OECD Guidelines for Multinational Enterprises, UN Global Compact: to ensure that there were no investments in companies that are in violation with these principles.
- Candriam's Exclusion Policy: to ensure that there were no investments in companies that are on the Candriam's SRI Level 3 exclusion list as a result of the application of Candriam's Exclusion Policy.
- Candriam's Oppressive regime list: to ensure that there were no sovereign investments in countries that are on Candriam's Oppressive regime list
- Countries considered "Not free" by Freedom House: to ensure that there were no sovereign investments in countries considered "Not free" by Freedom House.

How did the sustainability indicators perform?

The Sub-Fund has been managed in accordance with its sustainability indicators as defined below.

For the selection of sustainable investments, the portfolio manager has taken into account ESG assessments of issuers, produced by Candriam's ESG analyst team.

For companies, these assessments are based on the analysis of the company's interactions with its key stakeholders and the analysis of its business activities and their impact, positive or negative, on key sustainability challenges such as climate change

and resource depletion. In addition, Candriam's ESG analysis includes exclusion filters based on compliance with international standards and involvement in controversial activities.

For sovereign issuers, these assessments are based on the analysis of the countries' management of their natural, human, social and economic capital. In addition, exclusion filters are used to screen out issuers that do not meet democratic and governance standards.

Candriam's ESG research and analysis for sustainable investments also assesses the compliance of investments with the "do no harm" principle to a sustainable investment objective and with good governance practices for the corporates.

This integration of Candriam's ESG research methodology has enabled the Fund to meet the minimum proportion of sustainable investments defined in the prospectus (minimum 75%). The proportion of sustainable investments in the Fund was therefore above this minimum threshold, as detailed in the section "What was the proportion of sustainability-related investments?"

The Sub-Fund's reference benchmark has not been designated for the purpose of attaining the sustainable investment objective of the Sub-Fund.

The Sub-Fund's reference benchmark does not qualify as an EU Climate Transition Benchmark or an EU Paris-Aligned Benchmark under Title III, Chapter 3a, of Regulation (EU) 2016/1011.

However, the Sub-Fund aimed to have a carbon footprint below a determined absolute threshold. This threshold has been set at around 30% lower than the investment universe.

Moreover, Candriam being part of the Net Zero Asset Management initiative, the Sub-Fund aimed to reduce greenhouse gas emissions in line with the objectives of the Paris Agreement

| Sustainability KPI Name | Portfolio | Benchmark | New indicator |
|--|-----------|-----------|---------------|
| Carbon Footprint - Corporate - Scope 1&2 - Lower than absolute threshold (currently 100) | 22.18 | | |
| ESG Score - Country and Corporate - Higher than 55 | 56.57 | | |

● ... And Compared to Previous Periods?

The sub-fund has also been managed in line with its sustainability indicators.

| Sustainability KPI Name | Year | Portfolio | Benchmark |
|--|------|-----------|-----------|
| Carbon Footprint - Corporate - Scope 1&2 - Lower than absolute threshold (currently 100) | 2022 | 35.88 | |
| ESG Score - Country and Corporate - Higher than 55 | 2022 | 54.83 | |

The asset allocation of the financial product has evolved over the years.

| Investment Category | Proportion of Investments | Proportion of Investments |
|---------------------|---------------------------|---------------------------|
| | 2023 | 2022 |
| #1 Sustainable | 97.05% | 91.57% |
| #2 Not sustainable | 2.95% | 8.32% |
| Environmental | 54.50% | 58.76% |
| Social | 42.55% | 32.80% |
| Taxonomy-aligned | 0.00% | 0.00% |
| Other | 54.50% | 58.76% |

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

Candriam ensured that its sustainable investments did not cause significant harm to any environmental and/or social sustainable investment objective by means of its ESG research and analysis of corporate and sovereign issuers. Based on its proprietary ESG Ratings and Scorings, Candriam's ESG methodology set clear requirements and minimum thresholds to identify those issuers that qualify as 'sustainable investment' and, in particular, do not cause significant harm to any environmental and/or social sustainable investment objective.

The 'Do not significant harm' principle, in particular, was assessed for corporates through:

- the consideration of "principal adverse impacts"
- the alignment with the OECD Guidelines for Multinational Enterprises and the UN Global Compact to ensure minimum environmental & social safeguards.

For more details, refer to the section below on the consideration of principal adverse impacts on sustainability factors.

How were the indicators for adverse impacts on sustainability factors taken into account?

The consideration of adverse impacts is central to Candriam's sustainable investment approach. Principal adverse impacts were taken into account throughout the entire ESG research and analysis process and through a wide range of methods:

For the analysis of corporate issuers, these methods include:

1. ESG rating of corporates: the ESG research and screening methodology considers and assesses the principal adverse impact on sustainability from two distinct, but interlinked, angles:

- the company's issuers' business activities and how they impact, either positively or negatively, key sustainable challenges such as climate change and resource depletion;
- company's interactions with key stakeholders.

2. Negative screening of companies, which includes a norms-based exclusion and an exclusion of companies involved in controversial activities.

3. Engagement activities with companies, through dialogue and voting activities, which contribute to avoiding or reducing the extent of the adverse impacts. The ESG analysis framework and its results feed our engagement process, and vice versa.

For the analysis of sovereign issuers, these methods include:

1. Country ESG Scores: the ESG research and screening methodology considers and assesses key negative sustainability impacts around four sustainability dimensions: Natural capital, Human capital, Social capital, and Economic capital.

2. Negative Country Screening, which includes the following:

- Candriam's list of highly oppressive regimes -States with serious human rights violations;
- Freedom House's World Freedom Index - states considered "not free".

The integration of the principal adverse impacts on sustainability factors has been based on the materiality or likely materiality of each indicator for each specific industry / sector/ to which the company belongs and for each country to ensure that a country's score adequately reflects the short, medium and long-term problems, challenges and/or opportunities that matter for that country's future development. This materiality depends on several elements, such as the type of information, quality and extent of data, applicability, relevance and geographical coverage.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Sub-fund's investments were subject to a norms-based controversy analysis that considered the compliance with the international social, human, environmental and anti-corruption standards, as defined by the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises. The International Labour Organisation and International Bill of Human Rights are part of the many international references integrated into our norms-based analysis and ESG model.

This analysis aimed to exclude companies that have significantly and repeatedly breached any of these principles.



How did this financial product consider principal adverse impacts on sustainability factors?

At Financial Product level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means: voting, dialogue, exclusions and/or monitoring (cfr. Candriam's PAI statement: <https://www.candriam.com/en/private/sfdr/>)

ENGAGEMENT

Our engagement policy is available on Candriam website [<https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities>].

DIALOGUE with corporate issuers

This financial product is invested in corporate issuers. Below statistics refer to engagement activities we have performed with these corporate issuers.

Climate (PAI1 to PAI6) is obviously central in our exchanges with companies. Priorities of Climate-engagement on the corporate side are identified taking into account :

- issuers presenting a weak transition profile (proprietary risk transition model), and/or still highly carbon intensive (Scope 1-2) or with large Scope 3 emissions
- issuers from financial sectors still largely exposed to fossil fuel and with a key role in financing the transition
- relative exposure of managed portfolios to the above issuers.

Candriam has joined in November 2021 the Net Zero Asset Management Initiative [<https://www.netzeroassetmanagers.org/signatories/candriam/>]. Through engagement, our objective is to encourage companies to publicly report on how they align with a 1.5D trajectory and to encourage such an alignment. We expect issuers in particular to explain how their strategy and capital expenditures plan serve their decarbonisation commitment. We usually combine individual and collaborative dialogue.

4 issuers in the financial product are actually part of the priority targets of Candriam Net Zero Engagement campaign.

In addition, we continue to actively support CDP Climate [<https://www.cdp.net/en>], a large transparency survey feeding our investment processes : out of the 27 financial product's issuers targeted, 100% have properly filled the last survey. Filled surveys give us access to updated and more accurate Scope 1-2-3 emissions' data.

Candriam also actively participate to several collaborative initiatives such as Climate Action 100+ or IIGCC & ShareAction Climate initiatives on Financials. Such initiatives targeted 14 issuer(s) of the financial product. These initiatives contribute not only to increase the level of transparency on Greenhouse gas emissions and related strategy, but also to gain fundamental leverage for supporting strategic changes. Outcomes of these engagements are detailed in our annual engagement & voting report, available on our public website (Publications | Candriam) [<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>].

Given the geopolitical context and observed increase in inequalities, 13 issuer(s) with presence in the financial product have also been contacted in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10 PAI11).

Inclusion is not to be outdone, with 23 issuers, of the portfolio having been more specifically engaged on topics related to PAI 12 (Unadjusted gender pay gap) or PAI 13 (Board gender diversity).

While above mentioned PAI are prevalent when considering engagement performed for this financial product in 2023, other PAI such as biodiversity-related ones may also have been addressed in our dialogues with issuers. For more information, please refer to Candriam Engagement Annual review under Candriam website [<https://www.candriam.com/en/professional/investment-solutions/sustainability-documents/#engagement-activities>].

EXCLUSIONS

PAI3

In addition to companies involved in the thermal coal, oil and gas activities (PAI 4), electricity-generating companies with a carbon intensity greater than 354 gCO₂/kWh (PAI 3), are considered risky for inclusion in sustainable investments, even if they are not universally controversial. Given that emissions vary according to electricity generation sources, it is important to assess the carbon footprint per kilowatt-hour (kWh) to determine how closely companies are aligned with the 2 degrees Celsius trajectory.

This is why Candriam includes the carbon intensity of energy producers in our sustainability assessment. Where carbon intensity data is not available, Candriam's ESG analysts use other indicators to assess alignment with the Paris Agreement, such as progress in the energy transition in line with Paris Agreement targets and integration of a 1.5D limit scenario, taking into account investment plans and the credibility of carbon neutrality targets. These indicators are forward-looking and evolve over time to reflect the progress made by companies in their transition.

The carbon intensity (PAI 3) threshold for the product in 2023 was established at 354 gCO₂/kWh. Over the reference period, no additional issuer(s) became ineligible for the financial product due to exceeding this threshold, in addition to those previously excluded.

PAI4

Exposure to fossil fuels (PAI 4) undergoes stringent exclusions across all Candriam sustainable funds. Thermal coal, recognized for its detrimental impact and serious financial and sustainability implications, poses systemic and reputational risks that financial benefits cannot outweigh.

Companies deriving more than 5% of their sales from coal mining, coal-fired power generation, and coal-related operations such as exploration, processing, transport, and distribution are automatically excluded.

Additionally, companies exceeding a 5% threshold of revenue from conventional oil and gas activities, including exploration, extraction, refining, and transportation, are ineligible for investment. Similarly, entities with over 5% exposure to unconventional oil and gas activities are also excluded.

Over the reference period, no additional issuer(s) became ineligible for the financial product due to exceeding the 5% threshold of exposure to thermal coal activities, supplementing the previously excluded entities.

Furthermore, no additional issuer(s) lost their eligibility due to surpassing the 5% threshold of exposure to conventional oil and gas activities, while no additional issuer(s) lost their eligibility for exceeding the 5% threshold of exposure to unconventional oil and gas activities.

PAI10

In accordance with PAI10 Candriam's normative analysis determines whether a company complies with the 10 principles of the United Nations Global Compact for each of the main categories: Human Rights (HR), Labor Rights (LR), Environment (ENV) and Anti-Corruption (AC). Our norms based analysis incorporates various international references, including the United Nations Declaration of Human Rights, ILO Fundamental Conventions, and OECD Guidelines for Multinational Enterprises, ensuring comprehensive coverage of human rights, labor standards, corruption, and discrimination.

In Candriam's "Level 3" SRI exclusion policy, companies with severe to very severe violations of the UN Global Compact principles are excluded. This list focuses on a strict interpretation of violations of the UN Global Compact, as assessed by Candriam's ESG analysts.

Over the reference period, no additional issuer(s) directly covered became ineligible for the financial product, in addition to those previously excluded, for significant and repeated breaches of international social, human, environmental and anti-corruption standards, as defined by the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

PAI14

Candriam is firmly committed to excluding from all its investments companies directly involved in the development, production, testing, maintenance and sale of controversial weapons (anti-personnel landmines, cluster bombs, depleted uranium weapons and armor, chemical weapons, biological weapons and white phosphorus weapons). We consider these damaging activities to present systemic and reputational risks.

Over the reference period, no additional issuer(s) directly covered became ineligible for the financial product, in addition to those previously excluded, due to their involvement in these activities.

PAI16

Our list of repressive regimes is made up of countries in which human rights are regularly violated, fundamental freedoms are systematically denied and personal safety is not guaranteed due to government failure and systematic ethical violations. We are also extremely vigilant with regard to totalitarian states or countries whose governments are involved in a war against their own people. To compile the list of repressive regimes, we rely on data provided by external sources, such as Freedom House's Index of Freedom in the World, the World Bank's Governance Indicators and the Economist Intelligence Unit's Democracy Index, which guide our qualitative examination of non-democratic countries.

For this list of countries, Candriam's analysts have developed processes that apply to both sovereign and corporate investments, including exclusion, mitigation and engagement processes based on our risk assessment. Candriam considers debt issued by sovereign or quasi-sovereign entities on the list of repressive regimes to be ineligible for investment.

Over the reference period, no additional sovereign issuer(s) directly covered became ineligible for the financial product, in addition to those previously excluded.

MONITORING: calculation and evaluation of the principal adverse impact indicators

Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the Financial Product. See below the results of the indicators of this Financial Product

| PAI indicators | Value | Coverage (% rated / total assets) | Eligible assets (% eligible assets / total assets) |
|---|--------|-----------------------------------|--|
| Scope 1 GHG Emissions | 403.09 | 80.74% | 84.89% |
| Scope 2 GHG Emissions | 131.40 | 80.74% | 84.89% |
| Total GHG Emissions | 534.49 | 80.74% | 84.33% |
| 2 - Carbon Footprint | 22.18 | 80.74% | 84.33% |
| 3 - GHG intensity of investee companies | 38.59 | 81.16% | 84.35% |
| 4 - Exposure to companies active in fossil fuel sector | 1.99% | 82.42% | 84.38% |
| 10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises | 0.00% | 85.03% | 85.03% |
| 13 - Board gender diversity | 38.81% | 74.42% | 84.95% |
| 14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) | 0.00% | 85.03% | 85.03% |
| 16 - Investee countries subject to social violations | 0.00% | 0.43% | 0.43% |



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:
01/01/2023 - 31/12/2023.

| Largest investments | Sector | % of Assets | Country |
|---|--|-------------|---------|
| CANDRIAM SUS MONEY MARKET EURO Z EUR C | Banks and other financial institutions | 14.11% | LUX |
| CREDIT AGRICOLE SA FL.R 23-25 07/03Q | Banks and other financial institutions | 3.05% | FRA |
| LLOYDS BANKING GROUP FL.R 17-24 21/06Q | Banks and other financial institutions | 2.80% | GBR |
| PROLOGIS EURO FINANCE FL.R 22-24 08/02Q | Real estate | 2.62% | USA |
| ABN AMRO BK FL.R 23-25 10/01Q | Banks and other financial institutions | 2.45% | NLD |
| TORONTO DOMINION BK FL.R 23-25 20/01Q | Banks and other financial institutions | 2.21% | CAN |
| BANK OF MONTREAL FL.R 23-25 06/06Q | Banks and other financial institutions | 2.20% | CAN |
| ALLIANZ FINANCE FL.R 21-24 22/11Q | Insurance | 2.05% | NLD |
| SKANDINAVISKA ENSKIL FL.R 23-25 13/06Q | Banks and other financial institutions | 2.02% | SWE |
| BANK OF NOVA SCOTIA FL.R 23-25 02/05Q | Banks and other financial institutions | 1.98% | CAN |
| THERMO FISCHER FL.R 21-23 18/11Q | Banks and other financial institutions | 1.96% | NLD |
| NATIONWIDE BUILDING FL.R 23-25 07/06Q | Banks and other financial institutions | 1.92% | GBR |
| NATL BANK OF CANADA FL.R 23-25 13/05Q | Banks and other financial institutions | 1.90% | CAN |
| SG FL.R 23-25 13/01Q | Banks and other financial institutions | 1.87% | FRA |
| OP CORPORATE BANK PLC FL.R 21-24 18/01Q | Banks and other financial institutions | 1.79% | FIN |

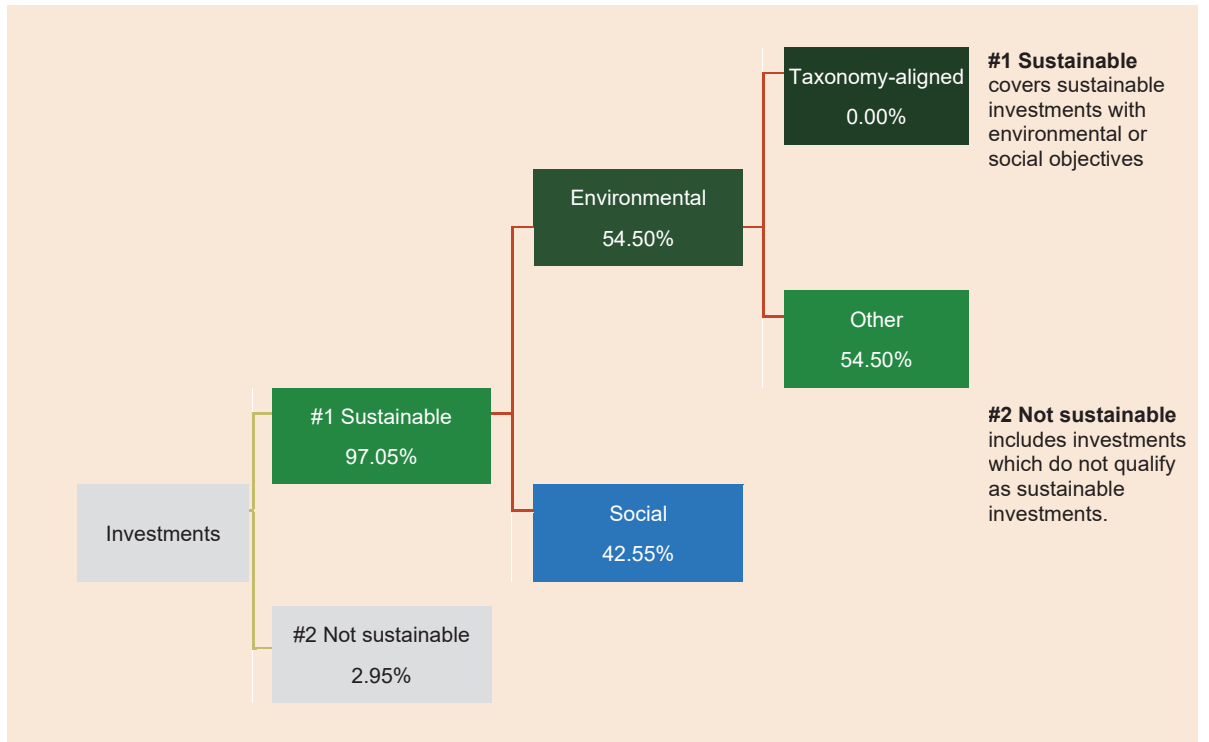
Data based on the main investments held on average during the reference period. This data is not comparable with those presented in the "Investment portfolio" section of the annual report.



What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

● What was the asset allocation?



● **In which economic sectors were the investments made?**

| Top sector | % of Assets |
|---|--------------------|
| Banks and other financial institutions | 79.94% |
| Real estate | 4.45% |
| Insurance | 2.30% |
| Pharmaceuticals | 2.18% |
| Building materials | 2.12% |
| Road vehicles | 1.37% |
| Investments funds | 1.26% |
| Office supplies and computing | 1.17% |
| Foods and non alcoholic drinks | 0.83% |
| Non Classifiable Institutions | 0.76% |
| Communication | 0.46% |
| Internet and internet services | 0.43% |
| Bonds of States, Provinces and municipalities | 0.43% |
| Transportation | 0.43% |

Data based on the main investments held on average during the reference period. This data is not comparable with those presented in the "Investment portfolio" section of the annual report.



To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are economic activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

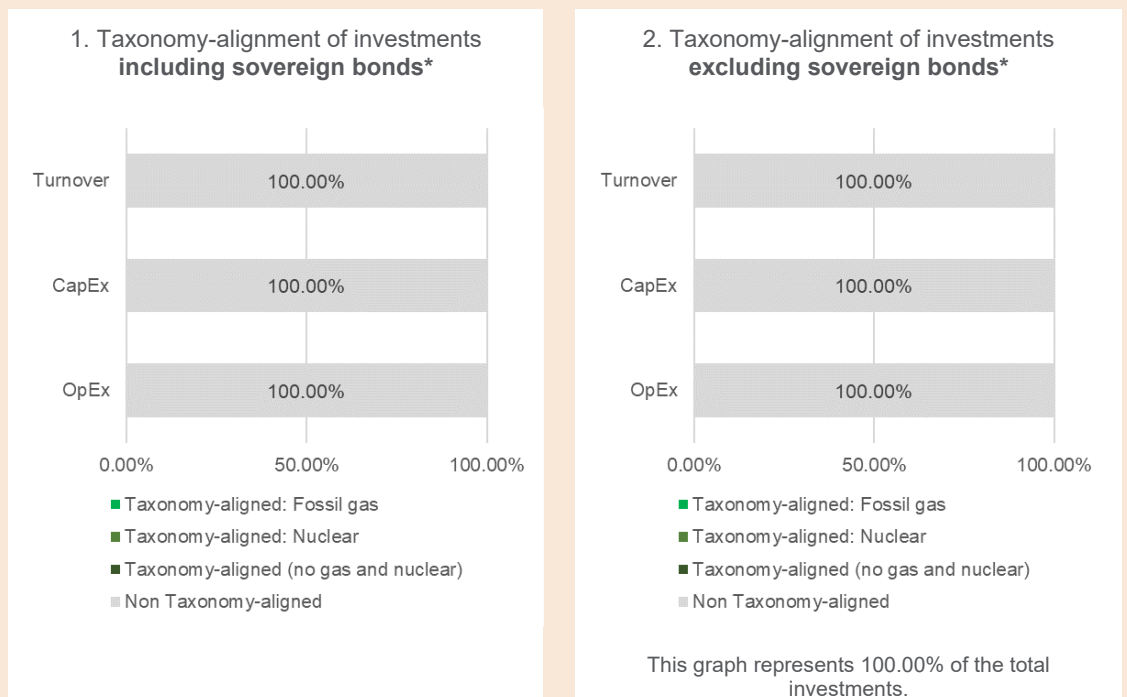
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy? ¹

- Yes
- In fossil gas In nuclear energy
- No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

¹Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

● **What was the share of investments made in transitional and enabling activities?**

The Sub-Fund is unable to publish a percentage of alignment with the Taxonomy, nor on the transitional and enabling activities, as very few companies at global level provide the data necessary for a rigorous assessment their alignment with the Taxonomy.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

| Year | % EU Taxonomy Aligned |
|------|-----------------------|
| 2023 | 0.00% |
| 2022 | 0.00% |

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

● **What is the breakdown of the proportion of the investments per each of the EU Taxonomy to which those investments contributed?**

The Sub-Fund is unable to publish a percentage of alignment with the Taxonomy, as very few companies at global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

Therefore, this percentage is considered as nul.

 **What was the share of sustainable investments with an environmental objective that were not aligned with the EU taxonomy?**

The Sub-Fund had a share of 54.5% in sustainable investments with an environmental objective not aligned with the EU taxonomy.

Indeed to date, only two of the six objectives have entered into force in 2023 and very few companies at global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

 **What was the share of socially sustainable investments?**

The Sub-Fund had a share of investments with a social objective of 42.55%

 **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

The investments included under "Not sustainable" are present in the Sub-fund for 2.95% of the total net assets.

These investments include one or more of the following assets:

- Cash: Cash at sight, cash deposit, reverse repo needed to manage the liquidity of the Sub-fund following subscriptions/redemptions and/or being the result of the market exposure decision of the Sub-fund.
- Investments with issuers considered as sustainable investments at the moment of the investment and that are not fully aligned anymore with the Candriam sustainable investment criteria. These investments have been sold during the period.
- Non single name derivatives used for exposition and hedging purposes.

These investments do not affect the delivery of the sustainable investment objectives of the Sub-Fund as they represent a minor proportion of its assets.

 **What actions have been taken to attain the sustainable investment objective during the reference period?**

The financial product aims to achieve a carbon footprint that is lower than 100 Tons CO2eq per million € invested.

Over the reference period, the financial product emitted 22.18 Tons CO2eq per million € invested.

Compared to the previous year, the financial product's carbon footprint has decreased by 38.19%.

The financial product has achieved its objective by favouring issuers with lower carbon footprint.

The financial product aims to achieve an ESG score, based on Candriam's proprietary ESG methodology, higher than an absolute threshold, currently set at 55.

Over the reference period, the financial product displayed an ESG score of 56.57.

In comparison to the previous year, the financial product overall ESG score is higher by 3.18%.

The financial product has achieved its objective by selectively favouring issuers that display a stronger ESG profile. More precisely, the financial product divested from 7 issuer(s) in Banks, Investment Banking & Brokerage, Personal & Household Goods and Telecommunications with deteriorating ESG score.



How did this financial product perform compared to the reference sustainable benchmark?

No specific index is designated as a reference sustainable benchmark to meet the sustainable investment objectives.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.