



Audited annual report  
**Candriam Sustainable**

31 December 2022

*01.01.2022 – 31.12.2022  
SICAV under Luxembourg Law  
R.C.S. Luxembourg B-202950*



# Candriam Sustainable

SICAV under Luxembourg Law

Audited annual report for the year  
from January 1, 2022 to December 31, 2022

# Candriam Sustainable

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# Candriam Sustainable

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## Administration of the SICAV

### Board of Directors

#### Chairman

Isabelle CABIE  
Global Head of Corporate Sustainability  
Candriam - Belgian Branch (previously Candriam Belgium)

#### Directors

Annemarie ARENS  
Independent Director

Pascal DEQUENNE  
Global Head of Operations  
Candriam - Belgian Branch (previously Candriam Belgium)

Thierry BLONDEAU  
Independent Director

Tanguy DE VILLENFAGNE  
Member of the Group Strategic Committee  
Candriam - Belgian Branch (previously Candriam Belgium)

Nadège DUFOSSE  
Head of Asset Allocation  
Candriam (previously Candriam Luxembourg)

Renato GUERRIERO  
Global Head of European Client Relations and Member of the Group  
Strategic Committee  
Candriam (previously Candriam Luxembourg)

Koen VAN DE MAELE  
Global Head of Investment Solutions  
Candriam - Belgian Branch (previously Candriam Belgium)

### Registered Office

5, Allée Scheffer  
L-2520 Luxembourg

### Depositary and Principal Paying Agent

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

### Management Company

Candriam (previously Candriam Luxembourg)  
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 (previously Candriam Luxembourg) and/or by one or more of its branches:

Candriam - Belgian Branch  
(was previously delegated to Candriam Belgium until 30.06.2022)  
58, Avenue des Arts  
B-1000 Brussels

Candriam Succursale française  
(was previously delegated to Candriam France until 30.06.2022)  
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



# Candriam Sustainable

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## Details about the SICAV

Candriam Sustainable (hereinafter the "SICAV") is an open-ended investment company under Luxembourg law. It was established in Luxembourg on June 30, 2015 for an unlimited period, in accordance with the legislation of the Grand Duchy of Luxembourg. The SICAV is subject to the provisions of the law of August 10, 1915 on trading companies as amended (hereinafter the "Law of August 10, 1915") provided that it is not exempted therefrom by the Law. Its minimum capital is EUR 1,250,000.

The SICAV is enrolled on the official list of Undertakings for Collective Investment (hereinafter "UCI") in accordance with the Luxembourg law of December 17, 2010 concerning undertakings for collective investment, as amended, and its implementing provisions (hereinafter the "Law"). The SICAV meets the conditions laid down by Part I of the Law and by the European Directive 2009/65/EC.

The SICAV publishes a detailed annual report on its activities, the assets under management. The report includes a consolidated statement of net assets and a consolidated statement of changes in net assets expressed in EUR, investment portfolio of each sub-fund and the audit report. This report is available at the registered office of the SICAV and at the registered office of the banks designated to provide financial services in the countries in which the SICAV is sold.

In addition, after the end of each half-year it publishes a report comprising in particular the statement of net assets, the statement of changes in net assets for the period, the changes in the number of shares outstanding for the period, the composition of the portfolio, the number of shares outstanding and the net asset value per share.

The Annual General Meeting of the Shareholders of the SICAV is held each year 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.

Notices of all general meetings of shareholders are sent to all registered shareholders, to the address shown in the register of shareholders, at least 8 days before the general meeting. These notices state the time and place of the general meeting of shareholders and the conditions of admission, the agenda and the requirements under Luxembourg law as regards the necessary quorum and majority.

If required by local legislation, the notices are also published in Luxembourg and in the countries where the shares of the SICAV are authorized for public marketing in any newspaper selected by the Board of Directors.

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

The net asset value per share of each sub-fund, the subscription, redemption's price and conversion's price of each share class of each sub-fund may be obtained from the registered office of the SICAV and from the banks designated to provide financial services in the countries in which the SICAV is sold.

A detailed statement of the movements in the portfolio is available free of charge upon request at the registered office of the SICAV.

The prospectus, Key Investor Information Documents, the SICAV's Articles of Incorporation and financial reports are kept for public inspection, free of charge, at the SICAV's registered office.

## Report of the Board of Directors

### Economic and financial background

In the United States, although GDP was down slightly in the first quarter (-0.4% quarter-on-quarter) due to a drop in public spending and a negative contribution from the external balance, private demand remained strong. Over the first quarter, more than 1.6 million jobs were created. In March, the unemployment rate stood at 3.6%, while inflation rose to 8.5% and core inflation to 6.4%. ISM activity indicators remained well above 50. In this environment, given the weak economic links between Russia and the United States and fears that tensions in Europe could lead to additional pressure on prices, the Federal Reserve on 16 March raised its key rate by 25 basis points to 0.5%. The sharp rise in commodity prices and the prospect of monetary tightening to bring inflation back to its 2% target pushed the stock market down (-4.9% in the first quarter), while the 10-year rate rose 83 basis points to 2.33%. In the second quarter, supply chain bottlenecks were exacerbated by the very large-scale zero-Covid policy in China. Despite the collateral effects of the conflict in Ukraine on commodity and oil prices (around \$110 per barrel on average in the second quarter), activity indicators remained strong and tension on the labour market persisted. These developments pushed the 10-year rate to nearly 3.5% in mid-June. In response to the increase in prices, the Federal Reserve raised its key rate twice: the first time in early May by 50 basis points and then in mid-June by 75 basis points. In this new environment, with credit becoming more expensive and household purchasing power under pressure, consumer confidence saw a sharp decline. Finally, growth was once again very slightly negative (-0.1%). The 10-year rate rose 65 basis points to 2.97% over the quarter. The stock market lost 16.4%. In July, the 10-year rate fluctuated around 3% in line with the data. Indeed, the ISM manufacturing survey and monthly job creations were slightly lower than in previous months, while in mid-July, inflation exceeded 9%. At the end of July, however, the Federal Reserve's 75-basis point increase to 2.5% and the tension created by Nancy Pelosi's visit to Taiwan weighed on rates. Despite the first decline in inflation month-on-month since May 2020, the Chairman of the Federal Reserve did not fail to reiterate at the end of August, at the Jackson Hole conference, that the return to price stability - inflation was still 8.3% year-on-year - would require a restrictive monetary policy for a certain period of time. Indeed, despite a slowdown in the manufacturing sector partly due to the significant appreciation of the dollar, the economy continued to create more than one million jobs every three months and the unemployment rate was close to 3.5% and wage growth remained strong. In this environment, on 21 September, FOMC members (Federal Reserve) raised the key rate by 75 basis points to 3.25%, and sharply revised their forecasts for the federal funds rate upwards for the coming years. For 2023, FOMC members expect the latter to be around 4.65% versus an estimate of only 3.85% in June. The 10-year rate ended the third quarter at 3.8%, up 83 basis points from the end of June. The latest developments and the impact of much higher mortgage rates on the real estate sector weighed negatively on the stock market, which fell 5.3% over the quarter. In the fourth quarter, following the decline in the global manufacturing sector, the ISM manufacturing survey fell to below 50 in response to the rise in the dollar and the global economic slowdown. Although the pace of monthly job creations slowed a little - they remained above 250,000 - core inflation still stood at 6% and the services sector remained strong. Therefore, in order to ensure that inflation would return to 2% in the medium term, the Federal Reserve raised its key rate twice: the first time at the beginning of November by 75 basis points and then by 50 basis point (to 4.5%) in mid-December. All in all, 2022 was the year of the unexpected with a conflict at Europe's door, much higher than expected inflation, the largest monetary tightening since 1980 and, despite everything, growth that rebounded 0.8% quarter-on-quarter in the third quarter. However, developments in 2022 and weak growth prospects for 2023 weighed on the S&P500 index, which ended the year down 19.4% to 3840 despite a rebound of more than 7% over the last quarter. The 10-year rate changed little over the last quarter. Indeed, headline inflation seems to have passed its peak and, whenever inflation falls, the markets revise their projections for the Federal Reserve's terminal rate, pushing the 10-year rate downwards. It ended the year at 3.83%, an increase of 233 basis points over the year.

In the eurozone, activity resumed until the end of February 2022 at the pace of the easing of preventive measures. Despite rising gas and electricity prices, consumer confidence remained high. Tension on the labour market persisted. In February, the unemployment rate stood at 6.8% but inflation reached 5.9%. In the wake of the global rate hike movement, the German 10-year rate turned positive again for the first time since early 2019, also pushed upwards by the European Central Bank (ECB), which, at its February meeting, did not close the door to rate hikes in 2022. On the other hand, as core inflation stood at only 2.7%, the normalisation of monetary policy would be less pronounced than in the United States. However, after the invasion of Ukraine, tensions on commodity and agricultural prices pushed rates up sharply. The German 10-year rate ended the first quarter at 0.51%, up 69 basis points from end-December 2021. While consumer and business confidence held up until February, it fell sharply in March. These developments naturally weighed on the European stock market, which fell by 9.4%. The second quarter was marked by high energy, industrial metals and agricultural commodities prices, the cut in gas supply from Russia for countries refusing to pay in rubles and a reduction in the flow of gas to Germany. All in all, from May onwards, inflation stood at more than eight percent. In this environment, the markets priced in several rate hikes by the ECB, pushing all European rates upwards. The German 10-year rate surpassed 1.7%, while the Italian 10-year rate exceeded 4%. The extent of the widening of interest rates led the ECB to meet urgently on 15 June and to announce a new "anti-fragmentation" instrument for the eurozone. From mid-June, however, the possibility of recession became a slightly more likely scenario for the markets, pushing the German 10-year rate downwards. The German 10-year rate fell 86 basis points to 1.37% over the quarter. The stock market lost 12%. Despite the above-mentioned developments, GDP was up 0.8% quarter-on-quarter in the second quarter and the unemployment rate was historically low (6.7%), with household and business confidence falling slightly more in July. Indeed, despite the drop in prices of many commodities, the extremely high level of gas prices as well as supply shortage risks weighed on confidence. In this environment, despite an expected slowdown in growth, but with inflation continuing to rise, on 21 July, for the first time in eleven years, the ECB raised its key rate by 50 basis points to 0.5% and put the deposit facility rate at 0%. This temporarily stopped the depreciation of the euro against the dollar, which was at parity. However, the outlook for growth and inflation only deteriorated over the summer. PMI activity indicators all fell below the fifty mark (zone of contraction in activity) and, at the same time, inflation reached nearly ten percent in September. In addition to this, the euro continued to depreciate against the dollar (below parity), which also weighed on inflation via imported inflation, leading the ECB to increase its key rate by 75 basis points to 1.25% on 8 September. At the end of September, the 10-year German rate closed the third quarter at 2.11%, an increase of 74 basis points compared to June. The stock market lost 4.7% over the same period. However, despite these developments, growth remained positive until the third quarter, thanks in particular to the labour market, which remained buoyant. At the beginning of the fourth quarter, in order to counter the expected decline in oil prices in response to the slowdown in global growth - the IMF forecasts global growth of 2.7% in 2023 after 3.2% in 2022 - OPEC+ decided to cut production by 2 million barrels a day from November. Therefore, in order to ensure that inflation expectations remain anchored, especially as European governments announce more or less substantial economic support programmes, the ECB raised its key rate twice: for the first time, by 75 basis points at the end of October, and again in mid-December by 50 basis points (to 2.5%). At the end of October, Germany announced a €200 billion plan. Developments in 2022 and weak growth prospects for 2023 weighed on the stock market. However, thanks to the strong performance of the stock market in the fourth quarter (+12.5%), the decline was limited to 14.5% over the year. As for the German 10-year rate, after the ECB's announcements in mid-December (continued monetary tightening and reduction of the Asset Purchase Programme), it ended December on an upturn while closing the year at 2.56%, an increase of 274 basis points over the year.

## Report of the Board of Directors

### Candriam Sustainable Bond

#### Market Environment

2022 was marked by geopolitical tensions and the end of monetary easing, resulting in a sharp rise in rates across bond markets. In the beginning of the year, the geopolitical tensions between the West and Russia culminated in the Russian invasion of Ukraine. This was followed by historic and record levels of sanctions implemented by most developed countries. The result has been a strong increase in volatility and sharp negative performance in risky assets. The fallout from this event was felt throughout the year as commodity (and especially oil prices) saw sharp upwards movement, and a potential energy crisis loomed over Europe. Ukraine's resistance and the resolve of the US, EU and the UK to support it led to a lasting conflict that weighed on markets throughout the year. Additionally, the political situation in the Europe was not uneventful as the rise of far-right parties (in Italy and Sweden in particular) highlighted that populism and deglobalisation was still very much present. The UK saw 3 different prime ministers (and governments) over the course of the year, underlining the instability that it was facing, and the Democratic party surrendered control of congress to the republicans during the mid-terms in the US. Within Emerging markets, China's zero-covid policy was implemented throughout 2022, before the country finally decided to remove it. Aside from the lower growth the country faced as a result, supply-chain constraints were exacerbated, leading to shortages and an increase in inflation.

The above context contributed to the rise in prices that were already being felt in 2021, and led to multi-decade historic levels of inflation across developed markets. Facing the prospect of a primarily supply-driven inflation, central banks responded by making inflation-control their priority, irrespective of the effects it would have on growth. The FED and the ECB not only increased their rates substantially over the course of the year, but also adopted an extremely hawkish rhetoric and engaged in quantitative tightening. This was a sharp shift for bond markets that were used to monetary easing (and low-rate environment) for over a decade and rates rose rapidly to significantly high levels, impacting all bond markets. Not only did spread assets (Credit and Emerging Debt) suffer, but even high-quality assets and safe havens delivered negative returns over the year. Some respite was seen over the 4<sup>th</sup> quarter, as inflation levels appeared to be peaking and markets began anticipating the end of monetary tightening, though central banks appeared to be resolved in their quest to see materially lower inflation levels before ending the rise in rates. Over the final quarter, spreads moved lower and positive performance was seen on asset class, though overall, Fixed income markets delivered negative performance. At year-end however, it is important to note that yields were at very elevated levels and significant potential was created on the asset class, following many years of weak valuations. This entails the return of opportunities within bond markets, following a difficult 2022.

#### Government Bonds

Returns on developed market sovereign bonds saw a bruising year, with the lowest returns in decades. The aftermath of the Covid crisis and the return of war to the European continent also saw supply chains tightly squeezed and energy markets in turmoil. As a result, inflation also reached the highest levels in over a generation. These developments triggered a spike in rates back to levels not seen since the global financial crisis. We saw strongly negative performance in most major developed markets rates throughout the year, with only a fleeting respite in November when markets rallied briefly on hopes of central bank pivots. The US 10Y treasury note saw a yield uplift of 237 bps to 3.88%. EUR rates saw even greater rises. German 10Y rates, which had still closed 2021 in negative territory, climbed by 275 bps to close the year at 2.57%. Non-core EUR rates also saw their spreads rise in addition to rate rises: Italian BTP yields rose by over 350 bps to end the year at 4.71%; the highest yields among G7 countries. UK rates, fed by domestic political uncertainty, saw the greatest volatility of major developed markets but managed to end the year largely in line with peers; up 270 bps to 3.67%. Unsurprisingly, Japan remained something of an outlier with 10Y yields rising by only 35 bps to 0.42%. Nonetheless, in the context of the Bank of Japan's yield curve control policy even this relatively modest rise is noteworthy.

Central bank action swiftly followed on the back of rhetoric that had already begun to turn markedly more hawkish at the end of 2021. Beginning in March, the Federal Reserve announced no fewer than 7 rate hikes during the year, for a cumulative rise in the Fed funds rate of 425 bps to 4.5%. While not unprecedented in absolute terms, the steepness of these hikes was indeed exceptional and demonstrated the Fed's commitment to combating inflation. The European Central Bank waited slightly longer to begin its hiking cycle, but in July moved the headline interest rate over 0% for the first time in years. Another three hikes followed this initial lift-off to reach 2.5% by the end of the year.

Given the combination of the war's effects and aggressive central bank tightening, rates investors kept a keen eye on macroeconomic indicators and whether central banks could achieve their aim of controlling inflation. Indeed, while in spring prospects seemed cloudy in the US and grim in Europe, both major blocs' economies have proven more resilient than initially expected by most.

#### Inflation-Linked Bonds

After the uptick in inflation that began in 2021, consumer price increased further following the outbreak of the war to levels not seen in decades in most developed markets; in some cases to double digits. In the US, the headline inflation print began the year at 7.5% (January) and peaked at 9.1% in June. In the Eurozone, with closer proximity to the Russia-Ukraine war and high dependency on Russian energy, price rises were longer and steeper – starting at 5.9% in January, rising to 8.6% in June, and not peaking until October at 10.6%. In the US, inflation has come down to 6.5% at the end of the year vs. 8.5% in the Eurozone. It should be noted the average Eurozone figure belie significant differences between countries, with some (e.g. France, Spain) experiencing much more moderate increases than others (e.g. Germany, BeNeLux). Those large disparities were driven by government measures.

At the beginning of 2022, US 10 year breakeven rates again spiked sharply to reach highs close to 3% in April. 5 year US breakevens peaked in excess of 3.5%. At both tenors, these market expectations represented levels not seen in two decades. However, the rate lift-off, the Fed's rhetorical commitment to controlling inflation and falling commodity prices soon reigned in these levels, and the 10Y and 5Y closed the year at 2.30% and 2.33%, respectively. European linkers relative performance versus nominal bonds was clearly better than peer linker markets, supported by higher inflation and a Central bank that was less rapid to react in terms of monetary policy.

While global linkers as an asset class were not spared the effect of rate rises, surging inflation clearly did offer a degree of buffer vs. the nominal bond market.

## Report of the Board of Directors

### Corporate Investment Grade

The new year started with a difficult context for financial markets as investors adjusted to a more hawkish stance from major central banks and geopolitical tensions increased between the West and Russia. The 1<sup>st</sup> quarter of the year was marked by the geopolitical tensions between the West and Russia, culminating in the Russian invasion of Ukraine. This was followed by historic and record levels of sanctions implemented by most developed countries. The economic damage from the war in Ukraine, and China's covid-zero strategy and rising case numbers in Asia added to the pressure on global supply chains. Raw materials and energy reached exorbitant prices, leading to inflation prints not seen since the eighties. The result was a strong increase in volatility and sharp negative performance in risky assets. Rising inflationary pressures in Europe and the US present additional risks to recovery. The Eurozone, however, continued to lag behind the US as it struggled with supply bottlenecks weighing on manufacturing, coronavirus curbs impacting services and personnel shortages causing wider disruption. Corporate results were well-received overall, especially in the US where the strong run of corporate profitability continued over Q4. Of the companies that had posted results, a major portion (roughly 80%) had met or exceeded expectations.

Turbulence continued in the 2<sup>nd</sup> quarter as the geopolitical crisis in Ukraine remained a focal point, along with central bank policies considering record inflation prints and China's zero-COVID strategy that disrupted supply chains, leaving market participants to ponder the effects of this toxic cocktail of events on economic growth. High inflation numbers remained a concern for central banks on both sides of the Atlantic, with prints as high as 8.5% in the US, the highest in over four decades, and 7.5% in the eurozone. Hawkish comments from the Fed confirmed expectations of rate hikes of more than 25 bps, while the ECB indicated that a lift-off could happen over the summer of 2022. Overall, although credit markets suffered from the rising yields though fundamentals still appeared resilient, with company results still broadly in line with expectations. Corporate results were scrutinised, with investors fearing eroded margins and lower earnings. However, despite mostly positive guidance and earning releases beating expectations, the markets remained cautious on the outlook.

Throughout the third quarter, the combined theme of tighter monetary policies and stubbornly resilient inflation (and labor markets) weighed heavily on asset returns. Credit markets posted another negative quarter though an extremely volatile one. Despite some temporary relief in July, when markets returned to their previous habits of hoping for a Central Bank pivot that would save the day, the trend remained that of negative credit markets throughout the quarter. The European Central Bank has clearly communicated to investors that it did not intend to operate a dovish pivot before inflation is under control. The ECB lifted its rates by 50 bps in July and another 75 bps in September, and admitted that inflation will continue to run above target for the next two years and possibly further accelerate. Expectations of a "jumbo" hike had built in the weeks prior to the meeting, as ECB members picked up their hawkish rhetoric. Tensions between Russia and the rest of Europe remained vivid as gas flows continued to decline. While company fundamentals did generally remain strong, with second quarter results indicating no major surprises, we do note that forward guidance and future expectations were towards the downside, with macro slowdown and potential recession being cited as the primary reason for lower potential earnings. In terms of ESG developments, the ECB announced its plan to decarbonize its corporate bond buying program. This included an internal "climate" scoring of eligible issuers through the prism of their backward-looking carbon emissions, as well as forward-looking carbon reduction targets and the quality of their carbon disclosure.

The fourth quarter of 2022 saw a strong rally in risk assets, particularly over November, with tentative signs of inflation slowing providing some relief and risk sentiment improving as China hinted at a "new era" in covid measures, away from the draconian zero-covid policy so far. In the US, the economy appeared to hold up well, keeping the door open for the FED to achieve a soft landing. Meanwhile, inflation showed tentative signs of having peaked. However, although headline inflation subsided to about 10% as energy prices cooled, core inflation remains elevated and sticky. The ECB's Lagarde expressed scepticism about peak inflation, though Schnabel said that "incoming data so far suggest that room for slowing down the pace of interest rate adjustments remains limited". Corporate results in general were better than feared, and though there are large differences between firms that could pass on their rising input costs to consumers (at the cost of lower volumes) and those that cannot, they are alarmingly like-minded in their gloomy outlooks. Primary markets were very calm around this period because of the blackout period surrounding earnings releases, while secondary markets remain tight and very competitively bid.

Overall, the ICE BofA-Merrill Lynch Euro Corporate index delivered a strong negative performance (-14.17%) over the course of the year. Rise in core rates over the course of the year was a 1<sup>st</sup> quarter, that impacted IG market performance.

### Corporate High Yield

2022 was dominated by a high level of turbulence due to the Russian invasion of Ukraine, which exacerbated the supply chain issues and plunged markets into a risk-off mode during the first half of the year. Additionally, heightened levels of inflation led to central banks of core countries (FED, ECB, BOE) adopting a hawkish stance that entailed rate hikes and quantitative tightening throughout the year. In this context, Euro high yield markets witnessed a negative performance of -11.38%, with yields spiking and spreads exhibiting elevated volatility. Fundamentals of high yield issuers held up fairly well, though we did see cracks appearing, particularly in the second half of the year. Corporate balance sheets generally remained stable thanks to liquidity levels that had been built during the post-pandemic period (H2 2020 and 2021). Technicals were mixed as weak supply and muted primary markets (a source of support) were counterbalanced by significant outflows that came about amidst high levels of uncertainty. Overall, the ICE BofA-Merrill Lynch Euro High Yield BB/B 3% constrained index, excluding financials posted a performance of -11.38%, with yields widening sharply to 7% (from 2.7%) over the year. Spreads were more volatile in nature, reaching 638 bps (from 304 bps) but the dropping towards year end at roughly 442 bps.

The first half of 2022 saw a sharp spike in volatility levels across high yield markets, as a combination of the Russian/ Ukraine situation and supply chain constraints (exacerbated by Covid lockdowns in China) pushed inflation levels to further highs led to significant turbulence. In addition to this, the hawkish stance of Central banks (esp. the Fed and the ECB) led to an upward movement on Rates across the globe, thereby negatively impacting credit markets. The Fed meeting in January confirmed its hawkish stance as Jerome Powell and carried out a rate lift-off in March and refused to rule out increases at each subsequent meeting. The ECB also joined in by indicating that increased hawkish rhetoric was possible in 2022 (alongside the continued tapering of its QE program). Technicals were supportive in the short term as the activity on the primary market remained muted as the volatility remains too high. Rising star volumes picked up with Kraft Heinz and EQT. Fundamentals remained well set on an organic basis as most companies pass through inflation costs and protect their margin.

# Candriam Sustainable

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## Report of the Board of Directors

### Candriam Sustainable Bond (continued)

#### Corporate High Yield (continued)

The third quarter of 2022 was yet another period of elevated volatility, characterized by a market rally in July and early August, before the sharp decline witnessed in September, ultimately leading to muted neutral returns across Euro HY markets (-0.14%). The strong rally in July was driven by the market's anticipation of a hypothetical pivot from central banks towards a more dovish stance and this phenomenon was short-lived as over the course of August (and through Jackson Hole meetings), central banks reinforced their hawkish stance, highlighting the importance of reigning in inflation even at the expense of growth. This was then followed by a 75bps rate hike in September by the Federal Reserve and similar hike by the ECB, with a promise to do more if necessary. Spreads also rose, though not as spectacularly, ending the quarter at around 600 bps. Technicals were strong with very limited supply over the summer, and more rising stars with T-Mobile US being upgraded to Investment Grade in July. In August and September, we did see outflows in the asset class following the drawdowns witnessed.

The fourth quarter of 2022 saw a strong rally, particularly over October and November as spreads compressed very strongly over the period (from 597 bps to 443 bps). Yields also saw some rally, going from 7.9% vs 7.1%, though core rates remained volatile over the period. In Europe, the warm weather and the near-full storage capacity sent gas prices into negative territories while the ECB hiked rates by another 75 bps but acknowledged that a substantial part of the rate normalization is now complete. Following this, November was a very positive month for risky assets, supported by central bank rhetoric that was perceived as less hawkish, lower than expected inflation numbers and no major escalation on the geopolitical front. December was less strong and dominated by macro events, with no shortage of catalysts to move the market between CPIs and NFPs and between the Fed, the ECB and the surprise decision from the BOJ to widen the YCC by 25 basis points. Fundamentals continued to hold though clearly cracks were appearing, as guidance is either revised downward or removed and the level of dispersion is increasing. In terms of technicals, they remain strong as fund flows turned positive and supply on the primary market remains muted. In Europe, Autostrade left our benchmark at the end of November and €8bn of bonds are moving into Investment Grade indices. In the meantime, while Casino was (finally) downgraded to CCC and left our index at the end of October. Finally, Repsol has been upgraded back to Investment Grade, and bonds worth EUR 3.25bn, also leaving our benchmark shortly.

#### Convertible Bonds

2022 was one of the worst years for the convertible bonds, hurt by falling equity markets, rising interest rates and widening credit spreads. Indeed, the landscape that actually materialized (skyrocketing inflation, handcuffed central banks, and poor performance in high-growth and technology stocks) was probably the worst-case scenario for the asset class. Tight monetary policy and rapidly rising benchmark rates not only hurt convertible bond floors (particularly those of the opportunistic deals that came to market amid 2021's frenzy), but also weighed on equity valuations, especially on the growth stocks that make up most of the convertible universe.

Issuance also suffered (only \$34bn globally, the weakest pace on record) as much higher borrowing costs and lower equity valuations stalled new supply volumes. Although the market stabilized and issuance recovered a bit in the second half, it was still a very challenging year.

Even though the economic environment remains difficult, with growth and corporate earnings prospects likely to deteriorate, we have reasons to be optimistic for the asset class: issuer credit risk is contained, valuations remain attractive and a strong rebound in issuance volume is expected, which should bring sector diversification and renewed convexity to the convertibles market.

#### Emerging Markets

Global bond markets were hit hard in 2022 and EM Debt was no exception. The Emerging Market Debt Hard Currency (EMD HC) asset class recorded a near record negative return of -17.78% (in USD). Most of the negative return was caused by the sell-off in US Treasury rates which detracted as much as 14% from the total return of the asset class. Spread widening, driven by the Russian invasion of Ukraine and its secondary effects of higher food and fuel prices, as well as idiosyncratic credit events which were accelerated by tighter global monetary policy, added up to the total return of the asset class and made 2022 the worst year for EMD HC (as measured by the JPM EMBI Global Diversified Index) since 1994.

In Q1, EMD HC posted one of its worst quarters on record as geopolitical risks sharply rose around the Russian invasion of Ukraine on Feb 24th, adding to already weak EM sentiment around the DM monetary policy tightening and Chinese regulatory activism. The main driver for EM and risk markets in general over the quarter was the surprise launch of a broad-based Russian invasion of Ukraine after diplomatic efforts to deflate tensions failed. As Russian aggressions progressed in March, sanctions were broadened and deepened to cover oil and gas import restrictions by the US and the UK, family and further oligarch and bank sanctions and asset freezes in March. EM equity and debt index providers like MSCI, FTSE and JP Morgan swiftly moved to exclude Russia from EM indices. Russian (-78%), Belorussian (-80.5%) and Ukrainian (-60.1%) Eurobonds collapsed after 24 February reflecting the rising default, sanctions, and economic risks, and the general uncertainty over the resolution and consequences of the war. As expected, the implementation of the most restrictive sanctions regime ever imposed on the second largest commodity exporter, and the potential constraints on Ukrainian metals and wheat exports, led to a broad-based and sharp rise across all commodity categories. 10Y US Treasuries reached 2.34% on persistent inflationary pressures, a tight US labour market, and expectations for a 50 bps hike next to announcement of Fed balance sheet run-off during the May Fed meeting. The trade-weighted US Dollar (+2.8%) and EM currencies (1.4%) rose on expectations for higher DM and EM inflation and tighter monetary policies.

EMD HC delivered two additional poor quarters in Q2 and Q3 as tightening global liquidity around the start of DM central bank hiking cycle, and surging inflation around higher commodities prices, Chinese zero covid policies restricting goods supply, and the ongoing war in Ukraine pressuring energy and agricultural prices, led to a material risky asset market correction. The main driver for EM and risk markets over the quarters was the elevated US nominal and real rates volatility which drove corrections across credit and equity, DM and EM markets, in line with asset class performance trends around the early stage of monetary policy normalization and economic contraction. The US Treasury volatility index MOVE and the US equity volatility gauge VIX extended their upward trajectories. The follow through from the tightening of the Russian sanctions regime (EU introduced a ban on the imports of seaborne Russian oil and petroleum products in June) and Russian reductions of gas exports to Germany and Italy over the summer storage build-up season, resulted in higher Brent oil and European gas spot prices.

Q4 delivered a much-awaited positive performance to close the year, partially reversing some of the losses the asset class incurred earlier in the year. Trends that had persisted for most of the year, higher US Treasury rates, elevated food and energy prices, and a stronger USD, all started to show signs of waning in the final quarter, paving the way for improving risk sentiment. The main driver for EM and risk markets over the quarter was the confirmation that US inflation has peaked for the current cycle, opening the door for the US Fed to slow the pace of tightening monetary policy, as they did in December. EM HC performed well in this context, mostly benefitting from spread tightening, whilst the contribution from the Treasury component was smaller.

Note: The information in this report is provided for information purposes and is no way indicative of future performance.

# Candriam Sustainable

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## Report of the Board of Directors

### Candriam Sustainable Bond (continued)

#### Emerging Markets (continued)

Commodity prices were less volatile than in previous quarters with the exception of European Natural Gas prices, which fell €91/MWh or 55%. The mild European winter, combined with the successful building of gas inventories during the year resulted in a less tight market in which prices could moderate. Brent oil traded a mere \$2 lower by the end of the quarter, despite the implementation of further sanctions on Russian oil exports. Gross issuance was \$87bn in 2022, the lowest amount of bond issuance since 2011, and a \$99bn YoY drop. Cumulative flows into EM bonds were -\$89bn for the year, with demand for EM bonds dampened by the Russian invasion of Ukraine, China's zero Covid policy, and DM monetary policy tightening. The flow picture remained overall negative during the quarter, but weekly flows turned positive in the final weeks of the quarter as risk sentiment improved.

# Candriam Sustainable

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## Report of the Board of Directors

### Candriam Sustainable Balanced Asset Allocation - Candriam Sustainable Defensive Asset Allocation

#### Introduction

While investors thought at the end of 2021 that the shock of the Covid-19 pandemic could be left behind, few expected the outbreak of war in Europe just weeks later. Besides the heavy toll on human life, the immediate impact of that harsh reality was the evaporation of energy security in Europe and a sharp rise in energy prices. Since the start of this decade, the Covid-19 pandemic has been a disruption and the war has been an accelerator for financial market participants and for central bankers. We knew before the outset that the beginning of the central bank tightening cycle would be a delicate time for navigating markets. But the central bank reaction ultimately led to a frontloading of monetary tightening unseen by the current investor generation.

Beyond the return of inflation and the continued high volatility associated with uncertainty, it was the very sharp rise in interest rates on both sides of the Atlantic that set the tone for the major asset classes. In the last 50 years, a simultaneous decline in bond and equity prices was only seen in 1994, a year again marked by pronounced monetary tightening by the Federal Reserve.

As a result, the most rate-sensitive assets lost the most. The financial markets fell sharply, both on the bond side (accelerated rise in rates) and on the equity side (sharp drop in valuation, particularly among growth stocks, which are more sensitive to these higher rates via the discounting of future cash flows). On the bond side, government bonds suffered the biggest losses: up to -20% for German sovereign bonds. On the equity side, the US and emerging regions suffered the most. From a sectoral perspective, the technology sector stocks fell the most, dragging down the US stock market. The decline in emerging equities is explained by the continuation of the "Zero-Covid" strategy in China and the strict confinements, which are holding back economic activity. Only energy commodity prices (oil and gas), due to the war in Ukraine, rose in 2022.

#### Portfolio Highlights and Strategy

The positioning of the portfolio at the beginning of the year was an overweight equity via Euro Zone and Emerging Markets combined with an underweight duration. The argument for a neutral allocation to US equity stemmed from the budding monetary tightening by the US Federal Reserve bank. Further on the fixed-income side, the portfolio was diversified across emerging debt, and, to a lesser extent, high yield.

In terms of strategy, the exposure to risky assets was reduced towards a neutral stance early in the year after the rapid rise in interest rates and equity rotation. Policy makers were faced with the challenge of finding a balance in removing accommodation without disrupting markets and triggering a hard landing of their respective economy. We therefore anticipated a digestion phase in the markets.

By the time the war in Ukraine broke out, the overweight equities had already been trimmed to a "neutral". The portfolio was well-diversified via long-term thematic funds and underweight duration. In addition, we shielded the strategy by striving towards a balanced Europe vs US equity exposure and safe haven hedges to generate alpha. Further to the regional allocation, Emerging markets equities remained in focus. Chinese authorities were expected to ease the Zero-Covid policy, which they eventually postpone until after the end of the period. The sectoral allocation was geared towards the more defensive sectors, such as health care, which were also resilient. On the fixed income side, the view on duration had been negative, i.e. underweight or short duration, for quite some time, anticipating a rise in interest rates. The underweight positioning helped shield the strategy against the rapid rise in rates. With the accelerated monetary tightening, yields recovered during the year. As a result, expected bond yields turned positive again, in stark contrast to the previous years. We started to reset positions to neutral in the portfolio in the Spring, after the first moves by the US Federal Reserve. As a result, we gradually lengthened the duration of the portfolios to a neutral or close to neutral. Given the different economic scenarios we outlined in our analyses, we focused on quality issuers with relatively neutral durations (4 to 5 years).

At the beginning of the last quarter, our analysis of investor sentiment, market psychology and the technical picture indicated widespread and exaggerated pessimism. This extreme setup and the depressed measures represented a buy signal and justified a market rebound. In this context, we decided to add risk to the portfolio via equities (US and Europe) and high yield bonds. By the end of the period, preparing the portfolio for the next stage, we took partial profit on some equities. We also extended the diversification of the fixed income allocation to investment grade bonds.

The strategy performed in line with its benchmark. The market allocation effect was a strong driver of performance. However, the selection effect was detrimental. Within equities, the regional allocation had little impact. It was the selection effect in Emerging and European equities that weighted the most and equally between the regions. On the fixed income side, the diversification via credit, and high yield contributed positively. It mitigated the selection effect in sovereign debt. Lastly, money market instruments had a positive effect.

#### Outlook

In 2023, geopolitical uncertainty, tighter financial conditions and a dented purchasing power should continue to weigh on growth, but the peak of inflation has likely been reached. For financial markets the good news is that a great deal of bad news seems to be already priced in.

Besides geopolitical uncertainty, tighter financial conditions and still elevated inflation will continue to curb global growth in 2023. Central banks in major economies will remain focused on inflation. As economies start slowing down and financial fragilities emerge, calls for a pivot toward looser monetary conditions will inevitably become louder. In this context, activity in advanced economies will remain subpar in 2023. In the U.S., while the risk of monetary policy miscalibration remains significant, the Fed should manage to engineer a "softish" landing. In Europe, growth perspectives remain challenging: although unseasonably warm temperatures have recently pushed natural gas prices lower, renewed tensions could easily push the euro area into a recession. In China, despite the gradual easing of the Zero Covid Strategy and some fiscal support, the bursting of the real estate bubble is far from over.

# Candriam Sustainable

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## Report of the Board of Directors

### Candriam Sustainable Equity

**Candriam Sustainable Equity Circular Economy - Candriam Sustainable Equity Climate Action - Candriam Sustainable Equity Emerging Markets - Candriam Sustainable Equity EMU - Candriam Sustainable Equity Europe - Candriam Sustainable Equity Europe Children - Candriam Sustainable Equity Europe Small & Mid Caps - Candriam Sustainable Equity Future Mobility**

#### Global

Global financial markets started the year on a false note. After finishing 2021 strong, the market was spooked by a more hawkish Federal Reserve. This resulted in a sell-off of long duration stocks and one of the most violent rotations to value in years. February was even worse due to Russia's invasion of Ukraine, leading to historic reactions and sanctions from the Western world and threatening both the geopolitical situation and the macroeconomic environment with energy and commodity prices going through the roof. Investors had to wait for the end of March to finally see a minor stock market recovery after the sell-off, as the FED embarked on its tightening campaign and raised interest rates to fight inflation. Almost all sectors dropped significantly in this context, except for energy and materials benefiting from increase commodity prices, and the more defensive utilities sector.

The second quarter wasn't easy either for equity markets, even after an already tough start to the year on the back of geopolitical tensions, inflation, and recession fears. The Federal Reserve said to do all it takes to get inflation under control, while energy prices remained high with a barrel of Brent crude oil ending the quarter at almost 115 US dollar. As a result, equity markets dropped significantly in the second quarter of the year. The energy sector continued to outperform the broader market, benefiting from high energy prices, and was the best performing sector in Q2. Also, the more defensive sectors, such as consumer staples and health care, outperformed the broader market, whereas consumer discretionary and information technology were the strongest underperformers.

In the third quarter, equity markets dropped for the third consecutive quarter. Despite the initial relief rally in July, investors were shocked by aggressive central banks trying to bring down sticky high inflation. Central banks increased hawkishness with policy rate hikes totalling 150 bps from the Fed and 125 bps from the European Central Bank. US 10-year yields ended the quarter significantly higher at more than 3.8%. As a result, equity markets dropped significantly in Q3 as well. Consumer discretionary and energy outperformed the broader market, whereas real estate and communication services were amongst the worst performing sectors. Both sectors were penalized by the strong increase in long-term interest rates.

Finally, global equity markets were able to rebound in the fourth quarter. October was marked by a strong rebound on the back of easing global supply-chain constraints, European governments taking steps to reduce the energy crisis and mitigate the recession risks. Meanwhile, inflation remained at high levels and growth fears were unchanged, suggesting a lot of bad news was already integrated in equity markets. The recovery continued into November and December, buoyed by easing US inflation figures and the first steps in China towards the end of the Zero Covid-19 policy. In the end, global equity markets ended the year with a strong loss, with Europe outperforming both the US and emerging markets. From a sector perspective, energy was the sole sector posting a positive performance over the year, whereas the defensive sectors utilities, health care and consumer staples were the strongest outperformers. Communication services, consumer discretionary, information technology and real estate were the strongest underperformers in 2022.

#### Europe

European equities closed the first quarter of 2022 lower. Europe having been a huge importer of oil and natural gas from Russia, the area became highly vulnerable to the Russia-Ukraine conflict. Consumer confidence moved sharply lower in March, hurt by the surge in prices. The European Commission announced ambitious plans to reduce imports of gas from Russia via more diversification, energy efficiency and by accelerating investments in wind and solar power plants.

European equities dropped again in the second quarter. In Europe, consumer confidence continued to fall dramatically. The reduction in gas supplies coming from Russia has driven prices up significantly and raised fears of outright shortages and rationing. Europe started to anticipate grave consequences from gas shortages for its economy. Even without gas rationing, the business surveys have started to weaken in Q2. At the same time, the difference between the rate at which the Italian and German governments could borrow has widened materially, as it did in the run up to the eurozone sovereign debt crisis about a decade ago.

Q3 was the third consecutive quarter of negative performance for the European equity market. In Europe, the energy crisis continued to dominate the headlines as Russia completely halted gas flows through the key Nord Stream 1 pipeline at the start of September. However, what had been considered the worst-case scenario for Europe didn't lead to new highs in gas prices. On the economic front, the situation continued to deteriorate during the third quarter, to the extent that a recession became the main scenario. Most economic data published in the quarter pointed to a slowdown, such as the euro area composite PMI business survey. Industrial production also dropped sharply in July. While growth was decelerating in Europe, this was not the case for inflation. In this context, the European Central Bank has become more hawkish, hiking its policy rate by 0.75% in September.

European equities finally closed the fourth quarter higher. Of the Stoxx600 companies that have reported Q3, 62% beat EPS estimates. The war in Ukraine and central banks' battle against inflation have been the main sources of equity markets' struggles. However, the final quarter of the year has at least brought some relief although China reopening did not go as expected. Regarding ECB, mid-December meeting marked an abrupt hawkish shift, even if some aspects feel odd. Consumer confidence in December improved more than expected.

#### US

US equity markets dropped in Q1. Russia's invasion of Ukraine resulted in a range of strict sanctions from the US and allies. President Biden banned Russian oil imports, while a slew of major international corporations withdrawn from Russia. The invasion amplified inflation pressure concerns through food and energy with the annual US CPI hitting almost 8% in February. In this context, the Federal Reserve raised interest rates. Energy and utility companies were amongst the strongest performers in relative terms over the month, outperforming a falling market with modest gains. Technology, communication services and consumer discretionary were amongst the weakest sectors.



## Report of the Board of Directors

### Candriam Sustainable Equity (continued)

#### US (continued)

US equities also fell in Q2. Investors were mainly focused on the evolution of inflation figures and the policy response of the US central bank for much of the period. The Federal Reserve admitted the task of bringing down inflation without triggering a recession would be challenging, although economic data continued to look quite robust. Declines affected all sectors although consumer staples and utilities were comparatively resilient. There were dramatic declines for some stocks, most notably in the media & entertainment and auto sectors.

Q3 was the third consecutive quarter of negative performances for the US equity market. The hopes that arose on possible interest rate cuts from the Fed as of 2023 resulted in a strong market rebound in July, but those hopes were dashed by August's Jackson Hole summit of central bankers. This sent stock down. The Fed raised the federal funds rate by 75 basis points (bps) to 3.25% in September; the third consecutive 75bps increase. The communication services and real estate sectors were among the weakest sectors over the quarter. Consumer discretionary and energy proved the most resilient.

Q4 finally ended higher for US equity markets on the back of easing US inflation and a bit more visibility on the Fed's interest rate path going into 2023. Energy and materials remained among the best performing sectors over the quarter in the US, followed by industrials, and the defensive health care and consumer staples sectors. Communication services and consumer discretionary didn't participate in the market rebound and ended the quarter with negative performances.

#### Emerging Markets

The year 2022 proved to be one of the most challenging and volatile periods for emerging markets and the worst year since the Global Financial Crisis, where investors were faced with a confluence of global as well as EM specific factors impacting equity returns for the asset class.

The beginning of the year saw fierce headwinds for technology and long duration equities, as the FED and other global central banks embarked on one of the fastest rate hiking cycles, in an effort to control inflation. The strong USD that resulted from a risk-off environment was a strong headwind for EM equities throughout the year. Technology sector, which benefitted from a Covid related demand pull forward last year, was suddenly staring at prospects of a slowdown and inventory correction. While investors were still adapting to rising inflation and tightening liquidity conditions, Russian invasion of Ukraine, added further volatility to equity markets, with increasing geopolitical risk premium pushing equities lower. Russia which accounted for about 3% of benchmark index, was eventually excluded from emerging market indices on account of inaccessibility to markets. By mid-year, it had become clear that a combination of rising inflation, slowing demand on account of rising rates, and heightened geopolitical risks were key adversaries dominating global investing environment.

For emerging markets there were domestic challenges as well. China, the largest weight in EM index, was already struggling with a slowdown in consumer demand, and leverage problems at some of the largest real estate developers, when Covid cases continued to surge in the country. The country's adherence to Zero Covid policy in containment of large-scale outbursts of cases, came at the cost further impeding consumer demand and disrupting essential supply chains of the manufacturing giant. With both China and USA facing slowdown concerns in domestic demand, export-oriented economies of South Korea and Taiwan, were not secluded from such concerns either.

In Emerging Europe, concerns around an energy crisis together with an ongoing Russia Ukraine crisis in the neighbourhood, increased risk premia for (emerging) European equities.

Amidst these uncertainties, there were only a few regions that were relatively resilient to external challenges. These included Mexico and India, both mainly defensive and domestic demand-oriented regions and both recently benefitting from supply chain reshoring efforts. The other relatively resilient markets were those benefitting from a higher commodity price environment including Indonesia in ASEAN, Brazil and South Africa. While these did relatively better for a good part of the year, it was not without uncertainties. In Brazil for instance, a very close election result saw the return of President Lula, however ensuing protests thereafter led to a market correction towards the end of the year.

The end of the year however was somewhat optimistic for Emerging Markets. Following the conclusion of the 20th party congress in China, in a sharp U turn to its previous Zero Covid policy, China decided to loosen restrictions and reopen the economy. This coincided with inflation figures in the USA to come below expectations in November, which eventually led to taking some strength off from a very strong US Dollar. The combination of the two, i.e. a weakening dollar, and China reopening were positive drivers that led to a relative recovery in Emerging market equities primarily led by Chinese equities which posted a strong rebound since November.

#### Candriam Sustainable Equity Japan

The first quarter of the year was difficult for investors and April proved no different. The war in Ukraine, lockdowns in China and the prospect of substantially tighter US monetary policy all weighed on sentiment. Stock markets came under further pressure, with the MSCI China index declining by -4.1% in April. Dollar strength has been especially notable relative to the Japanese yen. The Bank of Japan (BoJ) is coming under increasing pressure to move away from its current yield curve control targets, with the yen down -11.1% versus the dollar year-to-date. No changes were made at the BoJ's April meeting, but its actions will be important to monitor in the coming months given the potential impact on global bond yields if Japanese yields move higher

May was yet another rollercoaster month for global markets. The first three weeks of the month saw strong day-by-day and intra-day volatility, resulting in the S&P500 entering technical bear market territory with a 20% drawdown from early-January peaks due to continued fears of Fed hawkishness, a worsening COVID situation in China and high-profile corporate earnings misses from US consumer & tech companies. Japanese stocks closely followed the fortunes of Wall Street, as US equities were buffeted by worries about red-hot inflation and whether the Federal Reserve's efforts to cool it might also smother economic growth. June was yet another brutal month for global markets, as inflation, recession and fears of a tightening by central banks in Domestic Markets weighed on risk sentiment once again. Global equities ended the month -9.4% lower, led by the S&P500, which fell by nearly 9% on the month as the Fed delivered the biggest rate hike since 1994 of 75bps.

In Q3, another place where rates were unlikely to be rising anytime soon was in Japan. Prime minister Yoshihide Suga, whose popularity had declined, announced he wouldn't lead the Liberal Democratic Party (LDP) into the November general election. Japanese equities rallied on hopes of further stimulus and economic reopening as Covid cases declined. The new elected Prime Minister Fumio Kishida's party retained its majority in the lower house of the Diet (parliament), which supported additional fiscal stimulus measures.

# Candriam Sustainable

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## Report of the Board of Directors

### Candriam Sustainable Equity (continued)

#### Candriam Sustainable Equity Japan (continued)

The key themes over the last quarter included 1) Solid earnings which were bolstered by foreign demand 2) National core CPI (ex-energy and food) rising above 2% in Oct and continuing to rise 0.3% m/m in November and 3) The BoJ's YCC policy shift from 25bp to 50bp which also led to the USD/JPY moving as low as Y129 in addition to putting downward pressure on Japanese equities. Earlier in the quarter we saw the USD/JPY reach the Y150 mark, resulting in a boost to corporate earnings and share prices due to higher overseas production ratios and exporting names favourable yen sensitivities.

In 2022, the fund underperformed its benchmark by -2.67% (gross of fees).

This underperformance can be explained by several large Japanese companies that outperformed the market in 2022, but that scored negatively on our ESG criteria and that were by consequence, not included in the portfolio. Some examples include Mitsubishi UFJ Financial Group, Sumitomo Mitsui Financial Group and Tokio Marine holdings in the financial sector, Mitsubishi Heavy Industries and Marubeni Corporation in the industrials sector, Nippon Steel and Japan Tobacco.

#### Candriam Sustainable Equity Quant Europe

During the first quarter, the European Commission announced ambitious plans to reduce imports of gas from Russia by two-thirds before the end of the year via more diversification, energy efficiency and by accelerating investments in wind and solar power plants. Despite this ambition, the March EU summit in Versailles highlighted that there are few near-term alternatives to Russian gas and that reducing European dependency on Russian gas requires a long-term strategy.

In March, purchasing Managers' Index (PMI) showed strong economic resilience, with the flash composite index in the euro area remaining comfortably in positive territory at 54.5. Industrial production remained stable for many European members with the exclusion of Italy which posted a drop of 3.4% in January that may reflect how component shortages and the energy shock are starting to hurt manufacturing activity. April concluded with no sign of a resolution to the war in Ukraine, as fighting in the eastern and southern parts of the country intensified. The impact on energy markets remains particularly notable given the difficulties faced by Europe in reducing its energy dependency on Russia. European gas prices cooled a little on the month but still stand 42% higher year-to-date. The recent increase in oil prices paused due to both the release of strategic oil reserves and also expectations of lower demand from China.

During Q3, the energy crisis continued to dominate the headlines as Russia completely halted gas flows through the key Nord Stream 1 pipeline at the start of September. However, what had been considered the worst-case scenario for Europe didn't lead to new highs in gas prices, which after having reached more than EUR 300 per megawatt hour in August dropped back to around EUR 200 by the end of the quarter. On the economic front, the situation continued to deteriorate during the third quarter, to the extent that a recession now looks like the base case. Most economic data published in the quarter pointed to a slowdown, such as the euro area composite PMI business survey, which is now in contractionary territory. Industrial production dropped sharply in July and euro area consumer confidence dropped to a new all-time low in September.

While growth is decelerating in Europe, this is not yet the case for inflation, which has reached 9.1% year on year in August and could exceed 10% in the coming months. In this context, the European Central Bank has become more hawkish, hiking its policy rate by 0.75% in September, and it is now expected to increase rates by another 0.75% in October and by 0.5% in December, to bring them to 2% by year end.

In the UK, the death of Queen Elizabeth II, the UK's longest serving monarch, dominated much of the headlines over the quarter. Inflation remained elevated in the UK last quarter and even though the headline CPI slightly decreased in August from 10.1% to 9.9% year on year, core CPI increased from 6.2% to 6.3% year on year. With a further increase expected in October on the back of higher energy bills, the Bank of England announced two 0.5% rate hikes over the quarter.

Of the Stoxx600 companies that have reported Q3, 62% beat EPS estimates. Q3 EPS growth came in at +25% y/y, surprising positively by 5%. Ex-Energy growth is significantly lower, however, at +6% y/y. In addition to Commodity sectors, Industrials and Healthcare have also reported robust earnings growth, while 5 of the remaining sectors are negative.

In 2022, the fund underperformed its benchmark by -4.46% (gross of fees).

This underperformance can be in part explained by the underweight of the energy sector in the portfolio. From an ESG point of view, the major global energy stocks perform very weakly on climate measures. In addition, bad stock selection in the real estate sector also detracted the performance with overweight positions in Segro and Vonovia. Segro operates industrial properties in the UK and Continental Europe. UK homebuilders were among the worst performers in the market as the British pound plunged on fears of inflation rising and government debt soaring.

Among the main contributors, there were our overweight positions in Novo Nordisk and Bank of Ireland. Novo Nordisk is a leading producers of diabetes therapies, which gained from its defensive profile later in the year while most of the healthcare companies underperformed in 2022.

#### Candriam Sustainable Equity US

During the first quarter, the Fed raised the target rate by 0.25%, as expected, making it clear that further increases will be appropriate. The median voting member now expects seven hikes this year, and four next year, signalling that rates could end this hiking cycle higher than the committee's perceived neutral rate of 2.4%. The committee plans to reduce the size of its now \$9.0 trillion balance sheet, which could be announced "at a coming meeting". Congress passed a spending bill to fund the federal government through September which, combined with last December's \$2.5 trillion increase in the debt ceiling, eliminates the imminent risk of a fiscal crisis.

Even though the US economy has already recorded two consecutive quarters of negative economic growth this year and the university of Michigan's consumer confidence survey has dropped close to its lowest levels in 50 years, most economic data published in the third quarter continued to highlight the resilience of the US economy.

On the inflation front, consumer prices were flat in July and rose just 0.1% in August, with the year-over-year inflation rate falling to 8.2%. Markets nevertheless reacted badly to August's consumer price index (CPI) print, as the modest 0.1% increase for the month was almost entirely explained by a 10.5% decline in gasoline prices, while there were plenty of hotspots elsewhere, such as shelter costs, which rose by 0.7%. Overall, inflation is still expected to moderate in the coming months, but core inflation is expected to remain above the Fed's target.

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## Report of the Board of Directors

### Candriam Sustainable Equity (continued)

#### Candriam Sustainable Equity US (continued)

Consequently, housing activity data, such as existing home sales or the NAHB (National Association of Home Builders) homebuilder survey, have remained on a downward trend. This weakness has raised some fears of a repeat of the 2008 housing-led financial crisis. However, the housing market fundamentals are now much stronger as 95% of mortgages have long-term fixed rates while the percentage of subprime mortgages has dropped from 14% in 2008 to 2.3% today. Therefore, while we expect a continued slowdown in housing activity and economic growth, we don't expect a financial crisis.

Contrary to survey polls and market expectations, the US midterm elections on 8th November did not end with an outright victory for the Republicans, with the Democrats maintaining a slim majority in the Senate and Republicans gaining a slim majority in the House. The knee-jerk impact of the result of this election was negative for US equities but proved to be fairly short-lived given all the continued focus on inflation trends, Fed policy and recession risks. One of the most important drivers of the market rally we saw through November was the lower-than-expected October CPI print in the US which surprised on the downside by 30bps coming in at 7.7% vs last month's reading of 8.2%. We experienced a firmly hawkish Fed despite a continued moderation in inflation prints through December. The November US CPI print on December 13th surprised on the downside by 20bps coming in at 7.1% vs. last month's reading of 7.7%. This was the second consecutive month of a negative surprise, further indicating that the US had potentially passed peak inflation.

In 2022, the fund underperformed its benchmark by -2.78% (gross of fees).

This underperformance is largely explained by the absence of certain types of stocks from the portfolio due to ESG concerns. The portfolio did not hold any energy stocks because, from an ESG point of view the major global energy stocks perform very weakly on climate measures. Given the excellent financial results of most energy companies, due to the geo-political situation, the energy sector was one of the best performing ones in the market in 2022. Defense stocks also soared as the war in Ukraine triggered a massive reinvestment in arms. Tobacco stocks outperformed following strong results combined with their relatively defensive profile. Both Defense and Tobacco stocks are excluded by the Controversial activities filter.

Amazon displays a poor ESG performance, faces significant concerns related to Human Rights, Labor Rights and Governance. For these reasons the stock was not included in the portfolio, contributing positively to the excess return.

On the other hand, our overweight position on Tesla contributed negatively. The company designs, manufactures, and sells high-performance electric vehicles (EV) and components. It displays strong ESG performance. In the area of Climate change the company's activities are contributing positively to both mitigation and adaptation to limit the negative impacts of climate change. The company remains a scale and cost leader throughout the value chain, even if there are hurdles to overcome.

#### Candriam Sustainable Equity World

After an exceptional 2021, the first quarter of 2022 has been difficult for markets. Concerns over the economic implications of the Russian invasion of Ukraine and the potential need for a faster pace of interest rate hikes to combat higher inflation, weighed on both equities and bonds. Developed market equities recovered some of their losses to end March up about 3% but were still down 5% year-to-date (YTD). Emerging markets lost a further 2% in March leaving them down nearly 7% YTD. A new round of Omicron cases in China weighed on Chinese markets on top of the broader geopolitical concerns. Expectations for faster monetary tightening in the US contributed to a rally in the dollar, which finished the quarter up about 3% against both the pound and the euro.

The second quarter has been another difficult period for markets after what had already been a tough start to the year. This is now the worst first half of the year for developed market equities in over 50 years. Government bonds have been hit as markets moved to price in significant further increases in interest rates on top of what has already been announced. Markets now expect interest rates to rise to 3.4%, 3% and 1.6% in the US, UK and Europe, respectively, by next year. The good news is that valuations are now well below their average since 1990 in every major region other than the US. The Russell 1000 Growth Index is down 28% year to date, and the Russell 1000 value index is 14% lower. Despite recession fears building, consensus analyst forecasts still, perhaps surprisingly, expect positive growth in company profits for both this year and next.

After a strong rally in equity and bond markets in July, both sold off sharply again in August and September. Overall, developed market equities fell 6% over the quarter while global bonds fell 7%. The rally in July was helped by markets starting to price in interest rate cuts from the Federal Reserve (Fed) in 2023, stoking hopes of a soft landing for the economy. However, in August, the Fed and other central banks reiterated at their Jackson Hole summit that their priority remains the fight against inflation rather than supporting growth. This was the primary driver of the sharp rise in bond yields and sell-off in stocks in the second half of the quarter. Central banks backed up their tough talk with policy rate hikes totalling 1.5% from the Fed, 1.25% from the European Central Bank and +1% from the Bank of England. Markets also moved to price in a much more aggressive path of future rate hikes, with rates now expected to rise to 4.5%, 3.5% and 5.75% by next year in the US, Europe and UK respectively. On the economic growth front, the data published over the third quarter, continued to point to a global growth slowdown.

The war in Ukraine and central banks' battle against inflation have been the main sources of bond and equity markets' struggles. However, the final quarter of the year has at least brought some relief although China reopening did not go as expected. But one part of the world where few would argue that a lot of bad news has already been priced in is China. Value stocks have significantly outperformed growth stocks, both this year and over the quarter. This can largely be explained by the high starting valuations for growth stocks, some growth disappointments, and the effect of rising interest rates. Arguably the most painful move in markets has been the sharp decline in government bond prices. We all know that stocks can provide a bumpy ride but the unusually large sell-off in government bonds, alongside falling stock prices, left investors with no port in the storm. This was caused by central banks having to raise interest rates by far more than investors had expected at the beginning of the year because of runaway inflation.

In 2022, the fund underperformed its benchmark by -2.61% (gross of fees).

This underperformance is largely explained by the absence of certain types of stocks from the portfolio due to ESG concerns. The portfolio did not hold any energy stocks because, from an ESG point of view the major global energy stocks perform very weakly on climate measures. Given the excellent financial results of most energy companies, due to the geo-political situation, the energy sector was one of the best performing ones in the market in 2022. Defense stocks also soared as the war in Ukraine triggered a massive reinvestment in arms. Tobacco stocks outperformed following strong results combined with their relatively defensive profile. Both Defense and Tobacco stocks are excluded by the Controversial activities filter.

## Report of the Board of Directors

Amazon displays a poor ESG performance, faces significant concerns related to Human Rights, Labor Rights and Governance. For these reasons the stock was not included in the portfolio, contributing positively to the excess return.

On the other hand, our overweight position on Tesla contributed negatively. The company designs, manufactures, and sells high-performance electric vehicles (EV) and components. It displays strong ESG performance. In the area of Climate change the company's activities are contributing positively to both mitigation and adaptation to limit the negative impacts of climate change. The company remains a scale and cost leader throughout the value chain, even if there are hurdles to overcome.

## Report of the Board of Directors

### Candriam Sustainable Money Market Euro

#### Market Context

##### 1st Quarter

The first quarter of 2022 was a challenging one for financial markets as investors reconciled to a more hawkish stance of major central banks, while geopolitical tensions rose, and the West was quick to impose unprecedented economic sanctions on Russia over the latter's invasion of Ukraine.

Early in the quarter the Euro-area was still struggling with supply bottlenecks weighing on manufacturing, coronavirus curbs impacting services and personnel shortages causing wider disruptions. As the war in Ukraine rages on, the economic fallout is worsening across Europe. Meanwhile China's covid-zero strategy and rising case numbers in Asia are adding to the pressure on global supply chains. Raw materials and energy reached exorbitant prices, turning more and more into an inflation of everything and leading to inflation prints not seen since the eighties. With companies already holding back on investments and recruitment, economic activity in the Euro Area is likely to contract. The key issue for the European economy remains whether the supply of natural gas will continue without disruptions, as any shock would swiftly ripple through the economy and send countries that strongly depend on Russian gas (notably Germany) into a recession.

The US economy is less reliant on Russian oil and gas and consequently more insulated from the economic impact of the war in Ukraine. Economic activity remained strong, but global supply chain disruptions are weighing on sentiment and increasing input costs. The labor market remains very tight, with the unemployment rate firmly at 3.6% and wages rising albeit at a slower pace than inflation.

Central banks across both sides of the Atlantic found themselves in a delicate balancing act to prevent inflation becoming entrenched through price-wage spirals. The ECB initially was able to stall for time but as soon as Christine Lagarde hinted during February that a rate hike in 2022 was a possibility if economic data supported it, markets went as far as pricing a cumulative rate increase of 50 bps before the end of 2022. Over March the ECB went further and decoupled potential rate hike decisions from its asset purchases, which are targeted to be unwound over Q2 2022.

The FED committed to act as needed to cool inflation and by the end of January the market consensus had already ramped up bets to see 5 hikes before the end of the year, a sharp contrast with the end of 2021. Somewhat surprising market participants, the FED maintained its course despite the war in Ukraine and by the end of March the door is wide open for inter-meeting hikes and/or hikes of 50 basis points. In addition, the FED is likely to start shrinking its balance sheet as early as Q2 2022. Attesting to the nervousness of markets, any policy vagueness is now being interpreted as hawkish.

Corporate results (Q4 2021) were well-received overall, especially in the US where the strong run of corporate profitability continued and of most companies have met or exceeded expectations. The primary market was exceptionally active as companies started frontloading to lock in low rates, and after a brief intermezzo due to the geopolitical crisis, it continued that trend over the second half of March. The increase in supply has been well-absorbed by the market, with shorter tenors of multi-tranche issuances being the most oversubscribed and new issues being so competitively bid that they hardly leave any new issue premiums.

##### 2nd Quarter

During the second quarter, financial markets were notably volatile, fueled by record inflation prints, China's covid-zero strategy, deterioration in the global economic outlook, geopolitical events, and global supply chain disruptions. Late in the quarter, inflationary fears were overshadowed by recessionary fears with a focus now towards how long and how severe the recession would be instead of whether it would occur.

China's commitment to its covid-zero strategy weighted on domestic growth, global supply chains and the global economic activity. With more and more European countries being cut off from Russian gas and an embargo on Russian oil in the works, those inflationary pressures are unlikely to subside. On the contrary inflationary pressures are broadening as the high energy costs combined with a variety of disruptions in the global food supply chain (such as fertilizer cost, logistical problems, erratic global weather, and protectionism to name a few) are translating into higher food prices across the globe.

Crippling inflation prints continue to be a concern for central banks on both sides of the Atlantic, with levels never reached in decades. Meanwhile, the Fed started its balance sheet reduction in June and delivered the highest rate increase since 1994 (+75bps). It remains strongly hawkish and admitted that it may hike well into a recession if that is what it takes to subdue inflationary pressures. On the other side, inflation kept adding pressure on the ECB, intensifying the debate over how aggressively the central bank should tighten monetary policy, with now expectations of July rate hike between 25 and 50 bps.

The dramatic increase of spreads mid-June on Europe's periphery forced the ECB to hold an ad-hoc meeting and reveal its intention to design a new anti-fragmentation instrument. This would provide the ECB with flexibility in its reinvestments of PEPP redemptions, intending to preserve the functioning of the monetary policy transmission mechanism. Its flexibility will be through time, jurisdictions, and maturity, with no limit on the volume and independent from other ECB portfolios.

##### 3rd Quarter

Markets challenged central banks at multiple occasions over Q3 2022, but central banks strongly pushed back against those dovish expectations. While the ECB is still under pressure from unprecedented double-digit inflation prints, the FED is still under pressure from above-target inflation and a stubbornly tight labor market from where higher wages risk to perpetuate inflationary pressures. Central banks across the globe have accelerated their hike pace to jumbo hikes to frontload their hikes and get to their targeted neutral rates as soon as possible. The FED admitted that there will be below-trend growth for a while and that rates will rise by a further 1.25% by the end of the year and remain high for some time. The ECB's job is further complicated as Europe is facing an increasingly worrying energy crisis and -even though reserves have been filling ahead of schedule- the area is bracing for a tough winter.

Rates markets hence remained highly volatile and short-term rates increased steadily with the Euribor 3 months and 12 months ending the period at 1.17% (+136 bps) and 2.56% (+152 bps) respectively. Corporate results were scrutinized with investors fearing eroded margins and lower earnings. Despite mostly positive guidance and earning releases that beat expectations, markets remained cautious on the outlook for the next quarter and how companies will manage ongoing rises in costs and continued supply chain disruptions.

# Candriam Sustainable

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## Report of the Board of Directors

### Candriam Sustainable Money Market Euro (continued)

#### Market Context (continued)

4th Quarter

Terminal rate expectations rose significantly in the US and EU as markets succumbed to the hawkish messages of central banks. The economy in the US continued to hold up well and labor market tightness remains a thorn in the eye of the FED. In the EU the economy is holding up better than many feared, and the soft winter weather provided some relief for energy prices. Inflation data showed tentative signs of slowing but central bankers from both sides of the Atlantic remain worried about the stickiness of inflation and prefer to err on the side of caution. The continued hawkishness makes financial markets nervous about economic growth, as evidenced by the inverted German and US treasury curves.

Rates markets hence remained highly volatile and short-term rates increased steadily with the Euribor 3 months and 12 months ending the period at 2.13% (+96 bps) and 3.29% (+73 bps) respectively. Corporate results in general were better-than-feared, although there are large differences between firms depending on whether they could pass on their rising input costs to consumers. The focus has now shifted towards deteriorating volumes on higher pricing, raising questions on the sustainability of plans for further price hikes. Central bankers and data prints suggest that economic growth will slow over 2023.

#### Fund Strategy

The overall structure of the fund remains the same, with a neutral stance on credit and a defensive stance on rates. We continue to prefer shorter maturities, while favouring quality and liquidity.

#### Market Outlook

We are closely monitoring the economic impact of the war in Ukraine, developments in terms of sanctions on Russia, inflationary pressures (especially the evolution of energy prices) and changes to major central banks' monetary policies. These will probably remain key drivers for financial markets over the first half of 2023 and the uncertainty surrounding them will likely support volatility as sharp, two-way market reactions are driven by incremental news-flow. We are therefore paying close attention to downside risk and favouring high-quality, liquid assets, while remaining selective in our investments. We rely on our rigorous in-house, bottom-up analysis and maintain a preference for companies with strong ratings and low leverage.

The Board of Directors

Luxembourg, March 30, 2023



## Audit report

To the Shareholders of  
**CANDRIAM SUSTAINABLE**

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### Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of CANDRIAM SUSTAINABLE (the “Fund”) and of each of its sub-funds as at 31 December 2022, 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 2022;
- the statement of changes in net assets for the year then ended;
- the investment portfolio as at 31 December 2022; 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.

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### 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.

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### Other information

The Board of Directors 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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*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)  
R.C.S. Luxembourg B 65 477 - TVA LU25482518*



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.

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#### **Responsibilities of the Board of Directors for the financial statements**

The Board of Directors 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 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 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 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.

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#### **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;





- conclude on the appropriateness of the Board of Directors' 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, 5 April 2023

Sébastien Sadzot

# Candriam Sustainable

## Statement of net assets as at December 31, 2022

		Candriam Sustainable Balanced Asset Allocation (see Note 1)	Candriam Sustainable Bond Emerging Markets	Candriam Sustainable Bond Euro
		EUR	USD	EUR
<b>Assets</b>				
Investment portfolio at market value	2a	7,147,840	1,147,956,908	788,755,063
Cash at bank and broker	9	279,354	20,898,991	7,358,251
Receivable for investments sold		37,057	0	0
Receivable on subscriptions		0	382,155	246,939
Interest and dividends receivable, net		13	16,446,503	5,091,987
Net unrealised appreciation on forward foreign exchange contracts	2f,g	3,133	0	145,715
Net unrealised appreciation on futures	2e	9,224	3,026,777	2,725,600
Other assets		0	0	0
<b>Total assets</b>		<b>7,476,621</b>	<b>1,188,711,334</b>	<b>804,323,555</b>
<b>Liabilities</b>				
Bank overdraft		0	0	0
Payable on investments purchased		0	0	0
Payable on redemptions		0	677,180	3,746
Net unrealised depreciation on forward foreign exchange contracts	2f,g	0	1,699,509	0
Net unrealised depreciation on futures	2e	0	0	0
Management fees payable	3	2,908	376,471	71,485
Operating and Administrative Expenses payable	5	414	128,281	75,164
Subscription tax payable	6	10	42,932	32,397
Other liabilities		0	0	0
<b>Total liabilities</b>		<b>3,332</b>	<b>2,924,373</b>	<b>182,792</b>
<b>Total net assets</b>		<b>7,473,289</b>	<b>1,185,786,961</b>	<b>804,140,763</b>

The accompanying notes form an integral part of the financial statements.

# Candriam Sustainable

## Statement of net assets as at December 31, 2022

		Candriam Sustainable Bond Euro Corporate	Candriam Sustainable Bond Euro Short Term	Candriam Sustainable Bond Global
		EUR	EUR	EUR
<b>Assets</b>				
Investment portfolio at market value	2a	1,273,597,432	1,303,022,794	299,059,159
Cash at bank and broker	9	108,564,583	7,063,282	12,897,410
Receivable for investments sold		0	0	0
Receivable on subscriptions		2,212,316	11,481,361	47,845
Interest and dividends receivable, net		10,313,194	8,441,160	1,848,465
Net unrealised appreciation on forward foreign exchange contracts	2f.g	1,546,706	131,797	0
Net unrealised appreciation on futures	2e	0	2,464,618	2,653,225
Other assets		0	0	0
<b>Total assets</b>		<b>1,396,234,231</b>	<b>1,332,605,012</b>	<b>316,506,104</b>
<b>Liabilities</b>				
Bank overdraft		128	0	0
Payable on investments purchased		0	6,843,525	0
Payable on redemptions		856,570	723,935	442,982
Net unrealised depreciation on forward foreign exchange contracts	2f.g	0	0	274,031
Net unrealised depreciation on futures	2e	2,278,687	0	0
Management fees payable	3	161,557	119,140	35,044
Operating and Administrative Expenses payable	5	125,960	114,548	33,457
Subscription tax payable	6	58,452	51,419	16,652
Other liabilities		0	0	0
<b>Total liabilities</b>		<b>3,481,354</b>	<b>7,852,567</b>	<b>802,166</b>
<b>Total net assets</b>		<b>1,392,752,877</b>	<b>1,324,752,445</b>	<b>315,703,938</b>

# Candriam Sustainable

## Statement of net assets as at December 31, 2022

		Candriam Sustainable Bond Global Convertible (see Note 1)	Candriam Sustainable Bond Global High Yield	Candriam Sustainable Bond Impact
		EUR	EUR	EUR
<b>Assets</b>				
Investment portfolio at market value	2a	21,095,939	1,514,081,728	35,810,755
Cash at bank and broker	9	361,212	43,055,070	1,945,822
Receivable for investments sold		0	0	0
Receivable on subscriptions		0	103,630,452	0
Interest and dividends receivable, net		37,857	21,338,426	213,244
Net unrealised appreciation on forward foreign exchange contracts	2f,g	1,084,582	30,879,535	47,283
Net unrealised appreciation on futures	2e	0	575,750	62,475
Other assets		0	214	0
<b>Total assets</b>		<b>22,579,590</b>	<b>1,713,561,175</b>	<b>38,079,579</b>
<b>Liabilities</b>				
Bank overdraft		0	8,168,051	0
Payable on investments purchased		0	0	0
Payable on redemptions		0	104,410,652	0
Net unrealised depreciation on forward foreign exchange contracts	2f,g	0	0	0
Net unrealised depreciation on futures	2e	0	0	0
Management fees payable	3	1	534,006	2,336
Operating and Administrative Expenses payable	5	2,196	166,599	3,448
Subscription tax payable	6	565	60,532	952
Other liabilities		0	0	0
<b>Total liabilities</b>		<b>2,762</b>	<b>113,339,840</b>	<b>6,736</b>
<b>Total net assets</b>		<b>22,576,828</b>	<b>1,600,221,335</b>	<b>38,072,843</b>

# Candriam Sustainable

## Statement of net assets as at December 31, 2022

		Candriam Sustainable Defensive Asset Allocation	Candriam Sustainable Equity Children	Candriam Sustainable Equity Circular Economy
		EUR	USD	USD
<b>Assets</b>				
Investment portfolio at market value	2a	136,920,734	74,250,080	400,270,781
Cash at bank and broker	9	3,542,733	3,191,012	25,924,865
Receivable for investments sold		700,594	0	5,597,624
Receivable on subscriptions		0	39,535	64,988
Interest and dividends receivable, net		25,414	50,311	198,669
Net unrealised appreciation on forward foreign exchange contracts	2f,g	74,671	0	9,536
Net unrealised appreciation on futures	2e	386,068	0	0
Other assets		0	0	0
<b>Total assets</b>		<b>141,650,214</b>	<b>77,530,938</b>	<b>432,066,463</b>
<b>Liabilities</b>				
Bank overdraft		0	18	0
Payable on investments purchased		0	0	728,289
Payable on redemptions		650	77,164	13,208
Net unrealised depreciation on forward foreign exchange contracts	2f,g	0	0	0
Net unrealised depreciation on futures	2e	0	0	0
Management fees payable	3	49,724	57	58,265
Operating and Administrative Expenses payable	5	8,040	10,040	64,393
Subscription tax payable	6	683	1,936	13,585
Other liabilities		0	0	23,335
<b>Total liabilities</b>		<b>59,097</b>	<b>89,215</b>	<b>901,075</b>
<b>Total net assets</b>		<b>141,591,117</b>	<b>77,441,723</b>	<b>431,165,388</b>

# Candriam Sustainable

## Statement of net assets as at December 31, 2022

		Candriam Sustainable Equity Climate Action	Candriam Sustainable Equity Emerging Markets	Candriam Sustainable Equity EMU
		USD	EUR	EUR
<b>Assets</b>				
Investment portfolio at market value	2a	1,039,811,156	2,813,898,151	401,239,711
Cash at bank and broker	9	39,198,609	74,205,136	10,787,604
Receivable for investments sold		0	0	0
Receivable on subscriptions		57,516	1,593,112	463,763
Interest and dividends receivable, net		334,831	1,958,983	49,558
Net unrealised appreciation on forward foreign exchange contracts	2f.g	13,090	0	0
Net unrealised appreciation on futures	2e	0	0	0
Other assets		22,180	0	192,232
<b>Total assets</b>		<b>1,079,437,382</b>	<b>2,891,655,382</b>	<b>412,732,868</b>
<b>Liabilities</b>				
Bank overdraft		0	9	0
Payable on investments purchased		0	0	0
Payable on redemptions		212,210	589,586	670,019
Net unrealised depreciation on forward foreign exchange contracts	2f.g	0	0	0
Net unrealised depreciation on futures	2e	0	0	0
Management fees payable	3	134,283	1,258,817	267,690
Operating and Administrative Expenses payable	5	162,302	521,493	84,540
Subscription tax payable	6	37,781	224,125	87,108
Other liabilities		0	2,704,835	0
<b>Total liabilities</b>		<b>546,576</b>	<b>5,298,865</b>	<b>1,109,357</b>
<b>Total net assets</b>		<b>1,078,890,806</b>	<b>2,886,356,517</b>	<b>411,623,511</b>

# Candriam Sustainable

## Statement of net assets as at December 31, 2022

		Candriam Sustainable Equity Europe	Candriam Sustainable Equity Europe Small & Mid Caps	Candriam Sustainable Equity Future Mobility
		EUR	EUR	USD
<b>Assets</b>				
Investment portfolio at market value	2a	1,319,850,829	186,768,499	224,316,566
Cash at bank and broker	9	20,647,233	2,624,608	15,643,221
Receivable for investments sold		0	0	0
Receivable on subscriptions		255,932	897,255	0
Interest and dividends receivable, net		190,472	150,825	121,927
Net unrealised appreciation on forward foreign exchange contracts	2f,g	0	0	72
Net unrealised appreciation on futures	2e	0	0	0
Other assets		454,545	39,637	0
<b>Total assets</b>		<b>1,341,399,011</b>	<b>190,480,824</b>	<b>240,081,786</b>
<b>Liabilities</b>				
Bank overdraft		0	0	0
Payable on investments purchased		0	0	0
Payable on redemptions		60,669	34,220	0
Net unrealised depreciation on forward foreign exchange contracts	2f,g	0	0	0
Net unrealised depreciation on futures	2e	0	0	0
Management fees payable	3	396,791	20,575	1,043
Operating and Administrative Expenses payable	5	237,516	35,578	33,050
Subscription tax payable	6	145,898	9,499	6,094
Other liabilities		0	0	0
<b>Total liabilities</b>		<b>840,874</b>	<b>99,872</b>	<b>40,187</b>
<b>Total net assets</b>		<b>1,340,558,137</b>	<b>190,380,952</b>	<b>240,041,599</b>

# Candriam Sustainable

## Statement of net assets as at December 31, 2022

		Candriam Sustainable Equity Japan	Candriam Sustainable Equity Quant Europe (see Note 1)	Candriam Sustainable Equity US
		JPY	EUR	USD
<b>Assets</b>				
Investment portfolio at market value	2a	54,435,231,187	396,299,531	1,517,278,681
Cash at bank and broker	9	384,767,389	2,519,646	9,092,113
Receivable for investments sold		0	0	0
Receivable on subscriptions		404,450	42,834	1,915,094
Interest and dividends receivable, net		53,938,606	912,812	882,554
Net unrealised appreciation on forward foreign exchange contracts	2f,g	0	0	179,017
Net unrealised appreciation on futures	2e	0	0	0
Other assets		0	594,168	0
<b>Total assets</b>		<b>54,874,341,632</b>	<b>400,368,991</b>	<b>1,529,347,459</b>
<b>Liabilities</b>				
Bank overdraft		0	0	0
Payable on investments purchased		0	0	0
Payable on redemptions		3,440,041	132,302	231,826
Net unrealised depreciation on forward foreign exchange contracts	2f,g	134,305,296	0	0
Net unrealised depreciation on futures	2e	0	0	0
Management fees payable	3	11,751,483	104,027	330,479
Operating and Administrative Expenses payable	5	10,159,200	73,618	273,026
Subscription tax payable	6	5,041,504	59,729	136,457
Other liabilities		0	0	0
<b>Total liabilities</b>		<b>164,697,524</b>	<b>369,676</b>	<b>971,788</b>
<b>Total net assets</b>		<b>54,709,644,108</b>	<b>399,999,315</b>	<b>1,528,375,671</b>

The accompanying notes form an integral part of the financial statements.



# Candriam Sustainable

## Statement of net assets as at December 31, 2022

		Candriam Sustainable Equity World	Candriam Sustainable Money Market Euro	Combined
		EUR	EUR	EUR
<b>Assets</b>				
Investment portfolio at market value	2a	1,125,208,384	961,203,102	17,097,095,642
Cash at bank and broker	9	7,216,387	90,867,293	503,437,939
Receivable for investments sold		0	0	5,982,555
Receivable on subscriptions		892,813	7,702,142	131,773,960
Interest and dividends receivable, net		849,294	1,653,217	70,356,523
Net unrealised appreciation on forward foreign exchange contracts	2f,g	69,464	0	34,171,890
Net unrealised appreciation on futures	2e	0	0	11,713,012
Other assets		117,743	0	1,419,321
<b>Total assets</b>		<b>1,134,354,085</b>	<b>1,061,425,754</b>	<b>17,855,950,842</b>
<b>Liabilities</b>				
Bank overdraft		0	0	8,168,205
Payable on investments purchased		0	6,988,062	14,513,985
Payable on redemptions		380,618	87,623	109,553,256
Net unrealised depreciation on forward foreign exchange contracts	2f,g	0	0	2,820,662
Net unrealised depreciation on futures	2e	0	0	2,278,687
Management fees payable	3	636,189	33,792	4,621,423
Operating and Administrative Expenses payable	5	220,321	46,071	2,449,947
Subscription tax payable	6	141,887	26,356	1,175,821
Other liabilities		0	0	2,726,700
<b>Total liabilities</b>		<b>1,379,015</b>	<b>7,181,904</b>	<b>148,308,686</b>
<b>Total net assets</b>		<b>1,132,975,070</b>	<b>1,054,243,850</b>	<b>17,707,642,156</b>

# Candriam Sustainable

## Statement of changes in net assets for the year ended December 31, 2022

		Candriam Sustainable Balanced Asset Allocation (see Note 1)	Candriam Sustainable Bond Emerging Markets	Candriam Sustainable Bond Euro
		EUR	USD	EUR
<b>Net assets at the beginning of the year</b>		<b>0</b>	<b>1,362,386,819</b>	<b>841,675,532</b>
<b>Income</b>				
Dividends, net	2i	0	0	0
Interest on bonds and money market instruments, net	2i	0	52,691,512	9,221,815
Interest on securities lending		0	0	0
Bank interest		687	610,765	19,484
Other income		5	917	294
<b>Total income</b>		<b>692</b>	<b>53,303,194</b>	<b>9,241,593</b>
<b>Expenses</b>				
Management fees	3	15,996	4,183,200	915,406
Operating and Administrative Expenses	5	2,120	1,434,382	865,942
Depository fees	5	155	51,312	37,131
Subscription tax	6	28	160,851	105,233
Transaction costs	2h	67	28,067	28,938
Bank interest		149	38,069	33,992
Other expenses		0	9,840	3,028
<b>Total expenses</b>		<b>18,515</b>	<b>5,905,721</b>	<b>1,989,670</b>
<b>Net income / (loss) from investments</b>		<b>(17,823)</b>	<b>47,397,473</b>	<b>7,251,923</b>
Net realised gain / (loss) on sales of investments	2b	20,372	(160,741,947)	(22,944,503)
Net realised gain / (loss) on options	2e	(3,547)	0	0
Net realised gain / (loss) on forward foreign exchange contracts	2f,g	(4,953)	(40,803,011)	(579,326)
Net realised gain / (loss) on futures	2e	(9,590)	20,918,143	5,572,313
Net realised gain / (loss) on foreign exchange		(8,776)	3,674,555	(267,787)
<b>Net realised gain / (loss)</b>		<b>(24,317)</b>	<b>(129,554,787)</b>	<b>(10,967,380)</b>
Change in net unrealised appreciation / depreciation on investments	2a	(162,786)	(126,132,549)	(150,489,798)
Change in net unrealised appreciation / depreciation on forward foreign exchange contracts	2f,g	3,133	(8,385,280)	209,750
Change in net unrealised appreciation / depreciation on futures	2e	9,224	621,522	2,518,683
<b>Net increase / (decrease) in net assets as a result of operations</b>		<b>(174,746)</b>	<b>(263,451,094)</b>	<b>(158,728,745)</b>
<b>Evolution of the capital</b>				
Subscriptions of shares		7,648,035	381,457,440	310,757,510
Redemptions of shares		0	(291,625,124)	(189,320,129)
Dividends distributed	7	0	(2,981,080)	(243,405)
Currency translation		0	0	0
<b>Net assets at the end of the year</b>		<b>7,473,289</b>	<b>1,185,786,961</b>	<b>804,140,763</b>

The accompanying notes form an integral part of the financial statements.

# Candriam Sustainable

## Statement of changes in net assets for the year ended December 31, 2022

		Candriam Sustainable Bond Euro Corporate	Candriam Sustainable Bond Euro Short Term	Candriam Sustainable Bond Global
		EUR	EUR	EUR
<b>Net assets at the beginning of the year</b>		<b>1,413,558,432</b>	<b>1,193,725,081</b>	<b>389,118,347</b>
<b>Income</b>				
Dividends, net	2i	0	0	0
Interest on bonds and money market instruments, net	2i	21,138,959	14,088,533	5,298,545
Interest on securities lending		0	0	0
Bank interest		187,055	33,534	156,747
Other income		4,285	1,138	3,674
<b>Total income</b>		<b>21,330,299</b>	<b>14,123,205</b>	<b>5,458,966</b>
<b>Expenses</b>				
Management fees	3	1,544,071	1,248,858	441,025
Operating and Administrative Expenses	5	1,399,414	1,246,029	440,717
Depository fees	5	60,504	54,003	16,567
Subscription tax	6	168,164	152,337	55,987
Transaction costs	2h	54,475	47,394	37,333
Bank interest		392,036	28,515	67,584
Other expenses		5,957	3,325	1,078
<b>Total expenses</b>		<b>3,624,621</b>	<b>2,780,461</b>	<b>1,060,291</b>
<b>Net income / (loss) from investments</b>		<b>17,705,678</b>	<b>11,342,744</b>	<b>4,398,675</b>
Net realised gain / (loss) on sales of investments	2b	(116,779,844)	(16,223,088)	(23,581,383)
Net realised gain / (loss) on options	2e	0	0	0
Net realised gain / (loss) on forward foreign exchange contracts	2f.g	(2,291,001)	(2,616,389)	12,148,379
Net realised gain / (loss) on futures	2e	(13,646,142)	1,975,288	1,001,809
Net realised gain / (loss) on foreign exchange		3,525,225	2,004,887	(1,832,174)
<b>Net realised gain / (loss)</b>		<b>(111,486,084)</b>	<b>(3,516,558)</b>	<b>(7,864,694)</b>
Change in net unrealised appreciation / depreciation on investments	2a	(85,967,844)	(48,806,138)	(39,172,843)
Change in net unrealised appreciation / depreciation on forward foreign exchange contracts	2f.g	1,371,000	(52,117)	(2,831,875)
Change in net unrealised appreciation / depreciation on futures	2e	(901,472)	2,535,824	1,649,872
<b>Net increase / (decrease) in net assets as a result of operations</b>		<b>(196,984,400)</b>	<b>(49,838,989)</b>	<b>(48,219,540)</b>
<b>Evolution of the capital</b>				
Subscriptions of shares		473,427,264	762,608,111	154,653,044
Redemptions of shares		(297,032,102)	(581,741,758)	(179,696,454)
Dividends distributed	7	(216,317)	0	(151,459)
Currency translation		0	0	0
<b>Net assets at the end of the year</b>		<b>1,392,752,877</b>	<b>1,324,752,445</b>	<b>315,703,938</b>

# Candriam Sustainable

## Statement of changes in net assets for the year ended December 31, 2022

		Candriam Sustainable Bond Global Convertible (see Note 1)	Candriam Sustainable Bond Global High Yield	Candriam Sustainable Bond Impact
		EUR	EUR	EUR
<b>Net assets at the beginning of the year</b>		<b>0</b>	<b>1,806,354,023</b>	<b>46,572,584</b>
<b>Income</b>				
Dividends, net	2i	0	0	0
Interest on bonds and money market instruments, net	2i	43,629	64,673,862	491,876
Interest on securities lending		0	0	0
Bank interest		5,513	496,354	10,501
Other income		91	3,519	51
<b>Total income</b>		<b>49,233</b>	<b>65,173,735</b>	<b>502,428</b>
<b>Expenses</b>				
Management fees	3	12	6,167,570	29,103
Operating and Administrative Expenses	5	11,530	1,894,323	41,108
Depositary fees	5	437	71,093	1,817
Subscription tax	6	1,091	237,616	3,991
Transaction costs	2h	6	7,948	1,728
Bank interest		635	312,378	6,493
Other expenses		0	6,264	27
<b>Total expenses</b>		<b>13,711</b>	<b>8,697,192</b>	<b>84,267</b>
<b>Net income / (loss) from investments</b>		<b>35,522</b>	<b>56,476,543</b>	<b>418,161</b>
Net realised gain / (loss) on sales of investments	2b	51,123	(141,773,124)	(1,512,923)
Net realised gain / (loss) on options	2e	0	0	0
Net realised gain / (loss) on forward foreign exchange contracts	2f.g	(571,638)	(102,605,458)	(1,005,781)
Net realised gain / (loss) on futures	2e	(3,846)	4,000,268	592,271
Net realised gain / (loss) on foreign exchange		(25,136)	107,012,663	632,192
<b>Net realised gain / (loss)</b>		<b>(513,975)</b>	<b>(76,889,108)</b>	<b>(876,080)</b>
Change in net unrealised appreciation / depreciation on investments	2a	(478,533)	(97,657,003)	(7,845,492)
Change in net unrealised appreciation / depreciation on forward foreign exchange contracts	2f.g	1,084,582	23,396,359	(13,069)
Change in net unrealised appreciation / depreciation on futures	2e	0	170,750	234,900
<b>Net increase / (decrease) in net assets as a result of operations</b>		<b>92,074</b>	<b>(150,979,002)</b>	<b>(8,499,741)</b>
<b>Evolution of the capital</b>				
Subscriptions of shares		22,484,754	984,787,107	0
Redemptions of shares		0	(1,028,301,872)	0
Dividends distributed	7	0	(11,638,921)	0
Currency translation		0	0	0
<b>Net assets at the end of the year</b>		<b>22,576,828</b>	<b>1,600,221,335</b>	<b>38,072,843</b>

# Candriam Sustainable

## Statement of changes in net assets for the year ended December 31, 2022

		Candriam Sustainable Defensive Asset Allocation	Candriam Sustainable Equity Children	Candriam Sustainable Equity Circular Economy
		EUR	USD	USD
<b>Net assets at the beginning of the year</b>		<b>190,770,120</b>	<b>3,644,593</b>	<b>272,303,788</b>
<b>Income</b>				
Dividends, net	2i	22,111	877,886	5,163,060
Interest on bonds and money market instruments, net	2i	18,024	0	0
Interest on securities lending		0	0	0
Bank interest		7,331	41,922	296,924
Other income		9	122	1,648
<b>Total income</b>		<b>47,475</b>	<b>919,930</b>	<b>5,461,632</b>
<b>Expenses</b>				
Management fees	3	634,110	169	722,181
Operating and Administrative Expenses	5	95,629	94,856	690,529
Depositary fees	5	6,877	2,859	17,512
Subscription tax	6	5,043	8,386	52,148
Transaction costs	2h	3,506	52,645	522,472
Bank interest		7,964	3,976	14,316
Other expenses		1	0	2,267
<b>Total expenses</b>		<b>753,130</b>	<b>162,891</b>	<b>2,021,425</b>
<b>Net income / (loss) from investments</b>		<b>(705,655)</b>	<b>757,039</b>	<b>3,440,207</b>
Net realised gain / (loss) on sales of investments	2b	(1,253,765)	(2,034,750)	(2,099,092)
Net realised gain / (loss) on options	2e	(72,019)	0	0
Net realised gain / (loss) on forward foreign exchange contracts	2f,g	(1,850,408)	0	(185,243)
Net realised gain / (loss) on futures	2e	1,520,553	0	0
Net realised gain / (loss) on foreign exchange		596,485	(1,653,183)	(9,306,078)
<b>Net realised gain / (loss)</b>		<b>(1,764,809)</b>	<b>(2,930,894)</b>	<b>(8,150,206)</b>
Change in net unrealised appreciation / depreciation on investments	2a	(20,696,625)	(14,176,661)	(90,208,744)
Change in net unrealised appreciation / depreciation on forward foreign exchange contracts	2f,g	(165,012)	0	(94,360)
Change in net unrealised appreciation / depreciation on futures	2e	77,869	0	0
<b>Net increase / (decrease) in net assets as a result of operations</b>		<b>(22,548,577)</b>	<b>(17,107,555)</b>	<b>(98,453,310)</b>
<b>Evolution of the capital</b>				
Subscriptions of shares		27,342,038	97,758,436	374,713,449
Redemptions of shares		(53,953,754)	(6,853,751)	(117,362,384)
Dividends distributed	7	(18,710)	0	(36,155)
Currency translation		0	0	0
<b>Net assets at the end of the year</b>		<b>141,591,117</b>	<b>77,441,723</b>	<b>431,165,388</b>

The accompanying notes form an integral part of the financial statements.

# Candriam Sustainable

## Statement of changes in net assets for the year ended December 31, 2022

		Candriam Sustainable Equity Climate Action	Candriam Sustainable Equity Emerging Markets	Candriam Sustainable Equity EMU
		USD	EUR	EUR
<b>Net assets at the beginning of the year</b>		<b>1,443,264,896</b>	<b>2,240,251,849</b>	<b>492,942,322</b>
<b>Income</b>				
Dividends, net	2i	8,551,429	51,950,819	9,815,331
Interest on bonds and money market instruments, net	2i	0	0	0
Interest on securities lending		0	0	0
Bank interest		557,068	793,042	17,487
Other income		737	2,096	1,270
<b>Total income</b>		<b>9,109,234</b>	<b>52,745,957</b>	<b>9,834,088</b>
<b>Expenses</b>				
Management fees	3	1,780,340	14,109,483	2,877,831
Operating and Administrative Expenses	5	1,924,895	5,588,500	956,068
Depository fees	5	50,302	114,608	19,067
Subscription tax	6	158,187	575,845	159,805
Transaction costs	2h	419,694	12,401,036	998,777
Bank interest		41,891	297,594	12,730
Other expenses		13,042	29,186	10,439
<b>Total expenses</b>		<b>4,388,351</b>	<b>33,116,252</b>	<b>5,034,717</b>
<b>Net income / (loss) from investments</b>		<b>4,720,883</b>	<b>19,629,705</b>	<b>4,799,371</b>
Net realised gain / (loss) on sales of investments	2b	59,873,706	(587,872,340)	12,890,221
Net realised gain / (loss) on options	2e	0	0	0
Net realised gain / (loss) on forward foreign exchange contracts	2f.g	(1,504,862)	(100,031)	0
Net realised gain / (loss) on futures	2e	0	0	0
Net realised gain / (loss) on foreign exchange		(11,657,572)	128,780,851	58
<b>Net realised gain / (loss)</b>		<b>51,432,155</b>	<b>(439,561,815)</b>	<b>17,689,650</b>
Change in net unrealised appreciation / depreciation on investments	2a	(431,002,499)	(371,361,855)	(86,008,987)
Change in net unrealised appreciation / depreciation on forward foreign exchange contracts	2f.g	(86,163)	0	0
Change in net unrealised appreciation / depreciation on futures	2e	0	0	0
<b>Net increase / (decrease) in net assets as a result of operations</b>		<b>(379,656,507)</b>	<b>(810,923,670)</b>	<b>(68,319,337)</b>
<b>Evolution of the capital</b>				
Subscriptions of shares		198,898,201	2,485,810,413	249,994,607
Redemptions of shares		(176,746,883)	(1,027,852,515)	(262,515,885)
Dividends distributed	7	(6,868,901)	(929,560)	(478,196)
Currency translation		0	0	0
<b>Net assets at the end of the year</b>		<b>1,078,890,806</b>	<b>2,886,356,517</b>	<b>411,623,511</b>

The accompanying notes form an integral part of the financial statements.

# Candriam Sustainable

## Statement of changes in net assets for the year ended December 31, 2022

		Candriam Sustainable Equity Europe	Candriam Sustainable Equity Europe Small & Mid Caps	Candriam Sustainable Equity Future Mobility
		EUR	EUR	USD
<b>Net assets at the beginning of the year</b>		<b>1,888,267,515</b>	<b>228,658,340</b>	<b>307,398,902</b>
<b>Income</b>				
Dividends, net	2i	28,638,268	5,695,820	2,244,131
Interest on bonds and money market instruments, net	2i	0	0	0
Interest on securities lending		0	0	0
Bank interest		51,066	7,980	140,576
Other income		5,082	316	39
<b>Total income</b>		<b>28,694,416</b>	<b>5,704,116</b>	<b>2,384,746</b>
<b>Expenses</b>				
Management fees	3	4,399,726	291,503	12,785
Operating and Administrative Expenses	5	2,745,351	431,808	397,117
Depositary fees	5	59,802	8,864	11,379
Subscription tax	6	288,081	38,417	25,186
Transaction costs	2h	2,755,928	285,124	52,495
Bank interest		38,373	12,817	5,696
Other expenses		41,400	3,813	185
<b>Total expenses</b>		<b>10,328,661</b>	<b>1,072,346</b>	<b>504,843</b>
<b>Net income / (loss) from investments</b>		<b>18,365,755</b>	<b>4,631,770</b>	<b>1,879,903</b>
Net realised gain / (loss) on sales of investments	2b	39,237,696	(10,620,298)	(11,401,837)
Net realised gain / (loss) on options	2e	0	0	0
Net realised gain / (loss) on forward foreign exchange contracts	2f.g	0	0	(9,658)
Net realised gain / (loss) on futures	2e	0	0	0
Net realised gain / (loss) on foreign exchange		11,981,553	941,285	(2,096,356)
<b>Net realised gain / (loss)</b>		<b>69,585,004</b>	<b>(5,047,243)</b>	<b>(11,627,948)</b>
Change in net unrealised appreciation / depreciation on investments	2a	(270,981,761)	(43,311,807)	(82,712,066)
Change in net unrealised appreciation / depreciation on forward foreign exchange contracts	2f.g	0	0	(49)
Change in net unrealised appreciation / depreciation on futures	2e	0	0	0
<b>Net increase / (decrease) in net assets as a result of operations</b>		<b>(201,396,757)</b>	<b>(48,359,050)</b>	<b>(94,340,063)</b>
<b>Evolution of the capital</b>				
Subscriptions of shares		710,407,652	68,397,729	39,730,199
Redemptions of shares		(1,055,440,349)	(58,316,067)	(12,737,059)
Dividends distributed	7	(1,279,924)	0	(10,380)
Currency translation		0	0	0
<b>Net assets at the end of the year</b>		<b>1,340,558,137</b>	<b>190,380,952</b>	<b>240,041,599</b>

The accompanying notes form an integral part of the financial statements.

# Candriam Sustainable

## Statement of changes in net assets for the year ended December 31, 2022

		Candriam Sustainable Equity Japan	Candriam Sustainable Equity Quant Europe (see Note 1)	Candriam Sustainable Equity US
		JPY	EUR	USD
<b>Net assets at the beginning of the year</b>		<b>32,875,952,098</b>	<b>0</b>	<b>1,910,075,814</b>
<b>Income</b>				
Dividends, net	2i	781,922,718	13,310,915	15,982,572
Interest on bonds and money market instruments, net	2i	0	0	0
Interest on securities lending		0	93	0
Bank interest		39,301	3,031	52,831
Other income		1,865,444	3,091	0
<b>Total income</b>		<b>783,827,463</b>	<b>13,317,130</b>	<b>16,035,403</b>
<b>Expenses</b>				
Management fees	3	110,963,492	1,186,253	3,556,133
Operating and Administrative Expenses	5	87,925,958	842,539	3,059,674
Depositary fees	5	1,860,836	4,483	67,229
Subscription tax	6	9,114,403	153,228	303,132
Transaction costs	2h	20,898,283	1,455,745	616,251
Bank interest		693,884	20,036	24,426
Other expenses		487,246	2,469	12,748
<b>Total expenses</b>		<b>231,944,102</b>	<b>3,664,753</b>	<b>7,639,593</b>
<b>Net income / (loss) from investments</b>		<b>551,883,361</b>	<b>9,652,377</b>	<b>8,395,810</b>
Net realised gain / (loss) on sales of investments	2b	(398,584,583)	(34,919,254)	(133,155,606)
Net realised gain / (loss) on options	2e	0	0	0
Net realised gain / (loss) on forward foreign exchange contracts	2f,g	216,615,266	(5,120)	(9,782,083)
Net realised gain / (loss) on futures	2e	0	1	0
Net realised gain / (loss) on foreign exchange		17,271,453	792,021	869,192
<b>Net realised gain / (loss)</b>		<b>387,185,497</b>	<b>(24,479,975)</b>	<b>(133,672,687)</b>
Change in net unrealised appreciation / depreciation on investments	2a	(3,156,220,449)	(17,079,584)	(264,856,756)
Change in net unrealised appreciation / depreciation on forward foreign exchange contracts	2f,g	(134,409,360)	0	(916,154)
Change in net unrealised appreciation / depreciation on futures	2e	0	0	0
<b>Net increase / (decrease) in net assets as a result of operations</b>		<b>(2,903,444,312)</b>	<b>(41,559,559)</b>	<b>(399,445,597)</b>
<b>Evolution of the capital</b>				
Subscriptions of shares		48,917,757,336	657,891,021	1,085,667,673
Redemptions of shares		(24,168,718,405)	(214,442,814)	(1,067,572,870)
Dividends distributed	7	(11,902,609)	(1,889,333)	(349,349)
Currency translation		0	0	0
<b>Net assets at the end of the year</b>		<b>54,709,644,108</b>	<b>399,999,315</b>	<b>1,528,375,671</b>

The accompanying notes form an integral part of the financial statements.



# Candriam Sustainable

## Statement of changes in net assets for the year ended December 31, 2022

		Candriam Sustainable Equity World	Candriam Sustainable Money Market Euro	Combined
		EUR	EUR	EUR
<b>Net assets at the beginning of the year</b>		<b>1,154,931,881</b>	<b>937,369,198</b>	<b>17,735,000,621</b>
<b>Income</b>				
Dividends, net	2i	18,189,032	0	163,928,766
Interest on bonds and money market instruments, net	2i	0	6,017,174	170,363,710
Interest on securities lending		0	0	93
Bank interest		21,542	302,511	3,707,104
Other income		2,218	4,344	47,981
<b>Total income</b>		<b>18,212,792</b>	<b>6,324,029</b>	<b>338,047,654</b>
<b>Expenses</b>				
Management fees	3	7,594,839	442,800	52,295,587
Operating and Administrative Expenses	5	2,613,725	542,353	27,464,319
Depository fees	5	51,916	47,780	756,278
Subscription tax	6	337,187	104,522	3,114,615
Transaction costs	2h	1,118,469	0	20,929,983
Bank interest		20,817	380,752	1,758,080
Other expenses		7,985	571	154,687
<b>Total expenses</b>		<b>11,744,938</b>	<b>1,518,778</b>	<b>106,473,549</b>
<b>Net income / (loss) from investments</b>		<b>6,467,854</b>	<b>4,805,251</b>	<b>231,574,105</b>
Net realised gain / (loss) on sales of investments	2b	(70,227,104)	(7,167,584)	(1,219,341,838)
Net realised gain / (loss) on options	2e	0	0	(75,566)
Net realised gain / (loss) on forward foreign exchange contracts	2f.g	1,170,271	(182,116)	(145,944,826)
Net realised gain / (loss) on futures	2e	0	0	20,602,965
Net realised gain / (loss) on foreign exchange		61,805,771	74,750	297,238,061
<b>Net realised gain / (loss)</b>		<b>(783,208)</b>	<b>(2,469,699)</b>	<b>(815,947,099)</b>
Change in net unrealised appreciation / depreciation on investments	2a	(197,107,196)	2,348,967	(2,402,707,709)
Change in net unrealised appreciation / depreciation on forward foreign exchange contracts	2f.g	69,464	0	13,232,742
Change in net unrealised appreciation / depreciation on futures	2e	0	0	6,878,008
<b>Net increase / (decrease) in net assets as a result of operations</b>		<b>(197,820,940)</b>	<b>(120,732)</b>	<b>(3,198,544,058)</b>
<b>Evolution of the capital</b>				
Subscriptions of shares		607,285,893	1,710,858,093	11,622,874,098
Redemptions of shares		(430,948,423)	(1,593,862,709)	(8,712,623,361)
Dividends distributed	7	(473,341)	0	(27,003,980)
Currency translation		0	0	287,938,836
<b>Net assets at the end of the year</b>		<b>1,132,975,070</b>	<b>1,054,243,850</b>	<b>17,707,642,156</b>

The accompanying notes form an integral part of the financial statements.

# Candriam Sustainable

## Statistics

### Candriam Sustainable Balanced Asset Allocation

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>7,473,289</b>	-	-
I	LU2428018811	Capitalisation	EUR	7,600.00	983.33	-	-

### Candriam Sustainable Bond Emerging Markets

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>USD</b>		<b>1,185,786,961</b>	<b>1,362,386,819</b>	<b>2,127,631,026</b>
C	LU1434519416	Capitalisation	USD	148,979.16	99.56	119.25	126.76
C	LU1434519507	Distribution	USD	8,681.03	76.45	96.66	107.93
C - EUR - Hedged	LU2016899614	Capitalisation	EUR	33,002.68	80.16	98.48	105.65
C - EUR - Unhedged	LU2264875068	Capitalisation	EUR	-	-	100.43	-
I	LU1434519689	Capitalisation	USD	275,511.22	1,027.86	1,223.24	1,292.30
I	LU1434519762	Distribution	USD	9,815.44	810.57	1,017.63	1,128.01
I - CHF - Hedged	LU2059770078	Capitalisation	CHF	12,163.95	896.76	1,099.16	1,175.14
I - EUR - Hedged	LU1434519846	Capitalisation	EUR	215,288.77	824.24	1,006.10	1,073.18
I - EUR - Hedged	LU1580881933	Distribution	EUR	5,619.50	695.46	896.27	1,003.23
I - GBP - Hedged	LU1797946164	Distribution	GBP	1,363.18	772.51	980.68	1,090.81
R	LU1434519929	Capitalisation	USD	72,230.08	102.45	122.03	129.03
R - CHF - Hedged	LU2059770151	Capitalisation	CHF	35,303.23	84.27	103.35	110.54
R - EUR - Hedged	LU2016899705	Capitalisation	EUR	68,150.59	81.50	99.54	106.28
R - EUR - Hedged	LU1797946248	Distribution	EUR	189,906.74	76.16	98.15	109.87
R - EUR - Unhedged	LU1434520000	Capitalisation	EUR	88,938.65	90.09	100.71	98.97
R - GBP - Hedged	LU1953289276	Capitalisation	GBP	10.00	92.59	111.54	118.25
R2	LU1434520182	Capitalisation	USD	6,510.00	94.15	111.83	117.93
R2	LU1439992113	Distribution	USD	1,791.00	77.03	96.51	106.79
R2 - EUR - Hedged	LU2328290445	Distribution	EUR	653,698.82	79.62	96.98	-
V	LU1434520265	Capitalisation	USD	98,718.17	825.48	980.12	1,033.07
V	LU2211179648	Distribution	USD	8,296.62	795.76	987.37	1,049.62
V - CHF - Hedged	LU2059770235	Capitalisation	CHF	118,398.12	777.85	951.36	1,014.67
V - EUR - Hedged	LU1434520349	Capitalisation	EUR	167,549.22	826.88	1,006.69	1,071.45
Z	LU1434520422	Capitalisation	USD	147,638.95	1,061.19	1,255.94	1,319.55
Z	LU1434520695	Distribution	USD	15,383.00	837.52	1,045.60	1,152.56
Z - EUR - Hedged	LU2059770318	Capitalisation	EUR	69,947.57	908.64	1,103.37	1,170.46

### Candriam Sustainable Bond Euro

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>804,140,763</b>	<b>841,675,532</b>	<b>697,446,113</b>
C	LU1313769447	Capitalisation	EUR	325,867.48	86.04	104.33	108.02
C	LU1313769520	Distribution	EUR	46,890.77	83.29	101.07	105.22
I	LU1313769793	Capitalisation	EUR	212,664.15	909.83	1,098.60	1,132.37
I	LU1313769959	Distribution	EUR	6,714.13	866.21	1,046.71	1,084.80
N	LU2027379432	Capitalisation	EUR	10.00	80.72	97.97	101.45
R	LU1313770023	Capitalisation	EUR	84,874.95	87.96	106.29	109.64
R2	LU1720116919	Capitalisation	EUR	7,185.42	87.66	105.79	108.99
R2	LU1720117057	Distribution	EUR	60,241.84	85.18	102.88	106.56
V	LU1313770296	Capitalisation	EUR	1.00	822.03	990.73	-
Z	LU1313770379	Capitalisation	EUR	305,249.32	898.85	1,082.08	1,112.01
Z	LU1434521230	Distribution	EUR	325,015.00	877.78	1,057.52	1,092.72

### Candriam Sustainable Bond Euro Corporate

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>1,392,752,877</b>	<b>1,413,558,432</b>	<b>1,051,954,248</b>
C	LU1313770452	Capitalisation	EUR	187,335.24	93.18	107.73	109.68
C	LU1313770536	Distribution	EUR	222,928.97	85.28	99.06	101.63
I	LU1313770619	Capitalisation	EUR	1,013,600.43	328.81	378.59	1,151.49
I	LU1313770700	Distribution	EUR	438.00	917.05	-	-
R	LU1313770882	Capitalisation	EUR	37,641.89	94.68	109.16	110.87

# Candriam Sustainable

## Statistics

### Candriam Sustainable Bond Euro Corporate (continued)

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
R	LU1720117305	Distribution	EUR	300.00	89.14	103.16	105.61
R - CHF - Hedged	LU1932633214	Capitalisation	CHF	19,020.00	85.48	99.17	-
R - GBP - Hedged	LU1932633305	Capitalisation	GBP	4,790.00	87.52	99.77	-
R - USD - Hedged	LU1932633487	Capitalisation	USD	10.00	88.38	99.89	-
R2	LU1720117487	Capitalisation	EUR	14,425.06	92.19	106.09	107.50
R2	LU1720117560	Distribution	EUR	114,600.34	88.78	102.56	104.66
V	LU1313770965	Capitalisation	EUR	172,203.83	859.19	988.21	-
Z	LU1313771005	Capitalisation	EUR	879,572.70	943.03	1,082.47	1,094.16
Z	LU1434521743	Distribution	EUR	31,128.00	898.74	1,035.67	1,054.32

### Candriam Sustainable Bond Euro Short Term

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>1,324,752,445</b>	<b>1,193,725,081</b>	<b>774,105,284</b>
C	LU1434521826	Capitalisation	EUR	191,375.01	94.15	98.29	99.13
C	LU1434522048	Distribution	EUR	126,972.38	95.22	99.46	-
I	LU1434522477	Capitalisation	EUR	205,029.30	957.86	996.73	1,002.03
I	LU1434522550	Distribution	EUR	10,856.13	958.15	997.07	1,002.36
R	LU1434522634	Capitalisation	EUR	27,991.46	95.01	98.95	99.57
R	LU1720117644	Distribution	EUR	14,102.27	95.32	99.22	99.85
R2	LU1720117727	Capitalisation	EUR	10,516.29	95.46	99.32	99.85
R2	LU1720117990	Distribution	EUR	117,647.68	95.34	99.21	99.74
V	LU1434522717	Capitalisation	EUR	51,634.59	9,535.29	9,916.98	9,964.66
V	LU2364191341	Distribution	EUR	1,106.89	9,675.23	-	-
Z	LU1434522808	Capitalisation	EUR	586,233.00	969.87	1,007.18	1,010.51

### Candriam Sustainable Bond Global

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>315,703,938</b>	<b>389,118,347</b>	<b>230,351,043</b>
C	LU1434523012	Capitalisation	EUR	91,481.74	92.01	104.83	103.33
C	LU1434523103	Distribution	EUR	46,941.67	86.73	99.80	98.51
I	LU1434523285	Capitalisation	EUR	43,826.52	947.73	1,074.75	1,054.41
R	LU1434523442	Capitalisation	EUR	197,699.59	93.63	106.36	104.55
R - EUR - Asset Hedged	LU2211181891	Capitalisation	EUR	66,636.17	83.58	97.67	100.44
R2	LU1720118295	Capitalisation	EUR	93.94	102.76	116.51	114.28
R2	LU1720118022	Distribution	EUR	23,112.16	86.55	99.00	98.57
V	LU1434523525	Capitalisation	EUR	7,810.88	919.75	-	-
V - EUR - Asset Hedged	LU2211182196	Capitalisation	EUR	20,105.21	840.68	979.58	1,006.43
V (q) - GBP - Asset Hedged	LU2211182352	Distribution	GBP	115.10	830.44	973.06	1,008.84
V - USD - Asset Hedged	LU2211182436	Capitalisation	USD	820.56	868.72	992.15	1,010.67
Z	LU1434523798	Capitalisation	EUR	218,340.00	965.14	1,091.12	1,067.26

### Candriam Sustainable Bond Global Convertible

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>22,576,828</b>	-	-
C	LU2428020718	Capitalisation	EUR	10.00	99.99	-	-
I	LU2428020981	Capitalisation	EUR	1.00	1,002.49	-	-
R	LU2428021369	Capitalisation	EUR	10.00	100.22	-	-
Z	LU2428021872	Capitalisation	EUR	22,450.00	1,005.52	-	-

### Candriam Sustainable Bond Global High Yield

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>1,600,221,335</b>	<b>1,806,354,023</b>	<b>1,104,043,724</b>
C	LU1644441120	Capitalisation	EUR	1,070,990.18	102.49	113.39	111.54
C	LU1644441393	Distribution	EUR	21,872.88	89.68	104.12	107.21
C (m) - USD - Hedged	LU2364191697	Distribution	USD	9,579.12	89.26	100.54	-
C - USD - Unhedged	LU2109443460	Capitalisation	USD	1,052.00	81.61	96.21	101.82
I	LU1644441476	Capitalisation	EUR	238,202.13	1,059.17	1,164.50	1,138.37

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## Statistics

### Candriam Sustainable Bond Global High Yield (continued)

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
I	LU1644441633	Distribution	EUR	137,268.41	876.13	1,010.66	1,034.26
I - USD - Hedged	LU1644441559	Capitalisation	USD	6,822.37	1,056.95	1,137.54	1,103.55
I - USD - Hedged	LU2211180653	Distribution	USD	1.00	914.53	1,029.15	-
I - USD - Unhedged	LU2109443544	Capitalisation	USD	1.00	842.54	986.32	-
N	LU2027379515	Capitalisation	EUR	4,794.33	93.56	104.05	102.94
R	LU1644441716	Capitalisation	EUR	671,561.95	105.09	115.63	113.14
R	LU1720118378	Distribution	EUR	106,579.51	91.81	106.04	108.62
R - CHF - Hedged	LU2211180901	Capitalisation	CHF	2,206.85	92.26	102.12	100.24
R - USD - Hedged	LU2211181206	Capitalisation	USD	37,615.49	94.77	102.26	-
R2	LU2363112363	Distribution	EUR	79,097.28	91.66	100.58	-
S	LU1720118451	Capitalisation	EUR	27,425.66	1,003.10	1,098.75	1,070.22
S - USD - Hedged	LU2474803587	Capitalisation	USD	109,699.43	999.92	-	-
V	LU1644441807	Capitalisation	EUR	424,864.87	1,005.23	1,102.57	1,075.35
V - USD - Hedged	LU2211180067	Capitalisation	USD	6,662.26	956.80	1,027.54	-
Z	LU1644441989	Capitalisation	EUR	415,370.98	1,091.42	1,193.27	1,160.10

### Candriam Sustainable Bond Impact

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>38,072,843</b>	<b>46,572,584</b>	-
C	LU2369559823	Capitalisation	EUR	10.00	80.81	99.33	-
I	LU2369560169	Capitalisation	EUR	928.00	810.70	993.97	-
R	LU2369560326	Capitalisation	EUR	10.00	81.03	99.39	-
S	LU2369561050	Distribution	EUR	21,608.00	812.21	994.22	-
Z	LU2369561217	Capitalisation	EUR	24,300.00	813.53	994.45	-

### Candriam Sustainable Defensive Asset Allocation

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>141,591,117</b>	<b>190,770,120</b>	<b>122,339,194</b>
C	LU1644442102	Capitalisation	EUR	11,547.85	139.44	160.87	157.05
C	LU1644442284	Distribution	EUR	88.32	92.99	-	-
I	LU1644442367	Capitalisation	EUR	84,023.47	1,504.14	1,721.43	1,667.43
I	LU1644442441	Distribution	EUR	5,761.16	1,467.24	1,682.73	1,636.35
R	LU1644442524	Capitalisation	EUR	7,366.00	96.35	110.36	106.98
R2	LU1932633560	Distribution	EUR	50,260.02	88.01	100.66	-
V	LU1644442797	Capitalisation	EUR	1.60	936.56	-	-
Z	LU1644442870	Capitalisation	EUR	1.59	938.28	-	-

### Candriam Sustainable Equity Children

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>USD</b>		<b>77,441,723</b>	<b>3,644,593</b>	-
BF - EUR - Unhedged	LU2371175907	Capitalisation	EUR	40,156.02	850.61	-	-
BF - EUR - Unhedged	LU2371178836	Distribution	EUR	45,005.90	850.61	-	-
C	LU2371178752	Capitalisation	USD	1.00	76.88	104.51	-
I	LU2371178240	Capitalisation	USD	1.00	767.67	1,044.53	-
I - EUR - Unhedged	LU2371178083	Capitalisation	EUR	133.69	901.39	-	-
R	LU2371177275	Capitalisation	USD	1.00	77.18	104.57	-
Z - EUR - Unhedged	LU2371179057	Capitalisation	EUR	1.00	779.02	1,067.93	-

### Candriam Sustainable Equity Circular Economy

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>USD</b>		<b>431,165,388</b>	<b>272,303,788</b>	<b>177,841,609</b>
BF - EUR - Unhedged	LU2109443114	Capitalisation	EUR	132,330.62	890.67	-	-
BF - EUR - Unhedged	LU2109443205	Distribution	EUR	155,598.03	890.67	-	-
C	LU2109440870	Capitalisation	USD	99,143.71	124.52	164.84	148.46
C - EUR - Hedged	LU2109441175	Capitalisation	EUR	79,231.13	98.71	135.48	123.48
I	LU2109441258	Capitalisation	USD	2,458.26	1,277.39	1,675.05	1,494.26
I - EUR - Unhedged	LU2109441332	Capitalisation	EUR	20,097.09	1,213.66	1,493.60	1,238.34

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## Statistics

### Candriam Sustainable Equity Circular Economy (continued)

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
PI	LU2109441415	Capitalisation	USD	1,799.00	1,118.17	1,459.86	1,296.50
R	LU2109441688	Capitalisation	USD	5,960.00	127.37	167.19	149.30
R	LU2109441761	Distribution	USD	3,550.00	76.32	100.17	-
R - EUR - Hedged	LU2109441928	Capitalisation	EUR	24,316.78	88.20	120.03	108.53
R - EUR - Unhedged	LU2109441845	Capitalisation	EUR	22,750.29	87.21	107.44	-
R2	LU2109442066	Capitalisation	USD	2,727.00	92.38	120.82	107.50
R2	LU2109442140	Distribution	USD	14,744.75	113.52	151.27	135.69
V	LU2109442579	Capitalisation	USD	15,001.00	782.42	1,022.71	-
Z	LU2109442736	Capitalisation	USD	65,780.00	1,314.92	1,710.50	1,513.65

### Candriam Sustainable Equity Climate Action

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>USD</b>		<b>1,078,890,806</b>	<b>1,443,264,896</b>	<b>1,019,472,006</b>
BF - EUR - Unhedged	LU2016898996	Capitalisation	EUR	255,243.24	1,510.72	1,915.77	1,547.00
BF - EUR - Unhedged	LU2016899028	Distribution	EUR	205,242.13	1,462.47	1,885.67	1,547.00
C	LU1932633644	Capitalisation	USD	71,089.97	144.94	199.37	176.34
C	LU1932633727	Distribution	USD	838.32	131.65	184.70	165.94
C - EUR - Hedged	LU1932634022	Capitalisation	EUR	38,532.01	100.90	144.36	129.15
C - EUR - Unhedged	LU1932633990	Capitalisation	EUR	4,944.19	108.42	139.97	115.07
I	LU1932634295	Capitalisation	USD	28,848.75	1,499.94	2,044.08	1,791.01
I - EUR - Hedged	LU2059769906	Capitalisation	EUR	8,437.72	1,130.75	1,602.63	1,421.93
I - EUR - Unhedged	LU1932634378	Capitalisation	EUR	14,908.05	1,477.93	1,890.09	1,539.22
PI	LU1932635003	Capitalisation	USD	39,425.26	1,407.18	1,909.12	1,665.40
R	LU1932634451	Capitalisation	USD	13,508.40	149.45	203.85	178.80
R	LU1932634535	Distribution	USD	5,867.24	124.71	173.45	154.51
R - EUR - Hedged	LU1932634709	Capitalisation	EUR	1,203.35	117.81	167.13	148.43
R - EUR - Unhedged	LU1932634618	Capitalisation	EUR	61,955.40	148.36	189.91	154.82
R2	LU1932634881	Capitalisation	USD	4,800.00	141.50	192.32	168.08
R2	LU1932634964	Distribution	USD	549,157.14	144.87	200.77	178.21
Z	LU1932635185	Capitalisation	USD	64,441.09	1,544.27	2,087.56	1,814.52
Z - EUR - Unhedged	LU2211181388	Capitalisation	EUR	5,542.00	1,177.59	1,493.97	1,206.93

### Candriam Sustainable Equity Emerging Markets

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>2,886,356,517</b>	<b>2,240,251,849</b>	<b>1,207,571,117</b>
C	LU1434523954	Capitalisation	EUR	4,099,466.68	114.14	158.16	150.17
C	LU1434524093	Distribution	EUR	163,079.17	116.81	166.03	160.77
C - USD - Unhedged	LU1797946321	Capitalisation	USD	558,674.48	80.61	118.62	122.58
C - USD - Unhedged	LU2343014036	Distribution	USD	323,298.38	62.83	92.46	-
I	LU1434524259	Capitalisation	EUR	117,324.89	1,987.67	2,723.75	2,557.67
I - GBP - Unhedged	LU1434524333	Capitalisation	GBP	23,295.28	1,221.40	1,586.99	1,603.38
I - USD - Unhedged	LU1797946594	Capitalisation	USD	47,996.13	1,135.90	1,651.98	1,687.22
N	LU2027379606	Capitalisation	EUR	113.88	88.11	122.52	116.79
P	LU2421359626	Capitalisation	EUR	264,075.00	782.09	-	-
R	LU1434524416	Capitalisation	EUR	587,262.91	164.63	226.12	212.85
R	LU1720118535	Distribution	EUR	189,402.76	87.84	123.70	118.79
R - GBP - Unhedged	LU1434524689	Capitalisation	GBP	11,663.41	242.22	315.45	319.47
R - USD - Unhedged	LU1797946677	Capitalisation	USD	39,528.00	96.44	97.22	-
R2	LU1434524762	Capitalisation	EUR	114,768.57	106.34	145.59	136.62
R2	LU1434524846	Distribution	EUR	16,972.80	102.34	143.53	137.27
S	LU2363113171	Capitalisation	EUR	117,611.00	729.43	-	-
V	LU1434524929	Capitalisation	EUR	386,295.53	1,053.22	1,440.24	1,349.73
V - USD - Unhedged	LU1797946750	Capitalisation	USD	51,775.41	904.67	-	-
Z	LU1434525066	Capitalisation	EUR	537,319.41	2,129.57	2,900.52	2,707.83

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## Statistics

### Candriam Sustainable Equity EMU

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>411,623,511</b>	<b>492,942,322</b>	<b>328,567,922</b>
C	LU1313771187	Capitalisation	EUR	625,885.10	153.77	180.00	145.22
C	LU1313771260	Distribution	EUR	205,739.61	101.93	121.66	99.80
I	LU1313771344	Capitalisation	EUR	112,077.40	1,533.71	1,775.21	1,415.98
R	LU1313771427	Capitalisation	EUR	79,699.40	163.47	189.67	151.67
R	LU1720121679	Distribution	EUR	13,365.83	115.67	136.71	109.32
R2	LU1434525223	Capitalisation	EUR	71,374.98	126.43	146.28	116.65
R2	LU1434525496	Distribution	EUR	650.00	115.69	136.36	110.46
V	LU1313771690	Capitalisation	EUR	1.00	1,772.93	2,048.76	-
Z	LU1313771773	Capitalisation	EUR	515,998.23	191.55	220.47	174.89

### Candriam Sustainable Equity Europe

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>1,340,558,137</b>	<b>1,888,267,515</b>	<b>1,015,993,473</b>
C	LU1313771856	Capitalisation	EUR	4,542,253.66	25.07	29.13	140.72
C	LU1313771930	Distribution	EUR	879,889.70	18.69	22.27	107.63
I	LU1313772078	Capitalisation	EUR	10,172,578.25	30.00	34.47	1,371.41
N	LU2027379788	Capitalisation	EUR	1,916.94	115.93	135.34	109.42
R	LU1313772151	Capitalisation	EUR	365,638.12	159.12	183.31	146.27
R	LU1720118618	Distribution	EUR	12,000.00	95.32	112.82	-
R2	LU1720118709	Capitalisation	EUR	109,624.48	133.39	153.22	121.88
R2	LU1720118964	Distribution	EUR	28,754.23	116.73	137.47	111.46
V	LU1313772235	Capitalisation	EUR	39,649.26	1,831.50	2,100.20	-
Z	LU1313772318	Capitalisation	EUR	460,905.37	1,577.87	1,803.03	1,426.82
Z	LU1434525819	Distribution	EUR	21,821.00	1,270.08	1,487.76	1,199.81

### Candriam Sustainable Equity Europe Small & Mid Caps

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>190,380,952</b>	<b>228,658,340</b>	<b>-</b>
C	LU2258565089	Capitalisation	EUR	4,383.17	248.71	317.53	-
C	LU2258565162	Distribution	EUR	160.62	110.42	204.69	-
I	LU2258565246	Capitalisation	EUR	3,074.69	2,301.44	2,905.71	-
R	LU2258565675	Capitalisation	EUR	1,238.79	195.78	247.84	-
R2	LU2258565758	Capitalisation	EUR	2,450.99	1,972.99	2,488.80	-
R2	LU2258565832	Distribution	EUR	201,397.96	204.60	258.09	-
Z	LU2258566053	Capitalisation	EUR	51,064.99	2,661.55	3,340.03	-

### Candriam Sustainable Equity Future Mobility

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>USD</b>		<b>240,041,599</b>	<b>307,398,902</b>	<b>14,551,454</b>
BF - EUR - Unhedged	LU2258562656	Capitalisation	EUR	129,561.69	834.86	1,102.49	-
BF - EUR - Unhedged	LU2258562730	Distribution	EUR	121,269.90	834.86	1,102.49	-
C	LU2258562813	Capitalisation	USD	4,951.50	79.11	113.31	101.53
C - EUR - Hedged	LU2258563118	Capitalisation	EUR	1,158.67	67.05	99.95	-
I	LU2258563209	Capitalisation	USD	143.00	801.64	1,137.53	1,015.33
I - EUR - Unhedged	LU2258563381	Capitalisation	EUR	215.00	848.82	1,130.49	-
R	LU2258563464	Capitalisation	USD	1.00	81.03	114.44	101.54
R2	LU2258564199	Distribution	USD	6,000.00	75.05	108.44	-
V	LU2258564512	Capitalisation	USD	10.00	806.86	1,141.26	1,015.41
Z	LU2258564603	Capitalisation	USD	18,559.00	824.73	1,160.94	1,027.94

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## Statistics

### Candriam Sustainable Equity Japan

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>JPY</b>		<b>54,709,644,108</b>	<b>32,875,952,098</b>	<b>15,625,753,538</b>
C	LU1434526460	Capitalisation	JPY	1,162,169.14	2,839.00	3,116.00	16,561.00
C	LU1434526544	Distribution	JPY	302,734.24	2,865.00	3,211.00	-
I	LU1434526627	Capitalisation	JPY	47,144.66	157,784.00	171,231.00	150,409.00
N	LU2027379861	Capitalisation	JPY	170.26	14,589.00	16,087.00	14,358.00
R	LU1434526890	Capitalisation	JPY	30,631.46	2,640.00	2,872.00	15,124.00
R	LU1720120192	Distribution	JPY	5,791.51	12,928.00	14,326.00	12,934.00
R - EUR - Hedged	LU1720120358	Distribution	EUR	500.00	97.28	108.97	99.24
R - EUR - Unhedged	LU1434526973	Capitalisation	EUR	59,426.22	110.57	130.03	117.29
R2	LU1720120515	Capitalisation	JPY	276,692.44	12,976.00	14,077.00	12,357.00
R2	LU1720120788	Distribution	JPY	15,404.95	12,816.00	14,170.00	12,699.00
Z	LU1434527278	Capitalisation	JPY	194,449.73	174,152.00	187,930.00	164,169.00
Z - EUR - Hedged	LU2501585306	Capitalisation	EUR	32,739.31	946.81	-	-

### Candriam Sustainable Equity Quant Europe

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>399,999,315</b>	-	-
C	LU2378104066	Capitalisation	EUR	19,683.50	2,959.74	-	-
C	LU2378104140	Distribution	EUR	4,410.17	1,886.12	-	-
I	LU2378104223	Capitalisation	EUR	7,805.74	3,591.31	-	-
N	LU2378104652	Capitalisation	EUR	78.44	2,712.08	-	-
R	LU2378104736	Capitalisation	EUR	1,299.23	156.57	-	-
R - GBP - Unhedged	LU2378104819	Capitalisation	GBP	6.00	215.17	-	-
R2	LU2378104900	Capitalisation	EUR	8,653.49	181.54	-	-
R2	LU2378105030	Distribution	EUR	-	-	-	-
V	LU2378105113	Capitalisation	EUR	75.99	1,840.96	-	-
Z	LU2378105204	Capitalisation	EUR	63,504.81	4,020.43	-	-
Z	LU2378105386	Distribution	EUR	24,370.00	1,967.38	-	-

### Candriam Sustainable Equity US

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>USD</b>		<b>1,528,375,671</b>	<b>1,910,075,814</b>	-
BF - EUR - Unhedged	LU2227860371	Capitalisation	EUR	82,702.00	1,043.03	1,247.17	-
C	LU2227857070	Capitalisation	USD	1,952,439.24	44.52	57.64	-
C	LU2227857153	Distribution	USD	468,919.20	43.94	57.62	-
C - EUR - Hedged	LU2227857310	Capitalisation	EUR	1,548.06	85.62	114.73	-
C - EUR - Unhedged	LU2227857237	Capitalisation	EUR	141,329.75	101.62	123.51	-
I	LU2227857401	Capitalisation	USD	2,792,646.82	54.42	69.65	-
I	LU2227857583	Distribution	USD	16,313.99	53.75	69.65	-
I - EUR - Hedged	LU2227857740	Capitalisation	EUR	77,565.44	870.62	1,154.48	-
I - EUR - Unhedged	LU2227857666	Capitalisation	EUR	26,477.43	1,035.40	1,243.76	-
I - GBP - Unhedged	LU2227857823	Capitalisation	GBP	1.00	1,065.95	1,212.47	-
R	LU2227858128	Capitalisation	USD	117,263.60	90.41	115.94	-
R - CHF - Hedged	LU2227858714	Capitalisation	CHF	10.00	86.51	115.13	-
R - EUR - Unhedged	LU2227858474	Capitalisation	EUR	92,258.57	103.24	124.25	-
R - GBP - Unhedged	LU2227858805	Capitalisation	GBP	24.13	106.31	121.07	-
R2	LU2227858987	Capitalisation	USD	245,483.41	90.70	116.08	-
R2	LU2227859019	Distribution	USD	39,336.07	89.58	116.07	-
R2 - EUR - Unhedged	LU2227859100	Capitalisation	EUR	1,726.57	103.57	124.40	-
S	LU2227859282	Capitalisation	USD	1.00	902.47	1,158.59	-
V	LU2227859365	Capitalisation	USD	186,911.12	909.78	1,162.04	-
V - EUR - Hedged	LU2227859449	Capitalisation	EUR	6,930.00	1,215.98	1,608.92	-
Z	LU2227859522	Capitalisation	USD	812,403.53	913.42	1,163.76	-
Z	LU2227859795	Distribution	USD	1.00	901.77	1,163.23	-
Z - EUR - Hedged	LU2227859878	Capitalisation	EUR	105,722.46	809.04	1,068.36	-

# Candriam Sustainable

## Statistics

### Candriam Sustainable Equity World

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>1,132,975,070</b>	<b>1,154,931,881</b>	<b>587,566,234</b>
C	LU1434527435	Capitalisation	EUR	8,943,481.95	27.99	33.70	126.74
C	LU1434527518	Distribution	EUR	1,364,434.20	24.58	30.05	298.61
C - USD - Unhedged	LU2016899291	Capitalisation	USD	1,966.78	86.72	111.23	-
I	LU1434527781	Capitalisation	EUR	480,658.15	547.22	651.65	484.77
I	LU1434527864	Distribution	EUR	430.80	2,483.90	3,001.91	2,266.48
N	LU2027379945	Capitalisation	EUR	20,505.22	122.50	148.21	112.03
R	LU1434528169	Capitalisation	EUR	154,032.21	185.96	221.98	165.56
R - GBP - Unhedged	LU1434528243	Capitalisation	GBP	11.60	236.01	266.56	211.90
R2	LU1720121166	Capitalisation	EUR	11,535.56	124.00	147.61	109.78
V	LU1434528672	Capitalisation	EUR	363,942.99	265.29	315.26	-
Z	LU1434528839	Capitalisation	EUR	1,437,916.21	277.64	328.79	243.24
C - EUR - Asset Hedged	LU2420561321	Capitalisation	EUR	598,815.22	94.38	-	-

### Candriam Sustainable Money Market Euro

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.12.2022	Net asset value per share as at 31.12.2021	Net asset value per share as at 31.12.2020
<b>Total net assets</b>			<b>EUR</b>		<b>1,054,243,850</b>	<b>937,369,198</b>	<b>493,631,130</b>
C	LU1434529050	Capitalisation	EUR	9,973.50	1,096.84	1,099.91	1,109.02
C	LU1434529134	Distribution	EUR	3,171.74	1,047.14	1,050.07	1,058.78
I	LU1434529217	Capitalisation	EUR	79,053.87	1,159.79	1,160.94	1,168.48
I	LU1434529308	Distribution	EUR	4,434.00	1,105.43	1,106.54	1,113.72
V	LU1434529647	Capitalisation	EUR	308,210.99	1,016.61	1,016.69	1,022.35
Z	LU1434529993	Capitalisation	EUR	598,365.23	1,052.98	1,052.46	1,057.70



# Candriam Sustainable

## Candriam Sustainable Balanced Asset Allocation

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Undertakings for Collective Investment</b>				
<b>Shares/Units in investment funds</b>				
<b>Emerging Markets</b>				
CANDRIAM SUSTAINABLE BOND EMERGING MARKETS Z C	232	USD	230,683	3.09
CANDRIAM SUSTAINABLE EQUITY EMERGING MARKETS Z C	313	EUR	666,627	8.92
			<b>897,310</b>	<b>12.01</b>
<b>European Union</b>				
CANDRIAM FUND SUSTAINABLE EUROPEAN EQUITIES FOSSIL FREE Z C	46	EUR	97,859	1.31
CANDRIAM SUSTAINABLE EQUITY EUROPE Z C	788	EUR	1,243,369	16.64
CANDRIAM SUSTAINABLE EQUITY QUANT EUROPE Z C	106	EUR	426,168	5.70
INDEXIQ FACTORS SUSTAINABLE SOVEREIGN EURO BOND UCITS ETF D	3,034	EUR	65,443	0.88
			<b>1,832,839</b>	<b>24.53</b>
<b>Japan</b>				
CANDRIAM SUSTAINABLE EQUITY JAPAN Z C	131	JPY	162,010	2.17
			<b>162,010</b>	<b>2.17</b>
<b>Supranational</b>				
CANDRIAM FUND SUSTAINABLE EURO CORPORATE BONDS FOSSIL FREE Z C	56	EUR	76,520	1.02
CANDRIAM SUSTAINABLE BOND EURO CORPORATE Z C	664	EUR	626,125	8.38
CANDRIAM SUSTAINABLE BOND EURO SHORT TERM Z C	927	EUR	899,042	12.03
CANDRIAM SUSTAINABLE BOND EURO Z C	1,006	EUR	904,273	12.10
CANDRIAM SUSTAINABLE BOND GLOBAL HIGH YIELD Z C	142	EUR	154,962	2.07
CANDRIAM SUSTAINABLE BOND GLOBAL Z C	392	EUR	378,354	5.06
CANDRIAM SUSTAINABLE EQUITY CIRCULAR ECONOMY Z C	45	USD	55,443	0.74
CANDRIAM SUSTAINABLE EQUITY CLIMATE ACTION Z C	72	USD	104,181	1.39
CANDRIAM SUSTAINABLE EQUITY WORLD Z C	326	EUR	90,511	1.21
			<b>3,289,411</b>	<b>44.02</b>
<b>United States of America</b>				
CANDRIAM SUSTAINABLE EQUITY US Z C	1,129	USD	966,270	12.93
			<b>966,270</b>	<b>12.93</b>
<b>Total Shares/Units in investment funds</b>			<b>7,147,840</b>	<b>95.65</b>
<b>Total Undertakings for Collective Investment</b>			<b>7,147,840</b>	<b>95.65</b>
<b>Total investment portfolio</b>			<b>7,147,840</b>	<b>95.65</b>
Acquisition cost			7,310,626	

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 Sustainable

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## Candriam Sustainable Balanced Asset Allocation

Geographical and economic breakdown of investments as at December 31, 2022

**Geographical breakdown (in % of net assets)**

Supranational	44.02
European Union	24.53
United States of America	12.93
Emerging Markets	12.01
Japan	2.17
	<b>95.65</b>

**Economic breakdown (in % of net assets)**

Investments funds	95.65
	<b>95.65</b>

# Candriam Sustainable

## Candriam Sustainable Bond Emerging Markets

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Bonds</b>				
<b>Albania</b>				
ALBANIA 3.5 20-27 16/06A	7,400,000	EUR	7,087,391	0.60
			<b>7,087,391</b>	<b>0.60</b>
<b>Bermuda</b>				
BERMUDA 3.375 20-50 20/08S	3,000,000	USD	2,127,585	0.18
BERMUDA 5 22-32 15/07S	6,308,000	USD	6,292,198	0.53
GOVT OF BERMUDA 2.3750 20-30 20/08S	13,277,000	USD	11,253,917	0.95
			<b>19,673,700</b>	<b>1.66</b>
<b>Brazil</b>				
BRAZIL 2.625 12-23 05/01S	12,000,000	USD	11,989,680	1.01
BRAZIL 3.875 20-30 12/06S	7,000,000	USD	6,090,315	0.51
BRAZIL 4.25 13-25 07/01S	7,000,000	USD	6,867,175	0.58
BRAZIL 4.50 19-29 30/05S	8,000,000	USD	7,440,360	0.63
BRAZIL 4.625 17-28 13/01S	2,000,000	USD	1,918,650	0.16
BRAZILIAN GOVERNMENT 3.75 21-31 12/09S	9,000,000	USD	7,575,750	0.64
KLABIN AUSTRIA GMBH 3.2 21-31 12/01S	7,000,000	USD	5,663,455	0.48
LIGHT SERVICOS DE EL 4.375 21-26 18/06S	4,000,000	USD	3,362,040	0.28
MARB BONDCO PLC 3.95 21-31 29/01S	7,000,000	USD	5,434,065	0.46
			<b>56,341,490</b>	<b>4.75</b>
<b>Chile</b>				
CHILE 2.55 20-32 27/01S	15,000,000	USD	12,332,325	1.04
CHILE 2.55 21-33 27/07S	18,000,000	USD	14,152,680	1.19
CHILE 3.10 21-61 22/01S	12,000,000	USD	7,542,780	0.64
CHILE GOVT INTL BOND 3.5 21-53 15/04S	12,000,000	USD	8,568,600	0.72
INVERSIONES LATIN AM 5.125 21-33 15/06S	6,856,153	USD	3,319,201	0.28
REPUBLIC OF CHI 3.5000 22-34 31/01S	12,000,000	USD	10,277,220	0.87
REPUBLIC OF CHI 4.3400 22-42 07/03S	7,000,000	USD	5,942,720	0.50
			<b>62,135,526</b>	<b>5.24</b>
<b>Colombia</b>				
COLOMBIA 10.375 03-33 28/01S	1,750,000	USD	1,959,688	0.17
COLOMBIA 3.2500 21-32 22/04S	10,000,000	USD	7,295,900	0.62
COLOMBIA 3.875 17-27 25/04S	10,000,000	USD	8,873,250	0.75
COLOMBIA 4.125 20-51 15/05S	8,000,000	USD	4,837,800	0.41
COLOMBIA 4.1250 21-42 22/02S	6,000,000	USD	3,791,910	0.32
COLOMBIA 4.95 20-30 17/07S	12,000,000	USD	9,651,000	0.81
COLOMBIA 5.20 19-49 15/05S	7,000,000	USD	4,816,455	0.41
COLOMBIA 6.125 09-41 18/01S	5,000,000	USD	4,005,850	0.34
MILLICOM INTL CELL 4.50 20-31 27/04S	5,000,000	USD	4,228,500	0.36
REPUBLIC OF COL 8.0000 22-33 20/04S	5,000,000	USD	5,019,200	0.42
			<b>54,479,553</b>	<b>4.59</b>
<b>Costa Rica</b>				
COSTA RICA 4.375 13-25 30/04S	10,000,000	USD	9,699,050	0.82
COSTA RICA 7.158 15-45 12/03S	5,000,000	USD	4,796,700	0.40
			<b>14,495,750</b>	<b>1.22</b>
<b>Croatia</b>				
CROATIA 1.75 21-41 04/03A	11,000,000	EUR	8,314,737	0.70
CROATIA 6.00 13-24 26/01S	12,194,000	USD	12,274,663	1.04
			<b>20,589,400</b>	<b>1.74</b>
<b>Dominican Republic</b>				
DOMINICAN REPUBLIC 4.5 20-30 30/01S	6,000,000	USD	5,126,580	0.43
DOMINICAN REPUBLIC 5.50 15-25 27/01S	15,000,000	USD	14,938,200	1.26
DOMINICAN REPUBLIC 5.875 20-60 30/01S	9,000,000	USD	6,632,235	0.56
DOMINICAN REPUBLIC 5.95 17-27 25/01S	8,000,000	USD	7,848,640	0.66
DOMINICAN REPUBLIC 6.00 18-28 19/07S	10,000,000	USD	9,644,200	0.81
DOMINICAN REPUBLIC 6.40 19-49 05/06S	5,000,000	USD	4,052,750	0.34
			<b>48,242,605</b>	<b>4.07</b>

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# Candriam Sustainable

## Candriam Sustainable Bond Emerging Markets

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
<b>Ecuador</b>				
ECUADOR 0.5 20-35 31/07S	32,000,000	USD	14,831,360	1.25
ECUADOR 0.50 20-40 31/07S	20,000,000	USD	8,229,200	0.69
			<b>23,060,560</b>	<b>1.94</b>
<b>Georgia</b>				
GEORGIA 2.7500 21-26 22/04S	4,000,000	USD	3,637,940	0.31
GEORGIAN RAILWAY JSC 4 21-28 17/06S	11,800,000	USD	10,377,274	0.88
			<b>14,015,214</b>	<b>1.18</b>
<b>Ghana</b>				
GHANA 7.75 21-29 07/04S	9,600,000	USD	3,611,232	0.30
GHANA 7.875 20-35 11/02S	5,000,000	USD	1,795,950	0.15
GHANA 8.125 19-32 26/03S	5,000,000	USD	1,835,075	0.15
GHANA 8.6270 18-49 16/06S	6,000,000	USD	2,084,850	0.18
			<b>9,327,107</b>	<b>0.79</b>
<b>Guatemala</b>				
GUATEMALA 4.375 17-27 05/06S	4,000,000	USD	3,794,700	0.32
GUATEMALA 4.50 16-26 03/05S	9,000,000	USD	8,675,505	0.73
GUATEMALA 4.875 13-28 13/02S	8,000,000	USD	7,724,560	0.65
GUATEMALA 4.90 19-30 01/06S	8,500,000	USD	8,076,232	0.68
GUATEMALA 5.25 22-29 10/08S	5,000,000	USD	4,827,925	0.41
			<b>33,098,922</b>	<b>2.79</b>
<b>Hungary</b>				
HUNGARY 3.1250 21-51 21/09S	12,000,000	USD	7,250,460	0.61
HUNGARY 5.0000 22-27 22/02A	11,500,000	EUR	12,189,486	1.03
HUNGARY 5.375 14-24 25/03S	9,000,000	USD	9,002,880	0.76
HUNGARY 7.625 11-41 29/03S	7,000,000	USD	7,664,370	0.65
HUNGARY GOVERNMENT 2.125 21-31 22/09S	11,000,000	USD	8,169,150	0.69
HUNGARY GOVERNMENT 5.25 22-29 16/06S	9,000,000	USD	8,628,075	0.73
			<b>52,904,421</b>	<b>4.46</b>
<b>India</b>				
BHARTI AIRTEL LTD3.25 21-31 03/06S	7,000,000	USD	5,944,855	0.50
EXP IMP BANK INDI 3.25 20-30 15/01S	553,000	USD	481,757	0.04
GREENKO DUTCH B.V. 3.85 21-26 29/03S	3,342,500	USD	2,913,239	0.25
GREENKO POWER II LTD 4.3 21-28 13/12S	4,870,500	USD	4,098,526	0.35
GREENKO SOLAR MAURIT 5.95 19-26 29/07S	8,000,000	USD	7,308,720	0.62
			<b>20,747,097</b>	<b>1.75</b>
<b>Indonesia</b>				
INDONESIA 3.55 22-32 31/03S	13,500,000	USD	12,318,952	1.04
INDONESIA 3.8500 20-30 15/10S	5,000,000	USD	4,722,225	0.40
INDONESIA 4.65 22-32 20/09S	8,000,000	USD	7,881,920	0.66
INDONESIA 4.75 18-29 11/02S	5,000,000	USD	5,025,400	0.42
INDONESIA REG-S 1.40 19-31 30/10A	4,000,000	EUR	3,343,737	0.28
PERUSAHAAN PENE 4.7000 22-32 06/06S	5,350,000	USD	5,298,774	0.45
PERUSAHAAN PENER 4.55 16-26 29/03S	12,000,000	USD	12,015,360	1.01
PERUSAHAAN PENERBIT 3.55 21-51 09/06S	22,000,000	USD	16,793,700	1.42
PERUSAHAAN PENERBIT 3.75 18-23 01/03S	6,000,000	USD	5,996,370	0.51
PERUSAHAAN PENERBIT 4.40 18-28 01/03S	5,500,000	USD	5,443,350	0.46
			<b>78,839,788</b>	<b>6.65</b>
<b>Ivory Coast</b>				
IVORY COAST 4.8750 20-32 30/01A	17,000,000	EUR	14,357,842	1.21
IVORY COAST 6.125 17-33 15/06S	2,000,000	USD	1,787,290	0.15
			<b>16,145,132</b>	<b>1.36</b>
<b>Jamaica</b>				
JAMAICA 6.75 15-28 28/04S	10,000,000	USD	10,645,450	0.90
JAMAICA 7.875 15-45 28/07S	6,000,000	USD	6,776,010	0.57
JAMAICA 8.00 07-39 15/03S	4,000,000	USD	4,698,980	0.40
			<b>22,120,440</b>	<b>1.87</b>
<b>Malaysia</b>				
MALAYSIA WAKALA SUKUK 2.07 21-31 28/04S	18,000,000	USD	15,332,580	1.29
MALAYSIA WAKALA SUKUK 3.075 21-51 28/04S	5,500,000	USD	4,011,782	0.34

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# Candriam Sustainable

## Candriam Sustainable Bond Emerging Markets

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
			<b>19,344,362</b>	<b>1.63</b>
<b>Mexico</b>				
GRUPO KUO SAB DE CV 5.75 17-27 07/07S	10,000,000	USD	9,397,750	0.79
MEXICO 1.75 18-28 17/04A	4,000,000	EUR	3,824,682	0.32
MEXICO 2.125 21-51 25/10A	5,509,000	EUR	3,245,414	0.27
MEXICO 2.659 20-31 24/05S	12,000,000	USD	9,691,200	0.82
MEXICO 3.25 20-30 16/04S	5,000,000	USD	4,367,650	0.37
MEXICO 3.771 20-61 24/05S	10,000,000	USD	6,374,000	0.54
MEXICO 4.15 17-27 28/03S	10,000,000	USD	9,758,350	0.82
MEXICO 4.28 21-41 14/08S	18,000,000	USD	13,921,830	1.17
MEXICO 5.0000 20-51 27/04S	4,500,000	USD	3,671,258	0.31
MEXICO GOV INTER 4.75 20-32 27/04S	15,000,000	USD	14,078,400	1.19
MEXICO GOVERNMENT IN 3.75 21-71 19/04S	16,500,000	USD	10,353,255	0.87
ORBIA ADVANCE CORP 5.875 14-44 17/09S	6,000,000	USD	5,231,160	0.44
			<b>93,914,949</b>	<b>7.92</b>
<b>Montenegro</b>				
MONTENEGRO 2.55 19-29 03/10A	7,500,000	EUR	5,747,822	0.48
			<b>5,747,822</b>	<b>0.48</b>
<b>Morocco</b>				
MOROCCO 3.0000 20-32 15/12S	1,000,000	USD	796,950	0.07
MOROCCO 4.0 20-50 15/12S	4,000,000	USD	2,742,200	0.23
			<b>3,539,150</b>	<b>0.30</b>
<b>Panama</b>				
PANAMA 2.2520 20-32 29/09S	8,750,000	USD	6,514,725	0.55
PANAMA 3.16 19-30 23/01S	10,000,000	USD	8,631,600	0.73
PANAMA 3.75 19-26 17/04S	3,500,000	USD	3,303,738	0.28
PANAMA 3.87 19-60 23/07S	10,000,000	USD	6,497,200	0.55
PANAMA 4.30 13-53 29/04S	12,000,000	USD	8,780,700	0.74
PANAMA 4.50 18-50 16/04S	11,000,000	USD	8,356,205	0.70
PANAMA 6.70 06-36 26/01S	4,000,000	USD	4,201,220	0.35
REPUBLIC OF PAN 4.5000 22-63 19/01S	5,000,000	USD	3,555,525	0.30
REPUBLIC OF PAN 6.4000 22-35 14/02S	7,000,000	USD	7,135,695	0.60
			<b>56,976,608</b>	<b>4.80</b>
<b>Paraguay</b>				
PARAGUAY 4.95 20-31 28/04S	5,000,000	USD	4,861,450	0.41
PARAGUAY 5.40 19-50 30/03S	5,000,000	USD	4,338,250	0.37
PARAGUAY 6.10 14-44 11/08S	5,000,000	USD	4,829,075	0.41
			<b>14,028,775</b>	<b>1.18</b>
<b>People's Republic of China</b>				
FORTUNE STAR BVI 5.05 21-27 27/01S	12,000,000	USD	7,723,200	0.65
			<b>7,723,200</b>	<b>0.65</b>
<b>Peru</b>				
COFIDE 4.75 15-25 15/07S	6,000,000	USD	5,826,180	0.49
CORP FINANCIERA 2.4000 20-27 28/09S	6,400,000	USD	5,363,584	0.45
LIMA METRO LINE REGS 4.35 19-36 05/04Q	13,899,114	USD	12,412,326	1.05
PERU 2.7830 20-31 23/01S	15,000,000	USD	12,459,225	1.05
PERU 3.3 21-41 11/03S	5,000,000	USD	3,671,925	0.31
PERU 3.60 21-72 15/01S	2,000,000	USD	1,312,180	0.11
REPUBLIC OF PER 3.0000 21-34 15/01S	13,000,000	USD	10,306,855	0.87
REPUBLIQUE DU PEROU 1.95 21-36 17/11A	10,000,000	EUR	7,380,407	0.62
			<b>58,732,682</b>	<b>4.95</b>
<b>Philippines</b>				
PHILIPPINE GOVT IN BD 3.229 22-27 29/03S	12,000,000	USD	11,387,520	0.96
PHILIPPINE GOVT INT 4.2 22-47 29/03S	10,000,000	USD	8,589,400	0.72
PHILIPPINES 3.75 19-29 14/01S	6,000,000	USD	5,747,850	0.48
REPUBLIC OF PHI 5.6090 22-33 13/04S	3,809,000	USD	4,038,188	0.34
			<b>29,762,958</b>	<b>2.51</b>
<b>Poland</b>				
POLAND 3.25 16-26 06/04S	8,600,000	USD	8,256,473	0.70
POLAND 4.00 14-24 22/01S	5,400,000	USD	5,337,360	0.45

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# Candriam Sustainable

## Candriam Sustainable Bond Emerging Markets

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
POLAND GOVERNMENT INTER 5.5 22-27 16/11S	20,000,000	USD	20,591,400	1.74
REPUBLIC OF POL 5.7500 22-32 16/11S	25,000,000	USD	26,697,875	2.25
			<b>60,883,108</b>	<b>5.13</b>
<b>Romania</b>				
ROMANIA 3.0 20-31 14/02S	6,420,000	USD	5,081,494	0.43
ROMANIA 3.0000 22-27 27/02S	20,000,000	USD	17,754,500	1.50
ROMANIA 3.375 18-38 08/02A	2,000,000	EUR	1,450,105	0.12
ROMANIA 4.0000 20-51 14/02S	3,000,000	USD	1,995,945	0.17
ROMANIAN GOVERNMENT 5.25 22-27 25/05S	21,000,000	USD	20,229,510	1.71
ROMANIAN GOVERNMENT 6.0 22-34 25/05S	13,500,000	USD	12,654,698	1.07
ROUMANIA 5.125 18-48 15/06S	4,000,000	USD	3,194,940	0.27
			<b>62,361,192</b>	<b>5.26</b>
<b>Senegal</b>				
SENEGAL 6.25 17-33 23/05S	6,000,000	USD	4,969,530	0.42
SENEGAL 6.75 18-48 13/03S	3,000,000	USD	2,126,490	0.18
SENEGAL GOVERNEMENT 5.375 21-37 08/06A	9,000,000	EUR	6,486,617	0.55
			<b>13,582,637</b>	<b>1.15</b>
<b>Serbia</b>				
REPUBLIC OF SER 2.0500 21-36 23/09A	3,000,000	EUR	1,817,121	0.15
SERBIA 1.5 19-29 26/06A	5,333,000	EUR	4,092,491	0.35
SERBIA 2.125 20-30 01/12S	14,000,000	USD	10,113,110	0.85
SERBIA 3.1250 20-27 15/05A	6,000,000	EUR	5,526,989	0.47
			<b>21,549,711</b>	<b>1.82</b>
<b>South Africa</b>				
REPUBLIC OF SOU 5.8750 22-32 20/04S	6,000,000	USD	5,436,120	0.46
REPUBLIC OF SOU 7.3000 22-52 20/04S	8,000,000	USD	6,910,680	0.58
SOUTH AFRICA 4.30 16-28 12/10S	4,500,000	USD	4,023,000	0.34
SOUTH AFRICA 4.85 19-29 30/09S	7,000,000	USD	6,259,155	0.53
SOUTH AFRICA 4.875 16-26 14/04S	5,000,000	USD	4,853,050	0.41
SOUTH AFRICA 5.65 17-47 27/09S	10,000,000	USD	7,384,550	0.62
SOUTH AFRICA 5.75 19-49 30/09S	10,000,000	USD	7,394,300	0.62
SOUTH AFRICA 5.875 13-25 16/09S	5,000,000	USD	5,020,325	0.42
			<b>47,281,180</b>	<b>3.99</b>
<b>Trinidad and Tobago</b>				
TRINIDAD & TOBAGO 4.50 20-30 26/06S	2,000,000	USD	1,901,860	0.16
TRINIDAD TOBAGO REGS 4.50 16-26 04/08S	4,000,000	USD	3,946,460	0.33
			<b>5,848,320</b>	<b>0.49</b>
<b>United States of America</b>				
UNIT STAT TREA BIL ZCP 02-11-23	35,000,000	USD	33,467,813	2.82
			<b>33,467,813</b>	<b>2.82</b>
<b>Uruguay</b>				
REPUBLICA ORIEN 5.7500 22-34 28/10S	9,790,000	USD	10,611,136	0.89
URUGUAY 4.125 12-45 20/11S	5,000,000	USD	4,641,975	0.39
URUGUAY 4.975 18-55 20/04S	10,000,000	USD	9,620,200	0.81
URUGUAY 7.875 03-33 15/01S	8,000,000	USD	9,992,200	0.84
			<b>34,865,511</b>	<b>2.94</b>
<b>Total bonds</b>			<b>1,122,914,074</b>	<b>94.70</b>
<b>Floating rate notes</b>				
<b>Brazil</b>				
BRAZIL MINAS SPE REGS FL.R 13-28 15/02S	1,620,000	USD	1,574,915	0.13
			<b>1,574,915</b>	<b>0.13</b>
<b>Ivory Coast</b>				
IVORY COAST FL.R 10-32 31/12S	6,896,395	USD	6,555,299	0.55
			<b>6,555,299</b>	<b>0.55</b>
<b>Namibia</b>				
NAMIBIA FL.R 15-25 29/10S	18,000,000	USD	16,912,620	1.43
			<b>16,912,620</b>	<b>1.43</b>
<b>Total floating rate notes</b>			<b>25,042,834</b>	<b>2.11</b>

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## Candriam Sustainable

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### Candriam Sustainable Bond Emerging Markets

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>1,147,956,908</b>	<b>96.81</b>
<b>Total investment portfolio</b>			<b>1,147,956,908</b>	<b>96.81</b>
Acquisition cost			1,322,339,593	

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 Sustainable

## Candriam Sustainable Bond Emerging Markets

Geographical and economic breakdown of investments as at December 31, 2022

### Geographical breakdown (in % of net assets)

Mexico	7.92
Indonesia	6.65
Romania	5.26
Chile	5.24
Poland	5.13
Peru	4.95
Brazil	4.88
Panama	4.80
Colombia	4.59
Hungary	4.46
Dominican Republic	4.07
South Africa	3.99
Uruguay	2.94
United States of America	2.82
Guatemala	2.79
Philippines	2.51
Ecuador	1.94
Ivory Coast	1.91
Jamaica	1.87
Serbia	1.82
India	1.75
Croatia	1.74
Bermuda	1.66
Malaysia	1.63
Namibia	1.43
Costa Rica	1.22
Paraguay	1.18
Georgia	1.18
Senegal	1.15
Ghana	0.79
People's Republic of China	0.65
Albania	0.60
Trinidad and Tobago	0.49
Montenegro	0.48
Morocco	0.30
	<b>96.81</b>

### Economic breakdown (in % of net assets)

Bonds of States, Provinces and municipalities	77.69
Banks and other financial institutions	7.68
Non Classifiable Institutions	3.84
Non classifiable Institutions	2.05
Communication	1.67
Investments funds	1.03
Transportation	0.88
Utilities	0.53
Foods and non alcoholic drinks	0.50
Paper and forest products	0.48
Miscellaneous services	0.46
	<b>96.81</b>

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



# Candriam Sustainable

## Candriam Sustainable Bond Euro

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Bonds</b>				
<b>Australia</b>				
CWTH BK AUSTRALIA 0.50 16-26 27/07A	724,000	EUR	653,428	0.08
MACQUARIE GROUP LTD 0.35 20-28 03/12A	2,532,000	EUR	2,062,124	0.26
MACQUARIE GROUP LTD 0.95 21-31 21/05A	2,300,000	EUR	1,722,344	0.21
NATIONAL AUSTRALIA 0.25 19-24 20/05A	1,236,000	EUR	1,190,256	0.15
TELSTRA CORPORATION 1 20-30 23/04A	518,000	EUR	431,605	0.05
			<b>6,059,757</b>	<b>0.75</b>
<b>Austria</b>				
AUSTRIA 0.50 17-27 20/04A	2,510,000	EUR	2,273,119	0.28
AUSTRIA 0.75 16-26 20/10A	2,842,000	EUR	2,642,477	0.33
AUSTRIA 0.9 22-32 20/02A	19,887,000	EUR	16,355,864	2.03
AUSTRIA 1.50 16-47 20/02A	3,810,000	EUR	2,920,746	0.36
AUSTRIA GOVERNMENT 1.85 22-49 23/05A	3,237,000	EUR	2,487,149	0.31
AUSTRIA GOVERNMENT BON 0.00 22-28 20/10U	3,000,000	EUR	2,527,290	0.31
			<b>29,206,645</b>	<b>3.63</b>
<b>Belgium</b>				
BELFIUS BANQUE SA 0.375 19-26 13/02A	2,000,000	EUR	1,790,620	0.22
BELG GO 2.75 22-39 22/04A	700,000	EUR	637,756	0.08
BELGIUM 0.375 20-30 15/04A	4,000,000	EUR	3,254,600	0.40
BELGIUM 1.25 18-33 22/04A	10,466,000	EUR	8,721,998	1.08
BELGIUM 1.60 16-47 22/06A	6,289,400	EUR	4,416,385	0.55
BELGIUM KINGDOM 0.35 22-32 22/06A	500,000	EUR	384,885	0.05
BNP PARIBAS 0.625 18-25 04/10A	900,000	EUR	836,086	0.10
COMMUNAUTE FLAMANDE 0.375 16-26 13/10A	600,000	EUR	542,667	0.07
COMMUNAUTE FLAMANDE 1.375 18-33 21/11A	1,000,000	EUR	809,430	0.10
ELIA SYSTEM OP SA/NV 3.25 13-28 04/04A	500,000	EUR	486,090	0.06
ELIA SYSTEMS OP 1.375 15-24 27/05A	200,000	EUR	193,686	0.02
ELIA TRANSMISSION BE 0.875 20-30 28/04A	500,000	EUR	402,422	0.05
FLEMISH COMMUNITY 0.125 20-35 15/10A	500,000	EUR	323,080	0.04
KBC BANK SA 0.00 20-25 03/06U	2,400,000	EUR	2,180,388	0.27
KBC GROUPE SA 0.7500 20-30 24/01A	1,500,000	EUR	1,180,762	0.15
PROXIMUS SADP 0.7500 21-36 17/11A	900,000	EUR	601,304	0.07
UCB SA 1.0000 21-28 30/03A	2,500,000	EUR	1,988,912	0.25
			<b>28,751,071</b>	<b>3.58</b>
<b>Canada</b>				
BANQUE NATI DU CANADA 0 16-23 29/09U	4,000	EUR	3,912	0.00
BANQUE TORONTO DOM. 0.625 18-25 06/06A	549,000	EUR	513,310	0.06
CANADA 0.00 19-29 15/10U	600,000	EUR	478,683	0.06
CANADA 0.375 17-24 14/06A	1,846,000	EUR	1,769,603	0.22
CANADA 0.375 19-24 03/05A	1,501,000	EUR	1,441,223	0.18
ONTARIO (PROV.OF) 0.875 15-25 21/01A	900,000	EUR	856,490	0.11
QUEBEC (PROV.OF) 0.875 17-27 04/05A	2,330,000	EUR	2,104,048	0.26
ROYAL BANK OF CANADA 0.125 19-24 23/07A	1,693,000	EUR	1,613,226	0.20
ROYAL BANK OF CANADA 0.250 19-24 02/05A	1,274,000	EUR	1,226,136	0.15
TORONTO DOMINION 0.625 18-23 20/07A	260,000	EUR	257,249	0.03
TORONTO DOMINION BANK 0.375 19-24 25/04A	1,384,000	EUR	1,331,879	0.17
TORONTO DOMINION BK 0.375 16-23 27/04A	1,000	EUR	994	0.00
TORONTO DOMINION BK 1.952 22-30 08/04A	1,000,000	EUR	861,540	0.11
			<b>12,458,293</b>	<b>1.55</b>
<b>Croatia</b>				
CROATIA 1.125 19-29 19/06A	464,000	EUR	395,808	0.05
CROATIA 2.75 17-30 27/01A	1,100,000	EUR	1,029,726	0.13
CROATIA 3.00 17-27 20/03A	100,000	EUR	99,239	0.01
			<b>1,524,773</b>	<b>0.19</b>
<b>Denmark</b>				
NYKREDIT REALKREDIT 0.5 20-25 11/06A	3,000,000	EUR	2,755,320	0.34

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# Candriam Sustainable

## Candriam Sustainable Bond Euro

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
ORSTED 1.50 17-29 26/11A	100,000	EUR	86,536	0.01
ORSTED 2.25 22-28 14/06A	1,267,000	EUR	1,175,079	0.15
VESTAS WIND SYS 1.5000 22-29 15/06A	1,000,000	EUR	875,405	0.11
			<b>4,892,340</b>	<b>0.61</b>
<b>Estonia</b>				
ESTONIA 0.125 20-30 10/06A	1,172,000	EUR	920,764	0.11
			<b>920,764</b>	<b>0.11</b>
<b>European Union</b>				
BANQUE EUROP INVEST 0.0 21-31 14/01U	3,000,000	EUR	2,341,500	0.29
BEI 2.75 12-25 15/09A	2,000,000	EUR	1,987,830	0.25
BEI 4.00 05-37 15/10A	1,000,000	EUR	1,079,875	0.13
COMMUNAUTE EUROPEENNE 0 20-25 17/11U	4,500,000	EUR	4,149,765	0.52
COMMUNAUTE EUROPEENNE 0.00 20-30 27/10U	100,000	EUR	78,980	0.01
COMMUNAUTE EUROPEENNE 0.00 21-28 02/02U	3,500,000	EUR	2,972,568	0.37
COMMUNAUTE EUROPEENNE 0.3 20-50 17/11A	1,200,000	EUR	564,582	0.07
COMMUNAUTE EUROPEENNE 1.25 18-33 04/04A	1,500,000	EUR	1,247,588	0.16
COUNCIL OF EURO 0.00 21-31 20/01U	3,100,000	EUR	2,419,860	0.30
COUNCIL OF EUROPE 0.125 17-24 10/04A	1,950,000	EUR	1,876,856	0.23
EBRD 0.00 19-24 10/01U	2,700,000	EUR	2,615,530	0.33
EFSF 0.05 19-29 17/10A	1,500,000	EUR	1,224,450	0.15
EFSF 0.20 15-25 28/04A	2,000,000	EUR	1,876,770	0.23
EFSF 0.40 18-25 17/02A	1,500,000	EUR	1,420,545	0.18
EFSF 0.875 17-27 26/07A	4,382,000	EUR	3,985,188	0.50
EFSF 1.25 17-33 24/05A	755,000	EUR	626,559	0.08
EFSF 2.75 13-29 03/12A	1,000,000	EUR	979,745	0.12
EFSF 3.00 13-34 04/09A	1,000,000	EUR	974,645	0.12
EIB 1.125 17-33 13/04A	1,610,000	EUR	1,319,467	0.16
ESM 1.125 16-32 03/05A	616,000	EUR	515,463	0.06
EURO FI 1.5 22-25 15/12A	5,900,000	EUR	5,661,817	0.70
EURO UNIO BILL 0.00 21-31 22/06U	2,490,000	EUR	1,916,478	0.24
EUROPEAN FINANCIAL 0.875 19-35 10/04A	2,300,000	EUR	1,740,560	0.22
EUROPEAN FINANCIAL STABILITY 0.00 21-31 20/01U	1,000,000	EUR	780,745	0.10
EUROPEAN INVEST 0.3750 18-26 15/05A	1,483,000	EUR	1,359,503	0.17
EUROPEAN UNION 0.4 21-37 04/02A	7,956,000	EUR	5,343,329	0.66
EUROPEAN UNION 2.0 22-27 04/10A	12,847,000	EUR	12,238,566	1.52
EUROPEAN UNION 3.00 11-26 04/09A	1,000,000	EUR	1,000,605	0.12
MECANISME EUROPEEN D 0 21-26 15/03U	3,381,000	EUR	3,006,774	0.37
			<b>67,306,143</b>	<b>8.37</b>
<b>Finland</b>				
FINLAND 0.5 18-28 04/09A	3,500,000	EUR	3,058,842	0.38
FINLAND 0.5 19-29 15/09A	1,150,000	EUR	978,351	0.12
FINLAND 1.125 18-34 15/04A	3,250,000	EUR	2,629,542	0.33
FINNVERA 0.50 16-26 13/04A	1,150,000	EUR	1,053,492	0.13
KOJAMO PLC 0.875 21-29 28/05A	773,000	EUR	574,753	0.07
NOKIA CORP 2.375 20-25 15/05A	900,000	EUR	866,114	0.11
NORDEA BANK ABP 0.50 21-28 02/11A	1,000,000	EUR	821,515	0.10
OP CORPORATE BA 0.6250 22-27 27/07A	1,030,000	EUR	873,394	0.11
OP CORPORATE BANK PL 0.1 20-27 16/11A	3,000,000	EUR	2,516,745	0.31
			<b>13,372,748</b>	<b>1.66</b>
<b>France</b>				
AFD 2.25 14-26 28/05A	1,000,000	EUR	966,595	0.12
AGENCE FRANCAIS 0.1250 21-31 29/09A	2,000,000	EUR	1,505,090	0.19
AGENCE FRANCAISE DEV 0.50 18-25 31/10A	300,000	EUR	278,248	0.03
AGENCE FRANCAISE DVP 0.25 19-29 29/06A	700,000	EUR	574,312	0.07
AIR LIQ FIN 2.875 22-32 16/09A	1,000,000	EUR	945,710	0.12
AIR LIQUIDE FIN 0.6250 19-30 20/06A	600,000	EUR	490,008	0.06
AIR LIQUIDE FINANCE 1 20-25 02/04A	1,000,000	EUR	952,825	0.12
ARVAL SERVICE L 0.00 21-25 01/10U	2,300,000	EUR	2,079,131	0.26
AXA SA 1.125 16-28 15/05A	1,100,000	EUR	973,126	0.12

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# Candriam Sustainable

## Candriam Sustainable Bond Euro

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
BFCM 1.875 19-29 18/06A	2,000,000	EUR	1,697,710	0.21
BFCM EMTN 4.00 22-29 21/11A	1,600,000	EUR	1,597,456	0.20
BNP PARIBAS 1.00 17-24 29/11A	500,000	EUR	472,562	0.06
BNP PARIBAS 1.00 18-24 17/04A	1,400,000	EUR	1,361,003	0.17
BNP PARIBAS 1.625 19-31 02/07A	2,000,000	EUR	1,570,440	0.20
BNP PARIBAS FL.R 19-27 23/01A	1,500,000	EUR	1,399,800	0.17
BPCE 0.125 19-24 04/12A	500,000	EUR	470,752	0.06
BPCE SFH 0.125 21-30 03/06A	2,100,000	EUR	1,631,658	0.20
CAISSE DEPOTS CONS 0.01 20-25 15/09A	1,300,000	EUR	1,194,004	0.15
CAPGEMINI SE 0.625 20-25 23/06A	1,500,000	EUR	1,399,545	0.17
CAPGEMINI SE 1.125 20-30 23/06A	1,500,000	EUR	1,242,892	0.15
CAPGEMINI SE 2.50 15-23 01/07A	200,000	EUR	199,535	0.02
COMPAGNIE DE SAINT 0.625 19-24 15/03A	1,600,000	EUR	1,548,512	0.19
CREDIT AGRICOLE 0.375 19-25 21/10A	1,400,000	EUR	1,287,594	0.16
CREDIT AGRICOLE 2.625 15-27 17/03A	200,000	EUR	187,341	0.02
CREDIT AGRICOLE LDN 1.375 17-27 03/05A	2,000,000	EUR	1,810,720	0.23
CREDIT AGRICOLE LDN 1.875 16-26 20/12A	1,200,000	EUR	1,105,002	0.14
DANONE SA 0 21-25 01/06U	1,700,000	EUR	1,546,584	0.19
DANONE SA 0.395 20-29 10/06A	200,000	EUR	164,745	0.02
DANONE SA 0.571 20-27 17/03A	1,000,000	EUR	896,520	0.11
DANONE SA 1.125 15-25 14/01A	200,000	EUR	191,532	0.02
DANONE SA EMTN 1.208 16-28 03/11A	200,000	EUR	176,467	0.02
EDENRED SA 1.875 17-27 30/03A	1,000,000	EUR	939,635	0.12
FRANCE 0.00 21-31 25/11U	3,500,000	EUR	2,689,015	0.33
FRANCE 0.5 18-29 25/05A	5,000,000	EUR	4,308,325	0.54
FRANCE 0.50 15-26 25/05A	3,000,000	EUR	2,777,940	0.35
FRANCE 0.50 21-44 25/06A	11,519,000	EUR	6,639,897	0.83
FRANCE 0.7500 22-28 25/02A	11,000,000	EUR	9,897,360	1.23
FRANCE 1.25 16-36 25/05A	1,500,000	EUR	1,165,875	0.14
FRANCE 1.25 18-34 25/05A	3,300,000	EUR	2,680,458	0.33
FRANCE 1.375 17-29 14/03A	700,000	EUR	626,577	0.08
FRANCE 1.50 18-50 25/05A	7,900,000	EUR	5,324,995	0.66
FRANCE 1.75 13-24 25/11A	2,000,000	EUR	1,959,570	0.24
FRANCE 1.75 17-39 25/06A	11,723,000	EUR	9,495,630	1.18
FRANCE 2.00 17-48 25/05A	3,428,000	EUR	2,642,011	0.33
FRANCE 2.25 13-24 25/05A	1,500,000	EUR	1,488,728	0.19
FRANCE 2.75 12-27 25/10A	10,500,000	EUR	10,469,602	1.30
FRANCE 3.25 12-45 25/05A	3,000,000	EUR	2,950,560	0.37
FRANCE 4.50 09-41 25/04A	2,200,000	EUR	2,541,440	0.32
FRANCE ZCP 19-52A	200,000	EUR	105,404	0.01
GECINA 0.875 22-33 25/01A	1,800,000	EUR	1,309,833	0.16
ICADE 1.125 16-25 17/11A	100,000	EUR	90,138	0.01
ICADE SANTE SAS 1.375 20-30 17/09A	2,000,000	EUR	1,462,720	0.18
ILE DE FRANCE 0.50 16-25 14/06A	1,500,000	EUR	1,405,148	0.17
KLEPIERRE 0.625 19-30 01/07A	1,500,000	EUR	1,094,880	0.14
L OREAL S A 0.375 22-24 29/03A	700,000	EUR	680,634	0.08
L OREAL S A 0.875 22-26 29/06A	1,000,000	EUR	928,585	0.12
LA BANQUE POSTALE 0.75 21-31 23/06A	600,000	EUR	446,478	0.06
LA BANQUE POSTALE 1.375 19-29 24/04A	2,000,000	EUR	1,685,280	0.21
LA POSTE 3.125 22-33 14/03A	1,000,000	EUR	943,985	0.12
LA POSTE SA 1.45 18-28 30/11A	1,000,000	EUR	876,800	0.11
LEGRAND SA 0.375 21-31 06/10A	2,000,000	EUR	1,513,670	0.19
LEGRAND SA 0.50 17-23 09/10A	800,000	EUR	786,232	0.10
REGIE AUTONOME TRANS 0.875 17-27 25/05A	1,000,000	EUR	903,545	0.11
REGION IDF 1.375 18-33 20/06A	100,000	EUR	81,604	0.01
SANOFI 1.375 18-30 21/03A	1,100,000	EUR	958,556	0.12
SANOFI SA 1.5 20-30 30/03A	1,000,000	EUR	888,120	0.11
SNCF RESEAU 1.00 16-31 09/11A	500,000	EUR	410,048	0.05

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# Candriam Sustainable

## Candriam Sustainable Bond Euro

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
SNCF RESEAU 1.875 17-34 30/03A	1,200,000	EUR	1,007,838	0.13
SOCIETE DU GRAND PARI 1.125 19-34 25/05A	1,000,000	EUR	764,770	0.10
SOCIETE GENERALE 0.01 20-30 11/02A	2,100,000	EUR	1,659,998	0.21
SOCIETE GENERALE 1.25 19-24 15/02A	400,000	EUR	390,614	0.05
SOCIETE GENERALE 1.7500 19-29 22/03A	700,000	EUR	595,990	0.07
SOCIETE GENERALE SA 0.125 20-26 24/02A	1,500,000	EUR	1,336,822	0.17
SOCIETE GENERALE SA 0.125 21-28 18/02A	1,000,000	EUR	826,175	0.10
SOCIETE GENERALE SA 4.0 22-27 16/11A	3,500,000	EUR	3,498,232	0.44
SOCIETE NATIONA 3.1250 22-27 02/11A	1,600,000	EUR	1,574,336	0.20
SPIE SA 2.625 19-26 18/06A	500,000	EUR	474,200	0.06
STE DE FINANCE LOCAL 0.00 19-24 24/05U	1,200,000	EUR	1,147,560	0.14
SUEZ 1.25 16-28 19/05A	1,200,000	EUR	1,049,238	0.13
SUEZ SA 1.25 20-27 02/04A	100,000	EUR	90,776	0.01
UNEDIC 1.25 15-27 21/10A	2,600,000	EUR	2,379,689	0.30
UNIBAIL RODAMCO 0.875 16-25 21/02	100,000	EUR	93,682	0.01
UNIBAIL RODAMCO 0.8750 19-32 29/03A	1,400,000	EUR	980,182	0.12
UNIBAIL RODAMCO 1.0000 19-27 27/02A	400,000	EUR	349,304	0.04
UNION NAT.INTERPRO.EMP 0.00 20-28 25/11U	1,100,000	EUR	913,330	0.11
UNION NATIONALE INT 0.10 21-34 25/05A	1,500,000	EUR	1,023,135	0.13
VERITAS SA 1.25 16-23 07/09A	500,000	EUR	498,575	0.06
VILLE DE PARIS 1.75 15-31 25/05A	1,000,000	EUR	888,940	0.11
			<b>138,630,083</b>	<b>17.24</b>
<b>Germany</b>				
ADIDAS AG 0.00 20-24 09/09U	900,000	EUR	851,602	0.11
ADIDAS AG 0.00 20-28 05/10U	3,100,000	EUR	2,587,338	0.32
ADIDAS AG 3.0 22-25 21/11A	2,900,000	EUR	2,866,302	0.36
ALLIANZ FIN II 1.375 16-31 21/04A	1,500,000	EUR	1,264,665	0.16
ALLIANZ FINANCE 0.00 20-25 14/01U	800,000	EUR	747,772	0.09
BUNDESREPUBLIK DEUTS 0.00 21-31 15/08U	1,000,000	EUR	807,385	0.10
DEUT TELEKOM INT FIN 0.875 17-24 30/01A	900,000	EUR	881,118	0.11
DEUT TELEKOM INT FIN 1.375 18-25 01/12A	2,500,000	EUR	2,375,250	0.30
DEUT TELEKOM INT FIN 1.50 16-28 03/04A	1,000,000	EUR	902,345	0.11
DEUTSCHE BOERSE AG 0.00 21-26 22/02U	3,300,000	EUR	2,967,112	0.37
DEUTSCHE TELEKOM AG 1.75 19-31 25/03A	2,200,000	EUR	1,905,112	0.24
DEUTSHE BAHN FINANCE 2.75 14-29 19/03A	1,980,000	EUR	1,904,720	0.24
EUROGRID GMBH 1.113 20-32 15/05A	1,400,000	EUR	1,100,652	0.14
GERMANY 0.00 19-24 26/07U	1,246,000	EUR	1,187,214	0.15
GERMANY 0.00 20-25 10/10U	6,800,000	EUR	6,366,806	0.79
GERMANY 0.00 20-30 15/08U	7,656,000	EUR	6,344,259	0.79
GERMANY 0.00 20-35 15/05U	18,000,000	EUR	13,034,070	1.62
GERMANY 0.00 21-28 15/11U	11,800,000	EUR	10,205,643	1.27
GERMANY 0.00 21-50 15/08U	2,000,000	EUR	1,024,320	0.13
GERMANY 0.200 19-39 15/08A	967,000	EUR	594,468	0.07
GERMANY 0.625 17-27 08/02A	1,300,000	EUR	1,177,930	0.15
GERMANY 0.75 19-34 03/04A	100,000	EUR	76,883	0.01
GERMANY 2.50 12-44 04/07A	4,100,000	EUR	4,047,520	0.50
GERMANY 2.50 14-46 15/08A	5,300,000	EUR	5,257,282	0.65
HENKEL AG & CO KGAA 2.625 22-27 13/09A	900,000	EUR	872,883	0.11
KFW 0.0100 19-27 05/05A	4,316,000	EUR	3,789,577	0.47
KFW 1.125 17-37 15/06A	100,000	EUR	75,625	0.01
KFW 1.25 16-36 04/07A	590,000	EUR	462,032	0.06
KREDITANSTALT FUER W 0.00 20-25 14/01U	1,170,000	EUR	1,099,753	0.14
KREDITANSTALT FUER W 0.00 20-30 03/09U	1,000,000	EUR	788,465	0.10
KREDITANSTALT FUER W 0.00 21-26 09/03U	4,000,000	EUR	3,613,140	0.45
KREDITANSTALT FUER W 0.75 18-28 28/06A	200,000	EUR	176,677	0.02
LAND BERLIN 0.625 19-29 05/02A	5,000,000	EUR	4,324,775	0.54
LAND HESSEN 0.1250 21-31 10/10A	2,000,000	EUR	1,544,890	0.19
LAND NORDRHEIN-WEST 0.20 16-24 16/02A	320,000	EUR	310,235	0.04

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# Candriam Sustainable

## Candriam Sustainable Bond Euro

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
LINDE FINANCE BV 0.25 20-27 19/05A	2,100,000	EUR	1,855,340	0.23
MUNICH REINSURANCE C 1.25 20-41 23/09A	900,000	EUR	670,720	0.08
NORTH RHINE-WESTPH 0.50 17-27 16/02A	2,970,000	EUR	2,675,510	0.33
NRW BANK 0.875 15-25 10/11A	1,000,000	EUR	937,560	0.12
NRWBANK0.25 22-27 16/03A	8,000,000	EUR	7,104,160	0.88
SAP EMTN 1.00 15-25 01/04A	870,000	EUR	842,108	0.10
SIEM FI 2.75 22-30 09/09A	1,500,000	EUR	1,424,452	0.18
SIEMENS FINANCIERING 0.00 19-24 05/09U	200,000	EUR	190,696	0.02
SIEMENS FINANCIERING 0.1250 19-29 05/09A	945,000	EUR	776,884	0.10
SIEMENS FINANCIERING 0.25 20-29 20/02A	500,000	EUR	416,075	0.05
SIEMENS FINANCIERING 0.30 19-24 28/02A	708,000	EUR	685,751	0.09
VOLKSWAGEN FINANCIAL 3 20-25 06/04A	1,500,000	EUR	1,465,770	0.18
VOLKSWAGEN INTL FIN 4.125 22-25 15/11AA	2,200,000	EUR	2,190,705	0.27
VOLKSWAGEN LEASING G 0.00 21-24 19/05U	1,771,000	EUR	1,661,729	0.21
VONOVIA SE 1.375 22-26 28/01A	1,500,000	EUR	1,359,540	0.17
VW INTL FINANCE 1.625 15-30 16/01A	800,000	EUR	672,608	0.08
			<b>112,465,428</b>	<b>13.99</b>
<b>Ireland</b>				
CRH FUNDING 1.875 15-24 09/01A	1,252,000	EUR	1,234,459	0.15
IRELAND 0.90 18-28 15/05A	3,000,000	EUR	2,717,130	0.34
IRELAND 1.35 18-31 18/03A	8,532,000	EUR	7,576,501	0.94
SMURFIT KAPPA 1.50 19-27 15/09S	1,300,000	EUR	1,162,577	0.14
SMURFIT KAPPA T 0.5000 21-29 22/09A	534,000	EUR	414,256	0.05
			<b>13,104,923</b>	<b>1.63</b>
<b>Italy</b>				
ACEA SPA 0.00 21-25 28/09U	1,091,000	EUR	981,131	0.12
ACEA SPA 1.7500 19-28 23/05A	549,000	EUR	481,273	0.06
BUONI POLIENNAL 0.8500 19-27 15/01S	10,500,000	EUR	9,383,640	1.17
BUONI POLIENNAL 1.5000 21-45 30/04S	10,391,000	EUR	5,785,345	0.72
BUONI POLIENNAL 3.8500 18-49 01/09S	5,000,000	EUR	4,305,000	0.54
CASSA DEPOSITI 1.00 20-30 11/02A	3,300,000	EUR	2,587,184	0.32
FCA BANK SPA 0.00 21-24 16/04U	986,000	EUR	938,352	0.12
INTESA SAN PAOLO 1.375 15-25 18/12A	200,000	EUR	188,452	0.02
INTESA SANPAOLO 0.75 21-28 16/03A	1,000,000	EUR	831,160	0.10
INTESA SANPAOLO 1.375 17-24 18/01A	1,614,000	EUR	1,587,894	0.20
INTESA SANPAOLO 1.75 19-29 04/07A	800,000	EUR	671,640	0.08
ITALY 1.65 20-30 01/12S	5,000,000	EUR	4,088,725	0.51
ITALY 2.00 18-28 01/02S	12,000,000	EUR	10,944,120	1.36
ITALY 2.25 16-36 01/09S	980,000	EUR	738,009	0.09
ITALY 2.45 16-33 01/09S	10,800,000	EUR	8,741,196	1.09
ITALY 21-24 15/08U	10,000,000	EUR	9,500,300	1.18
ITALY 3.10 19-40 01/03S	1,300,000	EUR	1,036,737	0.13
ITALY 3.50 14-30 01/03S	4,040,000	EUR	3,860,705	0.48
ITALY 5.00 09-40 01/09S	2,276,000	EUR	2,318,220	0.29
ITALY BTP 6.50 97-27 01/11S	1,060,000	EUR	1,184,418	0.15
ITALY BUONI POL DEL TE 4.00 22-35 30/04Q	6,006,000	EUR	5,545,160	0.69
ITALY BUONI POL TESORO 0.95 21-32 01/06S	1,800,000	EUR	1,311,849	0.16
ITALY TB 2.10 19-26 15/07S	1,550,000	EUR	1,468,943	0.18
UNICREDIT SPA 0.3750 16-26 31/10A	1,000	EUR	889	0.00
			<b>78,480,342</b>	<b>9.76</b>
<b>Latvia</b>				
LATVIA GOVERNMENT INTE 0.25 21-30 23/01A	1,244,000	EUR	977,828	0.12
			<b>977,828</b>	<b>0.12</b>
<b>Luxembourg</b>				
LUXEMBOURG 0.00 20-32 14/09U	1,456,000	EUR	1,085,499	0.13
LUXEMBOURG 0.625 17-27 01/02A	905,000	EUR	821,405	0.10
PROLOGIS INTERNATION 0.75 21-33 23/03A	1,123,000	EUR	748,221	0.09
PROLOGIS INTERNATION 1.625 20-32 17/06A	146,000	EUR	110,393	0.01
PROLOGIS INTL F 2.3750 18-30 14/11A	1,625,000	EUR	1,378,585	0.17
			<b>4,144,103</b>	<b>0.52</b>

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 Sustainable

## Candriam Sustainable Bond Euro

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Netherlands</b>				
ABN AMRO BANK 0.5 19-26 15/04A	672,000	EUR	615,061	0.08
ABN AMRO BANK 0.8750 18-25 22/04A	2,083,000	EUR	1,981,350	0.25
ABN AMRO BANK NV 1.25 20-25 28/05A	900,000	EUR	853,024	0.11
ABN AMRO BK 4.25 22-30 21/02A	1,000,000	EUR	986,885	0.12
ASML HOLDING NV 0.625 20-29 07/05A	2,177,000	EUR	1,831,662	0.23
COOPERATIEVE RA 0.7500 22-32 02/03A	4,400,000	EUR	3,520,836	0.44
COOPERATIEVE RABOBAN 0.625 21-33 25/02A	400,000	EUR	284,742	0.04
DSM KONINKLIJKE 0.75 16-26 28/09A	1,000,000	EUR	898,190	0.11
DSM KONINKLIJKE 1.00 15-25 09/04A	100,000	EUR	94,448	0.01
ING BANK NV 0.1250 21-31 08/12A	3,000,000	EUR	2,276,895	0.28
ING GROEP NV 2.5000 18-30 15/11A	1,000,000	EUR	904,780	0.11
ING GROUP NV 0.25 21-30 11/01A	1,500,000	EUR	1,163,002	0.14
NEDER WATERSCHAPSBANK 1.25 16-36 27/05A	1,203,000	EUR	936,554	0.12
NEDER WATERSCHAPSBANK 1.25 17-32 07/06A	460,000	EUR	387,051	0.05
NETHERLANDS 0.00 20-52 15/01U	800,000	EUR	381,436	0.05
NETHERLANDS 0.00 21-31 15/07U	1,000,000	EUR	787,035	0.10
NETHERLANDS 0.25 19-29 14/02A	5,500,000	EUR	4,682,288	0.58
NETHERLANDS 0.50 19-40 15/01A	11,810,000	EUR	8,063,514	1.00
TENNET HOLDING 0.8750 19-30 03/06A	400,000	EUR	322,968	0.04
TENNET HOLDING BV 1.50 19-39 13.06A	100,000	EUR	70,247	0.01
TENNET HOLDING REGS 1.75 15-27 04/06A	100,000	EUR	91,986	0.01
WOLT KL 3.0 22-26 23/09A	500,000	EUR	488,720	0.06
WOLTERS KLUWER N.V. 0.75 20-30 03/07A	1,000,000	EUR	798,405	0.10
			<b>32,421,079</b>	<b>4.03</b>
<b>New Zealand</b>				
ANZ NEW ZEALAND INTL 0.895 22-27 23/03A	3,428,000	EUR	3,091,233	0.38
WESTPAC SECURITIES 1.099 22-26 24/03A	3,003,000	EUR	2,745,283	0.34
WESTPAC SECURITIES 1.777 22-26 14/01A	2,000,000	EUR	1,898,890	0.24
			<b>7,735,406</b>	<b>0.96</b>
<b>Norway</b>				
DNB BANK ASA 0.05 19-23 14/11A	863,000	EUR	841,598	0.10
DNB BANK ASA 0.6 18-23 25/09A	501,000	EUR	493,157	0.06
TELENOR ASA 0.00 19-23 25/09U	799,000	EUR	782,613	0.10
			<b>2,117,368</b>	<b>0.26</b>
<b>Portugal</b>				
EDP FINANCE 0.375 19-26 16/09A	864,000	EUR	762,769	0.09
EDP FINANCE 1.625 18-26 26/01A	1,000,000	EUR	937,805	0.12
PORTUGAL 0.70 20-27 15/10A	2,500,000	EUR	2,252,562	0.28
PORTUGAL 1.65 22-32 16/07A	6,500,000	EUR	5,501,145	0.68
PORTUGAL 2.25 18-34 18/04A	3,000,000	EUR	2,622,450	0.33
PORTUGAL 4.10 06-37 15/04A	1,270,000	EUR	1,304,188	0.16
PORTUGAL 4.10 15-45 15/02A	2,600,000	EUR	2,697,903	0.34
			<b>16,078,822</b>	<b>2.00</b>
<b>Romania</b>				
ROMANIA 2.00 20-32 28/01A	6,000,000	EUR	4,023,690	0.50
ROMANIA 2.124 19-31 16/07A	400,000	EUR	276,840	0.03
ROMANIAN GOVERNMENT IN 3.75 22-34 07/02A	586,000	EUR	438,501	0.05
			<b>4,739,031</b>	<b>0.59</b>
<b>Slovenia</b>				
SLOVENIA 0.125 21-31 01/07A	2,485,000	EUR	1,831,731	0.23
SLOVENIA 0.275 20-30 17/02A	1,154,000	EUR	908,504	0.11
			<b>2,740,235</b>	<b>0.34</b>
<b>Spain</b>				
ADIF ALTA VELOC 0.5500 20-30 30/04A	1,400,000	EUR	1,115,184	0.14
BANCO BILBAO VIZCAYA 0.75 20-25 04/06A	2,500,000	EUR	2,347,788	0.29
BANCO BILBAO VIZCAYA 1.00 19-26 21/06A	600,000	EUR	546,996	0.07
BANCO BILBAO VIZCAYA 1.375 18-25 14/05A	300,000	EUR	285,568	0.04
BANCO DE SABADELL SA 0.125 20-28 10/02A	1,200,000	EUR	1,010,244	0.13

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# Candriam Sustainable

## Candriam Sustainable Bond Euro

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
BANCO DE SABADELL SA 0.875 19-25 22/07A	700,000	EUR	638,564	0.08
BANCO DE SABADELL SA 1.75 19-24 10/05A	500,000	EUR	481,652	0.06
BBVA 3.375 22-27 20/09A	2,000,000	EUR	1,940,570	0.24
BONOS Y OBLIG D 0.7000 22-32 30/04A	2,000,000	EUR	1,549,320	0.19
CELLNEX FINANCE CO 2.25 22-26 12/04A	1,100,000	EUR	1,015,442	0.13
COMMUNITY OF MADRID 1.571 19-29 30/04A	1,522,000	EUR	1,357,761	0.17
IBERDROLA FINANZAS 1.00 17-25 07/03A	2,000,000	EUR	1,903,090	0.24
IBERDROLA FINANZAS 1.25 17-27 13/09A	600,000	EUR	548,544	0.07
IBERDROLA FINANZAS 1.621 17-29 29/11A	100,000	EUR	89,182	0.01
IBERDROLA FINANZAS 3.375 22-32 22/11A	1,000,000	EUR	960,850	0.12
IBERDROLA INTL BV 1.125 16-26 21/04A	300,000	EUR	280,350	0.03
IBERDROLA INTL BV 1.874 20-99 31/12A	1,000,000	EUR	892,330	0.11
RED ELECT FIN 1.25 18-27 13/03A	600,000	EUR	550,563	0.07
SPAIN (BON.ESTADADO) 1.25 20-30 31/10A	2,350,000	EUR	2,009,638	0.25
SPAIN 0.00 20-25 31/01U	3,000,000	EUR	2,824,305	0.35
SPAIN 0.80 20-27 30/07A	10,790,000	EUR	9,725,297	1.21
SPAIN 1.60 15-25 30/04A	3,000,000	EUR	2,912,835	0.36
SPAIN 1.85 19-35 05/03A	2,030,000	EUR	1,643,874	0.20
SPAIN 1.95 15-30 30/07A	6,433,000	EUR	5,829,842	0.72
SPAIN 2.35 17-33 30/07A	6,500,000	EUR	5,768,425	0.72
SPAIN 2.55 22-32 31/10A	9,000,000	EUR	8,194,230	1.02
SPAIN 2.90 16-46 31/10A	6,470,000	EUR	5,515,546	0.69
SPAIN 4.20 05-37 31/01A	2,600,000	EUR	2,710,539	0.34
SPAIN 4.30 06-26 15/09A	1,200,000	EUR	1,240,524	0.15
SPAIN 4.65 10-25 30/07A	1,980,000	EUR	2,062,685	0.26
SPAIN 4.90 07-40 30/07A	500,000	EUR	571,045	0.07
SPAIN 5.15 13-44 31/10A	1,132,000	EUR	1,337,928	0.17
SPGB 1.00 21-42 30/07A	2,043,000	EUR	1,241,991	0.15
TELEFONICA EMISIONES 1.788 19-29 12/03A	200,000	EUR	177,712	0.02
TELEFONICA EMISIONES 2.932 14-29 17/10A	2,000,000	EUR	1,885,930	0.23
			<b>73,166,344</b>	<b>9.10</b>
<b>Supranational</b>				
BANQUE INTERNATIONAL 0 20-30 21/02U	2,400,000	EUR	1,923,000	0.24
BIRD 1.50 16-36 14/01A	1,290,000	EUR	1,048,738	0.13
			<b>2,971,738</b>	<b>0.37</b>
<b>Sweden</b>				
SKANDINAVISKA ENSKIL 1.75 22-26 11/11A	1,668,000	EUR	1,556,995	0.19
SWEDBANK AB 3.75 22-25 14/11A	2,794,000	EUR	2,792,268	0.35
			<b>4,349,263</b>	<b>0.54</b>
<b>United Kingdom</b>				
ASTRAZENECA PLC 0.75 16-24 12/05A	2,500,000	EUR	2,434,688	0.30
ASTRAZENECA PLC 1.25 16-28 12/05A	1,100,000	EUR	981,140	0.12
BRITISH TELECOM 1.50 17-27 23/06A	2,000,000	EUR	1,794,670	0.22
GSK CAPITAL BV 3.0 22-27 28/11A	2,092,000	EUR	2,045,558	0.25
GSK CAPITAL BV 3.125 22-32 28/11A	800,000	EUR	761,460	0.09
LINDE PLC 0.00 21-26 30/09U	1,600,000	EUR	1,406,760	0.17
NATWEST MARKETS PLC 0.125 21-26 18/06A	4,086,000	EUR	3,559,825	0.44
RECKITT BENCKISER TR 0.375 20-26 19/05A	2,654,000	EUR	2,393,722	0.30
RELX FINANCE BV 1.00 17-24 22/03A	400,000	EUR	387,924	0.05
RELX FINANCE BV 1.375 16-26 12/05A	1,150,000	EUR	1,066,780	0.13
UNILEVER FINANCE NET 1.75 20-30 25/03A	1,000,000	EUR	899,595	0.11
VODAFONE GROUP 0.90 19-26 24/11A	1,810,000	EUR	1,638,512	0.20
VODAFONE GROUP 2.20 16-26 25/08A	1,800,000	EUR	1,710,540	0.21
			<b>21,081,174</b>	<b>2.62</b>
<b>United States of America</b>				
ABBOTT IRL FINANCING 0.375 19-27 19/11A	634,000	EUR	551,948	0.07
ABBOTT IRL FINANCING 1.50 18-26 27/09A	1,000,000	EUR	935,850	0.12
AIR PRODUCTS CHEMIC 0.5 20-28 05/05A	1,000,000	EUR	855,290	0.11
AIR PRODUCTS CHEMIC 1.5 20-25 30/04S	1,135,000	USD	977,068	0.12

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# Candriam Sustainable

## Candriam Sustainable Bond Euro

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
AVANTOR FUNDING INC 2.625 20-25 06/11S	1,500,000	EUR	1,419,303	0.18
COLGATE-PALMOLIVE CO 0.5 19-26 06/03A	1,952,000	EUR	1,789,086	0.22
COLGATE-PALMOLIVE CO 0.875 19-29 12/11S	665,000	EUR	454,877	0.06
CROWN EURO HOLDINGS 3.375 15-25 15/05S	1,500,000	EUR	1,480,828	0.18
DANAHER CORP 2.5 20-30 30/03A	1,000,000	EUR	926,285	0.12
DH EUROPE FIN 0.20 19-26 18/03A	600,000	EUR	540,327	0.07
DH EUROPE FIN 0.45 19-28 18/03A	2,445,000	EUR	2,082,089	0.26
ELI LILLY & CO 0.625 19-31 01/11A	340,000	EUR	266,908	0.03
ELI LILLY & CO 2.125 15-30 03/06A	700,000	EUR	641,354	0.08
EQUINIX INC 0.2500 21-27 15/03A	2,113,000	EUR	1,826,245	0.23
GENERAL MILLS INC 0.45 20-26 15/01A	667,000	EUR	607,287	0.08
IBM CORP 1.25 19-27 29/01A	100,000	EUR	91,028	0.01
IBM CORP 1.75 16-28 07/03A	1,900,000	EUR	1,721,837	0.21
INTERNATIONAL BUSINE 0.65 20-32 11/02A	1,000,000	EUR	750,890	0.09
IQVIA INC 1.75 21-26 03/03S	1,200,000	EUR	1,102,500	0.14
KELLOGG CO 0.5 21-29 20/05A	1,354,000	EUR	1,113,841	0.14
KELLOGG CO 1.00 16-24 17/05A	300,000	EUR	291,600	0.04
KELLOGG CO 1.25 15-25 10/03A	1,000,000	EUR	955,555	0.12
MANPOWERGROUP INC 1.75 18-26 22/06A	200,000	EUR	187,627	0.02
MASTERCARD 2.10 15-27 01/12A	4,000,000	EUR	3,753,620	0.47
MASTERCARD INC 3.3000 20-27 26/03S	2,500,000	USD	2,236,355	0.28
MEDTRONIC GLOBAL HOLD 0.25 19-25 02/07A	1,106,000	EUR	1,022,906	0.13
MEDTRONIC GLOBAL HOLD 1.00 19-31 02/07A	2,000,000	EUR	1,597,130	0.20
MERCK & CO INC 1.875 14-26 15/10A	1,000,000	EUR	953,040	0.12
MORGAN STANLEY 1.375 16-26 27/10	1,000,000	EUR	910,315	0.11
NESTLE FIN 0.875 22-27 29/03A	1,000,000	EUR	912,090	0.11
NESTLE FINANCE 0.00001 20-25 3/12A	181,000	EUR	165,865	0.02
NESTLE FINANCE INTER 0 20-24 12/05U	2,524,000	EUR	2,391,679	0.30
NESTLE FINANCE INTER 0 20-33 03/12U	514,000	EUR	362,074	0.05
NESTLE FINANCE INTER 1.5 20-30 01/04A	1,000,000	EUR	882,280	0.11
NESTLE FINANCE INTER 3.375 22-34 15/11A	800,000	EUR	774,788	0.10
PROCTER & GAMBL 0.3500 21-30 05/05A	1,886,000	EUR	1,536,392	0.19
PROCTER & GAMBLE CO 0.625 18-24 30/10A	2,343,000	EUR	2,243,294	0.28
PROCTER & GAMBLE CO 4.875 07-27 11/05A	500,000	EUR	535,480	0.07
PROCTER GAMBLE CO 0.55 20-25 29/10S	1,053,000	USD	886,148	0.11
PROLOGIS EURO FINANCE 0.375 20-28 06/02A	1,083,000	EUR	897,715	0.11
SCHNEIDER ELECTRIC S 0 20-23 12/06U	300,000	EUR	296,656	0.04
SCHNEIDER ELECTRIC S 1 20-27 09/04A	1,300,000	EUR	1,177,267	0.15
SCHNEIDER ELECTRIC SE 1.375 18-27 21/06A	200,000	EUR	183,059	0.02
STELLANTIS NV 2.75 22-32 01/04A	1,200,000	EUR	1,014,936	0.13
SWISS RE FINANCE UK 1.375 16-23 27/05A	1,000,000	EUR	993,880	0.12
THERMO FISHER SCIEN 1.45 17-27 16/03A	500,000	EUR	459,565	0.06
THERMO FISHER SCIEN 1.95 17-29 24/07A	1,000,000	EUR	900,400	0.11
THERMO FISHER SCIENT 0.1250 19-25 01/03A	1,119,000	EUR	1,043,350	0.13
THERMO FISHER SCIENT 3.2 22-26 21/01A	1,250,000	EUR	1,238,450	0.15
TOYOTA MOTOR CREDIT 0.8 20-25 16/10S	200,000	USD	168,159	0.02
VERIZON COMM 3.25 14-26 17/02A	100,000	EUR	98,780	0.01
VERIZON COMMUNICATIO 0.375 21-29 22/03A	2,000,000	EUR	1,610,060	0.20
VERIZON COMMUNICATION 0.875 19-27 08/04A	800,000	EUR	707,720	0.09
VERIZON COMMUNICATION 2.625 14-31 01/12A	2,500,000	EUR	2,237,675	0.28
			<b>55,760,751</b>	<b>6.93</b>
<b>Total bonds</b>			<b>735,456,452</b>	<b>91.46</b>
<b>Convertible bonds</b>				
<b>France</b>				
WORLDLINE SA DIRTY 0.00 19-26 30/07U	6,000	EUR	533,136	0.07
			<b>533,136</b>	<b>0.07</b>
<b>Total convertible bonds</b>			<b>533,136</b>	<b>0.07</b>

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# Candriam Sustainable

## Candriam Sustainable Bond Euro

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Floating rate notes</b>				
<b>Belgium</b>				
ELIA SYSTEM FL.R 18-XX 05/12A	600,000	EUR	586,656	0.07
KBC GROUP NV FL.R 21-31 07/12A	1,800,000	EUR	1,488,483	0.19
KBC GROUPE FL.R 22-27 23/11A	2,000,000	EUR	2,004,930	0.25
KBC GROUPE SA FL.R 17-29 18/09A	1,000,000	EUR	930,115	0.12
KBC GROUPE SA FL.R 20-27 16/06A	1,500,000	EUR	1,322,408	0.16
			<b>6,332,592</b>	<b>0.79</b>
<b>Denmark</b>				
JYSKE BANK DNK FL.R 21-26 02/09A	3,819,000	EUR	3,352,910	0.42
ORSTED FL.R 19-XX 09/12A	600,000	EUR	515,160	0.06
			<b>3,868,070</b>	<b>0.48</b>
<b>France</b>				
AXA SA FL.R 21-41 07/04A	3,386,000	EUR	2,502,203	0.31
BNP PARIBAS FL.R 19-25 15/07A	2,300,000	EUR	2,181,860	0.27
BNP PARIBAS FL.R 22-32 31/03A	1,000,000	EUR	884,070	0.11
BPCE SA FL.R 22-28 14/01A	2,900,000	EUR	2,474,962	0.31
CREDIT AGRICOLE FL.R 20-30 05/06A	1,000,000	EUR	921,400	0.11
CREDIT MUTUEL ARKEA FL.R 20-29 11/06A	2,100,000	EUR	1,782,564	0.22
DANONE SA FL.R 17-XX 23/06A	700,000	EUR	692,486	0.09
SUEZ FL.R 19-XX XX/XXA	1,000,000	EUR	865,250	0.11
			<b>12,304,795</b>	<b>1.53</b>
<b>Germany</b>				
ALLIANZ FINANCE FL.R 21-24 22/11Q	600,000	EUR	607,392	0.08
MERCK KGAA FL.R 19-79 25/06A	1,100,000	EUR	1,039,830	0.13
			<b>1,647,222</b>	<b>0.20</b>
<b>Ireland</b>				
BANK OF IRELAND GROUP FL.R 22-26 05/06A	1,718,000	EUR	1,594,407	0.20
			<b>1,594,407</b>	<b>0.20</b>
<b>Italy</b>				
UNICREDIT SPA FL.R 19-29 23/09A	891,000	EUR	818,886	0.10
			<b>818,886</b>	<b>0.10</b>
<b>Netherlands</b>				
ABN AMRO BANK NV FL.R 22-33 22/02A	2,000,000	EUR	1,979,820	0.25
ING GROEP NV FL.R 21-28 29/09A	2,000,000	EUR	1,649,560	0.21
ING GROUP NV FL.R 17-29 15/02A	400,000	EUR	387,978	0.05
ING GROUP NV FL.R 19-25 03/09A	600,000	EUR	560,823	0.07
			<b>4,578,181</b>	<b>0.57</b>
<b>Portugal</b>				
ENERGIAS DE PORTUGAL FL.R 21-82 14/03A	900,000	EUR	735,750	0.09
			<b>735,750</b>	<b>0.09</b>
<b>Spain</b>				
BANCO BILBAO VIZCAYA FL.R 19-29 22/02A	500,000	EUR	487,360	0.06
BANCO BILBAO VIZCAYA FL.R 20-30 16/01A	300,000	EUR	271,809	0.03
BANCO DE SABADELL FL.R 22-26 24/03A	1,900,000	EUR	1,787,693	0.22
BANCO DE SABADELL SA FL.R 20-27 11/09A	1,200,000	EUR	1,071,522	0.13
			<b>3,618,384</b>	<b>0.45</b>
<b>Sweden</b>				
SWEDBANK AB FL.R 21-27 20/05A	3,667,000	EUR	3,200,833	0.40
			<b>3,200,833</b>	<b>0.40</b>
<b>United Kingdom</b>				
NATWEST MKTS FL.R 22-25 27/08Q	2,700,000	EUR	2,707,466	0.34
VODAFONE GROUP PLC FL.R 20-80 27/08A	781,000	EUR	688,256	0.09
			<b>3,395,722</b>	<b>0.42</b>
<b>United States of America</b>				
MORGAN STANLEY FL.R 20-29 26/10A	1,000,000	EUR	800,480	0.10
			<b>800,480</b>	<b>0.10</b>
<b>Total floating rate notes</b>			<b>42,895,322</b>	<b>5.33</b>

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 Sustainable

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## Candriam Sustainable Bond Euro

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>778,884,910</b>	<b>96.86</b>
<b>Undertakings for Collective Investment</b>				
<b>Shares/Units in investment funds</b>				
<b>Supranational</b>				
CANDRIAM SUSTAINABLE BOND GLOBAL CONVERTIBLE Z C	3,100	EUR	3,117,050	0.39
CANDRIAM SUSTAINABLE BOND IMPACT Z C	8,300	EUR	6,752,050	0.84
CANDRIAM SUSTAINABLE MONEY MARKET EURO Z C	1	EUR	1,053	0.00
			<b>9,870,153</b>	<b>1.23</b>
<b>Total Shares/Units in investment funds</b>			<b>9,870,153</b>	<b>1.23</b>
<b>Total Undertakings for Collective Investment</b>			<b>9,870,153</b>	<b>1.23</b>
<b>Total investment portfolio</b>			<b>788,755,063</b>	<b>98.09</b>
Acquisition cost			945,215,632	

The accompanying notes form an integral part of the financial statements.  
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# Candriam Sustainable

## Candriam Sustainable Bond Euro

Geographical and economic breakdown of investments as at December 31, 2022

### Geographical breakdown (in % of net assets)

France	18.84
Germany	14.19
Italy	9.86
Spain	9.55
European Union	8.37
United States of America	7.03
Netherlands	4.60
Belgium	4.36
Austria	3.63
United Kingdom	3.04
Portugal	2.09
Ireland	1.83
Finland	1.66
Supranational	1.60
Canada	1.55
Denmark	1.09
New Zealand	0.96
Sweden	0.94
Australia	0.75
Romania	0.59
Luxembourg	0.52
Slovenia	0.34
Norway	0.26
Croatia	0.19
Latvia	0.12
Estonia	0.11
	<b>98.09</b>

### Economic breakdown (in % of net assets)

Bonds of States, Provinces and municipalities	43.53
Banks and other financial institutions	26.40
Supranational Organisations	8.74
Non classifiable Institutions	2.70
Communication	2.13
Pharmaceuticals	1.97
Investments funds	1.23
Real estate	1.15
Miscellaneous consumer goods	1.06
Miscellaneous services	1.03
Utilities	0.95
Insurance	0.84
Foods and non alcoholic drinks	0.83
Transportation	0.80
Textiles and garments	0.78
Electronics and semiconductors	0.68
Electrical engineering	0.64
Internet and internet services	0.46
Chemicals	0.35
Non Classifiable Institutions	0.34
Office supplies and computing	0.32
Building materials	0.25
Other	0.18
Packaging industries	0.18
Graphic art and publishing	0.16
Healthcare	0.14
Road vehicles	0.13
Machine and apparatus construction	0.12
	<b>98.09</b>

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

# Candriam Sustainable

## Candriam Sustainable Bond Euro Corporate

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Bonds</b>				
<b>Australia</b>				
MACQUARIE GROUP LTD 0.35 20-28 03/12A	3,214,000	EUR	2,617,562	0.19
NATIONAL AUSTRALIA BK 2.125 22-28 24/05A	2,000,000	EUR	1,866,230	0.13
			<b>4,483,792</b>	<b>0.32</b>
<b>Austria</b>				
MONDI FINANCE 1.50 16-24 15/04A	5,000,000	EUR	4,871,800	0.35
MONDI FINANCE P 1.6250 18-26 27/04A	2,000,000	EUR	1,851,370	0.13
			<b>6,723,170</b>	<b>0.48</b>
<b>Belgium</b>				
BELFIUS BANQUE SA 0.375 19-26 13/02A	2,200,000	EUR	1,969,682	0.14
ELIA SYSTEM OP 3.00 14-29 07/04A	1,000,000	EUR	951,495	0.07
ELIA SYSTEM OPERATOR 1.375 19-26 14/01A	2,700,000	EUR	2,513,106	0.18
ELIA TRANSMISSION BE 0.875 20-30 28/04A	4,800,000	EUR	3,863,256	0.28
FLUVIUS SYSTEM 0.2500 21-28 14/06A	10,400,000	EUR	8,523,684	0.61
KBC GROUPE SA 0.125 21-29 14/01A	1,500,000	EUR	1,206,480	0.09
			<b>19,027,703</b>	<b>1.37</b>
<b>Canada</b>				
ROYAL BANK OF CANADA 2.125 22-29 26/04A	10,000,000	EUR	8,915,800	0.64
TORONTO DOMINION 3.631 22-29 13/12A	13,115,000	EUR	12,591,974	0.90
TORONTO DOMINION BK 1.952 22-30 08/04A	5,000,000	EUR	4,307,700	0.31
TORONTO DOMINION BK 2.551 22-27 03/08A	8,800,000	EUR	8,218,144	0.59
			<b>34,033,618</b>	<b>2.44</b>
<b>Finland</b>				
NORDEA BANK ABP 0.50 21-28 02/11A	8,000,000	EUR	6,572,120	0.47
NORDEA BANK ABP 2.5000 22-29 23/05A	1,903,000	EUR	1,742,910	0.13
			<b>8,315,030</b>	<b>0.60</b>
<b>France</b>				
ACCOR SA 2.375 21-28 29/11A	5,500,000	EUR	4,717,862	0.34
ARVA SE 4.0 22-26 22/09A	4,000,000	EUR	3,981,280	0.29
ARVAL SERVICE LEASE 4.75 22-27 22/05A5A	12,000,000	EUR	12,147,360	0.87
AXA 3.75 22-30 12/10A	2,381,000	EUR	2,385,833	0.17
BANQUE FED CRED 1.25 17-27 26/05A	14,000,000	EUR	12,577,110	0.90
BANQUE FEDERATIVE DU 1.25 20-30 03/06A	3,000,000	EUR	2,432,340	0.17
BFCM BANQUE FEDERATI 3.75 22-33 01/02A	5,000,000	EUR	4,759,900	0.34
BFCM BANQUE FFD C M 2.625 22-29 06/11A	7,500,000	EUR	6,750,375	0.48
BNP PARIBAS 0.5000 21-28 30/05A	3,200,000	EUR	2,702,288	0.19
BNP PARIBAS 1.125 20-29 17/04A	4,500,000	EUR	3,774,465	0.27
BNP PARIBAS SA 0.25 21-27 13/04A	4,400,000	EUR	3,836,272	0.28
BPCE 0.375 22-26 02/02A	2,500,000	EUR	2,256,425	0.16
BPCE 0.5 20-27 15/09A	5,500,000	EUR	4,760,690	0.34
BPCE S.A. 0.25 21-31 14/01A	3,000,000	EUR	2,233,245	0.16
CA 3.875 22-34 28/11A	10,300,000	EUR	9,844,946	0.71
CNP ASSURANCES 1.25 22-29 27/01A	4,600,000	EUR	3,698,975	0.27
CREDIT AGRICOLE 0.375 21-28 20/04A	6,300,000	EUR	5,162,062	0.37
CREDIT AGRICOLE 2.00 20-30 17/07A	4,500,000	EUR	3,564,112	0.26
CREDIT AGRICOLE EMTN 3.125 14-26 05/02A	4,500,000	EUR	4,479,075	0.32
CREDIT AGRICOLE LDN 1.875 16-26 20/12A	4,900,000	EUR	4,512,092	0.32
CREDIT AGRICOLE SA 3.375 22-27 28/07A	4,700,000	EUR	4,592,887	0.33
CREDIT MUTUEL ARKEA 0.875 20-27 07/05A	5,800,000	EUR	5,097,562	0.37
CREDIT MUTUEL ARKEA 3.375 22-27 19/09A9A	13,500,000	EUR	13,111,808	0.94
CREDIT MUTUEL ARKEA 4.25 22-32 01/12A	1,700,000	EUR	1,675,180	0.12
ELIS SA 4.1250 22-27 24/05A	1,700,000	EUR	1,661,719	0.12
GECINA 0.875 22-33 25/01A	4,000,000	EUR	2,908,980	0.21
GECINA 1.00 16-29 30/01A	4,000,000	EUR	3,319,220	0.24
GROUPAMA ASSURANCES 0.75 21-28 07/07A	3,300,000	EUR	2,670,855	0.19
ICADE 1.125 16-25 17/11A	2,700,000	EUR	2,433,712	0.17

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# Candriam Sustainable

## Candriam Sustainable Bond Euro Corporate

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
ICADE SA 0.625 21-31 18/01A	4,000,000	EUR	2,777,720	0.20
ICADE SANTE SAS 0.875 19-29 04/11A	6,300,000	EUR	4,634,658	0.33
ICADE SANTE SAS 1.375 20-30 17/09A	3,400,000	EUR	2,486,624	0.18
LA POSTE 0 21-29 18/01U	7,600,000	EUR	5,863,894	0.42
LA POSTE 0.625 20-26 21/04A	3,500,000	EUR	3,113,985	0.22
LA POSTE 0.625 21-36 18/01A	3,000,000	EUR	1,934,460	0.14
LA POSTE 3.125 22-33 14/03A	9,000,000	EUR	8,495,865	0.61
RTE EDF 2.125 18-38 27/09A	1,000,000	EUR	765,120	0.05
SG 4.25 22-32 16/11A	5,000,000	EUR	4,975,300	0.36
SOCIETE GENERALE SA 0.75 20-27 23/01A	9,600,000	EUR	8,303,664	0.60
SOCIETE GENERALE SA 4.0 22-27 16/11A	5,000,000	EUR	4,997,475	0.36
SOCIETE NATIONA 3.1250 22-27 02/11A	10,000,000	EUR	9,839,600	0.71
SODEXHO 2.50 14-26 24/06A	3,000,000	EUR	2,907,975	0.21
STE FONCIERE LYONNAI 1.5 20-27 05/06A	1,900,000	EUR	1,654,910	0.12
VALEO SE 5.375 22-27 28/05A 22-27 28/05A	7,000,000	EUR	6,830,600	0.49
			<b>207,630,480</b>	<b>14.91</b>
<b>Germany</b>				
DAIMLER CANADA FINAN 3.0 22-27 23/02A	6,680,000	EUR	6,529,533	0.47
DEUT TELEKOM INT FIN 3.60 17-27 19/01S	3,000,000	USD	2,667,786	0.19
DEUTSCHE BAHN 1.375 18-31 28/09A	5,000,000	EUR	4,183,175	0.30
DEUTSCHE BAHN FIN 3.875 22-42 13/10A	7,500,000	EUR	7,567,388	0.54
DEUTSCHE BAHN FINANC 0.625 21-36 15/04A	3,500,000	EUR	2,354,310	0.17
DEUTSCHE BAHN FINANCE 1.875 22-30 24/05A	2,333,000	EUR	2,092,689	0.15
DEUTSCHE BOERSE 1.5 22-32 04/04A	3,100,000	EUR	2,583,338	0.19
DEUTSCHE BOERSE AG 0.00 21-26 22/02U	4,500,000	EUR	4,046,062	0.29
DEUTSCHE TELEKOM AG 4.3750 18-28 21/06S	2,000,000	USD	1,803,598	0.13
LEG IMMOBILIEN 0.8750 22-29 17/01A	2,500,000	EUR	1,965,912	0.14
MERCEDES-BENZ F 5.2500 22-27 29/11S	2,000,000	USD	1,888,021	0.14
MERCEDES-BENZ F 5.3750 22-25 26/11S	1,500,000	USD	1,415,137	0.10
MUNICH REINSURANCE C 1.25 20-41 23/09A	3,000,000	EUR	2,235,735	0.16
SIEM FI 2.75 22-30 09/09A	6,700,000	EUR	6,362,554	0.46
SIEMENS FINANCIERING 0.375 20-26 05/06A	3,000,000	EUR	2,709,375	0.19
TRATON FINANCE LUXEM 4.125 22-25 22/11A	9,000,000	EUR	8,909,505	0.64
VOLKSWAGEN FIN 0.1250 21-27 12/02A	5,379,000	EUR	4,488,211	0.32
VOLKSWAGEN INTL FIN 4.25 22-28 15/02A	9,400,000	EUR	9,193,529	0.66
VOLKSWAGEN LEASING G 0.375 21-26 19/05A	15,100,000	EUR	13,060,670	0.94
VONOVIA SE 0.2500 21-28 01/09A	600,000	EUR	458,901	0.03
VONOVIA SE 1.8750 22-28 28/06A	7,600,000	EUR	6,464,712	0.46
VONOVIA SE 4.75 22-27 23/05A	3,500,000	EUR	3,454,710	0.25
VONOVIA SE 5.0 22-30 23/11A	1,400,000	EUR	1,371,832	0.10
			<b>97,806,683</b>	<b>7.02</b>
<b>Ireland</b>				
CRH FUNDING B.V. 1.625 20-30 05/05A	2,854,000	EUR	2,424,758	0.17
			<b>2,424,758</b>	<b>0.17</b>
<b>Italy</b>				
ASS GENERALI 5.8 22-32 06/07A	1,398,000	EUR	1,486,430	0.11
ENEL FIN INTL 0.875 22-31 17/01A	9,000,000	EUR	6,915,240	0.50
ENEL FINANCE AM 7.1000 22-27 14/10S	10,728,000	USD	10,425,585	0.75
ENEL FINANCE IN 0.3750 21-29 28/05A	5,000,000	EUR	3,965,850	0.28
ENEL FINANCE INTERNA 0 21-27 17/06U	3,000,000	EUR	2,535,330	0.18
ENEL FINANCE INTERNA 0.5 21-30 17/06A	4,500,000	EUR	3,437,280	0.25
INTESA SANPAOLO 0.75 21-28 16/03A	5,600,000	EUR	4,654,496	0.33
INTESA SANPAOLO SPA 1.35 21-31 24/02A	5,000,000	EUR	3,709,075	0.27
TERNA S.P.A. 0.375 20-30 25/09A	3,000,000	EUR	2,269,920	0.16
TERNA S.P.A. 0.375 21-29 23/06A	2,933,000	EUR	2,346,855	0.17
UNICREDIT FL.R 22-28 18/01A	3,000,000	EUR	2,568,885	0.18
UNICREDIT SPA 0.325 21-26 19/01A	8,000,000	EUR	7,109,280	0.51
UNICREDIT SPA 1.00 18-23 18/01A	1,200,000	EUR	1,199,418	0.09
			<b>52,623,644</b>	<b>3.78</b>

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# Candriam Sustainable

## Candriam Sustainable Bond Euro Corporate

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Japan</b>				
TAKEDA PHARMACEUTICA 1 20-29 09/07A	5,000,000	EUR	4,209,750	0.30
			<b>4,209,750</b>	<b>0.30</b>
<b>Luxembourg</b>				
PROLOGIS INTERNATION 1.625 20-32 17/06A	11,731,000	EUR	8,869,985	0.64
			<b>8,869,985</b>	<b>0.64</b>
<b>Netherlands</b>				
ABN AMRO BANK 4.375 20-XX 22/09S	3,500,000	EUR	3,234,822	0.23
ABN AMRO BANK NV 4.5 22-34 21/11A	6,600,000	EUR	6,498,492	0.47
ABN AMRO BK 4.25 22-30 21/02A	15,500,000	EUR	15,296,718	1.10
COOPERATIEVE RABOBANK 0.375 21-27 01/12A	6,400,000	EUR	5,523,936	0.40
ING GROEP NV FL.R 20-29 18/02A	8,200,000	EUR	6,597,474	0.47
TENNET HOLDING B.V 0.125 20-32 30/11A	5,219,000	EUR	3,575,693	0.26
TENNET HOLDING B.V 4.5 22-34 28/10A	11,500,000	EUR	11,916,530	0.86
TENNET HOLDING BV 4.25 22-32 28/04A	9,214,000	EUR	9,382,432	0.67
TENNET HOLDING BV 4.75 22-42 28/10A	5,900,000	EUR	6,217,243	0.45
WOLT KL 3.0 22-26 23/09A	2,400,000	EUR	2,345,856	0.17
WOLTERS KLUWER N.V. 0.25 21-28 30/03A	3,500,000	EUR	2,917,268	0.21
WOLTERS KLUWER N.V. 0.75 20-30 03/07A	3,111,000	EUR	2,483,838	0.18
			<b>75,990,302</b>	<b>5.46</b>
<b>Portugal</b>				
EDP FINANCE 0.375 19-26 16/09A	2,300,000	EUR	2,030,520	0.15
EDP FINANCE BV 6.3 22-27 11/10S	6,500,000	USD	6,252,668	0.45
ENERGIAS DE PORTUGAL 1.7 20-80 20/01A	1,100,000	EUR	986,624	0.07
			<b>9,269,812</b>	<b>0.67</b>
<b>Spain</b>				
BANCO DE SABADELL SA 2.5 21-31 15/01A	2,400,000	EUR	2,096,100	0.15
BBVA 4.375 22-29 14/10A	6,500,000	EUR	6,569,485	0.47
CELLNEX FINANCE CO 2.25 22-26 12/04A	10,700,000	EUR	9,877,480	0.71
CELLNEX FINANCE CO SA 1.5 21-28 08/06A	5,900,000	EUR	4,923,621	0.35
CELLNEX TELECOM S.A. 1.75 20-30 23/10A	3,000,000	EUR	2,334,549	0.17
IBERDROLA INTL BV 1.874 20-99 31/12A	5,200,000	EUR	4,640,116	0.33
TELEFONICA EMISIONES 7.045 06-36 20/06S	3,000,000	USD	2,898,440	0.21
			<b>33,339,791</b>	<b>2.39</b>
<b>Sweden</b>				
SKANDINAVISKA E 0.7500 22-27 09/08U	3,000,000	EUR	2,608,620	0.19
SKANDINAVISKA ENSKIL 0.75 21-31 03/11Q	1,951,000	EUR	1,651,190	0.12
SKANDINAVISKA ENSKILD 1.00 22-26 09/11A	10,000,000	EUR	10,018,250	0.72
SVENSKA HANDELSBANKE 1.375 22-2923/02A	3,000,000	EUR	2,549,985	0.18
VATTENFALL AB 3.75 22-26 18/10A	6,000,000	EUR	5,999,790	0.43
			<b>22,827,835</b>	<b>1.64</b>
<b>Switzerland</b>				
NOVARTIS FINANCE SA 0 20-28 23/09U	8,700,000	EUR	7,178,674	0.52
			<b>7,178,674</b>	<b>0.52</b>
<b>United Kingdom</b>				
ASTRAZENECA PLC 0.375 21-29 03/06A	1,700,000	EUR	1,402,262	0.10
AVIVA PLC 3.375 15-45 04/12A	1,000,000	EUR	941,525	0.07
DS SMITH PLC 0.8750 19-26 12/09A	3,130,000	EUR	2,775,981	0.20
GSK CAPITAL BV 3.0 22-27 28/11A	5,714,000	EUR	5,587,149	0.40
NATIONWIDE BUILDING 2.00 22-27 28/04A	3,250,000	EUR	3,000,985	0.22
NATWEST MARKETS PLC 1.375 22-27 02/03A	4,000,000	EUR	3,569,960	0.26
RELX FINANCE BV 0.0 20-24 18/03U	2,500,000	EUR	2,402,175	0.17
RENTOKIL INITIAL FIN 3.875 22-27 27/06A	7,000,000	EUR	6,928,705	0.50
RENTOKIL INITIAL FINA 4.375 22-30 27/06A	2,000,000	EUR	2,025,370	0.15
RENTOKIL INITIAL PLC 0.5 20-28 14/10A	3,550,000	EUR	2,899,480	0.21
VODAFONE GROUP 3.1 18-79 03/01A	5,254,000	EUR	5,155,698	0.37
			<b>36,689,290</b>	<b>2.63</b>
<b>United States of America</b>				
AIR PRODUCTS CHEMIC 0.5 20-28 05/05A	3,500,000	EUR	2,993,515	0.21
AMERICAN TOWER 0.5 20-28 10/09A	4,000,000	EUR	3,282,200	0.24

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 Sustainable

## Candriam Sustainable Bond Euro Corporate

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
AMERICAN TOWER 0.9500 21-30 05/10A	1,500,000	EUR	1,145,872	0.08
AMERICAN TOWER CORP 0.875 21-29 21/05A	5,000,000	EUR	3,979,500	0.29
AMGEN INC 2.00 16-26 25/02A	10,000,000	EUR	9,528,200	0.68
APPLE 3.35 22-32 08/08S	1,500,000	USD	1,278,475	0.09
BECTON DICKINSON 1.401 18-23 24/05A	4,000,000	EUR	3,986,580	0.29
BK AMERICA F.LR 22-26 27/10A	9,677,000	EUR	9,077,703	0.65
CROWN EUROPEAN HOLD 2.875 18-26 01/02S	3,000,000	EUR	2,865,000	0.21
DH EUROPE FIN 0.20 19-26 18/03A	11,500,000	EUR	10,356,268	0.74
DH EUROPE FIN 0.45 19-28 18/03A	13,731,000	EUR	11,692,908	0.84
DH EUROPE FIN 0.75 19-31 18/09A	8,187,000	EUR	6,374,234	0.46
DIGITAL DUTCH FINCO 1.5 20-30 17/01A	2,000,000	EUR	1,561,610	0.11
DIGITAL INTREPID HOL 0.625 21-31 12/01A	4,000,000	EUR	2,737,780	0.20
ELI LILLY 1.625 15-26 02/06A	7,400,000	EUR	6,966,841	0.50
FISERV INC 1.625 19-30 01/07A	2,000,000	EUR	1,652,080	0.12
GENERAL MILLS INC 0.45 20-26 15/01A	3,900,000	EUR	3,550,852	0.25
IBM CORP 0.8750 22-30 09/02U	10,800,000	EUR	8,867,934	0.64
IBM CORP 1.75 16-28 07/03A	8,000,000	EUR	7,249,840	0.52
INTERNATIONAL BUSINE 0.3 20-28 11/02A	1,800,000	EUR	1,514,439	0.11
INTERNATIONAL BUSINE 0.65 20-32 11/02A	3,837,000	EUR	2,881,165	0.21
IQVIA INC 2.25 19-28 15/01A	3,000,000	EUR	2,647,584	0.19
IQVIA INC 2.875 20-28 24/06S	2,000,000	EUR	1,790,000	0.13
MANPOWERGROUP INC 1.75 18-26 22/06A	2,759,000	EUR	2,588,314	0.19
MEDT GL 2.625 22-25 15/10A	13,000,000	EUR	12,661,155	0.91
MEDTRONIC GLOBAL HLDG 3 22-28 15/10A/10A	8,755,000	EUR	8,455,885	0.61
MEDTRONIC GLOBAL HOLD 1.125 19-27 07/03A	12,100,000	EUR	10,974,518	0.79
MORGAN STANLEY 0.406 21-27 30/04A	10,000,000	EUR	8,623,750	0.62
MORGAN STANLEY CAP F.LR 22-32 07/05A	2,500,000	EUR	2,211,675	0.16
NESTLE FINANCE INTER 3.375 22-34 15/11A	14,444,000	EUR	13,988,797	1.00
PROLOGIS EURO FINANCE 0.375 20-28 06/02A	1,100,000	EUR	911,806	0.07
PROLOGIS EURO FINANCE 1.875 18-29 05/01A	1,000,000	EUR	876,905	0.06
STELLANTIS 0.75 21-29 18/01A	2,000,000	EUR	1,596,610	0.11
STELLANTIS N.V. 0.625 21-27 30/03A	7,500,000	EUR	6,463,800	0.46
THERMO FISHER SCIEN 1.45 17-27 16/03A	4,300,000	EUR	3,952,259	0.28
THERMO FISHER SCIENT 0.50 19-28 01/03A	600,000	EUR	514,281	0.04
THERMO FISHER SCIENT 1.375 16-28 12/09A	2,000,000	EUR	1,773,430	0.13
THERMO FISHER SCIENT 1.40 17-26 23/01A	11,282,000	EUR	10,584,603	0.76
THERMO FISHER SCIENT 1.75 20-27 02/04A	9,200,000	EUR	8,555,908	0.61
THERMO FISHER SCIENT 3.2 22-26 21/01A	5,000,000	EUR	4,953,800	0.36
VERIZON COMM 4.75 22-34 31/10A	10,500,000	EUR	10,805,602	0.78
VERIZON COMMUNICATIO 1.3 20-33 18/05A	11,000,000	EUR	8,325,955	0.60
VERIZON COMMUNICATION 0.875 19-27 08/04A	9,805,000	EUR	8,673,993	0.62
VERIZON COMMUNICATION 1.375 17-26 27/10A	1,300,000	EUR	1,191,860	0.09
			<b>236,665,486</b>	<b>16.99</b>
<b>Total bonds</b>			<b>868,109,803</b>	<b>62.33</b>
<b>Floating rate notes</b>				
<b>Belgium</b>				
ELIA SYSTEM FL.R 18-XX 05/12A	11,000,000	EUR	10,755,360	0.77
KBC GROUP NV FL.R 19-29 03/12A	2,100,000	EUR	1,894,599	0.14
KBC GROUP NV FL.R 21-31 07/12A	2,900,000	EUR	2,398,112	0.17
KBC GROUPE FL.R 22-27 23/11A	8,900,000	EUR	8,921,938	0.64
KBC GROUPE SA FL.R 19-99 31/12S	3,000,000	EUR	2,865,990	0.21
			<b>26,835,999</b>	<b>1.93</b>
<b>France</b>				
AXA SA FL.R 14-XX 07/11A	2,300,000	EUR	2,252,884	0.16
AXA SA FL.R 14-XX 08/10A	2,900,000	EUR	2,810,694	0.20
AXA SA FL.R 21-41 07/04A	5,300,000	EUR	3,916,620	0.28
BFCM BANQUE FEDERAT FL.R 22-32 16/06A	2,600,000	EUR	2,440,061	0.18
BNP PAR FL.R 22-28 25/07A	3,000,000	EUR	2,775,600	0.20

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# Candriam Sustainable

## Candriam Sustainable Bond Euro Corporate

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
BNP PARIBAS FL.R 22-32 31/03A	3,700,000	EUR	3,271,059	0.23
BNP PARIBAS FL.R 22-XX 31/12S	1,000,000	USD	979,016	0.07
BNP PARIBAS FL.R 4.032 14-XX 25	1,100,000	EUR	1,060,636	0.08
BNP PARIBAS SA FL.R 20-28 19/02A	8,500,000	EUR	7,217,478	0.52
BNP PARIBAS SA FL.R 22-99 31/12S	6,000,000	USD	4,637,611	0.33
BPCE FL.R 21-42 13/01A	5,600,000	EUR	4,690,980	0.34
BPCE SA FL.R 22-28 14/01A	7,000,000	EUR	5,974,045	0.43
CNP ASSURANCES 2.5 20-51 30/06A	3,000,000	EUR	2,429,010	0.17
CREDIT AGRICOLE FL.R 14-XX 14/10A	1,400,000	EUR	1,367,541	0.10
CREDIT AGRICOLE FL.R 20-30 05/06A	5,000,000	EUR	4,607,000	0.33
CREDIT AGRICOLE SA FL.R 22-26 12/10A	5,500,000	EUR	5,475,608	0.39
CREDIT AGRICOLE SA FL.R 22-27 22/04A	3,700,000	EUR	3,420,076	0.25
CREDIT MUTUEL ARKEA FL.R 20-29 11/06A	7,100,000	EUR	6,026,764	0.43
DANONE SA FL.R 17-XX 23/06A	7,200,000	EUR	7,122,708	0.51
LA BANQUE POSTALE FL.R 20-26 17/06A	8,200,000	EUR	7,479,343	0.54
LA BANQUE POSTALE FL.R 20-31 26/01A	3,800,000	EUR	3,297,070	0.24
LA BANQUE POSTALE FL.R 22-34 05/03A	5,400,000	EUR	5,291,244	0.38
SOCIETE GENERALE FL.R 18-28 23/02A	5,000,000	EUR	4,951,425	0.36
SOCIETE GENERALE SA FL.R 21-27 02/12A	7,900,000	EUR	6,784,480	0.49
SOCIETE GENERALE SA FL.R 22-99 31/12S	6,000,000	USD	5,771,722	0.41
VEOLIA ENVIRONNEMENT FL.R 21-XX XX/XXA	1,900,000	EUR	1,559,472	0.11
			<b>107,610,147</b>	<b>7.73</b>
<b>Germany</b>				
ALLIANZ SE FL.R 13-XX 24/10A	1,800,000	EUR	1,790,136	0.13
ALLIANZ SE FL.R 22-38 07/09A	5,200,000	EUR	5,053,412	0.36
CMZB FRANCFOR 3.0 FL.R 22-27 14/09A	2,500,000	EUR	2,325,275	0.17
CMZB FRANCFORT FL.R 22-32 06/12A	1,100,000	EUR	1,086,022	0.08
DEUTSCHE BOERSE FL.R 22-48 23/06A	5,400,000	EUR	4,722,759	0.34
HANNOVER RUCKVERSICH FL.R 22-43 26/08A	4,100,000	EUR	4,177,654	0.30
VOLKSWAGEN INTL FIN FL.R 18-XX 27/06A	8,000,000	EUR	7,627,480	0.55
VOLKSWAGEN INTL FIN FL.R 20-XX 17/06A	19,100,000	EUR	17,708,660	1.27
			<b>44,491,398</b>	<b>3.19</b>
<b>Ireland</b>				
BANK OF IRELAND GROUP FL.R 22-26 05/06A	6,922,000	EUR	6,424,031	0.46
BK IRELAND FL.R 22-33 01/03A	1,645,000	EUR	1,634,069	0.12
			<b>8,058,100</b>	<b>0.58</b>
<b>Italy</b>				
INTESA SANPAOLO FL.R 20-XX XX/XXS	3,000,000	EUR	2,821,035	0.20
INTESA SANPAOLO FL.R 22-XX 30/09S	2,000,000	EUR	1,721,560	0.12
UNICREDIT SPA FL.R 17-49 03/12S	4,000,000	EUR	3,877,360	0.28
UNICREDIT SPA FL.R 17-XX 03/06S	2,000,000	EUR	1,795,710	0.13
UNICREDIT SPA FL.R 19-29 23/09A	3,500,000	EUR	3,216,724	0.23
UNICREDIT SPA FL.R 20-26 16/06A	1,100,000	EUR	1,014,888	0.07
UNICREDIT SPA FL.R 20-27 22/07A	2,492,000	EUR	2,254,039	0.16
			<b>16,701,316</b>	<b>1.20</b>
<b>Netherlands</b>				
COOPERATIEVE RABOBAN FL.R 20-28 05/05A	12,200,000	EUR	10,577,949	0.76
COOPERATIEVE RABOBANK FL.R 22-XX 06/04S	5,000,000	EUR	4,293,050	0.31
COOPERATIVE RABOBANK FL.R 18-XX XX/XXS	5,200,000	EUR	4,816,890	0.35
ING GROEP NV FL.R 21-28 29/09A	4,500,000	EUR	3,711,510	0.27
ING GROEP NV FL.R 22-26 23/05A	6,500,000	EUR	6,182,085	0.44
ING GROUP NV FL.R 19-30 13/11A	4,700,000	EUR	4,142,580	0.30
ING GROUP NV FL.R 20-31 26/05A	2,200,000	EUR	1,993,849	0.14
ING GROUP NV FL.R 22-27 16/02A	12,700,000	EUR	11,516,804	0.83
NN GROUP NV FL.R 17-48 13/01A	2,000,000	EUR	1,926,960	0.14
TENNET HOLDING BV FL.R 20-XX 22/10A	1,050,000	EUR	969,591	0.07
			<b>50,131,268</b>	<b>3.60</b>
<b>Norway</b>				
DNB BANK A 4.625 22-33 28/02A	2,954,000	EUR	2,904,964	0.21
			<b>2,904,964</b>	<b>0.21</b>

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# Candriam Sustainable

## Candriam Sustainable Bond Euro Corporate

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Portugal</b>				
ENERGIAS DE PORTUGAL FL.R 21-82 14/03A	5,300,000	EUR	4,332,750	0.31
			<b>4,332,750</b>	<b>0.31</b>
<b>Spain</b>				
BANCO BILBAO FL.R 19-XX XX/XXQ	4,000,000	EUR	3,899,580	0.28
BANCO BILBAO VI FL.R 18-XX 24/03Q	2,000,000	EUR	1,926,430	0.14
BANCO BILBAO VIZCAYA FL.R 20-30 16/01A	1,200,000	EUR	1,087,236	0.08
BANCO DE SABADELL FL.R 17-XX 23/11Q	6,000,000	EUR	5,854,620	0.42
BANCO DE SABADELL FL.R 22-26 24/03A	14,000,000	EUR	13,172,474	0.95
BANCO DE SABADELL SA FL.R 18-28 12/12A	4,000,000	EUR	3,999,340	0.29
BANCO DE SABADELL SA FL.R 21-28 16/06A	2,100,000	EUR	1,693,786	0.12
IBERDROLA INTL BV FL.R 17-XX 22/02A	2,000,000	EUR	1,990,640	0.14
IBERDROLA INTL BV FL.R 18-XX XX/XXA	2,900,000	EUR	2,828,341	0.20
TELEFONICA EUROPE BV FL.R 18-XX 22/09A	3,000,000	EUR	2,917,260	0.21
TELEFONICA EUROPE BV FL.R 22-XX 23/11A	2,500,000	EUR	2,559,675	0.18
			<b>41,929,382</b>	<b>3.01</b>
<b>Sweden</b>				
SKANDINAVISKA ENSKILD FL.R 22-XX 31/12S	1,200,000	USD	1,081,147	0.08
			<b>1,081,147</b>	<b>0.08</b>
<b>United Kingdom</b>				
LLOYDS BANKING GROUP FL.R 18-28 07/09A	6,218,000	EUR	5,980,472	0.43
NATWEST GROUP FL.R 22-33 06/06S	1,000,000	GBP	1,137,210	0.08
NATWEST GROUP PLC FL.R 21-30 26/02A	2,000,000	EUR	1,567,950	0.11
NATWEST GROUP PLC FL.R 22-28 06/09A	4,878,000	EUR	4,747,709	0.34
VODAFONE GROUP PLC FL.R 20-80 27/08A	1,500,000	EUR	1,321,875	0.09
			<b>14,755,216</b>	<b>1.06</b>
<b>United States of America</b>				
BANK OF AMERICA CORP FL.R 21-26 22/09Q	7,500,000	EUR	7,404,637	0.53
BANK OF AMERICA CORP FL.R 21-28 24/05A	4,000,000	EUR	3,362,060	0.24
MORGAN STAN CAP SERV FL.R 22-28 25/10A	12,500,000	EUR	12,711,750	0.91
			<b>23,478,447</b>	<b>1.69</b>
<b>Total floating rate notes</b>			<b>342,310,134</b>	<b>24.58</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>1,210,419,937</b>	<b>86.91</b>
<b>Undertakings for Collective Investment</b>				
<b>Shares/Units in investment funds</b>				
<b>Supranational</b>				
CANDRIAM SUSTAINABLE MONEY MARKET EURO Z C	60,000	EUR	63,177,495	4.54
			<b>63,177,495</b>	<b>4.54</b>
<b>Total Shares/Units in investment funds</b>			<b>63,177,495</b>	<b>4.54</b>
<b>Total Undertakings for Collective Investment</b>			<b>63,177,495</b>	<b>4.54</b>
<b>Total investment portfolio</b>			<b>1,273,597,432</b>	<b>91.44</b>
Acquisition cost			1,353,156,236	

The accompanying notes form an integral part of the financial statements.  
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# Candriam Sustainable

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## Candriam Sustainable Bond Euro Corporate

### Geographical and economic breakdown of investments as at December 31, 2022

#### Geographical breakdown (in % of net assets)

France	22.63
United States of America	18.68
Germany	10.22
Netherlands	9.06
Spain	5.40
Italy	4.98
Supranational	4.54
United Kingdom	3.69
Belgium	3.29
Canada	2.44
Sweden	1.72
Portugal	0.98
Ireland	0.75
Luxembourg	0.64
Finland	0.60
Switzerland	0.52
Austria	0.48
Australia	0.32
Japan	0.30
Norway	0.21
	<b>91.44</b>

#### Economic breakdown (in % of net assets)

Banks and other financial institutions	55.42
Investments funds	4.54
Pharmaceuticals	4.18
Real estate	3.45
Communication	3.32
Insurance	3.07
Non classifiable Institutions	2.79
Utilities	2.79
Electronics and semiconductors	2.18
Transportation	1.86
Office supplies and computing	1.56
Miscellaneous services	1.39
Road vehicles	1.31
Foods and non alcoholic drinks	0.77
Electrical engineering	0.68
Graphic art and publishing	0.56
Packaging industries	0.41
Hotels and restaurants	0.34
Healthcare	0.32
Chemicals	0.21
Miscellaneous consumer goods	0.19
Internet and internet services	0.12
	<b>91.44</b>

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

# Candriam Sustainable

## Candriam Sustainable Bond Euro Short Term

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Bonds</b>				
<b>Australia</b>				
ANZ BANKING GRP 0.625 18-23 21/02A	8,715,000	EUR	8,699,792	0.66
AUSTR NEW ZEAL BANK 0.25 22-25 17/03A	5,000,000	EUR	4,666,175	0.35
NATIONAL AUSTRALIA 0.25 19-24 20/05A	4,136,000	EUR	3,982,927	0.30
NATIONAL AUSTRALIA BK 0.625 18-23 30/08A	2,400,000	EUR	2,370,204	0.18
TELSTRA CORP EMTN 2.50 13-23 15/09A	4,000,000	EUR	3,994,960	0.30
TOYOTA FINANCE 0.2500 19-24 09/04A	200,000	EUR	192,767	0.01
			<b>23,906,825</b>	<b>1.80</b>
<b>Austria</b>				
AUSTRIA 0.00 21-25 20/04U	8,000,000	EUR	7,506,240	0.57
AUSTRIA 1.65 14-24 21/10A	3,000,000	EUR	2,939,775	0.22
			<b>10,446,015</b>	<b>0.79</b>
<b>Belgium</b>				
BELFIUS BANQUE SA/NV 0.01 20-25 15/10A	9,000,000	EUR	8,180,325	0.62
BELFIUS BANQUE SA/NV 0.375 20-25 02/09A	3,900,000	EUR	3,558,458	0.27
BELGIUM 0.50 17-24 22/10A	15,000,000	EUR	14,422,125	1.09
BELGIUM 2.60 14-24 22/06A	2,000,000	EUR	1,994,780	0.15
ELIA SYSTEMS OP 1.375 15-24 27/05A	5,000,000	EUR	4,842,150	0.37
KBC GROUPE SA 0.6250 19-25 10/04A	2,000,000	EUR	1,882,100	0.14
KBC GROUPE SA 0.875 18-23 27/06A	7,500,000	EUR	7,450,612	0.56
KBC GROUPE SA 19-24 25/01A	2,000,000	EUR	1,961,170	0.15
PROXIMUS 2.375 14-24 01/04A	7,000,000	EUR	6,910,960	0.52
			<b>51,202,680</b>	<b>3.87</b>
<b>Canada</b>				
BANK OF MONTREAL 0.125 20-23 26/03A	1,500,000	EUR	1,493,370	0.11
CANADA 0.375 19-24 03/05A	4,062,000	EUR	3,900,231	0.29
CANADIAN IMPERIAL 0.75 18-23 22/03A	2,000,000	EUR	1,993,990	0.15
CANADIAN IMPERIAL BA 0.00 20-23 07/12U	3,164,000	USD	2,951,836	0.22
ROYAL BANK OF CANADA 0.125 19-24 23/07A	10,201,000	EUR	9,720,329	0.73
ROYAL BANK OF CANADA 0.250 19-24 02/05A	2,000,000	EUR	1,924,860	0.15
TORONTO DOMINION BANK 0.375 19-24 25/04A	13,667,000	EUR	13,152,301	0.99
			<b>35,136,917</b>	<b>2.65</b>
<b>Chile</b>				
CHILE 1.625 14-25 30/01A	5,000,000	EUR	4,783,775	0.36
			<b>4,783,775</b>	<b>0.36</b>
<b>European Union</b>				
COMMUNAUTE EUROPEENNE 0 20-25 17/11U	2,000,000	EUR	1,844,340	0.14
EURO FI 1.5 22-25 15/12A	6,200,000	EUR	5,949,706	0.45
EUROPEAN INVESTMENT B 0.125 15-25 15/04A	5,000,000	EUR	4,688,750	0.35
EUROPEAN UNION 0.8 22-25 04/07A	4,000,000	EUR	3,795,700	0.29
MECANISME EUROPEEN D 0 21-26 15/03U	4,984,000	EUR	4,432,346	0.33
			<b>20,710,842</b>	<b>1.56</b>
<b>Finland</b>				
NORDEA BK 0.875 18-23 26/06A	8,041,000	EUR	7,980,250	0.60
			<b>7,980,250</b>	<b>0.60</b>
<b>France</b>				
AIR LIQUIDE FINANCE 1 20-25 02/04A	7,000,000	EUR	6,669,775	0.50
ARVAL SERVICE L 0.00 21-25 01/10U	2,000,000	EUR	1,807,940	0.14
ARVAL SERVICE L 0.8750 22-25 17/02A	1,300,000	EUR	1,225,230	0.09
ARVAL SERVICE LEASE 4.75 22-27 22/05A5A	2,400,000	EUR	2,429,472	0.18
AXA SA 5.125 13-43 04/07A	12,800,000	EUR	12,880,192	0.97
BFCM 0.125 19-24 05/02A	3,200,000	EUR	3,094,000	0.23
BFCM 0.75 19-23 15/06A	3,700,000	EUR	3,673,712	0.28
BFCM 1 22-25 23/05A	3,000,000	EUR	2,822,565	0.21
BFCM 3.00 15-25 11/09A	7,000,000	EUR	6,872,670	0.52
BNP PARIBAS 1.00 18-24 17/04A	11,500,000	EUR	11,179,668	0.84

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# Candriam Sustainable

## Candriam Sustainable Bond Euro Short Term

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
BNP PARIBAS 1.125 17-23 10/10A	3,000,000	EUR	2,962,635	0.22
BPCE 0.875 18-24 31/01A	4,000,000	EUR	3,897,340	0.29
BPCE 1.0 19-25 01/04A	2,000,000	EUR	1,883,410	0.14
BPCE 3.00 14-24 19/07A	3,000,000	EUR	3,006,330	0.23
BPCE S.A. 0.25 20-26 15/01A	2,000,000	EUR	1,803,360	0.14
CAISSE DEPOTS CONS 0.01 20-25 15/09A	1,700,000	EUR	1,561,390	0.12
CAPGEMINI SE 0.625 20-25 23/06A	6,000,000	EUR	5,598,180	0.42
CAPGEMINI SE 2.50 15-23 01/07A	3,200,000	EUR	3,192,560	0.24
CM ARKEA 1.00 15-23 26/01A	3,000,000	EUR	2,998,110	0.23
CM ARKEA 1.25 17-24 31/05A	4,200,000	EUR	4,072,425	0.31
COMPAGNIE DE SAINT 0.625 19-24 15/03A	6,000,000	EUR	5,806,920	0.44
COMPAGNIE DE SAINT-GO 1.625 22-25 10/08A	3,000,000	EUR	2,853,465	0.22
CREDIT AGRICOLE 0.50 19-24 24/06A	8,500,000	EUR	8,150,905	0.62
CREDIT AGRICOLE 0.75 18-23 05/12A	2,000,000	EUR	1,959,190	0.15
CREDIT MUTUEL ARKEA 3.375 22-27 19/09A9A	2,000,000	EUR	1,942,490	0.15
CS AG LDN EMTN 3.125 13-23 17/07A	1,000,000	EUR	1,001,790	0.08
DANONE 1.25 15-24 30/05A	5,300,000	EUR	5,163,790	0.39
DANONE SA 0 21-25 01/06U	4,200,000	EUR	3,820,971	0.29
DASSAULT SYSTEM 0.00 19-24 16/09U	4,000,000	EUR	3,784,280	0.29
EDENRED SA 1.375 15-25 10/03A	2,000,000	EUR	1,902,700	0.14
ESSILORLUXOTTICA 0.25 20-24 05/01A	1,500,000	EUR	1,459,620	0.11
FRANCE 0.00 19-25 25/03U	10,000,000	EUR	9,394,300	0.71
FRANCE 1.75 13-24 25/11A	5,000,000	EUR	4,898,925	0.37
FRANCE 2.25 13-24 25/05A	8,000,000	EUR	7,939,880	0.60
FRANCE GOVERNMENT BOND 0.00 22-25 25/02U	10,000,000	EUR	9,408,950	0.71
ICADE 1.125 16-25 17/11A	8,000,000	EUR	7,211,000	0.54
KERING 1.2500 22-25 05/05A	5,000,000	EUR	4,781,825	0.36
KERING 2.75 14-24 08/04A	2,000,000	EUR	2,003,150	0.15
KERING SA 0.25 20-23 13/05A	3,500,000	EUR	3,477,390	0.26
L OREAL S A 0.375 22-24 29/03A	3,500,000	EUR	3,403,172	0.26
LA POSTE 1.125 15-25 04/06A	2,000,000	EUR	1,886,650	0.14
LEGRAND SA 0.50 17-23 09/10A	1,500,000	EUR	1,474,185	0.11
LEGRAND SA 0.75 17-24 06/07A	4,000,000	EUR	3,867,620	0.29
SANOFI 0.625 16-24 05/04A	4,000,000	EUR	3,889,360	0.29
SANOFI SA 0.5 18-23 21/03A	3,300,000	EUR	3,286,322	0.25
SOCIETE GENERALE 1.25 19-24 15/02A	2,000,000	EUR	1,953,070	0.15
SOCIETE GENERALE SA 4.0 22-27 16/11A	4,300,000	EUR	4,297,828	0.32
SODEXO 0.5 20-24 17/07A	700,000	EUR	681,628	0.05
UNIBAIL RODAMCO 2.50 14-24 26/02A	6,000,000	EUR	5,908,980	0.45
			<b>201,241,320</b>	<b>15.19</b>
<b>Germany</b>				
ADIDAS AG 0.00 20-24 09/09U	10,700,000	EUR	10,124,608	0.76
ADIDAS AG 3.0 22-25 21/11A	1,700,000	EUR	1,680,246	0.13
ALLEMAGNE 0.25 17-27 15/02A	3,000,000	EUR	2,737,005	0.21
ALLIANZ FINANCE II 0.25 17-23 06/06A	5,000,000	EUR	4,956,050	0.37
BUNDSOBLIGATION 1.3 22-27 15/10A	5,000,000	EUR	4,725,450	0.36
COMMERZBANK AG 0.50 19-26 04/12A	1,000,000	EUR	882,305	0.07
DAIMLER CANADA FINAN 3.0 22-27 23/02A	3,761,000	EUR	3,676,283	0.28
DEUT TELEKOM INT FIN 0.875 17-24 30/01A	4,000,000	EUR	3,916,080	0.30
DEUT TELEKOM INT FIN 1.125 17-26 22/05A	4,000,000	EUR	3,725,640	0.28
DEUT TELEKOM INT FIN 1.375 18-25 01/12A	4,000,000	EUR	3,800,400	0.29
DEUTSCHE BOERSE AG 0.00 21-26 22/02U	4,100,000	EUR	3,686,412	0.28
DEUTSCHE TEL.INTL FIN 0.625 16-23 03/04A	500,000	EUR	497,880	0.04
DT ANNINGTON FINANCE 1.50 15-25 31/03A	4,000,000	EUR	3,838,080	0.29
EUROGRID GMBH 1.625 15-23 03/11A	4,500,000	EUR	4,453,110	0.34
GERMANY 0.00 19-24 26/07U	2,861,000	EUR	2,726,018	0.21
INFINEON TECHNO 0.625 22-25 17/02A	6,000,000	EUR	5,636,220	0.43
KREDITANSTALT FUER WI 1.25 22-27 30/06A	6,000,000	EUR	5,546,130	0.42

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# Candriam Sustainable

## Candriam Sustainable Bond Euro Short Term

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
MERCK FIN SERVI 0.1250 20-25 16/07A	2,500,000	EUR	2,313,625	0.17
MERCK FINANCIAL 0.005 19-23 15/12A	7,100,000	EUR	6,900,135	0.52
NRWBANK0.25 22-27 16/03A	5,000,000	EUR	4,440,100	0.34
SAP SE 0.0 20-23 17/05U	9,600,000	EUR	9,530,928	0.72
SAP SE 1.00 18-26 13/03A	5,000,000	EUR	4,677,700	0.35
SIEMENS FINANCIERING 0.00 19-24 05/09U	5,000,000	EUR	4,767,400	0.36
SIEMENS FINANCIERING 0.00 20-23 20/02U	2,000,000	EUR	1,994,620	0.15
SIEMENS FINANCIERING 0.30 19-24 28/02A	3,353,000	EUR	3,247,632	0.25
VOLKSWAGEN BANK GMBH 1.25 17-25 15/12A	5,000,000	EUR	4,604,425	0.35
VOLKSWAGEN FIN 1.5 19-24 01/10A	2,000,000	EUR	1,915,330	0.14
VOLKSWAGEN INTERNATI 0.05 20-24 10/12A	2,000,000	EUR	1,890,950	0.14
VOLKSWAGEN INTL FIN 4.125 22-25 15/11AA	3,200,000	EUR	3,186,480	0.24
VOLKSWAGEN LEASING G 0.00 21-24 19/05U	2,883,000	EUR	2,705,119	0.20
VONOVIA SE 1.375 22-26 28/01A	1,500,000	EUR	1,359,540	0.10
VONOVIA SE 4.75 22-27 23/05A	1,400,000	EUR	1,381,884	0.10
			<b>121,523,785</b>	<b>9.17</b>
<b>Ireland</b>				
IRELAND 3.40 14-24 18/03A	5,000,000	EUR	5,041,550	0.38
IRELAND 5.40 09-25 13/03A	4,000,000	EUR	4,225,500	0.32
			<b>9,267,050</b>	<b>0.70</b>
<b>Italy</b>				
ACEA SPA 0.00 21-25 28/09U	5,000,000	EUR	4,496,475	0.34
BUONI POLIENNAL 1.2000 22-25 15/08S	11,000,000	EUR	10,358,150	0.78
CASSA DEPOSITI 1.50 17-24 21/06A	3,000,000	EUR	2,916,570	0.22
ENEL FIN INTL 1.00 17-24 16/09A	4,000,000	EUR	3,850,900	0.29
ENEL FINANCE IN 0.00 21-26 28/05U	4,811,000	EUR	4,238,948	0.32
ENEL FINANCE INT NV ZCP 160123	10,000,000	EUR	9,983,501	0.75
ENEL FINANCE INTL NV 4.25 22-25 15/06S	809,000	USD	736,556	0.06
INTESA SANPAOLO 0.75 19-24 04/12A	1,096,000	EUR	1,039,731	0.08
INTESA SANPAOLO 1.0000 19-24 04/07A	1,692,000	EUR	1,626,046	0.12
INTESA SANPAOLO 2.1250 20-25 26/05A	5,000,000	EUR	4,788,600	0.36
INTESA SANPAOLO 4.00 13-23 30/11A	5,000,000	EUR	5,046,100	0.38
ITALIE 1.45 25 15-03S	20,000,000	EUR	19,130,700	1.44
ITALY 0.3500 19-25 01/02S	30,000,000	EUR	28,196,250	2.13
ITALY 1.75 19-24 01/07S	20,500,000	EUR	20,060,890	1.51
ITALY 21-24 15/08U	26,000,000	EUR	24,700,780	1.86
ITALY 3.75 14-24 01/09S	12,030,000	EUR	12,127,503	0.92
REPUBLIQUE ITALIENNE 2.5 18-25 15/11S	13,000,000	EUR	12,655,175	0.96
TERNA SPA 1.00 18-23 23/07A	4,000,000	EUR	3,965,120	0.30
TERNA SPA 4.90 04-24 28/10A	1,000,000	EUR	1,022,075	0.08
UBI BANCA 1.5000 19-24 10/04A	2,000,000	EUR	1,951,510	0.15
UNICREDIT 3.00 14-24 31/01A	1,000,000	EUR	995,665	0.08
			<b>173,887,245</b>	<b>13.13</b>
<b>Japan</b>				
MIZUHO FINANCIAL GRP 0.184 21-26 13/04A	1,706,000	EUR	1,511,729	0.11
			<b>1,511,729</b>	<b>0.11</b>
<b>Netherlands</b>				
ABN AMRO BANK 0.875 19-24 15/01A	2,000,000	EUR	1,961,590	0.15
ABN AMRO BANK 2.875 16-28 18/01A	2,000,000	EUR	2,000,160	0.15
ABN AMRO BANK NV 1.25 20-25 28/05A	7,100,000	EUR	6,729,416	0.51
ABN AMRO BK 2.375 22-27 01/06A	5,200,000	EUR	4,865,224	0.37
ASML HOLDING NV 1.375 16-26 07/07S	3,000,000	EUR	2,812,680	0.21
ASML HOLDING NV 3.375 13-23 19/09A	5,300,000	EUR	5,328,196	0.40
DSM KONINKLIJKE 1.00 15-25 09/04A	3,000,000	EUR	2,833,440	0.21
ING GROUP NV 1.125 18-25 14/02A	4,000,000	EUR	3,818,020	0.29
KONINKLIJKE DSM NV 2.375 14-24 03/04A	2,000,000	EUR	1,978,420	0.15
NATIONALE-NEDERLANDEN 0.375 19-23 31/05A	3,000,000	EUR	2,973,090	0.22
NN GROUP NV 4.375 14-XX 13/06A	2,000,000	EUR	1,978,670	0.15
RABOBANK 0.625 19-24 27/02A	9,000,000	EUR	8,739,405	0.66

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# Candriam Sustainable

## Candriam Sustainable Bond Euro Short Term

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
TENNET HOLDING BV 0.75 17-25 26/06A	4,000,000	EUR	3,758,780	0.28
TENNET HOLDING BV 4.625 11-23 21/02A	6,000,000	EUR	6,023,580	0.45
WOLT KL 3.0 22-26 23/09A	1,250,000	EUR	1,221,800	0.09
WOLTERS KLUWER NV2.875 13-23 21/03A	5,500,000	EUR	5,504,730	0.42
			<b>62,527,201</b>	<b>4.72</b>
<b>New Zealand</b>				
BNZ INT FUNDING 0.375 19-24 14/09A	3,000,000	EUR	2,850,510	0.22
BNZ INT FUNDING 0.50 18-23 13/05A	3,500,000	EUR	3,475,745	0.26
WESTPAC SECURITIES 1.099 22-26 24/03A	3,608,000	EUR	3,298,361	0.25
			<b>9,624,616</b>	<b>0.73</b>
<b>Norway</b>				
DNB BANK ASA 0.05 19-23 14/11A	1,174,000	EUR	1,144,885	0.09
DNB BANK ASA 1.125 16-23 01/03A	400,000	EUR	399,382	0.03
TELENOR ASA 0.00 19-23 25/09U	5,657,000	EUR	5,540,975	0.42
			<b>7,085,242</b>	<b>0.53</b>
<b>Poland</b>				
POLAND 0.00 20-25 10/02U	3,000,000	EUR	2,805,090	0.21
			<b>2,805,090</b>	<b>0.21</b>
<b>Portugal</b>				
EDP FINANCE 1.125 16-24 12/02A	1,900,000	EUR	1,856,566	0.14
EDP FINANCE 1.875 17-23 29/09A	100,000	EUR	99,267	0.01
EDP FINANCE 1.875 18-25 12/10A	2,000,000	EUR	1,903,240	0.14
PORTUGAL 2.875 15-25 15/10A	5,000,000	EUR	4,999,100	0.38
PORTUGAL 5.65 13-24 15/02A	9,000,000	EUR	9,280,620	0.70
			<b>18,138,793</b>	<b>1.37</b>
<b>Romania</b>				
ROMANIA EMTN 3.625 14-24 24/04A	7,300,000	EUR	7,304,708	0.55
			<b>7,304,708</b>	<b>0.55</b>
<b>Spain</b>				
BANCO BILBAO VIZCAYA 0.3750 19-24 02/10A	3,000,000	EUR	2,846,790	0.21
BANCO DE SABADELL SA 0.875 17-23 05/03A	4,000,000	EUR	3,988,880	0.30
BBVA 3.375 22-27 20/09A	4,000,000	EUR	3,881,140	0.29
IBERDROLA FINANZAS 1.00 16-24 07/03A	6,400,000	EUR	6,257,312	0.47
INSTITUTO DE CREDITO 0.25 20-24 13/05A	1,718,000	EUR	1,658,806	0.13
SPAIN 0.00 20-25 31/01U	24,000,000	EUR	22,594,440	1.71
SPAIN 0.00 21-24 31/05U	12,000,000	EUR	11,529,300	0.87
SPAIN 0.25 19-24 30/07A	11,000,000	EUR	10,561,540	0.80
SPAIN 2.75 14-24 31/10A	16,000,000	EUR	15,943,920	1.20
SPAIN 3.80 14-24 30/04A	9,200,000	EUR	9,313,896	0.70
SPAIN 4.65 10-25 30/07A	10,000,000	EUR	10,417,600	0.79
SPAIN 4.80 08-24 31/01A	7,500,000	EUR	7,668,338	0.58
SPAIN GOVERNMENT BOND 0.0 22-25 31/05U	5,000,000	EUR	4,651,925	0.35
TELEFONICA EMIS 1.528 17-25 17/01A	1,000,000	EUR	965,050	0.07
TELEFONICA EMISIONES 1.069 19-24 05/02A	6,000,000	EUR	5,868,060	0.44
			<b>118,146,997</b>	<b>8.92</b>
<b>Sweden</b>				
SKANDINAVISKA ENSKIL 1.75 22-26 11/11A	7,173,000	EUR	6,695,637	0.51
SKANDINAVISKA ENSKILD 1.00 22-26 09/11A	4,000,000	EUR	4,007,300	0.30
SVENSKA HANDELSBANKEN 0.125 19-24 18/06A	6,000,000	EUR	5,720,040	0.43
SWEDBANK AB 0.25 21-26 02/11A	4,000,000	EUR	3,501,320	0.26
SWEDBANK AB 3.75 22-25 14/11A	10,492,000	EUR	10,485,495	0.79
			<b>30,409,792</b>	<b>2.30</b>
<b>Switzerland</b>				
NOVARTIS FINANCE SA 0.5 18-23 14/08A	2,000,000	EUR	1,980,000	0.15
SIG COMBIBLOC P 1.8750 20-23 18/06A	4,000,000	EUR	3,983,800	0.30
TYCO ELECTRONICS GRO 0 20-25 14/02U	3,349,000	EUR	3,108,307	0.23
			<b>9,072,107</b>	<b>0.68</b>
<b>United Kingdom</b>				
ASTRAZENECA PLC 0.75 16-24 12/05A	5,000,000	EUR	4,869,375	0.37
GLAXOSMITHKLINE 1.375 14-24 02/12A	2,000,000	EUR	1,936,140	0.15

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# Candriam Sustainable

## Candriam Sustainable Bond Euro Short Term

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
GSK CAPITAL BV 3.0 22-27 28/11A	3,744,000	EUR	3,660,883	0.28
NATWEST MARKETS PLC 0.125 21-26 18/06A	3,167,000	EUR	2,759,170	0.21
NATWEST MARKETS PLC 1 19-24 28/05A	1,000,000	EUR	963,790	0.07
RELX FINANCE BV 0.0 20-24 18/03U	9,000,000	EUR	8,647,830	0.65
UNILEVER 0.375 17-23 14/02A	5,000,000	EUR	4,989,475	0.38
UNILEVER 0.5 18-25 04/09A	2,000,000	EUR	1,896,330	0.14
VODAFONE GROUP 0.50 16-24 30/01A	8,000,000	EUR	7,777,160	0.59
VODAFONE GROUP 2.20 16-26 25/08A	3,000,000	EUR	2,850,900	0.22
VODAFONE GROUP PLC 1.875 14-25 11/09A	3,000,000	EUR	2,870,205	0.22
			<b>43,221,258</b>	<b>3.26</b>
<b>United States of America</b>				
ABBOTT IRL FINANCING 0.100 19-24 19/11A	2,523,000	EUR	2,377,562	0.18
APPLE 0.875 17-25 24/05U	3,000,000	EUR	2,853,945	0.22
APPLE INC 1.625 14-26 10/11A	3,000,000	EUR	2,847,900	0.21
BECTON DICKINSON 1.208 19-26 04/06A	3,500,000	EUR	3,200,488	0.24
CITIGROUP EMTN 2.375 14-24 22/05A	5,000,000	EUR	4,951,775	0.37
DANAHER CORP 1.7 20-24 30/03A	4,000,000	EUR	3,931,340	0.30
EURO MEDIUM TERM NOTE 0.875 19-25 31/01A	7,000,000	EUR	6,643,070	0.50
FIDELITY NATIONAL INF 0.625 19-25 03/12A	3,000,000	EUR	2,730,525	0.21
IBM CORP 0.95 17-25 23/05A	2,000,000	EUR	1,887,280	0.14
ILLINOIS TOOL WORKS 1.25 15-23 22/05A	3,000,000	EUR	2,984,625	0.23
KELLOGG CO 1.00 16-24 17/05A	7,000,000	EUR	6,804,000	0.51
MEDT GL 2.625 22-25 15/10A	3,000,000	EUR	2,921,805	0.22
MEDTRONIC GLOBAL HOLD 0.0 20-25 15/10U	6,361,000	EUR	5,776,806	0.44
MET LIFE GLOB FUND 0.375 19-24 09/04A	6,000,000	EUR	5,773,320	0.44
MET LIFE GLOBAL FDG 2.375 13-23 11/01A	4,400,000	EUR	4,401,650	0.33
MORGAN STANLEY 1.75 16-24 11/03A	4,000,000	EUR	3,931,060	0.30
MORGAN STANLEY 1.875 14-23 30/03A	2,300,000	EUR	2,297,850	0.17
MORGAN STANLEY 1.875 17-27 27/04A	4,820,000	EUR	4,385,549	0.33
NESTLE FIN 0.875 22-27 29/03A	2,000,000	EUR	1,824,180	0.14
NESTLE FINANCE 0.00001 20-25 3/12A	8,963,000	EUR	8,213,514	0.62
NESTLE FINANCE INTER 0 20-24 12/05U	2,406,000	EUR	2,279,865	0.17
PROCTER & GAMBLE CO 0.625 18-24 30/10A	6,500,000	EUR	6,223,392	0.47
PROLOGIS 3.00 14-26 02/06A	4,500,000	EUR	4,389,592	0.33
SCHNEIDER ELECTRIC 1.50 15-23 08/09A	2,500,000	EUR	2,479,350	0.19
SCHNEIDER ELECTRIC S 0 20-23 12/06U	3,500,000	EUR	3,460,992	0.26
SCHNEIDER ELECTRIC SE 0.25 16-24 09/09A	6,000,000	EUR	5,703,930	0.43
SCHNEIDER ELECTRIC SE 0.875 15-25 11/03A	2,000,000	EUR	1,903,490	0.14
SWISS RE FINANCE UK 1.375 16-23 27/05A	11,700,000	EUR	11,628,396	0.88
THERMO FISHER SCIENT 0.1250 19-25 01/03A	1,000,000	EUR	932,395	0.07
THERMO FISHER SCIENT 0.75 16-24 12/09A	9,000,000	EUR	8,614,575	0.65
THERMO FISHER SCIENT 3.2 22-26 21/01A	2,875,000	EUR	2,848,435	0.22
VERIZON COMM 3.25 14-26 17/02A	6,000,000	EUR	5,926,830	0.45
VERIZON COMMUNICATION 1.375 17-26 27/10A	3,500,000	EUR	3,208,852	0.24
VERIZON COMMUNICATION 1.625 14-24 01/03A	3,500,000	EUR	3,433,430	0.26
			<b>143,771,768</b>	<b>10.85</b>
<b>Total bonds</b>			<b>1,113,706,005</b>	<b>84.07</b>
<b>Floating rate notes</b>				
<b>Australia</b>				
WESTPAC BANKING CORP FL.R 21-24 18/11Q	1,341,000	USD	1,243,558	0.09
			<b>1,243,558</b>	<b>0.09</b>
<b>Belgium</b>				
KBC GROUP NV FL.R 19-29 03/12A	1,000,000	EUR	902,190	0.07
KBC GROUPE FL.R 22-27 23/11A	2,000,000	EUR	2,004,930	0.15
			<b>2,907,120</b>	<b>0.22</b>
<b>Canada</b>				
BANK OF MONTREAL FL.R 20-23 08/12Q	1,304,000	USD	1,216,029	0.09
BANK OF NOVA SCOTIA FL.R 21-24 19/04Q	2,516,000	USD	2,336,633	0.18

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# Candriam Sustainable

## Candriam Sustainable Bond Euro Short Term

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
ROYAL BANK OF C FL.R 21-26 27/04Q	1,622,000	USD	1,470,028	0.11
			<b>5,022,690</b>	<b>0.38</b>
<b>Denmark</b>				
JYSKE BANK A/S FL.R 19-24 20/06A	2,000,000	EUR	1,972,090	0.15
JYSKE BANK A/S FL.R 20-25 15/10A	4,000,000	EUR	3,696,340	0.28
JYSKE BANK DNK FL.R 21-26 02/09A	5,729,000	EUR	5,029,804	0.38
ORSTED FL.R 17-XX 24/11A	1,000,000	EUR	949,820	0.07
			<b>11,648,054</b>	<b>0.88</b>
<b>France</b>				
BNP PARIBAS FL.R 19-25 15/07A	1,400,000	EUR	1,328,089	0.10
CREDIT AGRICOLE FL.R 20-26 22/04A	4,000,000	EUR	3,725,700	0.28
CREDIT AGRICOLE FL.R 20-30 05/06A	1,200,000	EUR	1,105,680	0.08
DANONE SA FL.R 17-XX 23/06A	1,300,000	EUR	1,286,044	0.10
LA BANQUE POSTALE FL.R 20-26 17/06A	1,000,000	EUR	912,115	0.07
SOCIETE GENERALE FL.R 18-28 23/02A	3,500,000	EUR	3,465,998	0.26
SOCIETE GENERALE FL.R 22-25 30/05A	2,000,000	EUR	1,936,810	0.15
			<b>13,760,436</b>	<b>1.04</b>
<b>Germany</b>				
ALLIANZ FINANCE FL.R 21-24 22/11Q	2,000,000	EUR	2,024,640	0.15
ALLIANZ SE FL.R 13-XX 24/10A	500,000	EUR	497,260	0.04
ALLIANZ SE FL.R 15-45 07/07A	5,000,000	EUR	4,672,000	0.35
COMMERZBANK AG FL.R 20-26 24/03A	1,000,000	EUR	913,775	0.07
GERMANY 0.10 12-23 15/04A	10,000,000	EUR	12,382,666	0.93
SIEMENS FINANCIERING FL.R 21-24 11/03Q	1,075,000	USD	1,001,928	0.08
			<b>21,492,269</b>	<b>1.62</b>
<b>Italy</b>				
ENEL SPA FL.R 18-78 24/05A	2,500,000	EUR	2,447,512	0.18
UNICREDIT SPA FL.R 19-25 03/07A	1,000,000	EUR	960,620	0.07
UNICREDIT SPA FL.R 20-26 20/01A	3,000,000	EUR	2,778,825	0.21
			<b>6,186,957</b>	<b>0.47</b>
<b>Netherlands</b>				
ING GROEP NV FL.R 21-25 29/11A	6,600,000	EUR	6,111,402	0.46
ING GROUP NV FL.R 19-25 03/09A	3,600,000	EUR	3,364,938	0.25
NN GROUP NV FL.R 14-44 08/04A	1,000,000	EUR	994,635	0.08
			<b>10,470,975</b>	<b>0.79</b>
<b>Norway</b>				
DNB BANK A FL.R 22-26 31/05A	5,000,000	EUR	4,736,400	0.36
DNB BANK ASA FL.R 18-28 20/03A	2,000,000	EUR	1,981,440	0.15
			<b>6,717,840</b>	<b>0.51</b>
<b>Spain</b>				
BANCO BILBAO VIZCAYA FL.R 19-29 22/02A	5,000,000	EUR	4,873,600	0.37
BANCO DE SABADELL FL.R 22-26 24/03A	1,700,000	EUR	1,599,515	0.12
BBVA FL.R 22-25 26/11Q	5,000,000	EUR	5,045,750	0.38
IBERDROLA INTL BV FL.R 17-XX 22/02A	7,000,000	EUR	6,967,240	0.53
			<b>18,486,105</b>	<b>1.40</b>
<b>United Kingdom</b>				
AVIVA PLC FL.R 14-44 03/07A	6,000,000	EUR	5,865,660	0.44
LLOYDS BANKING GROUP FL.R 18-28 07/09A	2,000,000	EUR	1,923,600	0.15
NATWEST MKTS FL.R 22-25 27/08Q	2,000,000	EUR	2,005,530	0.15
			<b>9,794,790</b>	<b>0.74</b>
<b>United States of America</b>				
BANK OF AMERICA CORP FL.R 21-25 24/05Q	3,000,000	EUR	2,989,695	0.23
BANK OF AMERICA CORP FL.R 21-26 22/09Q	10,904,000	EUR	10,765,356	0.81
BANK OF NY MELL FL.R 21-24 26/04Q	2,423,000	USD	2,253,884	0.17
CITIGROUP FL.R 18-26 24/07A	5,000,000	EUR	4,681,075	0.35
MORGAN STANLEY FL.R 19-24 26/07A	4,000,000	EUR	3,938,200	0.30
PROLOGIS EURO FINANCE FL.R 22-24 08/02Q	3,433,000	EUR	3,429,138	0.26
THERMO FISHER SCIENTIF FL.R 21-23 18/11Q	3,586,000	EUR	3,581,518	0.27
THERMO FISHER SCIENTIF FL.R 21-24 18/10Q	372,000	USD	345,504	0.03
			<b>31,984,370</b>	<b>2.41</b>

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## Candriam Sustainable

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### Candriam Sustainable Bond Euro Short Term

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Total floating rate notes</b>			<b>139,715,164</b>	<b>10.55</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>1,253,421,169</b>	<b>94.62</b>
<b>Undertakings for Collective Investment</b>				
<b>Shares/Units in investment funds</b>				
<b>Supranational</b>				
CANDRIAM SUSTAINABLE MONEY MARKET EURO Z C	47,107	EUR	49,601,625	3.74
			<b>49,601,625</b>	<b>3.74</b>
<b>Total Shares/Units in investment funds</b>			<b>49,601,625</b>	<b>3.74</b>
<b>Total Undertakings for Collective Investment</b>			<b>49,601,625</b>	<b>3.74</b>
<b>Total investment portfolio</b>			<b>1,303,022,794</b>	<b>98.36</b>
Acquisition cost			1,361,120,260	

# Candriam Sustainable

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## Candriam Sustainable Bond Euro Short Term

### Geographical and economic breakdown of investments as at December 31, 2022

#### Geographical breakdown (in % of net assets)

France	16.23
Italy	13.59
United States of America	13.27
Germany	10.80
Spain	10.31
Netherlands	5.51
Belgium	4.08
United Kingdom	4.00
Supranational	3.74
Canada	3.03
Sweden	2.30
Australia	1.90
European Union	1.56
Portugal	1.37
Norway	1.04
Denmark	0.88
Austria	0.79
New Zealand	0.73
Ireland	0.70
Switzerland	0.68
Finland	0.60
Romania	0.55
Chile	0.36
Poland	0.21
Japan	0.11
	<b>98.36</b>

#### Economic breakdown (in % of net assets)

Banks and other financial institutions	41.11
Bonds of States, Provinces and municipalities	25.62
Investments funds	3.74
Communication	3.73
Insurance	2.56
Electrical engineering	2.19
Pharmaceuticals	2.11
Real estate	2.08
Electronics and semiconductors	2.00
Internet and internet services	1.94
Foods and non alcoholic drinks	1.67
Utilities	1.62
Supranational Organisations	1.56
Office supplies and computing	1.07
Textiles and garments	0.89
Retail trade and department stores	0.77
Building materials	0.65
Machine and apparatus construction	0.52
Graphic art and publishing	0.51
Miscellaneous services	0.48
Miscellaneous consumer goods	0.47
Transportation	0.41
Chemicals	0.36
Non classifiable Institutions	0.28
	<b>98.36</b>

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

# Candriam Sustainable

## Candriam Sustainable Bond Global

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Bonds</b>				
<b>Australia</b>				
TELSTRA CORPORATION 1 20-30 23/04A	904,000	EUR	753,226	0.24
			<b>753,226</b>	<b>0.24</b>
<b>Austria</b>				
AUSTRIA 0.00 21-31 20/02U	1,054,000	EUR	820,976	0.26
AUSTRIA 0.50 17-27 20/04A	209,000	EUR	189,276	0.06
AUSTRIA 0.75 16-26 20/10A	3,000,000	EUR	2,789,385	0.88
AUSTRIA 0.9 22-32 20/02A	2,254,000	EUR	1,853,780	0.59
AUSTRIA 2.40 13-34 23/05A	144,000	EUR	133,623	0.04
AUSTRIA GOVERNMENT 1.85 22-49 23/05A	488,000	EUR	374,955	0.12
			<b>6,161,995</b>	<b>1.95</b>
<b>Belgium</b>				
BELGIUM 0.1000 20-30 22/06A	1,000,000	EUR	808,065	0.26
BELGIUM 0.80 17-27 22/06A	400,000	EUR	365,828	0.12
BELGIUM 1.0 20-30 28/05S	1,100,000	USD	819,720	0.26
BELGIUM 1.25 18-33 22/04A	560,000	EUR	466,684	0.15
BELGIUM 1.7 19-50 05/02A	500,000	EUR	347,080	0.11
PROXIMUS SADP 0.7500 21-36 17/11A	400,000	EUR	267,246	0.08
			<b>3,074,623</b>	<b>0.97</b>
<b>Canada</b>				
CANADA 1.50 15-26 01/06S	1,768,000	CAD	1,142,124	0.36
CANADA 2.75 14-48 01/12S	1,230,000	CAD	768,945	0.24
CANADA 2.8 16-48 02/06S	1,357,000	CAD	720,307	0.23
CANADA 5.00 04-37 01/06S	36,000	CAD	29,512	0.01
CANADIAN GOVT BOND 2.25 22-29 01/12S	1,500,000	CAD	973,592	0.31
ONTARIO (PROV OF) 5.60 04-35 02/06S	990,000	CAD	775,815	0.25
PROVINCE DE QUEBEC 2.1 21-31 27/05S	1,000,000	CAD	600,906	0.19
PROVINCE DE QUEBEC 5.35 04-25 01/06S	500,000	CAD	355,591	0.11
PROVINCE OF QUEBEC 2.25 19-24 22/02S	1,200,000	CAD	809,860	0.26
QUEBEC (PROV OF) 2.75 17-27 12/04S	1,100,000	USD	966,480	0.31
			<b>7,143,132</b>	<b>2.26</b>
<b>Chile</b>				
CHILE 0.83 19-31 02/07A	500,000	EUR	391,618	0.12
			<b>391,618</b>	<b>0.12</b>
<b>Czech Republic</b>				
CZECH REPUBLIC 0.0500 20-29 29/11A	20,000,000	CZK	587,791	0.19
CZECH REPUBLIC 0.95 15-30 15/05A	50,000,000	CZK	1,551,472	0.49
CZECH REPUBLIC 1.20 20-31 13/03A	50,000,000	CZK	1,543,833	0.49
CZECH REPUBLIC 2.00 17-33 13/10A	20,000,000	CZK	626,472	0.20
CZECH REPUBLIC 2.75 18-29 23/07A	20,000,000	CZK	719,951	0.23
			<b>5,029,519</b>	<b>1.59</b>
<b>Denmark</b>				
DENMARK 0.5 19-29 15/11A	6,000,000	DKK	695,295	0.22
			<b>695,295</b>	<b>0.22</b>
<b>Estonia</b>				
ESTONIA 0.125 20-30 10/06A	185,000	EUR	145,342	0.05
			<b>145,342</b>	<b>0.05</b>
<b>European Union</b>				
BANQUE DE DEVELOPPEME 0.875 21-26 22/09S	2,600,000	USD	2,147,482	0.68
BANQUE EUROP INVEST 0.0 21-31 14/01U	1,000,000	EUR	780,500	0.25
BANQUE EUROPEENNE D' 5.5 16-23 23/01A	50,000,000	MXN	2,395,590	0.76
BEI 0.01 20-35 15/11A	60,000	EUR	39,600	0.01
BEI 1.25 21-31 14/02S	2,400,000	USD	1,829,206	0.58
BEI 2.2500 19-24 24/06S	6,000,000	USD	5,430,611	1.72
EFSF 1.25 17-33 24/05A	453,000	EUR	375,936	0.12
ESM 0.5 19-29 05/03A	200,000	EUR	171,061	0.05
EURO UNIO BILL 0.00 21-31 22/06U	1,000,000	EUR	769,670	0.24

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# Candriam Sustainable

## Candriam Sustainable Bond Global

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
EUROP.INVEST.BK 2.15 07-27 18/01S	350,000,000	JPY	2,677,624	0.85
EUROPEAN INVEST 1.0000 19-42 14/11A	800,000	EUR	539,600	0.17
EUROPEAN INVESTMENT 2.90 15-25 17/10S	2,000,000	AUD	1,229,706	0.39
EUROPEAN UNION 0.4 21-37 04/02A	872,000	EUR	585,644	0.19
EUROPEAN UNION 2.0 22-27 04/10A	1,577,000	EUR	1,502,313	0.48
			<b>20,474,543</b>	<b>6.49</b>
<b>Finland</b>				
FINLAND 0.125 21-52 15/04A	100,000	EUR	46,444	0.01
FINLAND 1.125 18-34 15/04A	240,000	EUR	194,182	0.06
OP CORPORATE BA 0.6250 22-27 27/07A	909,000	EUR	770,791	0.24
			<b>1,011,417</b>	<b>0.32</b>
<b>France</b>				
AFD 0.125 17-23 15/11A	700,000	EUR	682,437	0.22
ARVAL SERVICE LEASE 4.75 22-27 22/05A5A	1,500,000	EUR	1,518,420	0.48
AXA SA 4.50 16-XX 15/03S	500,000	USD	380,808	0.12
BANQUE FED CRED 1.25 17-27 26/05A	500,000	EUR	449,182	0.14
BFCM 1.875 19-29 18/06A	1,000,000	EUR	848,855	0.27
BFCM EMTN 4.00 22-29 21/11A	1,600,000	EUR	1,597,456	0.51
BNP PARIBAS 1.00 17-24 29/11A	200,000	EUR	189,025	0.06
BNP PARIBAS 1.00 18-24 17/04A	1,000,000	EUR	972,145	0.31
BNP PARIBAS 2.25 16-27 11/01A	153,000	EUR	143,392	0.05
BPCE 2.875 16-26 22/04A	500,000	EUR	481,265	0.15
CAISSE D'AMORT 1.0000 20-30 21/10S	1,100,000	USD	807,873	0.26
CAPGEMINI SE 1.125 20-30 23/06A	600,000	EUR	497,157	0.16
CREDIT AGRICOLE 0.375 19-25 21/10A	700,000	EUR	643,797	0.20
CREDIT AGRICOLE LDN 1.875 16-26 20/12A	400,000	EUR	368,334	0.12
DANONE SA 0.395 20-29 10/06A	700,000	EUR	576,608	0.18
EDENRED SA 1.375 20-29 18/06A	300,000	EUR	257,918	0.08
EDENRED SA 1.875 17-27 30/03A	300,000	EUR	281,890	0.09
ELIS SA 1.0 19-25 03/04A	1,000,000	EUR	931,623	0.30
FRANCE (GOVT OF 0.0000 22-32 25/05U	2,500,000	EUR	1,880,912	0.60
FRANCE 0.00 21-24 25/02U	3,000,000	EUR	2,905,590	0.92
FRANCE 0.50 21-44 25/06A	2,055,000	EUR	1,184,564	0.38
FRANCE 1.75 17-39 25/06A	1,400,000	EUR	1,134,000	0.36
FRANCE 2.75 12-27 25/10A	1,200,000	EUR	1,196,526	0.38
FRANCE 3.50 10-26 25/04A	568,386	EUR	580,399	0.18
GECINA 0.875 22-33 25/01A	500,000	EUR	363,842	0.12
ICADE SANTE SAS 1.375 20-30 17/09A	600,000	EUR	438,816	0.14
LA BANQUE POSTALE 3.875 19-XX 20/05S	600,000	EUR	520,713	0.16
LA POSTE 3.125 22-33 14/03A	1,500,000	EUR	1,415,978	0.45
LEGRAND SA 0.6250 19-28 24/06A	300,000	EUR	253,503	0.08
REGIE AUTONOME TRANS 0.875 17-27 25/05A	200,000	EUR	180,709	0.06
SNCF RESEAU 1.875 17-34 30/03A	400,000	EUR	335,946	0.11
SOCIETE GENERALE 0.125 19-29 18/07A	3,000,000	EUR	2,442,495	0.77
SOCIETE GENERALE SA 3.00 20-30 22/01S	400,000	USD	305,773	0.10
SOCIETE GENERALE SA 4.0 22-27 16/11A	2,600,000	EUR	2,598,687	0.82
SOCIETE NATIONA 3.1250 22-27 02/11A	1,200,000	EUR	1,180,752	0.37
SPIE SA 2.625 19-26 18/06A	1,000,000	EUR	948,400	0.30
SPIE SA 3.125 17-24 22/03A	200,000	EUR	199,098	0.06
			<b>31,694,888</b>	<b>10.04</b>
<b>Germany</b>				
ADIDAS AG 0.00 20-28 05/10U	1,000,000	EUR	834,625	0.26
BUNDESREPUBLIK DEUTS 0.00 21-31 15/08U	6,000,000	EUR	4,844,310	1.53
DAIMLER CANADA FINAN 3.0 22-27 23/02A	1,657,000	EUR	1,619,676	0.51
DEUT TELEKOM INT FIN 3.6 17-27 19/01S	500,000	USD	444,137	0.14
DEUTSCHE BOERSE AG 0.00 21-26 22/02U	700,000	EUR	629,388	0.20
DEUTSCHE TELEKOM AG 0.50 19-27 05/07A	410,000	EUR	363,406	0.12
EMD FINANCE LLC 3.25 15-25 19/03S	500,000	USD	450,190	0.14
GERMANY 0.00 20-30 15/08U	4,200,000	EUR	3,480,393	1.10

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# Candriam Sustainable

## Candriam Sustainable Bond Global

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
GERMANY 0.00 21-50 15/08U	1,350,000	EUR	691,416	0.22
GERMANY 0.25 19-29 11/01A	1,170,000	EUR	1,022,223	0.32
GERMANY 0.5 18-28 15/02A	1,210,000	EUR	1,093,556	0.35
HENKEL AG & CO KGAA 2.625 22-27 13/09A	700,000	EUR	678,909	0.22
KFW 0.0500 19-34 29/09A	2,007,000	EUR	1,400,816	0.44
KFW 0.25 17-25 30/06A	1,000,000	EUR	936,725	0.30
KFW 1.0000 21-26 01/10S	3,600,000	USD	2,996,745	0.95
KFW 3.2000 17-28 15/03S	500,000	AUD	298,982	0.09
KRED.ANST.WIEDERAUFB. 2.60 07-37 20/06S	100,000,000	JPY	881,043	0.28
KREDITANS.FUER WIEDER.2.05 06-26 16/02S	609,000,000	JPY	4,563,036	1.45
KREDITANSTALT FUER W 0.00 20-30 03/09U	1,300,000	EUR	1,025,004	0.32
KREDITANSTALT FUER W 0.875 19-26 15/09A	1,000,000	GBP	997,323	0.32
KREDITANSTALT FUER WI 1.125 21-25 08/08A	5,000,000	NOK	450,975	0.14
KREDITANSTALT FUER WIE 0.00 21-31 15/09U	4,500,000	EUR	3,440,138	1.09
KREDITANSTALT FUER2.75 22-25 03/03A	10,000,000	CNH	1,351,936	0.43
NORTH RHINE-WESTPH 0.50 17-27 16/02A	1,400,000	EUR	1,261,183	0.40
NRW BANK 0.875 15-25 10/11A	200,000	EUR	187,512	0.06
SIEMENS FINANCIE 2.35 16-26 15/10S	1,000,000	USD	853,338	0.27
SIEMENS FINANCIERING 0.1250 19-29 05/09A	268,000	EUR	220,323	0.07
VOLKSWAGEN GROUP 1.2500 20-25 24/11S	778,000	USD	650,958	0.21
VOLKSWAGEN INTL FIN 4.125 22-25 15/11AA	1,300,000	EUR	1,294,508	0.41
VONOVIA FINANCE BV 2.125 18-30 22/03A	500,000	EUR	406,152	0.13
VONOVIA SE 0.375 21-27 16/06A	900,000	EUR	738,184	0.23
VONOVIA SE 1.375 22-26 28/01A	900,000	EUR	815,724	0.26
VONOVIA SE 4.75 22-27 23/05A	300,000	EUR	296,118	0.09
			<b>41,218,952</b>	<b>13.06</b>
<b>Hungary</b>				
HUNGARY GOVERNMENT 2.125 21-31 22/09S	600,000	USD	417,512	0.13
			<b>417,512</b>	<b>0.13</b>
<b>Ireland</b>				
IRELAND 1.35 18-31 18/03A	900,000	EUR	799,209	0.25
IRELAND 5.40 09-25 13/03A	50,000	EUR	52,819	0.02
SMURFIT KAPPA T 0.5000 21-29 22/09A	741,000	EUR	574,838	0.18
			<b>1,426,866</b>	<b>0.45</b>
<b>Italy</b>				
ACEA SPA 0.00 21-25 28/09U	1,400,000	EUR	1,259,013	0.40
BUONI POLIENNAL 1.5000 21-45 30/04S	1,375,000	EUR	765,552	0.24
INTESA SANPAOLO 1.0000 19-24 04/07A	447,000	EUR	429,576	0.14
INTESA SANPAOLO 5.25 14-24 12/01S	300,000	USD	277,345	0.09
ITALY 3.75 14-24 01/09S	1,350,000	EUR	1,360,942	0.43
ITALY 4.75 13-28 01/09S	150,000	EUR	155,284	0.05
ITALY BTP 6.50 97-27 01/11S	1,150,000	EUR	1,284,981	0.41
ITALY GVT 4.00 19-49 17/10S	350,000	USD	235,275	0.07
REPUBLIQUE ITALIENNE 0.00 21-26 01/08U	2,500,000	EUR	2,192,525	0.69
TERNA S.P.A. 0.375 21-29 23/06A	682,000	EUR	545,706	0.17
UNICREDIT SPA 2.125 16-26 24/10A	797,000	EUR	752,380	0.24
UNICREDIT SPA 2.569 20-26 22/09S	350,000	USD	288,949	0.09
			<b>9,547,528</b>	<b>3.02</b>
<b>Japan</b>				
JAPAN 0.10 15-25 10/03S	16,200,000	JPY	124,509	0.04
JAPAN 0.10 18-28 20/03S	500,000,000	JPY	3,516,695	1.11
JAPAN 0.10 19-24 20/09S	240,000,000	JPY	1,706,429	0.54
JAPAN 0.30 16-46 20/06S	139,500,000	JPY	771,455	0.24
JAPAN 0.30 19-39 20/12S	97,000,000	JPY	597,344	0.19
JAPAN 0.4 20-50 20/03S	202,800,000	JPY	1,094,020	0.35
JAPAN 0.40 20-40 20/06S	237,800,000	JPY	1,477,909	0.47
JAPAN 0.50 19-49 20/03S	166,000,000	JPY	923,296	0.29
JAPAN 1.60 15-45 20/06S	240,000,000	JPY	1,777,150	0.56
JAPAN 1.80 03-23 20/12S	180,000,000	JPY	1,300,529	0.41

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# Candriam Sustainable

## Candriam Sustainable Bond Global

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
JAPAN 2.10 07-27 20/12S	150,000,000	JPY	1,161,609	0.37
JAPAN 337 0.30 14-24 20/12S	250,000,000	JPY	1,784,711	0.57
JAPAN 45 1.50 14-44 20/12S	204,700,000	JPY	1,492,735	0.47
JAPAN GOVT CPI LINKED 0.005 22-32 10/03S	500,000,000	JPY	3,700,549	1.17
			<b>21,428,940</b>	<b>6.79</b>
<b>Luxembourg</b>				
PROLOGIS INTERNATION 0.75 21-33 23/03A	498,000	EUR	331,802	0.11
			<b>331,802</b>	<b>0.11</b>
<b>Netherlands</b>				
ABN AMRO BANK NV 0.6 20-27 15/01A	600,000	EUR	528,123	0.17
ASML HOLDING NV 0.625 20-29 07/05A	619,000	EUR	520,808	0.16
ASML HOLDING NV 1.375 16-26 07/07S	300,000	EUR	281,268	0.09
ING GROEP NV 20-26 01/07S	1,335,000	USD	1,123,268	0.36
NEDERLANDSE WATERSCHAP 3.45 18-28 17/07S	10,000,000	AUD	5,953,137	1.89
NETHERLANDS 0.00 21-31 15/07U	400,000	EUR	314,814	0.10
NETHERLANDS 0.50 19-40 15/01A	700,000	EUR	477,939	0.15
NETHERLANDS 0.75 17-27 15/07A	600,000	EUR	550,470	0.17
NETHERLANDS 2.75 14-47 15/01A	250,000	EUR	249,459	0.08
TENNET HOLDING BV 1.375 18-28 05/06A	500,000	EUR	442,400	0.14
WOLTERS KLUWER 1.50 17-27 22/03A	1,000,000	EUR	918,110	0.29
			<b>11,359,796</b>	<b>3.60</b>
<b>New Zealand</b>				
WESTPAC NEW ZEA 1.4390 21-26 24/02S	2,000,000	NZD	1,041,999	0.33
			<b>1,041,999</b>	<b>0.33</b>
<b>Norway</b>				
KBN 1.25 20-30 02/07S	2,000,000	NZD	889,464	0.28
TELENOR ASA 0.00 19-23 25/09U	377,000	EUR	369,268	0.12
			<b>1,258,732</b>	<b>0.40</b>
<b>Poland</b>				
POLAND 2.50 15-26 25/07A	2,750,000	PLN	507,792	0.16
			<b>507,792</b>	<b>0.16</b>
<b>Portugal</b>				
PORTUGAL 0.475 20-30 18/10A	1,150,000	EUR	926,498	0.29
			<b>926,498</b>	<b>0.29</b>
<b>Romania</b>				
ROMANIA 2.00 20-32 28/01A	1,125,000	EUR	754,442	0.24
ROMANIAN GOVERNMENT IN 3.75 22-34 07/02A	1,383,000	EUR	1,034,892	0.33
			<b>1,789,334</b>	<b>0.57</b>
<b>Slovenia</b>				
SLOVENIA 0.125 21-31 01/07A	619,000	EUR	456,274	0.14
			<b>456,274</b>	<b>0.14</b>
<b>Spain</b>				
BANCO DE SABADELL SA 0.875 19-25 22/07A	700,000	EUR	638,564	0.20
BANCO DE SABADELL SA 1.75 19-24 10/05A	200,000	EUR	192,661	0.06
IBERDROLA FINANZAS 3.375 22-32 22/11A	600,000	EUR	576,510	0.18
IBERDROLA INTL BV 6.75 06-36 15/07S	1,100,000	USD	1,095,918	0.35
INSTITUTO DE CREDITO 0.25 20-24 13/05A	1,586,000	EUR	1,531,354	0.49
RED ELECTRICA FINANC 0.375 20-28 24/01A	1,000,000	EUR	856,980	0.27
SPAIN 0.00 21-28 31/01U	1,477,000	EUR	1,258,463	0.40
SPAIN 0.1 21-31 30/04A	1,309,000	EUR	996,653	0.32
SPAIN 1.00 20-50 31/10A	728,000	EUR	375,764	0.12
SPAIN 1.30 16-26 31/10A	800,000	EUR	750,660	0.24
SPGB 1.00 21-42 30/07A	1,135,000	EUR	689,995	0.22
			<b>8,963,522</b>	<b>2.84</b>
<b>Supranational</b>				
INTL BK RECON DEVEL 1.625 21-28 10/05S	10,000,000	NZD	4,954,578	1.57
INTL BK RECONS DEVELOP 3.3 18-28 14/08S	5,000,000	AUD	2,980,810	0.94
			<b>7,935,388</b>	<b>2.51</b>
<b>Sweden</b>				
SWEDBANK AB 3.75 22-25 14/11A	2,095,000	EUR	2,093,701	0.66

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# Candriam Sustainable

## Candriam Sustainable Bond Global

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
SWEDEN 1.50 11-23 13/11A	4,595,000	SEK	408,464	0.13
SWEDEN 2.25 11-32 01/06A	5,590,000	SEK	498,856	0.16
			<b>3,001,021</b>	<b>0.95</b>
<b>Switzerland</b>				
ADECCO INTERNATIONAL 1.25 19-29 20/11A	400,000	EUR	339,996	0.11
NOVARTIS CAP 3.00 15-25 20/11S	650,000	USD	584,574	0.19
SWITZERLAND 2.50 06-36 08/03A	500,000	CHF	557,408	0.18
TYCO ELECTRONICS GRO 3.125 17-27 15/08S	400,000	USD	346,208	0.11
			<b>1,828,186</b>	<b>0.58</b>
<b>United Kingdom</b>				
ASTRAZENECA 4.0 18-29 17/08S	550,000	USD	496,878	0.16
BRITISH TELECOM 1.75 16-26 10/03A	400,000	EUR	374,618	0.12
GSK CAPITAL BV 3.0 22-27 28/11A	1,046,000	EUR	1,022,779	0.32
RECKITT BENCKISER TR 0.375 20-26 19/05A	953,000	EUR	859,539	0.27
RELAX CAPITAL INC 4.00 19-29 18/03S	1,800,000	USD	1,566,384	0.50
UK TREASURY STOCK 6.00 98-28 07/12S	1,000,000	GBP	1,264,706	0.40
UNITED KINGDOM 0.25 20-31 31/07S	1,150,000	GBP	972,377	0.31
UNITED KINGDOM 0.625 20-50 22/10S	1,215,000	GBP	612,135	0.19
UNITED KINGDOM 0.75 17-23 22/07S	350,000	GBP	389,256	0.12
UNITED KINGDOM 0.8750 21-33 31/07S	2,430,000	GBP	2,046,226	0.65
UNITED KINGDOM 1.50 16-47 22/07S	1,345,373	GBP	926,211	0.29
UNITED KINGDOM 3.25 12-44 22/01S	1,185,000	GBP	1,186,843	0.38
UNITED KINGDOM GILT 1 18-24 22/04S	500,000	GBP	545,551	0.17
VODAFONE GROUP 5.25 18-48 30/05S	500,000	USD	417,782	0.13
			<b>12,681,285</b>	<b>4.02</b>
<b>United States of America</b>				
3M CO 3.05 20-30 27/03S	700,000	USD	577,932	0.18
ABBOTT IRL FINANCING 0.375 19-27 19/11A	331,000	EUR	288,162	0.09
ABBOTT LABORATORIES 1.15 20-28 30/01S	132,000	USD	105,337	0.03
ABBOTT LABORATORIES 1.4000 20-30 30/06S	400,000	USD	298,702	0.09
AMGEN 3.125 15-25 01/05S	614,000	USD	552,816	0.18
AMGEN INC 2.2 20-27 21/02S	500,000	USD	421,473	0.13
AVANTOR FUNDING INC 2.625 20-25 06/11S	1,500,000	EUR	1,419,303	0.45
BANK OF NY MELL 3.3000 17-29 23/08S	1,200,000	USD	1,007,893	0.32
BANQUE INTERAMER DEV 2.00 16-26 02/06S	520,000	USD	451,127	0.14
BQUE INTERAMERICAINE 3.1 17-28 22/02S	3,000,000	AUD	1,776,839	0.56
CITIGROUP INC 3.70 16-26 12/01S	1,000,000	USD	901,635	0.29
COLGATE-PALMOLI 4.0000 15-45 15/08S	500,000	USD	420,459	0.13
COLGATE-PALMOLIVE CO 0.875 19-29 12/11S	545,000	EUR	372,794	0.12
CROWN EURO HOLDINGS 3.375 15-25 15/05S	1,000,000	EUR	987,219	0.31
DH EUROPE FIN 0.45 19-28 18/03A	210,000	EUR	178,830	0.06
DH EUROPE FIN 0.75 19-31 18/09A	500,000	EUR	389,290	0.12
EBAY INC 2.7 20-30 11/03S	900,000	USD	718,010	0.23
EBAY INC 3.45 14-24 01/08S	1,500,000	USD	1,370,260	0.43
ELI LILLY & CO 0.625 19-31 01/11A	790,000	EUR	620,170	0.20
ELI LILLY & CO 3.3750 19-29 15/03S	1,000,000	USD	879,082	0.28
EQUINIX INC 1.5500 20-28 15/03S	2,040,000	USD	1,585,007	0.50
ETATS-UNIS D'AMERIQUE 1.25 19-24 31/08S	1,675,000	USD	1,486,138	0.47
HOME DEPOT INC 5.875 06-36 16/12S	650,000	USD	653,137	0.21
HOME DEPOT INC 5.95 11-41 01/04S	700,000	USD	715,200	0.23
IBM CORP 1.25 19-27 29/01A	200,000	EUR	182,057	0.06
IBM CORP 1.5 17-29 23/05A	100,000	EUR	87,282	0.03
INTEL CORP 2.45 19-29 15/11S	400,000	USD	322,003	0.10
INTEL CORP 3.4 20-25 25/03S	500,000	USD	456,285	0.14
INTER AMERICAN DEVEL 3.875 11-41 28/10S	100,000	USD	86,989	0.03
INTER-AMERICAN DEV 4.375 14-44 24/01S	1,000,000	USD	924,713	0.29
IQVIA INC 1.75 21-26 03/03S	1,000,000	EUR	918,750	0.29
KELLOGG CO 0.5 21-29 20/05A	708,000	EUR	582,422	0.18
KELLOGG CO 3.25 16-26 01/04S	800,000	USD	714,577	0.23

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# Candriam Sustainable

## Candriam Sustainable Bond Global

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
MANPOWERGROUP INC 1.75 18-26 22/06A	1,000,000	EUR	938,135	0.30
MASTERCARD 2.10 15-27 01/12A	1,000,000	EUR	938,405	0.30
MASTERCARD INC 3.3000 20-27 26/03S	700,000	USD	626,179	0.20
MEDT GL 3.125 22-31 15/10A	1,000,000	EUR	945,290	0.30
MEDTRONIC GLOBAL HOLD 0.25 19-25 02/07A	297,000	EUR	274,686	0.09
METLIFE INC 5.7 05-35 15/06S	1,400,000	USD	1,379,156	0.44
MORGAN STANLEY 0.56 20-23 13/11S	392,000	USD	366,104	0.12
MORGAN STANLEY 4.375 17-47 22/01S	1,500,000	USD	1,195,573	0.38
PRAXAIR INC 1.1 20-30 10/08S	1,000,000	USD	721,204	0.23
PROLOGIS EURO FINANCE 0.375 20-28 06/02A	800,000	EUR	663,132	0.21
ROCHE HOLDINGS INC 3 15-25 10/11S	200,000	USD	179,264	0.06
SHIRE ACQ INV IRL 3.20 16-26 23/09S	1,000,000	USD	880,511	0.28
TEXAS INSTRUMENTS INC 4.15 18-48 15/05S	1,200,000	USD	1,005,245	0.32
THE WALT DISNEY COMP 2.75 19-49 01/09S	740,000	USD	461,962	0.15
THERMO FISHER SCIEN 1.95 17-29 24/07A	600,000	EUR	540,240	0.17
THERMO FISHER SCIENT 0.50 19-28 01/03A	368,000	EUR	315,426	0.10
THERMO FISHER SCIENT 1.40 17-26 23/01A	169,000	EUR	158,553	0.05
THERMO FISHER SCIENT 5.30 13-44 01/02S	300,000	USD	284,157	0.09
THERMO FISHER SCIENTIFI 2.8 21-41 15/10S	700,000	USD	485,041	0.15
TOYOTA MOTOR CREDIT 0.25 20-26 16/01A	400,000	EUR	358,188	0.11
TOYOTA MOTOR CREDIT 0.8 20-25 16/10S	276,000	USD	232,060	0.07
UNITED STATES 0.375 20-25 30/04S	3,310,400	USD	2,832,577	0.90
UNITED STATES 0.5 20-27 30/06S	1,000,000	USD	801,673	0.25
UNITED STATES 0.50 20-25 31/03S	3,383,800	USD	2,913,712	0.92
UNITED STATES 0.75 21-28 31/01S	1,600,000	USD	1,275,533	0.40
UNITED STATES 1.125 20-25 28/02S	5,444,600	USD	4,764,344	1.51
UNITED STATES 1.625 19-29 15/10S	3,259,300	USD	2,650,233	0.84
UNITED STATES 1.875 17-24 31/08S	1,816,700	USD	1,628,484	0.52
UNITED STATES 2.25 16-46 15/08S	2,044,900	USD	1,364,434	0.43
UNITED STATES 2.250 21-41 15/05S	825,700	USD	582,550	0.18
UNITED STATES 2.50 15-45 15/02S	1,945,800	USD	1,379,500	0.44
UNITED STATES 2.75 12-42 15/08S	1,152,300	USD	871,176	0.28
UNITED STATES 3.1250 18-48 15/05S	1,736,400	USD	1,374,421	0.44
UNITED STATES 3.50 09-39 15/02S	1,400,000	USD	1,236,253	0.39
UNITED STATES 4.375 08-38 15/02S	730,000	USD	718,575	0.23
US TREASURY 0.625 20-27 31/12S	1,260,000	USD	1,000,701	0.32
US TREASURY 1.25 20-50 15/11S	1,400,000	USD	710,720	0.23
US TREASURY N/B 1.375 16-23 30/09S	1,859,100	USD	1,699,391	0.54
US TREASURY N/B 3.00 15-45 15/11S	1,700,000	USD	1,316,116	0.42
VERIZON COMMUN 2.85 21-41 03/09S	500,000	USD	325,242	0.10
VERIZON COMMUNICATION 4.125 17-27 16/03S	250,000	USD	228,220	0.07
VERIZON COMMUNICATION 4.329 18-28 21/09S	500,000	USD	451,551	0.14
VERIZON COMMUNICATIONS 2.5 20-30 16/05S	1,000,000	CAD	585,464	0.19
VISA INC 2.0000 20-50 15/08S	2,000,000	USD	1,115,306	0.35
			<b>67,226,580</b>	<b>21.29</b>
<b>Total bonds</b>			<b>269,923,605</b>	<b>85.50</b>
<b>Convertible bonds</b>				
<b>France</b>				
WORLDLINE SA DIRTY 0.00 19-26 30/07U	24,260	EUR	2,155,647	0.68
			<b>2,155,647</b>	<b>0.68</b>
<b>Total convertible bonds</b>			<b>2,155,647</b>	<b>0.68</b>
<b>Floating rate notes</b>				
<b>Belgium</b>				
KBC GROUPE FL.R 22-27 23/11A	1,200,000	EUR	1,202,958	0.38
KBC GROUPE SA FL.R 17-29 18/09A	400,000	EUR	372,046	0.12
			<b>1,575,004</b>	<b>0.50</b>

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# Candriam Sustainable

## Candriam Sustainable Bond Global

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Denmark</b>				
JYSKE BANK DNK FL.R 21-26 02/09A	292,000	EUR	256,363	0.08
			<b>256,363</b>	<b>0.08</b>
<b>France</b>				
BNP PARIBAS FL.R 18-30 20/11A	600,000	EUR	554,895	0.18
BPCE SA FL.R 22-28 14/01A	500,000	EUR	426,718	0.14
CREDIT AGRICOLE FL.R 20-30 05/06A	1,000,000	EUR	921,400	0.29
CREDIT MUTUEL ARKEA FL.R 20-29 11/06A	500,000	EUR	424,420	0.13
			<b>2,327,433</b>	<b>0.74</b>
<b>Germany</b>				
GERMANY 0.10 12-23 15/04A	5,000,000	EUR	6,191,333	1.96
			<b>6,191,333</b>	<b>1.96</b>
<b>Italy</b>				
UNICREDIT SPA FL.R 19-29 23/09A	1,000,000	EUR	919,064	0.29
			<b>919,064</b>	<b>0.29</b>
<b>Netherlands</b>				
ING GROUP NV FL.R 19-30 13/11A	600,000	EUR	528,840	0.17
TENNET HOLDING BV FL.R 17-49 12/04A	700,000	EUR	681,972	0.22
			<b>1,210,812</b>	<b>0.38</b>
<b>Spain</b>				
BANCO BILBAO VIZCAYA FL.R 20-30 16/01A	1,000,000	EUR	906,030	0.29
BANCO DE SABADELL FL.R 22-26 24/03A	700,000	EUR	658,624	0.21
IBERDROLA INTL BV FL.R 18-XX XX/XXA	700,000	EUR	682,703	0.22
			<b>2,247,357</b>	<b>0.71</b>
<b>United States of America</b>				
BANK OF AMERICA CORP 22-33 22/07S	2,000,000	USD	1,782,197	0.56
BANK OF AMERICA CORP FL.R 21-31 22/03A	473,000	EUR	365,277	0.12
MORGAN STANLEY FL.R 20-31 22/01S	1,000,000	USD	776,458	0.25
			<b>2,923,932</b>	<b>0.93</b>
<b>Total floating rate notes</b>			<b>17,651,298</b>	<b>5.59</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>289,730,550</b>	<b>91.77</b>
<b>Undertakings for Collective Investment</b>				
<b>Shares/Units in investment funds</b>				
<b>Emerging Markets</b>				
CANDRIAM SUSTAINABLE BOND EMERGING MARKETS Z C	4,408	USD	4,382,971	1.39
			<b>4,382,971</b>	<b>1.39</b>
<b>Supranational</b>				
CANDRIAM SUSTAINABLE BOND EURO CORPORATE I C	630	EUR	207,138	0.07
CANDRIAM SUSTAINABLE BOND GLOBAL CONVERTIBLE Z C	1,800	EUR	1,809,900	0.57
CANDRIAM SUSTAINABLE BOND IMPACT Z C	3,600	EUR	2,928,600	0.93
			<b>4,945,638</b>	<b>1.57</b>
<b>Total Shares/Units in investment funds</b>			<b>9,328,609</b>	<b>2.95</b>
<b>Total Undertakings for Collective Investment</b>			<b>9,328,609</b>	<b>2.95</b>
<b>Total investment portfolio</b>			<b>299,059,159</b>	<b>94.73</b>
Acquisition cost			342,168,195	

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# Candriam Sustainable

## Candriam Sustainable Bond Global

### Geographical and economic breakdown of investments as at December 31, 2022

#### Geographical breakdown (in % of net assets)

United States of America	22.22
Germany	15.02
France	11.46
Japan	6.79
European Union	6.49
Supranational	4.08
United Kingdom	4.02
Netherlands	3.98
Spain	3.55
Italy	3.32
Canada	2.26
Austria	1.95
Czech Republic	1.59
Belgium	1.47
Emerging Markets	1.39
Sweden	0.95
Switzerland	0.58
Romania	0.57
Ireland	0.45
Norway	0.40
New Zealand	0.33
Finland	0.32
Denmark	0.30
Portugal	0.29
Australia	0.24
Poland	0.16
Slovenia	0.14
Hungary	0.13
Chile	0.12
Luxembourg	0.11
Estonia	0.05
	<b>94.73</b>

#### Economic breakdown (in % of net assets)

Bonds of States, Provinces and municipalities	39.69
Banks and other financial institutions	25.56
Supranational Organisations	10.03
Investments funds	2.95
Pharmaceuticals	1.55
Miscellaneous services	1.48
Real estate	1.47
Electronics and semiconductors	1.38
Communication	1.31
Non classifiable Institutions	1.17
Retail trade and department stores	1.09
Miscellaneous consumer goods	0.95
Transportation	0.91
Electrical engineering	0.75
Foods and non alcoholic drinks	0.59
Utilities	0.57
Insurance	0.56
Graphic art and publishing	0.44
Other	0.36
Packaging industries	0.31
Building materials	0.30
Healthcare	0.29
Textiles and garments	0.26
Chemicals	0.23
Road vehicles	0.21

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

# Candriam Sustainable

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## Candriam Sustainable Bond Global

Geographical and economic breakdown of investments as at December 31, 2022

**Economic breakdown (in % of net assets)**

Internet and internet services	0.16
Office supplies and computing	0.09
Biotechnology	0.06
	<b>94.73</b>

# Candriam Sustainable

## Candriam Sustainable Bond Global Convertible

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Structured products</b>				
<b>France</b>				
SOITEC SA CV 0.0 20-25 01/10U	550	EUR	104,856	0.46
			<b>104,856</b>	<b>0.46</b>
<b>Total Structured products</b>			<b>104,856</b>	<b>0.46</b>
<b>Bonds</b>				
<b>Spain</b>				
IBERDROLA FINANZAS S 0.8 22-27 07/12S	100,000	EUR	99,868	0.44
			<b>99,868</b>	<b>0.44</b>
<b>United States of America</b>				
DEXCOM INC 0.25 21-25 15/05S	600,000	USD	613,161	2.72
ORMAT TECHNOLOGIES 2.5 22-27 15/07S	410,000	USD	448,499	1.99
QIAGEN NV 0.50 17-23 13/09S	400,000	USD	462,164	2.05
SCHNEIDER ELECTRIC SE 20-26 15/06A	2,300	EUR	423,289	1.87
			<b>1,947,113</b>	<b>8.62</b>
<b>Total bonds</b>			<b>2,046,981</b>	<b>9.07</b>
<b>Convertible bonds</b>				
<b>Belgium</b>				
UMICORE SA CV 0.00 20-25 23/06U	400,000	EUR	365,718	1.62
			<b>365,718</b>	<b>1.62</b>
<b>Canada</b>				
SHOPIFY INC 0.125 20-25 18/09S	280,000	USD	224,506	0.99
			<b>224,506</b>	<b>0.99</b>
<b>France</b>				
ACCOR SA 0.7 20-27 07/12A	7,000	EUR	290,725	1.29
BNP PARIBAS CV 0.00 22-25 13/05U	500,000	EUR	567,272	2.51
CARREFOUR SA 0.00 18-24 27/03U	400,000	USD	358,152	1.59
EDENRED SA 0.00 21-28 14/06U	6,000	EUR	393,729	1.74
ELIS SA CV 2.25 22-29 22/09A22-29 22/09A	300,000	EUR	322,098	1.43
MICHELIN CV 0.00 10.11.23U	200,000	USD	179,752	0.80
NEOEN SPA CV 2.00 20-25 02/06S	2,500	EUR	124,191	0.55
UBISOFT ENTERTAINMENT 2.375 22-28 15/11A	200,000	EUR	207,979	0.92
VEOLIA ENVIRONNEMENT 0.00 19-25 01/01U	8,500	EUR	259,734	1.15
			<b>2,703,632</b>	<b>11.98</b>
<b>Germany</b>				
DEUTSCHE POST AG 0.05 17-25 30/06A	300,000	EUR	286,746	1.27
DUERR AG CV 0.75 20-26 15/01A	100,000	EUR	109,890	0.49
LEG IMMOBILIEN SE CV 0.875 17-25 01/09S	200,000	EUR	182,906	0.81
			<b>579,542</b>	<b>2.57</b>
<b>Hong Kong</b>				
LINK 2019 CB CV 4.5 22-27 12/12Q	4,000,000	HKD	513,512	2.27
			<b>513,512</b>	<b>2.27</b>
<b>India</b>				
BHARTI AIRTEL LTD 1.50 20-25 17/02S	400,000	USD	497,441	2.20
			<b>497,441</b>	<b>2.20</b>
<b>Italy</b>				
NEXI S.P.A. 1.75 20-27 24/04S	200,000	EUR	170,275	0.75
PIRELLI & C SPA CV 0.00 20-25 22/12U	100,000	EUR	94,000	0.42
PRYSMIAN SPA CV 0.0 21-26 02/02U	300,000	EUR	312,058	1.38
			<b>576,333</b>	<b>2.55</b>
<b>Japan</b>				
ROHM CO LTD CV 0.00 19-24 05/12U	30,000,000	JPY	221,921	0.98
			<b>221,921</b>	<b>0.98</b>
<b>Mexico</b>				
AMERICA MOVIL 0.00 21-24 02/03U	400,000	EUR	404,346	1.79
			<b>404,346</b>	<b>1.79</b>

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 Sustainable

## Candriam Sustainable Bond Global Convertible

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>People's Republic of China</b>				
LENOVO GROUP LTD 3.375 19-24 24/01S	200,000	USD	211,210	0.94
LENOVO GROUP LTD CV 2.5 22-29 26/08S	200,000	USD	183,035	0.81
LI AUTO INC CV 0.25 21-2801/05S	200,000	USD	189,033	0.84
MEITUAN DIANPING 0.00 21-27 27/04U	500,000	USD	408,677	1.81
			<b>991,955</b>	<b>4.39</b>
<b>Spain</b>				
AMADEUS IT GROUP SA 1.50 20-25 09/04S	600,000	EUR	668,310	2.96
CELLNEX TELECOM SA 0.50 19-28 05/07A	300,000	EUR	297,375	1.32
CELLNEX TELECOM SA CV 1.50 18-26 16/01A	200,000	EUR	233,775	1.04
			<b>1,199,460</b>	<b>5.31</b>
<b>Switzerland</b>				
SIKA CV 0.15 18-25 05/06A	420,000	CHF	535,260	2.37
STMICROELECTRON 0.0000 20-25 04/08U	400,000	USD	394,217	1.75
			<b>929,477</b>	<b>4.12</b>
<b>United States of America</b>				
AKAMAI TECHNO 0.375 19-27 01/09S	750,000	USD	683,289	3.03
BENTLEY SYSTEMS INC 0.375 21-27 01/07S	500,000	USD	381,427	1.69
BILL.COM HOLDINGS CV 0.00 20-25 01/12U	300,000	USD	288,745	1.28
BIOMARIN PHARMA CV 0.599 17-24 01/08S	250,000	USD	249,077	1.10
BLOCK INC CV 0.125 20-25 01/03S	140,000	USD	125,197	0.55
CHEGG INC CV 0.125 19-25 15/03S	180,000	USD	154,983	0.69
CITIGROUP GLOBAL MA CV 0.00 21-24 28/05U	2,000,000	HKD	227,141	1.01
CITIGROUP INC 0.00 20-24 25/07U	4,000,000	HKD	458,832	2.03
DROPBOX INC CV 0 21-26 01/03U1	800,000	USD	681,887	3.02
ENPHASE ENERGY INC CV 0.00 21-26 01/03U	450,000	USD	476,313	2.11
ETSY INC CV 0.00 -28 15/06U	300,000	USD	242,086	1.07
ETSY INC CV 0.125 20-27 01/09S	400,000	USD	376,534	1.67
HALOZYME THERAPEUT CV 0.25 22-27 01/03SS	100,000	USD	91,171	0.40
HALOZYME THERAPEUT CV 1 22-28 15/08S/08S	200,000	USD	221,482	0.98
HUBSPOT INC CV 0.375 20-25 01/06S	220,000	USD	255,090	1.13
INSULET CORP 0.375 20-26 01/09S	210,000	USD	278,091	1.23
JAZZ INVESTMENTS I 1.50 18-24 15/08S	830,000	USD	769,273	3.41
MONGODB INC CV 0.25 20-26 14/01S	300,000	USD	329,996	1.46
NEXTERA ENERGY CV 0.00 21-24 15/06U	700,000	USD	617,417	2.73
OKTA CV 0.125 19-25 01/09S	350,000	USD	290,114	1.29
ON SEMICONDUCTOR CO CV 0.00 21-27 01/05U	240,000	USD	298,632	1.32
PALO ALTO NETWORKS CV 0.75 19-23 01/07S	100,000	USD	148,192	0.66
SAREPTA THERAPEUTICS CV 22-27 15/09S	200,000	USD	216,449	0.96
SILICON LABORATORIES 0.625 20-25 15/06S	250,000	USD	294,036	1.30
SPLUNK INC CV 1.125 18-25 15/09S	600,000	USD	532,174	2.36
VAIL RESORTS IN CV 0.00 20-26 01/01U	500,000	USD	438,503	1.94
WESTERN DIGITAL CORP CV 1.5 18-24 01/02S	100,000	USD	89,430	0.40
WOLFSPEED INC CV 0.25 22-28 15/02S	400,000	USD	323,454	1.43
ZSCALER INC CV 0.125 21-25 01/07S	200,000	USD	197,244	0.87
			<b>9,736,259</b>	<b>43.13</b>
<b>Total convertible bonds</b>			<b>18,944,102</b>	<b>83.91</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>21,095,939</b>	<b>93.44</b>
<b>Total investment portfolio</b>			<b>21,095,939</b>	<b>93.44</b>
Acquisition cost			21,574,471	

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# Candriam Sustainable

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## Candriam Sustainable Bond Global Convertible

Geographical and economic breakdown of investments as at December 31, 2022

### Geographical breakdown (in % of net assets)

United States of America	51.75
France	12.44
Spain	5.76
People's Republic of China	4.39
Switzerland	4.12
Germany	2.57
Italy	2.55
Hong Kong	2.27
India	2.20
Mexico	1.79
Belgium	1.62
Canada	0.99
Japan	0.98
	<b>93.44</b>

### Economic breakdown (in % of net assets)

Internet and internet services	24.15
Banks and other financial institutions	13.33
Electronics and semiconductors	8.63
Utilities	7.98
Communication	6.35
Biotechnology	5.49
Retail trade and department stores	4.33
Pharmaceuticals	3.95
Hotels and restaurants	3.23
Real estate	3.08
Chemicals	2.79
Office supplies and computing	2.14
Electrical engineering	1.87
Non ferrous metals	1.62
Transportation	1.27
Miscellaneous services	1.10
Road vehicles	0.84
Tires and rubber	0.80
Machine and apparatus construction	0.49
	<b>93.44</b>

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

# Candriam Sustainable

## Candriam Sustainable Bond Global High Yield

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Bonds</b>				
<b>Canada</b>				
1011778 BC UNLIMITED 4.00 20-30 15/10S	10,000,000	USD	7,581,729	0.47
PRIMO WATER HOLD INC 4.375 21-29 30/04S	12,677,000	USD	10,257,911	0.64
			<b>17,839,640</b>	<b>1.11</b>
<b>Denmark</b>				
ORSTED 5.25 22-XX 08/12A	7,000,000	EUR	7,131,950	0.45
			<b>7,131,950</b>	<b>0.45</b>
<b>France</b>				
ELIS SA 1.0 19-25 03/04A	17,300,000	EUR	16,024,125	1.00
FAURECIA 7.25 22-26 15/06S	15,954,000	EUR	16,056,265	1.00
ILIAD SA 1.50 17-24 14/10A	9,000,000	EUR	8,522,910	0.53
ILIAD SA 5.3750 22-27 14/06A	20,000,000	EUR	19,906,200	1.24
			<b>60,509,500</b>	<b>3.78</b>
<b>Germany</b>				
SCHAEFFLER AG 3.375 20-28 12/10A	10,000,000	EUR	8,663,540	0.54
TK ELEVATOR MIDCO GM 4.375 20-27 15/07S	30,000,000	EUR	26,541,000	1.66
ZF FINANCE GMBH 2 21-27 06/05A	5,700,000	EUR	4,646,640	0.29
ZF FINANCE GMBH 2.2500 21-28 03/05A	14,000,000	EUR	10,915,856	0.68
			<b>50,767,036</b>	<b>3.17</b>
<b>Netherlands</b>				
VZ SECURED FINA 5.0000 22-32 15/01S	9,705,000	USD	7,389,540	0.46
ZIGGO BV 4.8750 19-30 15/01S	22,500,000	USD	17,640,970	1.10
			<b>25,030,510</b>	<b>1.56</b>
<b>Spain</b>				
ABERTIS FINANCE BV 3.248 20-XX XX/XXA	22,600,000	EUR	19,074,400	1.19
CELLNEX FINANCE 2.0000 21-32 15/09A	10,000,000	EUR	7,407,220	0.46
CELLNEX FINANCE COMP 1.25 21-29 15/02A	10,000,000	EUR	7,995,700	0.50
GRIFOLS ESCROW 3.8750 21-28 15/10S	12,761,000	EUR	10,687,338	0.67
GRIFOLS SA 3.20 17-25 01/05S	21,520,000	EUR	19,800,552	1.24
LORCA TELECOM BONDCO 4 20-27 30/09S	37,000,000	EUR	33,022,500	2.06
TELEFONICA EUROPE BV 2.376 21-99 31/12A	26,800,000	EUR	20,033,000	1.25
			<b>118,020,710</b>	<b>7.38</b>
<b>Sweden</b>				
VERISURE HOLDING AB 9.25 22-27 15/10S	12,180,000	EUR	12,717,138	0.79
			<b>12,717,138</b>	<b>0.79</b>
<b>United Kingdom</b>				
VMED O2 UK FINA 4.7500 21-31 15/07S	20,000,000	USD	15,289,482	0.96
VMED O2 UK FINANCING 4.25 20-31 31/01S	25,000,000	USD	18,962,638	1.19
VODAFONE GROUP 3.1 18-79 03/01A	20,000,000	EUR	19,550,000	1.22
			<b>53,802,120</b>	<b>3.36</b>
<b>United States of America</b>				
ADT CORP 4.125 13-23 15/06S	9,700,000	USD	9,021,932	0.56
ADT SEC CORP 4.1250 21-29 01/08S	5,052,000	USD	4,025,771	0.25
ARAMARK SERVICES INC 6.375 20-25 27/04S	23,637,000	USD	21,875,382	1.37
ARDAGH METAL PACK FIN 6 22-27 15/06S/06S	15,000,000	USD	13,793,113	0.86
ARDAGH METAL PACKAGI 2 21-28 12/03S	10,000,000	EUR	8,050,000	0.50
AT&T INC 2.875 20-XX 01/05A	16,600,000	EUR	14,942,158	0.93
AVANTOR FUNDING 3.8750 21-29 01/11S	9,001,000	USD	7,082,305	0.44
AVANTOR FUNDING INC 2.625 20-25 06/11S	30,445,000	EUR	28,618,422	1.79
BALL CORP 6.875 22-28 15/03S	18,000,000	USD	17,324,020	1.08
BATH&BODY WORKS INC 6.75 16-36 01/07S	15,000,000	USD	12,352,776	0.77
BTH & BDY WRKS 6.6250 20-30 01/10S	15,000,000	USD	13,189,079	0.82
BUILDERS FIRSTS 4.2500 21-32 01/02S	15,508,000	USD	11,793,360	0.74
CATALENT PHARMA 2.375 20-28 01/03S	21,030,000	EUR	17,004,059	1.06
CATALENT PHARMA 3.125 21-29 15/02S	7,500,000	USD	5,595,397	0.35
CCO HLDG LLC/CAPITAL 4.50 21-33 01/06S	10,000,000	USD	7,188,850	0.45
CCO HLDG LLC/CAPITAL 5.125 17-27 01/05S	10,000,000	USD	8,693,652	0.54

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# Candriam Sustainable

## Candriam Sustainable Bond Global High Yield

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
CCO HOLD 4.75 22-32 01/02S	20,000,000	USD	15,192,317	0.95
CCO HOLDLLCCCO HOLD C 6.375 22-29 01/09S	22,000,000	USD	19,371,544	1.21
CENTENE CORP 4.2500 19-27 15/12S	8,016,000	USD	7,058,136	0.44
CHARLES RIVER L 3.7500 21-29 15/03S	8,995,000	USD	7,453,903	0.47
CHART INDUSTRIE 7.5000 22-30 01/01S	35,164,000	USD	33,097,816	2.07
CROWN AMERICAS 5.2500 22-30 01/04S	14,000,000	USD	12,403,167	0.78
CROWN AMERICAS LLC4.7519-26 01/02S	5,709,000	USD	5,184,130	0.32
CROWN EURO HOLDINGS 3.375 15-25 15/05S	11,401,000	EUR	11,201,118	0.70
DARLING INGREDI 6.0000 22-30 15/06S	19,700,000	USD	18,043,336	1.13
HCA INC 3.5 20-30 01/09S	15,000,000	USD	12,113,493	0.76
HCA INC 5.375 15-25 01/02S	20,000,000	USD	18,733,942	1.17
HILTON DOMESTIC 3.620 21-32 15/02S	14,000,000	USD	10,504,755	0.66
HILTON DOMESTIC 4.0 20-31 01/05S	14,546,000	USD	11,402,783	0.71
HILTON DOMESTIC 5.75 20-28 01/05S	10,000,000	USD	9,088,780	0.57
INDIGO MERGER S 2.8750 21-26 15/07S	13,824,000	USD	11,723,076	0.73
IQVIA INC 2.25 21-29 03/03S	20,000,000	EUR	16,848,400	1.05
IQVIA INC 2.875 17-25 15/09S	6,440,000	EUR	6,198,500	0.39
IQVIA INC 2.875 20-28 24/06S	16,000,000	EUR	14,240,000	0.89
JAZZ SECURITIES DAC 4.375 21-29 15/01S	10,000,000	USD	8,349,965	0.52
KFC HLD/PIZZA HUT/ 4.75 17-27 01/06S	14,675,000	USD	13,200,281	0.82
L BRANDS INC 6.875 16-35 01/11S	8,000,000	USD	6,663,106	0.42
LEVI STRAUSS & CO 3.375 17-27 15/03S	20,000,000	EUR	18,645,240	1.17
MACYS RET HLDG INC 4.50 14-34 15/12S	5,000,000	USD	3,260,576	0.20
MACYS RETAIL HLDG 5.875 21-29 01/04S	9,500,000	USD	7,881,310	0.49
MOZART DEBT MERGE 3.875 21-29 01/04S	36,833,000	USD	27,778,070	1.74
MOZART DEBT MERGER 5.25 21-29 01/10S	20,625,000	USD	15,349,561	0.96
NORTONLIFELOCK INC 6.75 -27 30/09S	8,074,000	USD	7,413,933	0.46
NORTONLIFELOCK INC 7.125 -30 30/09	13,000,000	USD	11,967,674	0.75
NOVELIS CORP 3.875 21-31 15/08S	8,000,000	USD	6,119,593	0.38
NOVELIS CORP 4.7500 20-30 30/01S	10,000,000	USD	8,307,004	0.52
OI EUROPEAN GROUP 2.8750 19-25 15/02S	11,826,000	EUR	11,352,960	0.71
OI EUROPEAN GROUP 3.125 16-24 15/11S	16,306,000	EUR	15,777,523	0.99
ORGANON COMPANY 2.875 21-28 22/04S	15,000,000	EUR	13,105,770	0.82
ORGANON FINANCE 4.1250 21-28 30/04S	12,000,000	USD	9,955,306	0.62
POST HOLDINGS INC 4.625 20-30 15/04S	15,000,000	USD	12,084,188	0.76
POST HOLDINGS INC 5.50 19-29 15/12S	17,500,000	USD	14,838,147	0.93
PRIME SECURITY SERVIC 3.375 20-27 31/08S	8,100,000	USD	6,557,892	0.41
PRIME SECURITY SERVIC 5.75 19-26 15/04S	14,724,000	USD	13,239,225	0.83
SPRINT CORP 7.125 14-24 15/06S	5,000,000	USD	4,778,777	0.30
SPRINT CORP 7.875 14-23 15/09S	30,000,000	USD	28,628,531	1.79
SPRINT CORP 8.75 02-32 15/03S	10,000,000	USD	11,151,089	0.70
TENET HEALTHCAR 4.3750 21-30 15/01S	11,000,000	USD	8,921,260	0.56
TENET HEALTHCARE CORP 4.25 21-29 01/06S	10,000,000	USD	8,117,123	0.51
TENET HEALTHCARE CORP 5.125 19-27 01/11S	13,000,000	USD	11,331,103	0.71
THE ADT CORPORATION 4.875 16-32 15/07S	17,000,000	USD	13,536,747	0.85
T-MOBILE USA IN 5.3750 17-27 15/04S	19,649,000	USD	18,602,894	1.16
TRAVEL LEISURE CO 4.5 21-29 01/12S	22,683,000	USD	17,318,144	1.08
UNITED RENTALS NORTH AM 6.0 22-29 15/12S	37,500,000	USD	34,971,363	2.19
VICTORIA'S SECR 4.6250 21-29 15/07S	20,000,000	USD	14,712,579	0.92
WMG ACQUISITION CORP 3.75 21-29 01/12S	8,825,000	USD	7,111,267	0.44
WMG ACQUISITION CORP 3.875 20-30 15/07S	3,597,000	USD	2,903,046	0.18
YUM! BRANDS INC 4.7500 19-30 15/01S	12,500,000	USD	10,746,076	0.67
			<b>865,086,795</b>	<b>54.06</b>
<b>Total bonds</b>			<b>1,210,905,399</b>	<b>75.67</b>
<b>Floating rate notes</b>				
<b>Denmark</b>				
ORSTED FL.R 17-XX 24/11A	8,000,000	EUR	7,598,560	0.47
			<b>7,598,560</b>	<b>0.47</b>

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# Candriam Sustainable

## Candriam Sustainable Bond Global High Yield

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>France</b>				
ORANGE FL.R 14-XX 07/02A	24,740,000	EUR	24,995,193	1.56
VEOLIA ENVIRONNEMENT FL.R 20-49 21/12A	26,100,000	EUR	23,220,126	1.45
			<b>48,215,319</b>	<b>3.01</b>
<b>Portugal</b>				
ENERGIAS DE PORTUGAL FL.R 19-79 30/04A	15,000,000	EUR	14,733,180	0.92
ENERGIAS DE PORTUGAL FL.R 21-81 02/0	13,900,000	EUR	11,849,750	0.74
			<b>26,582,930</b>	<b>1.66</b>
<b>Spain</b>				
IBERDROLA INTL BV FL.R 17-XX 22/02A	9,000,000	EUR	8,957,880	0.56
IBERDROLA INTL BV FL.R 18-XX XX/XXA	5,000,000	EUR	4,876,450	0.30
IBERDROLA INTL BV FL.R -49 31/12A	16,100,000	EUR	15,525,552	0.97
TELEFONICA EUROPE BV FL.R 19-XX XX/XXA	12,000,000	EUR	11,428,992	0.71
TELEFONICA EUROPE BV FL.R 21-99 31/12A	24,900,000	EUR	20,147,088	1.26
			<b>60,935,962</b>	<b>3.81</b>
<b>United Kingdom</b>				
VODAFONE GROUP FL.R 18-78 03/10A	20,455,000	USD	18,261,442	1.14
VODAFONE GROUP FL.R 21-81 04/06S	15,921,000	USD	12,454,854	0.78
			<b>30,716,296</b>	<b>1.92</b>
<b>Total floating rate notes</b>			<b>174,049,067</b>	<b>10.88</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>1,384,954,466</b>	<b>86.55</b>
<b>Undertakings for Collective Investment</b>				
<b>Shares/Units in investment funds</b>				
<b>Supranational</b>				
CANDRIAM SUSTAINABLE MONEY MARKET EURO V C	127,020	EUR	129,127,262	8.07
			<b>129,127,262</b>	<b>8.07</b>
<b>Total Shares/Units in investment funds</b>			<b>129,127,262</b>	<b>8.07</b>
<b>Total Undertakings for Collective Investment</b>			<b>129,127,262</b>	<b>8.07</b>
<b>Total investment portfolio</b>			<b>1,514,081,728</b>	<b>94.62</b>
Acquisition cost			1,587,075,990	

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 Sustainable

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## Candriam Sustainable Bond Global High Yield

Geographical and economic breakdown of investments as at December 31, 2022

### Geographical breakdown (in % of net assets)

United States of America	54.06
Spain	11.18
Supranational	8.07
France	6.79
United Kingdom	5.28
Germany	3.17
Portugal	1.66
Netherlands	1.56
Canada	1.11
Denmark	0.92
Sweden	0.79
	<b>94.62</b>

### Economic breakdown (in % of net assets)

Banks and other financial institutions	25.67
Communication	17.33
Investments funds	8.07
Healthcare	7.84
Utilities	5.16
Miscellaneous services	4.38
Internet and internet services	2.99
Packaging industries	2.29
Retail trade and department stores	2.22
Textiles and garments	2.08
Machine and apparatus construction	2.07
Biotechnology	1.87
Electrical engineering	1.83
Hotels and restaurants	1.75
Transportation	1.70
Foods and non alcoholic drinks	1.68
Road vehicles	1.54
Pharmaceuticals	1.41
Coal mining and steel industry & Chemicals	0.90
Building materials	0.74
Miscellaneous consumer goods	0.63
Non classifiable Institutions	0.47
	<b>94.62</b>

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

# Candriam Sustainable

## Candriam Sustainable Bond Impact

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Bonds</b>				
<b>Australia</b>				
WESTPAC BANKING CORP 0.766 21-31 13/05A	200,000	EUR	170,117	0.45
			<b>170,117</b>	<b>0.45</b>
<b>Belgium</b>				
AEDIFICA NV 0.75 21-31 09/09A	300,000	EUR	195,758	0.51
BELGIUM 1.25 18-33 22/04A	1,400,000	EUR	1,166,711	3.06
COFINIMMO SA 0.875 20-30 02/12A	400,000	EUR	290,310	0.76
COMMUNAUTE FLAMANDE 1.375 18-33 21/11A	400,000	EUR	323,772	0.85
KBC GROUPE SA 3 22-30 25/08A	300,000	EUR	274,726	0.72
PROXIMUS SADP 0.7500 21-36 17/11A	400,000	EUR	267,246	0.70
REGION WALLONNE 0.25 19-26 03/05A	300,000	EUR	273,100	0.72
			<b>2,791,623</b>	<b>7.33</b>
<b>Canada</b>				
CANADA 1.85 20-27 01/02S	600,000	CAD	383,964	1.01
CANADA 1.85 20-27 13/02S	600,000	CAD	384,080	1.01
			<b>768,044</b>	<b>2.02</b>
<b>Chile</b>				
CHILE 2.55 21-33 27/07S	700,000	USD	515,701	1.35
			<b>515,701</b>	<b>1.35</b>
<b>European Union</b>				
EUROPEAN UNION 0.4 21-37 04/02A	750,000	EUR	503,708	1.32
			<b>503,708</b>	<b>1.32</b>
<b>Finland</b>				
NORDEA BANK ABP 0.5 21-31 19/03A	650,000	EUR	504,952	1.33
OP CORPORATE BA 0.6250 22-27 27/07A	182,000	EUR	154,328	0.41
			<b>659,280</b>	<b>1.73</b>
<b>France</b>				
AGENCE FRANCE L 0.00 20-27 20/09U	400,000	EUR	343,410	0.90
AIR LIQUIDE FINANCE 0.375 21-31 27/05A	800,000	EUR	625,044	1.64
BFCM EMTN 4.00 22-29 21/11A	400,000	EUR	399,364	1.05
BNP PARIBAS 0.375 20-27 14/10A	700,000	EUR	604,723	1.59
CADES 1.5 22-32 25/05A	400,000	EUR	339,374	0.89
CREDIT AGRICOLE 0.125 20-27 09/12A	800,000	EUR	662,084	1.74
DANONE 1.00 18-25 26/03A	300,000	EUR	287,580	0.76
FONCIERE DES REGIONS 1.125 19-31 31/01S	400,000	EUR	321,620	0.84
FRANCE 1.75 17-39 25/06A	400,000	EUR	324,000	0.85
GECINA 0.875 22-33 25/01A	300,000	EUR	218,306	0.57
GROUPAMA ASSURANCES 0.75 21-28 07/07A	200,000	EUR	161,870	0.43
ICADE SANTE SAS 1.375 20-30 17/09A	800,000	EUR	585,088	1.54
LA BANQUE POSTALE 0.75 21-31 23/06A	500,000	EUR	372,065	0.98
LA POSTE 3.125 22-33 14/03A	300,000	EUR	283,196	0.74
LA POSTE SA 1.45 18-28 30/11A	400,000	EUR	350,720	0.92
LEGRAND SA 0.375 21-31 06/10A	800,000	EUR	605,468	1.59
REGION ILE DE FRANCE 0.10 20-30 02/07A	500,000	EUR	393,300	1.03
REXEL SA 2.125 21-28 05/05S	200,000	EUR	176,183	0.46
SECHE ENVIRONNEMENT 2.25 21-28 15/11S	100,000	EUR	86,157	0.23
SOCIETE GENERALE 0.875 20-28 22/09A	600,000	EUR	508,905	1.34
SOCIETE NATIONA 3.1250 22-27 02/11A	400,000	EUR	393,584	1.03
UNION NAT. INTERPRO. 0.00 20-30 19/11U	600,000	EUR	465,993	1.22
			<b>8,508,034</b>	<b>22.35</b>
<b>Germany</b>				
BUNDSOBLIGATION 1.3 22-27 15/10A	1,500,000	EUR	1,417,635	3.72
GERMANY 0.00 21-50 15/08U	1,700,000	EUR	870,672	2.29
HENKEL AG & CO KGAA 2.625 22-27 13/09A	100,000	EUR	96,987	0.25
MUNICH REINSURANCE C 1.25 20-41 23/09A	200,000	EUR	149,049	0.39
VOLKSWAGEN INTL FIN 1.25 20-32 23/09A	400,000	EUR	300,188	0.79

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# Candriam Sustainable

## Candriam Sustainable Bond Impact

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
VOLKSWAGEN INTL FIN 4.125 22-25 15/11AA	200,000	EUR	199,155	0.52
VONOVIA SE 0.625 21-31 24/03A	500,000	EUR	350,972	0.92
VONOVIA SE 4.75 22-27 23/05A	100,000	EUR	98,706	0.26
			<b>3,483,364</b>	<b>9.15</b>
<b>Ireland</b>				
IRELAND 1.35 18-31 18/03A	1,300,000	EUR	1,154,413	3.03
SMURFIT KAPPA T 0.5000 21-29 22/09A	400,000	EUR	310,304	0.82
			<b>1,464,717</b>	<b>3.85</b>
<b>Italy</b>				
ASSICURAZ GENERALI 2.429 20-31 14/07A	400,000	EUR	327,704	0.86
BUONI POLIENNAL 1.5000 21-45 30/04S	1,300,000	EUR	723,794	1.90
CASSA DEPOSITI E PREST 2.0 20-27 20/04A	800,000	EUR	735,040	1.93
ENEL FINANCE INTERNA 0.5 21-30 17/06A	500,000	EUR	381,920	1.00
INTE 4.75 22-27 06/09A	300,000	EUR	301,762	0.79
TERNA S.P.A. 0.75 20-32 24/07A	450,000	EUR	331,992	0.87
			<b>2,802,212</b>	<b>7.36</b>
<b>Latvia</b>				
LATVIA GOVERNMENT INTE 0.25 21-30 23/01A	319,000	EUR	250,745	0.66
			<b>250,745</b>	<b>0.66</b>
<b>Luxembourg</b>				
LUXEMBOURG 0.00 20-32 14/09U	300,000	EUR	223,660	0.59
			<b>223,660</b>	<b>0.59</b>
<b>Mexico</b>				
MEXICO 1.35 20-27 18/09A	350,000	EUR	315,956	0.83
			<b>315,956</b>	<b>0.83</b>
<b>Netherlands</b>				
ABN AMRO BANK 0.50 21-29 23/09A	600,000	EUR	474,603	1.25
COOPERATIEVE RABOBANK 1.106 21-27 24/02S	550,000	USD	449,797	1.18
ING GROUP NV 0.875 21-32 09/06A	200,000	EUR	168,549	0.44
NETHERLANDS 0.50 19-40 15/01A	1,300,000	EUR	887,601	2.33
			<b>1,980,550</b>	<b>5.20</b>
<b>Portugal</b>				
EDP FINANCE BV 1.875 22-29 21/09A	400,000	EUR	351,474	0.92
			<b>351,474</b>	<b>0.92</b>
<b>Slovenia</b>				
SLOVENIA 0.125 21-31 01/07A	400,000	EUR	294,846	0.77
			<b>294,846</b>	<b>0.77</b>
<b>Spain</b>				
IBERDROLA FINANZAS 3.375 22-32 22/11A	200,000	EUR	192,170	0.50
SPAIN 0.827 20-27 08/05A	400,000	EUR	357,780	0.94
SPGB 1.00 21-42 30/07A	1,200,000	EUR	729,510	1.92
TELEFONICA EUROPE BV 2.376 21-99 31/12A	200,000	EUR	150,480	0.40
			<b>1,429,940</b>	<b>3.76</b>
<b>United Kingdom</b>				
ASTRAZENECA PLC 0.375 21-29 03/06A	400,000	EUR	329,944	0.87
VODAFONE GROUP 0.90 19-26 24/11A	200,000	EUR	181,051	0.48
			<b>510,995</b>	<b>1.34</b>
<b>United States of America</b>				
AMGEN INC 2.00 16-26 25/02A	400,000	EUR	381,128	1.00
CITIGROUP INC 1.281 21-25 03/11S	300,000	USD	259,323	0.68
COLGATE-PALMOLIVE CO 0.3 21-29 10/11A	300,000	EUR	247,360	0.65
DIGITAL INTREPID HOL 0.625 21-31 12/01A	300,000	EUR	205,334	0.54
EQUINIX INC 1.0 20-25 15/09S	600,000	USD	502,977	1.32
HCA INC 5.375 18-26 01/09S	200,000	USD	185,685	0.49
KELLOGG CO 0.5 21-29 20/05A	200,000	EUR	164,526	0.43
MEDT GL 3.125 22-31 15/10A	400,000	EUR	378,116	0.99
MET LIFE GLOB F 0.9500 20-25 02/07S	500,000	USD	425,217	1.12
MORGAN STANLEY 0.8640 20-25 21/10S	800,000	USD	689,034	1.81
PROLOGIS EURO FINANCE 0.375 20-28 06/02A	300,000	EUR	248,674	0.65
THERMO FISHER SCIENT 0.00 21-25 18/11U	300,000	EUR	271,672	0.71

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# Candriam Sustainable

## Candriam Sustainable Bond Impact

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
TOYOTA MOTOR CREDIT 2.15 20-30 13/02S	500,000	USD	394,919	1.04
VERIZON COMMUNICATION 3.875 19-29 08/02S	700,000	USD	616,951	1.62
XYLEM INC 1.9500 20-28 30/01S	600,000	USD	484,481	1.27
			<b>5,455,397</b>	<b>14.33</b>
<b>Total bonds</b>			<b>32,480,363</b>	<b>85.31</b>
<b>Floating rate notes</b>				
<b>Australia</b>				
ANZ BANKING GRP FL.R 19-29 21/11A	450,000	EUR	417,226	1.10
			<b>417,226</b>	<b>1.10</b>
<b>Belgium</b>				
KBC GROUPE SA FL.R 20-27 16/06A	300,000	EUR	264,482	0.69
			<b>264,482</b>	<b>0.69</b>
<b>France</b>				
AXA SA FL.R 21-41 07/04A	500,000	EUR	369,492	0.97
BPCE SA FL.R 22-28 14/01A	200,000	EUR	170,687	0.45
CNP ASSURANCES FL.R 19-50 27/07A	100,000	EUR	80,995	0.21
CREDIT MUTUEL ARKEA FL.R 20-29 11/06A	400,000	EUR	339,536	0.89
			<b>960,710</b>	<b>2.52</b>
<b>Germany</b>				
EVONIK INDUSTRIES FL.R 21-81 02/12A	200,000	EUR	163,690	0.43
			<b>163,690</b>	<b>0.43</b>
<b>Italy</b>				
UNICREDIT SPA FL.R 21-29 05/07A	400,000	EUR	321,294	0.84
			<b>321,294</b>	<b>0.84</b>
<b>Netherlands</b>				
TENNET HOLDING BV FL.R 20-XX 22/10A	200,000	EUR	184,684	0.49
			<b>184,684</b>	<b>0.49</b>
<b>Portugal</b>				
ENERGIAS DE PORTUGAL FL.R 19-79 30/04A	200,000	EUR	197,338	0.52
			<b>197,338</b>	<b>0.52</b>
<b>Spain</b>				
BANCO DE SABADELL SA FL.R 20-27 11/09A	100,000	EUR	89,294	0.23
BANCO DE SABADELL SA FL.R 21-28 16/06A	100,000	EUR	80,656	0.21
IBERDROLA INTL BV FL.R 17-XX 22/02A	300,000	EUR	298,596	0.78
			<b>468,546</b>	<b>1.23</b>
<b>Sweden</b>				
SWEDBANK AB FL.R 21-27 20/05A	200,000	EUR	174,575	0.46
TELIA COMPANY AB FL.R 20-81 11/02A	200,000	EUR	177,847	0.47
			<b>352,422</b>	<b>0.93</b>
<b>Total floating rate notes</b>			<b>3,330,392</b>	<b>8.75</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>35,810,755</b>	<b>94.06</b>
<b>Total investment portfolio</b>			<b>35,810,755</b>	<b>94.06</b>
Acquisition cost			43,712,565	

The accompanying notes form an integral part of the financial statements.  
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# Candriam Sustainable

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## Candriam Sustainable Bond Impact

### Geographical and economic breakdown of investments as at December 31, 2022

#### Geographical breakdown (in % of net assets)

France	24.87
United States of America	14.33
Germany	9.58
Italy	8.20
Belgium	8.03
Netherlands	5.69
Spain	4.99
Ireland	3.85
Canada	2.02
Finland	1.73
Australia	1.54
Portugal	1.44
Chile	1.35
United Kingdom	1.34
European Union	1.32
Sweden	0.93
Mexico	0.83
Slovenia	0.77
Latvia	0.66
Luxembourg	0.59
	<b>94.06</b>

#### Economic breakdown (in % of net assets)

Banks and other financial institutions	34.21
Bonds of States, Provinces and municipalities	26.86
Real estate	6.73
Communication	3.66
Miscellaneous services	2.89
Insurance	2.86
Pharmaceuticals	2.86
Electrical engineering	2.84
Utilities	2.66
Non classifiable Institutions	2.01
Supranational Organisations	1.32
Foods and non alcoholic drinks	1.19
Transportation	1.03
Miscellaneous consumer goods	0.90
Other	0.89
Healthcare	0.49
Chemicals	0.43
Environmental services and recycling	0.23
	<b>94.06</b>

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

# Candriam Sustainable

## Candriam Sustainable Defensive Asset Allocation

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Bonds</b>				
<b>Finland</b>				
NORDEA BANK ABP 1.125 22-27 16/02A	600,000	EUR	542,223	0.38
			<b>542,223</b>	<b>0.38</b>
<b>France</b>				
GECINA 1.625 19-34 29/05A	700,000	EUR	525,826	0.37
			<b>525,826</b>	<b>0.37</b>
<b>Germany</b>				
VONOVIA SE 0.625 21-31 24/03A	800,000	EUR	561,556	0.40
			<b>561,556</b>	<b>0.40</b>
<b>Italy</b>				
INTESA SANPAOLO 0.75 19-24 04/12A	600,000	EUR	569,196	0.40
			<b>569,196</b>	<b>0.40</b>
<b>Total bonds</b>			<b>2,198,801</b>	<b>1.55</b>
<b>Floating rate notes</b>				
<b>Belgium</b>				
KBC GROUPE SA FL.R 20-27 16/06A	700,000	EUR	617,124	0.44
			<b>617,124</b>	<b>0.44</b>
<b>France</b>				
AXA SA FL.R 21-41 07/04A	800,000	EUR	591,188	0.42
BNP PARIBAS FL.R 19-26 04/12A	600,000	EUR	550,713	0.39
			<b>1,141,901</b>	<b>0.81</b>
<b>Netherlands</b>				
TENNET HOLDING BV FL.R 20-XX 22/10A	600,000	EUR	554,052	0.39
			<b>554,052</b>	<b>0.39</b>
<b>Total floating rate notes</b>			<b>2,313,077</b>	<b>1.63</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>4,511,878</b>	<b>3.19</b>
<b>Undertakings for Collective Investment</b>				
<b>Shares/Units in investment funds</b>				
<b>Emerging Markets</b>				
CANDRIAM SUSTAINABLE BOND EMERGING MARKETS Z C	5,762	USD	5,729,283	4.05
CANDRIAM SUSTAINABLE EQUITY EMERGING MARKETS Z C	2,950	EUR	6,283,102	4.44
			<b>12,012,385</b>	<b>8.48</b>
<b>European Union</b>				
CANDRIAM FUND SUSTAINABLE EUROPEAN EQUITIES FOSSIL FREE Z C	330	EUR	702,032	0.50
CANDRIAM SUSTAINABLE EQUITY EUROPE Z C	5,497	EUR	8,673,728	6.13
CANDRIAM SUSTAINABLE EQUITY QUANT EUROPE Z C	748	EUR	3,007,297	2.12
INDEXIQ FACTORS SUSTAINABLE SOVEREIGN EURO BOND UCITS ETF D	296,041	EUR	6,385,604	4.51
			<b>18,768,661</b>	<b>13.26</b>
<b>Japan</b>				
CANDRIAM SUSTAINABLE EQUITY JAPAN Z C	982	JPY	1,214,453	0.86
			<b>1,214,453</b>	<b>0.86</b>
<b>Supranational</b>				
CANDRIAM FUND SUSTAINABLE EURO CORPORATE BONDS FOSSIL FREE Z C	1,543	EUR	2,108,401	1.49
CANDRIAM SUSTAINABLE BOND EURO CORPORATE Z C	19,321	EUR	18,218,930	12.87
CANDRIAM SUSTAINABLE BOND EURO SHORT TERM Z C	28,469	EUR	27,610,375	19.50
CANDRIAM SUSTAINABLE BOND EURO Z C	29,500	EUR	26,516,960	18.73
CANDRIAM SUSTAINABLE BOND GLOBAL HIGH YIELD Z C	4,303	EUR	4,695,778	3.32
CANDRIAM SUSTAINABLE BOND GLOBAL Z C	11,624	EUR	11,219,369	7.92
CANDRIAM SUSTAINABLE EQUITY CIRCULAR ECONOMY Z C	354	USD	436,151	0.31
CANDRIAM SUSTAINABLE EQUITY CLIMATE ACTION Z C	569	USD	823,321	0.58
CANDRIAM SUSTAINABLE EQUITY WORLD Z C	2,468	EUR	685,216	0.48
			<b>92,314,501</b>	<b>65.20</b>

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# Candriam Sustainable

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## Candriam Sustainable Defensive Asset Allocation

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>United States of America</b>				
CANDRIAM SUSTAINABLE EQUITY US Z C	9,463	USD	8,098,856	5.72
			<b>8,098,856</b>	<b>5.72</b>
<b>Total Shares/Units in investment funds</b>			<b>132,408,856</b>	<b>93.51</b>
<b>Total Undertakings for Collective Investment</b>			<b>132,408,856</b>	<b>93.51</b>
<b>Total investment portfolio</b>			<b>136,920,734</b>	<b>96.70</b>
Acquisition cost			149,224,217	

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# Candriam Sustainable

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## Candriam Sustainable Defensive Asset Allocation

Geographical and economic breakdown of investments as at December 31, 2022

### Geographical breakdown (in % of net assets)

Supranational	65.20
European Union	13.26
Emerging Markets	8.48
United States of America	5.72
France	1.18
Japan	0.86
Belgium	0.44
Italy	0.40
Germany	0.40
Netherlands	0.39
Finland	0.38
	<b>96.70</b>

### Economic breakdown (in % of net assets)

Investments funds	93.51
Banks and other financial institutions	2.00
Real estate	0.77
Insurance	0.42
	<b>96.70</b>

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

# Candriam Sustainable

## Candriam Sustainable Equity Children

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Shares</b>				
<b>Australia</b>				
ARENA REIT-STAPLED SECURITY	382,152	AUD	992,580	1.28
BABY BUNTING GROUP LTD	250,883	AUD	461,074	0.60
CHARTER HALL SOCIAL - REGISTERED SHS	490,585	AUD	1,131,159	1.46
IDP EDUCATION	70,802	AUD	1,305,045	1.69
			<b>3,889,858</b>	<b>5.02</b>
<b>Finland</b>				
SANOMA CORP	93,508	EUR	980,001	1.27
			<b>980,001</b>	<b>1.27</b>
<b>France</b>				
ESSILORLUXOTTICA SA	14,001	EUR	2,528,282	3.26
			<b>2,528,282</b>	<b>3.26</b>
<b>Germany</b>				
MERCK KGAA	14,649	EUR	2,828,217	3.65
			<b>2,828,217</b>	<b>3.65</b>
<b>Hong Kong</b>				
PRUDENTIAL PLC	138,487	GBP	1,878,217	2.43
			<b>1,878,217</b>	<b>2.43</b>
<b>Ireland</b>				
KERRY GROUP -A-	12,281	EUR	1,104,125	1.43
			<b>1,104,125</b>	<b>1.43</b>
<b>Japan</b>				
HOYA CORP	10,800	JPY	1,039,933	1.34
KUBOTA CORP	28,900	JPY	397,979	0.51
LITALICO INC	26,000	JPY	454,796	0.59
PIGEON CORP	35,100	JPY	576,731	0.74
SHIMANO INC	5,100	JPY	808,610	1.04
UNI CHARM	43,500	JPY	1,670,833	2.16
YAKULT HONSHA CO LTD	12,400	JPY	804,456	1.04
YAMAHA CORP.	22,100	JPY	824,071	1.06
			<b>6,577,409</b>	<b>8.49</b>
<b>Netherlands</b>				
DSM KONINKLIJKE	6,466	EUR	788,766	1.02
KONINKLIJKE AHOLD DELHAIZE NV	34,972	EUR	1,001,773	1.29
			<b>1,790,539</b>	<b>2.31</b>
<b>Nigeria</b>				
AIRTEL AFRICA PLC	1,585,335	GBP	2,131,979	2.75
			<b>2,131,979</b>	<b>2.75</b>
<b>South Africa</b>				
ASPEN PHARMACARE HOLDINGS PLC	106,575	ZAR	853,916	1.10
CLICKS GROUP	94,528	ZAR	1,500,449	1.94
			<b>2,354,365</b>	<b>3.04</b>
<b>Sweden</b>				
AUTOLIV	11,758	USD	900,428	1.16
ESSITY AB REGISTERED -B-	59,340	SEK	1,556,463	2.01
THULE CORP	30,900	SEK	645,607	0.83
			<b>3,102,498</b>	<b>4.01</b>
<b>Switzerland</b>				
SIG COMBIBLOC GROUP AG	41,964	CHF	916,177	1.18
SONOVA HOLDING NAM-AKT	5,873	CHF	1,392,033	1.80
			<b>2,308,210</b>	<b>2.98</b>
<b>Tanzania</b>				
HELIOS TOWERS --- REGISTERED SHS	555,338	GBP	708,750	0.92
			<b>708,750</b>	<b>0.92</b>
<b>United Kingdom</b>				
COMPASS GROUP	109,143	GBP	2,517,395	3.25
NATIONAL EXPRESS GROUP PLC	779,499	GBP	1,218,931	1.57
NOMAD FOODS LTD	60,692	USD	1,046,330	1.35

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 Sustainable

## Candriam Sustainable Equity Children

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
PEARSON PLC	167,119	GBP	1,888,009	2.44
WISE PLC	87,359	GBP	591,401	0.76
			<b>7,262,066</b>	<b>9.38</b>
<b>United States of America</b>				
ACADIA HEALTHCARE CO INC	16,259	USD	1,338,441	1.73
ACUITY BRANDS	5,164	USD	855,210	1.10
ADVANCED DRAINAGE	14,384	USD	1,179,056	1.52
AKAMAI TECHNOLOGIES	23,410	USD	1,973,463	2.55
AMERICAN WATER WORKS CO INC	15,744	USD	2,399,700	3.10
BADGER METER INC	7,124	USD	776,730	1.00
BLACKBAUD INC	17,941	USD	1,056,007	1.36
COLGATE-PALMOLIVE CO	22,503	USD	1,773,011	2.29
DENTSPLY SIRONA INC	34,415	USD	1,095,774	1.41
GENERAC HOLDINGS INC	4,173	USD	420,054	0.54
HASBRO INC	15,158	USD	924,790	1.19
HCA INC	8,419	USD	2,020,223	2.61
J WILEY AND SONS INC -A-	31,421	USD	1,258,725	1.63
MICROSOFT CORP	7,394	USD	1,773,229	2.29
NORTONLIFELOCK INC	50,612	USD	1,084,615	1.40
ORTHOPEDIATRICS CORP	21,149	USD	840,250	1.09
PAYPAL HOLDINGS	9,923	USD	706,716	0.91
PLANET FITNESS INC	13,698	USD	1,079,402	1.39
SPROUTS FARMERS MARKET INC	47,823	USD	1,548,031	2.00
STRIDE - REGISTERED SHS	54,142	USD	1,693,562	2.19
TETRA TECH INC	7,954	USD	1,154,841	1.49
THE WESTERN UNION COMPANY	71,492	USD	984,445	1.27
TRACTOR SUPPLY CO	5,690	USD	1,280,079	1.65
UNITED NATURAL FOODS INC	33,914	USD	1,312,811	1.70
UNITED PARCEL SERVICE INC	7,434	USD	1,292,327	1.67
WALT DISNEY CO	16,680	USD	1,449,158	1.87
WASTE MANAGEMENT	9,784	USD	1,534,914	1.98
			<b>34,805,564</b>	<b>44.94</b>
<b>Total Shares</b>			<b>74,250,080</b>	<b>95.88</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>74,250,080</b>	<b>95.88</b>
<b>Total investment portfolio</b>			<b>74,250,080</b>	<b>95.88</b>
Acquisition cost			88,245,101	

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 Sustainable

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## Candriam Sustainable Equity Children

### Geographical and economic breakdown of investments as at December 31, 2022

#### Geographical breakdown (in % of net assets)

United States of America	44.94
United Kingdom	9.38
Japan	8.49
Australia	5.02
Sweden	4.01
Germany	3.65
France	3.26
South Africa	3.04
Switzerland	2.98
Nigeria	2.75
Hong Kong	2.43
Netherlands	2.31
Ireland	1.43
Finland	1.27
Tanzania	0.92
	<b>95.88</b>

#### Economic breakdown (in % of net assets)

Pharmaceuticals	13.24
Healthcare	9.29
Miscellaneous consumer goods	8.88
Banks and other financial institutions	8.78
Internet and internet services	8.19
Graphic art and publishing	7.20
Retail trade and department stores	6.88
Environmental services and recycling	5.00
Hotels and restaurants	4.64
Foods and non alcoholic drinks	4.16
Transportation	3.24
Utilities	3.10
Real estate	2.74
Insurance	2.43
Road vehicles	2.21
Machine and apparatus construction	1.52
Electronics and semiconductors	1.34
Electrical engineering	1.10
Chemicals	1.02
Miscellaneous services	0.91
	<b>95.88</b>

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

# Candriam Sustainable

## Candriam Sustainable Equity Circular Economy

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Shares</b>				
<b>Australia</b>				
BRAMBLES	870,954	AUD	7,129,070	1.65
			<b>7,129,070</b>	<b>1.65</b>
<b>Belgium</b>				
EKOPAK --- SHS	56,509	EUR	1,043,350	0.24
			<b>1,043,350</b>	<b>0.24</b>
<b>Canada</b>				
LI-CYCLE HOLDINGS CORP.	234,000	USD	1,113,840	0.26
LOOP INDUSTRIES INC	190,000	USD	454,100	0.11
WEST FRASER TIMBER CO	101,860	CAD	7,350,081	1.70
			<b>8,918,021</b>	<b>2.07</b>
<b>Finland</b>				
NESTE	138,062	EUR	6,338,854	1.47
			<b>6,338,854</b>	<b>1.47</b>
<b>France</b>				
CIE GENERALE DES ETABLISSEMENTS MICHELIN	310,514	EUR	8,611,327	2.00
L'OREAL SA	12,980	EUR	4,621,329	1.07
NEXANS SA	58,433	EUR	5,266,523	1.22
VEOLIA ENVIRONNEMENT SA	222,593	EUR	5,701,497	1.32
VERALLIA SASU	104,805	EUR	3,543,507	0.82
			<b>27,744,183</b>	<b>6.43</b>
<b>Japan</b>				
ASAHI HOLDINGS	227,200	JPY	3,314,714	0.77
DAISEKI CO LTD	178,340	JPY	6,136,372	1.42
SHISEIDO	93,000	JPY	4,561,014	1.06
			<b>14,012,100</b>	<b>3.25</b>
<b>Netherlands</b>				
ASML HOLDING NV	13,528	EUR	7,273,742	1.69
DSM KONINKLIJKE	68,198	EUR	8,319,247	1.93
			<b>15,592,989</b>	<b>3.62</b>
<b>Norway</b>				
TOMRA SYSTEMS ASA	107,380	NOK	1,805,105	0.42
			<b>1,805,105</b>	<b>0.42</b>
<b>Spain</b>				
BEFESA SA	92,422	EUR	4,444,600	1.03
IBERDROLA SA	778,834	EUR	9,085,132	2.11
			<b>13,529,732</b>	<b>3.14</b>
<b>Sweden</b>				
BOLIDEN --- REGISTERED SHS	208,290	SEK	7,821,218	1.81
RE:NEWCELL AB	202,597	SEK	1,417,464	0.33
			<b>9,238,682</b>	<b>2.14</b>
<b>Switzerland</b>				
GIVAUDAN SA REG.SHS	2,672	CHF	8,181,522	1.90
			<b>8,181,522</b>	<b>1.90</b>
<b>United Kingdom</b>				
UNILEVER	221,439	EUR	11,139,310	2.58
			<b>11,139,310</b>	<b>2.58</b>
<b>United States of America</b>				
ADVANCED DRAINAGE	78,494	USD	6,434,153	1.49
AMERICAN WATER WORKS CO INC	100,909	USD	15,380,550	3.57
ASPEN TECHNOLOGY INC	33,294	USD	6,838,588	1.59
AUTODESK INC	39,828	USD	7,442,658	1.73
BENTLEY SYSTEMS --- REGISTERED SHS -B-	212,567	USD	7,856,476	1.82
BEST BUY CO INC	91,255	USD	7,319,564	1.70
CISCO SYSTEMS INC	223,822	USD	10,662,880	2.47
CROWN HOLDINGS INC	137,066	USD	11,268,196	2.61
DARLING INGREDIENT INC	217,794	USD	13,631,726	3.16

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 Sustainable

## Candriam Sustainable Equity Circular Economy

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
DELL TECHNOLOGIES-REGISTERED SHS C W/I	110,083	USD	4,427,538	1.03
DOVER CORP	47,619	USD	6,448,089	1.50
EBAY INC	187,326	USD	7,768,409	1.80
ECOLAB INC	75,954	USD	11,055,864	2.56
ENPHASE ENERGY --- REGISTERED SHS	10,072	USD	2,668,677	0.62
ESTEE LAUDER COMPANIES INC -A-	42,657	USD	10,583,628	2.45
FIRST SOLAR INC	29,290	USD	4,387,349	1.02
GRAPHIC PACKAGING	675,599	USD	15,032,078	3.49
ITRON INC	78,181	USD	3,959,868	0.92
LKQ CORP	187,607	USD	10,020,090	2.32
MICROSOFT CORP	28,703	USD	6,883,553	1.60
MNTRS ENVIRON --- REGISTERED SHS	82,221	USD	3,649,790	0.85
NESTLE SA REG SHS	129,212	CHF	14,962,547	3.47
NIKE INC	57,085	USD	6,679,516	1.55
ORIGIN MATERIAL	688,951	USD	3,176,064	0.74
OWENS CORNING SHS	95,187	USD	8,119,451	1.88
PROCTER & GAMBLE CO	87,673	USD	13,287,720	3.08
PTC INC	86,182	USD	10,345,287	2.40
TETRA TECH INC	58,383	USD	8,476,628	1.97
TREX COMPANY INC	122,768	USD	5,196,769	1.21
WASTE MANAGEMENT	110,190	USD	17,286,607	4.01
ZEBRA TECHNOLOGIES -A-	37,755	USD	9,680,760	2.25
ZURN ELKAY WATER SOLUTIONS CORPORATION.	220,652	USD	4,666,790	1.08
			<b>275,597,863</b>	<b>63.92</b>
<b>Total Shares</b>			<b>400,270,781</b>	<b>92.83</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>400,270,781</b>	<b>92.83</b>
<b>Total investment portfolio</b>			<b>400,270,781</b>	<b>92.83</b>
Acquisition cost			432,512,667	

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 Sustainable

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## Candriam Sustainable Equity Circular Economy

### Geographical and economic breakdown of investments as at December 31, 2022

#### Geographical breakdown (in % of net assets)

United States of America	63.92
France	6.43
Netherlands	3.62
Japan	3.25
Spain	3.14
United Kingdom	2.58
Sweden	2.14
Canada	2.07
Switzerland	1.90
Australia	1.65
Finland	1.47
Norway	0.42
Belgium	0.24
	<b>92.83</b>

#### Economic breakdown (in % of net assets)

Utilities	10.78
Environmental services and recycling	10.77
Banks and other financial institutions	9.74
Internet and internet services	7.65
Chemicals	6.39
Foods and non alcoholic drinks	6.05
Electronics and semiconductors	5.87
Pharmaceuticals	4.58
Miscellaneous consumer goods	3.82
Retail trade and department stores	3.50
Machine and apparatus construction	3.24
Building materials	3.09
Packaging industries	2.48
Office supplies and computing	2.47
Road vehicles	2.32
Tires and rubber	2.00
Textiles and garments	1.88
Coal mining and steel industry & Chemicals	1.81
Paper and forest products	1.70
Petroleum	1.47
Electrical engineering	1.22
	<b>92.83</b>

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

# Candriam Sustainable

## Candriam Sustainable Equity Climate Action

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Shares</b>				
<b>Canada</b>				
NORTHLAND POWER INC	599,462	CAD	16,427,424	1.52
			<b>16,427,424</b>	<b>1.52</b>
<b>Denmark</b>				
NOVOZYMES -B-ORSTED	201,104	DKK	10,156,416	0.94
	247,412	DKK	22,415,945	2.08
			<b>32,572,361</b>	<b>3.02</b>
<b>Finland</b>				
NESTE	506,081	EUR	23,235,745	2.15
			<b>23,235,745</b>	<b>2.15</b>
<b>France</b>				
AIR LIQUIDE SA	189,687	EUR	26,803,513	2.48
CIE DE SAINT-GOBAIN	220,722	EUR	10,753,568	1.00
DASSAULT SYST.	458,675	EUR	16,396,502	1.52
			<b>53,953,583</b>	<b>5.00</b>
<b>Germany</b>				
INFINEON TECHNOLOGIES REG SHS	600,381	EUR	18,216,711	1.69
			<b>18,216,711</b>	<b>1.69</b>
<b>Ireland</b>				
KINGSPAN GROUP	153,905	EUR	8,308,024	0.77
			<b>8,308,024</b>	<b>0.77</b>
<b>Japan</b>				
DAIKIN INDUSTRIES LTD	100,400	JPY	15,370,647	1.42
			<b>15,370,647</b>	<b>1.42</b>
<b>Netherlands</b>				
ASML HOLDING NV	33,403	EUR	17,960,143	1.66
CORBION	179,672	EUR	6,105,477	0.57
DSM KONINKLIJKE	215,406	EUR	26,276,662	2.44
			<b>50,342,282</b>	<b>4.67</b>
<b>Norway</b>				
AKER CARBON - REGISTERED SHS	1,493,345	NOK	1,752,414	0.16
NEL ASA	3,101,657	NOK	4,362,336	0.40
TOMRA SYSTEMS ASA	267,727	NOK	4,500,610	0.42
			<b>10,615,360</b>	<b>0.98</b>
<b>People's Republic of China</b>				
CONTEMPORARY AMPEREX TECHN-A	407,603	CNY	23,067,625	2.14
LONGI GREEN ENE - REGISTERED SHS -A-	3,422,042	CNY	20,802,902	1.93
WUXI LEAD INTELLIGENT EQUIPMENT-A-	3,657,912	CNY	21,179,135	1.96
XINYI ENERGY HOLDINGS LIMITED	21,052,505	HKD	6,986,063	0.65
XINYI SOLAR HOLDINGS LTD	9,215,116	HKD	10,201,018	0.95
			<b>82,236,743</b>	<b>7.62</b>
<b>Spain</b>				
IBERDROLA SA	1,404,060	EUR	16,378,420	1.52
			<b>16,378,420</b>	<b>1.52</b>
<b>Sweden</b>				
HEXAGON --- REGISTERED SHS -B-	1,233,199	SEK	12,900,641	1.20
			<b>12,900,641</b>	<b>1.20</b>
<b>United Kingdom</b>				
CERES POWER HOLDINGS PLC	1,310,049	GBP	5,526,415	0.51
CRODA INTL - REGISTERED SHS	111,056	GBP	8,822,045	0.82
ITM POWER PLC	1,451,098	GBP	1,599,565	0.15
SPIRAX-SARCO ENGIN	94,736	GBP	12,096,374	1.12
			<b>28,044,399</b>	<b>2.60</b>
<b>United States of America</b>				
ADVANCED DRAINAGE	287,262	USD	23,546,866	2.18
AIR PRODUCTS & CHEMICALS INC	110,846	USD	34,169,388	3.17
AMERICAN WATER WORKS CO INC	150,589	USD	22,952,775	2.13
AMERESCO INC	191,885	USD	10,964,309	1.02

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 Sustainable

## Candriam Sustainable Equity Climate Action

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
ANSYS INC	59,952	USD	14,483,804	1.34
APTIV PLC	296,102	USD	27,575,979	2.56
AUTODESK INC	113,334	USD	21,178,725	1.96
BALL CORP	523,383	USD	26,765,807	2.48
CADENCE DESIGN SYSTEMS INC	101,985	USD	16,382,870	1.52
DANAHER CORP	75,388	USD	20,009,483	1.85
DARLING INGREDIENT INC	357,587	USD	22,381,370	2.07
ENPHASE ENERGY --- REGISTERED SHS	36,066	USD	9,556,047	0.89
EQUINIX INC	33,907	USD	22,210,102	2.06
HANNON ARMSTRONG SUSTAINABLE INFRA.	357,555	USD	10,361,944	0.96
MASTEC INC	375,589	USD	32,049,009	2.97
MICROSOFT CORP	176,064	USD	42,223,668	3.91
NEXTERA ENERGY PARTNERS LP	214,699	USD	15,048,253	1.39
ON SEMICONDUCTOR CORP	231,633	USD	14,446,950	1.34
OWENS CORNING SHS	153,847	USD	13,123,149	1.22
POWER INTEGRATIONS INC	192,940	USD	13,837,657	1.28
ROCKWELL AUTOMATION	42,718	USD	11,002,875	1.02
SCHNEIDER ELECTRIC SE	206,659	EUR	28,831,187	2.67
SOLAREEDGE TECHNOLOGIES INC	57,191	USD	16,200,495	1.50
SYNOPSYS	76,656	USD	24,475,494	2.27
TESLA MOTORS INC	43,885	USD	5,405,754	0.50
TETRA TECH INC	118,838	USD	17,254,089	1.60
THERMO FISHER SCIENT SHS	43,535	USD	23,974,289	2.22
TOPBUILD	143,181	USD	22,406,395	2.08
TRANE TECH - REGISTERED SHS	114,276	USD	19,208,653	1.78
TREX COMPANY INC	147,639	USD	6,249,559	0.58
TRIMBLE	532,107	USD	26,903,330	2.49
UNIVERSAL DISPLAY	49,861	USD	5,386,982	0.50
WASTE CONNECTIONS INC	299,864	USD	39,749,972	3.68
XYLEM INC	98,504	USD	10,891,587	1.01
			<b>671,208,816</b>	<b>62.21</b>
<b>Total Shares</b>			<b>1,039,811,156</b>	<b>96.38</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>1,039,811,156</b>	<b>96.38</b>
<b>Total investment portfolio</b>			<b>1,039,811,156</b>	<b>96.38</b>
Acquisition cost			1,037,276,353	

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 Sustainable

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## Candriam Sustainable Equity Climate Action

### Geographical and economic breakdown of investments as at December 31, 2022

#### Geographical breakdown (in % of net assets)

United States of America	62.21
People's Republic of China	7.62
France	5.00
Netherlands	4.67
Denmark	3.02
United Kingdom	2.60
Finland	2.15
Germany	1.69
Canada	1.52
Spain	1.52
Japan	1.42
Sweden	1.20
Norway	0.98
Ireland	0.77
	<b>96.38</b>

#### Economic breakdown (in % of net assets)

Utilities	15.10
Electronics and semiconductors	13.12
Internet and internet services	12.53
Electrical engineering	11.07
Machine and apparatus construction	9.93
Chemicals	9.85
Environmental services and recycling	7.47
Building materials	5.64
Road vehicles	3.06
Real estate	3.02
Packaging industries	2.48
Petroleum	2.15
Foods and non alcoholic drinks	0.57
Biotechnology	0.40
	<b>96.38</b>

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

# Candriam Sustainable

## Candriam Sustainable Equity Emerging Markets

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Shares</b>				
<b>Brazil</b>				
ATACADAO SA	5,749,000	BRL	15,091,597	0.52
B3 - REGISTERED SHS	8,586,179	BRL	20,145,183	0.70
BANCO SANTANDER UNITS (50SHS+50PFD SHS)	4,612,500	BRL	23,094,040	0.80
BB SEGURIDADE	3,683,000	BRL	22,051,033	0.76
EQUATORIAL ENERGIA SA	5,351,000	BRL	25,679,630	0.89
HYPERA SA	2,093,900	BRL	16,809,811	0.58
LOCALIZA RENT A CAR SA	1,471,680	BRL	13,905,720	0.48
MERCADOLIBRE	47,810	USD	38,881,756	1.35
WEG SA	3,855,000	BRL	26,367,343	0.91
			<b>202,026,113</b>	<b>7.00</b>
<b>Chile</b>				
SOQUIMICH SPONSORED ADR REPR 1 -B- PREF	230,315	USD	17,055,245	0.59
			<b>17,055,245</b>	<b>0.59</b>
<b>Hong Kong</b>				
HONG KONG EXCHANGES AND CLEARING LTD	1,132,000	HKD	45,968,159	1.59
			<b>45,968,159</b>	<b>1.59</b>
<b>India</b>				
APOLLO HOSPITALS	547,000	INR	27,787,862	0.96
ASIAN PAINTS LTD	1,014,000	INR	35,524,151	1.23
AXIS BANK	5,880,000	INR	62,291,740	2.16
BAJAJ FINANCE LTD	463,450	INR	34,572,786	1.20
BHARTI AIRTEL LTD(DEMATERIALIZED)	4,537,380	INR	41,615,391	1.44
EICHER MOTORS - REGISTERED SHS	520,000	INR	19,042,578	0.66
HOUSING DEVELOPMENT FINANCE CORP	2,972,651	INR	89,104,422	3.09
ICICI BANK	3,263,000	INR	32,979,508	1.14
INFOSYS TECHNOLOGIES DEMATERIALIZED	3,348,000	INR	57,288,428	1.98
MOTHERSON SUMI WIRING INDIA LTD	17,774,200	INR	11,726,335	0.41
SHRIRAM FINANCE LIMITED	1,449,000	INR	22,635,667	0.78
SIEMENS DEMATERIALIZED	656,000	INR	21,025,426	0.73
TORRENT PHARMACEUTICALS DEMATERIALIZED	558,000	INR	9,812,698	0.34
VARUN BEVERAGES LTD	2,947,566	INR	44,228,087	1.53
			<b>509,635,079</b>	<b>17.66</b>
<b>Indonesia</b>				
BANK CENTRAL ASIA DEP	77,535,500	IDR	39,970,391	1.38
TELKOM INDONESIA -B-	74,758,361	IDR	16,902,959	0.59
			<b>56,873,350</b>	<b>1.97</b>
<b>Malaysia</b>				
CIMB GROUP HOLDINGS BHD	39,134,100	MYR	48,363,117	1.68
			<b>48,363,117</b>	<b>1.68</b>
<b>Mexico</b>				
AMERICA MOVIL -L-	36,550,000	MXN	31,569,030	1.09
GRUPO FINANCIERO BANORTE -O-	5,282,000	MXN	36,558,493	1.27
			<b>68,127,523</b>	<b>2.36</b>
<b>People's Republic of China</b>				
ALIBABA GROUP	13,168,400	HKD	136,777,680	4.74
BANK OF NINGBO -A-	10,329,829	CNY	45,260,998	1.57
BJ UNITED --- REGISTERED SHS -A-	1,058,290	CNY	12,637,749	0.44
BYD COMPANY LTD -H-	1,455,260	HKD	33,753,592	1.17
CHINA MENGNIU DAIRY	7,039,515	HKD	30,010,216	1.04
CONTEMPORARY AMPEREX TECHN-A	310,024	CNY	16,469,031	0.57
CSPC PHARMACEUTICAL	41,400,000	HKD	40,882,488	1.42
GANFENG LIT GRP --- REGISTERED SHS -H-	1,953,200	HKD	13,713,187	0.48
JD HEALTH INTERNATIONAL INC	5,150,000	HKD	44,251,126	1.53
JD.COM INC - CL A	2,859,000	HKD	75,814,904	2.63
JIUMAOJIU INTERNATIONAL HOLDINGS LIMITED	19,570,000	HKD	49,138,286	1.70

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 Sustainable

## Candriam Sustainable Equity Emerging Markets

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
MEITUAN - SHS 114A/REG S	4,651,000	HKD	97,850,346	3.39
MING YANG SMART/REGSH	4,108,511	CNY	14,013,096	0.49
NARI TECHNOLOGY -A-	6,837,772	CNY	22,527,901	0.78
NETEASE INC	2,633,000	HKD	36,306,089	1.26
NINGBO ORIENT WIRES CABLES CO LTD	1,485,810	CNY	13,608,222	0.47
PING AN BANK CO LTD -A-	15,180,000	CNY	26,973,913	0.93
PING AN INS (GRP) CO -H-	11,050,200	HKD	68,732,728	2.38
SUNGROW POWER SUPPLY CO LTD	1,021,811	CNY	15,425,124	0.53
SZ INNOVANCE TECHNOLOGY -A-	4,429,378	CNY	41,566,537	1.44
VIPSHOP HOLDINGS ADR 1/5 REPR	453,750	USD	5,861,434	0.20
YADEA GROUP HOLDINGS LTD	18,560,194	HKD	29,190,989	1.01
			<b>870,765,636</b>	<b>30.17</b>
<b>Poland</b>				
DINA POLSKA S.A.	678,617	PLN	54,526,166	1.89
			<b>54,526,166</b>	<b>1.89</b>
<b>South Africa</b>				
CAPITEC BANK HOLDINGS LTD	134,740	ZAR	13,954,585	0.48
FIRSTRAND LTD	7,234,000	ZAR	24,764,092	0.86
SHOPRITE HOLDINGS LTD (SHP)	1,889,000	ZAR	23,892,929	0.83
			<b>62,611,606</b>	<b>2.17</b>
<b>South Korea</b>				
HANWHA SOLUTIONS CORPORATIO	1,132,000	KRW	36,262,320	1.26
KAKAObANK CORP	1,630,000	KRW	29,507,647	1.02
KB FINANCIAL GROUP INC	1,368,000	KRW	49,427,488	1.71
L & F CO LTD	154,800	KRW	20,008,344	0.69
NCSoft	58,600	KRW	19,557,635	0.68
SAMSUNG BIOLOGICS CO LTD	77,800	KRW	47,584,275	1.65
SAMSUNG SDI CO LTD	116,770	KRW	51,411,404	1.78
SK HYNIX INC	1,156,500	KRW	64,617,121	2.24
SK TELEKOM	540,392	KRW	19,082,179	0.66
			<b>337,458,413</b>	<b>11.69</b>
<b>Taiwan</b>				
ACCTON TECHNOLOGY CORPORATION	3,466,000	TWD	24,829,749	0.86
CHAILEASE HOLDING COMPANY LTD	6,767,779	TWD	44,864,912	1.55
DELTA ELECTRONIC INCS	6,918,000	TWD	60,548,879	2.10
E.SUN FINANCIAL HOLDING	16,114,732	TWD	11,839,656	0.41
PRIME VIEW INTERNATIONAL CO LTD	2,516,000	TWD	12,374,779	0.43
TAIWAN SEMICONDUCTOR CO	14,311,000	TWD	196,080,024	6.79
			<b>350,537,999</b>	<b>12.14</b>
<b>Thailand</b>				
ADVANCED INFO SERV.UNITS NON VOTING D.R.	1,720,300	THB	9,121,247	0.32
AIRPORTS THAILAND-UNITS NON-VOT DEP REC	12,435,500	THB	25,359,457	0.88
BANGKOK DUSIT MEDICAL SERVICES PUBLIC	36,872,400	THB	29,074,673	1.01
ENERGY ABSOLUTE NVDR	9,749,900	THB	25,715,047	0.89
HOME PRODUCT CENTER PCL	82,097,300	THB	34,599,993	1.20
KASIKORNBANK UNITS NVDR	6,923,400	THB	27,766,867	0.96
			<b>151,637,284</b>	<b>5.25</b>
<b>Turkey</b>				
BIM BIRLESIK MAGAZALAR	3,114,710	TRY	21,324,428	0.74
			<b>21,324,428</b>	<b>0.74</b>
<b>United States of America</b>				
GLOBANT REG SHS	107,334	USD	16,975,741	0.59
			<b>16,975,741</b>	<b>0.59</b>
<b>Total Shares</b>			<b>2,813,885,859</b>	<b>97.49</b>

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 Sustainable

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## Candriam Sustainable Equity Emerging Markets

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Rights</b>				
<b>Brazil</b>				
LOCALIZA RENT A CAR 31.01.23 RIGHT	6,432	BRL	12,292	0.00
			<b>12,292</b>	<b>0.00</b>
<b>Total Rights</b>			<b>12,292</b>	<b>0.00</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>2,813,898,151</b>	<b>97.49</b>
<b>Total investment portfolio</b>			<b>2,813,898,151</b>	<b>97.49</b>
Acquisition cost			2,953,903,868	

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 Sustainable

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## Candriam Sustainable Equity Emerging Markets

Geographical and economic breakdown of investments as at December 31, 2022

### Geographical breakdown (in % of net assets)

People's Republic of China	30.17
India	17.66
Taiwan	12.14
South Korea	11.69
Brazil	7.00
Thailand	5.25
Mexico	2.36
South Africa	2.17
Indonesia	1.97
Poland	1.89
Malaysia	1.68
Hong Kong	1.59
Turkey	0.74
Chile	0.59
United States of America	0.59
	<b>97.49</b>

### Economic breakdown (in % of net assets)

Banks and other financial institutions	26.61
Electronics and semiconductors	12.39
Internet and internet services	9.10
Foods and non alcoholic drinks	6.90
Miscellaneous services	4.74
Retail trade and department stores	4.65
Machine and apparatus construction	4.18
Communication	4.10
Pharmaceuticals	3.73
Electrical engineering	3.52
Insurance	3.15
Chemicals	3.08
Biotechnology	2.54
Road vehicles	2.15
Utilities	1.91
Healthcare	1.53
Office supplies and computing	1.29
Aeronautic and astronautic Industry	0.88
Miscellaneous consumer goods	0.58
Non ferrous metals	0.48
	<b>97.49</b>

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

# Candriam Sustainable

## Candriam Sustainable Equity EMU

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Shares</b>				
<b>Belgium</b>				
AEDIFICA SA	43,834	EUR	3,322,617	0.81
COFINIMMO SA	23,477	EUR	1,965,025	0.48
KBC GROUPE SA	343,889	EUR	20,660,851	5.02
WAREHOUSES DE PAUW SCA - REGISTERED SHS	129,196	EUR	3,449,533	0.84
			<b>29,398,026</b>	<b>7.14</b>
<b>Finland</b>				
NESTE	89,935	EUR	3,869,004	0.94
			<b>3,869,004</b>	<b>0.94</b>
<b>France</b>				
AIR LIQUIDE SA	63,604	EUR	8,421,170	2.05
BIOMERIEUX SA	87,456	EUR	8,563,692	2.08
BUREAU VERITAS SA	469,644	EUR	11,557,939	2.81
CAPGEMINI SE	21,995	EUR	3,430,120	0.83
DASSAULT SYST.	498,443	EUR	16,695,348	4.06
ESSILORLUXOTTICA SA	73,818	EUR	12,490,006	3.03
KERING	8,685	EUR	4,129,718	1.00
LEGRAND SA	37,365	EUR	2,795,649	0.68
L'OREAL SA	45,562	EUR	15,199,483	3.69
LVMH MOET HENNESSY LOUIS VUITTON SE	21,308	EUR	14,487,309	3.52
SANOFI	140,709	EUR	12,641,297	3.07
SARTORIUS STEDIM BIOTECH	37,977	EUR	11,488,042	2.79
VEOLIA ENVIRONNEMENT SA	188,476	EUR	4,523,424	1.10
			<b>126,423,197</b>	<b>30.71</b>
<b>Germany</b>				
ADIDAS AG NAMEN AKT	32,714	EUR	4,169,726	1.01
ALLIANZ SE REG SHS	33,864	EUR	6,803,278	1.65
BEIERSDORF AG	128,771	EUR	13,804,251	3.35
CARL ZEISS MEDITEC AG	59,303	EUR	6,991,824	1.70
DUERR AG	171,585	EUR	5,408,359	1.31
GRAND CITY PROPERTIES	320,940	EUR	2,949,439	0.72
HANNOVER RUECK SE	69,356	EUR	12,865,538	3.13
INFINEON TECHNOLOGIES REG SHS	197,218	EUR	5,606,908	1.36
MUENCHENER RUECKVERSICHERUNGS AG REG SHS	21,525	EUR	6,543,600	1.59
NEMETSCHEK	85,387	EUR	4,072,106	0.99
SAP AG	46,088	EUR	4,442,422	1.08
SIEMENS AG REG	47,686	EUR	6,182,013	1.50
SYMRISE AG	100,618	EUR	10,227,820	2.48
			<b>90,067,284</b>	<b>21.88</b>
<b>Ireland</b>				
KERRY GROUP -A-	167,794	EUR	14,134,967	3.43
KINGSPAN GROUP	203,396	EUR	10,287,770	2.50
			<b>24,422,737</b>	<b>5.93</b>
<b>Italy</b>				
FINECOBANK	595,694	EUR	9,245,171	2.25
INTESA SANPAOLO	5,438,314	EUR	11,300,816	2.75
MONCLER SPA	165,860	EUR	8,210,070	1.99
TECHNOGYM SPA (ITA)	413,799	EUR	2,958,663	0.72
UNICREDIT SPA REGS	1,008,991	EUR	13,391,329	3.25
			<b>45,106,049</b>	<b>10.96</b>
<b>Netherlands</b>				
ASM INTERNATIONAL NV	6,703	EUR	1,579,562	0.38
ASML HOLDING NV	37,081	EUR	18,681,408	4.54
DSM KONINKLIJKE	103,765	EUR	11,860,340	2.88
			<b>32,121,310</b>	<b>7.80</b>

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 Sustainable

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### Candriam Sustainable Equity EMU

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Spain</b>				
BANCO BILBAO VIZCAYA ARGENTARIA SA	1,251,688	EUR	7,052,010	1.71
EDP RENOVAVEIS SA	188,995	EUR	3,889,517	0.94
INDITEX SHARE FROM SPLIT	440,850	EUR	10,955,122	2.66
			<b>21,896,649</b>	<b>5.32</b>
<b>United Kingdom</b>				
RELX PLC	381,787	EUR	9,865,376	2.40
			<b>9,865,376</b>	<b>2.40</b>
<b>United States of America</b>				
SCHNEIDER ELECTRIC SE	138,235	EUR	18,070,079	4.39
			<b>18,070,079</b>	<b>4.39</b>
<b>Total Shares</b>			<b>401,239,711</b>	<b>97.48</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>401,239,711</b>	<b>97.48</b>
<b>Total investment portfolio</b>			<b>401,239,711</b>	<b>97.48</b>
Acquisition cost			404,001,101	

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 Sustainable

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## Candriam Sustainable Equity EMU

Geographical and economic breakdown of investments as at December 31, 2022

### Geographical breakdown (in % of net assets)

France	30.71
Germany	21.88
Italy	10.96
Netherlands	7.80
Belgium	7.14
Ireland	5.93
Spain	5.32
United States of America	4.39
United Kingdom	2.40
Finland	0.94
	<b>97.48</b>

### Economic breakdown (in % of net assets)

Pharmaceuticals	19.72
Banks and other financial institutions	14.98
Chemicals	7.41
Internet and internet services	6.96
Electrical engineering	6.57
Textiles and garments	6.53
Insurance	6.37
Electronics and semiconductors	6.28
Retail trade and department stores	3.66
Foods and non alcoholic drinks	3.43
Real estate	2.84
Miscellaneous services	2.81
Building materials	2.50
Graphic art and publishing	2.40
Machine and apparatus construction	1.31
Utilities	1.10
Environmental services and recycling	0.94
Petroleum	0.94
Miscellaneous consumer goods	0.72
	<b>97.48</b>

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

# Candriam Sustainable

## Candriam Sustainable Equity Europe

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Shares</b>				
<b>Belgium</b>				
AEDIFICA SA	51,875	EUR	3,932,125	0.29
KBC GROUPE SA	1,031,317	EUR	61,961,525	4.62
WAREHOUSES DE PAUW SCA - REGISTERED SHS	178,305	EUR	4,760,744	0.36
			<b>70,654,394</b>	<b>5.27</b>
<b>Denmark</b>				
CHRISTIAN HANSEN	180,419	DKK	12,123,443	0.90
GENMAB AS	31,503	DKK	12,458,945	0.93
ORSTED	161,149	DKK	13,680,367	1.02
VESTAS WIND SYSTEMS - BEARER AND/OR SHS	531,187	DKK	14,436,040	1.08
			<b>52,698,795</b>	<b>3.93</b>
<b>Finland</b>				
NESTE	137,328	EUR	5,907,851	0.44
			<b>5,907,851</b>	<b>0.44</b>
<b>France</b>				
AIR LIQUIDE SA	157,416	EUR	20,841,878	1.55
BIOMERIEUX SA	188,539	EUR	18,461,739	1.38
BUREAU VERITAS SA	385,109	EUR	9,477,532	0.71
CAPGEMINI SE	37,612	EUR	5,865,591	0.44
DASSAULT SYST.	815,955	EUR	27,330,413	2.04
ESSILORLUXOTTICA SA	169,284	EUR	28,642,853	2.14
KERING	11,328	EUR	5,386,464	0.40
LEGRAND SA	81,761	EUR	6,117,358	0.46
L'OREAL SA	82,180	EUR	27,415,248	2.05
LVMH MOET HENNESSY LOUIS VUITTON SE	34,769	EUR	23,639,443	1.76
SANOFI	317,877	EUR	28,558,070	2.13
SARTORIUS STEDIM BIOTECH	53,832	EUR	16,284,180	1.21
VEOLIA ENVIRONNEMENT SA	290,242	EUR	6,965,808	0.52
			<b>224,986,577</b>	<b>16.78</b>
<b>Germany</b>				
ADIDAS AG NAMEN AKT	81,445	EUR	10,380,980	0.77
ALLIANZ SE REG SHS	77,754	EUR	15,620,779	1.17
BEIERSDORF AG	307,173	EUR	32,928,946	2.46
CARL ZEISS MEDITEC AG	92,314	EUR	10,883,821	0.81
DUERR AG	282,046	EUR	8,890,090	0.66
GRAND CITY PROPERTIES	636,692	EUR	5,851,199	0.44
HANNOVER RUECK SE	159,620	EUR	29,609,510	2.21
INFINEON TECHNOLOGIES REG SHS	319,546	EUR	9,084,693	0.68
MUENCHENER RUECKVERSICHERUNGS AG REG SHS	46,570	EUR	14,157,280	1.06
NEMETSCHEK	124,810	EUR	5,952,189	0.44
SIEMENS AG REG	63,544	EUR	8,237,844	0.61
SYMRISE AG	131,414	EUR	13,358,233	1.00
			<b>164,955,564</b>	<b>12.30</b>
<b>Hong Kong</b>				
PRUDENTIAL PLC	1,203,212	GBP	15,290,183	1.14
			<b>15,290,183</b>	<b>1.14</b>
<b>Ireland</b>				
KERRY GROUP -A-	345,884	EUR	29,137,268	2.17
KINGSPAN GROUP	272,090	EUR	13,762,312	1.03
			<b>42,899,580</b>	<b>3.20</b>
<b>Italy</b>				
FINECOBANK	1,979,703	EUR	30,724,991	2.29
INTESA SANPAOLO	10,844,076	EUR	22,533,990	1.68
MONCLER SPA	204,469	EUR	10,121,216	0.76
TECHNOGYM SPA (ITA)	959,789	EUR	6,862,491	0.51

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

# Candriam Sustainable

## Candriam Sustainable Equity Europe

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
UNICREDIT SPA REGS	1,639,420	EUR	21,758,382	1.62
			<b>92,001,070</b>	<b>6.86</b>
<b>Netherlands</b>				
ASM INTERNATIONAL NV	11,715	EUR	2,760,640	0.21
ASML HOLDING NV	75,176	EUR	37,873,669	2.83
DSM KONINKLIJKE	138,889	EUR	15,875,013	1.18
			<b>56,509,322</b>	<b>4.22</b>
<b>Norway</b>				
TOMRA SYSTEMS ASA	1,405,449	NOK	22,137,476	1.65
			<b>22,137,476</b>	<b>1.65</b>
<b>Spain</b>				
BANCO BILBAO VIZCAYA ARGENTARIA SA	1,333,887	EUR	7,515,119	0.56
EDP RENOVAVEIS SA	313,922	EUR	6,460,515	0.48
INDITEX SHARE FROM SPLIT	1,201,637	EUR	29,860,679	2.23
			<b>43,836,313</b>	<b>3.27</b>
<b>Sweden</b>				
ASSA ABLOY -B- NEW I	978,733	SEK	19,688,638	1.47
HEXAGON --- REGISTERED SHS -B-	1,784,490	SEK	17,491,460	1.30
MIPS AB	36,738	SEK	1,420,262	0.11
SVENSKA HANDELSBANKEN AB-A-	1,623,745	SEK	15,346,382	1.14
			<b>53,946,742</b>	<b>4.02</b>
<b>Switzerland</b>				
LONZA GROUP (CHF)	40,508	CHF	18,587,447	1.39
SGS SA REG SHS	4,503	CHF	9,804,496	0.73
SIG COMBIBLOC GROUP AG	576,033	CHF	11,783,753	0.88
SIKA - REGISTERED SHS	57,073	CHF	12,813,899	0.96
TECAN GROUP NAM.AKT	78,305	CHF	32,703,410	2.44
			<b>85,693,005</b>	<b>6.39</b>
<b>United Kingdom</b>				
ASTRAZENECA PLC	253,880	GBP	32,099,474	2.39
BIG YELLOW GROUP PLC	523,372	GBP	6,765,936	0.50
COMPASS GROUP	1,951,990	GBP	42,185,864	3.15
CRODA INTL - REGISTERED SHS	241,143	GBP	17,948,812	1.34
HALMA PLC	790,656	GBP	17,590,926	1.31
INTERTEK GROUP PLC	218,284	GBP	9,924,572	0.74
JOHNSON MATTHEY	289,900	GBP	6,949,758	0.52
LLOYDS BANKING GROUP PLC	13,784,576	GBP	7,055,031	0.53
PRIMARY HEALTH PROPERTIES PLC REIT	5,294,230	GBP	6,611,448	0.49
RECKITT BENCKISER GROUP PLC	616,619	GBP	39,989,019	2.98
RELX PLC	949,743	EUR	24,541,359	1.83
RENTOKIL INITIAL PLC	2,136,948	GBP	12,235,216	0.91
SPIRAX-SARCO ENGIN	99,615	GBP	11,917,872	0.89
UNILEVER	43,240	EUR	2,026,659	0.15
UNILEVER	392,020	EUR	18,477,629	1.38
UNITE GROUP PLC	520,955	GBP	5,343,128	0.40
			<b>261,662,703</b>	<b>19.52</b>
<b>United States of America</b>				
NESTLE SA REG SHS	541,297	CHF	58,731,643	4.38
ROCHE HOLDING LTD	118,047	CHF	34,728,496	2.59
SCHNEIDER ELECTRIC SE	254,063	EUR	33,211,115	2.48
			<b>126,671,254</b>	<b>9.45</b>
<b>Total Shares</b>			<b>1,319,850,829</b>	<b>98.46</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>1,319,850,829</b>	<b>98.46</b>
<b>Total investment portfolio</b>			<b>1,319,850,829</b>	<b>98.46</b>
Acquisition cost			1,341,108,443	

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 Sustainable

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## Candriam Sustainable Equity Europe

Geographical and economic breakdown of investments as at December 31, 2022

### Geographical breakdown (in % of net assets)

United Kingdom	19.52
France	16.78
Germany	12.30
United States of America	9.45
Italy	6.86
Switzerland	6.39
Belgium	5.27
Netherlands	4.22
Sweden	4.02
Denmark	3.93
Spain	3.27
Ireland	3.20
Norway	1.65
Hong Kong	1.14
Finland	0.44
	<b>98.46</b>

### Economic breakdown (in % of net assets)

Pharmaceuticals	19.60
Banks and other financial institutions	13.33
Foods and non alcoholic drinks	8.08
Chemicals	7.42
Machine and apparatus construction	5.98
Insurance	5.57
Electronics and semiconductors	5.02
Textiles and garments	4.03
Electrical engineering	3.55
Miscellaneous consumer goods	3.49
Hotels and restaurants	3.15
Internet and internet services	2.92
Retail trade and department stores	2.63
Utilities	2.62
Real estate	2.48
Miscellaneous services	2.46
Biotechnology	1.83
Graphic art and publishing	1.83
Building materials	1.03
Precious metals and stones	0.52
Environmental services and recycling	0.48
Petroleum	0.44
Investments funds	0.00
	<b>98.46</b>

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

# Candriam Sustainable

## Candriam Sustainable Equity Europe Small & Mid Caps

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Shares</b>				
<b>Belgium</b>				
AEDIFICA SA	41,494	EUR	3,145,245	1.65
BARCO - REGISTERED SHS	330,332	EUR	7,624,063	4.00
KBC ANCORA CVA	196,754	EUR	8,287,278	4.35
KINEPOLIS GROUP SA	46,708	EUR	1,811,336	0.95
LOTUS BAKERIES NV	505	EUR	3,191,600	1.68
SHURGARD SELF STORAGE SA ORDSHR	39,001	EUR	1,671,193	0.88
WAREHOUSES DE PAUW SCA - REGISTERED SHS	75,678	EUR	2,020,603	1.06
			<b>27,751,318</b>	<b>14.58</b>
<b>Denmark</b>				
CHRISTIAN HANSEN	72,126	DKK	4,846,582	2.55
SIMCORP A/S	54,683	DKK	3,516,384	1.85
TOPDANMARK AS	92,310	DKK	4,535,776	2.38
			<b>12,898,742</b>	<b>6.78</b>
<b>Finland</b>				
HARVIA-REGISTERED SHS	64,095	EUR	1,133,200	0.60
			<b>1,133,200</b>	<b>0.60</b>
<b>France</b>				
ANTIN INF PARTN --- SHS	45,584	EUR	925,355	0.49
BIOMERIEUX SA	79,760	EUR	7,810,099	4.10
ESKER SA	14,004	EUR	2,202,829	1.16
SEB SA	21,690	EUR	1,697,242	0.89
			<b>12,635,525</b>	<b>6.64</b>
<b>Germany</b>				
CARL ZEISS MEDITEC AG	22,692	EUR	2,675,387	1.41
DUERR AG	208,784	EUR	6,580,872	3.46
GRAND CITY PROPERTIES	306,265	EUR	2,814,575	1.48
NEMETSCHEK	40,341	EUR	1,923,862	1.01
STABILUS SE BEARER SHS	63,254	EUR	3,978,677	2.09
SYMRISE AG	10,525	EUR	1,069,866	0.56
			<b>19,043,239</b>	<b>10.00</b>
<b>Ireland</b>				
GREENCORE GROUP PLC	1,813,813	GBP	1,311,424	0.69
KINGSPAN GROUP	54,312	EUR	2,747,101	1.44
			<b>4,058,525</b>	<b>2.13</b>
<b>Italy</b>				
AMPLIFON SPA	33,635	EUR	935,726	0.49
BFF BANK S.P.A	487,381	EUR	3,611,493	1.90
FINCOBANK	430,585	EUR	6,682,679	3.51
ILLIMITY BANK SPA - BEARER SHS	260,617	EUR	1,798,257	0.94
MONCLER SPA	131,504	EUR	6,509,448	3.42
TECHNOGYM SPA (ITA)	316,886	EUR	2,265,735	1.19
			<b>21,803,338</b>	<b>11.45</b>
<b>Netherlands</b>				
ALFEN NV	36,484	EUR	3,071,953	1.61
			<b>3,071,953</b>	<b>1.61</b>
<b>Norway</b>				
TOMRA SYSTEMS ASA	283,078	NOK	4,458,812	2.34
			<b>4,458,812</b>	<b>2.34</b>
<b>Spain</b>				
BANKINTER SA REGS	861,371	EUR	5,399,073	2.84
LINEA DIRECTA - BEARER SHS	1,331,863	EUR	1,374,483	0.72
			<b>6,773,556</b>	<b>3.56</b>
<b>Sweden</b>				
BICO AB	79,128	SEK	752,838	0.40
CELLAVISION	40,971	SEK	843,718	0.44
MIPS AB	36,515	SEK	1,411,641	0.74

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 Sustainable

## Candriam Sustainable Equity Europe Small & Mid Caps

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
RVCR HOLDING AB REGISTERED SHS	289,485	SEK	925,186	0.49
SWECO AB	215,308	SEK	1,933,275	1.02
THULE CORP	45,972	SEK	899,989	0.47
			<b>6,766,647</b>	<b>3.55</b>
<b>Switzerland</b>				
BACHEM HOLDING LTD SHARES	37,960	CHF	3,069,630	1.61
SIG COMBIBLOC GROUP AG	215,713	CHF	4,412,783	2.32
TECAN GROUP NAM.AKT	11,774	CHF	4,917,310	2.58
VAT GROUP SA	7,900	CHF	2,022,502	1.06
			<b>14,422,225</b>	<b>7.58</b>
<b>United Kingdom</b>				
ADMIRAL GROUP PLC	225,618	GBP	5,434,158	2.85
BIG YELLOW GROUP PLC	172,133	GBP	2,225,264	1.17
CLOSE BROTHERS GROUP PLC	158,546	GBP	1,870,923	0.98
CRODA INTL - REGISTERED SHS	25,944	GBP	1,931,070	1.01
DR MARTENS PLC WI	428,703	GBP	920,944	0.48
GRAINGER PLC	697,862	GBP	1,982,093	1.04
HALMA PLC	299,159	GBP	6,655,845	3.50
INTERTEK GROUP PLC	151,853	GBP	6,904,198	3.63
JOHNSON MATTHEY	201,862	GBP	4,839,228	2.54
PRIMARY HEALTH PROPERTIES PLC REIT	2,553,621	GBP	3,188,968	1.68
RENTOKIL INITIAL PLC	694,148	GBP	3,974,384	2.09
SPIRAX-SARCO ENGIN	47,678	GBP	5,704,164	3.00
TEAM 17 GROUP LIMITED	155,041	GBP	768,871	0.40
UNITE GROUP PLC	458,714	GBP	4,704,759	2.47
WISE PLC	133,458	GBP	846,550	0.44
			<b>51,951,419</b>	<b>27.29</b>
<b>Total Shares</b>			<b>186,768,499</b>	<b>98.10</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>186,768,499</b>	<b>98.10</b>
<b>Total investment portfolio</b>			<b>186,768,499</b>	<b>98.10</b>
Acquisition cost			229,294,618	

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 Sustainable

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## Candriam Sustainable Equity Europe Small & Mid Caps

Geographical and economic breakdown of investments as at December 31, 2022

### Geographical breakdown (in % of net assets)

United Kingdom	27.29
Belgium	14.58
Italy	11.45
Germany	10.00
Switzerland	7.58
Denmark	6.78
France	6.64
Spain	3.56
Sweden	3.55
Norway	2.34
Ireland	2.13
Netherlands	1.61
Finland	0.60
	<b>98.10</b>

### Economic breakdown (in % of net assets)

Banks and other financial institutions	22.66
Real estate	11.43
Machine and apparatus construction	8.79
Pharmaceuticals	8.58
Textiles and garments	7.53
Internet and internet services	7.27
Insurance	5.96
Miscellaneous services	4.47
Electronics and semiconductors	3.50
Biotechnology	3.38
Miscellaneous consumer goods	2.55
Precious metals and stones	2.54
Building materials	2.46
Foods and non alcoholic drinks	2.37
Non Classifiable Institutions	2.09
Chemicals	1.58
Hotels and restaurants	0.95
	<b>98.10</b>

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

# Candriam Sustainable

## Candriam Sustainable Equity Future Mobility

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Shares</b>				
<b>Canada</b>				
BALLARD POWER SYSTEMS INC	147,419	CAD	705,036	0.29
			<b>705,036</b>	<b>0.29</b>
<b>France</b>				
ALSTOM SA	272,044	EUR	6,625,535	2.76
CIE GENERALE DES ETABLISSEMENTS MICHELIN	244,415	EUR	6,778,237	2.82
			<b>13,403,772</b>	<b>5.58</b>
<b>Germany</b>				
INFINEON TECHNOLOGIES REG SHS	162,388	EUR	4,927,163	2.05
SIEMENS AG REG	53,629	EUR	7,420,017	3.09
			<b>12,347,180</b>	<b>5.14</b>
<b>Japan</b>				
DENSO CORP	44,500	JPY	2,204,343	0.92
NGK INSULATORS LTD	233,000	JPY	2,963,159	1.23
NIDEC CORP	77,300	JPY	4,006,629	1.67
PANASONIC CORP	307,600	JPY	2,588,880	1.08
ROHM CO LTD	38,800	JPY	2,802,410	1.17
SHIMANO INC	43,700	JPY	6,928,675	2.89
TDK CORP	136,100	JPY	4,471,511	1.86
TOYOTA MOTOR CORP	504,900	JPY	6,935,702	2.89
			<b>32,901,309</b>	<b>13.71</b>
<b>Netherlands</b>				
ALFEN NV	63,319	EUR	5,690,000	2.37
			<b>5,690,000</b>	<b>2.37</b>
<b>Norway</b>				
NEL ASA	1,513,337	NOK	2,128,438	0.89
			<b>2,128,438</b>	<b>0.89</b>
<b>People's Republic of China</b>				
CONTEMPORARY AMPEREX TECHN-A	70,400	CNY	3,984,173	1.66
LONGI GREEN ENE - REGISTERED SHS -A-	227,192	CNY	1,381,121	0.58
NXP SEMICONDUCTORS	42,018	USD	6,640,105	2.77
			<b>12,005,399</b>	<b>5.00</b>
<b>Switzerland</b>				
STMICROELECTRONICS NV	170,381	EUR	6,001,600	2.50
TE CONNECTIVITY LTD REG SHS	97,344	USD	11,175,091	4.66
			<b>17,176,691</b>	<b>7.16</b>
<b>Taiwan</b>				
TAIWAN SEMICONDUCTOR CO ADR (REPR 5 SHS)	76,705	USD	5,713,755	2.38
			<b>5,713,755</b>	<b>2.38</b>
<b>United Kingdom</b>				
JOHNSON MATTHEY	114,120	GBP	2,919,775	1.22
			<b>2,919,775</b>	<b>1.22</b>
<b>United States of America</b>				
ALPHABET INC -A-	58,803	USD	5,188,189	2.16
APTIV PLC	116,072	USD	10,809,785	4.50
CERENCE INC	98,006	USD	1,816,051	0.76
CISCO SYSTEMS INC	212,392	USD	10,118,355	4.22
ITT INC	40,000	USD	3,244,000	1.35
MICROSOFT CORP	34,176	USD	8,196,088	3.41
NVIDIA CORP	29,088	USD	4,250,920	1.77
OKTA -A-	38,688	USD	2,643,551	1.10
ON SEMICONDUCTOR CORP	156,662	USD	9,771,009	4.07
PALO ALTO NETWORKS	52,092	USD	7,268,918	3.03
PTC INC	74,338	USD	8,923,534	3.72
SCHNEIDER ELECTRIC SE	78,329	EUR	10,927,751	4.55
SENSATA TECH(S) -REGISTERED SHS	143,651	USD	5,800,627	2.42
SERVICENOW INC	13,548	USD	5,260,282	2.19

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 Sustainable

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### Candriam Sustainable Equity Future Mobility

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
SOLAREEDGE TECHNOLOGIES INC	23,525	USD	6,663,927	2.78
TESLA MOTORS INC	15,094	USD	1,859,279	0.77
TWILIO INC	29,359	USD	1,437,417	0.60
WABTEC CORP	98,540	USD	9,835,277	4.10
ZEBRA TECHNOLOGIES -A-	20,710	USD	5,310,251	2.21
			<b>119,325,211</b>	<b>49.71</b>
<b>Total Shares</b>			<b>224,316,566</b>	<b>93.45</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>224,316,566</b>	<b>93.45</b>
<b>Total investment portfolio</b>			<b>224,316,566</b>	<b>93.45</b>
Acquisition cost			289,635,316	

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 Sustainable

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## Candriam Sustainable Equity Future Mobility

Geographical and economic breakdown of investments as at December 31, 2022

### Geographical breakdown (in % of net assets)

United States of America	49.71
Japan	13.71
Switzerland	7.16
France	5.58
Germany	5.14
People's Republic of China	5.00
Taiwan	2.38
Netherlands	2.37
United Kingdom	1.22
Norway	0.89
Canada	0.29
	<b>93.45</b>

### Economic breakdown (in % of net assets)

Electronics and semiconductors	24.86
Internet and internet services	16.21
Electrical engineering	15.89
Road vehicles	11.97
Banks and other financial institutions	7.03
Machine and apparatus construction	6.99
Office supplies and computing	4.22
Tires and rubber	2.82
Miscellaneous services	1.35
Precious metals and stones	1.22
Biotechnology	0.89
	<b>93.45</b>

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

# Candriam Sustainable

## Candriam Sustainable Equity Japan

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in JPY)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Shares</b>				
<b>Japan</b>				
AEON CO LTD	343,300	JPY	955,403,900	1.75
ASAHI INTECC CO LTD	53,400	JPY	115,557,600	0.21
ASTELLAS PHARMA	424,610	JPY	851,979,965	1.56
BRIDGESTONE CORP	68,000	JPY	318,988,000	0.58
BROTHER INDUSTRIES	44,200	JPY	88,709,400	0.16
CANON INC	430,200	JPY	1,228,436,100	2.25
CAPCOM CO LTD	52,900	JPY	222,709,000	0.41
CENTRAL JAPAN RAILWAY CO	73,300	JPY	1,187,826,500	2.17
CHIBA BANK	183,500	JPY	176,527,000	0.32
CHUGAI PHARMACEUTICAL	148,300	JPY	499,474,400	0.91
DAI NIPPON PRINTING CO LTD	201,900	JPY	535,035,000	0.98
DAIICHI SANKYO CO LTD	320,400	JPY	1,361,700,000	2.49
DAIKIN INDUSTRIES LTD	8,200	JPY	165,640,000	0.30
DAIWA HOUSE INDUSTRY CO LTD	414,533	JPY	1,259,765,787	2.30
DENSO CORP	100,700	JPY	658,175,200	1.20
EAST JAPAN RAILWAY CO	168,400	JPY	1,266,368,000	2.31
FANUC CORP SHS	72,600	JPY	1,440,021,000	2.63
FAST RETAILING CO LTD	13,400	JPY	1,079,102,000	1.97
FUJITSU LTD	37,200	JPY	655,278,000	1.20
HAKUHODO DY HOLDINGS INC	36,400	JPY	48,412,000	0.09
HIROSE ELECTRIC CO	28,400	JPY	471,440,000	0.86
HITACHI CONST MACH.	204,700	JPY	605,707,300	1.11
HITACHI LTD	35,700	JPY	238,868,700	0.44
HOYA CORP	88,600	JPY	1,125,663,000	2.06
IBIDEN	44,100	JPY	211,018,500	0.39
ITOCHU CORP	226,600	JPY	939,483,600	1.72
JAPAN PRIME REALTY INVESTMENT CORP	303	JPY	112,261,500	0.21
JP REAL ESTATE INVESTMENT	1,009	JPY	582,193,000	1.06
KAO CORP	121,100	JPY	636,380,500	1.16
KDDI CORP	269,400	JPY	1,072,750,800	1.96
KIKKOMAN CORP	88,900	JPY	616,966,000	1.13
KYOCERA CORP	191,000	JPY	1,251,432,000	2.29
LION CORP	239,100	JPY	361,997,400	0.66
MEIJI HLDGS	70,800	JPY	477,192,000	0.87
MINEBEA MITSUMI	201,800	JPY	397,747,800	0.73
MITSUBISHI CORP	1,900	JPY	8,137,700	0.01
MITSUBISHI ESTATE	248,000	JPY	424,328,000	0.78
mitsui fudosan CO LTD	462,500	JPY	1,117,862,500	2.04
MIZUHO FINANCIAL GROUP INC	747,386	JPY	1,387,148,416	2.54
NEC CORP	14,800	JPY	68,598,000	0.13
NGK INSULATORS LTD	265,100	JPY	444,837,800	0.81
NIDEC CORP	101,300	JPY	692,790,700	1.27
NIKON CORP	430,800	JPY	506,620,800	0.93
NINTENDO CO LTD	264,900	JPY	1,465,426,800	2.68
NIPPON BUILDING FD	396	JPY	232,848,000	0.43
NIPPON SHINYKU CO LTD	11,400	JPY	85,272,000	0.16
NIPPON TELEGRAPH AND TELEPHONE CORP	402,800	JPY	1,515,333,600	2.77
NIPPON YUSEN KK	39,900	JPY	124,089,000	0.23
NISSAN CHEMICAL CORP	136,300	JPY	787,814,000	1.44
NITTO DENKO CORP	114,000	JPY	872,100,000	1.59
NOMURA HOLDINGS INC	1,412,100	JPY	689,952,060	1.26
NOMURA REAL ESTATE HOLDINGS INC	124,100	JPY	351,203,000	0.64
NOMURA RESEARCH INSTITUTE	192,700	JPY	600,260,500	1.10
NTT DATA CORP	325,300	JPY	628,479,600	1.15

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

# Candriam Sustainable

## Candriam Sustainable Equity Japan

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in JPY)	% net assets
OLYMPUS CORP	241,500	JPY	568,008,000	1.04
ONO PHARMACEUTICAL CO LTD	90,800	JPY	279,936,400	0.51
ORIX CORP	537,500	JPY	1,138,693,750	2.08
ORIX JREIT INC	1,441	JPY	268,746,500	0.49
OSAKA SECURITIES EXCHANGE	166,800	JPY	316,503,000	0.58
PANASONIC CORP	913,358	JPY	1,014,284,059	1.85
PERSOL HOLDINGS CO LTD	72,500	JPY	205,030,000	0.37
RECRUIT HOLDINGS CO LTD	295,900	JPY	1,235,974,300	2.26
RENASAS ELECTRONICS	226,600	JPY	268,181,100	0.49
RICOH CO LTD	232,900	JPY	234,530,300	0.43
ROHM CO LTD	63,500	JPY	605,155,000	1.11
SCSK CORP	88,700	JPY	177,488,700	0.32
SEKISUI CHEMICAL CO LTD	309,400	JPY	570,843,000	1.04
SEKISUI HOUSE LTD	413,000	JPY	963,735,500	1.76
SHIMADZU CORPORATION	76,000	JPY	284,620,000	0.52
SO-NET M3	201,200	JPY	719,893,600	1.32
SONY CORP	107,800	JPY	1,081,773,000	1.98
SQUARE ENIX HDLGS	100,900	JPY	618,517,000	1.13
SUMI DAI PHARMA	338,600	JPY	338,261,400	0.62
SUMITOMO CHEMICAL CO LTD	1,177,200	JPY	557,992,800	1.02
SUMITOMO ELECTRIC INDUSTRIES LTD	40,100	JPY	60,330,450	0.11
SUNTORY	40,600	JPY	182,700,000	0.33
TAKEDA PHARMACEUTICAL	267,600	JPY	1,100,103,600	2.01
TOKYO CENTURY CORP - REGISTERED SHS	9,700	JPY	43,456,000	0.08
TOKYO ELECTRON LTD	9,000	JPY	349,920,000	0.64
TOTO LTD	121,400	JPY	546,300,000	1.00
TOYOTA MOTOR CORP	1,378,800	JPY	2,499,075,000	4.57
TREND MICRO INC	12,100	JPY	74,294,000	0.14
UNI CHARM	158,300	JPY	802,264,400	1.47
WEST JAPAN RAILWAY COMPANY	167,100	JPY	957,315,900	1.75
YAKULT HONSHA CO LTD	56,100	JPY	480,216,000	0.88
YASKAWA ELECTRIC CORP	159,000	JPY	671,775,000	1.23
			<b>54,435,231,187</b>	<b>99.50</b>
<b>Total Shares</b>			<b>54,435,231,187</b>	<b>99.50</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>54,435,231,187</b>	<b>99.50</b>
<b>Total investment portfolio</b>			<b>54,435,231,187</b>	<b>99.50</b>
Acquisition cost			56,966,549,046	

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 Sustainable

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## Candriam Sustainable Equity Japan

### Geographical and economic breakdown of investments as at December 31, 2022

#### Geographical breakdown (in % of net assets)

Japan	99.50
	<b>99.50</b>

#### Economic breakdown (in % of net assets)

Electronics and semiconductors	21.39
Banks and other financial institutions	14.44
Pharmaceuticals	7.14
Transportation	6.46
Building materials	6.11
Road vehicles	5.77
Real estate	5.01
Communication	4.73
Internet and internet services	4.43
Chemicals	4.05
Retail trade and department stores	3.72
Graphic art and publishing	3.24
Machine and apparatus construction	2.95
Electrical engineering	2.90
Miscellaneous consumer goods	2.13
Foods and non alcoholic drinks	2.08
Office supplies and computing	1.32
Photographic and optics	1.04
Tires and rubber	0.58
	<b>99.50</b>

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

# Candriam Sustainable

## Candriam Sustainable Equity Quant Europe

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Shares</b>				
<b>Austria</b>				
CA-IMMOBILIEN-ANLAGEN AG	10,094	EUR	286,165	0.07
TELEKOM AUSTRIA AG	8,290	EUR	47,916	0.01
VERBUND AG	23,712	EUR	1,864,949	0.47
			<b>2,199,030</b>	<b>0.55</b>
<b>Belgium</b>				
D'IETEREN	12,836	EUR	2,300,211	0.58
ELIA SYSTEM OPERATOR SA	12,222	EUR	1,623,082	0.41
WAREHOUSES DE PAUW SCA - REGISTERED SHS	19,800	EUR	528,660	0.13
			<b>4,451,953</b>	<b>1.11</b>
<b>Chile</b>				
ANTOFAGASTA PLC	36,009	GBP	627,240	0.16
			<b>627,240</b>	<b>0.16</b>
<b>Denmark</b>				
A.P. MOELLER-MAERSK -A-	1,380	DKK	2,852,248	0.71
A.P. MOELLER-MAERSK A/S -B-	1,440	DKK	3,024,669	0.76
GENMAB AS	6,001	DKK	2,373,302	0.59
H LUNDBECK SHS	33,418	DKK	117,064	0.03
ISS A/S	113,246	DKK	2,243,158	0.56
LK-ABELLO --- BEARER AND/OR REGISTERED S	34,253	DKK	442,415	0.11
NOVO NORDISK	98,503	DKK	12,424,721	3.11
RINGKJOBING LANDBOBANK	2,200	DKK	280,456	0.07
TOPDANMARK AS	2,694	DKK	132,373	0.03
			<b>23,890,406</b>	<b>5.97</b>
<b>Finland</b>				
NOKIA OYJ	643,937	EUR	2,786,315	0.70
ORION CORPORATION (NEW) -B-	18,461	EUR	945,942	0.24
STORA ENSO -R-	186,031	EUR	2,446,308	0.61
TIETOEVRY CORP	10,534	EUR	279,362	0.07
UPM KYMMENE CORP	96,222	EUR	3,361,034	0.84
VALMET CORPORATION	31,934	EUR	803,459	0.20
WARTSILA CORPORATION -B-	121,574	EUR	956,544	0.24
			<b>11,578,964</b>	<b>2.89</b>
<b>France</b>				
ACCOR SA	96,006	EUR	2,241,740	0.56
BNP PARIBAS SA	50,979	EUR	2,714,632	0.68
CAPGEMINI SE	27,662	EUR	4,313,889	1.08
CIE DE SAINT-GOBAIN	101,790	EUR	4,646,714	1.16
DASSAULT SYST.	33,756	EUR	1,130,657	0.28
EDENRED SA	24,945	EUR	1,269,202	0.32
ELIS SA	21,197	EUR	292,943	0.07
ESSILORLUXOTTICA SA	33,989	EUR	5,750,939	1.44
GECINA	4,157	EUR	395,539	0.10
GETLINK ACT	219,300	EUR	3,284,018	0.82
HERMES INTERNATIONAL SA	890	EUR	1,286,050	0.32
JCDECAUX SE	9,409	EUR	166,727	0.04
KERING	8,223	EUR	3,910,036	0.98
KLEPIERRE SA	101,953	EUR	2,195,048	0.55
L'OREAL SA	22,364	EUR	7,460,630	1.87
LVMH MOET HENNESSY LOUIS VUITTON SE	18,470	EUR	12,557,753	3.14
PUBLICIS GROUPE	62,785	EUR	3,730,685	0.93
REXEL SA	64,275	EUR	1,185,231	0.30
SANOFI	94,232	EUR	8,465,803	2.12
SOCIETE GENERALE SA	96,169	EUR	2,258,048	0.56
SODEXO SA	34,667	EUR	3,102,003	0.78
SOPRA STERIA GROUP	5,188	EUR	732,546	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 Sustainable

## Candriam Sustainable Equity Quant Europe

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
VIVENDI SA	285,749	EUR	2,547,167	0.64
WENDEL SA	9,206	EUR	802,763	0.20
			<b>76,440,763</b>	<b>19.11</b>
<b>Germany</b>				
ALLIANZ SE REG SHS	1,715	EUR	344,544	0.09
AROUNDTOWN SA	305,089	EUR	666,009	0.17
DAIMLER AG NAMEN-AKT	78,452	EUR	4,816,953	1.20
DEUTSCHE BOERSE AG REG SHS	30,745	EUR	4,962,243	1.24
DEUTSCHE TELEKOM AG REG SHS	288,001	EUR	5,367,763	1.34
FRESENIUS MEDICAL CARE AG & CO KGAA	73,878	EUR	2,258,450	0.56
GEA GROUP AG	64,502	EUR	2,463,976	0.62
HANNOVER RUECK SE	12,176	EUR	2,258,648	0.56
HAPAG-LLOYDS NAM-AKT	3,579	EUR	635,630	0.16
KION GROUP AG	68,314	EUR	1,828,766	0.46
MERCK KGAA	21,736	EUR	3,932,042	0.98
SAP AG	17,556	EUR	1,692,223	0.42
SARTORIUS VORZ.OHNE STIMMRECHT.	1,274	EUR	470,616	0.12
SIEMENS AG REG	58,494	EUR	7,583,162	1.90
SIEMENS ENERGY - REGISTERED SHS	102,000	EUR	1,792,650	0.45
TELEFONICA NAMEN AKT	1,040,250	EUR	2,395,696	0.60
VOLKSWAGEN AG	3,377	EUR	498,614	0.12
VOLKSWAGEN AG VORZ.AKT	23,724	EUR	2,761,948	0.69
VONOVIA SE	155,588	EUR	3,426,048	0.86
			<b>50,155,981</b>	<b>12.54</b>
<b>Ireland</b>				
AIB GRP - REGISTERED	369,680	EUR	1,336,763	0.33
CRH PLC	97,200	EUR	3,597,372	0.90
			<b>4,934,135</b>	<b>1.23</b>
<b>Italy</b>				
BANCO BPM REGISTERED	625,152	EUR	2,084,257	0.52
PRYSMIAN SPA	2,200	EUR	76,252	0.02
			<b>2,160,509</b>	<b>0.54</b>
<b>Luxembourg</b>				
SES GLOBAL CERT.GC FID.DEP.REC(1-A-SHS)	208,114	EUR	1,267,414	0.32
			<b>1,267,414</b>	<b>0.32</b>
<b>Netherlands</b>				
ADYEN --- PARTS SOCIALES	2,136	EUR	2,752,022	0.69
ASML HOLDING NV	14,816	EUR	7,464,301	1.87
KONINKLIJKE AHOLD DELHAIZE NV	176,556	EUR	4,738,763	1.18
KONINKLIJKE KPN NV	1,128,585	EUR	3,261,611	0.82
NN GROUP NV	47,584	EUR	1,815,805	0.45
			<b>20,032,502</b>	<b>5.01</b>
<b>Norway</b>				
GJENSIDIGE FORSIKRING ASA	51,171	NOK	935,470	0.23
ORKLA ASA	113,082	NOK	763,022	0.19
			<b>1,698,492</b>	<b>0.42</b>
<b>Portugal</b>				
NAVIGATOR COMP	169,088	EUR	584,030	0.15
			<b>584,030</b>	<b>0.15</b>
<b>Spain</b>				
AMADEUS IT GROUP SA -A-	34,459	EUR	1,672,984	0.42
BANCO BILBAO VIZCAYA ARGENTARIA SA	80,024	EUR	450,855	0.11
BANCO SABADELL REG.SHS	551,965	EUR	486,171	0.12
GRIFOLS SA -A-	117,954	EUR	1,270,365	0.32
IBERDROLA SA	9,001	EUR	98,381	0.02
INDITEX SHARE FROM SPLIT	151,433	EUR	3,763,110	0.94
INMOBILIARIA COLONIAL SA	141,269	EUR	849,027	0.21
			<b>8,590,893</b>	<b>2.15</b>
<b>Sweden</b>				
ASSA ABLOY -B- NEW I	190,617	SEK	3,834,538	0.96

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 Sustainable

## Candriam Sustainable Equity Quant Europe

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
AXFOOD AB	18,069	SEK	464,551	0.12
HEXPOL -B-	30,200	SEK	301,722	0.08
HOLMEN -REGISTERED SHS	39,652	SEK	1,475,863	0.37
NORDNET AB PUBL	23,772	SEK	322,689	0.08
SVENSKA CELLULOSA SCA AB-SHS-B-	182,997	SEK	2,171,395	0.54
TELE2 AB	315,495	SEK	2,414,390	0.60
			<b>10,985,148</b>	<b>2.75</b>
<b>Switzerland</b>				
ALCON - REGISTERED SHS	6,555	CHF	419,408	0.10
EFG INTL	10,105	CHF	90,361	0.02
KUEHNE + NAGEL INTERNATIONAL AG	6,990	CHF	1,523,366	0.38
NOVARTIS AG REG SHS	145,885	CHF	12,349,514	3.09
PSP SWISS PROPERTY AG	22,516	CHF	2,474,035	0.62
SCHINDLER HOLDING SA	21,565	CHF	3,797,816	0.95
STMICROELECTRONICS NV	89,238	EUR	2,944,408	0.74
SWISS LIFE HOLDING N-NAMEN REGISTERED	2,364	CHF	1,141,481	0.29
SWISS PRIME SITE AG-NAMEN AKT	35,680	CHF	2,896,098	0.72
SWISSCOM SHS NOM	7,481	CHF	3,838,042	0.96
ZURICH INSURANCE GROUP NAMEN AKT	14,296	CHF	6,403,485	1.60
			<b>37,878,014</b>	<b>9.47</b>
<b>United Kingdom</b>				
3I GROUP PLC	252,346	GBP	3,815,409	0.95
ASTRAZENECA PLC	88,672	GBP	11,211,299	2.80
BEAZLEY PLC	303,184	GBP	2,321,933	0.58
BRITISH LAND CO PLC REIT	578,588	GBP	2,576,502	0.64
CENTRICA	2,337,938	GBP	2,543,339	0.64
COMPASS GROUP	240,983	GBP	5,208,058	1.30
FRASERS GROUP PLC	38,253	GBP	306,110	0.08
HISCOX	99,306	GBP	1,219,430	0.30
HOWDEN JOINERY GROUP	113,470	GBP	718,228	0.18
IG GROUP HLDGS	51,639	GBP	455,133	0.11
INTERCONTINENTAL HOTELS GROUP PLC	60,005	GBP	3,208,382	0.80
INVESTEC	348,962	GBP	2,011,374	0.50
JUST EAT TAKEAWAY.COM N.V	86,014	EUR	1,698,776	0.42
KINGFISHER PLC	1,072,855	GBP	2,854,901	0.71
LAND SEC R.E.I.T	486,623	GBP	3,408,144	0.85
LEGAL & GENERAL GROUP PLC	510,305	GBP	1,435,008	0.36
LLOYDS BANKING GROUP PLC	9,150,885	GBP	4,683,479	1.17
LSE GROUP	40,475	GBP	3,255,335	0.81
MAN GROUP - REGISTERED SHS	67,970	GBP	163,710	0.04
NATWEST GROUP PLC	1,157,072	GBP	3,458,501	0.86
PEARSON PLC	224,871	GBP	2,380,376	0.60
RELX PLC	63,800	EUR	1,648,592	0.41
RELX PLC	141,719	EUR	3,654,585	0.91
SEGRO (REIT)	388,553	GBP	3,344,030	0.84
SSE PLC	208,000	GBP	4,013,480	1.00
UNILEVER	42,834	EUR	2,018,955	0.50
UNILEVER	36,600	EUR	1,715,442	0.43
VODAFONE GROUP PLC	3,776,436	GBP	3,585,539	0.90
WHITBREAD	102,620	GBP	2,972,481	0.74
WISE PLC	234,676	GBP	1,488,596	0.37
WPP PLC	144,276	GBP	1,333,730	0.33
			<b>84,708,857</b>	<b>21.18</b>
<b>United States of America</b>				
FERGUSON NEWCO PLC	6,213	GBP	731,065	0.18
GSK --- REGISTERED SHS	341,142	GBP	5,527,481	1.38
NESTLE SA REG SHS	167,267	CHF	18,148,753	4.54
ROCHE HOLDING AG	8,660	CHF	3,143,191	0.79
ROCHE HOLDING LTD	40,350	CHF	11,870,652	2.97

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 Sustainable

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## Candriam Sustainable Equity Quant Europe

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
SCHNEIDER ELECTRIC SE	48,796	EUR	6,378,613	1.59
STELLANTIS N.V.-BEARER & REGISTERED SHS	312,237	EUR	4,141,512	1.04
SWISS RE REGS	47,659	CHF	4,173,933	1.04
			<b>54,115,200</b>	<b>13.53</b>
<b>Total Shares</b>			<b>396,299,531</b>	<b>99.08</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>396,299,531</b>	<b>99.08</b>
<b>Total investment portfolio</b>			<b>396,299,531</b>	<b>99.08</b>
Acquisition cost			413,379,117	

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 Sustainable

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## Candriam Sustainable Equity Quant Europe

Geographical and economic breakdown of investments as at December 31, 2022

### Geographical breakdown (in % of net assets)

United Kingdom	21.18
France	19.11
United States of America	13.53
Germany	12.54
Switzerland	9.47
Denmark	5.97
Netherlands	5.01
Finland	2.89
Sweden	2.75
Spain	2.15
Ireland	1.23
Belgium	1.11
Austria	0.55
Italy	0.54
Norway	0.42
Luxembourg	0.32
Chile	0.16
Portugal	0.15
	<b>99.08</b>

### Economic breakdown (in % of net assets)

Pharmaceuticals	21.48
Banks and other financial institutions	11.01
Communication	6.24
Real estate	5.76
Foods and non alcoholic drinks	5.66
Insurance	5.24
Retail trade and department stores	4.01
Graphic art and publishing	3.87
Electrical engineering	3.79
Machine and apparatus construction	3.79
Road vehicles	3.63
Textiles and garments	3.46
Hotels and restaurants	3.41
Transportation	2.83
Paper and forest products	2.71
Electronics and semiconductors	2.62
Utilities	2.54
Internet and internet services	2.46
Building materials	2.24
Biotechnology	0.91
Miscellaneous services	0.56
Banks and other financial institutions	0.33
Various capital goods	0.18
Non ferrous metals	0.16
Healthcare	0.10
Tires and rubber	0.08
Banks and other financial institutions	0.02
	<b>99.08</b>

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

# Candriam Sustainable

## Candriam Sustainable Equity US

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Shares</b>				
<b>Brazil</b>				
MERCADOLIBRE	8,085	USD	6,841,850	0.45
			<b>6,841,850</b>	<b>0.45</b>
<b>Singapore</b>				
FLEXTRONICS INTERNATIONAL LTD	28,006	USD	601,009	0.04
			<b>601,009</b>	<b>0.04</b>
<b>United Kingdom</b>				
LINDE PLC	67,591	USD	22,046,832	1.44
			<b>22,046,832</b>	<b>1.44</b>
<b>United States of America</b>				
3M CO	151,563	USD	18,175,435	1.19
ABBOTT LABORATORIES	190,846	USD	20,952,982	1.37
ACCENTURE - SHS CLASS A	61,525	USD	16,417,331	1.07
ADVANCED MICRO DEVICES INC	8,025	USD	519,779	0.03
ALBEMARLE - REGISTERED SHS	31,900	USD	6,917,834	0.45
ALPHABET INC -A-	458,170	USD	40,424,339	2.64
ALPHABET INC -C-	415,800	USD	36,893,934	2.41
AMERICAN EXPRESS	101,642	USD	15,017,606	0.98
AMGEN INC	76,856	USD	20,185,460	1.32
ANALOG DEVICES INC	87,942	USD	14,425,126	0.94
ANTHEM INC	35,337	USD	18,126,821	1.19
APPLE INC	808,422	USD	105,038,270	6.87
ARCH CAPITAL GROUP LTD	204,181	USD	12,818,483	0.84
ARTHUR J.GALLAGHER AN CO	47,068	USD	8,874,201	0.58
AUTOMATIC DATA PROCESSING INC	86,748	USD	20,720,627	1.36
AUTOZONE INC	5,528	USD	13,633,043	0.89
AVALONBAY COMMUN	31,050	USD	5,015,196	0.33
AVNET INC	117,036	USD	4,866,357	0.32
BANK OF AMERICA CORP	751,792	USD	24,899,351	1.63
BIO RAD LABORATORIES -A-	11,291	USD	4,747,753	0.31
BIOMARIN PHARMACEUTICAL INC	80,242	USD	8,304,245	0.54
BLACKSTONE MTG-A	152,500	USD	3,228,425	0.21
BOISE CASCADE CO	69,130	USD	4,747,157	0.31
BRISTOL-MYERS SQUIBB CO	245,066	USD	17,632,499	1.15
BROADCOM INC - REGISTERED SHS	399	USD	223,093	0.01
C.H.ROBINSON WORLWIDE INC	100,146	USD	9,169,368	0.60
CADENCE DESIGN SYSTEMS INC	69,255	USD	11,125,123	0.73
CENTENE CORP	146,418	USD	12,007,740	0.79
CHUBB - NAMEN AKT	75,830	USD	16,728,098	1.09
CHURCH AND DWIGHT CO	109,705	USD	8,843,320	0.58
CINTAS	36,090	USD	16,298,966	1.07
CISCO SYSTEMS INC	140,543	USD	6,695,469	0.44
CITIGROUP INC	320,211	USD	14,483,144	0.95
CLEAN HARBORS INC	87,414	USD	9,975,686	0.65
COLGATE-PALMOLIVE CO	207,444	USD	16,344,513	1.07
COMERICA INC	45,866	USD	3,066,142	0.20
CONSOLIDATED EDISON INC	121,850	USD	11,613,524	0.76
CROWDSTRIKE HOLDINGS INC	46,465	USD	4,892,300	0.32
CSX CORP	519,809	USD	16,103,683	1.05
CVS HEALTH	163,244	USD	15,212,708	1.00
DANAHER CORP	68,712	USD	18,237,539	1.19
DARLING INGREDIENT INC	115,166	USD	7,208,240	0.47
DISCOVER FINANCIAL SERVICES - SHS WI	114,000	USD	11,152,620	0.73
ELI LILLY & CO	56,884	USD	20,810,443	1.36
ENPHASE ENERGY --- REGISTERED SHS	18,872	USD	5,000,325	0.33
EQTY RESIDENTIAL PPTYS TR SHS BEN.INT.	140,581	USD	8,294,279	0.54

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

# Candriam Sustainable

## Candriam Sustainable Equity US

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
EVEREST REINSURANCE GROUP	933	USD	309,075	0.02
FAIR ISAAC CORP	13,150	USD	7,871,327	0.52
FORTINET	5,701	USD	278,722	0.02
GATX CORP	22,099	USD	2,350,008	0.15
GENERAL MILLS INC	146,833	USD	12,311,947	0.81
H & R BLOCK INC	195,079	USD	7,122,334	0.47
HARLEY DAVIDSON INC	163,394	USD	6,797,190	0.44
HCA INC	29,064	USD	6,974,197	0.46
HILTON WORLDWIDE HLDGS INC REG SHS	85,196	USD	10,765,367	0.70
HOME DEPOT INC	85,787	USD	27,096,682	1.77
HUMANA INC	9,508	USD	4,869,903	0.32
ILLINOIS TOOL WORKS	85,013	USD	18,728,364	1.23
INVITATION HOMS REGISTERED	427,603	USD	12,674,153	0.83
IONIS PHARMACEUTICALS NEW	146,633	USD	5,538,328	0.36
JBG SMITH PROPERTIES WHEN ISSUED	105,000	USD	1,992,900	0.13
JEFFER FINL GRP --- REGISTERED SHS	299,518	USD	10,267,477	0.67
KEURIG DR PEPPR --- REGISTERED SHS	192,322	USD	6,858,203	0.45
KITE REALTY GRP	280,984	USD	5,914,713	0.39
KROGER CO	258,010	USD	11,502,086	0.75
LOWE'S CO INC	91,798	USD	18,289,834	1.20
LPL FINANCIAL HOLDINGS INC	28,996	USD	6,268,065	0.41
LULULEMON ATHLETICA INC SHS WHEN ISSUED	27,999	USD	8,970,320	0.59
MACYS	131,458	USD	2,714,608	0.18
MASTERCARD INC -A-	70,758	USD	24,604,679	1.61
MEDTRONIC HLD	174,497	USD	13,561,907	0.89
MERCK & CO INC	202,757	USD	22,495,889	1.47
METLIFE INC	212,500	USD	15,378,625	1.01
METTLER TOLEDO INTERNATIONAL	879	USD	1,270,551	0.08
MICROSOFT CORP	409,828	USD	98,284,951	6.43
MID-AMER APARTMENT COMMUNITIES INC	61,270	USD	9,618,777	0.63
NEXTERA ENERGY	183,020	USD	15,300,472	1.00
NORFOLK SOUTHERN	60,686	USD	14,954,244	0.98
NVIDIA CORP	80,182	USD	11,717,797	0.77
ON SEMICONDUCTOR CORP	112,870	USD	7,039,702	0.46
OPTION CARE HEALTH INC	48,480	USD	1,458,763	0.10
OWENS CORNING SHS	119,735	USD	10,213,396	0.67
PFIZER INC	284,078	USD	14,556,157	0.95
PNC FINANCIAL SERVICES GROUP INC	110,118	USD	17,392,037	1.14
PROCTER & GAMBLE CO	196,644	USD	29,803,365	1.95
PROGRESSIVE CORP	80,985	USD	10,504,564	0.69
PUBLIC STORAGE INC	38,818	USD	10,876,415	0.71
QUALCOMM INC	14,606	USD	1,605,784	0.11
REGENERON PHARMACEUTICALS INC	2,933	USD	2,116,130	0.14
REINSURANCE GROUP AMERICA INC	29,350	USD	4,170,342	0.27
SYNOPSIS	35,021	USD	11,181,855	0.73
TESLA MOTORS INC	195,216	USD	24,046,707	1.57
TEXAS INSTRUMENTS INC	118,160	USD	19,522,395	1.28
THERMO FISHER SCIENT SHS	36,468	USD	20,082,563	1.31
TRINITY INDUSTRIES	72,733	USD	2,150,715	0.14
UDR	391,999	USD	15,182,121	0.99
ULTA BEAUTY RG REGISTERED	27,103	USD	12,713,204	0.83
UMPQUA HOLDINGS	377,103	USD	6,731,289	0.44
UNITED PARCEL SERVICE INC	93,978	USD	16,337,136	1.07
UNITED RENTALS INC	29,114	USD	10,347,698	0.68
UNITEDHEALTH GROUP INC	69,305	USD	36,744,125	2.40
VERTEX PHARMACEUTICALS INC	45,554	USD	13,155,084	0.86
VISA INC -A-	139,534	USD	28,989,584	1.90
VOYA FINANCIAL INC	81,250	USD	4,996,062	0.33

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 Sustainable

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### Candriam Sustainable Equity US

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in USD)	% net assets
W.P. CAREY	6,828	USD	533,608	0.03
WALT DISNEY CO	176,960	USD	15,374,285	1.01
WASTE MANAGEMENT	106,146	USD	16,652,184	1.09
WILLIS TOWERS WATSON PLC	3,574	USD	874,129	0.06
WW GRAINGER INC	22,859	USD	12,715,319	0.83
			<b>1,487,788,990</b>	<b>97.34</b>
<b>Total Shares</b>			<b>1,517,278,681</b>	<b>99.27</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>1,517,278,681</b>	<b>99.27</b>
<b>Total investment portfolio</b>			<b>1,517,278,681</b>	<b>99.27</b>
Acquisition cost			1,635,964,394	

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 Sustainable

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## Candriam Sustainable Equity US

Geographical and economic breakdown of investments as at December 31, 2022

### Geographical breakdown (in % of net assets)

United States of America	97.34
United Kingdom	1.44
Brazil	0.45
Singapore	0.04
	<b>99.27</b>

### Economic breakdown (in % of net assets)

Internet and internet services	15.61
Pharmaceuticals	10.28
Banks and other financial institutions	9.98
Office supplies and computing	7.33
Retail trade and department stores	6.30
Electronics and semiconductors	5.20
Healthcare	5.15
Real estate	4.80
Miscellaneous consumer goods	4.79
Insurance	4.13
Machine and apparatus construction	4.00
Transportation	3.85
Miscellaneous services	2.97
Utilities	2.56
Road vehicles	2.02
Environmental services and recycling	1.74
Textiles and garments	1.65
Biotechnology	1.54
Foods and non alcoholic drinks	1.25
Graphic art and publishing	1.01
Electrical engineering	0.87
Hotels and restaurants	0.70
Building materials	0.67
Chemicals	0.45
Paper and forest products	0.31
Communication	0.11
	<b>99.27</b>

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

# Candriam Sustainable

## Candriam Sustainable Equity World

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Shares</b>				
<b>Australia</b>				
BRAMBLES	1,200,000	AUD	9,203,495	0.81
GOODMAN GROUP - STAPLED SECURITY	79,408	AUD	875,948	0.08
MINERAL RESOURCES	95,000	AUD	4,660,207	0.41
NAT. AUSTRALIA BANK	193,165	AUD	3,689,620	0.33
PRIME INFRASTRUCTURE GROUP	46	AUD	0	0.00
SEEK LTD	147,664	AUD	1,965,726	0.17
			<b>20,394,996</b>	<b>1.80</b>
<b>Austria</b>				
VERBUND AG	41,243	EUR	3,243,762	0.29
			<b>3,243,762</b>	<b>0.29</b>
<b>Bermuda</b>				
RENAISSANCERE HOLDINGS LTD	28,087	USD	4,848,412	0.43
			<b>4,848,412</b>	<b>0.43</b>
<b>Brazil</b>				
MERCADOLIBRE	6,800	USD	5,391,831	0.48
			<b>5,391,831</b>	<b>0.48</b>
<b>Canada</b>				
BANK OF MONTREAL	30,997	CAD	2,629,295	0.23
GILDAN ACTIVEWEAR	37,060	CAD	950,302	0.08
NATIONAL BK CANADA	56,819	CAD	3,584,660	0.32
THOMSON REUTERS --- REGISTERED SHS	108,402	CAD	11,578,972	1.02
TORONTO DOMINION BANK	178,247	CAD	10,806,621	0.95
WEST FRASER TIMBER CO	37,135	CAD	2,510,763	0.22
			<b>32,060,613</b>	<b>2.83</b>
<b>Denmark</b>				
NOVO NORDISK	120,355	DKK	15,181,033	1.34
			<b>15,181,033</b>	<b>1.34</b>
<b>Finland</b>				
NOKIA OYJ	1,245,328	EUR	5,388,534	0.48
			<b>5,388,534</b>	<b>0.48</b>
<b>France</b>				
GETLINK ACT	278,525	EUR	4,170,912	0.37
L'OREAL SA	38,000	EUR	12,676,800	1.12
LVMH MOET HENNESSY LOUIS VUITTON SE	22,500	EUR	15,297,750	1.35
SODEXO SA	13,262	EUR	1,186,684	0.10
VIVENDI SA	156,875	EUR	1,398,384	0.12
			<b>34,730,530</b>	<b>3.07</b>
<b>Germany</b>				
BEIERSDORF AG	20,148	EUR	2,159,866	0.19
DAIMLER AG NAMEN-AKT	66,466	EUR	4,081,012	0.36
DEUTSCHE TELEKOM AG REG SHS	322,000	EUR	6,001,436	0.53
HANNOVER RUECK SE	21,330	EUR	3,956,715	0.35
PUMA AG	114,815	EUR	6,510,010	0.57
SIEMENS ENERGY - REGISTERED SHS	105,500	EUR	1,854,162	0.16
TALANX AG NAM AKT	5,503	EUR	243,893	0.02
TELEFONICA NAMEN AKT	948,520	EUR	2,184,442	0.19
			<b>26,991,536</b>	<b>2.38</b>
<b>Hong Kong</b>				
MTR CORP LTD	314,500	HKD	1,561,202	0.14
SWIRE PACIFIC LTD SIE A	155,500	HKD	1,282,478	0.11
SWIRE PROPERTIES LTD	115,200	HKD	274,383	0.02
THE LINK REIT UNITS	164,500	HKD	1,131,575	0.10
			<b>4,249,638</b>	<b>0.38</b>
<b>Ireland</b>				
AERCAP HOLDINGS	53,500	USD	2,923,514	0.26
AIB GRP - REGISTERED	205,454	EUR	742,922	0.07

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 Sustainable

## Candriam Sustainable Equity World

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
			<b>3,666,436</b>	<b>0.32</b>
<b>Japan</b>				
AEON CO LTD	457,700	JPY	9,045,551	0.80
CANON INC	317,000	JPY	6,428,096	0.57
CENTRAL JAPAN RAILWAY CO	40,400	JPY	4,649,126	0.41
DAI NIPPON PRINTING CO LTD	183,100	JPY	3,445,681	0.30
EAST JAPAN RAILWAY CO	24,900	JPY	1,329,714	0.12
FAST RETAILING CO LTD	8,200	JPY	4,689,348	0.41
HITACHI CONST MACH.	147,600	JPY	3,101,503	0.27
IBIDEN	89,500	JPY	3,041,206	0.27
mitsubishi corp	290,800	JPY	8,844,706	0.78
NIKON CORP	333,600	JPY	2,785,956	0.25
NITTO DENKO CORP	138,400	JPY	7,518,625	0.66
NOMURA HOLDINGS INC	2,534,300	JPY	8,793,310	0.78
OLYMPUS CORP	407,900	JPY	6,812,899	0.60
ORIX CORP	678,900	JPY	10,213,514	0.90
RECRUIT HOLDINGS CO LTD	78,000	JPY	2,313,662	0.20
RICOH CO LTD	79,200	JPY	566,364	0.05
SEKISUI CHEMICAL CO LTD	56,100	JPY	735,022	0.06
TOPPAN INC	55,600	JPY	771,508	0.07
TOYOTA MOTOR CORP	388,000	JPY	4,994,024	0.44
YAKULT HONSHA CO LTD	20,300	JPY	1,233,987	0.11
			<b>91,313,802</b>	<b>8.06</b>
<b>Netherlands</b>				
ADYEN --- PARTS SOCIALES	4,350	EUR	5,604,540	0.49
EXOR REG	8,372	EUR	571,808	0.05
			<b>6,176,348</b>	<b>0.55</b>
<b>Norway</b>				
NORDIC VLSI	18,000	NOK	280,611	0.02
ORKLA ASA	159,982	NOK	1,079,481	0.10
TELENOR ASA	226,390	NOK	1,972,447	0.17
			<b>3,332,539</b>	<b>0.29</b>
<b>Singapore</b>				
UOL GROUP LTD	199,000	SGD	934,246	0.08
			<b>934,246</b>	<b>0.08</b>
<b>Spain</b>				
BANCO BILBAO VIZCAYA ARGENTARIA SA	372,833	EUR	2,100,541	0.19
BANCO SABADELL REG.SHS	5,206,684	EUR	4,586,047	0.40
INDITEX SHARE FROM SPLIT	180,500	EUR	4,485,425	0.40
			<b>11,172,013</b>	<b>0.99</b>
<b>Switzerland</b>				
ALCON - REGISTERED SHS	7,226	CHF	462,341	0.04
BALOISE HOLDING REG.SHS	5,870	CHF	848,295	0.07
NOVARTIS AG REG SHS	150,000	CHF	12,697,858	1.12
STMICROELECTRONICS NV	135,438	EUR	4,468,777	0.39
ZURICH INSURANCE GROUP NAMEN AKT	18,122	CHF	8,117,232	0.72
			<b>26,594,503</b>	<b>2.35</b>
<b>United Kingdom</b>				
ASTRAZENECA PLC	46,179	GBP	5,838,670	0.52
BEAZLEY PLC	509,810	GBP	3,904,378	0.34
COMPASS GROUP	527,906	GBP	11,408,958	1.01
EXPERIAN GROUP	163,541	GBP	5,185,019	0.46
INTERCONTINENTAL HOTELS GROUP PLC	43,500	GBP	2,325,883	0.21
KINGFISHER PLC	1,040,705	GBP	2,769,349	0.24
LINDE PLC	14,032	USD	4,288,553	0.38
NATWEST GROUP PLC	2,669,081	GBP	7,977,912	0.70
SEGRO (REIT)	773,267	GBP	6,655,020	0.59
SSE PLC	189,500	GBP	3,656,512	0.32
VODAFONE GROUP PLC	8,231,349	GBP	7,815,259	0.69
WHITBREAD	244,580	GBP	7,084,481	0.63

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# Candriam Sustainable

## Candriam Sustainable Equity World

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
WISE PLC	197,100	GBP	1,250,244	0.11
			<b>70,160,238</b>	<b>6.19</b>
<b>United States of America</b>				
ABBOTT LABORATORIES	20,800	USD	2,139,735	0.19
ACCENTURE - SHS CLASS A	55,716	USD	13,930,436	1.23
ADOBE INC	16,406	USD	5,173,213	0.46
ADVANCED MICRO DEVICES INC	12,000	USD	728,264	0.06
AFLAC INC	79,779	USD	5,377,654	0.47
AGILENT TECHNOLOGIES	85,000	USD	11,918,716	1.05
ALBEMARLE - REGISTERED SHS	24,990	USD	5,077,846	0.45
ALLY FINANCIAL INC	290,660	USD	6,658,831	0.59
ALPHABET INC -A-	284,454	USD	23,515,930	2.08
ALPHABET INC -C-	267,693	USD	22,255,704	1.96
AMERICAN EXPRESS	73,000	USD	10,106,114	0.89
APPLE INC	459,223	USD	55,907,092	4.93
ARCH CAPITAL GROUP LTD	136,915	USD	8,053,899	0.71
AUTODESK INC	37,056	USD	6,488,316	0.57
AUTOMATIC DATA PROCESSING INC	31,207	USD	6,984,403	0.62
AUTOZONE INC	3,388	USD	7,828,923	0.69
AVALONBAY COMMUN	1,566	USD	237,002	0.02
BIO RAD LABORATORIES -A-	10,390	USD	4,093,597	0.36
BIOMARIN PHARMACEUTICAL INC	69,389	USD	6,728,571	0.59
BRISTOL-MYERS SQUIBB CO	67,657	USD	4,561,182	0.40
CENTENE CORP	96,606	USD	7,423,432	0.66
CHUBB - NAMEN AKT	50,728	USD	10,485,450	0.93
CHURCH AND DWIGHT CO	81,645	USD	6,166,693	0.54
CINTAS	850	USD	359,688	0.03
COLGATE-PALMOLIVE CO	99,927	USD	7,377,136	0.65
COMERICA INC	123,591	USD	7,741,446	0.68
CONSOLIDATED EDISON INC	40,100	USD	3,581,102	0.32
CROWDSTRIKE HOLDINGS INC	31,799	USD	3,137,144	0.28
DANAHER CORP	47,000	USD	11,688,677	1.03
DARLING INGREDIENT INC	87,500	USD	5,131,530	0.45
DISCOVER FINANCIAL SERVICES - SHS WI	80,463	USD	7,375,681	0.65
DOLLAR TREE INC	36,247	USD	4,803,725	0.42
ELECTRONIC ARTS - REGISTERED	80,988	USD	9,271,599	0.82
ELI LILLY & CO	34,697	USD	11,893,699	1.05
ESTEE LAUDER COMPANIES INC -A-	37,030	USD	8,608,586	0.76
EVEREST REINSURANCE GROUP	16,147	USD	5,011,962	0.44
EVERSOURCE ENERGY	80,688	USD	6,338,610	0.56
FERGUSON NEWCO PLC	8,952	GBP	1,053,355	0.09
FORTINET	116,000	USD	5,313,881	0.47
GAP INC	14,000	USD	147,969	0.01
GATX CORP	13,400	USD	1,335,166	0.12
GENERAL MILLS INC	10,015	USD	786,843	0.07
H & R BLOCK INC	45,607	USD	1,560,189	0.14
HENRY JACK AND ASSOCIATES INC	31,306	USD	5,149,760	0.45
HERC HOLDINGS INC	10,000	USD	1,232,795	0.11
HILTON WORLDWIDE HLDGS INC REG SHS	57,564	USD	6,815,448	0.60
INCYTE CORP	100,536	USD	7,566,223	0.67
INTEL CORP	275,708	USD	6,827,793	0.60
INTERPUBLIC GROUP OF COMPANIES INC	374,699	USD	11,694,752	1.03
INTUIT	17,000	USD	6,199,803	0.55
INVITATION HOMS REGISTERED	222,687	USD	6,184,533	0.55
JEFFER FINL GRP --- REGISTERED SHS	184,858	USD	5,937,627	0.52
JOHNSON CONTROLS INTL	6,800	USD	407,777	0.04
KITE REALTY GRP	213,150	USD	4,204,083	0.37
KORN FERRY	91,781	USD	4,353,201	0.38

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 Sustainable

## Candriam Sustainable Equity World

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
KROGER CO	45,057	USD	1,882,072	0.17
LOUISIANA PACIFIC CORP.	40,000	USD	2,218,787	0.20
LOWE'S CO INC	64,000	USD	11,947,866	1.05
LPL FINANCIAL HOLDINGS INC	22,870	USD	4,632,287	0.41
LULULEMON ATHLETICA INC SHS WHEN ISSUED	23,548	USD	7,068,923	0.62
MASTERCARD INC -A-	44,144	USD	14,382,940	1.27
MERCK & CO INC	108,622	USD	11,292,210	1.00
METTLER TOLEDO INTERNATIONAL	7,590	USD	10,279,658	0.91
MICROSOFT CORP	230,000	USD	51,682,923	4.56
NEUROCRINE BIOSCIENCES	28,000	USD	3,133,586	0.28
NIKE INC	13,700	USD	1,502,026	0.13
NVIDIA CORP	31,853	USD	4,361,675	0.38
ON SEMICONDUCTOR CORP	76,601	USD	4,476,556	0.40
OWENS CORNING SHS	86,910	USD	6,946,285	0.61
PALO ALTO NETWORKS	41,292	USD	5,398,815	0.48
PFIZER INC	19,132	USD	918,551	0.08
PLUG POWER INC	257,600	USD	2,985,722	0.26
PNC FINANCIAL SERVICES GROUP INC	76,871	USD	11,375,972	1.00
PROCTER & GAMBLE CO	130,500	USD	18,532,284	1.64
PROGRESSIVE CORP	25,002	USD	3,038,660	0.27
PROLOGIS	87,762	USD	9,270,003	0.82
PUBLIC STORAGE INC	4,485	USD	1,177,467	0.10
REGENCY CENTERS	107,325	USD	6,285,137	0.55
ROCHE HOLDING AG	5,884	CHF	2,135,628	0.19
SERVICENOW INC	22,500	USD	8,185,594	0.72
SHERWIN WILLIAMS CO	7,493	USD	1,666,258	0.15
SILICON LABORATORIES INC	7,467	USD	949,213	0.08
SWISS RE REGS	93,427	CHF	8,182,254	0.72
SYNCHRONY FINANCIAL	196,030	USD	6,035,648	0.53
SYNOPSIS	1,629	USD	487,349	0.04
TESLA MOTORS INC	102,000	USD	11,772,649	1.04
THERMO FISHER SCIENT SHS	24,000	USD	12,383,753	1.09
TRANE TECH - REGISTERED SHS	32,547	USD	5,126,095	0.45
TRINITY INDUSTRIES	64,002	USD	1,773,286	0.16
UDR	291,543	USD	10,579,958	0.93
UNITED RENTALS INC	20,174	USD	6,718,429	0.59
UNITEDHEALTH GROUP INC	40,503	USD	20,120,759	1.78
VEEVA SYSTEMS -A-	44,240	USD	6,689,577	0.59
VERTEX PHARMACEUTICALS INC	30,351	USD	8,212,473	0.72
VISA INC -A-	89,000	USD	17,325,500	1.53
VISTEON CORP	21,083	USD	2,584,482	0.23
W.P. CAREY	36,430	USD	2,667,608	0.24
WALT DISNEY CO	120,000	USD	9,768,658	0.86
WASTE CONNECTIONS INC	25,635	USD	3,184,048	0.28
WEST PHARMACEUTICAL SERVICES INC	10,272	USD	2,265,182	0.20
WILLIS TOWERS WATSON PLC	32,553	USD	7,460,120	0.66
WW GRAINGER INC	14,159	USD	7,379,662	0.65
			<b>759,377,374</b>	<b>67.03</b>
<b>Total Shares</b>			<b>1,125,208,384</b>	<b>99.31</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>1,125,208,384</b>	<b>99.31</b>
<b>Total investment portfolio</b>			<b>1,125,208,384</b>	<b>99.31</b>
Acquisition cost			1,161,264,461	

The accompanying notes form an integral part of the financial statements.  
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# Candriam Sustainable

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## Candriam Sustainable Equity World

### Geographical and economic breakdown of investments as at December 31, 2022

#### Geographical breakdown (in % of net assets)

United States of America	67.03
Japan	8.06
United Kingdom	6.19
France	3.07
Canada	2.83
Germany	2.38
Switzerland	2.35
Australia	1.80
Denmark	1.34
Spain	0.99
Netherlands	0.55
Brazil	0.48
Finland	0.48
Bermuda	0.43
Hong Kong	0.38
Ireland	0.32
Norway	0.29
Austria	0.29
Singapore	0.08
	<b>99.31</b>

#### Economic breakdown (in % of net assets)

Internet and internet services	15.12
Banks and other financial institutions	14.29
Pharmaceuticals	8.51
Insurance	5.74
Electronics and semiconductors	5.08
Office supplies and computing	4.93
Retail trade and department stores	4.88
Real estate	4.36
Graphic art and publishing	3.62
Biotechnology	3.32
Miscellaneous services	3.14
Miscellaneous consumer goods	3.04
Textiles and garments	2.71
Healthcare	2.47
Machine and apparatus construction	2.46
Hotels and restaurants	2.44
Road vehicles	2.07
Communication	2.06
Utilities	1.94
Building materials	1.33
Transportation	1.15
Chemicals	1.11
Electrical engineering	0.91
Packaging industries	0.81
Photographic and optics	0.60
Paper and forest products	0.42
Environmental services and recycling	0.28
Foods and non alcoholic drinks	0.27
Aeronautic and astronautic Industry	0.26
	<b>99.31</b>

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

# Candriam Sustainable

## Candriam Sustainable Money Market Euro

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Bonds</b>				
<b>Australia</b>				
NATL A OISEST+0.27% 10-11-23	10,000,000	EUR	9,997,939	0.95
			<b>9,997,939</b>	<b>0.95</b>
<b>Belgium</b>				
AEDIFICA NV/SA ZCP 170123	20,000,000	EUR	19,935,031	1.89
AEDIFICA NV/SA ZCP 240223	8,000,000	EUR	7,956,736	0.75
BRUSSELS MUNICIPALIT ZCP 060123	6,000,000	EUR	5,994,824	0.57
BRUSSELS MUNICIPALIT ZCP 110123	9,100,000	EUR	9,095,497	0.86
BRUSSELS MUNICIPALIT ZCP 160123	12,000,000	EUR	11,981,894	1.14
COFINIMMO SA ZCP 040123	26,000,000	EUR	25,962,199	2.46
COFINIMMO SA ZCP 130123	2,000,000	EUR	1,997,032	0.19
REGION WALLONNE ZCP 010223	7,000,000	EUR	6,988,478	0.66
REGION WALLONNE ZCP 02-01-23	7,000,000	EUR	6,990,407	0.66
REGION WALLONNE ZCP 160123	17,000,000	EUR	16,973,713	1.61
			<b>113,875,811</b>	<b>10.80</b>
<b>Canada</b>				
BANK O OISEST+0.39% 14-11-23	10,000,000	EUR	9,997,905	0.95
ROYA B OISEST+0.33% 05-12-23	10,000,000	EUR	9,995,167	0.95
THE TO OISEST+0.41% 14-11-23	10,000,000	EUR	10,001,552	0.95
			<b>29,994,624</b>	<b>2.85</b>
<b>Denmark</b>				
JYSK B OISEST+0.32% 20-11-23	10,000,000	EUR	10,000,053	0.95
JYSKE BANK DNK ZCP 010223	15,000,000	EUR	14,977,033	1.42
NYKREDIT REALKREDIT 0.2500 19-23 20/01A	1,000,000	EUR	999,055	0.09
			<b>25,976,141</b>	<b>2.46</b>
<b>European Union</b>				
EURO UNIO BILL ZCP 06-01-23	10,000,000	EUR	9,995,876	0.95
			<b>9,995,876</b>	<b>0.95</b>
<b>Finland</b>				
NORD B OISEST+0.25% 20-11-23	10,000,000	EUR	10,001,023	0.95
OP CORPORATE BK ZCP 160123	15,000,000	EUR	14,989,088	1.42
			<b>24,990,111</b>	<b>2.37</b>
<b>France</b>				
BFCM B OISEST+0.26% 20-11-23	10,000,000	EUR	10,000,581	0.95
BPCE OISEST+0.26% 22-11-23	10,000,000	EUR	9,994,636	0.95
CARREFOUR BANQUE ZCP 060223	12,000,000	EUR	11,954,436	1.13
CM ARKEA 1.00 15-23 26/01A	15,000,000	EUR	14,990,550	1.42
DASSAULT SYSTEMES ZCP 240223	15,000,000	EUR	14,921,910	1.42
GECINA ZCP 090223	10,000,000	EUR	9,959,081	0.94
KERING FINANCE ZCP 170123	19,000,000	EUR	18,948,232	1.80
LVMH FIN BELGIQUE SA ZCP 050123	25,000,000	EUR	24,917,195	2.36
PARIS (VILLE DE) ZCP 060123	10,000,000	EUR	9,997,919	0.95
PARIS (VILLE DE) ZCP 160123	15,000,000	EUR	14,989,018	1.42
REGION HAUTS DE FRA ZCP 250123	14,000,000	EUR	13,981,449	1.33
SOCIETE GENERALE 0.500 17-23 13/01A	8,000,000	EUR	7,997,760	0.76
SODEXO ZCP 160123	11,000,000	EUR	10,985,591	1.04
VEOLIA ENVIRONN ZCP 130123	14,000,000	EUR	13,943,599	1.32
			<b>187,581,957</b>	<b>17.79</b>
<b>Germany</b>				
ALLIANZ BANQUE SA 0.21 061223	3,000,000	EUR	2,999,815	0.28
ALLIANZ BANQUE SA 0.21 111223	2,000,000	EUR	1,999,837	0.19
ALLIANZ BANQUE SA 0.22 161123	2,000,000	EUR	1,999,694	0.19
DEUTSCHE TELEKOM AG ZCP 120123	25,000,000	EUR	24,969,641	2.37
LINDE FINANCE BV ZCP 300123	10,000,000	EUR	9,984,602	0.95
SIEMENS FINANCIERING 0.00 20-23 20/02U	2,200,000	EUR	2,194,082	0.21
VOLKSWAGEN BANK GMBH ZCP 230223	8,000,000	EUR	7,971,753	0.76

The accompanying notes form an integral part of the financial statements.  
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# Candriam Sustainable

## Candriam Sustainable Money Market Euro

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
VOLKSWAGEN FIN. SVC ZCP 140223	19,000,000	EUR	18,903,320	1.79
VOLKSWAGEN LEASING 1.0000 18-23 16/02A	2,000,000	EUR	1,995,790	0.19
			<b>73,018,534</b>	<b>6.93</b>
<b>Italy</b>				
ENEL FINANCE INT NV ZCP 100123	11,000,000	EUR	10,965,105	1.04
ENEL FINANCE INT NV ZCP 130123	3,000,000	EUR	2,990,569	0.28
ENEL FINANCE INT NV ZCP 160123	9,000,000	EUR	8,985,151	0.85
ENEL FINANCE INT NV ZCP 280223	8,500,000	EUR	8,467,652	0.80
			<b>31,408,477</b>	<b>2.98</b>
<b>Japan</b>				
TOYOTA MOTOR FIN ZCP 110123	35,000,000	EUR	34,983,921	3.32
			<b>34,983,921</b>	<b>3.32</b>
<b>Netherlands</b>				
AKZO NOBEL NV ZCP 160123	2,000,000	EUR	1,993,875	0.19
COOP R OISEST+0.26% 10-11-23	10,000,000	EUR	10,003,779	0.95
			<b>11,997,654</b>	<b>1.14</b>
<b>Norway</b>				
DNB BA OISEST+0.27% 20-11-23	10,000,000	EUR	9,996,761	0.95
			<b>9,996,761</b>	<b>0.95</b>
<b>Spain</b>				
IBERDROLA INT. BV ZCP 090123	2,000,000	EUR	1,995,216	0.19
IBERDROLA INT. BV ZCP 110123	19,500,000	EUR	19,467,681	1.85
SPAI LETR DEL TESO ZCP 13-01-23	25,000,000	EUR	24,981,882	2.37
			<b>46,444,779</b>	<b>4.41</b>
<b>Supranational</b>				
EURO STAB MECH ZCP 12-01-23	8,000,000	EUR	7,995,960	0.76
			<b>7,995,960</b>	<b>0.76</b>
<b>Sweden</b>				
SCANIA CV AB ZCP 090123	24,500,000	EUR	24,426,848	2.32
			<b>24,426,848</b>	<b>2.32</b>
<b>United Kingdom</b>				
LLOYDS BANK 0.44 201123	5,000,000	EUR	4,999,715	0.47
LLOYDS BANKING GROUP 0.625 18-24 15/01	15,962,000	EUR	15,963,836	1.51
RECKITT BENCKISER TS ZCP 060123	18,000,000	EUR	17,973,111	1.70
RECKITT BENCKISER TS ZCP 310323	12,000,000	EUR	11,932,904	1.13
			<b>50,869,566</b>	<b>4.83</b>
<b>United States of America</b>				
COLGATE PALMOLIVE CO ZCP 050323	10,000,000	EUR	9,996,593	0.95
COLGATE PALMOLIVE CO ZCP 120123	15,000,000	EUR	14,989,636	1.42
DANAHER CORP ZCP 040123	2,000,000	EUR	1,994,329	0.19
DANAHER CORP ZCP 230223	24,000,000	EUR	23,914,678	2.27
DH EUROPE FINANCE II ZCP 300123	5,000,000	EUR	4,984,342	0.47
FIDELITY NATL INFORM ZCP 060123	26,000,000	EUR	25,962,614	2.46
FIDELITY NATL INFORM ZCP 300123	5,000,000	EUR	4,984,455	0.47
FISERV INC ZCP 120123	11,000,000	EUR	10,967,245	1.04
FISERV INC ZCP 190123	12,000,000	EUR	11,962,207	1.13
HEWLETT PACK INT BK ZCP 230223	10,000,000	EUR	9,946,224	0.94
IBM CORP 0.375 19-23 31/01A	10,972,000	EUR	10,957,956	1.04
MEDTRONIC GLOBAL HOLD 0.00 20-23 15/03U	5,475,000	EUR	5,449,924	0.52
			<b>136,110,203</b>	<b>12.91</b>
<b>Total bonds</b>			<b>829,665,162</b>	<b>78.70</b>
<b>Floating rate notes</b>				
<b>France</b>				
BNP PARIBAS FL.R 18-23 19/01Q	10,700,000	EUR	10,699,198	1.01
BNP PARIBAS FL.R 18-23 22/05Q	2,682,000	EUR	2,686,734	0.25
BPCE FL.R 18-23 11/01Q	2,500,000	EUR	2,499,838	0.24
BPCE FL.R 18-23 23/03Q	30,500,000	EUR	30,522,875	2.90
SOCIETE GENERALE FL.R 18-23 06/03Q	9,500,000	EUR	9,505,130	0.90
			<b>55,913,775</b>	<b>5.30</b>

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

# Candriam Sustainable

## Candriam Sustainable Money Market Euro

Investment portfolio as at December 31, 2022

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Germany</b>				
DAIMLER INTL FIN FL.R 18-23 11/01Q	2,000,000	EUR	1,999,860	0.19
			<b>1,999,860</b>	<b>0.19</b>
<b>Japan</b>				
TOYOTA MOTOR FINANCE FL.R 21-23 24/05Q	9,000,000	EUR	9,023,175	0.86
			<b>9,023,175</b>	<b>0.86</b>
<b>Netherlands</b>				
ING GROUP NV FL.R 18-23 20/09Q	12,000,000	EUR	12,057,300	1.14
			<b>12,057,300</b>	<b>1.14</b>
<b>Spain</b>				
BANCO BILBAO VIZCAYA FL.R 18-23 03/09Q	10,000,000	EUR	10,007,100	0.95
BBVA FL.R 21-23 03/12Q	3,500,000	EUR	3,524,990	0.33
			<b>13,532,090</b>	<b>1.28</b>
<b>United Kingdom</b>				
NATWEST MKTS FL.R 21-23 26/05	7,000,000	EUR	7,011,550	0.67
			<b>7,011,550</b>	<b>0.67</b>
<b>United States of America</b>				
BANK OF AMERICA CORP FL.R 18-24 25/04Q	500,000	EUR	500,085	0.05
CITIGROUP INC FL.R 18-23 21/03Q	23,500,000	EUR	23,510,105	2.23
THERMO FISHER SCIENTIF FL.R 21-23 18/11Q	8,000,000	EUR	7,990,000	0.76
			<b>32,000,190</b>	<b>3.04</b>
<b>Total floating rate notes</b>			<b>131,537,940</b>	<b>12.48</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>961,203,102</b>	<b>91.17</b>
<b>Total investment portfolio</b>			<b>961,203,102</b>	<b>91.17</b>
Acquisition cost			961,598,452	

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 Sustainable

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## Candriam Sustainable Money Market Euro

### Geographical and economic breakdown of investments as at December 31, 2022

#### Geographical breakdown (in % of net assets)

France	23.10
United States of America	15.95
Belgium	10.80
Germany	7.12
Spain	5.69
United Kingdom	5.49
Japan	4.17
Italy	2.98
Canada	2.85
Denmark	2.46
Finland	2.37
Sweden	2.32
Netherlands	2.28
Australia	0.95
Norway	0.95
European Union	0.95
Supranational	0.76
	<b>91.17</b>

#### Economic breakdown (in % of net assets)

Banks and other financial institutions	47.79
Bonds of States, Provinces and municipalities	9.00
Internet and internet services	6.53
Investments funds	5.30
Non classifiable Institutions	2.84
Machine and apparatus construction	2.46
Communication	2.37
Miscellaneous consumer goods	2.37
Various capital goods	2.36
Road vehicles	2.32
Electrical engineering	2.04
Supranational Organisations	1.71
Utilities	1.32
Office supplies and computing	1.04
Real estate	0.94
Pharmaceuticals	0.52
Chemicals	0.19
Non Classifiable Institutions	0.09
	<b>91.17</b>

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

# Candriam Sustainable

## Notes to the financial statements - Schedule of derivative instruments

### Forward foreign exchange contracts

As at December 31, 2022, the following forward foreign exchange contracts were outstanding:

#### Candriam Sustainable Balanced Asset Allocation

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
CAD	188,000	EUR	129,425	15/06/2023	Société Générale	(549)
EUR	12,142	AUD	19,000	15/06/2023	J.P. Morgan SE	118
EUR	4,094	CHF	4,000	15/06/2023	Société Générale	14
EUR	13,846	GBP	12,000	15/06/2023	Société Générale	416
EUR	51,651	JPY	7,315,000	15/06/2023	J.P. Morgan SE	(937)
EUR	420,482	USD	449,000	15/06/2023	Barclays Bank Ireland Plc	4,197
USD	40,848	EUR	38,000	15/06/2023	Société Générale	(126)
						<b>3,133</b>

#### Candriam Sustainable Bond Emerging Markets

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in USD)
CHF	110,142,608	USD	119,438,084	17/01/2023	CACEIS Bank, Lux. Branch	(208,497)
EUR	467,993,638	USD	499,347,567	17/01/2023	CACEIS Bank, Lux. Branch	613,722
GBP	1,074,388	USD	1,333,678	17/01/2023	CACEIS Bank, Lux. Branch	(40,822)
USD	3,436,289	CHF	3,185,620	17/01/2023	CACEIS Bank, Lux. Branch	(12,126)
USD	5,852,954	EUR	5,492,800	17/01/2023	CACEIS Bank, Lux. Branch	(15,029)
USD	6,851,553	EUR	6,500,000	19/01/2023	BNP Paribas Paris	(93,425)
USD	9,000,000	EUR	8,664,798	19/01/2023	Société Générale	(257,974)
USD	61,444,631	EUR	59,000,000	19/01/2023	UBS Europe SE	(1,594,398)
USD	13,371,483	EUR	12,600,000	19/01/2023	Barclays Bank Ireland Plc	(91,089)
USD	13,939	GBP	11,476	17/01/2023	CACEIS Bank, Lux. Branch	129
						<b>(1,699,509)</b>

#### Candriam Sustainable Bond Euro

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
EUR	4,638,331	USD	4,800,000	18/01/2023	UBS Europe SE	145,715
						<b>145,715</b>

#### Candriam Sustainable Bond Euro Corporate

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
CHF	1,672,603	EUR	1,699,939	17/01/2023	CACEIS Bank, Lux. Branch	(5,114)
EUR	43,144	CHF	42,535	17/01/2023	CACEIS Bank, Lux. Branch	44
EUR	11,334	GBP	9,974	17/01/2023	CACEIS Bank, Lux. Branch	99
EUR	3,762,390	GBP	3,300,000	20/01/2023	Société Générale	45,769
EUR	22	USD	23	17/01/2023	CACEIS Bank, Lux. Branch	0
EUR	1,941,716	USD	2,000,000	20/01/2023	J.P. Morgan SE	70,076
EUR	45,435,572	USD	47,000,000	20/01/2023	Barclays Bank Ireland Plc	1,451,786
GBP	430,098	EUR	500,416	17/01/2023	CACEIS Bank, Lux. Branch	(15,953)
USD	909	EUR	852	17/01/2023	CACEIS Bank, Lux. Branch	(1)
						<b>1,546,706</b>

#### Candriam Sustainable Bond Euro Short Term

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
EUR	13,242,090	USD	14,000,000	11/01/2023	Barclays Bank Ireland Plc	131,797
						<b>131,797</b>

#### Candriam Sustainable Bond Global

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
AUD	9,200,000	EUR	5,811,933	06/01/2023	J.P. Morgan SE	33,448
AUD	5,000,000	EUR	3,165,524	06/01/2023	BNP Paribas Paris	11,313
AUD	1,500,000	EUR	972,758	06/01/2023	UBS Europe SE	(19,709)
AUD	5,600	GBP	3,077	03/02/2023	BNP Paribas Paris	92
AUD	26,000	GBP	14,544	03/02/2023	Nomura Financial Products Europe	136
CAD	1,170,000	EUR	836,475	06/01/2023	Société Générale	(27,540)
CAD	1,000,000	EUR	711,815	06/01/2023	UBS Europe SE	(20,418)
CAD	2,170,000	EUR	1,496,076	03/02/2023	J.P. Morgan SE	1,514



# Candriam Sustainable

## Notes to the financial statements - Schedule of derivative instruments

### Forward foreign exchange contracts (continued)

#### Candriam Sustainable Bond Global (continued)

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
CAD	9,700	GBP	5,867	03/02/2023	BNP Paribas Paris	91
CAD	46,000	GBP	29,392	03/02/2023	Barclays Bank Ireland Plc	(1,340)
CHF	220,000	EUR	223,545	06/01/2023	J.P. Morgan SE	(725)
CHF	220,000	EUR	223,905	03/02/2023	Barclays Bank Ireland Plc	(809)
CHF	7,150	GBP	6,308	03/02/2023	BNP Paribas Paris	150
CNH	196,465,000	EUR	26,363,975	06/01/2023	Barclays Bank Ireland Plc	243,844
CNH	344,000	EUR	46,751	20/01/2023	Barclays Bank Ireland Plc	(156)
CNH	196,465,000	EUR	26,406,763	03/02/2023	Barclays Bank Ireland Plc	206,991
CNH	162,000	GBP	19,219	03/02/2023	BNP Paribas Paris	312
CNH	759,000	GBP	90,787	03/02/2023	Barclays Bank Ireland Plc	626
CZK	5,700,000	EUR	233,144	06/01/2023	BNP Paribas Paris	2,750
CZK	5,700,000	EUR	234,859	03/02/2023	BNP Paribas Paris	165
CZK	35,000	GBP	1,222	03/02/2023	Barclays Bank Ireland Plc	68
DKK	21,000	GBP	2,442	03/02/2023	BNP Paribas Paris	76
DKK	4,500	GBP	532	03/02/2023	Barclays Bank Ireland Plc	7
EUR	10,181,461	AUD	15,700,000	06/01/2023	Nomura Financial Products Europe	206,215
EUR	33,382	AUD	52,000	20/01/2023	BNP Paribas Paris	356
EUR	256,539	AUD	399,750	20/01/2023	UBS Europe SE	2,651
EUR	25,677	AUD	40,000	20/01/2023	Nomura Financial Products Europe	272
EUR	5,806,449	AUD	9,200,000	03/02/2023	J.P. Morgan SE	(34,458)
EUR	1,498,817	CAD	2,170,000	06/01/2023	J.P. Morgan SE	(1,525)
EUR	30,698	CAD	43,000	20/01/2023	BNP Paribas Paris	997
EUR	59,187	CAD	82,000	20/01/2023	Société Générale	2,547
EUR	518,619	CAD	701,880	20/01/2023	UBS Europe SE	33,822
EUR	42,091	CAD	59,000	20/01/2023	Barclays Bank Ireland Plc	1,337
EUR	223,684	CHF	220,000	06/01/2023	Barclays Bank Ireland Plc	864
EUR	20,401	CHF	20,000	20/01/2023	BNP Paribas Paris	132
EUR	92,852	CHF	91,064	20/01/2023	Barclays Bank Ireland Plc	565
EUR	26,401,256	CNH	196,465,000	06/01/2023	Barclays Bank Ireland Plc	(206,565)
EUR	21,423	CNH	157,000	20/01/2023	J.P. Morgan SE	158
EUR	2,043,104	CNH	14,847,500	20/01/2023	Barclays Bank Ireland Plc	31,980
EUR	41,884	DKK	311,404	20/01/2023	Société Générale	2
EUR	2,599,696	GBP	2,300,000	06/01/2023	J.P. Morgan SE	7,764
EUR	143,338	GBP	125,000	20/01/2023	Société Générale	2,558
EUR	725,771	GBP	635,410	20/01/2023	UBS Europe SE	10,142
EUR	84,224	GBP	73,000	20/01/2023	Barclays Bank Ireland Plc	2,009
EUR	316,000	GBP	274,111	03/02/2023	J.P. Morgan SE	7,469
EUR	12,654,734	JPY	1,801,482,300	06/01/2023	J.P. Morgan SE	(140,680)
EUR	150,067	JPY	21,763,000	20/01/2023	BNP Paribas Paris	(4,644)
EUR	2,422,003	JPY	351,035,000	20/01/2023	UBS Europe SE	(73,479)
EUR	237,118	JPY	34,331,000	20/01/2023	Nomura Financial Products Europe	(6,939)
EUR	1,647,251	MXN	33,000,000	06/01/2023	BNP Paribas Paris	61,773
EUR	53,772	MXN	1,064,460	20/01/2023	UBS Europe SE	2,832
EUR	14,009	MXN	290,000	20/01/2023	Barclays Bank Ireland Plc	129
EUR	1,587,410	MXN	33,000,000	03/02/2023	J.P. Morgan SE	13,932
EUR	154,609	NOK	1,600,000	06/01/2023	J.P. Morgan SE	2,436
EUR	4,853	NOK	50,500	20/01/2023	BNP Paribas Paris	52
EUR	12,985	NOK	135,000	20/01/2023	Barclays Bank Ireland Plc	151
EUR	151,790	NOK	1,600,000	03/02/2023	J.P. Morgan SE	(261)
EUR	6,571,359	NZD	10,956,000	06/01/2023	J.P. Morgan SE	80,053
EUR	3,255,239	NZD	5,500,000	06/01/2023	UBS Europe SE	(3,456)
EUR	31,263	NZD	53,379	20/01/2023	UBS Europe SE	(339)
EUR	9,480,819	NZD	16,000,000	03/02/2023	Nomura Financial Products Europe	15,591
EUR	28,095	PLN	134,300	20/01/2023	UBS Europe SE	(521)
EUR	16,698	SEK	182,000	20/01/2023	BNP Paribas Paris	335
EUR	72,374	SEK	787,700	20/01/2023	Barclays Bank Ireland Plc	1,552
EUR	224,112	SEK	2,500,000	05/01/2023	Barclays Bank Ireland Plc	(699)
EUR	3,383,656	USD	3,600,000	06/01/2023	Barclays Bank Ireland Plc	11,223
EUR	54,817,701	USD	58,435,000	06/01/2023	Nomura Financial Products Europe	76,542
EUR	807,521	USD	836,000	20/01/2023	BNP Paribas Paris	25,170
EUR	850,178	USD	883,000	20/01/2023	Société Générale	23,841
EUR	8,646,258	USD	8,650,500	20/01/2023	UBS Europe SE	551,243

# Candriam Sustainable

## Notes to the financial statements - Schedule of derivative instruments

### Forward foreign exchange contracts (continued)

#### Candriam Sustainable Bond Global (continued)

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
EUR	1,069,125	USD	1,118,000	20/01/2023	Barclays Bank Ireland Plc	22,858
EUR	235,665	CZK	5,700,000	06/01/2023	BNP Paribas Paris	(228)
EUR	22,328	CZK	548,930	20/01/2023	UBS Europe SE	(348)
EUR	705,874	SGD	1,014,000	06/01/2023	Barclays Bank Ireland Plc	(2,438)
EUR	42,626	SGD	59,800	20/01/2023	Société Générale	885
EUR	196,615	HUF	79,000,000	06/01/2023	UBS Europe SE	(420)
GBP	18,918	AUD	34,100	03/02/2023	BNP Paribas Paris	(356)
GBP	38,166	CAD	60,100	03/02/2023	J.P. Morgan SE	1,486
GBP	6,745	CHF	7,700	03/02/2023	BNP Paribas Paris	(216)
GBP	118,501	CNH	993,000	03/02/2023	BNP Paribas Paris	(1,130)
GBP	3,200	DKK	27,500	03/02/2023	BNP Paribas Paris	(97)
GBP	2,300,000	EUR	2,658,738	06/01/2023	Société Générale	(66,814)
GBP	40,000	EUR	45,171	20/01/2023	Barclays Bank Ireland Plc	(121)
GBP	2,300,000	EUR	2,596,521	03/02/2023	J.P. Morgan SE	(7,639)
GBP	294,025	EUR	339,588	03/02/2023	Société Générale	(8,644)
GBP	160,754	JPY	27,130,000	03/02/2023	BNP Paribas Paris	(12,076)
GBP	1,815	JPY	300,000	03/02/2023	UBS Europe SE	(92)
GBP	3,927	MXN	91,800	03/02/2023	J.P. Morgan SE	44
GBP	1,422	NOK	17,000	03/02/2023	BNP Paribas Paris	(15)
GBP	2,310	NZD	4,600	03/02/2023	J.P. Morgan SE	(121)
GBP	2,024	PLN	11,300	03/02/2023	UBS Europe SE	(124)
GBP	5,366	SEK	67,700	03/02/2023	UBS Europe SE	(46)
GBP	2,494	USD	3,000	03/02/2023	BNP Paribas Paris	3
GBP	642,456	USD	744,532	03/02/2023	Société Générale	27,116
GBP	4,095	USD	5,000	03/02/2023	Barclays Bank Ireland Plc	(66)
GBP	1,606	CZK	46,000	03/02/2023	UBS Europe SE	(90)
GBP	3,061	SGD	5,000	03/02/2023	J.P. Morgan SE	(42)
HUF	79,000,000	EUR	191,911	06/01/2023	BNP Paribas Paris	5,130
HUF	79,000,000	EUR	194,615	03/02/2023	UBS Europe SE	390
JPY	475,000,000	EUR	3,379,258	06/01/2023	UBS Europe SE	(5,461)
JPY	1,326,482,300	EUR	9,281,793	06/01/2023	Nomura Financial Products Europe	139,824
JPY	6,800,000	EUR	47,895	20/01/2023	Société Générale	447
JPY	7,500,000	EUR	51,737	20/01/2023	Barclays Bank Ireland Plc	1,580
JPY	1,261,482,300	EUR	8,901,019	03/02/2023	J.P. Morgan SE	75,019
JPY	25,505,000	GBP	154,066	03/02/2023	BNP Paribas Paris	8,049
JPY	250,000	USD	1,847	03/02/2023	Barclays Bank Ireland Plc	52
MXN	33,000,000	EUR	1,598,534	06/01/2023	J.P. Morgan SE	(13,020)
MXN	15,000	GBP	620	03/02/2023	BNP Paribas Paris	18
MXN	70,000	GBP	3,045	03/02/2023	Barclays Bank Ireland Plc	(90)
NOK	1,600,000	EUR	151,920	06/01/2023	J.P. Morgan SE	253
NOK	15,800	GBP	1,327	03/02/2023	Barclays Bank Ireland Plc	8
NZD	16,456,000	EUR	9,766,857	06/01/2023	Nomura Financial Products Europe	(16,845)
NZD	800	GBP	417	03/02/2023	BNP Paribas Paris	4
NZD	3,500	GBP	1,787	03/02/2023	Nomura Financial Products Europe	59
PLN	1,850	GBP	345	03/02/2023	BNP Paribas Paris	5
PLN	8,600	GBP	1,548	03/02/2023	Barclays Bank Ireland Plc	86
SEK	2,500,000	EUR	224,041	03/02/2023	Barclays Bank Ireland Plc	698
SEK	2,500,000	EUR	229,420	05/01/2023	Barclays Bank Ireland Plc	(4,609)
SEK	62,900	GBP	4,995	03/02/2023	Barclays Bank Ireland Plc	32
SGD	1,014,000	EUR	709,803	06/01/2023	Barclays Bank Ireland Plc	(1,491)
SGD	1,014,000	EUR	704,763	03/02/2023	Barclays Bank Ireland Plc	2,493
SGD	3,700	GBP	2,279	03/02/2023	J.P. Morgan SE	16
SGD	900	GBP	549	03/02/2023	BNP Paribas Paris	10
USD	9,708	AUD	15,100	03/02/2023	UBS Europe SE	(511)
USD	19,567	CAD	26,600	03/02/2023	UBS Europe SE	(64)
USD	3,476	CHF	3,425	03/02/2023	UBS Europe SE	(223)
USD	60,842	CNH	440,000	03/02/2023	UBS Europe SE	(2,719)
USD	1,617	DKK	12,000	03/02/2023	BNP Paribas Paris	(102)
USD	60,235,000	EUR	57,860,781	06/01/2023	J.P. Morgan SE	(1,433,696)
USD	1,800,000	EUR	1,704,390	06/01/2023	BNP Paribas Paris	(18,176)
USD	242,000	EUR	235,088	20/01/2023	BNP Paribas Paris	(8,620)
USD	50,000	EUR	46,981	20/01/2023	Société Générale	(188)

# Candriam Sustainable

## Notes to the financial statements - Schedule of derivative instruments

### Forward foreign exchange contracts (continued)

#### Candriam Sustainable Bond Global (continued)

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
USD	147,000	EUR	137,642	20/01/2023	UBS Europe SE	(70)
USD	160,000	EUR	150,348	20/01/2023	Barclays Bank Ireland Plc	(611)
USD	150,539	EUR	150,073	03/02/2023	UBS Europe SE	(9,348)
USD	58,435,000	EUR	54,709,799	03/02/2023	Nomura Financial Products Europe	(76,627)
USD	750	GBP	619	03/02/2023	J.P. Morgan SE	5
USD	698,900	GBP	601,409	03/02/2023	BNP Paribas Paris	(23,569)
USD	27,671	GBP	23,900	03/02/2023	UBS Europe SE	(1,033)
USD	82,339	JPY	12,000,000	03/02/2023	UBS Europe SE	(8,388)
USD	2,007	MXN	40,500	03/02/2023	Société Générale	(55)
USD	727	NOK	7,500	03/02/2023	Société Générale	(33)
USD	1,164	NZD	2,000	03/02/2023	UBS Europe SE	(95)
USD	1,037	PLN	5,000	03/02/2023	UBS Europe SE	(93)
USD	2,753	SEK	30,000	03/02/2023	UBS Europe SE	(123)
USD	808	CZK	20,000	03/02/2023	UBS Europe SE	(69)
USD	1,631	SGD	2,300	03/02/2023	Société Générale	(80)
						<b>(304,547)</b>

#### Candriam Sustainable Bond Global Convertible

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
EUR	533,891	CHF	520,000	16/01/2023	Barclays Bank Ireland Plc	7,003
EUR	1,242,098	HKD	9,900,000	16/01/2023	Barclays Bank Ireland Plc	54,326
EUR	215,547	JPY	31,000,000	16/01/2023	Barclays Bank Ireland Plc	(4,776)
EUR	474,653	USD	500,000	17/01/2023	J.P. Morgan SE	6,629
EUR	4,562,583	USD	4,500,000	17/01/2023	Société Générale	350,661
EUR	9,281,824	USD	9,200,000	17/01/2023	Barclays Bank Ireland Plc	670,739
						<b>1,084,582</b>

#### Candriam Sustainable Bond Global High Yield

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
CHF	205,826	EUR	209,207	17/01/2023	CACEIS Bank, Lux. Branch	(646)
EUR	2,164	CHF	2,131	17/01/2023	CACEIS Bank, Lux. Branch	4
EUR	104,225,963	USD	111,325,610	17/01/2023	CACEIS Bank, Lux. Branch	18,487
EUR	577,485,683	USD	595,000,000	27/01/2023	BNP Paribas Paris	20,956,982
EUR	198,687,987	USD	205,000,000	27/01/2023	Société Générale	6,942,334
EUR	41,188,590	USD	43,000,000	27/01/2023	Nomura Financial Products Europe	967,943
EUR	62,969,242	USD	65,000,000	27/01/2023	NATIXIS AP GP-B	2,171,790
USD	239,362,912	EUR	224,235,477	17/01/2023	CACEIS Bank, Lux. Branch	(177,359)
						<b>30,879,535</b>

#### Candriam Sustainable Bond Impact

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
EUR	900,395	CAD	1,300,000	11/01/2023	Société Générale	1,871
EUR	4,914,951	USD	5,200,000	11/01/2023	Barclays Bank Ireland Plc	45,412
						<b>47,283</b>

#### Candriam Sustainable Defensive Asset Allocation

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
CAD	3,470,000	EUR	2,388,632	15/06/2023	Nomura Financial Products Europe	(9,894)
EUR	219,240	AUD	343,000	15/06/2023	Nomura Financial Products Europe	2,190
EUR	118,713	CHF	116,000	15/06/2023	Société Générale	399
EUR	626,527	GBP	543,000	15/06/2023	Société Générale	18,813
EUR	1,902,583	JPY	269,448,000	15/06/2023	J.P. Morgan SE	(34,521)
EUR	9,999,783	USD	10,678,000	15/06/2023	Barclays Bank Ireland Plc	99,795
USD	685,814	EUR	638,000	15/06/2023	Société Générale	(2,111)
						<b>74,671</b>

# Candriam Sustainable

## Notes to the financial statements - Schedule of derivative instruments

### Forward foreign exchange contracts (continued)

#### Candriam Sustainable Equity Circular Economy

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in USD)
EUR	10,582,350	USD	11,291,668	17/01/2023	CACEIS Bank, Lux. Branch	13,541
USD	636,264	EUR	599,333	17/01/2023	CACEIS Bank, Lux. Branch	(4,005)
						9,536

#### Candriam Sustainable Equity Climate Action

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in USD)
EUR	14,726,356	USD	15,713,065	17/01/2023	CACEIS Bank, Lux. Branch	19,217
USD	1,195,950	EUR	1,125,222	17/01/2023	CACEIS Bank, Lux. Branch	(6,127)
						13,090

#### Candriam Sustainable Equity Future Mobility

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in USD)
EUR	85,458	USD	91,191	17/01/2023	CACEIS Bank, Lux. Branch	105
USD	7,874	EUR	7,401	17/01/2023	CACEIS Bank, Lux. Branch	(33)
						72

#### Candriam Sustainable Equity Japan

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in JPY)
EUR	32,868,016	JPY	4,757,055,923	17/01/2023	CACEIS Bank, Lux. Branch	(134,968,148)
JPY	204,100,455	EUR	1,446,664	17/01/2023	CACEIS Bank, Lux. Branch	662,852
						(134,305,296)

#### Candriam Sustainable Equity US

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in USD)
CHF	937	USD	1,016	17/01/2023	CACEIS Bank, Lux. Branch	(2)
EUR	175,836,843	USD	187,610,903	17/01/2023	CACEIS Bank, Lux. Branch	236,981
USD	75	CHF	69	17/01/2023	CACEIS Bank, Lux. Branch	0
USD	14,498,039	EUR	13,625,348	17/01/2023	CACEIS Bank, Lux. Branch	(57,963)
						179,017

#### Candriam Sustainable Equity World

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
EUR	1,063,952	AUD	1,700,000	19/01/2023	Nomura Financial Products Europe	(15,786)
EUR	1,516,878	CAD	2,200,000	19/01/2023	Société Générale	(2,908)
EUR	1,524,856	CHF	1,500,000	19/01/2023	BNP Paribas Paris	4,787
EUR	732,768	DKK	5,450,000	19/01/2023	BNP Paribas Paris	(212)
EUR	112,733	GBP	100,000	19/01/2023	BNP Paribas Paris	102
EUR	3,248,278	GBP	2,850,000	19/01/2023	Société Générale	38,333
EUR	204,548	HKD	1,700,000	19/01/2023	BNP Paribas Paris	615
EUR	4,491,719	JPY	630,000,000	19/01/2023	BNP Paribas Paris	13,226
EUR	105,755	JPY	15,000,000	19/01/2023	Barclays Bank Ireland Plc	(875)
EUR	156,573	NOK	1,650,000	19/01/2023	Société Générale	(297)
EUR	1,405,743	USD	1,500,000	19/01/2023	BNP Paribas Paris	1,853
EUR	36,625,381	USD	39,100,000	19/01/2023	Nomura Financial Products Europe	30,626
						69,464

Please refer to Note 10 for collateral received/posted in relation with the forward foreign exchange contracts. These operations on forward foreign exchange contracts are mainly allocated to the classes of shares hedged against exchange risk.

# Candriam Sustainable

## Notes to the financial statements - Schedule of derivative instruments

### Non-Deliverable Forwards ("NDF")

As at December 31, 2022, the following Non-Deliverable Forwards contracts were outstanding:

#### Candriam Sustainable Bond Global

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
EUR	15,499	IDR	254,000,000	20/01/2023	Société Générale	108
EUR	81,947	IDR	1,291,000,000	20/01/2023	UBS Europe SE	3,698
EUR	133,748	KRW	184,300,000	20/01/2023	Société Générale	(3,344)
EUR	58,121	KRW	80,070,000	20/01/2023	UBS Europe SE	(1,440)
EUR	57,231	KRW	79,867,000	20/01/2023	Barclays Bank Ireland Plc	(2,175)
GBP	6,071	IDR	110,000,000	03/02/2023	Société Générale	182
GBP	13,552	KRW	22,320,000	03/02/2023	Barclays Bank Ireland Plc	(1,334)
IDR	24,750,000,000	EUR	1,514,132	06/01/2023	Société Générale	(19,176)
IDR	19,970,000	GBP	1,055	03/02/2023	BNP Paribas Paris	20
IDR	81,435,000	GBP	4,510	03/02/2023	Barclays Bank Ireland Plc	(152)
KRW	5,062,860,000	EUR	3,704,458	06/01/2023	BNP Paribas Paris	54,091
KRW	4,104,000	GBP	2,634	03/02/2023	Société Générale	86
KRW	16,500,000	GBP	10,155	03/02/2023	Barclays Bank Ireland Plc	834
USD	3,112	IDR	48,700,000	03/02/2023	Société Générale	(35)
USD	6,924	KRW	9,850,000	03/02/2023	Barclays Bank Ireland Plc	(847)
						<b>30,516</b>

Please refer to Note 10 for collateral received/posted in relation with the NDF contracts.

# Candriam Sustainable

## Notes to the financial statements - Schedule of derivative instruments

### Futures

As at December 31, 2022, the following futures contracts were outstanding:

#### Candriam Sustainable Balanced Asset Allocation

Quantity (purchase/(sale))	Description	Currency	Commitment (in EUR) (in absolute value)	Counterparty	Unrealised (in EUR)
<b>Futures on bonds</b>					
(1)	FGBL BUND 10A 0323	EUR	92,707	J.P. Morgan SE	9,224
					<b>9,224</b>

#### Candriam Sustainable Bond Emerging Markets

Quantity (purchase/(sale))	Description	Currency	Commitment (in USD) (in absolute value)	Counterparty	Unrealised (in USD)
<b>Futures on bonds</b>					
(500)	FGBL BUND 10A 0323	EUR	49,470,773	J.P. Morgan SE	3,985,558
245	US ULTRA BD /202303	USD	20,696,758	J.P. Morgan SE	(958,781)
					<b>3,026,777</b>

#### Candriam Sustainable Bond Euro

Quantity (purchase/(sale))	Description	Currency	Commitment (in EUR) (in absolute value)	Counterparty	Unrealised (in EUR)
<b>Futures on bonds</b>					
3	EURO BUXL FU /202303	EUR	229,406	J.P. Morgan SE	(65,420)
41	EURO-OAT-FUT /202303	EUR	3,718,823	J.P. Morgan SE	(375,970)
(1,245)	EURO SCHATZ 202303	EUR	123,242,550	J.P. Morgan SE	1,443,778
(10)	EURO BTP FUT /202303	EUR	968,090	J.P. Morgan SE	84,611
(198)	EUR BOBL 202303	EUR	18,683,874	J.P. Morgan SE	741,343
(115)	FGBL BUND 10A 0323	EUR	10,661,305	J.P. Morgan SE	876,750
(17)	US 10YR ULTR /202303	USD	1,624,985	J.P. Morgan SE	20,508
					<b>2,725,600</b>

#### Candriam Sustainable Bond Euro Corporate

Quantity (purchase/(sale))	Description	Currency	Commitment (in EUR) (in absolute value)	Counterparty	Unrealised (in EUR)
<b>Futures on bonds</b>					
(20)	US 2 YEARS N /202303	USD	3,735,286	J.P. Morgan SE	(59)
51	EURO BUXL FU /202303	EUR	3,899,894	J.P. Morgan SE	(67,874)
(420)	EURO SCHATZ 202303	EUR	41,575,800	J.P. Morgan SE	169,859
(259)	US 5YR 202303	USD	22,881,101	J.P. Morgan SE	92,901
(11)	LONG GILT FU /202203	GBP	836,329	J.P. Morgan SE	70,420
(191)	EURO BTP FUT /202303	EUR	18,490,519	J.P. Morgan SE	1,498,511
(856)	EUR BOBL 202303	EUR	80,774,728	J.P. Morgan SE	3,199,329
1,298	FGBL BUND 10A 0323	EUR	120,333,686	J.P. Morgan SE	(7,378,589)
(89)	US 10YR ULTR /202303	USD	8,507,276	J.P. Morgan SE	136,815
					<b>(2,278,687)</b>

#### Candriam Sustainable Bond Euro Short Term

Quantity (purchase/(sale))	Description	Currency	Commitment (in EUR) (in absolute value)	Counterparty	Unrealised (in EUR)
<b>Futures on bonds</b>					
544	EURO SCHATZ 202303	EUR	53,850,560	J.P. Morgan SE	(654,703)
(5)	US 5YR 202303	USD	441,720	J.P. Morgan SE	1,164
(884)	EUR BOBL 202303	EUR	83,416,892	J.P. Morgan SE	3,118,157
					<b>2,464,618</b>

# Candriam Sustainable

## Notes to the financial statements - Schedule of derivative instruments

### Futures (continued)

#### Candriam Sustainable Bond Global

Quantity (purchase/(sale))	Description	Currency	Commitment (in EUR) (in absolute value)	Counterparty	Unrealised (in EUR)
<b>Futures on bonds</b>					
(200)	EUR BOBL 202303	EUR	18,872,600	J.P. Morgan SE	722,000
(9)	EURO BTP FUT /202303	EUR	871,281	J.P. Morgan SE	77,580
13	CAN 10YR BON /202303	CAD	779,667	J.P. Morgan SE	(34,432)
15	US ULTRA BD /202303	USD	1,187,302	J.P. Morgan SE	(42,586)
20	LONG GILT FU /202203	GBP	1,520,597	J.P. Morgan SE	(138,811)
59	US 5YR 202303	USD	5,212,297	J.P. Morgan SE	(14,589)
231	US 10YR ULTR /202303	USD	22,080,683	J.P. Morgan SE	(270,248)
(839)	EURO SCHATZ 202303	EUR	83,052,610	J.P. Morgan SE	952,265
(168)	FGBL BUND 10A 0323	EUR	15,574,776	J.P. Morgan SE	1,409,049
19	US 2 YEARS N /202303	USD	3,548,522	J.P. Morgan SE	(7,928)
185	US 10YR 202303	USD	17,346,459	J.P. Morgan SE	(151,675)
(7)	EURO BUXL FU /202303	EUR	535,280	J.P. Morgan SE	152,600
					<b>2,653,225</b>

#### Candriam Sustainable Bond Global High Yield

Quantity (purchase/(sale))	Description	Currency	Commitment (in EUR) (in absolute value)	Counterparty	Unrealised (in EUR)
<b>Futures on bonds</b>					
(175)	EUR BOBL 202303	EUR	16,513,525	J.P. Morgan SE	575,750
					<b>575,750</b>

#### Candriam Sustainable Bond Impact

Quantity (purchase/(sale))	Description	Currency	Commitment (in EUR) (in absolute value)	Counterparty	Unrealised (in EUR)
<b>Futures on bonds</b>					
(18)	EURO SCHATZ 202303	EUR	1,781,820	J.P. Morgan SE	20,880
(9)	US 5YR 202303	USD	795,096	J.P. Morgan SE	2,438
(9)	CAN 5YR BOND /202303	CAD	604,853	J.P. Morgan SE	7,966
(8)	US 10YR 202303	USD	750,117	J.P. Morgan SE	6,957
(2)	US 10YR ULTR /202303	USD	191,175	J.P. Morgan SE	2,501
5	EURO BUXL FU /202303	EUR	382,343	J.P. Morgan SE	(136,040)
8	EUR BOBL 202303	EUR	754,904	J.P. Morgan SE	(28,680)
(22)	FGBL BUND 10A 0323	EUR	2,039,554	J.P. Morgan SE	182,090
(3)	US TREASURY /202303	USD	299,389	J.P. Morgan SE	5,973
(10)	US 2 YEARS N /202303	USD	1,867,643	J.P. Morgan SE	(1,610)
					<b>62,475</b>

#### Candriam Sustainable Defensive Asset Allocation

Quantity (purchase/(sale))	Description	Currency	Commitment (in EUR) (in absolute value)	Counterparty	Unrealised (in EUR)
<b>Futures on bonds</b>					
(50)	FGBL BUND 10A 0323	EUR	4,635,350	J.P. Morgan SE	386,068
					<b>386,068</b>

Please refer to Note 9 about Cash at broker related to futures.

# Candriam Sustainable

## Other notes to the financial statements

### Note 1 - General Information

Candriam Sustainable (hereinafter the "SICAV") is incorporated under Luxembourg Law as a public limited company ("société anonyme") qualifying as an investment company organized with variable share capital within the meaning of the Law. The SICAV is subject to the provisions of part I of the modified law of December 17, 2010 relating to Undertakings for Collective Investment ("UCIs"), as amended and of the law of August 10, 1915 governing commercial companies.

The SICAV is registered at the Luxembourg Trade and Companies Register under reference B-202950.

The SICAV was incorporated on December 21, 2015, by way of a deed of Me Henri Hellinckx, notary residing in Luxembourg, published in the "Mémorial C, Recueil des Sociétés et Associations (the "Mémorial")" on January 22, 2016 and is established for an indefinite period of time from the date of incorporation. The Articles of Incorporation were last amended on 7 December 2020 and the corresponding amendments have been published in the *Recueil Electronique des Sociétés et Associations* ("RESA"). The coordinated Articles of Incorporation have been filed with the Luxembourg Trade and Companies Registry.

The capital of the SICAV shall at all times be 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 an umbrella fund, enabling investors to choose between one or more investment strategies by investing in one or more separate sub-funds offered by the SICAV with the possibility of moving from one sub-fund to another. 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 sub-fund Candriam Sustainable Money Market Euro qualifies as Money Market Funds ("MMF") and has been approved by the CSSF in accordance with the provisions of the MMFR and is registered on the official list of UCI as MMF.

A MMF is a UCI or one of its sub-funds which qualify as a money market fund under the MMFR.

The MMFR is the Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds.

As from January 21, 2019, the sub-fund Candriam Sustainable Money Market Euro complies with the new requirements under Regulation (EU) 2017/1131 (the "Regulation") of the European Parliament and of the Council of June 14, 2017 on MMF.

In compliance with the Regulation, the following information is already made available to investors at least on a weekly basis on the website of the Management Company [www.candriam.com](http://www.candriam.com):

- i) the maturity breakdown of the investment portfolio of the sub-fund;
- ii) the credit profile of the sub-fund;
- iii) the weighted average maturity and weighted average life of the sub-fund;
- iv) details of the 10 largest holdings in the sub-fund;
- v) the total value of the assets of the sub-fund;
- vi) the net yield of the sub-fund.

The following sub-funds are currently available to investors:

<u>Sub-funds</u>	<u>Reference currency</u>
Candriam Sustainable Balanced Asset Allocation (launched on June 28, 2022)	EUR
Candriam Sustainable Bond Emerging Markets	USD
Candriam Sustainable Bond Euro	EUR
Candriam Sustainable Bond Euro Corporate	EUR
Candriam Sustainable Bond Euro Short Term	EUR
Candriam Sustainable Bond Global	EUR
Candriam Sustainable Bond Global Convertible (launched on July 05, 2022)	EUR
Candriam Sustainable Bond Global High Yield	EUR
Candriam Sustainable Bond Impact	EUR
Candriam Sustainable Defensive Asset Allocation	EUR
Candriam Sustainable Equity Children	USD
Candriam Sustainable Equity Circular Economy	USD
Candriam Sustainable Equity Climate Action	USD
Candriam Sustainable Equity Emerging Markets	EUR
Candriam Sustainable Equity EMU	EUR
Candriam Sustainable Equity Europe	EUR
Candriam Sustainable Equity Europe Small & Mid Caps	EUR
Candriam Sustainable Equity Future Mobility	USD
Candriam Sustainable Equity Japan	JPY
Candriam Sustainable Equity Quant Europe (launched on January 25, 2022)	EUR
Candriam Sustainable Equity US	USD
Candriam Sustainable Equity World	EUR
Candriam Sustainable Money Market Euro	EUR

The Board of Directors has decided to proceed with the merger by absorption of Candriam Quant Equities Europe, a sub-fund of Candriam Quant (dissolved) by Candriam Sustainable Equity Quant Europe, with effective date January 25, 2022. The first NAV of Candriam Sustainable Equity Quant Europe was dated January 25, 2022.



## Other notes to the financial statements

### Note 1 - General Information (continued)

The issued share classes are the following:

- The **BF class** is reserved for feeder UCIs under Belgian law approved by the Management Company and managed by an entity of the Candriam group
- The **C class** is available to both individuals and legal entities.
- The **I class** is reserved exclusively for institutional investors.
- The **N class** is reserved for distributors specially approved by the Management Company.
- The **PI class** is reserved to institutional investors that subscribe to shares before the Sub-Fund has reached a critical size in terms of assets under management. The minimum initial subscription is USD 1,000,000 or the equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date. The Share Class remains open to subscriptions until any of the following events occurs:
  - a certain period of time set by the Board of Directors has elapsed,
  - the Sub-Fund has reached a critical size in terms of assets under management as determined by the Board of Directors or
  - the Board of Directors decides on a motivated basis to cease the offering of the Share Class.
- The **R class** is restricted to those financial intermediaries (including distributors and platform providers) which:
  - have separated arrangements with their clients for the provision of investment services related to the sub-fund, and
  - are not entitled to accept and retain from the Management Company, due to their applicable laws and regulations, or to agreements with their clients, any fee, commission or monetary benefit, in the context of the above mentioned investment services.
- The **R2 class** is reserved for:
  - To distributors and/or intermediaries approved by the Management Company who will not receive any form of remuneration for investments in this class from an entity of the Candriam group, if the final investments in the shares are made in the context of a mandate.
  - To UCIs approved by the Management Company.
- The **S class** is reserved exclusively for institutional investors specifically approved by the Management Company.
- The **V class** is reserved exclusively for institutional investors. Its minimum initial subscription is EUR 15,000,000 or the equivalent in currencies for classes denominated in foreign currencies 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).
- The **Y class** is reserved exclusively for institutional investors specifically authorised by the Management Company.
- The **Z class** is reserved for:
  - 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.

The assets of the different classes are grouped into a single mass. The assets of the various share classes are pooled within a single account.

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.

The shares issued are described in detail in the section "Changes in the number of shares outstanding for the year" of the various sub-funds.

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.

# Candriam Sustainable

## Other notes to the financial statements

### 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 values used for the purpose of the financial statements are dated:

Sub-fund Candriam Sustainable Equity Japan : the net asset value has been calculated on January 2, 2023 on the basis of the closing stock market prices dated December 30, 2022

For the other sub-funds of the SICAV, the net asset values dated December 31, 2022 have been calculated on January 2, 2023 on the basis of the last known prices at the time of the valuation.

This annual report is prepared on the basis of the last unofficial technical net asset values, calculated for the purpose of the financial statements as at December 31, 2022.

#### 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.

For the sub-funds Candriam Sustainable Bond Emerging Markets, Candriam Sustainable Bond Euro, Candriam Sustainable Bond Euro Corporate, Candriam Sustainable Bond Euro Short Term, Candriam Sustainable Bond Global, Candriam Sustainable Bond Global High Yield, Candriam Sustainable Bond Impact, Candriam Sustainable Defensive Asset Allocation, Candriam Sustainable Equity Children, Candriam Sustainable Equity Circular Economy, Candriam Sustainable Equity Climate Action, Candriam Sustainable Equity EMU, Candriam Sustainable Equity Europe, Candriam Sustainable Equity Europe Small & Mid Caps, Candriam Sustainable Equity Future Mobility, Candriam Sustainable Equity US, Candriam Sustainable Equity World, Candriam Sustainable Money Market Euro the exchange rate used as at December 31, 2022 are as follows:

1 EUR =	1.573750	AUD	1 EUR =	24.154000	CZK	1 EUR =	140.818300	JPY	1 EUR =	11.120250	SEK
1 EUR =	5.634800	BRL	1 EUR =	7.436450	DKK	1 EUR =	1349.537600	KRW	1 EUR =	1.431400	SGD
1 EUR =	1.446050	CAD	1 EUR =	0.887250	GBP	1 EUR =	20.797800	MXN	1 EUR =	19.978400	TRY
1 EUR =	0.987450	CHF	1 EUR =	8.329850	HKD	1 EUR =	10.513500	NOK	1 EUR =	1.067250	USD
1 EUR =	7.384150	CNH	1 EUR =	400.450000	HUF	1 EUR =	1.687500	NZD	1 EUR =	18.159250	ZAR
1 EUR =	7.419200	CNY	1 EUR =	16614.414750	IDR	1 EUR =	4.681250	PLN			

For the sub-funds Candriam Sustainable Equity Emerging Markets, Candriam Sustainable Equity Japan the exchange rate used as at December 31, 2022 are as follows:

1 EUR =	1.571172	AUD	1 EUR =	8.303800	HKD	1 EUR =	4.693200	MYR	1 EUR =	19.937600	TRY
1 EUR =	5.630300	BRL	1 EUR =	400.130000	HUF	1 EUR =	10.541400	NOK	1 EUR =	32.734000	TWD
1 EUR =	0.985090	CHF	1 EUR =	16585.490000	IDR	1 EUR =	1.684117	NZD	1 EUR =	1.065200	USD
1 EUR =	7.420300	CNH	1 EUR =	88.140900	INR	1 EUR =	4.688300	PLN	1 EUR =	18.052800	ZAR
1 EUR =	7.406000	CNY	1 EUR =	140.750000	JPY	1 EUR =	11.140800	SEK			
1 EUR =	24.178000	CZK	1 EUR =	1342.330000	KRW	1 EUR =	1.430400	SGD			
1 EUR =	0.882790	GBP	1 EUR =	20.759000	MXN	1 EUR =	36.777700	THB			

# Candriam Sustainable

## Other notes to the financial statements

### Note 2 - Principal accounting policies (continued)

#### 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 converted into the currency of the SICAV using exchange rates prevailing at the closing date.

The investments made by certain sub-funds of the SICAV in other sub-funds of the SICAV have not been eliminated from the combined statement of net assets as of December 31, 2022. As of December 31, 2022, the total of intra-SICAV investments amounted to EUR 391,225,981.00. Therefore, the combined net assets at the closing date would amount to EUR 17,316,416,175 if these intra-SICAV investments were eliminated.

Sub-funds	Intra-SICAV Investments	Amount (in EUR)
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE BOND EMERGING MARKETS Z C	230,683
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE BOND EURO CORPORATE Z C	626,125
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE BOND EURO SHORT TERM Z C	899,042
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE BOND EURO Z C	904,273
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE BOND GLOBAL HIGH YIELD Z C	154,962
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE BOND GLOBAL Z C	378,354
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE EQUITY CIRCULAR ECONOMY Z C	55,443
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE EQUITY CLIMATE ACTION Z C	104,181
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE EQUITY EMERGING MARKETS Z C	666,627
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE EQUITY EUROPE Z C	1,243,369
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE EQUITY JAPAN Z C	162,010
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE EQUITY QUANT EUROPE Z C	426,168
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE EQUITY US Z C	966,270
Candriam Sustainable Balanced Asset Allocation	CANDRIAM SUSTAINABLE EQUITY WORLD Z C	90,511
Candriam Sustainable Bond Euro	CANDRIAM SUSTAINABLE BOND GLOBAL CONVERTIBLE Z C	3,117,050
Candriam Sustainable Bond Euro	CANDRIAM SUSTAINABLE BOND IMPACT Z C	6,752,050
Candriam Sustainable Bond Euro	CANDRIAM SUSTAINABLE MONEY MARKET EURO Z C	1,053
Candriam Sustainable Bond Euro Corporate	CANDRIAM SUSTAINABLE MONEY MARKET EURO Z C	63,177,495
Candriam Sustainable Bond Euro Short Term	CANDRIAM SUSTAINABLE MONEY MARKET EURO Z C	49,601,625
Candriam Sustainable Bond Global	CANDRIAM SUSTAINABLE BOND EMERGING MARKETS Z C	4,382,971
Candriam Sustainable Bond Global	CANDRIAM SUSTAINABLE BOND EURO CORPORATE I C	207,138
Candriam Sustainable Bond Global	CANDRIAM SUSTAINABLE BOND GLOBAL CONVERTIBLE Z C	1,809,900
Candriam Sustainable Bond Global	CANDRIAM SUSTAINABLE BOND IMPACT Z C	2,928,600
Candriam Sustainable Bond Global High Yield	CANDRIAM SUSTAINABLE MONEY MARKET EURO V C	129,117,262
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE BOND EMERGING MARKETS Z C	5,729,283
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE BOND EURO CORPORATE Z C	18,218,930
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE BOND EURO SHORT TERM Z C	27,610,375
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE BOND EURO Z C	26,516,960
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE BOND GLOBAL HIGH YIELD Z C	4,695,778
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE BOND GLOBAL Z C	11,219,369
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE EQUITY CIRCULAR ECONOMY Z C	436,151
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE EQUITY CLIMATE ACTION Z C	823,321
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE EQUITY EMERGING MARKETS Z C	6,283,102
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE EQUITY EUROPE Z C	8,673,728
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE EQUITY JAPAN Z C	1,214,453
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE EQUITY QUANT EUROPE Z C	3,007,297
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE EQUITY US Z C	8,098,856
Candriam Sustainable Defensive Asset Allocation	CANDRIAM SUSTAINABLE EQUITY WORLD Z C	685,216

#### 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) Valuation of Non-Deliverable Forwards contracts ("NDF")

Non-Deliverable Forwards are short-term forward contracts on thinly traded or non-convertible foreign currencies. Those 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 profits or losses resulting from NDF are included in the statement of net assets under the heading "Net unrealised appreciation / (depreciation) on forward foreign exchange contracts".

The NDF are normally quoted and settled in USD. 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 Non-Deliverable Forwards, if any, please refer to the section "Notes to the financial statements - Schedule of derivative instruments".

#### h) Transaction costs

For the year ended December 31, 2022, 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".

Furthermore, in accordance with the practices of the bond markets, a bid-offer spread is applied to securities purchase or sale transactions. According to this principle, the selling and buying prices applied by the broker to a given transaction are not identical and the difference between them constitutes the broker's remuneration.

#### i) 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.

#### j) 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

# Candriam Sustainable

## Other notes to the financial statements

### 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 as 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 (previously New York Life Investment Management Global Holdings S.à r.l.), an entity of the New York Life Insurance Company group.

It is authorised as a Management Company of Chapter 15 of the Law of 2010 concerning UCIs as amended, and is authorised to exercise the activities of collective portfolio management, investment portfolio management and investment consultant.

Until June 30, 2022, by virtue of a delegation contract, the Management Company has delegated for all the sub-funds of the SICAV, except for the sub-funds Candriam Sustainable Bond Emerging Markets, Candriam Sustainable Bond Euro Corporate, Candriam Sustainable Defensive Asset Allocation and Candriam Sustainable Bond Global High Yield the portfolio management of the SICAV, under its supervision, responsibility and at its own expense, to its Belgian subsidiary Candriam Belgium, which registered office is 58, Avenue des Arts, B-1000 Brussels.

Until June 30, 2022, for the sub-fund Candriam Sustainable Bond Emerging Markets, the Management Company has delegated the portfolio management duties, under its control, responsibility and at its own expense, for one part to Candriam Belgium, Avenue des Arts 58 in B-1000 Brussels, under the terms of a delegation agreement and for the other part to its UK branch: UK establishment, 200 Aldersgate, Aldersgate Street, London EC1A4HD, United Kingdom.

Under the terms of a delegation agreement, the Management Company has delegated, for the sub-funds Candriam Sustainable Bond Euro Corporate and Candriam Sustainable Bond Global High Yield (i) the portfolio management duties and (ii) the exercise of any voting rights which are attached to the transferable securities that make up the assets of the sub-funds, under its control, responsibility and at its own expense, to Candriam France, 40 rue Washington, F-75408 Paris Cedex 08.

Since July 1, 2022, the portfolio management function is no more delegated and is performed by Candriam and/or by one or more of its branches.

By way of remuneration for its services, the Management Company receives management fees, expressed as an annual percentage of the average net asset value of each share class of each sub-fund of the SICAV.

These fees are payable at the end of each month, at the latest by the following month.

If services have been rendered for only part of a calendar month, the Management Company shall be entitled to fees on a prorata temporis basis.

The management fees rate applicable as at December 31, 2022 are as follows:

Sub-funds	Share class	Share type	ISIN	Management fee
Candriam Sustainable Balanced Asset Allocation	I	Capitalisation	LU2428018811	0.45%
Candriam Sustainable Bond Emerging Markets	C	Distribution	LU1434519507	1.20%
	C	Capitalisation	LU1434519416	1.20%
	C - EUR - Hedged	Capitalisation	LU2016899614	1.20%
	C - EUR - Unhedged	Capitalisation	LU2264875068	1.20%
	I	Distribution	LU1434519762	0.55%
	I	Capitalisation	LU1434519689	0.55%
	I - CHF - Hedged	Capitalisation	LU2059770078	0.55%
	I - EUR - Hedged	Distribution	LU1580881933	0.55%
	I - EUR - Hedged	Capitalisation	LU1434519846	0.55%
	I - GBP - Hedged	Distribution	LU1797946164	0.55%
	R	Capitalisation	LU1434519929	0.65%
	R - CHF - Hedged	Capitalisation	LU2059770151	0.65%
	R - EUR - Hedged	Distribution	LU1797946248	0.65%
	R - EUR - Hedged	Capitalisation	LU2016899705	0.65%
	R - EUR - Unhedged	Capitalisation	LU1434520000	0.65%
	R - GBP - Hedged	Capitalisation	LU1953289276	0.65%
	R2	Distribution	LU1439992113	0.28%
	R2	Capitalisation	LU1434520182	0.28%
	R2 - EUR - Hedged	Distribution	LU2328290445	0.28%
	V	Distribution	LU2211179648	0.40%
V	Capitalisation	LU1434520265	0.32%	
V - CHF - Hedged	Capitalisation	LU2059770235	0.32%	
V - EUR - Hedged	Capitalisation	LU1434520349	0.32%	
Z	Distribution	LU1434520695	0.00%	
Z	Capitalisation	LU1434520422	0.00%	
Z - EUR - Hedged	Capitalisation	LU2059770318	0.00%	
Candriam Sustainable Bond Euro	C	Distribution	LU1313769520	0.60%
	C	Capitalisation	LU1313769447	0.60%
	I	Distribution	LU1313769959	0.30%
	I	Capitalisation	LU1313769793	0.30%
	N	Capitalisation	LU2027379432	0.80%
	R	Capitalisation	LU1313770023	0.30%
	R2	Distribution	LU1720117057	0.15%
	R2	Capitalisation	LU1720116919	0.15%
	V	Capitalisation	LU1313770296	0.20%
	Z	Distribution	LU1434521230	0.00%
	Z	Capitalisation	LU1313770379	0.00%
	Candriam Sustainable Bond Euro Corporate	C	Distribution	LU1313770536
C		Capitalisation	LU1313770452	0.70%
I		Distribution	LU1313770700	0.40%

# Candriam Sustainable

## Other notes to the financial statements

### Note 3 - Management fees (continued)

Sub-funds	Share class	Share type	ISIN	Management fee
Candriam Sustainable Bond Euro Corporate (continued)	I	Capitalisation	LU1313770619	0.40%
	R	Distribution	LU1720117305	0.40%
	R	Capitalisation	LU1313770882	0.40%
	R - CHF - Hedged	Capitalisation	LU1932633214	0.40%
	R - GBP - Hedged	Capitalisation	LU1932633305	0.40%
	R - USD - Hedged	Capitalisation	LU1932633487	0.40%
	R2	Distribution	LU1720117560	0.15%
	R2	Capitalisation	LU1720117487	0.15%
	V	Capitalisation	LU1313770965	0.20%
	Z	Distribution	LU1434521743	0.00%
Z	Capitalisation	LU1313771005	0.00%	
Candriam Sustainable Bond Euro Short Term	C	Distribution	LU1434522048	0.40%
	C	Capitalisation	LU1434521826	0.40%
	I	Distribution	LU1434522550	0.25%
	I	Capitalisation	LU1434522477	0.25%
	R	Distribution	LU1720117644	0.25%
	R	Capitalisation	LU1434522634	0.25%
	R2	Distribution	LU1720117990	0.10%
	R2	Capitalisation	LU1720117727	0.10%
	V	Distribution	LU2364191341	0.15%
	V	Capitalisation	LU1434522717	0.15%
Z	Capitalisation	LU1434522808	0.00%	
Candriam Sustainable Bond Global	C	Distribution	LU1434523103	0.70%
	C	Capitalisation	LU1434523012	0.70%
	I	Capitalisation	LU1434523285	0.40%
	R	Capitalisation	LU1434523442	0.40%
	R - EUR - Asset Hedged	Capitalisation	LU2211181891	0.40%
	R2	Distribution	LU1720118022	0.15%
	R2	Capitalisation	LU1720118295	0.15%
	V	Capitalisation	LU1434523525	0.20%
	V - EUR - Asset Hedged	Capitalisation	LU2211182196	0.20%
	V - USD - Asset Hedged	Capitalisation	LU2211182436	0.20%
V (q) - GBP - Asset Hedged	Distribution	LU2211182352	0.20%	
Z	Capitalisation	LU1434523798	0.00%	
Candriam Sustainable Bond Global Convertible	C	Capitalisation	LU2428020718	1.20%
	I	Capitalisation	LU2428020981	0.60%
	R	Capitalisation	LU2428021369	0.60%
	Z	Capitalisation	LU2428021872	0.00%
Candriam Sustainable Bond Global High Yield	C	Distribution	LU1644441393	1.20%
	C	Capitalisation	LU1644441120	1.20%
	C - USD - Unhedged	Capitalisation	LU2109443460	1.20%
	C (m) - USD - Hedged	Distribution	LU2364191697	1.20%
	I	Distribution	LU1644441633	0.65%
	I	Capitalisation	LU1644441476	0.65%
	I - USD - Hedged	Distribution	LU2211180653	0.20%
	I - USD - Hedged	Capitalisation	LU1644441559	0.65%
	I - USD - Unhedged	Capitalisation	LU2109443544	0.65%
	N	Capitalisation	LU2027379515	1.60%
	R	Distribution	LU1720118378	0.65%
	R	Capitalisation	LU1644441716	0.65%
	R - CHF - Hedged	Capitalisation	LU2211180901	0.65%
	R - USD - Hedged	Capitalisation	LU2211181206	0.65%
	R2	Distribution	LU2363112363	0.28%
	S	Capitalisation	LU1720118451	0.20%
	S - USD - Hedged	Capitalisation	LU2474803587	0.20%
V	Capitalisation	LU1644441807	0.32%	
V - USD - Hedged	Capitalisation	LU2211180067	0.32%	
Z	Capitalisation	LU1644441989	0.00%	
Candriam Sustainable Bond Impact	C	Capitalisation	LU2369559823	0.60%
	I	Capitalisation	LU2369560169	0.30%
	R	Capitalisation	LU2369560326	0.30%
	S	Distribution	LU2369561050	0.14%
	Z	Capitalisation	LU2369561217	0.00%
Candriam Sustainable Defensive Asset Allocation	C	Distribution	LU1644442284	1.15%
	C	Capitalisation	LU1644442102	1.15%
	I	Distribution	LU1644442441	0.40%
	I	Capitalisation	LU1644442367	0.40%
	R	Capitalisation	LU1644442524	0.50%
	R2	Distribution	LU1932633560	0.29%
	V	Capitalisation	LU1644442797	0.25%
	Z	Capitalisation	LU1644442870	0.00%
Candriam Sustainable Equity Children	BF - EUR - Unhedged	Distribution	LU2371178836	0.00%
	BF - EUR - Unhedged	Capitalisation	LU2371175907	0.00%
	C	Capitalisation	LU2371178752	1.60%
	I	Capitalisation	LU2371178240	0.80%
	I - EUR - Unhedged	Capitalisation	LU2371178083	0.80%
	R	Capitalisation	LU2371177275	0.80%
	Z - EUR - Unhedged	Capitalisation	LU2371179057	0.00%

# Candriam Sustainable

## Other notes to the financial statements

### Note 3 - Management fees (continued)

Sub-funds	Share class	Share type	ISIN	Management fee
Candriam Sustainable Equity Circular Economy	BF - EUR - Unhedged	Distribution	LU2109443205	0.00%
	BF - EUR - Unhedged	Capitalisation	LU2109443114	0.00%
	C	Capitalisation	LU2109440870	1.60%
	C - EUR - Hedged	Capitalisation	LU2109441175	1.60%
	I	Capitalisation	LU2109441258	0.80%
	I - EUR - Unhedged	Capitalisation	LU2109441332	0.80%
	PI	Capitalisation	LU2109441415	0.40%
	R	Distribution	LU2109441761	0.80%
	R	Capitalisation	LU2109441688	0.80%
	R - EUR - Hedged	Capitalisation	LU2109441928	0.80%
	R - EUR - Unhedged	Capitalisation	LU2109441845	0.80%
	R2	Distribution	LU2109442140	0.40%
	R2	Capitalisation	LU2109442066	0.40%
	V	Capitalisation	LU2109442579	0.48%
	Z	Capitalisation	LU2109442736	0.00%
	Candriam Sustainable Equity Climate Action	BF - EUR - Unhedged	Distribution	LU2016899028
BF - EUR - Unhedged		Capitalisation	LU2016898996	0.00%
C		Distribution	LU1932633727	1.60%
C		Capitalisation	LU1932633644	1.60%
C - EUR - Hedged		Capitalisation	LU1932634022	1.60%
C - EUR - Unhedged		Capitalisation	LU1932633990	1.60%
I		Capitalisation	LU1932634295	0.80%
I - EUR - Hedged		Capitalisation	LU2059769906	0.80%
I - EUR - Unhedged		Capitalisation	LU1932634378	0.80%
PI		Capitalisation	LU1932635003	0.40%
R		Distribution	LU1932634535	0.80%
R		Capitalisation	LU1932634451	0.80%
R - EUR - Hedged		Capitalisation	LU1932634709	0.80%
R - EUR - Unhedged		Capitalisation	LU1932634618	0.80%
R2		Distribution	LU1932634964	0.40%
R2		Capitalisation	LU1932634881	0.40%
Z	Capitalisation	LU1932635185	0.00%	
Z - EUR - Unhedged	Capitalisation	LU2211181388	0.00%	
Candriam Sustainable Equity Emerging Markets	C	Distribution	LU1434524093	1.60%
	C	Capitalisation	LU1434523954	1.60%
	C - USD - Unhedged	Distribution	LU2343014036	1.60%
	C - USD - Unhedged	Capitalisation	LU1797946321	1.60%
	I	Capitalisation	LU1434524259	0.70%
	I - GBP - Unhedged	Capitalisation	LU1434524333	0.70%
	I - USD - Unhedged	Capitalisation	LU1797946594	0.70%
	N	Capitalisation	LU2027379606	2.00%
	P	Capitalisation	LU2421359626	0.29%
	R	Distribution	LU1720118535	0.80%
	R	Capitalisation	LU1434524416	0.80%
	R - GBP - Unhedged	Capitalisation	LU1434524689	0.80%
	R - USD - Unhedged	Capitalisation	LU1797946677	0.80%
	R2	Distribution	LU1434524846	0.40%
	R2	Capitalisation	LU1434524762	0.40%
	S	Capitalisation	LU2363113171	0.31%
V	Capitalisation	LU1434524929	0.40%	
V - USD - Unhedged	Capitalisation	LU1797946750	0.40%	
Z	Capitalisation	LU1434525066	0.00%	
Candriam Sustainable Equity EMU	C	Distribution	LU1313771260	1.50%
	C	Capitalisation	LU1313771187	1.50%
	I	Capitalisation	LU1313771344	0.65%
	R	Distribution	LU1720121679	0.70%
	R	Capitalisation	LU1313771427	0.70%
	R2	Distribution	LU1434525496	0.38%
	R2	Capitalisation	LU1434525223	0.38%
	V	Capitalisation	LU1313771690	0.35%
	Z	Capitalisation	LU1313771773	0.00%
Candriam Sustainable Equity Europe	C	Distribution	LU1313771930	1.50%
	C	Capitalisation	LU1313771856	1.50%
	I	Capitalisation	LU1313772078	0.65%
	N	Capitalisation	LU2027379788	2.00%
	R	Distribution	LU1720118618	0.70%
	R	Capitalisation	LU1313772151	0.70%
	R2	Distribution	LU1720118964	0.38%
	R2	Capitalisation	LU1720118709	0.38%
	V	Capitalisation	LU1313772235	0.35%
Z	Distribution	LU1434525819	0.00%	
Z	Capitalisation	LU1313772318	0.00%	
Candriam Sustainable Equity Europe Small & Mid Caps	C	Distribution	LU2258565162	1.60%
	C	Capitalisation	LU2258565089	1.60%
	I	Capitalisation	LU2258565246	0.70%
	R	Capitalisation	LU2258565675	0.80%
	R2	Distribution	LU2258565832	0.38%
	R2	Capitalisation	LU2258565758	0.38%

# Candriam Sustainable

## Other notes to the financial statements

### Note 3 - Management fees (continued)

Sub-funds	Share class	Share type	ISIN	Management fee	
Candriam Sustainable Equity Europe Small & Mid Caps (continued)	Z	Capitalisation	LU2258566053	0.00%	
Candriam Sustainable Equity Future Mobility	BF - EUR - Unhedged	Distribution	LU2258562730	0.00%	
	BF - EUR - Unhedged	Capitalisation	LU2258562656	0.00%	
	C	Capitalisation	LU2258562813	1.60%	
	C - EUR - Hedged	Capitalisation	LU2258563118	1.60%	
	I	Capitalisation	LU2258563209	0.80%	
	I - EUR - Unhedged	Capitalisation	LU2258563381	0.80%	
	R	Capitalisation	LU2258563464	0.80%	
	R2	Distribution	LU2258564199	0.40%	
	V	Capitalisation	LU2258564512	0.48%	
	Z	Capitalisation	LU2258564603	0.00%	
Candriam Sustainable Equity Japan	C	Distribution	LU1434526544	1.50%	
	C	Capitalisation	LU1434526460	1.50%	
	I	Capitalisation	LU1434526627	0.65%	
	N	Capitalisation	LU2027379861	2.00%	
	R	Distribution	LU1720120192	0.70%	
	R	Capitalisation	LU1434526890	0.70%	
	R - EUR - Hedged	Distribution	LU1720120358	0.70%	
	R - EUR - Unhedged	Capitalisation	LU1434526973	0.70%	
	R2	Distribution	LU1720120788	0.38%	
	R2	Capitalisation	LU1720120515	0.38%	
	Z	Capitalisation	LU1434527278	0.00%	
	Z - EUR - Hedged	Capitalisation	LU2501585306	0.00%	
	Candriam Sustainable Equity Quant Europe	C	Distribution	LU2378104140	1.50%
C		Capitalisation	LU2378104066	1.50%	
I		Capitalisation	LU2378104223	0.65%	
N		Capitalisation	LU2378104652	2.00%	
R		Capitalisation	LU2378104736	0.70%	
R - GBP - Unhedged		Capitalisation	LU2378104819	0.70%	
R2		Distribution	LU2378105030	0.38%	
R2		Capitalisation	LU2378104900	0.38%	
V		Capitalisation	LU2378105113	0.35%	
Z		Distribution	LU2378105386	0.00%	
Z		Capitalisation	LU2378105204	0.00%	
Candriam Sustainable Equity US		BF - EUR - Unhedged	Capitalisation	LU2227860371	0.00%
		C	Distribution	LU2227857153	1.45%
	C	Capitalisation	LU2227857070	1.45%	
	C - EUR - Hedged	Capitalisation	LU2227857310	1.45%	
	C - EUR - Unhedged	Capitalisation	LU2227857237	1.45%	
	I	Distribution	LU2227857583	0.55%	
	I	Capitalisation	LU2227857401	0.55%	
	I - EUR - Hedged	Capitalisation	LU2227857740	0.55%	
	I - EUR - Unhedged	Capitalisation	LU2227857666	0.55%	
	I - GBP - Unhedged	Capitalisation	LU2227857823	0.55%	
	R	Capitalisation	LU2227858128	0.55%	
	R - CHF - Hedged	Capitalisation	LU2227858714	0.55%	
	R - EUR - Unhedged	Capitalisation	LU2227858474	0.55%	
	R - GBP - Unhedged	Capitalisation	LU2227858805	0.55%	
	R2	Distribution	LU2227859019	0.35%	
	R2	Capitalisation	LU2227858987	0.35%	
	R2 - EUR - Unhedged	Capitalisation	LU2227859100	0.35%	
	S	Capitalisation	LU2227859282	0.75%	
	V	Capitalisation	LU2227859365	0.25%	
	V - EUR - Hedged	Capitalisation	LU2227859449	0.25%	
Z	Distribution	LU2227859795	0.00%		
Z	Capitalisation	LU2227859522	0.00%		
Z - EUR - Hedged	Capitalisation	LU2227859878	0.00%		
Candriam Sustainable Equity World	C	Distribution	LU1434527518	1.50%	
	C	Capitalisation	LU1434527435	1.50%	
	C - EUR - Asset Hedged	Capitalisation	LU2420561321	1.50%	
	C - USD - Unhedged	Capitalisation	LU2016899291	1.50%	
	I	Distribution	LU1434527864	0.65%	
	I	Capitalisation	LU1434527781	0.65%	
	N	Capitalisation	LU2027379945	2.00%	
	R	Capitalisation	LU1434528169	0.70%	
	R - GBP - Unhedged	Capitalisation	LU1434528243	0.70%	
	R2	Capitalisation	LU1720121166	0.38%	
	V	Capitalisation	LU1434528672	0.35%	
	Z	Capitalisation	LU1434528839	0.00%	
	Candriam Sustainable Money Market Euro	C	Distribution	LU1434529134	0.30%
C		Capitalisation	LU1434529050	0.30%	
I		Distribution	LU1434529308	0.15%	
I		Capitalisation	LU1434529217	0.15%	
V		Capitalisation	LU1434529647	0.06%	
Z		Capitalisation	LU1434529993	0.00%	



# Candriam Sustainable

## Other notes to the financial statements

### Note 3 - Management fees (continued)

The table hereafter reflects the maximum Management fee's annual rate applied to UCITS invested into by Candriam Sustainable different sub-funds as at December 31, 2022.

Target fund	Maximum rate
CANDRIAM FUND SUSTAINABLE EURO CORPORATE BONDS FOSSIL FREE Z C	0.00%
CANDRIAM FUND SUSTAINABLE EUROPEAN EQUITIES FOSSIL FREE Z C	0.00%
CANDRIAM SUSTAINABLE BOND EMERGING MARKETS Z C	0.00%
CANDRIAM SUSTAINABLE BOND EURO CORPORATE I C	0.40%
CANDRIAM SUSTAINABLE BOND EURO CORPORATE Z C	0.00%
CANDRIAM SUSTAINABLE BOND EURO SHORT TERM Z C	0.00%
CANDRIAM SUSTAINABLE BOND EURO Z C	0.00%
CANDRIAM SUSTAINABLE BOND GLOBAL CONVERTIBLE Z C	0.00%
CANDRIAM SUSTAINABLE BOND GLOBAL HIGH YIELD Z C	0.00%
CANDRIAM SUSTAINABLE BOND GLOBAL Z C	0.00%
CANDRIAM SUSTAINABLE BOND IMPACT Z C	0.00%
CANDRIAM SUSTAINABLE EQUITY CIRCULAR ECONOMY Z C	0.00%
CANDRIAM SUSTAINABLE EQUITY CLIMATE ACTION Z C	0.00%
CANDRIAM SUSTAINABLE EQUITY EMERGING MARKETS Z C	0.00%
CANDRIAM SUSTAINABLE EQUITY EUROPE Z C	0.00%
CANDRIAM SUSTAINABLE EQUITY JAPAN Z C	0.00%
CANDRIAM SUSTAINABLE EQUITY QUANT EUROPE Z C	0.00%
CANDRIAM SUSTAINABLE EQUITY US Z C	0.00%
CANDRIAM SUSTAINABLE EQUITY WORLD Z C	0.00%
CANDRIAM SUSTAINABLE MONEY MARKET EURO V C	0.06%
CANDRIAM SUSTAINABLE MONEY MARKET EURO Z C	0.00%
INDEXIQ FACTORS SUSTAINABLE SOVEREIGN EURO BOND UCITS ETF D	0.15%

### Note 4 - Distribution fees

The sub-fund Candriam Sustainable Equity World pays, for the Y class only, a distribution fee. This fee is currently set at 1.38% of the Y Class of the sub-fund Sustainable Equity World and is expressed as an annual percentage of the average net asset value of the share class, proportionate to the net assets brought by the Distributor in the share class, payable by the SICAV at the end of each quarter. The share class is dormant since April 1, 2021.

Sub-funds	Share class	Share type	ISIN	Annual rate
Candriam Sustainable Equity World	Y	Capitalisation	LU1434528755	0.0138

### Note 5 - Operating and Administrative Expenses

The SICAV bears the current operating and administrative expenses incurred to cover all the overheads and variable expenses, the charges, fees and other expenses, as defined below ("Operating and Administrative Expenses").

The Operating and Administrative Expenses cover, but are not limited to, the following expenses:

- the expenditures incurred directly by the SICAV, including, inter alia, the Depositary Bank's fees and charges, the fees and expenses of the approved independent auditors, the cost of share class hedging, including that invoiced by the Management Company, the fees paid to the Directors and the reasonable expenses and outlays incurred by or for the Directors;
- a "service fee" paid to the Management Company and including the remaining sum of the Operating and Administrative Expenses after deduction of the expenses detailed in section (a) above, that is, inter alia, the fees and expenses of the Domiciliary Agent, the Administrative Agent, the Transfer Agent and Registrar Holding and the Principal Paying Agent, the costs related to registration and maintenance of the registration in all the jurisdictions (such as the fees charged by the supervisory authorities concerned, the translation expenses and the remuneration of the Representatives abroad and the local paying agents), the stock exchange registration and renewal expenses, the cost of publishing the share prices, the postal and telecommunication charges, preparation cost, printing, translating and distributing the prospectuses, key investor information documents, notices to shareholders, financial reports or of any other document intended for the shareholders, the legal fees and expenses, the charges and expenses related to the taking out of any subscription/licence or any other use of fee-paying information or data, the expenses incurred by the use of a registered trademark by the SICAV, the expenses and fees payable to the Management Company and/or its delegates and/or to any other agent appointed by the SICAV itself and/or to the independent experts.

The Operating and Administrative Expenses are expressed as an annual percentage of the average net asset value of each share class and are payable monthly.

At the end of a given period, if the actual charges and expenses were to be higher than the percentage of Operating and Administrative Expenses set for a share class, then the Management Company would pay for the difference itself. Conversely, if the actual charges and expenses were to turn out to be lower than the percentage of Operating and Administrative Expenses set for a share class, then the Management Company would retain the difference.

The Management Company shall be entitled to instruct the SICAV to proceed to settle all or part of the expenses as listed above directly from its assets.

In such a case, the amount of the Operating and Administrative Expenses would be reduced accordingly.

# Candriam Sustainable

## Other notes to the financial statements

### Note 5 - Operating and Administrative Expenses (continued)

The maximum rates applicable as at December 31, 2022 are as follows:

Sub-funds	Share class	Share type	ISIN	Maximum rate
Candriam Sustainable Balanced Asset Allocation	I	Capitalisation	LU2428018811	0.20%
Candriam Sustainable Bond Emerging Markets	C	Distribution	LU1434519507	0.35%
	C	Capitalisation	LU1434519416	0.35%
	C - EUR - Hedged	Capitalisation	LU2016899614	0.35%
	C - EUR - Unhedged	Capitalisation	LU2264875068	0.35%
	I	Distribution	LU1434519762	0.28%
	I	Capitalisation	LU1434519689	0.28%
	I - CHF - Hedged	Capitalisation	LU2059770078	0.28%
	I - EUR - Hedged	Distribution	LU1580881933	0.28%
	I - EUR - Hedged	Capitalisation	LU1434519846	0.28%
	I - GBP - Hedged	Distribution	LU1797946164	0.28%
	R	Capitalisation	LU1434519929	0.35%
	R - CHF - Hedged	Capitalisation	LU2059770151	0.35%
	R - EUR - Hedged	Distribution	LU1797946248	0.35%
	R - EUR - Hedged	Capitalisation	LU2016899705	0.35%
	R - EUR - Unhedged	Capitalisation	LU1434520000	0.35%
	R - GBP - Hedged	Capitalisation	LU1953289276	0.35%
	R2	Distribution	LU1439992113	0.35%
	R2	Capitalisation	LU1434520182	0.35%
	R2 - EUR - Hedged	Distribution	LU2328290445	0.35%
	V	Distribution	LU2211179648	0.28%
	V	Capitalisation	LU1434520265	0.28%
	V - CHF - Hedged	Capitalisation	LU2059770235	0.28%
	V - EUR - Hedged	Capitalisation	LU1434520349	0.28%
	Z	Distribution	LU1434520695	0.28%
	Z	Capitalisation	LU1434520422	0.28%
	Z - EUR - Hedged	Capitalisation	LU2059770318	0.28%
Candriam Sustainable Bond Euro	C	Distribution	LU1313769520	0.33%
	C	Capitalisation	LU1313769447	0.33%
	I	Distribution	LU1313769959	0.25%
	I	Capitalisation	LU1313769793	0.25%
	N	Capitalisation	LU2027379432	0.35%
	R	Capitalisation	LU1313770023	0.33%
	R2	Distribution	LU1720117057	0.33%
	R2	Capitalisation	LU1720116919	0.33%
	V	Capitalisation	LU1313770296	0.25%
	Z	Distribution	LU1434521230	0.25%
	Z	Capitalisation	LU1313770379	0.25%
Candriam Sustainable Bond Euro Corporate	C	Distribution	LU1313770536	0.33%
	C	Capitalisation	LU1313770452	0.33%
	I	Distribution	LU1313770700	0.25%
	I	Capitalisation	LU1313770619	0.25%
	R	Distribution	LU1720117305	0.33%
	R	Capitalisation	LU1313770882	0.33%
	R - CHF - Hedged	Capitalisation	LU1932633214	0.33%
	R - GBP - Hedged	Capitalisation	LU1932633305	0.33%
	R - USD - Hedged	Capitalisation	LU1932633487	0.33%
	R2	Distribution	LU1720117560	0.33%
	R2	Capitalisation	LU1720117487	0.33%
	V	Capitalisation	LU1313770965	0.25%
	Z	Distribution	LU1434521743	0.25%
	Z	Capitalisation	LU1313771005	0.25%
Candriam Sustainable Bond Euro Short Term	C	Distribution	LU1434522048	0.33%
	C	Capitalisation	LU1434521826	0.33%
	I	Distribution	LU1434522550	0.25%
	I	Capitalisation	LU1434522477	0.25%
	R	Distribution	LU1720117644	0.33%
	R	Capitalisation	LU1434522634	0.33%
	R2	Distribution	LU1720117990	0.33%
	R2	Capitalisation	LU1720117727	0.33%
	V	Distribution	LU2364191341	0.25%
	V	Capitalisation	LU1434522717	0.25%
	Z	Capitalisation	LU1434522808	0.25%
Candriam Sustainable Bond Global	C	Distribution	LU1434523103	0.33%
	C	Capitalisation	LU1434523012	0.33%
	I	Capitalisation	LU1434523285	0.25%
	R	Capitalisation	LU1434523442	0.33%
	R - EUR - Asset Hedged	Capitalisation	LU2211181891	0.33%
	R2	Distribution	LU1720118022	0.33%
	R2	Capitalisation	LU1720118295	0.33%
	V	Capitalisation	LU1434523525	0.25%
	V - EUR - Asset Hedged	Capitalisation	LU2211182196	0.25%
	V - USD - Asset Hedged	Capitalisation	LU2211182436	0.25%
	V (q) - GBP - Asset Hedged	Distribution	LU2211182352	0.25%
	Z	Capitalisation	LU1434523798	0.25%
Candriam Sustainable Bond Global Convertible	C	Capitalisation	LU2428020718	0.35%
	I	Capitalisation	LU2428020981	0.28%

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## Other notes to the financial statements

### Note 5 - Operating and Administrative Expenses (continued)

Sub-funds	Share class	Share type	ISIN	Maximum rate
Candriam Sustainable Bond Global Convertible (continued)	R	Capitalisation	LU2428021369	0.35%
	Z	Capitalisation	LU2428021872	0.28%
Candriam Sustainable Bond Global High Yield	C	Distribution	LU1644441393	0.35%
	C	Capitalisation	LU1644441120	0.35%
	C - USD - Unhedged	Capitalisation	LU2109443460	0.35%
	C (m) - USD - Hedged	Distribution	LU2364191697	0.35%
	I	Distribution	LU1644441633	0.28%
	I	Capitalisation	LU1644441476	0.28%
	I - USD - Hedged	Distribution	LU2211180653	0.28%
	I - USD - Hedged	Capitalisation	LU1644441559	0.28%
	I - USD - Unhedged	Capitalisation	LU2109443544	0.28%
	N	Capitalisation	LU2027379515	0.35%
	R	Distribution	LU1720118378	0.35%
	R	Capitalisation	LU1644441716	0.35%
	R - CHF - Hedged	Capitalisation	LU2211180901	0.35%
	R - USD - Hedged	Capitalisation	LU2211181206	0.35%
	R2	Distribution	LU2363112363	0.35%
	S	Capitalisation	LU1720118451	0.28%
	S - USD - Hedged	Capitalisation	LU2474803587	0.28%
	V	Capitalisation	LU1644441807	0.28%
	V - USD - Hedged	Capitalisation	LU2211180067	0.28%
	Z	Capitalisation	LU1644441989	0.28%
Candriam Sustainable Bond Impact	C	Capitalisation	LU2369559823	0.33%
	I	Capitalisation	LU2369560169	0.25%
	R	Capitalisation	LU2369560326	0.33%
	S	Distribution	LU2369561050	0.25%
	Z	Capitalisation	LU2369561217	0.25%
Candriam Sustainable Defensive Asset Allocation	C	Distribution	LU1644442284	0.30%
	C	Capitalisation	LU1644442102	0.30%
	I	Distribution	LU1644442441	0.20%
	I	Capitalisation	LU1644442367	0.20%
	R	Capitalisation	LU1644442524	0.30%
	R2	Distribution	LU1932633560	0.30%
	V	Capitalisation	LU1644442797	0.20%
	Z	Capitalisation	LU1644442870	0.20%
Candriam Sustainable Equity Children	BF - EUR - Unhedged	Distribution	LU2371178836	0.30%
	BF - EUR - Unhedged	Capitalisation	LU2371175907	0.30%
	C	Capitalisation	LU2371178752	0.40%
	I	Capitalisation	LU2371178240	0.30%
	I - EUR - Unhedged	Capitalisation	LU2371178083	0.00%
	R	Capitalisation	LU2371177275	0.40%
	Z - EUR - Unhedged	Capitalisation	LU2371179057	0.30%
Candriam Sustainable Equity Circular Economy	BF - EUR - Unhedged	Distribution	LU2109443205	0.00%
	BF - EUR - Unhedged	Capitalisation	LU2109443114	0.00%
	C	Capitalisation	LU2109440870	0.40%
	C - EUR - Hedged	Capitalisation	LU2109441175	0.40%
	I	Capitalisation	LU2109441258	0.30%
	I - EUR - Unhedged	Capitalisation	LU2109441332	0.30%
	PI	Capitalisation	LU2109441415	0.30%
	R	Distribution	LU2109441761	0.40%
	R	Capitalisation	LU2109441688	0.40%
	R - EUR - Hedged	Capitalisation	LU2109441928	0.40%
	R - EUR - Unhedged	Capitalisation	LU2109441845	0.40%
	R2	Distribution	LU2109442140	0.40%
	R2	Capitalisation	LU2109442066	0.40%
	V	Capitalisation	LU2109442579	0.30%
Z	Capitalisation	LU2109442736	0.30%	
Candriam Sustainable Equity Climate Action	BF - EUR - Unhedged	Distribution	LU2016899028	0.30%
	BF - EUR - Unhedged	Capitalisation	LU2016898996	0.30%
	C	Distribution	LU1932633727	0.40%
	C	Capitalisation	LU1932633644	0.40%
	C - EUR - Hedged	Capitalisation	LU1932634022	0.40%
	C - EUR - Unhedged	Capitalisation	LU1932633990	0.40%
	I	Capitalisation	LU1932634295	0.30%
	I - EUR - Hedged	Capitalisation	LU2059769906	0.30%
	I - EUR - Unhedged	Capitalisation	LU1932634378	0.30%
	PI	Capitalisation	LU1932635003	0.30%
	R	Distribution	LU1932634535	0.40%
	R	Capitalisation	LU1932634451	0.40%
	R - EUR - Hedged	Capitalisation	LU1932634709	0.40%
	R - EUR - Unhedged	Capitalisation	LU1932634618	0.40%
	R2	Distribution	LU1932634964	0.40%
	R2	Capitalisation	LU1932634881	0.40%
	Z	Capitalisation	LU1932635185	0.30%
	Z - EUR - Unhedged	Capitalisation	LU2211181388	0.30%
	Candriam Sustainable Equity Emerging Markets	C	Distribution	LU1434524093
C		Capitalisation	LU1434523954	0.40%
C - USD - Unhedged		Distribution	LU2343014036	0.40%
C - USD - Unhedged		Capitalisation	LU1797946321	0.40%

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## Other notes to the financial statements

### Note 5 - Operating and Administrative Expenses (continued)

Sub-funds	Share class	Share type	ISIN	Maximum rate
Candriam Sustainable Equity Emerging Markets (continued)	I	Capitalisation	LU1434524259	0.30%
	I - GBP - Unhedged	Capitalisation	LU1434524333	0.30%
	I - USD - Unhedged	Capitalisation	LU1797946594	0.30%
	N	Capitalisation	LU2027379606	0.40%
	P	Capitalisation	LU2421359626	0.30%
	R	Distribution	LU1720118535	0.40%
	R	Capitalisation	LU1434524416	0.40%
	R - GBP - Unhedged	Capitalisation	LU1434524689	0.40%
	R - USD - Unhedged	Capitalisation	LU1797946677	0.40%
	R2	Distribution	LU1434524846	0.40%
	R2	Capitalisation	LU1434524762	0.40%
	S	Capitalisation	LU2363113171	0.30%
	V	Capitalisation	LU1434524929	0.30%
	V - USD - Unhedged	Capitalisation	LU1797946750	0.30%
	Z	Capitalisation	LU1434525066	0.30%
	Candriam Sustainable Equity EMU	C	Distribution	LU1313771260
C		Capitalisation	LU1313771187	0.40%
I		Capitalisation	LU1313771344	0.30%
R		Distribution	LU1720121679	0.40%
R		Capitalisation	LU1313771427	0.40%
R2		Distribution	LU1434525496	0.40%
R2		Capitalisation	LU1434525223	0.40%
V		Capitalisation	LU1313771690	0.30%
Z		Capitalisation	LU1313771773	0.30%
Candriam Sustainable Equity Europe	C	Distribution	LU1313771930	0.40%
	C	Capitalisation	LU1313771856	0.40%
	I	Capitalisation	LU1313772078	0.30%
	N	Capitalisation	LU2027379788	0.40%
	R	Distribution	LU1720118618	0.40%
	R	Capitalisation	LU1313772151	0.40%
	R2	Distribution	LU1720118964	0.40%
	R2	Capitalisation	LU1720118709	0.40%
	V	Capitalisation	LU1313772235	0.30%
	Z	Distribution	LU1434525819	0.30%
	Z	Capitalisation	LU1313772318	0.30%
Candriam Sustainable Equity Europe Small & Mid Caps	C	Distribution	LU2258565162	0.40%
	C	Capitalisation	LU2258565089	0.40%
	I	Capitalisation	LU2258565246	0.30%
	R	Capitalisation	LU2258565675	0.40%
	R2	Distribution	LU2258565832	0.40%
	R2	Capitalisation	LU2258565758	0.40%
	Z	Capitalisation	LU2258566053	0.30%
	Candriam Sustainable Equity Future Mobility	BF - EUR - Unhedged	Distribution	LU2258562730
BF - EUR - Unhedged		Capitalisation	LU2258562656	0.30%
C		Capitalisation	LU2258562813	0.40%
C - EUR - Hedged		Capitalisation	LU2258563118	0.40%
I		Capitalisation	LU2258563209	0.30%
I - EUR - Unhedged		Capitalisation	LU2258563381	0.30%
R		Capitalisation	LU2258563464	0.40%
R2		Distribution	LU2258564199	0.40%
V		Capitalisation	LU2258564512	0.30%
Z	Capitalisation	LU2258564603	0.30%	
Candriam Sustainable Equity Japan	C	Distribution	LU1434526544	0.40%
	C	Capitalisation	LU1434526460	0.40%
	I	Capitalisation	LU1434526627	0.30%
	N	Capitalisation	LU2027379861	0.40%
	R	Distribution	LU1720120192	0.40%
	R	Capitalisation	LU1434526890	0.40%
	R - EUR - Hedged	Distribution	LU1720120358	0.40%
	R - EUR - Unhedged	Capitalisation	LU1434526973	0.40%
	R2	Distribution	LU1720120788	0.40%
	R2	Capitalisation	LU1720120515	0.40%
	Z	Capitalisation	LU1434527278	0.30%
	Z - EUR - Hedged	Capitalisation	LU2501585306	0.30%
Candriam Sustainable Equity Quant Europe	C	Distribution	LU2378104140	0.40%
	C	Capitalisation	LU2378104066	0.40%
	I	Capitalisation	LU2378104223	0.30%
	N	Capitalisation	LU2378104652	0.40%
	R	Capitalisation	LU2378104736	0.40%
	R - GBP - Unhedged	Capitalisation	LU2378104819	0.40%
	R2	Distribution	LU2378105030	0.40%
	R2	Capitalisation	LU2378104900	0.40%
	V	Capitalisation	LU2378105113	0.30%
	Z	Distribution	LU2378105386	0.30%
	Z	Capitalisation	LU2378105204	0.30%
Candriam Sustainable Equity US	BF - EUR - Unhedged	Capitalisation	LU2227860371	0.30%
	C	Distribution	LU2227857153	0.40%
	C	Capitalisation	LU2227857070	0.40%
	C - EUR - Hedged	Capitalisation	LU2227857310	0.40%

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## Other notes to the financial statements

### Note 5 - Operating and Administrative Expenses (continued)

Sub-funds	Share class	Share type	ISIN	Maximum rate
Candriam Sustainable Equity US (continued)	C - EUR - Unhedged	Capitalisation	LU2227857237	0.40%
	I	Distribution	LU2227857583	0.30%
	I	Capitalisation	LU2227857401	0.30%
	I - EUR - Hedged	Capitalisation	LU2227857740	0.30%
	I - EUR - Unhedged	Capitalisation	LU2227857666	0.30%
	I - GBP - Unhedged	Capitalisation	LU2227857823	0.30%
	R	Capitalisation	LU2227858128	0.40%
	R - CHF - Hedged	Capitalisation	LU2227858714	0.40%
	R - EUR - Unhedged	Capitalisation	LU2227858474	0.40%
	R - GBP - Unhedged	Capitalisation	LU2227858805	0.40%
	R2	Distribution	LU2227859019	0.40%
	R2	Capitalisation	LU2227858987	0.40%
	R2 - EUR - Unhedged	Capitalisation	LU2227859100	0.40%
	S	Capitalisation	LU2227859282	0.30%
	V	Capitalisation	LU2227859365	0.30%
	V - EUR - Hedged	Capitalisation	LU2227859449	0.30%
	Z	Distribution	LU2227859795	0.30%
	Z	Capitalisation	LU2227859522	0.30%
	Z - EUR - Hedged	Capitalisation	LU2227859878	0.30%
	Candriam Sustainable Equity World	C	Distribution	LU1434527518
C		Capitalisation	LU1434527435	0.40%
C - EUR - Asset Hedged		Capitalisation	LU2420561321	0.40%
C - USD - Unhedged		Capitalisation	LU2016899291	0.40%
I		Distribution	LU1434527864	0.30%
I		Capitalisation	LU1434527781	0.30%
N		Capitalisation	LU2027379945	0.40%
R		Capitalisation	LU1434528169	0.40%
R - GBP - Unhedged		Capitalisation	LU1434528243	0.40%
R2		Capitalisation	LU1720121166	0.40%
V		Capitalisation	LU1434528672	0.30%
Z		Capitalisation	LU1434528839	0.30%
Candriam Sustainable Money Market Euro		C	Distribution	LU1434529134
	C	Capitalisation	LU1434529050	0.30%
	I	Distribution	LU1434529308	0.17%
	I	Capitalisation	LU1434529217	0.17%
	V	Capitalisation	LU1434529647	0.17%
	Z	Capitalisation	LU1434529993	0.17%

### Note 6 - Subscription tax

The SICAV is governed by the Luxembourg tax laws.

By virtue of the legislation and regulations currently in force, the SICAV is subject in Luxembourg to an annual tax of 0.05% of the net asset value of the SICAV; this rate is reduced to 0.01% for the classes reserved for institutional investors. This tax is payable quarterly on the basis of the net assets value of the SICAV calculated at the end of the quarter to which the tax relates.

The Belgian government enacted a law to tax once a year the net asset value of foreign investment funds registered in Belgium. This annual tax is calculated on the net amounts defined as invested in Belgium by Belgian financial intermediaries. In the absence of a sufficient declaration relating to these figures, the tax authority will be entitled to calculate the tax on the entirety of the assets of these sub-funds. The Belgian law of June 17, 2013 comprising fiscal and financial provisions and provisions relating to sustainable development set the rate of the annual tax for Undertakings for Collective Investment at 0.0925% with effect from January 1, 2014.

As a precautionary measure, the SICAV filed a claim with the Belgian tax authority and the Brussels Court of First Instance for the tax to be refunded. At this stage, it is not possible to prejudge the outcome of the dispute or any reimbursement in favour of the SICAV. In a similar case, the Belgian State appealed to the Court of Cassation against the Court of Appeal's rulings in favour of the plaintiff. The management company was informed that the Court of Cassation ruled against the plaintiff on March 25, 2022. The Court of Cassation (French-speaking chamber) considers that the Brussels Court of Appeal wrongly qualified the Belgian subscription tax as a wealth tax covered by the double taxation convention between Belgium and Luxembourg (which convention attributes the right to tax Luxembourg SICAVs only by Luxembourg and not by Belgium, which justified the claim for reimbursement of the Belgian subscription tax).

The case is referred back to the Court of Appeal of Liège which will be bound by the assessment taken by the Court of Cassation.

Another decision of the Court of Cassation (Dutch-speaking chamber) of April 21, 2022 does not dispute that the Belgian subscription tax is a wealth tax, but considers that the double taxation convention between Belgium and Luxembourg (unlike the one signed with the Netherlands) does not cover in its scope a wealth tax levied in Belgium.

The prospect of a refund is therefore limited and will in any case not be possible in the short term.

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## Other notes to the financial statements

### Note 7 - Dividends

The SICAV distributed the following dividends during the year ended December 31, 2022:

Sub-funds	Share class	Currency	Dividend	Ex-date
Candriam Sustainable Bond Emerging Markets	C	USD	4.40	28/04/2022
Candriam Sustainable Bond Emerging Markets	I	USD	46.32	28/04/2022
Candriam Sustainable Bond Emerging Markets	I - EUR - Hedged	EUR	40.80	28/04/2022
Candriam Sustainable Bond Emerging Markets	I - GBP - Hedged	GBP	44.64	28/04/2022
Candriam Sustainable Bond Emerging Markets	R - EUR - Hedged	EUR	4.46	28/04/2022
Candriam Sustainable Bond Emerging Markets	R2	USD	4.39	28/04/2022
Candriam Sustainable Bond Emerging Markets	V	USD	36.78	28/04/2022
Candriam Sustainable Bond Emerging Markets	Z	USD	47.60	28/04/2022
Candriam Sustainable Bond Euro	C	EUR	0.06	28/04/2022
Candriam Sustainable Bond Euro	I	EUR	0.72	28/04/2022
Candriam Sustainable Bond Euro	R2	EUR	0.07	28/04/2022
Candriam Sustainable Bond Euro	Z	EUR	0.73	28/04/2022
Candriam Sustainable Bond Euro Corporate	C	EUR	0.35	28/04/2022
Candriam Sustainable Bond Euro Corporate	R	EUR	0.37	28/04/2022
Candriam Sustainable Bond Euro Corporate	R2	EUR	0.37	28/04/2022
Candriam Sustainable Bond Euro Corporate	Z	EUR	3.74	28/04/2022
Candriam Sustainable Bond Global	C	EUR	0.83	28/04/2022
Candriam Sustainable Bond Global	R2	EUR	0.82	28/04/2022
Candriam Sustainable Bond Global	V (q) - GBP - Asset Hedged	GBP	2.98	03/05/2022
Candriam Sustainable Bond Global	V (q) - GBP - Asset Hedged	GBP	3.18	02/08/2022
Candriam Sustainable Bond Global	V (q) - GBP - Asset Hedged	GBP	3.36	01/02/2022
Candriam Sustainable Bond Global	V (q) - GBP - Asset Hedged	GBP	3.08	03/11/2022
Candriam Sustainable Bond Global High Yield	C	EUR	4.53	28/04/2022
Candriam Sustainable Bond Global High Yield	C (m) - USD - Hedged	USD	0.27	10/02/2022
Candriam Sustainable Bond Global High Yield	C (m) - USD - Hedged	USD	0.28	10/06/2022
Candriam Sustainable Bond Global High Yield	C (m) - USD - Hedged	USD	0.28	11/08/2022
Candriam Sustainable Bond Global High Yield	C (m) - USD - Hedged	USD	0.29	10/11/2022
Candriam Sustainable Bond Global High Yield	C (m) - USD - Hedged	USD	0.29	10/03/2022
Candriam Sustainable Bond Global High Yield	C (m) - USD - Hedged	USD	0.29	12/12/2022
Candriam Sustainable Bond Global High Yield	C (m) - USD - Hedged	USD	0.31	12/09/2022
Candriam Sustainable Bond Global High Yield	C (m) - USD - Hedged	USD	0.32	12/01/2022
Candriam Sustainable Bond Global High Yield	C (m) - USD - Hedged	USD	0.32	11/04/2022
Candriam Sustainable Bond Global High Yield	C (m) - USD - Hedged	USD	0.32	12/07/2022
Candriam Sustainable Bond Global High Yield	C (m) - USD - Hedged	USD	0.33	11/05/2022
Candriam Sustainable Bond Global High Yield	C (m) - USD - Hedged	USD	0.35	12/10/2022
Candriam Sustainable Bond Global High Yield	I	EUR	44.03	28/04/2022
Candriam Sustainable Bond Global High Yield	I - USD - Hedged	USD	44.84	28/04/2022
Candriam Sustainable Bond Global High Yield	R	EUR	4.62	28/04/2022
Candriam Sustainable Defensive Asset Allocation	I	EUR	3.31	28/04/2022
Candriam Sustainable Equity Circular Economy	R2	USD	2.36	28/04/2022
Candriam Sustainable Equity Climate Action	BF - EUR - Unhedged	EUR	26.90	28/04/2022
Candriam Sustainable Equity Climate Action	C	USD	2.88	28/04/2022
Candriam Sustainable Equity Climate Action	R	USD	2.68	28/04/2022
Candriam Sustainable Equity Climate Action	R2	USD	3.09	28/04/2022
Candriam Sustainable Equity Emerging Markets	C	EUR	3.51	28/04/2022
Candriam Sustainable Equity Emerging Markets	R	EUR	2.59	28/04/2022
Candriam Sustainable Equity Emerging Markets	R2	EUR	3.00	28/04/2022
Candriam Sustainable Equity EMU	C	EUR	2.01	28/04/2022
Candriam Sustainable Equity EMU	R	EUR	2.20	28/04/2022
Candriam Sustainable Equity EMU	R2	EUR	2.23	28/04/2022
Candriam Sustainable Equity Europe	C	EUR	0.49	28/04/2022
Candriam Sustainable Equity Europe	R	EUR	2.73	28/04/2022
Candriam Sustainable Equity Europe	R2	EUR	3.05	28/04/2022
Candriam Sustainable Equity Europe	Z	EUR	32.87	28/04/2022
Candriam Sustainable Equity Future Mobility	R2	USD	1.73	28/04/2022
Candriam Sustainable Equity Japan	C	JPY	62.29	28/04/2022
Candriam Sustainable Equity Japan	R	JPY	260.61	28/04/2022
Candriam Sustainable Equity Japan	R - EUR - Hedged	EUR	1.99	28/04/2022
Candriam Sustainable Equity Japan	R2	JPY	255.87	28/04/2022
Candriam Sustainable Equity Quant Europe	C	EUR	49.41	28/04/2022
Candriam Sustainable Equity Quant Europe	R2	EUR	4.21	28/04/2022
Candriam Sustainable Equity Quant Europe	Z	EUR	49.75	28/04/2022
Candriam Sustainable Equity US	C	USD	0.63	28/04/2022
Candriam Sustainable Equity US	I	USD	0.75	28/04/2022
Candriam Sustainable Equity US	R2	USD	1.26	28/04/2022
Candriam Sustainable Equity US	Z	USD	12.66	28/04/2022
Candriam Sustainable Equity World	C	EUR	0.41	28/04/2022
Candriam Sustainable Equity World	I	EUR	40.98	28/04/2022

### Note 8 - 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:

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## Other notes to the financial statements

### Note 8 - Swing Pricing (continued)

• 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 Sustainable Equity Climate Action, Candriam Sustainable Equity Emerging Markets, Candriam Sustainable Equity EMU, Candriam Sustainable Equity Europe, Candriam Sustainable Equity Europe Small & Mid Caps, Candriam Sustainable Equity Japan, Candriam Sustainable Equity World, Candriam Sustainable Equity Circular Economy, Candriam Sustainable Equity Children, Candriam Sustainable Equity Future Mobility, Candriam Sustainable Equity US and Candriam Sustainable Equity Quant Europe.

• 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) for Candriam Sustainable Bond Emerging Markets, Candriam Sustainable Bond Euro, Candriam Sustainable Bond Euro Corporate, Candriam Sustainable Bond Euro Short Term, Candriam Sustainable Bond Impact and Candriam Sustainable Bond Global, Candriam Sustainable Bond Global Convertible;

• to value the net asset value of the sub-fund or the part of the portfolio composed of high yield securities by adding to the assets (for net subscriptions) or deducting from the assets (for net redemptions) a bid-ask spread for Candriam Sustainable Bond Global High Yield.

During the year, Swing Pricing was applied to the Net Asset Values of the following sub-funds : Candriam Sustainable Bond Emerging Markets, Candriam Sustainable Bond Euro, Candriam Sustainable Bond Euro Corporate, Candriam Sustainable Bond Euro Short Term, Candriam Sustainable Bond Global, Candriam Sustainable Bond Global High Yield, Candriam Sustainable Bond Impact, Candriam Sustainable Equity Children, Candriam Sustainable Equity Circular Economy, Candriam Sustainable Equity Climate Action, Candriam Sustainable Equity Emerging Markets, Candriam Sustainable Equity EMU, Candriam Sustainable Equity Europe, Candriam Sustainable Equity Future Mobility, Candriam Sustainable Equity Japan, Candriam Sustainable Equity Quant Europe and Candriam Sustainable Equity World.

As at December 31, 2022, 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 high yield method

- Bid-ask spread

For fixed income method:

- Swing Pricing Policy
- linked to Bid/Ask spread

<b>Sub-funds</b>	<b>Maximum swing factor Inflow rate (in %)</b>	<b>Maximum swing factor Outflow rate (in %)</b>
Candriam Sustainable Bond Global High Yield	0.62	0.62
Candriam Sustainable Equity Children	0.13	0.04
Candriam Sustainable Equity Circular Economy	0.07	0.05
Candriam Sustainable Equity Climate Action	0.07	0.05
Candriam Sustainable Equity Emerging Markets	0.17	0.19
Candriam Sustainable Equity EMU	0.20	0.04
Candriam Sustainable Equity Europe	0.26	0.04
Candriam Sustainable Equity Europe Small & Mid Caps	0.23	0.04
Candriam Sustainable Equity Future Mobility	0.05	0.05
Candriam Sustainable Equity Japan	0.03	0.03
Candriam Sustainable Equity Quant Europe	0.19	0.02
Candriam Sustainable Equity US	0.02	0.04
Candriam Sustainable Equity World	0.05	0.04

# Candriam Sustainable

## Other notes to the financial statements

### Note 9 - Cash at bank and broker

The Cash at bank and broker in the statement of net assets comprises the cash accounts and the cash at broker accounts on future contracts.

The part relating to the cash at broker accounts in Cash at bank and broker included in the statement of net assets as at December 31, 2022 is as follows:

<u>Sub-funds</u>	<u>Currency</u>	<u>Cash at broker</u>
Candriam Sustainable Balanced Asset Allocation	EUR	(2,528)
Candriam Sustainable Bond Emerging Markets	USD	2,033,941
Candriam Sustainable Bond Euro	EUR	(286,536)
Candriam Sustainable Bond Euro Corporate	EUR	4,764,827
Candriam Sustainable Bond Euro Short Term	EUR	(216,049)
Candriam Sustainable Bond Global	EUR	1,530,958
Candriam Sustainable Bond Global High Yield	EUR	(22,549)
Candriam Sustainable Bond Impact	EUR	76,709
Candriam Sustainable Defensive Asset Allocation	EUR	(51,117)

### Note 10 - Collateral

In relation with the OTC derivative instruments, cash collateral has been received from UBS Europe SE, Société Générale S.A., Caceis Bank France S.A., Barclays Bank PLC - Ireland - LC, JP Morgan SE, Nomura Financial Products Europe GMBH - DE - LC, BNP Paribas S.A., Natixis S.A., amounting to:

<u>Sub-funds</u>	<u>Currency</u>	<u>Cash Collateral Posted</u>	<u>Cash Collateral held</u>
Candriam Sustainable Bond Emerging Markets	USD	(1,730,000)	0
Candriam Sustainable Bond Euro Corporate	EUR	0	1,400,000
Candriam Sustainable Bond Global	EUR	(1,360,000)	1,030,000
Candriam Sustainable Bond Global Convertible	EUR	0	900,000
Candriam Sustainable Bond Global High Yield	EUR	0	29,920,000
Candriam Sustainable Equity Japan	JPY	(82,420,000)	0

### Note 11 - 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 12 - Significant events during the year

As at 29 March, 2022, the Belgian Sub-Fund Belfius Equities Become became through a transfer in kind a feeder structure of the Candriam Sustainable Equity Children Sub-Fund.

With effect as of July 1, 2022 (the "Effective Date"), Candriam Luxembourg has absorbed its subsidiaries Candriam Belgium and Candriam France via a Luxembourg merger by absorption in accordance with Article 1021-1 (et seq.) of the Luxembourg law on commercial companies of 10 August 1915, as amended. As of the Effective Date, the name of Candriam Luxembourg has been changed to Candriam.

### Note 13 - 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 SICAV must determine the SICAV risk management method, using either the commitment approach or the VaR approach.

The Board of Directors of the SICAV has chosen to adopt the commitment approach as the method for determining overall risk for all the sub-funds of the SICAV.

### Engagement & voting policies, use of voting rights

Candriam exercises voting rights for the considered funds.

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

#### Proxy Voting

Since January 1, 2004, Candriam Luxembourg 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 Luxembourg'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-funds:

- Candriam Sustainable Defensive Asset Allocation
- Candriam Sustainable Equity Children
- Candriam Sustainable Equity Circular Economy
- Candriam Sustainable Equity Climate Action
- Candriam Sustainable Equity Emerging Markets
- Candriam Sustainable Equity EMU
- Candriam Sustainable Equity Europe
- Candriam Sustainable Equity Europe Small & Mid Caps
- Candriam Sustainable Equity Future Mobility
- Candriam Sustainable Equity Japan
- Candriam Sustainable Equity Quant Europe
- Candriam Sustainable Equity US
- Candriam Sustainable Equity World

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.

Other non voted meetings result from either the change of custodian which occurred during the year 2020 for all the funds, the defined voting scope itself (for more details please refer to Candriam voting policy) or from delays in reception of needed powers of attorney."

The voting rights are exercised for each sub-fund of the SICAV on the basis of its positions in the portfolio.

Candriam Luxembourg 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 Luxembourg satisfies itself that it has obtained all the information required for the decision to be taken. Candriam Luxembourg'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 Luxembourg 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 Luxembourg, 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.

There are no securities lending programs for funds which are part of the present SICAV.

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

# Candriam Sustainable

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## 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/>.

(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.

<b>Sub-Funds</b>	<b>Portfolio Turnover Rate (in %)*</b>
Candriam Sustainable Defensive Asset Allocation	82.88
Candriam Sustainable Equity Children	64.41
Candriam Sustainable Equity Circular Economy	94.46
Candriam Sustainable Equity Climate Action	33.35
Candriam Sustainable Equity Emerging Markets	262.93
Candriam Sustainable Equity EMU	56.13
Candriam Sustainable Equity Europe	35.32
Candriam Sustainable Equity Europe Small & Mid Caps	38.76
Candriam Sustainable Equity Future Mobility	23.62
Candriam Sustainable Equity Japan	150.92
Candriam Sustainable Equity Quant Europe	78.9
Candriam Sustainable Equity US	129.96
Candriam Sustainable Equity World	156.9

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

## 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, 2022, 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 16,496,391.
- Total gross amount of variable remunerations paid: EUR 7,603,281.
- Number of beneficiaries: 147.

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 4,123,181.
- 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 2,274,454.

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, 2022:

- 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 24,652,347.
- Total gross amount of variable remunerations paid: EUR 10,435,950.
- Number of beneficiaries: 256.

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: 5,059,679.
- 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 4,582,833.

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, 2022:

- 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 18,384,879.
- Total gross amount of variable remunerations paid: EUR 9,558,325.
- 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 3,634,215.
- 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 3,398,975.

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)**

All the sub-funds of the SICAV are falling under article 9 of SFDR.

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 42.64%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> 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 type="checkbox"/> It made <b>sustainable investments with a social objective</b> : 50.42%	<input type="checkbox"/> with a social objective
	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



### 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 indicator:

- Carbon footprint: the Sub-fund aimed to have a carbon footprint that is at least 25% lower than the carbon footprint of the fund's reference benchmark.

Moreover, the following indicators were monitored either directly for the direct line investments or indirectly in the underlying UCITS/UCI managed by Candriam :

- to assure that there are no investments in issuers that are in violation with the OECD Guidelines for Multinational Enterprises or the UN Global Compact.

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 25% lower than the carbon footprint of the Sub-Fund's reference benchmark.

The Sub-Fund aimed to reduce greenhouse gas emissions versus its benchmark is a first step towards the objectives of the Paris agreement. On a later stage, other steps will be set in order to ensure carbon emissions reduction in view of achieving the Paris Agreement.

### ● **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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 25% reduction vs bench	25.56	77.32

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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.

### **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:

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement : in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue . Candriam prioritised its engagement activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the “new normal” course of business for Candriam’s investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies’ direct and indirect workforces.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may lead to exclusions linked to companies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-

Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :



PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	83.50
1- GHG Emissions - Scope 2 GHG Emissions	50.63
1- GHG Emissions - Total GHG Emissions	134.13
2 - Carbon Footprint	25.56
3 - GHG intensity of investee companies	86.81
4 - Exposure to companies active in fossil fuel sector	1.64%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	36.12%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%
15 - GHG intensity	235.53
16 - Investee countries subject to social violations	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
CANDRIAM SUSTAINABLE EQUITY EUROPE Z C	Investments funds	16.64%	EU
CANDRIAM SUSTAINABLE EQUITY US Z C	Investments funds	12.93%	US
CANDRIAM SUSTAINABLE BOND EURO Z C	Investments funds	12.10%	S1
CANDRIAM SUSTAINABLE BOND EURO SHORT TERM Z C	Investments funds	12.03%	S1
CANDRIAM SUSTAINABLE EQUITY EMERGING MARKETS Z C	Investments funds	8.92%	EM
CANDRIAM SUSTAINABLE BOND EURO CORPORATE Z C	Investments funds	8.38%	S1
CANDRIAM SUSTAINABLE EQUITY QUANT EUROPE Z C	Investments funds	5.70%	EU
CANDRIAM SUSTAINABLE BOND GLOBAL Z C	Investments funds	5.06%	S1
CANDRIAM SUSTAINABLE BOND EMERGING MARKETS Z C	Investments funds	3.09%	EM
CANDRIAM SUSTAINABLE EQUITY JAPAN Z C	Investments funds	2.17%	JP
CANDRIAM SUSTAINABLE BOND GLOBAL HIGH YIELD Z C	Investments funds	2.07%	S1
CANDRIAM SUSTAINABLE EQUITY CLIMATE ACTION Z C	Investments funds	1.39%	S1
CANDRIAM FUND SUSTAINABLE EUROPEAN EQUITIES FOSSIL FREE Z C	Investments funds	1.31%	EU
CANDRIAM SUSTAINABLE EQUITY WORLD Z C	Investments funds	1.21%	S1
CANDRIAM FUND SUSTAINABLE EURO CORPORATE BONDS FOSSIL FREE Z C	Investments funds	1.02%	S1

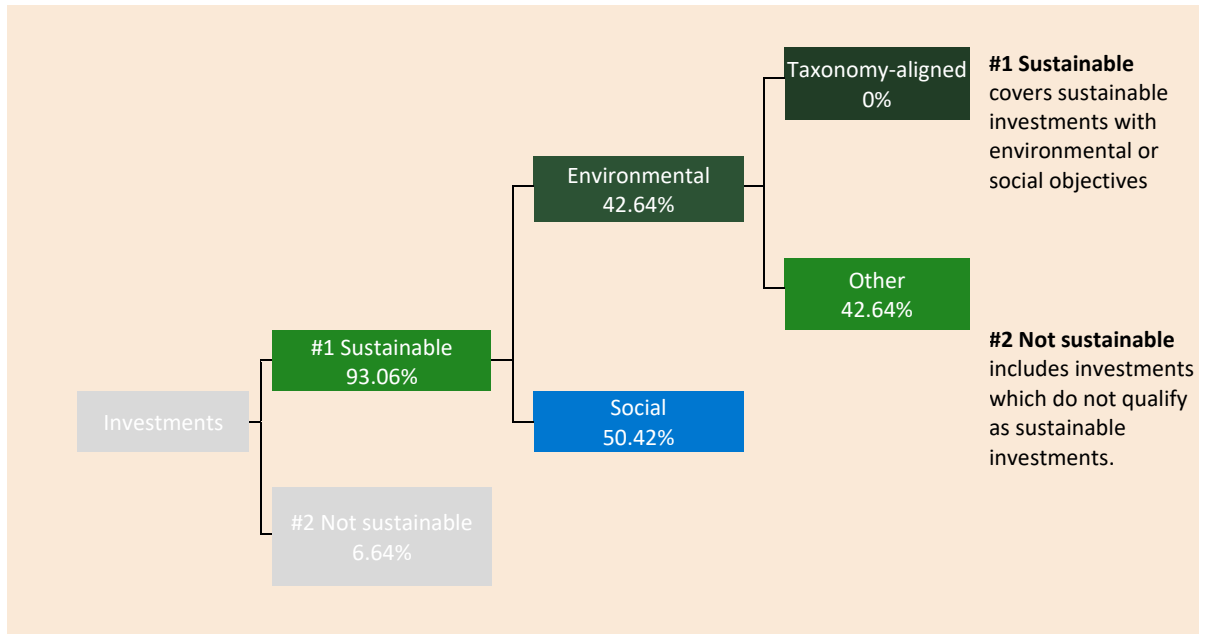
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Investments funds	95.65%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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<sup>1</sup>?

Yes

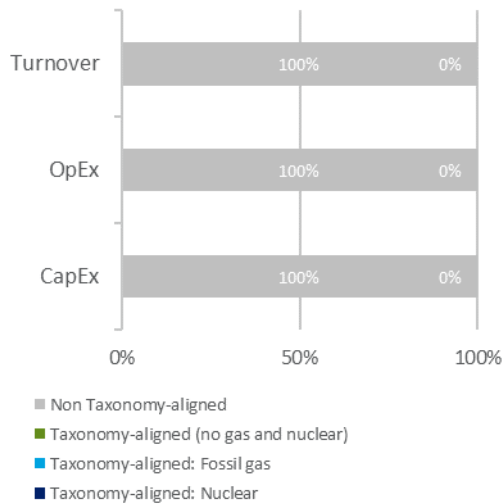
In fossil gas

In nuclear energy

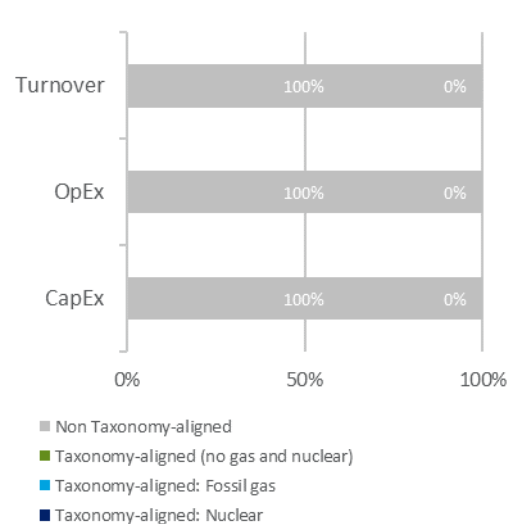
No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*




2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

 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 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?**

Not applicable because no previous period data is available.

● **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 42.64% 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 2022 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 50.42%

 **What investments were included under “#2 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 6.64% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

The underlying funds have been selected to meet the sustainable investment objectives of the portfolio as intended. The subfund aims to achieve a carbon footprint that is at least 25% lower than the carbon footprint of their respective benchmark.

By December 2022, for a balanced profile, with an inception date on 01/03/2022 and first investments in 06/2022, the fund's carbon footprint was 26 Tons / million euro invested, compared to 77 tCO<sub>2</sub>-eq / million euro invested for the fund benchmark. These numbers are based on Scope 1 & 2 emissions. The overall ESG company score was 56, compared to 51 for the benchmark.

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

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

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

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 50.52%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> 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 type="checkbox"/> with a social objective	<input type="checkbox"/> with a social objective
<input checked="" type="checkbox"/> It made <b>sustainable investments with a social objective</b> : 46.43%	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



### 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:

- Freedom House: a weighted average Freedom House Total Score higher than the Sub-Fund's reference benchmark.
- CO2 intensity country score: a CO2 intensity country score 30% lower than the Sub-Fund's reference benchmark.
- ESG score: a weighted average country 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:

- 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.

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 CO2 Intensity Country level that is at least 30% lower than 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

### ● **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.

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?"

Sustainability KPI Name	Value	Benchmark
Freedom House Index - Country - Higher than bench	72.27	51.49
Carbon Intensity - Country - 30% reduction vs bench	198.28	258.85
ESG Score - Country - Higher than bench	34.27	30.02

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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:

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement : in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue . Candriam prioritised its engagement activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the “new normal” course of business for Candriam’s investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies’ direct and indirect workforces.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to companies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%
15 - GHG intensity	352.85
16 - Investee countries subject to social violations	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
UNIT STAT TREA BIL ZCP 02-11-23	Bonds of States. Provinces and municipalities	2.82%	US
REPUBLIC OF POL 5.7500 22-32 16/11S	Bonds of States. Provinces and municipalities	2.25%	PL
POLAND GOVERNMENT INTER 5.5 22-27 16/11S	Bonds of States. Provinces and municipalities	1.74%	PL
ROMANIAN GOVERNMENT 5.25 22-27 25/05S	Bonds of States. Provinces and municipalities	1.71%	RO
ROMANIA 3.0000 22-27 27/02S	Bonds of States. Provinces and municipalities	1.50%	RO
NAMIBIA FL.R 15-25 29/10S	Bonds of States. Provinces and municipalities	1.43%	NA
PERUSAHAAN PENERBIT 3.55 21-51 09/06S	Non Classifiable Institutions	1.42%	ID
MALAYSIA WAKALA SUKUK 2.07 21-31 28/04S	Banks and other financial institutions	1.29%	MY
DOMINICAN REPUBLIC 5.50 15-25 27/01S	Bonds of States. Provinces and municipalities	1.26%	DO
ECUADOR 0.5 20-35 31/07S	Bonds of States. Provinces and municipalities	1.25%	EC
IVORY COAST 4.8750 20-32 30/01A	Bonds of States. Provinces and municipalities	1.21%	CI
CHILE 2.55 21-33 27/07S	Non Classifiable Institutions	1.19%	CL
MEXICO GOV INTER 4.75 20-32 27/04S	Bonds of States. Provinces and municipalities	1.19%	MX
MEXICO 4.28 21-41 14/08S	Bonds of States. Provinces and municipalities	1.17%	MX
ROMANIAN GOVERNMENT 6.0 22-34 25/05S	Bonds of States. Provinces and municipalities	1.07%	RO

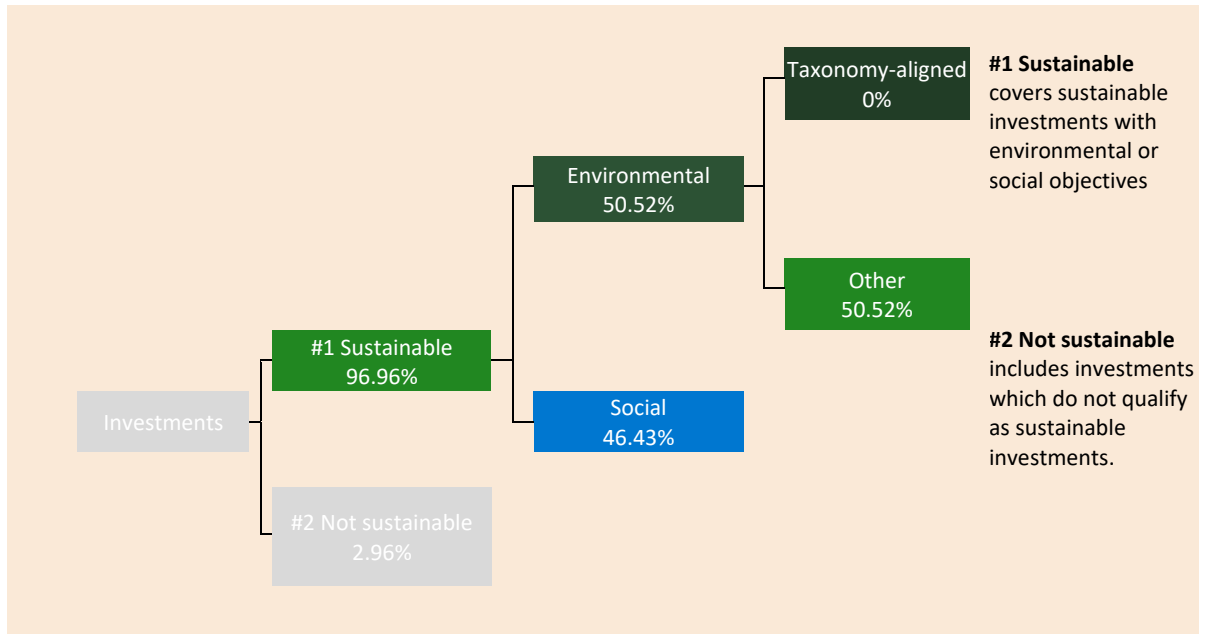
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Bonds of States, Provinces and municipalities	77.79%
Banks and other financial institutions	7.70%
Non Classifiable Institutions	5.89%
Communication	1.67%
Investments funds	1.03%
Transportation	0.88%
Utilities	0.53%
Foods and non alcoholic drinks	0.50%
Paper and forest products	0.48%
Miscellaneous services	0.46%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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<sup>1</sup>?

Yes

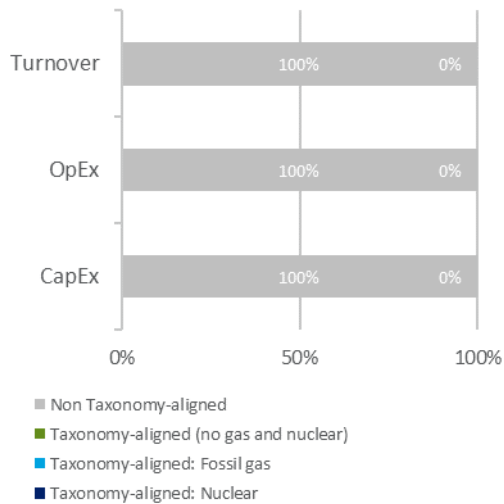
In fossil gas

In nuclear energy

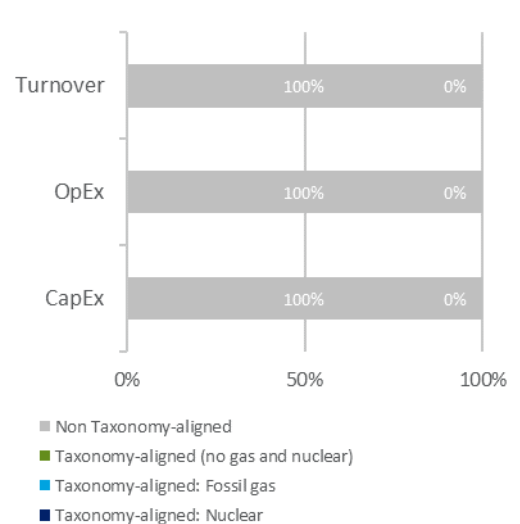
No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*




2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.



 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 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?**

Not applicable because no previous period data is available.

● **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 50.52% 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 2022 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 46.43%

 **What investments were included under “#2 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 2.96% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

In order to respect the sustainable investment objective during the reference period, we excluded the following issuer from the investment universe: SASOL LTD. Excluded from our ESG universe based on its involvement in the Conventional Oil & Gas industry, as described in the Candriam Exclusion Policy. The subfund aims to achieve a weighted average Freedom House Total Score, measuring the degree of civil liberties and political rights in countries, that is higher than its reference benchmark. As of the 30/12/2022, the subfund's Freedom House Total Score was 72.3 versus 51.5 for its benchmark at the time. Regarding engagement, Candriam engages both direct and collaborative initiatives to constructively address material ESG issues with issuers. For example, Candriam joined the Investor Policy Dialogue on Deforestation (IPDD) is an investor-led sovereign engagement initiative that aims to halt deforestation in some of the world's most biodiverse, carbon-absorbing biomes. The IPDD undertook dialogue in 2022 with the Indonesian government regarding deforestation.

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

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

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

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 57.16%  <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 <b>sustainable investments with a social objective</b> : 41.49%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment  <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 <b>did not make any sustainable investments</b>



### 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 : investment of at least 10% of the Sub-Fund's total net assets into 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 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 these principles.
- Candriam's Exclusion Policy: to ensure that there were no investments in companies that are on the Candriam's SRI 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.

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

● **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.

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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	31.62	70.12
ESG Score - Country and Corporate - Higher than bench	57.73	56.21
Green Bonds - Min 10% / Min 20% 2025	18.50%	

● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

● **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?**

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement : in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue . Candriam prioritised its engagement activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus

encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to comparnies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	5140.00
1- GHG Emissions - Scope 2 GHG Emissions	2687.95
1- GHG Emissions - Total GHG Emissions	7827.95
2 - Carbon Footprint	31.62
3 - GHG intensity of investee companies	103.19
4 - Exposure to companies active in fossil fuel sector	0.26%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	39.90%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%
15 - GHG intensity	193.46
16 - Investee countries subject to social violations	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
AUSTRIA 0.9 22-32 20/02A	Non Classifiable Institutions	2.03%	AT
GERMANY 0.00 20-35 15/05U	Bonds of States. Provinces and municipalities	1.62%	DE
EUROPEAN UNION 2.0 22-27 04/10A	Supranational Organisations	1.52%	EU
ITALY 2.00 18-28 01/02S	Bonds of States. Provinces and municipalities	1.36%	IT
FRANCE 2.75 12-27 25/10A	Bonds of States. Provinces and municipalities	1.30%	FR
GERMANY 0.00 21-28 15/11U	Bonds of States. Provinces and municipalities	1.27%	DE
FRANCE 0.7500 22-28 25/02A	Bonds of States. Provinces and municipalities	1.23%	FR
SPAIN 0.80 20-27 30/07A	Bonds of States. Provinces and municipalities	1.21%	ES
ITALY 21-24 15/08U	Bonds of States. Provinces and municipalities	1.18%	IT
FRANCE 1.75 17-39 25/06A	Bonds of States. Provinces and municipalities	1.18%	FR
BUONI POLIENNAL 0.8500 19-27 15/01S	Bonds of States. Provinces and municipalities	1.17%	IT
ITALY 2.45 16-33 01/09S	Bonds of States. Provinces and municipalities	1.09%	IT
BELGIUM 1.25 18-33 22/04A	Bonds of States. Provinces and municipalities	1.08%	BE
SPAIN 2.55 22-32 31/10A	Bonds of States. Provinces and municipalities	1.02%	ES
NETHERLANDS 0.50 19-40 15/01A	Bonds of States. Provinces and municipalities	1.00%	NL

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*

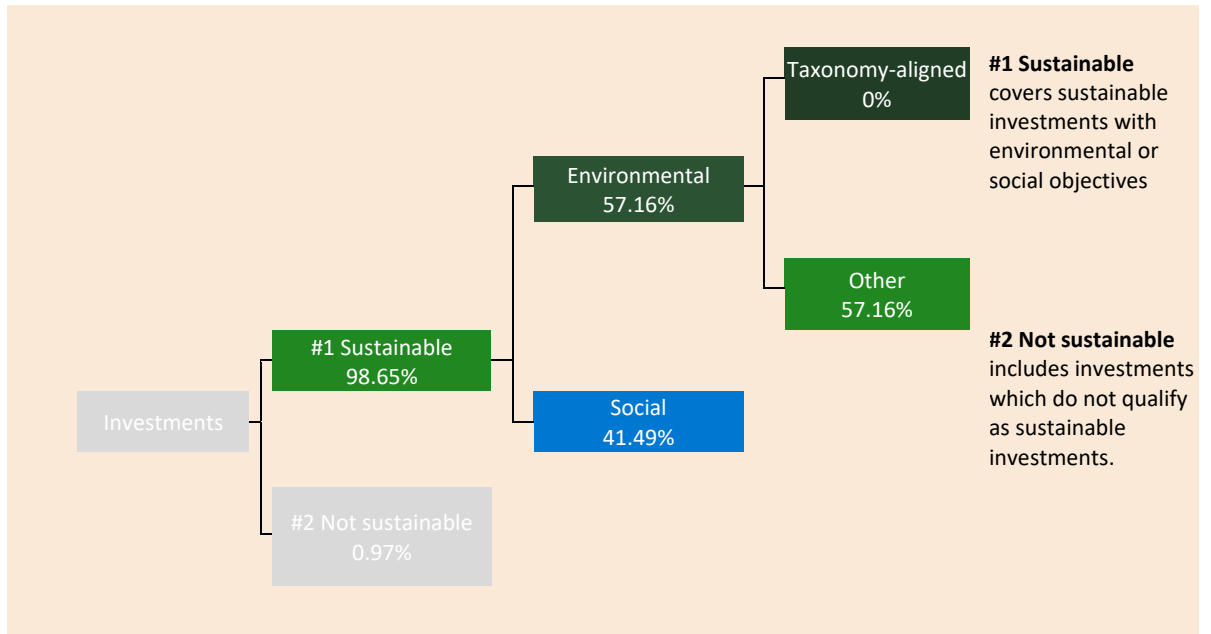




## What was the proportion of sustainability-related investments?

**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	Proportion
Bonds of States, Provinces and municipalities	43.53%
Banks and other financial institutions	26.40%
Supranational Organisations	8.74%
Non Classifiable Institutions	3.04%
Communication	2.13%
Pharmaceuticals	1.97%
Investments funds	1.23%
Real estate	1.15%
Miscellaneous consumer goods	1.06%
Miscellaneous services	1.03%
Utilities	0.95%
Insurance	0.84%
Foods and non alcoholic drinks	0.83%
Transportation	0.80%
Textiles and garments	0.78%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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<sup>1</sup>?

Yes

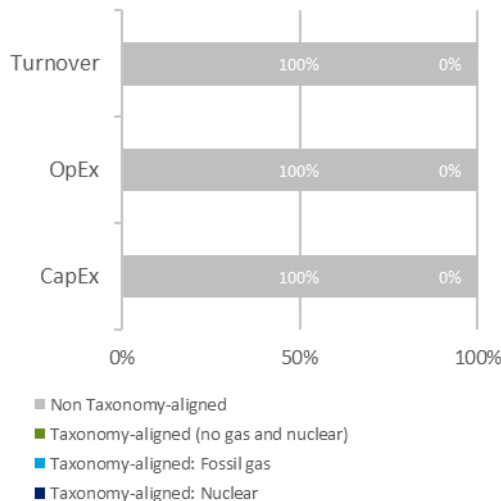
In fossil gas

In nuclear energy

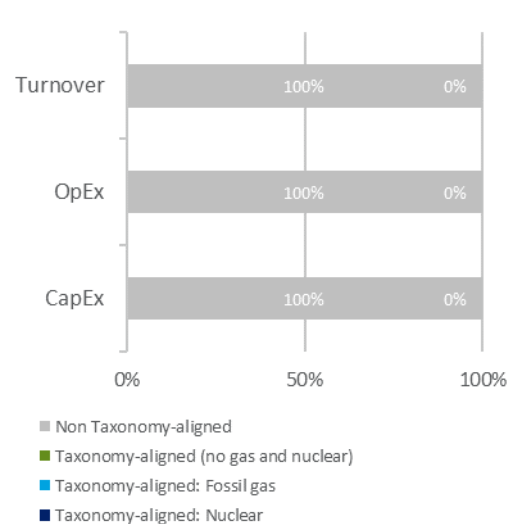
No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*




2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

 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 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?**

Not applicable because no previous period data is available.

● **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 57.16% 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 2022 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 41.49%

 **What investments were included under “#2 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 0.97% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

In order to respect the sustainable investment objective during the reference period, we excluded the following issuer from the investment universe: ORPEA SA. Excluded based on Candriam norms-based controversy analysis, for significantly and repeatedly breaching the compliance with the international social, human, environmental and anti-corruption standards, as defined by the United Nations. The subfund aims to invest at least 10% of its total net assets into Green Bonds. As of 30/12/2022, 18.5% of the subfund's total net assets was invested in Green Bonds.

The sub-fund achieved an overall ESG score of 57.73 as at the end of December 2022, based on Candriam's proprietary ESG methodology, higher than its objective of at least 56.21

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

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

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

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 56.37%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> 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 <b>sustainable investments with a social objective</b> : 35.46%	<input type="checkbox"/> with a social objective
	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



### 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 these principles.
- Candriam's Exclusion Policy: to ensure that there were no investments in companies that are on the Candriam's SRI exclusion list as a result of the application of Candriam's Exclusion Policy.

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

### ● **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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	25.37	92.06
ESG Score - Corporate - Higher than bench	56.57	51.95
Green Bonds - Min 10% / Min 20% 2025	13.80%	

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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;

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

**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.

- 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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement : in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue . Candriam prioritised its engagement activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

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- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to companies' or issuers' adverse impact.



- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	17134.93
1- GHG Emissions - Scope 2 GHG Emissions	6617.88
1- GHG Emissions - Total GHG Emissions	23752.81
2 - Carbon Footprint	25.37
3 - GHG intensity of investee companies	70.67
4 - Exposure to companies active in fossil fuel sector	1.55%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	38.81%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
CANDRIAM SUSTAINABLE MONEY MARKET EURO Z C	Investments funds	4.54%	S1
VOLKSWAGEN INTL FIN FL.R 20-XX 17/06A	Banks and other financial institutions	1.27%	DE
ABN AMRO BK 4.25 22-30 21/02A	Banks and other financial institutions	1.10%	NL
NESTLE FINANCE INTER 3.375 22-34 15/11A	Banks and other financial institutions	1.00%	US
BANCO DE SABADELL FL.R 22-26 24/03A	Banks and other financial institutions	0.95%	ES
CREDIT MUTUEL ARKEA 3.375 22-27 19/09A9A	Banks and other financial institutions	0.94%	FR
VOLKSWAGEN LEASING G 0.375 21-26 19/05A	Banks and other financial institutions	0.94%	DE
MORGAN STAN CAP SERV FL.R 22-28 25/10A	Banks and other financial institutions	0.91%	US
MEDT GL 2.625 22-25 15/10A	Pharmaceuticals	0.91%	US
TORONTO DOMINION 3.631 22-29 13/12A	Banks and other financial institutions	0.90%	CA
BANQUE FED CRED 1.25 17-27 26/05A	Banks and other financial institutions	0.90%	FR
ARVAL SERVICE LEASE 4.75 22-27 22/05A5A	Transportation	0.87%	FR
TENNET HOLDING B.V 4.5 22-34 28/10A	Non Classifiable Institutions	0.86%	NL
DH EUROPE FIN 0.45 19-28 18/03A	Banks and other financial institutions	0.84%	US
ING GROUP NV FL.R 22-27 16/02A	Banks and other financial institutions	0.83%	NL

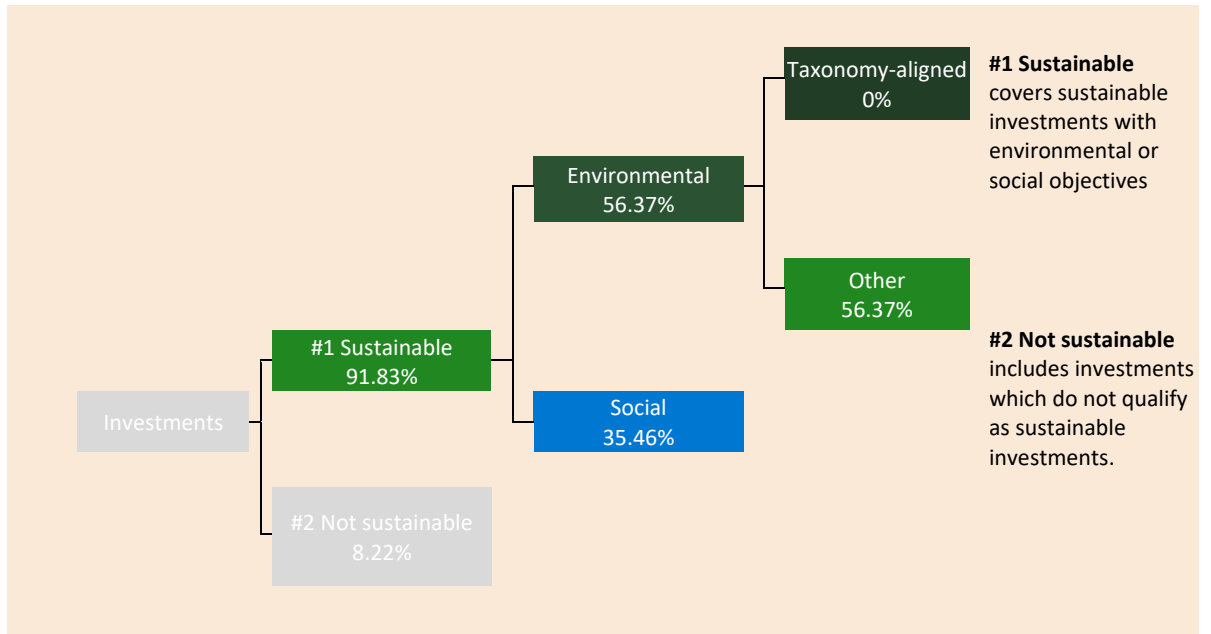
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Banks and other financial institutions	55.43%
Investments funds	4.54%
Pharmaceuticals	4.18%
Real estate	3.45%
Communication	3.33%
Insurance	3.07%
Non Classifiable Institutions	2.79%
Utilities	2.79%
Electronics and semiconductors	2.18%
Transportation	1.86%
Office supplies and computing	1.56%
Miscellaneous services	1.39%
Road vehicles	1.31%
Foods and non alcoholic drinks	0.77%
Electrical engineering	0.68%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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<sup>1</sup>?

Yes

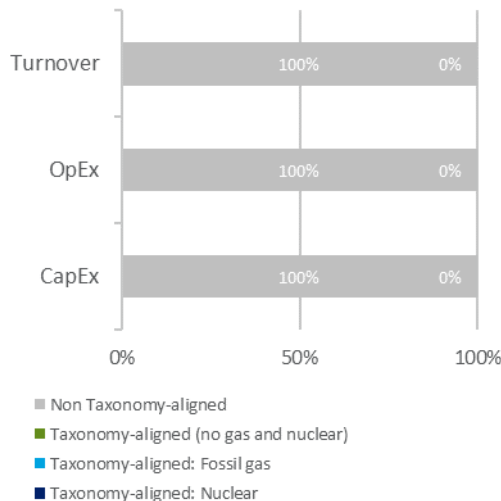
In fossil gas

In nuclear energy

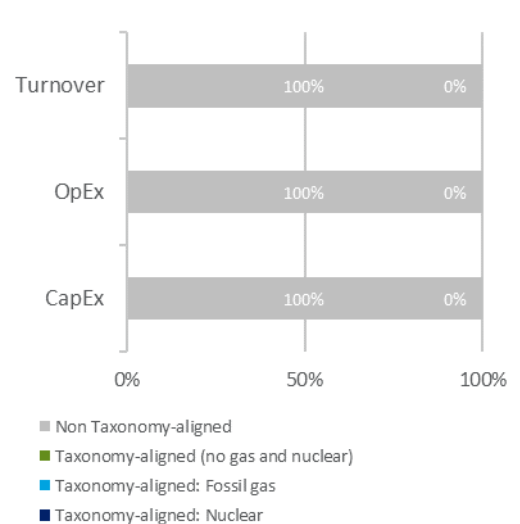
No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*



2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

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 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?**

Not applicable because no previous period data is available.

● **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 56.37% 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 2022 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 35.46%

 **What investments were included under “#2 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 8.22% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

In order to respect the sustainable investment objective during the reference period, we excluded the following issuer from the investment universe: OMV AG. Excluded from our ESG universe based on its involvement in the Conventional Oil & Gas industry, as described in the Candriam Exclusion Policy. The subfund aims to invest at least 10% of its total net assets into Green Bonds. As of 30/12/2022, 14% of the subfund's total net assets was invested in Green Bonds.

 **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.

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 54.05% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> 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"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input checked="" type="checkbox"/> It made <b>sustainable investments with a social objective</b> : 44.59%	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



### 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 : investment of at least 10% of the Sub-Fund's total net assets into 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 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 these principles.
- Candriam's Exclusion Policy: to ensure that there were no investments in companies that are on the Candriam's SRI 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.

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

### ● **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.

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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	21.39	69.83
ESG Score - Country and Corporate - Higher than bench	57.06	55.73
Green Bonds - Min 5% / Min 20% 2025	7.16%	

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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.

### ----- **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:

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement : in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue . Candriam prioritised its engagement activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue

to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to companies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	11397.50
1- GHG Emissions - Scope 2 GHG Emissions	5279.46
1- GHG Emissions - Total GHG Emissions	16676.96
2 - Carbon Footprint	21.39
3 - GHG intensity of investee companies	53.98
4 - Exposure to companies active in fossil fuel sector	1.46%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	41.06%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%
15 - GHG intensity	191.16
16 - Investee countries subject to social violations	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
CANDRIAM SUSTAINABLE MONEY MARKET EURO Z C	Investments funds	3.74%	S1
ITALY 0.3500 19-25 01/02S	Bonds of States. Provinces and municipalities	2.13%	IT
ITALY 21-24 15/08U	Bonds of States. Provinces and municipalities	1.86%	IT
SPAIN 0.00 20-25 31/01U	Bonds of States. Provinces and municipalities	1.71%	ES
ITALY 1.75 19-24 01/07S	Bonds of States. Provinces and municipalities	1.51%	IT
ITALIE 1.45 25 15-03S	Bonds of States. Provinces and municipalities	1.44%	IT
SPAIN 2.75 14-24 31/10A	Bonds of States. Provinces and municipalities	1.20%	ES
BELGIUM 0.50 17-24 22/10A	Bonds of States. Provinces and municipalities	1.09%	BE
TORONTO DOMINION BANK 0.375 19-24 25/04A	Banks and other financial institutions	0.99%	CA
AXA SA 5.125 13-43 04/07A	Insurance	0.97%	FR
REPUBLIQUE ITALIENNE 2.5 18-25 15/11S	Bonds of States. Provinces and municipalities	0.96%	IT
GERMANY 0.10 12-23 15/04A	Bonds of States. Provinces and municipalities	0.93%	DE
ITALY 3.75 14-24 01/09S	Bonds of States. Provinces and municipalities	0.92%	IT
SWISS RE FINANCE UK 1.375 16-23 27/05A	Banks and other financial institutions	0.88%	US
SPAIN 0.00 21-24 31/05U	Bonds of States. Provinces and municipalities	0.87%	ES

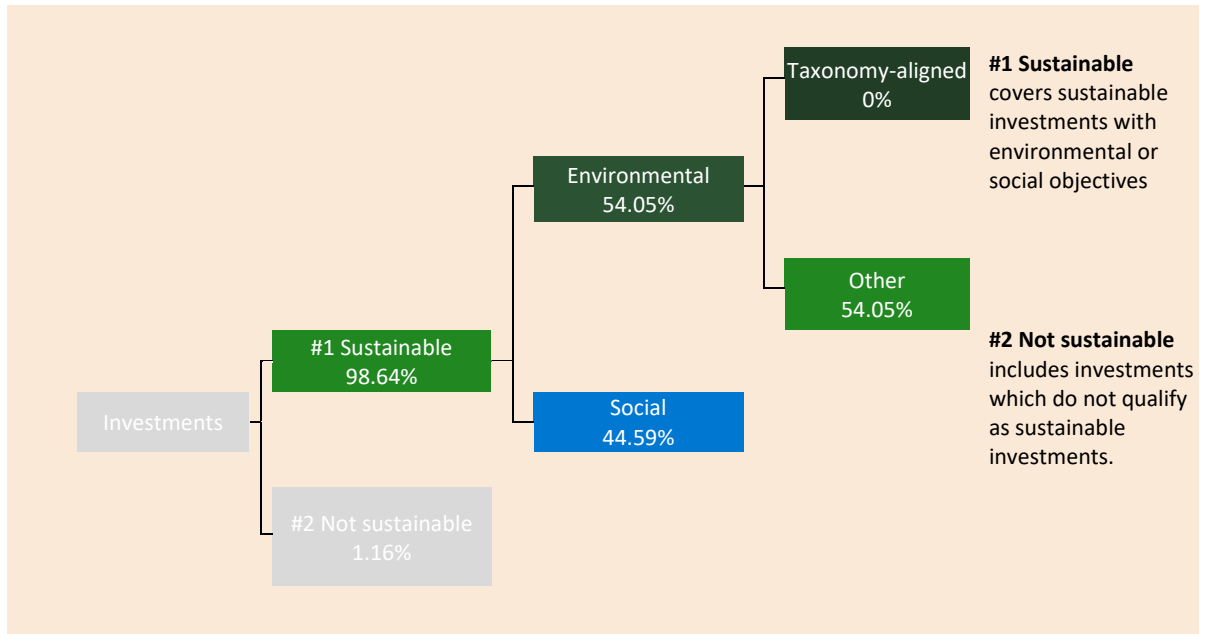
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Banks and other financial institutions	41.11%
Bonds of States, Provinces and municipalities	25.64%
Investments funds	3.74%
Communication	3.73%
Insurance	2.56%
Electrical engineering	2.19%
Pharmaceuticals	2.11%
Real estate	2.08%
Electronics and semiconductors	2.00%
Internet and internet services	1.94%
Foods and non alcoholic drinks	1.67%
Utilities	1.62%
Supranational Organisations	1.56%
Office supplies and computing	1.07%
Textiles and garments	0.89%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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.

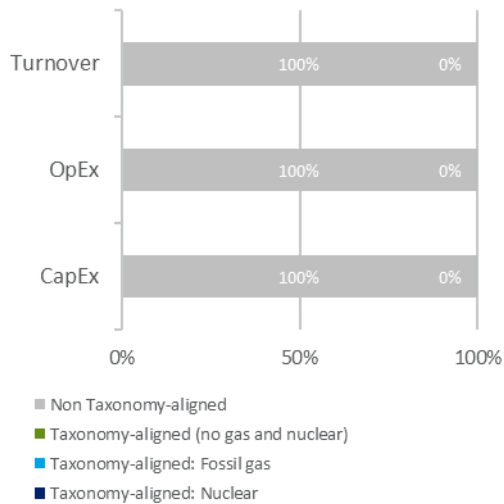
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

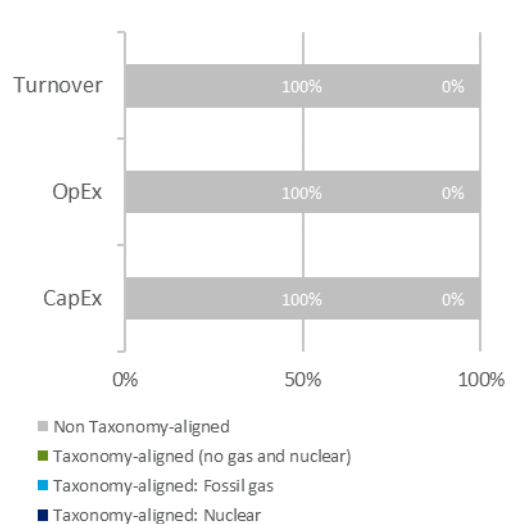
- Yes
- In fossil gas  In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*




2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.



 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 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?**

Not applicable because no previous period data is available.

● **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 54.05% 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 2022 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 44.59%

 **What investments were included under “#2 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 1.16% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

As of 30/12/2022, the subfund's carbon footprint was 21.39, better than its objective of -30% than the benchmark (69.83). These numbers are based on Scope 1 & 2 emissions.

In order to respect the sustainable investment objective during the reference period, we sold the following investments : Berkshire Hathaway, the holding was excluded due to a risk linked to its potential exposure to armaments.

In order to respect the sustainable investment objective during the reference period, we purchased the following investments for which the issuers had contribute to the achievement of its sustainable investment objective: Schneider, Royal Bank of Canada, Iberdrola, Toronto dominion and Thermo Fischer.

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

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

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

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 53.76%  <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 <b>sustainable investments with a social objective</b> : 41.41%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment  <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 <b>did not make any sustainable investments</b>



### 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 : investment of at least 10% of the Sub-Fund's total net assets into 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 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 these principles.
- Candriam's Exclusion Policy: to ensure that there were no investments in companies that are on the Candriam's SRI 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.

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

### ● **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.

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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	14.20	122.98
ESG Score - Country and Corporate - Higher than bench	54.89	49.63
Green Bonds - Min 10% / Min 20% 2025	17.03%	

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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?**

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement : in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue . Candriam prioritised its engagement activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus

encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to comparnies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	636.75
1- GHG Emissions - Scope 2 GHG Emissions	531.74
1- GHG Emissions - Total GHG Emissions	1168.50
2 - Carbon Footprint	14.20
3 - GHG intensity of investee companies	57.23
4 - Exposure to companies active in fossil fuel sector	0.39%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	37.70%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%
15 - GHG intensity	262.28
16 - Investee countries subject to social violations	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
GERMANY 0.10 12-23 15/04A	Bonds of States. Provinces and municipalities	1.96%	DE
NEDERLANDSE WATERSCHAP 3.45 18-28 17/07S	Banks and other financial institutions	1.89%	NL
BEI 2.2500 19-24 24/06S	Supranational Organisations	1.72%	EU
INTL BK RECON DEVEL 1.625 21-28 10/05S	Supranational Organisations	1.57%	S1
BUNDESREPUBLIK DEUTS 0.00 21-31 15/08U	Bonds of States. Provinces and municipalities	1.53%	DE
UNITED STATES 1.125 20-25 28/02S	Bonds of States. Provinces and municipalities	1.51%	US
KREDITANS.FUER WIEDER.2.05 06-26 16/02S	Banks and other financial institutions	1.45%	DE
CANDRIAM SUSTAINABLE BOND EMERGING MARKETS Z C	Investments funds	1.39%	EM
JAPAN GOVT CPI LINKED 0.005 22-32 10/03S	Bonds of States. Provinces and municipalities	1.17%	JP
JAPAN 0.10 18-28 20/03S	Bonds of States. Provinces and municipalities	1.11%	JP
GERMANY 0.00 20-30 15/08U	Bonds of States. Provinces and municipalities	1.10%	DE
KREDITANSTALT FUER WIE 0.00 21-31 15/09U	Banks and other financial institutions	1.09%	DE
KFW 1.0000 21-26 01/10S	Banks and other financial institutions	0.95%	DE
INTL BK RECONS DEVELOP 3.3 18-28 14/08S	Supranational Organisations	0.94%	S1
CANDRIAM SUSTAINABLE BOND IMPACT Z C	Investments funds	0.93%	S1

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*

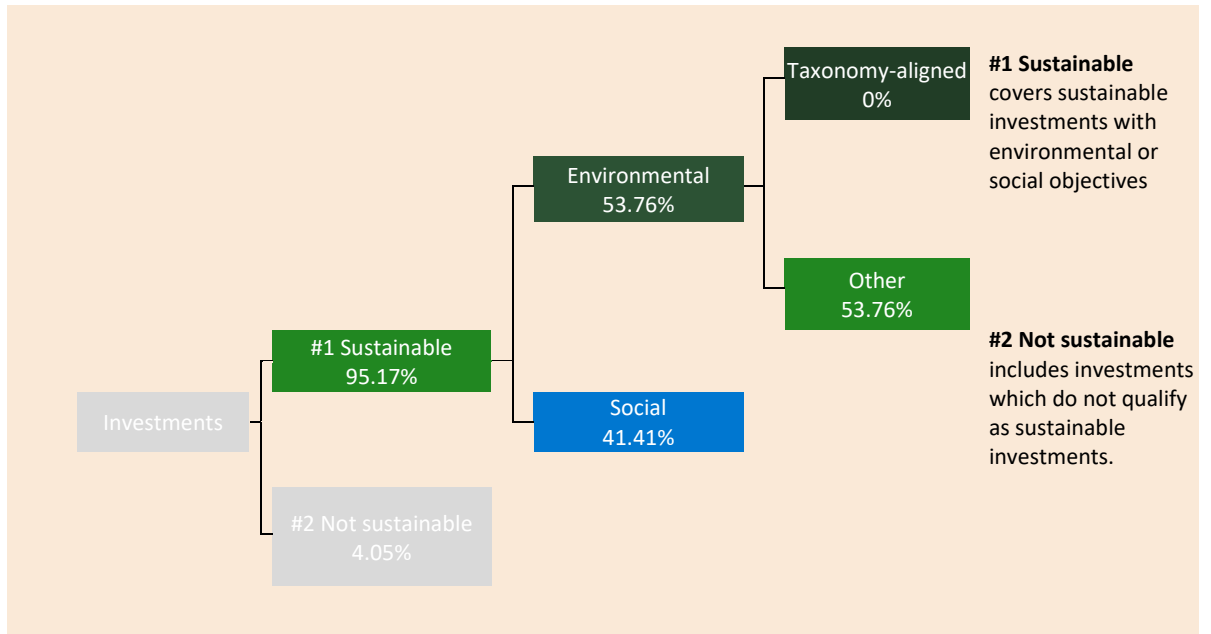




## What was the proportion of sustainability-related investments?

**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	Proportion
Bonds of States, Provinces and municipalities	39.69%
Banks and other financial institutions	25.57%
Supranational Organisations	10.03%
Investments funds	2.95%
Pharmaceuticals	1.55%
Miscellaneous services	1.48%
Real estate	1.47%
Electronics and semiconductors	1.38%
Communication	1.31%
Non Classifiable Institutions	1.17%
Retail trade and department stores	1.09%
Miscellaneous consumer goods	0.95%
Transportation	0.91%
Electrical engineering	0.75%
Foods and non alcoholic drinks	0.59%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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<sup>1</sup>?

Yes

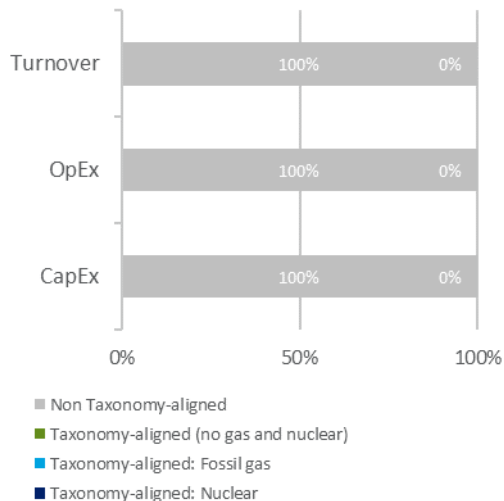
In fossil gas

In nuclear energy

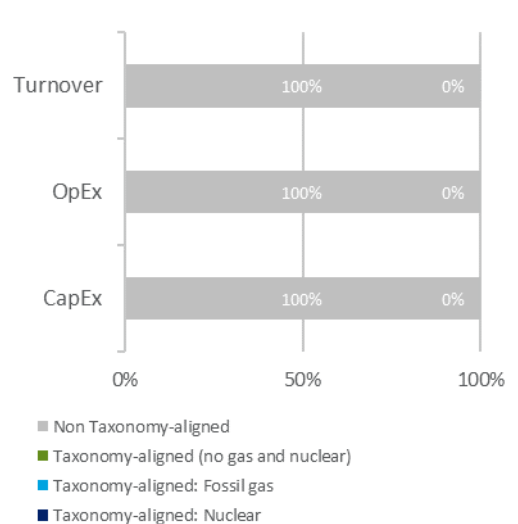
No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*



2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

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 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?**

Not applicable because no previous period data is available.

● **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 53.76% 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 2022 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 41.41%

 **What investments were included under “#2 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 4.05% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

In order to respect the sustainable investment objective during the reference period, we excluded the following issuer from the investment universe: OMV AG. Excluded from our ESG universe based on its involvement in the Conventional Oil & Gas industry, as described in the Candriam Exclusion Policy. The subfund aims to invest at least 10% of its total net assets into Green Bonds. As of 30/12/2022, 17% of the subfund's total net assets was invested in Green Bonds.

 **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.

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 32.75%  <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 type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment  <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 checked="" type="checkbox"/> It made <b>sustainable investments with a social objective</b> : 60.85%	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



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

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

- Carbon footprint : 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.
- ESG score : the Sub-fund aimed to have 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 exclusion list as a result of the application of Candriam's Exclusion Policy.

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

### ● **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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	28.22	176.98
ESG Score - Corporate - Higher than bench	56.47	48.44

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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.

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

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  - Dialogue:

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,
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- relative exposure of managed portfolios to the above issuers.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

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- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :





PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	319.63
1- GHG Emissions - Scope 2 GHG Emissions	224.32
1- GHG Emissions - Total GHG Emissions	543.95
2 - Carbon Footprint	28.22
3 - GHG intensity of investee companies	84.66
4 - Exposure to companies active in fossil fuel sector	2.95%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	36.63%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
JAZZ INVESTMENTS I 1.50 18-24 15/08S	Banks and other financial institutions	3.41%	US
AKAMAI TECHNO 0.375 19-27 01/09S	Internet and internet services	3.03%	US
DROPBOX INC CV 0 21-26 01/03U1	Internet and internet services	3.02%	US
AMADEUS IT GROUP SA 1.50 20-25 09/04S	Internet and internet services	2.96%	ES
NEXTERA ENERGY CV 0.00 21-24 15/06U	Utilities	2.73%	US
DEXCOM INC 0.25 21-25 15/05S	Pharmaceuticals	2.72%	US
BNP PARIBAS CV 0.00 22-25 13/05U	Banks and other financial institutions	2.51%	FR
SIKA CV 0.15 18-25 05/06A	Chemicals	2.37%	CH
SPLUNK INC CV 1.125 18-25 15/09S	Internet and internet services	2.36%	US
LINK 2019 CB CV 4.5 22-27 12/12Q	Real estate	2.27%	HK
BHARTI AIRTEL LTD 1.50 20-25 17/02S	Communication	2.20%	IN
ENPHASE ENERGY INC CV 0.00 21-26 01/03U	Utilities	2.11%	US
QIAGEN NV 0.50 17-23 13/09S	Biotechnology	2.05%	US
CITIGROUP INC 0.00 20-24 25/07U	Banks and other financial institutions	2.03%	US
ORMAT TECHNOLOGIES 2.5 22-27 15/07S	Utilities	1.99%	US

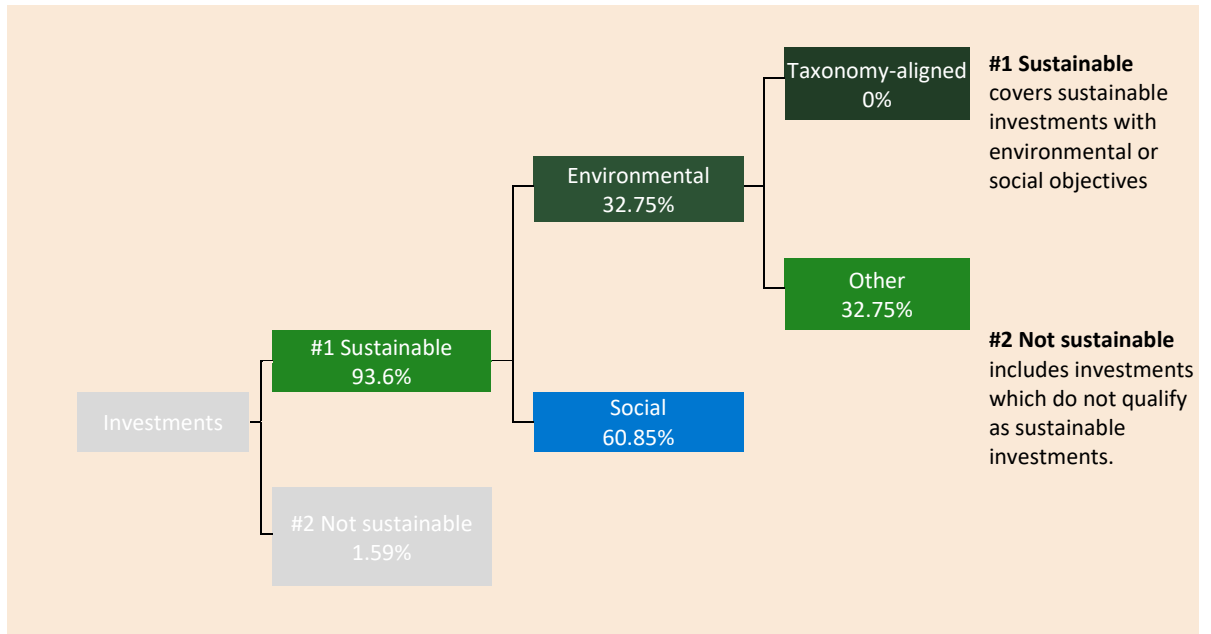
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Internet and internet services	24.16%
Banks and other financial institutions	13.33%
Electronics and semiconductors	8.63%
Utilities	7.98%
Communication	6.35%
Biotechnology	5.49%
Retail trade and department stores	4.33%
Pharmaceuticals	3.95%
Hotels and restaurants	3.23%
Real estate	3.08%
Chemicals	2.79%
Office supplies and computing	2.14%
Electrical engineering	1.87%
Non ferrous metals	1.62%
Transportation	1.27%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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.

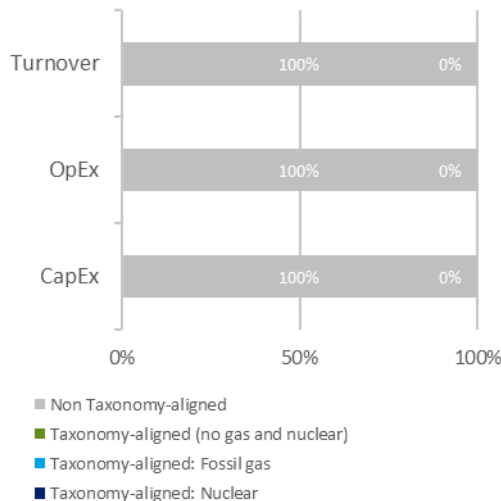
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

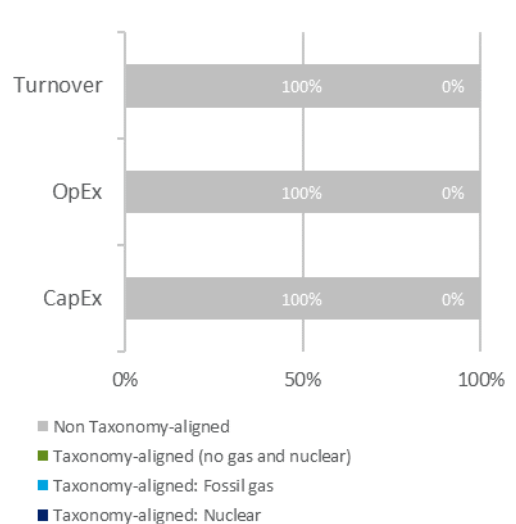
- Yes
- In fossil gas  In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*




2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

 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 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?**

Not applicable because no previous period data is available.

● **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 32.75% 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 2022 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 60.85%

 **What investments were included under “#2 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 1.59% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

In order to respect the sustainable investment objective during the reference period, the sub-fund initiated/reinforced positions in issuers contributing to the achievement of its sustainable investment objective.

Thus, the sub-fund purchased the following investments: Schneider, Iberdrola and Nextera Energy Partners, given their focus on the energy transition to a low carbon environment.

To give expression to the fact that challenges relating to climate change have been taken into account, the carbon footprint of companies is measured. As at 31/12/2022, the fund's carbon footprint is 28 tCO<sub>2</sub>-eq per million euro invested, compared to 177 tCO<sub>2</sub>-eq per million euro invested for the fund benchmark. These numbers are based on Scope 1 & 2 emissions.

The subfund also aims to achieve an ESG score, based on Candriam's proprietary ESG methodology, higher than its benchmark. As at 31/12/2022, the subfund's overall ESG was 56.47 compared to the ESG score of 48.44 for the benchmark.

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

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

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

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 33.09%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> 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 type="checkbox"/> It made <b>sustainable investments with a social objective</b> : 49.74%	<input type="checkbox"/> with a social objective
	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



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

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

- Carbon footprint : 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.
- ESG score : the Sub-fund aimed to have 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 exclusion list as a result of the application of Candriam's Exclusion Policy.

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

### ● **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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	81.14	223.95
ESG Score - Corporate - Higher than bench	51.89	45.50

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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.

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement : in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue . Candriam prioritised its engagement activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to companies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :



PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	71471.43
1- GHG Emissions - Scope 2 GHG Emissions	23285.14
1- GHG Emissions - Total GHG Emissions	94756.57
2 - Carbon Footprint	81.14
3 - GHG intensity of investee companies	164.33
4 - Exposure to companies active in fossil fuel sector	0.00%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	33.64%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
CANDRIAM SUSTAINABLE MONEY MARKET EURO V C	Investments funds	8.07%	S1
UNITED RENTALS NORTH AM 6.0 22-29 15/12S	Banks and other financial institutions	2.19%	US
CHART INDUSTRIE 7.5000 22-30 01/01S	Machine and apparatus construction	2.07%	US
LORCA TELECOM BONDCO 4 20-27 30/09S	Communication	2.06%	ES
SPRINT CORP 7.875 14-23 15/09S	Communication	1.79%	US
AVANTOR FUNDING INC 2.625 20-25 06/11S	Banks and other financial institutions	1.79%	US
MOZART DEBT MERGE 3.875 21-29 01/04S	Banks and other financial institutions	1.74%	US
TK ELEVATOR MIDCO GM 4.375 20-27 15/07S	Banks and other financial institutions	1.66%	DE
ORANGE FL.R 14-XX 07/02A	Communication	1.56%	FR
VEOLIA ENVIRONNEMENT FL.R 20-49 21/12A	Utilities	1.45%	FR
ARAMARK SERVICES INC 6.375 20-25 27/04S	Healthcare	1.37%	US
TELEFONICA EUROPE BV FL.R 21-99 31/12A	Communication	1.26%	ES
TELEFONICA EUROPE BV 2.376 21-99 31/12A	Communication	1.25%	ES
ILIAD SA 5.3750 22-27 14/06A	Internet and internet services	1.24%	FR
GRIFOLS SA 3.20 17-25 01/05S	Miscellaneous services	1.24%	ES

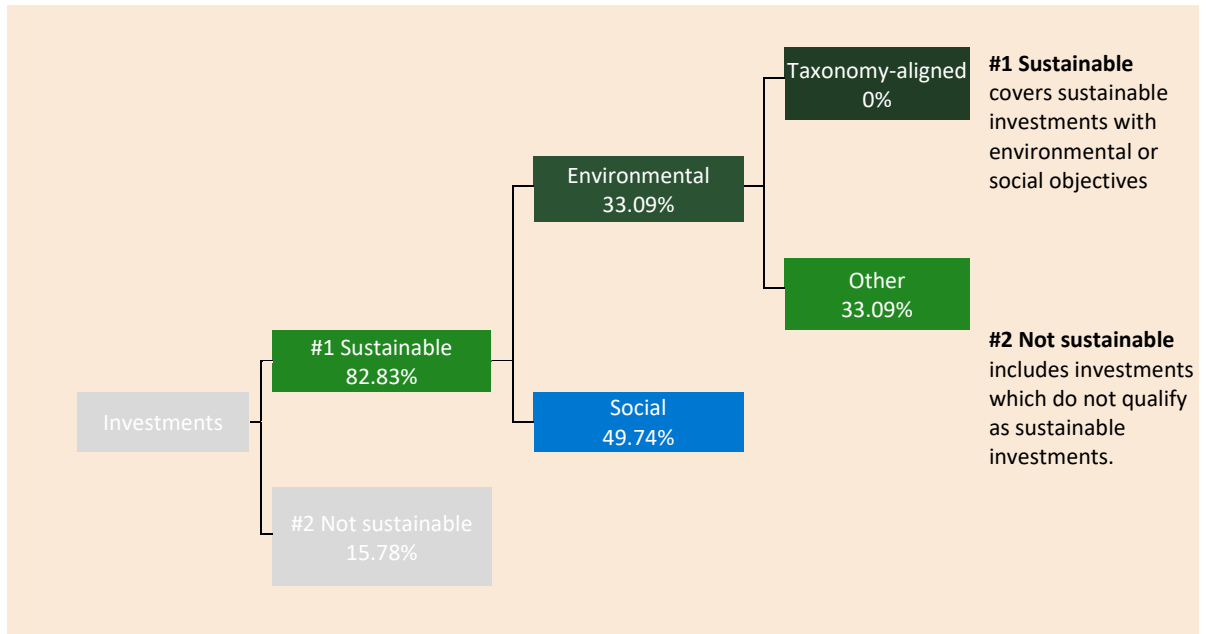
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Banks and other financial institutions	25.67%
Communication	17.37%
Investments funds	8.07%
Healthcare	7.84%
Utilities	5.16%
Miscellaneous services	4.38%
Internet and internet services	2.99%
Packaging industries	2.29%
Retail trade and department stores	2.25%
Textiles and garments	2.08%
Machine and apparatus construction	2.07%
Biotechnology	1.87%
Electrical engineering	1.83%
Hotels and restaurants	1.75%
Transportation	1.70%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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.

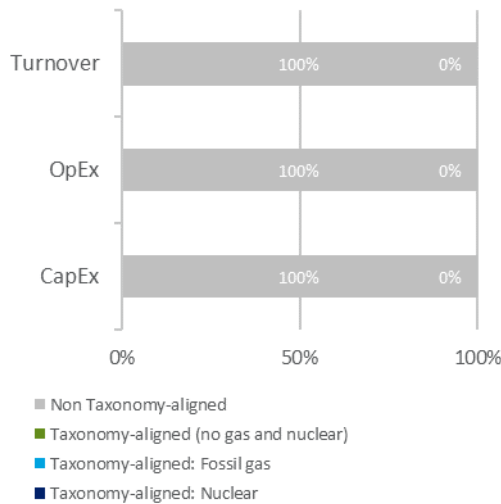
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

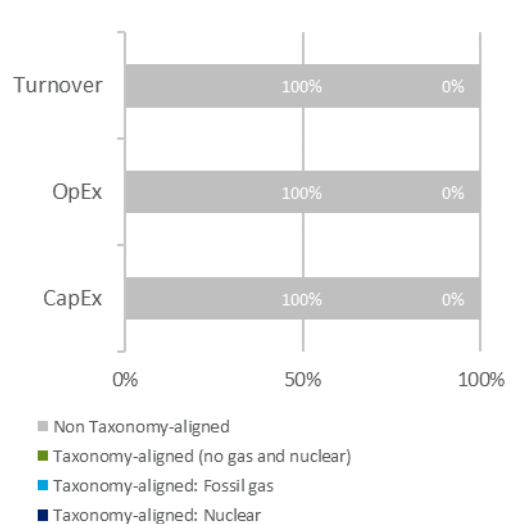
- Yes
- In fossil gas  In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*



2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.



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 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?**

Not applicable because no previous period data is available.

● **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 33.09% 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 2022 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 49.74%

 **What investments were included under “#2 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 15.78% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

In order to respect the sustainable investment objective during the reference period, we excluded the following issuer from the investment universe: SASOL LTD. Excluded from our ESG universe based on its involvement in the Conventional Oil & Gas industry, as described in the Candriam Exclusion Policy. The subfund aims to have a weighted average ESG score higher than its reference benchmark. As of 30/12/2022, the subfund's ESG score was 52 versus 45 for its benchmark at the time.

 **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.

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 68.89%  <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 <b>sustainable investments with a social objective</b> : 25.73%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment  <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 <b>did not make any sustainable investments</b>



### 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:

- Positive contribution to the UN SDGs : the Sub-Fund aimed to invest at least 75% of its total net assets into Green, Social or Sustainability Bonds as defined by international standards such as, for example the Green Bond Principles maintained by the International Capital Market Association (ICMA), the EU Green Bond Standards or Social Bond Principles also developed by the ICMA.

Moreover, the following indicators were monitored:

- to assure that there are no investments in issuers that are in violation with the OECD Guidelines for Multinational Enterprises or the UN Global Compact.
- to assure that there are no investments in issuers that are on the Candriam's SRI exclusion list as a result of the application of the Candriam's Exclusion Policy.
- to assure that there are no sovereign investments in countries that are on Candriam's Oppressive regime list
- to assure that there are no sovereign investments in countries considered "Not free" by Freedom House.

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.

By investing primarily into bonds for which the use of proceeds contributes to one or several Sustainable Development Goals (SDG) targets - of which SDG 13 Climate Action -, the Sub-Fund thereby delivered a positive impact on the United Nations Sustainable Developments Goals.

On a later stage, other steps will be set in order to ensure carbon emissions reduction in view of achieving the Paris Agreement.

### ● **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.

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?"

Sustainability KPI Name	Value	Benchmark
Investments in Green, Social, Sustainable Bonds - Minimum 75% of AuM	87.68%	

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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:

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

**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.

- 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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement : in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue . Candriam prioritised its engagement activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the “new normal” course of business for Candriam’s investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies’ direct and indirect workforces.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to companies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	188.19
1- GHG Emissions - Scope 2 GHG Emissions	39.26
1- GHG Emissions - Total GHG Emissions	227.45
2 - Carbon Footprint	28.46
3 - GHG intensity of investee companies	64.53
4 - Exposure to companies active in fossil fuel sector	1.01%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	39.57%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%
16 - Investee countries subject to social violations	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
BUNDSOBLIGATION 1.3 22-27 15/10A	Bonds of States. Provinces and municipalities	3.72%	DE
BELGIUM 1.25 18-33 22/04A	Bonds of States. Provinces and municipalities	3.06%	BE
IRELAND 1.35 18-31 18/03A	Bonds of States. Provinces and municipalities	3.03%	IE
NETHERLANDS 0.50 19-40 15/01A	Bonds of States. Provinces and municipalities	2.33%	NL
GERMANY 0.00 21-50 15/08U	Bonds of States. Provinces and municipalities	2.29%	DE
CASSA DEPOSITI E PREST 2.0 20-27 20/04A	Banks and other financial institutions	1.93%	IT
SPGB 1.00 21-42 30/07A	Bonds of States. Provinces and municipalities	1.92%	ES
BUONI POLIENNAL 1.5000 21-45 30/04S	Bonds of States. Provinces and municipalities	1.90%	IT
MORGAN STANLEY 0.8640 20-25 21/10S	Banks and other financial institutions	1.81%	US
CREDIT AGRICOLE 0.125 20-27 09/12A	Banks and other financial institutions	1.74%	FR
AIR LIQUIDE FINANCE 0.375 21-31 27/05A	Banks and other financial institutions	1.64%	FR
VERIZON COMMUNICATION 3.875 19-29 08/02S	Communication	1.62%	US
LEGRAND SA 0.375 21-31 06/10A	Electrical engineering	1.59%	FR
BNP PARIBAS 0.375 20-27 14/10A	Banks and other financial institutions	1.59%	FR
ICADE SANTE SAS 1.375 20-30 17/09A	Real estate	1.54%	FR

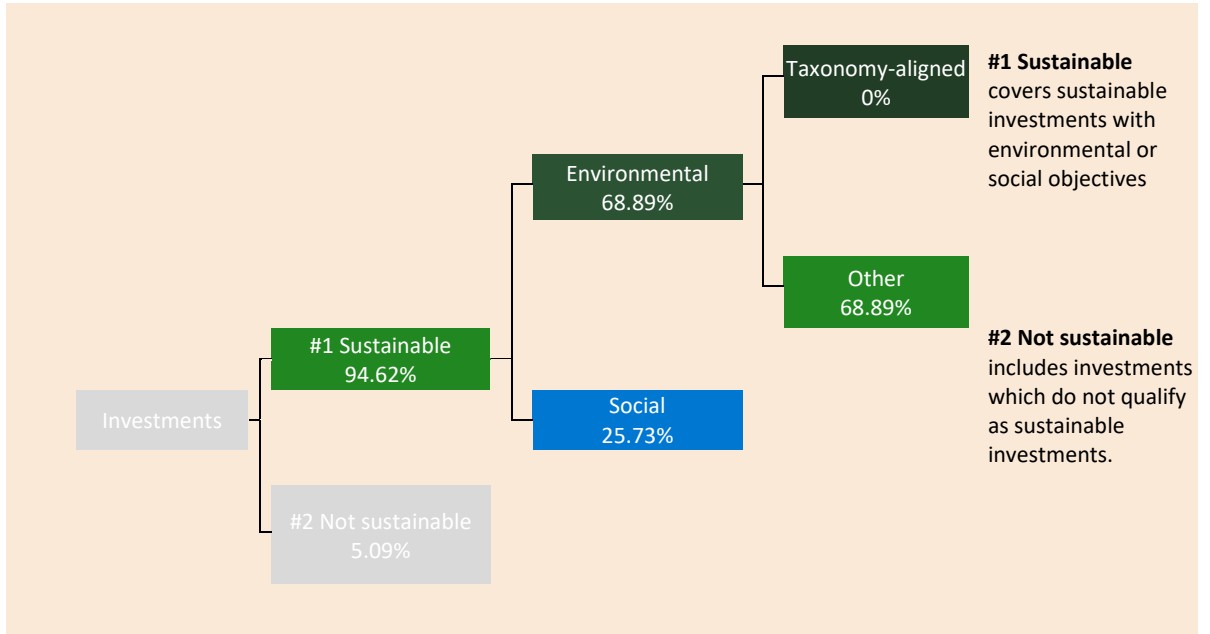
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Banks and other financial institutions	34.21%
Bonds of States, Provinces and municipalities	26.86%
Real estate	6.73%
Communication	3.66%
Miscellaneous services	2.89%
Pharmaceuticals	2.86%
Insurance	2.86%
Electrical engineering	2.84%
Utilities	2.66%
Non Classifiable Institutions	2.01%
Supranational Organisations	1.32%
Foods and non alcoholic drinks	1.19%
Transportation	1.03%
Miscellaneous consumer goods	0.90%
Other	0.89%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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.

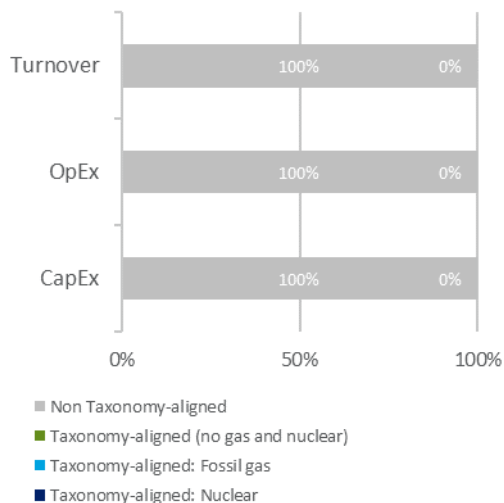
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

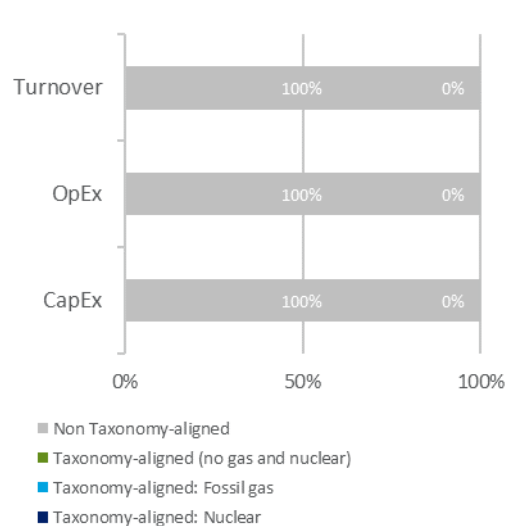
- Yes
- In fossil gas  In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*




2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

 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 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?**

Not applicable because no previous period data is available.

● **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 68.89% 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 2022 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 25.73%

 **What investments were included under “#2 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 5.09% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

In order to respect the sustainable investment objective during the reference period, we excluded the following issuer from the investment universe: ORPEA SA. Excluded based on Candriam norms-based controversy analysis, for significantly and repeatedly breaching the compliance with the international social, human, environmental and anti-corruption standards, as defined by the United Nations. The subfund aims to invest at least 75% of its total net assets into Green, Social or Sustainability Bonds as defined by international standards such as, for example the Green Bond Principles maintained by the International Capital Market Association (ICMA), the EU Green Bond Standards or Social Bond Principles also developed by the ICMA. As of 30/12/2022, 87.7% of the subfund's total net assets was invested in Green, Social or Sustainability Bonds as defined by international standards.

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

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

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

# Candriam Sustainable Defensive Asset Allocation

Entity LEI: 5493008P0C6OS6EDT327

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 49.93%  <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 <b>sustainable investments with a social objective</b> : 43.68%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment  <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 <b>did not make any sustainable investments</b>



### 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 indicator:

- Carbon footprint: the Sub-fund aimed to have a carbon footprint that is at least 25% lower than the carbon footprint of the fund's reference benchmark.

Moreover, the following indicators were monitored either directly for the direct line investments or indirectly in the underlying UCITS/UCI managed by Candriam :

- to assure that there are no investments in issuers that are in violation with the OECD Guidelines for Multinational Enterprises or the UN Global Compact.

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 25% lower than the carbon footprint of the Sub-Fund's reference benchmark.

The Sub-Fund aimed to reduce greenhouse gas emissions versus its benchmark is a first step towards the objectives of the Paris agreement. On a later stage, other steps will be set in order to ensure carbon emissions reduction in view of achieving the Paris Agreement.

● **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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 25% reduction vs bench	27.15	74.50

● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

● **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.

**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:

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement & Voting: in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue and voting. Candriam prioritised its engagement and voting activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

- Voting:

The Candriam's approach to Corporate Governance relies on internationally-recognized standards, notably the principles laid down by the OECD as well as by the International Corporate Governance Network (ICGN).

In that respect, Candriam has exercised its 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. Remuneration and directors' election concentrate most of our votes against management. Indeed, we require companies to respect the pay-for-performance principle and will show our disagreement as soon as we consider the level of remuneration excessive or conditions of attribution not transparent enough nor challenging. Equally, we expect companies to comply with our minimum independence requirements : at boards failing to meet this requirement, we oppose (re-)election of any non-independent director, except CEO. Diversity (PAI13) and expertise level of the board are of course also taken into account in these votes.

In addition, Candriam always considers the relevance, consistence and feasibility of measures sponsored by any ESG resolution before casting vote.

In the best interest of its clients, Candriam considers internal ESG opinion on the investee companies but also any outcomes of engagement with them, in its voting choices.

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 and shareholder resolutions. More specifically, Candriam welcomes the introduction of management-sponsored 'Say-on-Climate' resolutions. Candriam built a detailed framework to be applied to every Say-on-Climate resolution, which assesses the stringency and the alignment of the company transition strategy with a 2050 net zero emissions pathway. As a result, most of these did not get our support during the period.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to comparnies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :



PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	1317.33
1- GHG Emissions - Scope 2 GHG Emissions	699.72
1- GHG Emissions - Total GHG Emissions	2017.06
2 - Carbon Footprint	27.15
3 - GHG intensity of investee companies	83.25
4 - Exposure to companies active in fossil fuel sector	1.11%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	37.81%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%
15 - GHG intensity	231.73
16 - Investee countries subject to social violations	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
CANDRIAM SUSTAINABLE BOND EURO SHORT TERM Z C	Investments funds	19.50%	S1
CANDRIAM SUSTAINABLE BOND EURO Z C	Investments funds	18.73%	S1
CANDRIAM SUSTAINABLE BOND EURO CORPORATE Z C	Investments funds	12.87%	S1
CANDRIAM SUSTAINABLE BOND GLOBAL Z C	Investments funds	7.92%	S1
CANDRIAM SUSTAINABLE EQUITY EUROPE Z C	Investments funds	6.13%	EU
CANDRIAM SUSTAINABLE EQUITY US Z C	Investments funds	5.72%	US
INDEXIQ FACTORS SUSTAINABLE SOVEREIGN EURO BOND UCITS ETF D	Investments funds	4.51%	EU
CANDRIAM SUSTAINABLE EQUITY EMERGING MARKETS Z C	Investments funds	4.44%	EM
CANDRIAM SUSTAINABLE BOND EMERGING MARKETS Z C	Investments funds	4.05%	EM
CANDRIAM SUSTAINABLE BOND GLOBAL HIGH YIELD Z C	Investments funds	3.32%	S1
CANDRIAM SUSTAINABLE EQUITY QUANT EUROPE Z C	Investments funds	2.12%	EU
CANDRIAM FUND SUSTAINABLE EURO CORPORATE BONDS FOSSIL FREE Z C	Investments funds	1.49%	S1
CANDRIAM SUSTAINABLE EQUITY JAPAN Z C	Investments funds	0.86%	JP
CANDRIAM SUSTAINABLE EQUITY CLIMATE ACTION Z C	Investments funds	0.58%	S1
CANDRIAM FUND SUSTAINABLE EUROPEAN EQUITIES FOSSIL FREE Z C	Investments funds	0.50%	EU

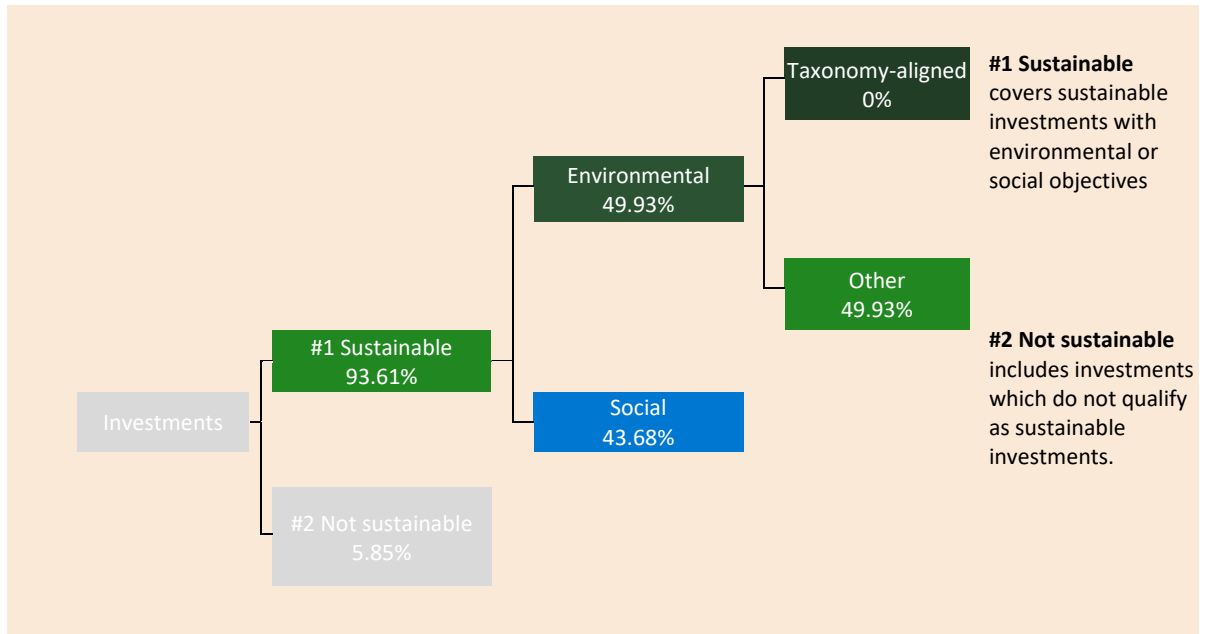
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## What was the proportion of sustainability-related investments?

**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	Proportion
Investments funds	93.51%
Banks and other financial institutions	2.00%
Real estate	0.77%
Insurance	0.42%

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## 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 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<sup>1</sup>?

Yes

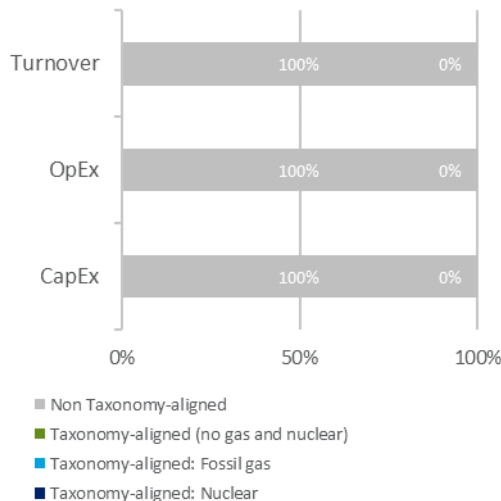
In fossil gas

In nuclear energy

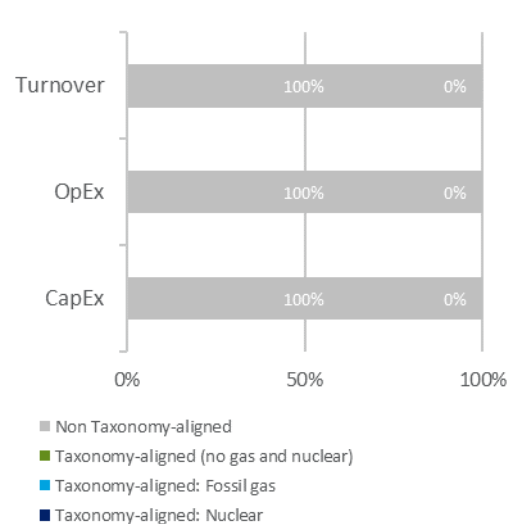
No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*




2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

 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 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?**

Not applicable because no previous period data is available.

● **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 49.93% 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 2022 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 43.68%

 **What investments were included under “#2 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 5.85% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

The underlying funds have been selected to meet the sustainable investment objectives of the portfolio as intended. The subfunds aims to achieve a carbon footprint that is at least 25% lower than the carbon footprint of their respective benchmark.

By December 2022, for a defensive profile, the fund’s carbon footprint was 27 Tons / million euro invested, compared to 74 tCO<sub>2</sub>-eq / million euro invested for the fund benchmark. These numbers are based on Scope 1 & 2 emissions. The overall ESG company score was 57, compared to 52 for the benchmark.

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

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

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

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 20.47%  <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 <b>sustainable investments with a social objective</b> : 75.32%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment  <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 <b>did not make any sustainable investments</b>



### 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:

- Investment in a portfolio of companies where at least 50% of the weighted average revenues are linked to business activities that contribute to provide essential services (clean water, sanitation, healthcare, nutrition, etc.) and/or to provide products/services that contribute to children's development (education, financial inclusion, sports/leisure, etc.).
- ESG score: the Sub-fund aims to have 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 these principles.
- Candriam's Exclusion Policy: to ensure that there were no investments in companies that are on the Candriam's SRI exclusion list as a result of the application of Candriam's Exclusion Policy.
- Number of holdings for which Candriam voted.



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

● **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?"

Sustainability KPI Name	Value	Benchmark
ESG Score - Corporate - Higher than bench	54.85	50.36

● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

● **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.

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement & Voting: in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue and voting. Candriam prioritised its engagement and voting activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

- Voting:

The Candriam's approach to Corporate Governance relies on internationally-recognized standards, notably the principles laid down by the OECD as well as by the International Corporate Governance Network (ICGN).

In that respect, Candriam has exercised its 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. Remuneration and directors' election concentrate most of our votes against management. Indeed, we require companies to respect the pay-for-performance principle and will show our disagreement as soon as we consider the level of remuneration excessive or conditions of attribution not transparent enough nor challenging. Equally, we expect companies to comply with our minimum independence requirements : at boards failing to meet this requirement, we oppose (re-)election of any non-independent director, except CEO. Diversity (PAI13) and expertise level of the board are of course also taken into account in these votes.

In addition, Candriam always considers the relevance, consistence and feasibility of measures sponsored by any ESG resolution before casting vote.

In the best interest of its clients, Candriam considers internal ESG opinion on the investee companies but also any outcomes of engagement with them, in its voting choices.

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 and shareholder resolutions. More specifically, Candriam welcomes the introduction of management-sponsored 'Say-on-Climate' resolutions. Candriam built a detailed framework to be applied to every Say-on-Climate resolution, which assesses the stringency and the alignment of the company transition strategy with a 2050 net zero emissions pathway. As a result, most of these did not get our support during the period.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to companies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	1168.35
1- GHG Emissions - Scope 2 GHG Emissions	815.54
1- GHG Emissions - Total GHG Emissions	1983.89
2 - Carbon Footprint	28.52
3 - GHG intensity of investee companies	83.92
4 - Exposure to companies active in fossil fuel sector	0.00%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	34.11%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
MERCK KGAA	Pharmaceuticals	3.65%	DE
ESSILORLUXOTTICA SA	Pharmaceuticals	3.26%	FR
COMPASS GROUP	Hotels and restaurants	3.25%	GB
AMERICAN WATER WORKS CO INC	Utilities	3.10%	US
AIRTEL AFRICA PLC	Banks and other financial institutions	2.75%	NG
HCA INC	Healthcare	2.61%	US
AKAMAI TECHNOLOGIES	Internet and internet services	2.55%	US
PEARSON PLC	Graphic art and publishing	2.44%	GB
PRUDENTIAL PLC	Insurance	2.43%	HK
MICROSOFT CORP	Internet and internet services	2.29%	US
COLGATE-PALMOLIVE CO	Miscellaneous consumer goods	2.29%	US
STRIDE - REGISTERED SHS	Healthcare	2.19%	US
UNI CHARM	Miscellaneous consumer goods	2.16%	JP
ESSITY AB REGISTERED -B-	Pharmaceuticals	2.01%	SE
SPROUTS FARMERS MARKET INC	Retail trade and department stores	2.00%	US

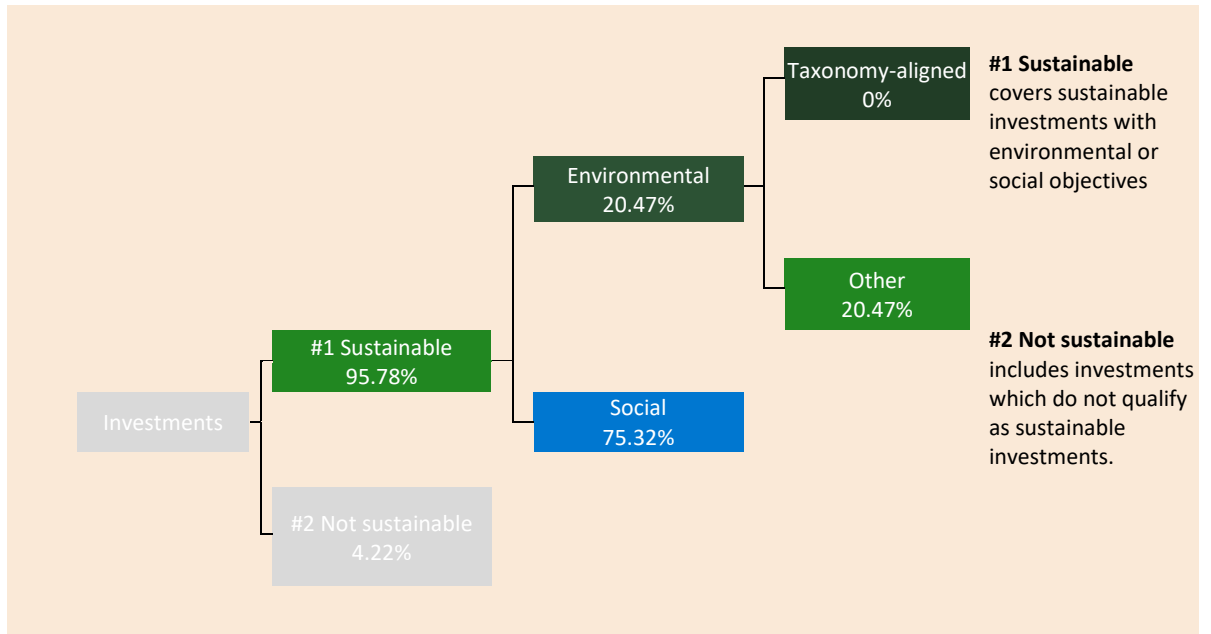
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Pharmaceuticals	13.25%
Healthcare	9.29%
Miscellaneous consumer goods	8.90%
Banks and other financial institutions	8.78%
Internet and internet services	8.19%
Graphic art and publishing	7.21%
Retail trade and department stores	6.88%
Environmental services and recycling	5.00%
Hotels and restaurants	4.64%
Foods and non alcoholic drinks	4.16%
Transportation	3.24%
Utilities	3.10%
Real estate	2.77%
Insurance	2.43%
Road vehicles	2.21%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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<sup>1</sup>?

Yes

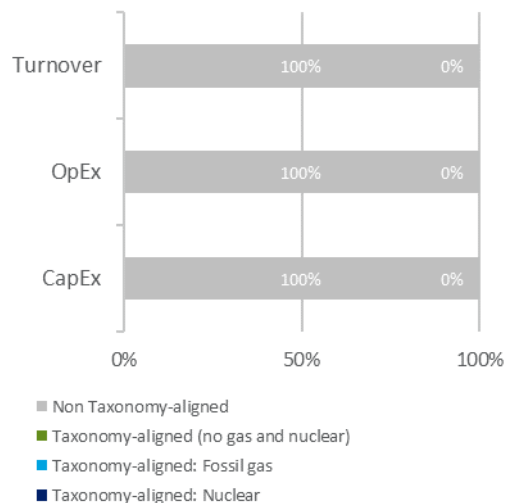
In fossil gas

In nuclear energy

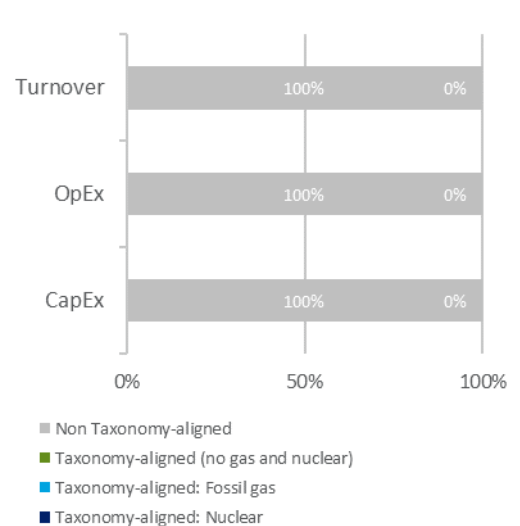
No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments **including** sovereign bonds\*



2. Taxonomy-alignment of investments **excluding** sovereign bonds\*



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

<sup>1</sup> 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.



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 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?**

Not applicable because no previous period data is available.

● **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 20.47% 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 2022 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 75.32%



**What investments were included under “#2 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 4.22% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions



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

In order to respect the sustainable investment objective during the reference period, the subfund initiated / reinforced positions in issuers contributing to the achievement of its sustainable investment objective. Pearson is a good example, as it stands out thanks to the academic services they propose. Pearson seems to have some practices in place to manage stakeholder in a sustainable manner. The board composition regarding independence, expertise and diversity is above average and so is their audit committee and auditor. Specifically, protecting customer’s data is crucial for Pearson as most of their revenues are derived from online business and their all strategy is turned towards digital. Pearson has established an overarching privacy framework comprising of periodic audits and privacy training for employees. Pearson risk assess all new vendors and existing ones at least annually. They have a risk assessment framework that uses the latest international standards such as ISO/IEC 27001:2013, NIST, SOC2 Type 2, Cyber Essentials; as well as Data Privacy standards such as GDPR and CCPA.

In order to respect the sustainable investment objective during the reference period, we sold the following investments for which the issuers did not contribute to the achievement of its sustainable investment objective. 1/ Motorola, as the company is involved in complicity in human rights violations (potential involvement in the Occupied Palestinian territories). 2/ Mowi, as the company had had a negative evolution of their ESG profile given weak corporate governance structures and deteriorating profile given recent controversies. The company was linked to various controversies on the

probes over anti-competitive behaviors on some of the key major players in the salmon industry. Moreover, the company contributes negatively to the biodiversity through farmed salmon fish doused with antibiotics or vaccines.

The subfund aims to mitigate sustainability risks through the exclusion of controversial issuers and business activities from the portfolio. These exclusions are detailed in Candriam's Exclusion Policy and encompass both specific activities with revenue thresholds and issuers found in violation of UN Global Compact Principles. For instance, companies such as Pepkor that has a Red flag on Corporate Governance norms, inherited from its parent entity Steinhoff International Holdings which acquired Pepkor in 2014, is excluded from the investable issuer list.

The subfund aims to achieve an ESG score, based on Candriam's proprietary ESG methodology, higher than its benchmark. At the end of the year 2022, the subfund's overall ESG score was 54.85 and 4.49 above the ESG score of the benchmark at the time. The fund scored better on all ESG aspects: E (49.41 for the fund compared to 47.12 for the benchmark) S (58.09 for the fund compared to 53.08 for the benchmark), G (54.29 for the fund compared to 50.74 for the benchmark).

The subfund invests in companies where at least 50% of the weighted average revenues are linked to the theme. The subfund has respected these commitments by investing in companies with a minimum of 50% of their average income linked to activities that contribute to providing essential services (drinking water, health, etc.) and products/services that contribute to the development of children (education, leisure..) such as Pearson, that has a high revenue exposure to the subtheme education thanks to amongst others activities in virtual learning, english language learning and assessment & qualification, and Compass that has a high revenue exposure to the subtheme nutrition thanks to its active programs against food waste, its encouraging of local sourcing and sustainable agricultural practices through initiatives like Farm to Fork.



### **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.

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 61.56% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> 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"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input checked="" type="checkbox"/> It made <b>sustainable investments with a social objective</b> : 31.28% <ul style="list-style-type: none"> <li><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></li> </ul>	



### 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:

- an overall portfolio alignment with a temperature scenario equal to or lower than 2.5 degrees. As the availability and reliability of company climate data evolves over time, the Sub-Fund aimed to be aligned with a temperature scenario equal to or lower than 2 degrees by January 1st 2025.
- investment of a higher share of total assets under management in high-stake companies than the Sub-Fund's reference Benchmark. High-stake companies are defined by the EU Climate Benchmark regulation as those belonging to one of the sectors considered to play the biggest role in achieving the Paris Agreement objectives.

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 exclusion list as a result of the application of Candriam's Exclusion Policy.
- Number of holdings for which Candriam voted.

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.

As part of Candriam's commitment to the NZAI, the Sub-Fund aimed to invest in companies pursuing a strategy of alignment with the objectives of the Paris Agreement. At the Sub-Fund level this alignment is quantified through a temperature metric.

**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?"

Sustainability KPI Name	Value	Benchmark
Portfolio Temperature - Corporate - Lower than 2.5°C - Lower than 2°C in 2025	2.49	
Exposure to High Stakes sectors - Corporate - Higher than bench	80.90%	62.39%

**... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

**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.

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement & Voting: in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue and voting. Candriam prioritised its engagement and voting activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

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The Candriam's approach to Corporate Governance relies on internationally-recognized standards, notably the principles laid down by the OECD as well as by the International Corporate Governance Network (ICGN).

In that respect, Candriam has exercised its 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. Remuneration and directors' election concentrate most of our votes against management. Indeed, we require companies to respect the pay-for-performance principle and will show our disagreement as soon as we consider the level of remuneration excessive or conditions of attribution not transparent enough nor challenging. Equally, we expect companies to comply with our minimum independence requirements : at boards failing to meet this requirement, we oppose (re-)election of any non-independent director, except CEO. Diversity (PAI13) and expertise level of the board are of course also taken into account in these votes.

In addition, Candriam always considers the relevance, consistence and feasibility of measures sponsored by any ESG resolution before casting vote.

In the best interest of its clients, Candriam considers internal ESG opinion on the investee companies but also any outcomes of engagement with them, in its voting choices.

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 and shareholder resolutions. More specifically, Candriam welcomes the introduction of management-sponsored 'Say-on-Climate' resolutions. Candriam built a detailed framework to be applied to every Say-on-Climate resolution, which assesses the stringency and the alignment of the company transition strategy with a 2050 net zero emissions pathway. As a result, most of these did not get our support during the period.

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- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	19215.92
1- GHG Emissions - Scope 2 GHG Emissions	7465.30
1- GHG Emissions - Total GHG Emissions	26681.22
2 - Carbon Footprint	74.43
3 - GHG intensity of investee companies	201.19
4 - Exposure to companies active in fossil fuel sector	2.22%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	36.87%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
WASTE MANAGEMENT	Environmental services and recycling	4.01%	US
AMERICAN WATER WORKS CO INC	Utilities	3.57%	US
GRAPHIC PACKAGING	Banks and other financial institutions	3.49%	US
NESTLE SA REG SHS	Foods and non alcoholic drinks	3.47%	US
DARLING INGREDIENT INC	Utilities	3.16%	US
PROCTER & GAMBLE CO	Miscellaneous consumer goods	3.08%	US
CROWN HOLDINGS INC	Banks and other financial institutions	2.61%	US
UNILEVER	Foods and non alcoholic drinks	2.58%	GB
ECOLAB INC	Chemicals	2.56%	US
CISCO SYSTEMS INC	Office supplies and computing	2.47%	US
ESTEE LAUDER COMPANIES INC -A-	Pharmaceuticals	2.45%	US
PTC INC	Internet and internet services	2.40%	US
LKQ CORP	Road vehicles	2.32%	US
ZEBRA TECHNOLOGIES -A-	Electronics and semiconductors	2.25%	US
IBERDROLA SA	Utilities	2.11%	ES

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*

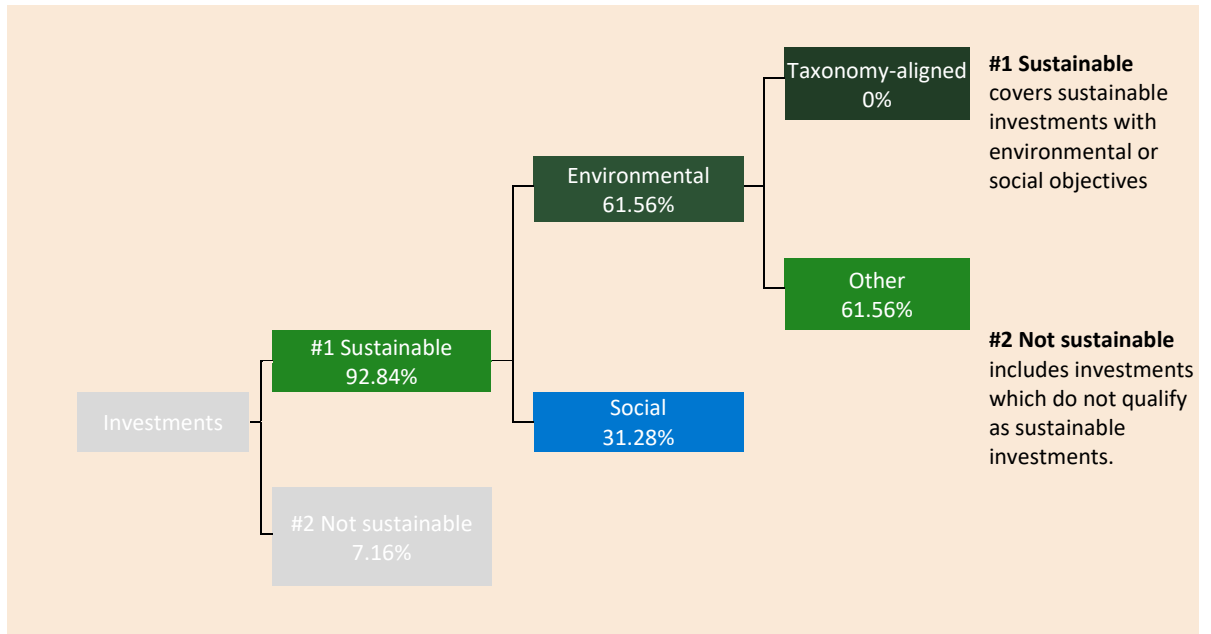




## What was the proportion of sustainability-related investments?

**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	Proportion
Utilities	10.78%
Environmental services and recycling	10.77%
Banks and other financial institutions	9.75%
Internet and internet services	7.65%
Chemicals	6.40%
Foods and non alcoholic drinks	6.05%
Electronics and semiconductors	5.87%
Pharmaceuticals	4.59%
Miscellaneous consumer goods	3.82%
Retail trade and department stores	3.51%
Machine and apparatus construction	3.24%
Building materials	3.09%
Packaging industries	2.48%
Office supplies and computing	2.47%
Road vehicles	2.32%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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:

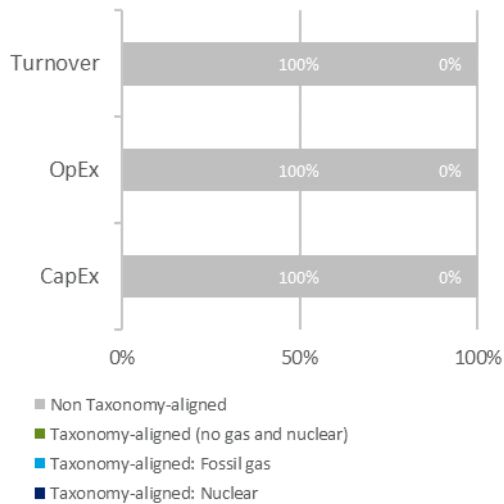
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities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

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

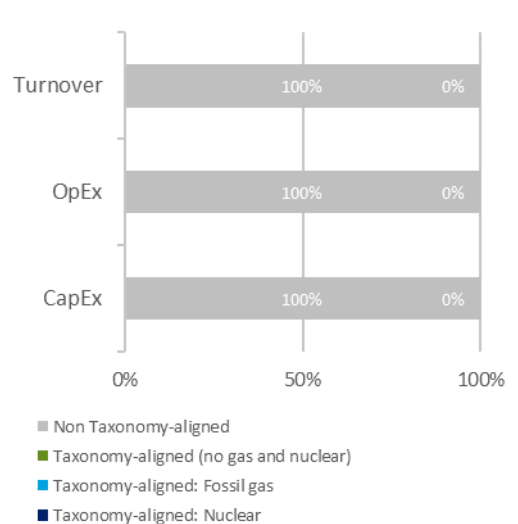
- Yes
- In fossil gas  In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*



2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

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 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?**

Not applicable because no previous period data is available.

● **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 61.56% 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 2022 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 31.28%



**What investments were included under “#2 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 7.16% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions



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

In order to respect the sustainable investment objective during the reference period, the subfund initiated new positions and sold existing positions with the aim of strengthening the alignment with its sustainable investment objective. The subfund’s primary sustainable investment objective is to contribute to the transition to a circular economy. As a corollary to this objective the subfund aims to deliver a portfolio with a weighted average temperature below 2.5°C.

As an example of new position, West Fraser was initiated during the reference period. The company is a producer of wood products located in North America, harvesting wood from sustainable forests that regrow and therefore provide a circular source of raw material for the construction industry. West Fraser’s climate alignment score is also conducive to a low carbon economy, as calculated by Carbon4Finance, in line with the subfund’s temperature objective.

During the reference period, the subfund divested from companies that did not live up to the subfund’s sustainability standards. For example, the company Flat Glass, a Chinese manufacturer of glass used to make solar panel, was sold due to the lack of environmental commitments by the company. Although solar panels are one of the major ways to harness sustainable energy, glass manufacturing itself can generate significant environmental damage, an area where Flat glass, despite numerous attempts by Candriam analysts to reach out to the company, provided little transparency.

The subfund aims at having a higher percentage of high stake companies. At the end of the year, the fund had 81% invested in high stake companies, compared to 62 for the benchmark.

The subfund aims to achieve an ESG score, based on Candriam's proprietary ESG methodology, higher than its benchmark. At the end of the year 2022, the subfund's overall ESG was 55 and 5% above the ESG score of the benchmark at the time.



## 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.

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 69.77%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment
<input checked="" 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 <b>sustainable investments with a social objective</b> : 26.61%	<input type="checkbox"/> with a social objective
	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



### 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:

- an overall portfolio alignment with a temperature scenario equal to or lower than 2.5 degrees. As the availability and reliability of company climate data evolves over time, the Sub-Fund aimed to be aligned with a temperature scenario equal to or lower than 2 degrees by January 1st 2025.
- investment of a higher share of total assets under management in high-stake companies than the Sub-Fund's reference Benchmark. High-stake companies are defined by the EU Climate Benchmark regulation as those belonging to one of the sectors considered to play the biggest role in achieving the Paris Agreement objectives.

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 exclusion list as a result of the application of Candriam's Exclusion Policy.
- Number of holdings for which Candriam voted.

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.

As part of Candriam's commitment to the NZAI, the Sub-Fund aimed to invest in companies pursuing a strategy of alignment with the objectives of the Paris Agreement. At the Sub-Fund level this alignment is quantified through a temperature metric.

The financial product partially contributed to:

- Climate change mitigation

### ● **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?"

Sustainability KPI Name	Value	Benchmark
Portfolio Temperature - Corporate - Lower than 2.5°C - Lower than 2°C in 2025	2.39	
Exposure to High Stakes sectors - Corporate - Higher than bench	80.19%	62.39%

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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.

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

**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.

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.

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PAI indicators	Value
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1- GHG Emissions - Scope 2 GHG Emissions	19339.92
1- GHG Emissions - Total GHG Emissions	55151.31
2 - Carbon Footprint	57.09
3 - GHG intensity of investee companies	308.58
4 - Exposure to companies active in fossil fuel sector	10.11%*
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	33.41%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%

*\*This PAI does not reflect the % of income invested in the portfolio but the % of issuers who have part, even if marginal, of their income exposed to Fossil fuel. In order to accommodate the integration of renewable energy and handle their intermittency, even the greenest Electrical Utilities need to maintain some gas-based capacity as storage based solutions are still in their infancy.*

*As example, Orsted is the global leader in Offshore wind. The Danish developer started as a O&G company and went through a successful transition to exit its fossil fuel assets and focus solely on renewables. Due to its core position in the Danish energy system and the 50% ownership by the Danish government, Orsted still owns thermal generation assets in Denmark.*

*As of end 2022, Orsted's green share of energy generation was 91%.*

*As example, Iberdrola, In 2021, total installed capacity was made of 75% renewables, gas represented 15% and the remaining is Nuclear. In its 2030 generation mix, the company plans to have 85% of Renewable energy, meeting the IEA's expectation of 60% share of renewables by 2030.*



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
MICROSOFT CORP	Internet and internet services	3.91%	US
WASTE CONNECTIONS INC	Environmental services and recycling	3.68%	US
AIR PRODUCTS & CHEMICALS INC	Chemicals	3.17%	US
MASTEC INC	Electrical engineering	2.97%	US
SCHNEIDER ELECTRIC SE	Electrical engineering	2.67%	US
APTIV PLC	Road vehicles	2.56%	US
TRIMBLE	Electronics and semiconductors	2.49%	US
AIR LIQUIDE SA	Chemicals	2.48%	FR
BALL CORP	Packaging industries	2.48%	US
DSM KONINKLIJKE	Chemicals	2.44%	NL
SYNOPSIS	Internet and internet services	2.27%	US
THERMO FISHER SCIENT SHS	Electronics and semiconductors	2.22%	US
ADVANCED DRAINAGE	Environmental services and recycling	2.18%	US
NESTE	Petroleum	2.15%	FI
CONTEMPORARY AMPEREX TECHN-A	Machine and apparatus construction	2.14%	CN

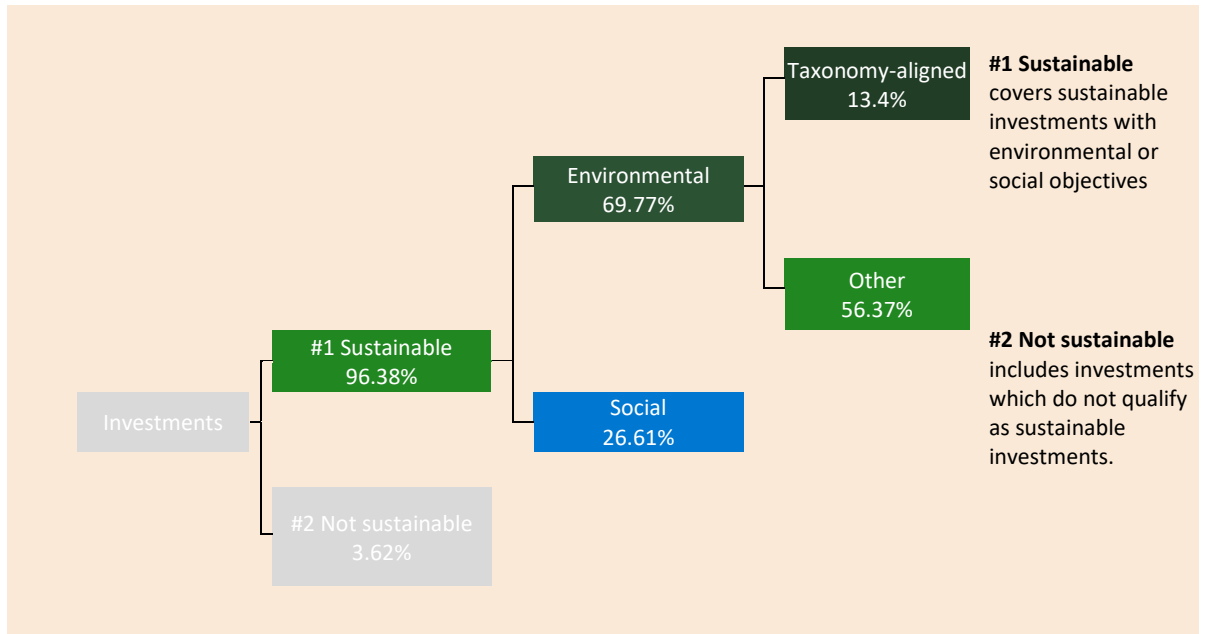
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## What was the proportion of sustainability-related investments?

**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	Proportion
Utilities	15.10%
Electronics and semiconductors	13.12%
Internet and internet services	12.53%
Electrical engineering	11.07%
Machine and apparatus construction	9.94%
Chemicals	9.86%
Environmental services and recycling	7.47%
Building materials	5.64%
Road vehicles	3.06%
Real estate	3.03%
Packaging industries	2.48%
Petroleum	2.15%
Foods and non alcoholic drinks	0.57%
Biotechnology	0.40%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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<sup>1</sup>?

Yes

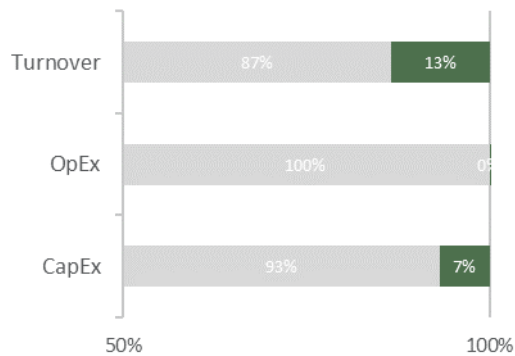
In fossil gas

In nuclear energy

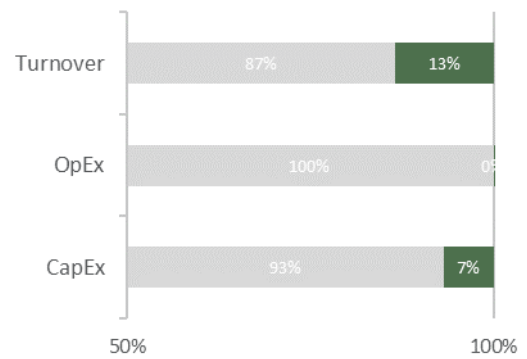
No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments **including** sovereign bonds\*



2. Taxonomy-alignment of investments **excluding** sovereign bonds\*



Non Taxonomy-aligned  
 Taxonomy-aligned (no gas and nuclear)  
 Taxonomy-aligned: Fossil gas  
 Taxonomy-aligned: Nuclear

Non Taxonomy-aligned  
 Taxonomy-aligned (no gas and nuclear)  
 Taxonomy-aligned: Fossil gas  
 Taxonomy-aligned: Nuclear

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

<sup>1</sup> 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.

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

The Sub-Fund had a minimum share of 0% in transitional activities and of 8.54% in enabling activities.

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

Not applicable because no previous period data is available.

● **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.

Climate change adaptation	0%
Climate change mitigation	13.40%


 **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 56.37% 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 2022 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 26.61%

 **What investments were included under “#2 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 3.62% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

In order to respect the sustainable investment objective during the reference period, the subfund initiated / reinforced positions in issuers contributing to the achievement of its sustainable investment objective.

For instance, the subfund initiated a position in Orsted, as the company has a good CIA rating on temperature alignment according to C4F and an internal ESG 3 rating. Offshore wind is expected to grow at 23% CAGR to 2030 with green hydrogen/floating wind providing additional tailwinds. Orsted is well-placed to capture this growth with 22GW of confirmed projects with a high visibility on economics (average subsidy life of 15 years).

The subfund aims to mitigate sustainability risks through the exclusion of controversial issuers and business activities from the portfolio. These exclusions are detailed in Candriam’s Exclusion Policy and encompass both specific activities with revenue thresholds and issuers found in violation of UN Global Compact Principles. For instance, companies such as RWE AG, involved in thermal coal production, are excluded from the investable issuer list.

The subfund’s aims to deliver a portfolio with a weighted average temperature below 2.5°C. The average portfolio temperature of the fund was 2.39°C compared to 3.58°C for the benchmark. In addition, the fund aims at having a higher

percentage of high stake companies. At the end of the year, the fund had 80% invested in high stake companies, compared to 62 for the benchmark.

To give further expression to the fact that challenges relating to climate change have been taken into account, the carbon footprint of companies is measured. As at 31/12/2022, the fund's carbon footprint was 57.09 tCO<sub>2</sub>-eq / million euro invested, compared to 64.55 tCO<sub>2</sub>-eq / million euro invested for the fund benchmark.



## **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.



## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 34.72%  <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 <b>sustainable investments with a social objective</b> : 61.74%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment  <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 <b>did not make any sustainable investments</b>



### 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: 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 exclusion list as a result of the application of Candriam's Exclusion Policy.
- Number of holdings for which Candriam voted.

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

### ● **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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	22.10	167.82
ESG Score - Corporate - Higher than bench	50.56	44.87

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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.

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement & Voting: in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue and voting. Candriam prioritised its engagement and voting activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

- Voting:

The Candriam's approach to Corporate Governance relies on internationally-recognized standards, notably the principles laid down by the OECD as well as by the International Corporate Governance Network (ICGN).

In that respect, Candriam has exercised its 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. Remuneration and directors' election concentrate most of our votes against management. Indeed, we require companies to respect the pay-for-performance principle and will show our disagreement as soon as we consider the level of remuneration excessive or conditions of attribution not transparent enough nor challenging. Equally, we expect companies to comply with our minimum independence requirements : at boards failing to meet this requirement, we oppose (re-)election of any non-independent director, except CEO. Diversity (PAI13) and expertise level of the board are of course also taken into account in these votes.

In addition, Candriam always considers the relevance, consistence and feasibility of measures sponsored by any ESG resolution before casting vote.

In the best interest of its clients, Candriam considers internal ESG opinion on the investee companies but also any outcomes of engagement with them, in its voting choices.

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 and shareholder resolutions. More specifically, Candriam welcomes the introduction of management-sponsored 'Say-on-Climate' resolutions. Candriam built a detailed framework to be applied to every Say-on-Climate resolution, which assesses the stringency and the alignment of the company transition strategy with a 2050 net zero emissions pathway. As a result, most of these did not get our support during the period.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to comparnies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	18915.92
1- GHG Emissions - Scope 2 GHG Emissions	41915.66
1- GHG Emissions - Total GHG Emissions	60831.58
2 - Carbon Footprint	22.10
3 - GHG intensity of investee companies	87.44
4 - Exposure to companies active in fossil fuel sector	0.00%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	18.98%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
TAIWAN SEMICONDUCTOR CO	Electronics and semiconductors	6.79%	TW
ALIBABA GROUP	Miscellaneous services	4.74%	CN
MEITUAN - SHS 114A/REG S	Internet and internet services	3.39%	CN
HOUSING DEVELOPMENT FINANCE CORP	Banks and other financial institutions	3.09%	IN
JD.COM INC - CL A	Retail trade and department stores	2.63%	CN
PING AN INS (GRP) CO -H-	Insurance	2.38%	CN
SK HYNIX INC	Electronics and semiconductors	2.24%	KR
AXIS BANK	Banks and other financial institutions	2.16%	IN
DELTA ELECTRONIC INCS	Electrical engineering	2.10%	TW
INFOSYS TECHNOLOGIES DEMATERIALIZED	Internet and internet services	1.98%	IN
DINA POLSKA S.A.	Foods and non alcoholic drinks	1.89%	PL
SAMSUNG SDI CO LTD	Electronics and semiconductors	1.78%	KR
KB FINANCIAL GROUP INC	Banks and other financial institutions	1.71%	KR
JIUMAOJIU INTERNATIONAL HOLDINGS LIMITED	Foods and non alcoholic drinks	1.70%	CN
CIMB GROUP HOLDINGS BHD	Banks and other financial institutions	1.68%	MY

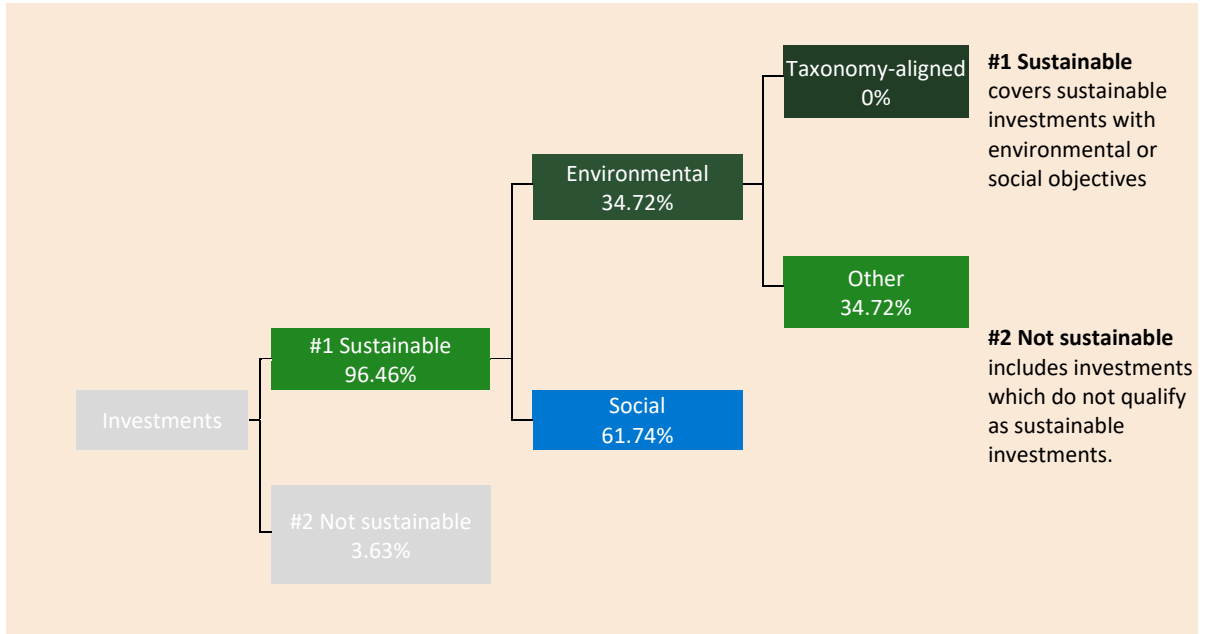
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Banks and other financial institutions	26.61%
Electronics and semiconductors	12.42%
Internet and internet services	9.10%
Foods and non alcoholic drinks	6.90%
Miscellaneous services	4.74%
Retail trade and department stores	4.65%
Machine and apparatus construction	4.18%
Communication	4.10%
Pharmaceuticals	3.73%
Electrical engineering	3.52%
Insurance	3.15%
Chemicals	3.08%
Biotechnology	2.54%
Road vehicles	2.16%
Utilities	1.93%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*





## 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 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.

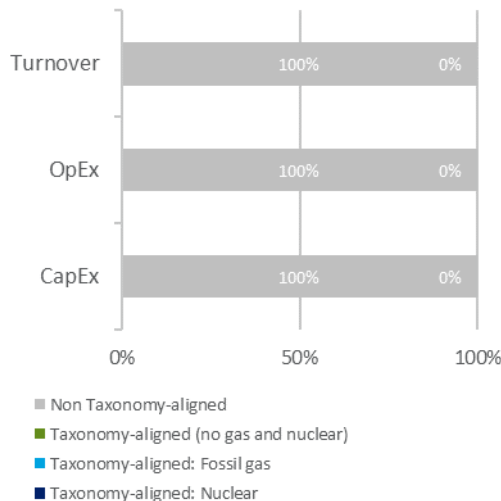
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

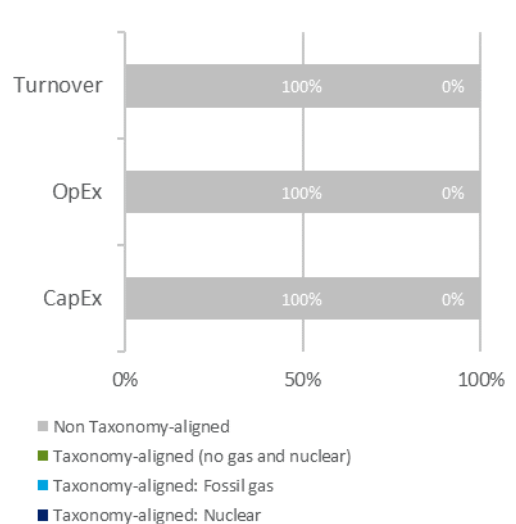
- Yes
- In fossil gas  In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*



2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

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 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?**

Not applicable because no previous period data is available.

● **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 34.72% 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 2022 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 61.74%



**What investments were included under “#2 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 3.63% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions



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

In order to respect the environmental and/or social characteristics during the reference period, we excluded/sold the following investments for which the issuers did not have environmental and/or social characteristics :

- Tencent: The company was assessed with a below average ESG rating of ESG 7 and an had orange flag for Norm Based screening (which prevented us from adding to existing positions). ESG assessment highlighted ESG risks related to Tencent's highly data-driven business activities, which could materialize into regulatory risks. These risks include information security and data privacy breaches, as well as potential illicit financial flows through its online payment platform. Increasing regulatory scrutiny of tech companies by the Chinese government since recent years may imply higher noncompliant risks for Tencent in these aspects. In addition, Tencent and other social media platforms in China have been cited by several international public policy researches for unconsented use and processing of customers' personal data for online surveillance purposes, including monitoring and censoring politically sensitive posts. Thus the fund sold its position in Tencent.
- Li Ning: The company had an ESG rating of ESG7 and given the ESG risks the fund sold its position in Li Ning. At the moment, given that Li Ning does not have public environmental targets that are sufficiently comprehensive and ambitious, and that it has not visibly demonstrated any substantial measures to improve materials' sustainability, the company's Stakeholders scores for the Environment and Suppliers dimensions reflect Li Ning's less advanced sustainability strategy in these aspects as compared to its peers.

Engagement: To meet/ maintain the sustainable investment objective of the fund, Candriam's ESG team together with EME team undertook Post Covid Engagements with a number of companies in EM focusing on the impact of the pandemic on human capital management and the supply chain structure, as well as the changes in consumers' patterns and trends.

Longi Green Energy Tech – Longi is a key player in solar PV modules. Engagement was undertaken with an objective to encouraging companies in the solar value chain to assess, monitor and report on human rights and labor rights risks in their supply chain, notably forced labor. The engagement also looked for more transparency along its supply chain when it comes to product traceability.

To give expression to the fact that challenges relating to climate change have been taken into account, the carbon footprint of companies is measured. As at 31/12/2022, the fund's carbon footprint was 22.10 tCO<sub>2</sub>-eq / million euro invested, compared to 167.82 tCO<sub>2</sub>-eq / million euro invested for the fund benchmark.

The subfund aims to achieve an ESG score, based on Candriam's proprietary ESG methodology, higher than its benchmark. As at 31/12/2022, the subfund's overall ESG of 50.56 compared to the ESG score of 44.87 for the benchmark."



## 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.

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 35.89%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> 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 <b>sustainable investments with a social objective</b> : 61.58%	<input type="checkbox"/> with a social objective
	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



### 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: 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 exclusion list as a result of the application of Candriam's Exclusion Policy.
- Number of holdings for which Candriam voted.

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

### ● **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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	24.22	94.48
ESG Score - Corporate - Higher than bench	58.84	53.34

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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.

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement & Voting: in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue and voting. Candriam prioritised its engagement and voting activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

- Voting:

The Candriam's approach to Corporate Governance relies on internationally-recognized standards, notably the principles laid down by the OECD as well as by the International Corporate Governance Network (ICGN).

In that respect, Candriam has exercised its 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. Remuneration and directors' election concentrate most of our votes against management. Indeed, we require companies to respect the pay-for-performance principle and will show our disagreement as soon as we consider the level of remuneration excessive or conditions of attribution not transparent enough nor challenging. Equally, we expect companies to comply with our minimum independence requirements : at boards failing to meet this requirement, we oppose (re-)election of any non-independent director, except CEO. Diversity (PAI13) and expertise level of the board are of course also taken into account in these votes.

In addition, Candriam always considers the relevance, consistence and feasibility of measures sponsored by any ESG resolution before casting vote.

In the best interest of its clients, Candriam considers internal ESG opinion on the investee companies but also any outcomes of engagement with them, in its voting choices.

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 and shareholder resolutions. More specifically, Candriam welcomes the introduction of management-sponsored 'Say-on-Climate' resolutions. Candriam built a detailed framework to be applied to every Say-on-Climate resolution, which assesses the stringency and the alignment of the company transition strategy with a 2050 net zero emissions pathway. As a result, most of these did not get our support during the period.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to comparnies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	6084.60
1- GHG Emissions - Scope 2 GHG Emissions	3631.63
1- GHG Emissions - Total GHG Emissions	9716.23
2 - Carbon Footprint	24.22
3 - GHG intensity of investee companies	70.58
4 - Exposure to companies active in fossil fuel sector	0.94%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	42.17%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%





## 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: 31/12/2022

Top investments	Sector	Proportion	Country
KBC GROUPE SA	Banks and other financial institutions	5.02%	BE
ASML HOLDING NV	Electronics and semiconductors	4.54%	NL
SCHNEIDER ELECTRIC SE	Electrical engineering	4.39%	US
DASSAULT SYST.	Internet and internet services	4.06%	FR
L'OREAL SA	Pharmaceuticals	3.69%	FR
LVMH MOET HENNESSY LOUIS VUITTON SE	Textiles and garments	3.52%	FR
KERRY GROUP -A-	Foods and non alcoholic drinks	3.43%	IE
BEIERSDORF AG	Pharmaceuticals	3.35%	DE
UNICREDIT SPA REGS	Banks and other financial institutions	3.25%	IT
HANNOVER RUECK SE	Insurance	3.13%	DE
SANOFI	Pharmaceuticals	3.07%	FR
ESSILORLUXOTTICA SA	Pharmaceuticals	3.03%	FR
DSM KONINKLIJKE	Chemicals	2.88%	NL
BUREAU VERITAS SA	Miscellaneous services	2.81%	FR
SARTORIUS STEDIM BIOTECH	Pharmaceuticals	2.79%	FR

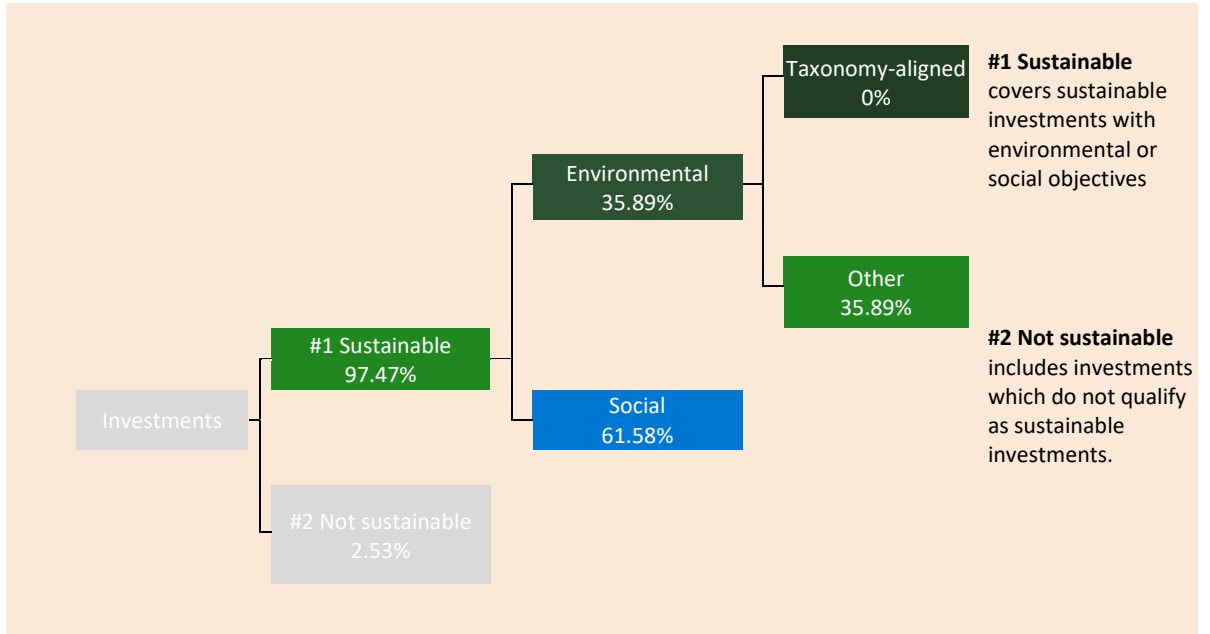
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Pharmaceuticals	19.72%
Banks and other financial institutions	14.98%
Chemicals	7.41%
Internet and internet services	6.96%
Electrical engineering	6.57%
Textiles and garments	6.53%
Insurance	6.37%
Electronics and semiconductors	6.28%
Retail trade and department stores	3.66%
Foods and non alcoholic drinks	3.43%
Real estate	2.85%
Miscellaneous services	2.81%
Building materials	2.50%
Graphic art and publishing	2.40%
Machine and apparatus construction	1.31%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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.

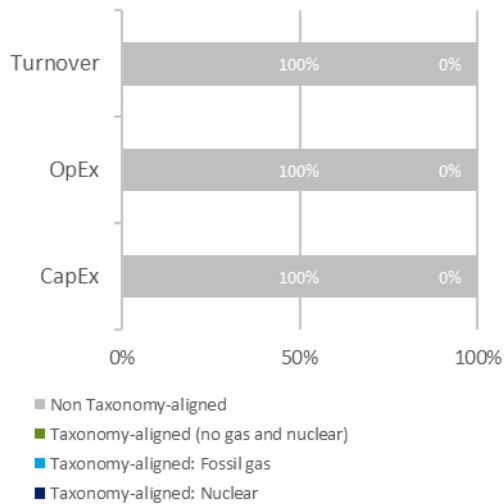
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

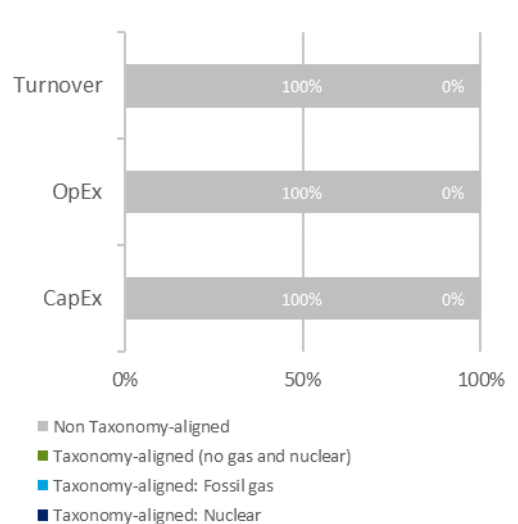
- Yes
- In fossil gas  In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments **including** sovereign bonds\*




2. Taxonomy-alignment of investments **excluding** sovereign bonds\*



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

<sup>1</sup> 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.

 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 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?**

Not applicable because no previous period data is available.

● **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 35.89% 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 2022 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 61.58%

 **What investments were included under “#2 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 2.53% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

In order to respect the sustainable investment objective during the reference period, the sub-fund initiated positions in issuers contributing to the achievement of its sustainable investment objective. For instance, the fund started a position in Veolia. Veolia is a global leader in water, waste and energy management that is committed to ecological transformation. The group has demonstrated its resilience and with its strong global presence, it is a clear enabler for a circular economy transition across the world.

To give expression to the fact that challenges relating to climate change have been taken into account, the carbon footprint of companies is measured. As at 31/12/2022, the fund's carbon footprint was 24 tCO<sub>2</sub>-eq / million euro invested, compared to 94 tCO<sub>2</sub>-eq / million euro invested for the fund benchmark.

The sub-fund aims to achieve an ESG score, based on Candriam's proprietary ESG methodology, higher than its benchmark. As at 31/12/2022, the Candriam Sustainable Equity Europe overall ESG score was 59 compared to the ESG score of 53 for the benchmark.

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

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

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

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 37.2%  <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 <b>sustainable investments with a social objective</b> : 61.25%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment  <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 <b>did not make any sustainable investments</b>



### 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: 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 exclusion list as a result of the application of Candriam's Exclusion Policy.
- Number of holdings for which Candriam voted.

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

### ● **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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	17.67	77.43
ESG Score - Corporate - Higher than bench	59.84	53.65

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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.

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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:

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PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	13631.45
1- GHG Emissions - Scope 2 GHG Emissions	9685.80
1- GHG Emissions - Total GHG Emissions	23317.24
2 - Carbon Footprint	17.67
3 - GHG intensity of investee companies	59.30
4 - Exposure to companies active in fossil fuel sector	1.98%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	40.82%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
KBC GROUPE SA	Banks and other financial institutions	4.62%	BE
NESTLE SA REG SHS	Foods and non alcoholic drinks	4.38%	US
COMPASS GROUP	Hotels and restaurants	3.15%	GB
RECKITT BENCKISER GROUP PLC	Miscellaneous consumer goods	2.98%	GB
ASML HOLDING NV	Electronics and semiconductors	2.83%	NL
ROCHE HOLDING LTD	Pharmaceuticals	2.59%	US
SCHNEIDER ELECTRIC SE	Electrical engineering	2.48%	US
BEIERSDORF AG	Pharmaceuticals	2.46%	DE
TECAN GROUP NAM.AKT	Pharmaceuticals	2.44%	CH
ASTRAZENECA PLC	Pharmaceuticals	2.39%	GB
FINECOBANK	Banks and other financial institutions	2.29%	IT
INDITEX SHARE FROM SPLIT	Retail trade and department stores	2.23%	ES
HANNOVER RUECK SE	Insurance	2.21%	DE
KERRY GROUP -A-	Foods and non alcoholic drinks	2.17%	IE
ESSILORLUXOTTICA SA	Pharmaceuticals	2.14%	FR

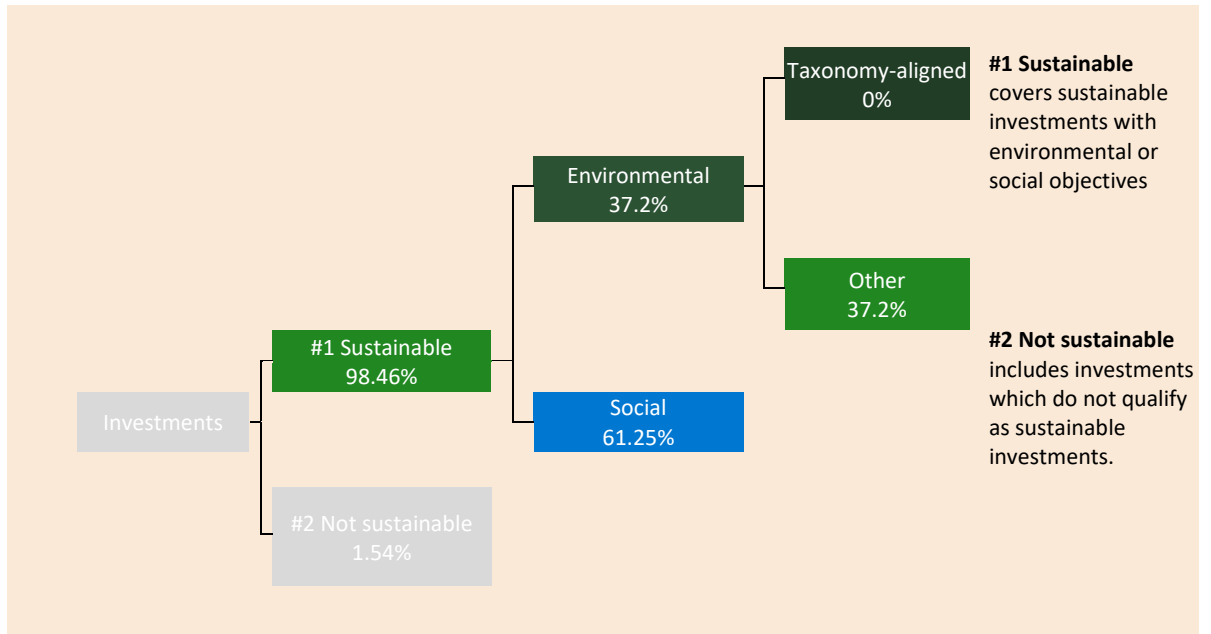
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Pharmaceuticals	19.60%
Banks and other financial institutions	13.33%
Foods and non alcoholic drinks	8.08%
Chemicals	7.42%
Machine and apparatus construction	5.98%
Insurance	5.57%
Electronics and semiconductors	5.03%
Textiles and garments	4.03%
Electrical engineering	3.55%
Miscellaneous consumer goods	3.49%
Hotels and restaurants	3.15%
Internet and internet services	2.92%
Retail trade and department stores	2.63%
Utilities	2.62%
Real estate	2.49%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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.

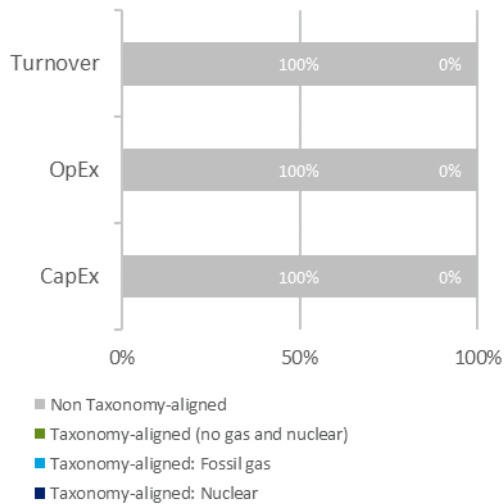
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

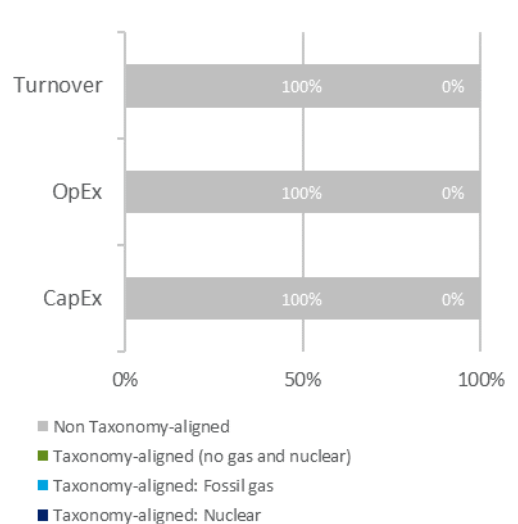
- Yes
- In fossil gas  In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*



2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

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 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?**

Not applicable because no previous period data is available.

● **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 37.2% 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 2022 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 61.25%



**What investments were included under “#2 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 1.54% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions



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

In order to respect the sustainable investment objective during the reference period, the sub-fund initiated positions in issuers contributing to the achievement of its sustainable investment objective. For instance, the fund started a position in Veolia. Veolia is a global leader in water, waste and energy management that is committed to ecological transformation. The group has demonstrated its resilience and with its strong global presence, it is a clear enabler for a circular economy transition across the world.

To give expression to the fact that challenges relating to climate change have been taken into account, the carbon footprint of companies is measured. As at 31/12/2022, the fund’s carbon footprint was 18 tCO<sub>2</sub>-eq / million euro invested, compared to 77 tCO<sub>2</sub>-eq / million euro invested for the fund benchmark.

The sub-fund aims to achieve an ESG score, based on Candriam's proprietary ESG methodology, higher than its benchmark. As at 31/12/2022, the Candriam Sustainable Equity Europe overall ESG score was 60 compared to the ESG score of 54 for the benchmark.



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



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

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

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 26.77% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> 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"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input checked="" type="checkbox"/> It made <b>sustainable investments with a social objective</b> : 71.35% <ul style="list-style-type: none"> <li><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></li> </ul>	



### 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: 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 exclusion list as a result of the application of Candriam's Exclusion Policy.
- Number of holdings for which Candriam voted.

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

### ● **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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	10.98	108.04
ESG Score - Corporate - Higher than bench	60.84	52.33

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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.

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement & Voting: in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue and voting. Candriam prioritised its engagement and voting activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

- Voting:

The Candriam's approach to Corporate Governance relies on internationally-recognized standards, notably the principles laid down by the OECD as well as by the International Corporate Governance Network (ICGN).

In that respect, Candriam has exercised its 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. Remuneration and directors' election concentrate most of our votes against management. Indeed, we require companies to respect the pay-for-performance principle and will show our disagreement as soon as we consider the level of remuneration excessive or conditions of attribution not transparent enough nor challenging. Equally, we expect companies to comply with our minimum independence requirements : at boards failing to meet this requirement, we oppose (re-)election of any non-independent director, except CEO. Diversity (PAI13) and expertise level of the board are of course also taken into account in these votes.

In addition, Candriam always considers the relevance, consistence and feasibility of measures sponsored by any ESG resolution before casting vote.

In the best interest of its clients, Candriam considers internal ESG opinion on the investee companies but also any outcomes of engagement with them, in its voting choices.

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 and shareholder resolutions. More specifically, Candriam welcomes the introduction of management-sponsored 'Say-on-Climate' resolutions. Candriam built a detailed framework to be applied to every Say-on-Climate resolution, which assesses the stringency and the alignment of the company transition strategy with a 2050 net zero emissions pathway. As a result, most of these did not get our support during the period.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to comparnies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
4 - Exposure to companies active in fossil fuel sector	2.54%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
KBC ANCORA CVA	Banks and other financial institutions	4.35%	BE
BIOMERIEUX SA	Pharmaceuticals	4.10%	FR
BARCO - REGISTERED SHS	Internet and internet services	4.00%	BE
INTERTEK GROUP PLC	Textiles and garments	3.63%	GB
FINECOBANK	Banks and other financial institutions	3.51%	IT
HALMA PLC	Electronics and semiconductors	3.50%	GB
DUERR AG	Machine and apparatus construction	3.46%	DE
MONCLER SPA	Textiles and garments	3.42%	IT
SPIRAX-SARCO ENGIN	Machine and apparatus construction	3.00%	GB
ADMIRAL GROUP PLC	Insurance	2.85%	GB
BANKINTER SA REGS	Banks and other financial institutions	2.84%	ES
TECAN GROUP NAM.AKT	Pharmaceuticals	2.58%	CH
CHRISTIAN HANSEN	Biotechnology	2.55%	DK
JOHNSON MATTHEY	Precious metals and stones	2.54%	GB
UNITE GROUP PLC	Real estate	2.47%	GB

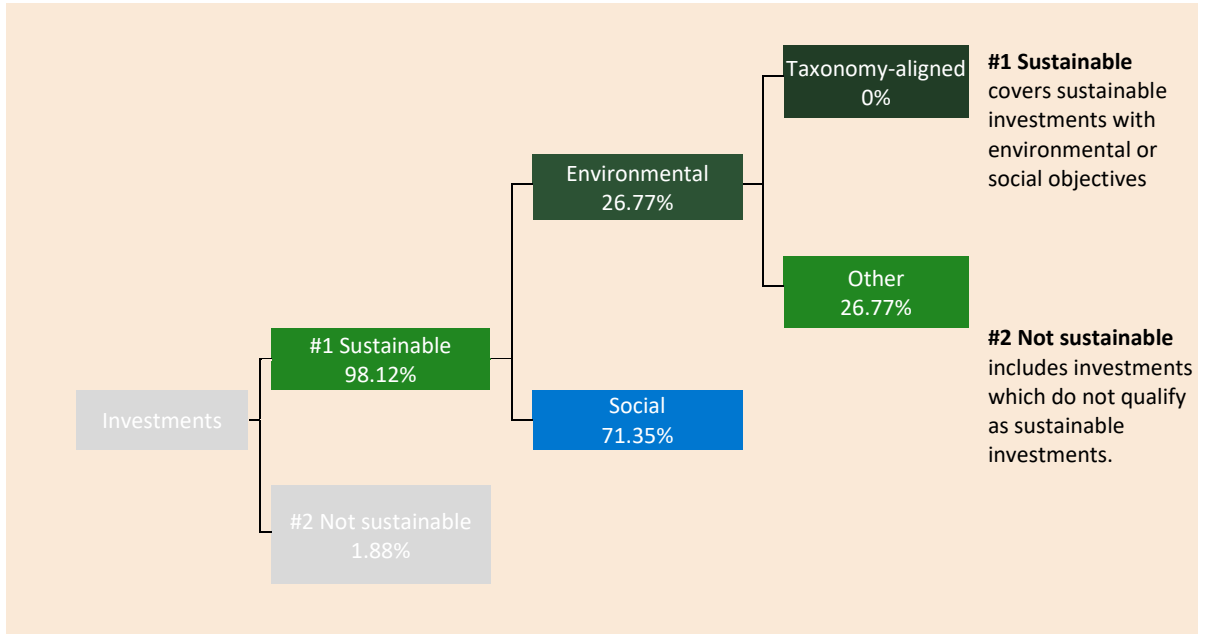
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Banks and other financial institutions	22.66%
Real estate	11.46%
Machine and apparatus construction	8.79%
Pharmaceuticals	8.58%
Textiles and garments	7.53%
Internet and internet services	7.27%
Insurance	5.96%
Miscellaneous services	4.47%
Electronics and semiconductors	3.51%
Biotechnology	3.38%
Precious metals and stones	2.57%
Miscellaneous consumer goods	2.55%
Building materials	2.46%
Foods and non alcoholic drinks	2.37%
Non Classifiable Institutions	2.09%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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.

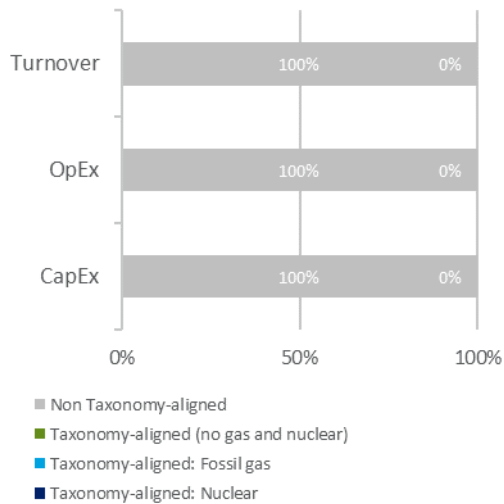
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

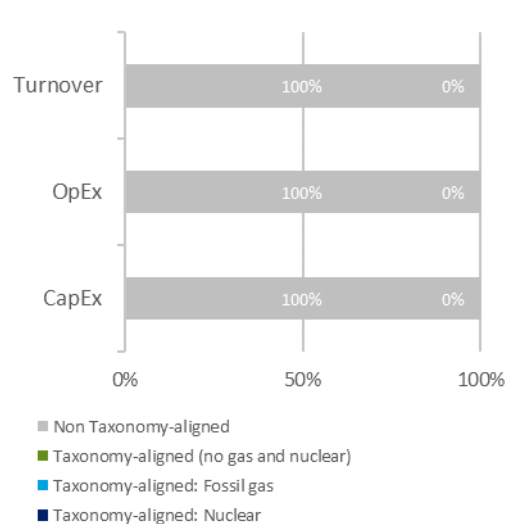
- Yes
- In fossil gas  In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*




2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

 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 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?**

Not applicable because no previous period data is available.

● **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 26.77% 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 2022 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 71.35%



**What investments were included under “#2 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 1.88% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions



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

In order to respect the sustainable investment objective during the reference period, the sub-fund initiated positions in issuers contributing to the achievement of its sustainable investment objective. For instance, the fund started a position in Kingspan. Kingspan is the global leader in high-performance insulation and building envelope solutions. These are key to fight climate change and global warming.

To give expression to the fact that challenges relating to climate change have been taken into account, the carbon footprint of companies is measured. As at 31/12/2022, the fund's carbon footprint was 11 tCO<sub>2</sub>-eq / million euro invested, compared to 104 tCO<sub>2</sub>-eq / million euro invested for the fund benchmark.

The sub-fund aims to achieve an ESG score, based on Candriam's proprietary ESG methodology, higher than its benchmark. As at 31/12/2022, the Candriam Sustainable Equity Europe overall ESG score was 61 compared to the ESG score of 52 for the benchmark.



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

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

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

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 53.17%  <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 <b>sustainable investments with a social objective</b> : 40.28%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment  <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 <b>did not make any sustainable investments</b>



### 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:

- an overall portfolio alignment with a temperature scenario equal to or lower than 2.5 degrees. As the availability and reliability of company climate data evolves over time, the Sub-Fund aimed to be aligned with a temperature scenario equal to or lower than 2 degrees by January 1st 2025.
- investment of a higher share of total assets under management in high-stake companies than the Sub-Fund's reference Benchmark. High-stake companies are defined by the EU Climate Benchmark regulation as those belonging to one of the sectors considered to play the biggest role in achieving the Paris Agreement objectives.

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 exclusion list as a result of the application of Candriam's Exclusion Policy.
- Number of holdings for which Candriam voted.

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.

As part of Candriam's commitment to the NZAI, the Sub-Fund aimed to invest in companies pursuing a strategy of alignment with the objectives of the Paris Agreement. At the Sub-Fund level this alignment is quantified through a temperature metric.

### ● **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?"

Sustainability KPI Name	Value	Benchmark
Portfolio Temperature - Corporate - Lower than 2.5°C - Lower than 2°C in 2025	2.39	
Exposure to High Stakes sectors - Corporate - Higher than bench	76.48%	62.39%

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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.

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement & Voting: in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue and voting. Candriam prioritised its engagement and voting activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

- Voting:

The Candriam's approach to Corporate Governance relies on internationally-recognized standards, notably the principles laid down by the OECD as well as by the International Corporate Governance Network (ICGN).

In that respect, Candriam has exercised its 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. Remuneration and directors' election concentrate most of our votes against management. Indeed, we require companies to respect the pay-for-performance principle and will show our disagreement as soon as we consider the level of remuneration excessive or conditions of attribution not transparent enough nor challenging. Equally, we expect companies to comply with our minimum independence requirements : at boards failing to meet this requirement, we oppose (re-)election of any non-independent director, except CEO. Diversity (PAI13) and expertise level of the board are of course also taken into account in these votes.

In addition, Candriam always considers the relevance, consistence and feasibility of measures sponsored by any ESG resolution before casting vote.

In the best interest of its clients, Candriam considers internal ESG opinion on the investee companies but also any outcomes of engagement with them, in its voting choices.

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 and shareholder resolutions. More specifically, Candriam welcomes the introduction of management-sponsored 'Say-on-Climate' resolutions. Candriam built a detailed framework to be applied to every Say-on-Climate resolution, which assesses the stringency and the alignment of the company transition strategy with a 2050 net zero emissions pathway. As a result, most of these did not get our support during the period.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to comparnies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :



PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	1825.35
1- GHG Emissions - Scope 2 GHG Emissions	3134.63
1- GHG Emissions - Total GHG Emissions	4959.98
2 - Carbon Footprint	23.60
3 - GHG intensity of investee companies	77.05
4 - Exposure to companies active in fossil fuel sector	1.22%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	31.64%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
TE CONNECTIVITY LTD REG SHS	Banks and other financial institutions	4.66%	CH
SCHNEIDER ELECTRIC SE	Electrical engineering	4.55%	US
APTIV PLC	Road vehicles	4.50%	US
CISCO SYSTEMS INC	Office supplies and computing	4.22%	US
WABTEC CORP	Machine and apparatus construction	4.10%	US
ON SEMICONDUCTOR CORP	Electronics and semiconductors	4.07%	US
PTC INC	Internet and internet services	3.72%	US
MICROSOFT CORP	Internet and internet services	3.41%	US
SIEMENS AG REG	Electrical engineering	3.09%	DE
PALO ALTO NETWORKS	Internet and internet services	3.03%	US
TOYOTA MOTOR CORP	Road vehicles	2.89%	JP
SHIMANO INC	Road vehicles	2.89%	JP
CIE GENERALE DES ETABLISSEMENTS MICHELIN	Tires and rubber	2.82%	FR
SOLAREGE TECHNOLOGIES INC	Electrical engineering	2.78%	US
NXP SEMICONDUCTORS	Electronics and semiconductors	2.77%	CN

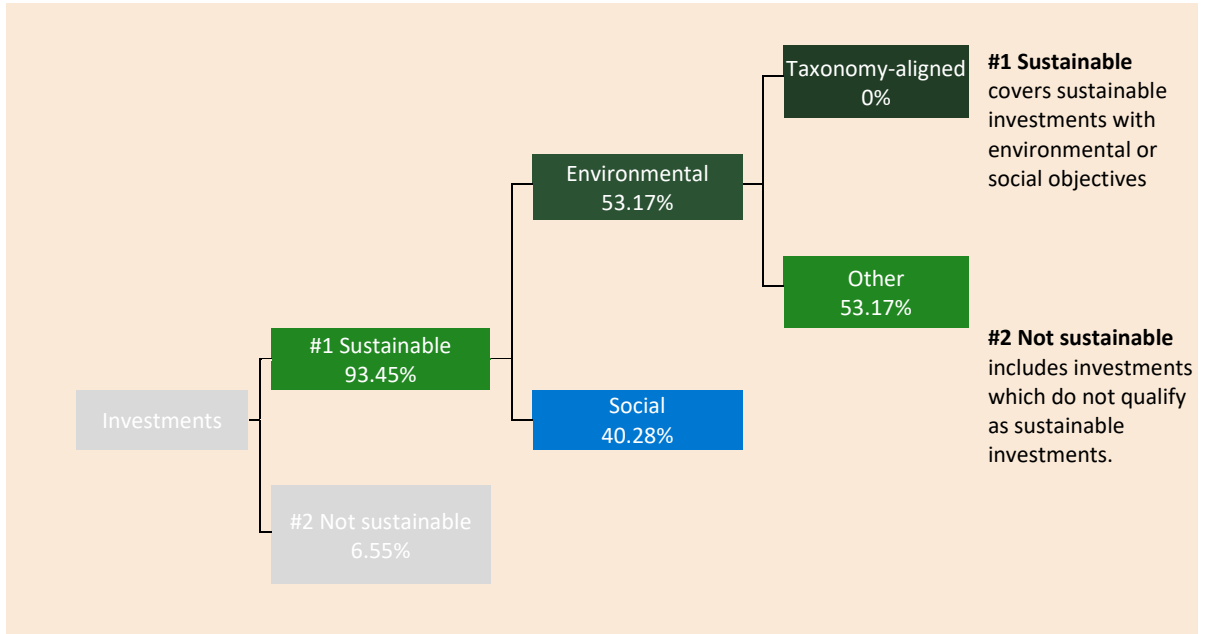
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Electronics and semiconductors	24.89%
Internet and internet services	16.21%
Electrical engineering	15.89%
Road vehicles	11.99%
Banks and other financial institutions	7.03%
Machine and apparatus construction	6.99%
Office supplies and computing	4.22%
Tires and rubber	2.82%
Miscellaneous services	1.35%
Precious metals and stones	1.23%
Biotechnology	0.89%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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.

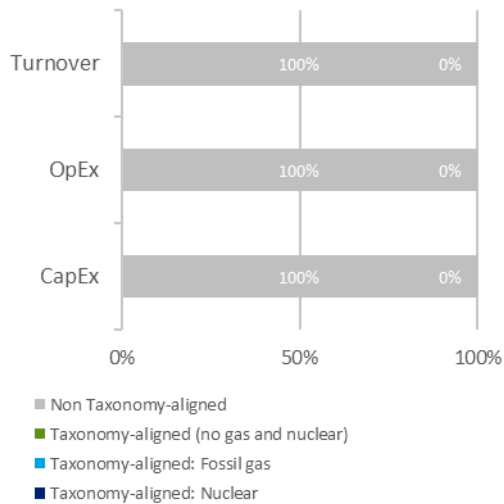
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

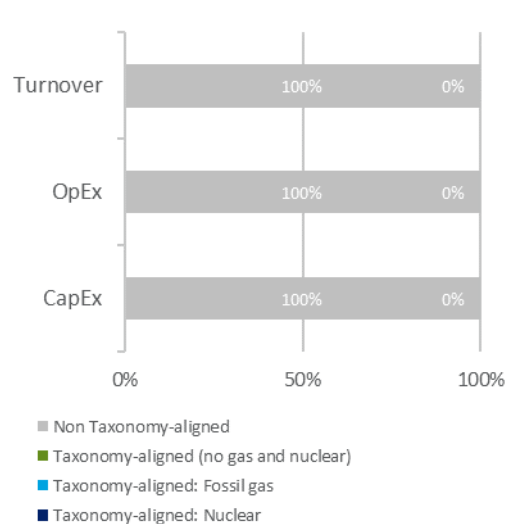
- Yes
- In fossil gas  In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*




2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

 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 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?**

Not applicable because no previous period data is available.

● **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 53.17% 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 2022 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 40.28%



**What investments were included under “#2 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 6.55% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions



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

In order to respect the sustainable investment objective during the reference period, we put on hold the following investment for which the issuer had no contribute to the achievement of its sustainable investment objective: investments in Longi Green were put on hold for a period throughout the year 2022. The Chinese company is a producer of solar energy solutions that fits the thematic. It was nevertheless mentioned to have child labor practices. Therefore, Candriam engaged with the company. The management provided satisfactory answers on the specific requests of Candriam’s ESG team. After the engagement, the ESG team allowed further trading in the position.

The subfund’s aims to deliver a portfolio with a weighted average temperature below 2.5°C. The average portfolio temperature of the fund was 2.39°C compared to 3.58°C for the benchmark. In addition, the fund aims at having a higher percentage of high stake companies. At the end of the year, the fund had 76% invested in high stake companies, compared to 62 for the benchmark.

To give further expression to the fact that challenges relating to climate change have been taken into account, the carbon footprint of companies is measured. At the end of the year 2022, the fund’s carbon footprint was 24 tCO<sub>2</sub>-eq / million euro invested, compared to 65 tCO<sub>2</sub>-eq / million euro invested for the fund benchmark.



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

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

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

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 37.88%  <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 <b>sustainable investments with a social objective</b> : 61.61%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment  <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 <b>did not make any sustainable investments</b>



### 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: 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 exclusion list as a result of the application of Candriam's Exclusion Policy.
- Number of holdings for which Candriam voted.



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

### ● **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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	35.33	69.62
ESG Score - Corporate - Higher than bench	53.22	49.34

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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;
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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.

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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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

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In addition, Candriam always considers the relevance, consistence and feasibility of measures sponsored by any ESG resolution before casting vote.

In the best interest of its clients, Candriam considers internal ESG opinion on the investee companies but also any outcomes of engagement with them, in its voting choices.

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- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to comparnies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	5803.13
1- GHG Emissions - Scope 2 GHG Emissions	7844.87
1- GHG Emissions - Total GHG Emissions	13647.99
2 - Carbon Footprint	35.33
3 - GHG intensity of investee companies	59.89
4 - Exposure to companies active in fossil fuel sector	1.96%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	16.84%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
TOYOTA MOTOR CORP	Road vehicles	4.57%	JP
NIPPON TELEGRAPH AND TELEPHONE CORP	Communication	2.77%	JP
NINTENDO CO LTD	Electronics and semiconductors	2.68%	JP
FANUC CORP SHS	Electrical engineering	2.63%	JP
MIZUHO FINANCIAL GROUP INC	Banks and other financial institutions	2.54%	JP
DAIICHI SANKYO CO LTD	Banks and other financial institutions	2.49%	JP
EAST JAPAN RAILWAY CO	Transportation	2.31%	JP
DAIWA HOUSE INDUSTRY CO LTD	Building materials	2.30%	JP
KYOCERA CORP	Electronics and semiconductors	2.29%	JP
RECRUIT HOLDINGS CO LTD	Graphic art and publishing	2.26%	JP
CANON INC	Electronics and semiconductors	2.25%	JP
CENTRAL JAPAN RAILWAY CO	Transportation	2.17%	JP
ORIX CORP	Banks and other financial institutions	2.08%	JP
HOYA CORP	Electronics and semiconductors	2.06%	JP
MITSUI FUDOSAN CO LTD	Real estate	2.04%	JP

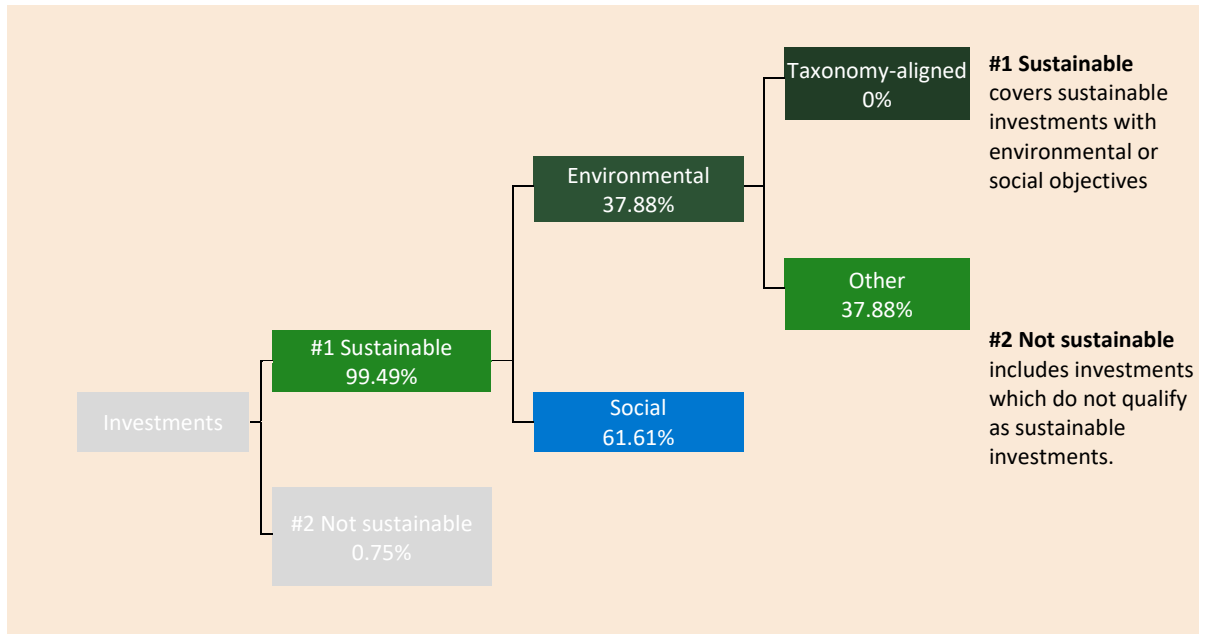
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Electronics and semiconductors	21.43%
Banks and other financial institutions	14.44%
Pharmaceuticals	7.16%
Transportation	6.46%
Building materials	6.11%
Road vehicles	5.77%
Real estate	5.02%
Communication	4.73%
Internet and internet services	4.43%
Chemicals	4.05%
Retail trade and department stores	3.72%
Graphic art and publishing	3.24%
Machine and apparatus construction	2.95%
Electrical engineering	2.90%
Miscellaneous consumer goods	2.14%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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.

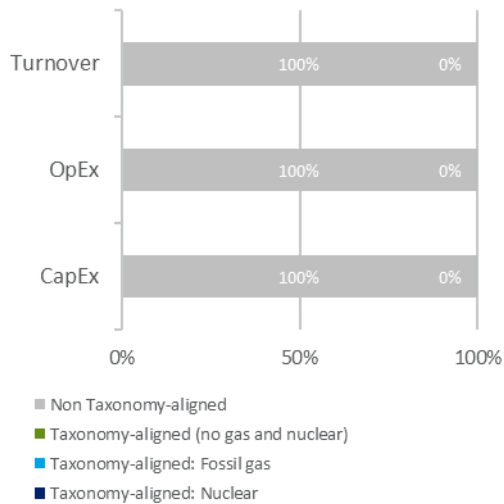
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

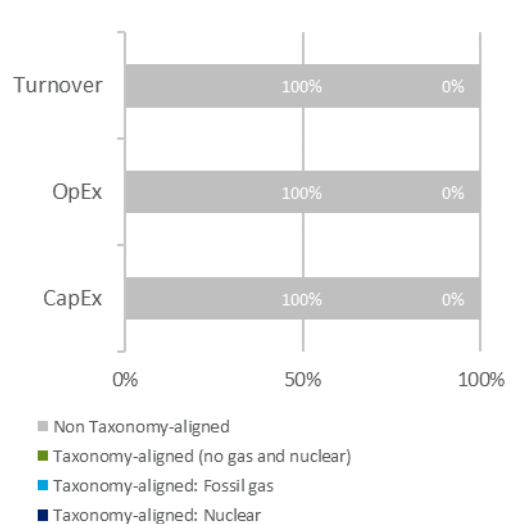
- Yes
- In fossil gas  In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*



2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.



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 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?**

Not applicable because no previous period data is available.

● **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 37.88% 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 2022 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 61.61%



**What investments were included under “#2 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 0.75% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions



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

In order to respect the sustainable investment objective during 2022, the sub-fund reinforced positions in issuers as Central Japan Railway, Mitsubishi Estate Co. and Panasonic Corporation contributing to the achievement of its sustainable investment objective.

- Central Japan Railway

Central Japan Railway Co. (9022-JP) engages in the operation of railway services. It operates through the following segments: Transportation, Merchandise, Real Estate, and Others. The Transportation segment involves railway and bus transportation services. The Merchandise segment manages department stores and also provides sales services of goods, and food in stations and trains. The Real Estate segment engages in the development of commercial facilities in stations and areas under elevated track columns. The Others segment manages hotels at major stations, travel business and advertising agencies. It also manufactures rolling stock and maintains, inspects and repairs railway facilities.

During the year 2022 we increased the position of Central Japan Railway in portfolio on average by 1.02%. On January 1st, Central Japan Railway weighted for 0.65% of the portfolio value and ended the year 2022 at a weight of 2.18%.

We decided to increase our purchases on Central Japan Railway in line with the improvement of its energy efficiency as reported by the company's CSR 2021 release. From 2020, the carbon footprint of Central Japan Railway has been reduced

by 28%. Its carbon intensity is at 21.5 gCO<sub>2</sub>eq/p.km, which is well below the transportation industry average. Saving emissions (scope4) are estimated by the CIA methodology (Carbon4 Finance) at -3.5 mtCO<sub>2</sub>eq on Scope1&2 emissions. Two main factors are considered in the estimation of emissions savings for transportation operators (reduction in Scope 1 & 2 carbon intensity (% reduction in kgCO<sub>2</sub>e per passenger-kilometer or ton-kilometer over the last 5 years) and comparison of the Company's emissions factor with that of a reference scenario corresponding to an average transportation mix).

While transportation accounts for more than 20% of global carbon emissions, climate change is, as a result, one of the key sustainable challenge for the sector. Rail and trucking companies are therefore subject to regulatory pressure, including carbon taxes. These mechanisms may intensify under regional frameworks to curb emission intensities. While railroads show modest reductions in average annual carbon emission intensities, the reliance of freight rail companies on diesel locomotives continues to drive high average emission intensities (446 tCO<sub>2</sub>e/USD mil. sales; FY2016-2018).

The Company is well aware of its climate change impact and considers this as a top priority in its long-term strategy. This is shown through quantified objectives to shift its activity towards a less energy demanding transportation system with more energy efficient trains and other best in class energy savings technology as energy conserving rolling stocks systems. Moreover the company promotes the use of train in Japan, and plans to raise awareness for environmental preservation. Climate related issues are overseen by the CSR department. Considering its employees' awareness to climate change, the Company provides trainings or organizes events and seminars.

The company has set targets on its most significant emissions and has planned to reduce its emissions in 2030 by 46% from the 2013 base year. Based on the government's "Carbon Neutral" policy in 2050, Central Japan Railway aims to achieve net zero CO<sub>2</sub> emissions in 2050. This objective is underway at a 24% achievement rate in line with the planning.

The Company's energy transition investments represent more than 5% of its investments.

- Mitsubishi Estate Company, Limited

Mitsubishi Estate Co., Ltd. (8802-JP) is a comprehensive real estate developer, boasting the leading position in the Japanese market, operating a spectrum of businesses in diverse fields related to real estate, including an office building business centered on the Marunouchi district in central Tokyo, a retail property business, a residential business and a hotel business. Mitsubishi Estate Co also operates internationally and operates 10 airports in Japan.

During the year 2022 we increased the position of Mitsubishi Estate in portfolio on average by 0.40%. On January 1st, Mitsubishi Estate was not in the portfolio and ended the year 2022 at a weight of 0.78%.

We decided to increase our purchases on Mitsubishi Estate in line with the improvement of its energy efficiency as reported by the company's CSR 2021 release. From 2020, the carbon footprint of Mitsubishi Estate has been reduced by 12%. Its absolute level of operational GHG emissions has declined from 715.631 tCO<sub>2</sub>Eq in 2020 to 591.069 tCO<sub>2</sub>Eq in 2021 (-17%). Saving emissions (scope4) are estimated by the CIA methodology (Carbon4 Finance) at -55.7 mtCO<sub>2</sub>eq on Scope3 emissions. Refurbishment activities enable to reduce energy consumption: this avoided energy consumption leads to downstream scope 3 avoided emissions. For transportation infrastructure, Scope 3 avoided emissions are based on a comparison of the Company's downstream Scope 3 emissions with those that would have been generated by an average transportation mix.

With 38% of GHG emissions linked to construction and buildings, the real estate industry has a huge impact on the environment and on resources both through the development of buildings (energy intensity of construction materials used - embedded emissions; artificialization of arable land) and during the life of the building (energy consumption for heating, cooling and ventilation). Regulators have started to wake up to the challenge and building codes have stricter environmental standards. Commercial tenants also are paying more attention to the quality of buildings they rent, with the implied cost reductions of well-designed energy-efficient buildings. Companies can demonstrate their progress with environmental certification of their buildings (eg. BREEAM, HQE or LEED standards) and or publicly disclosing the energy efficiency of their assets.

Mitsubishi Estate discloses relevant climate-related risks and opportunities performed on 2 science-based scenarios [IEA 2DS] & [BAU 4°C]. Mitsubishi discloses related financial impacts of the most relevant risks. Mitsubishi Estate is well aware of its climate change impact and promotes the use of sustainable-sourced timber in its construction. CLT is a large-dimension wooden panel, its strenght is more stable and it offers outstanding heat insulation. The company formed the CLT Wood Promotion Unit, a dedicated department in FY2017. The unit is working on research and development aimed at commercialization of CLT.

Mitsubishi Estate has set an ambitious reduction target on both near and long term. Over the near term, reducing Scope 1 and 2 emissions by 70% or more by FY 2030 vs. the base year of FY 2019. The current reduction is at 34.5% vs. FY 2019 thanks to the adoption of contracts on electric power from renewable energy sources and achievement of ZEB status in properties.

Over the near term, reducing Scope 3 emissions by 50% or more by FY 2030 vs. the base year of FY 2019. The current reduction is at 37.5% thanks to the adoption of low-carbon materials in construction and supplying logistics facilities, condominiums, and single-family homes with high levels of environmental performance.

Over the long term, the company targets reductions of Scope 1, 2, and 3 emissions by 90% or more by FY 2050 vs. the base year of FY 2019 (current achievement rate is at 41%). This target is aligned with the IEA 1.5°C scenario.

- Panasonic Holdings Corporation

Panasonic Corporation (6752-JP) is a Japan-based company engaged in the integrated electronics related business. The Company has four business segments. The Appliance segment is engaged in the development, manufacture and sale of products for home appliance, beauty, health and other business to consumer (BtoC) business, as well as devices, energy and other business to business (BtoB) business. The Eco Solutions segment is engaged in the development, manufacture and sale of electrical equipment, housing materials and other products for construction business. The Connected Solutions segment is engaged in the development, manufacture and sale of products for distribution, logistics, entertainment, public, avionics and manufacturing business. The Automotive and Industrial Systems segment is engaged in the development, manufacture and sale of products for automotive motorized systems business, as well as batteries and other BtoB business. The Company is also engaged in the sale of raw materials.

During the year 2022 we increased the position of 6752-JP in portfolio on average by 0.24%. On January 1st, Panasonic Corporation weighted for 1.71% of the portfolio value and ended the year 2022 at a weight of 1.86%.

We decided to further increase our purchases on Panasonic Corporation in line with the improvement of its energy efficiency as reported by the company's CSR 2021 release. From 2020, the carbon footprint of Panasonic Corporation has been reduced by 11%. Its emission intensity was in 2021 at 35 tCO<sub>2</sub>eq/m\$ revenue which is below industry average (51.2 tCo2eq). Saving emissions (scope4) are estimated by the CIA methodology (Carbon4 Finance) at -12.8 mtCO<sub>2</sub>eq on Scope3 emissions

Electronics, houseware and leisure products have the potential environmental impact of the product use in its lifecycle. Consumer electronics and household appliances are heavy energy users over time, thus indirect GHG emitters and negative contributors to global climate change. All durables are resource intensive products from mineral throughout metals and plastics, for which the recycling loop does not always exist. In a move towards a circular economy model, consumer durables manufacturers who can offer service over product ownership will be positive contributors to the preservation of resources.

Panasonic has set SBTi compliant targets on both near and long term for the reduction of its Scope1,2,3 GHG emissions. Over the near term, reducing Scope 1 and 2 emissions by 90% or more by FY 2031 vs. the base year of FY 2020. The current reduction is at 12.4% vs. FY 2020. In January 2022, the company's CEO has announced it globally as one of initiatives of the group's environmental goal "Panasonic Green IMPACT" which is Panasonic commitment to contribute to a more sustainable future. In order to achieve this target, each manufacturing site is making effort for energy saving, utilization of renewable energy, and procurement of renewable energy. Panasonic has set up "CO<sub>2</sub> Zero Taskforce" in the reporting year FY2022 for the information sharing across the group. This will help to develop know-how and common measures in each manufacturing site. Panasonic is proceeding with this flow by incorporating it into the roadmap for each operating company and affiliated organizations.

Over the near term, reducing Scope 3 emissions by 30% or more by FY 2031 vs. the base year of FY 2020. The current reduction is at 6.6%. In order to achieve this target, each operating company is making effort to develop more energy-efficient products and solutions to reduce CO<sub>2</sub> emissions from customer consumption.

Over the long term, the company targets to achieve net zero CO<sub>2</sub> emissions in 2050 (current achievement rate is at 6.1%). This target is aligned with the IEA 1.5°C scenario.

To give expression to the fact that challenges relating to climate change have been taken into account, the carbon footprint of companies is measured. As at 31/12/2022, the fund's carbon footprint was 35 tCO<sub>2</sub>-eq / million euro invested, compared to 70 tCO<sub>2</sub>-eq / million euro invested for the fund benchmark.

The subfund aims to achieve an ESG score, based on Candriam's proprietary ESG methodology, higher than its benchmark. As at 31/12/2022, the subfund's overall ESG score was 53 compared to 49 for the benchmark at the time.

## 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.

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 32.6%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> 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 <b>sustainable investments with a social objective</b> : 66.45%	<input type="checkbox"/> with a social objective
	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



### 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: 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 exclusion list as a result of the application of Candriam's Exclusion Policy.
- Number of holdings for which Candriam voted.

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

### ● **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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	39.84	77.43
ESG Score - Corporate - Higher than bench	57.05	53.65

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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.

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement & Voting: in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue and voting. Candriam prioritised its engagement and voting activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

- Voting:

The Candriam's approach to Corporate Governance relies on internationally-recognized standards, notably the principles laid down by the OECD as well as by the International Corporate Governance Network (ICGN).

In that respect, Candriam has exercised its 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. Remuneration and directors' election concentrate most of our votes against management. Indeed, we require companies to respect the pay-for-performance principle and will show our disagreement as soon as we consider the level of remuneration excessive or conditions of attribution not transparent enough nor challenging. Equally, we expect companies to comply with our minimum independence requirements : at boards failing to meet this requirement, we oppose (re-)election of any non-independent director, except CEO. Diversity (PAI13) and expertise level of the board are of course also taken into account in these votes.

In addition, Candriam always considers the relevance, consistence and feasibility of measures sponsored by any ESG resolution before casting vote.

In the best interest of its clients, Candriam considers internal ESG opinion on the investee companies but also any outcomes of engagement with them, in its voting choices.

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 and shareholder resolutions. More specifically, Candriam welcomes the introduction of management-sponsored 'Say-on-Climate' resolutions. Candriam built a detailed framework to be applied to every Say-on-Climate resolution, which assesses the stringency and the alignment of the company transition strategy with a 2050 net zero emissions pathway. As a result, most of these did not get our support during the period.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to comparnies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	11808.55
1- GHG Emissions - Scope 2 GHG Emissions	3816.79
1- GHG Emissions - Total GHG Emissions	15625.34
2 - Carbon Footprint	39.84
3 - GHG intensity of investee companies	90.49
4 - Exposure to companies active in fossil fuel sector	1.66%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	40.14%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%





## 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: 31/12/2022

Top investments	Sector	Proportion	Country
NESTLE SA REG SHS	Foods and non alcoholic drinks	4.54%	US
LVMH MOET HENNESSY LOUIS VUITTON SE	Textiles and garments	3.14%	FR
NOVO NORDISK	Pharmaceuticals	3.11%	DK
NOVARTIS AG REG SHS	Pharmaceuticals	3.09%	CH
ROCHE HOLDING LTD	Pharmaceuticals	2.97%	US
ASTRAZENECA PLC	Pharmaceuticals	2.80%	GB
SANOFI	Pharmaceuticals	2.12%	FR
SIEMENS AG REG	Electrical engineering	1.90%	DE
ASML HOLDING NV	Electronics and semiconductors	1.87%	NL
L'OREAL SA	Pharmaceuticals	1.87%	FR
ZURICH INSURANCE GROUP NAMEN AKT	Insurance	1.60%	CH
SCHNEIDER ELECTRIC SE	Electrical engineering	1.59%	US
ESSILORLUXOTTICA SA	Pharmaceuticals	1.44%	FR
GSK --- REGISTERED SHS	Pharmaceuticals	1.38%	US
DEUTSCHE TELEKOM AG REG SHS	Communication	1.34%	DE

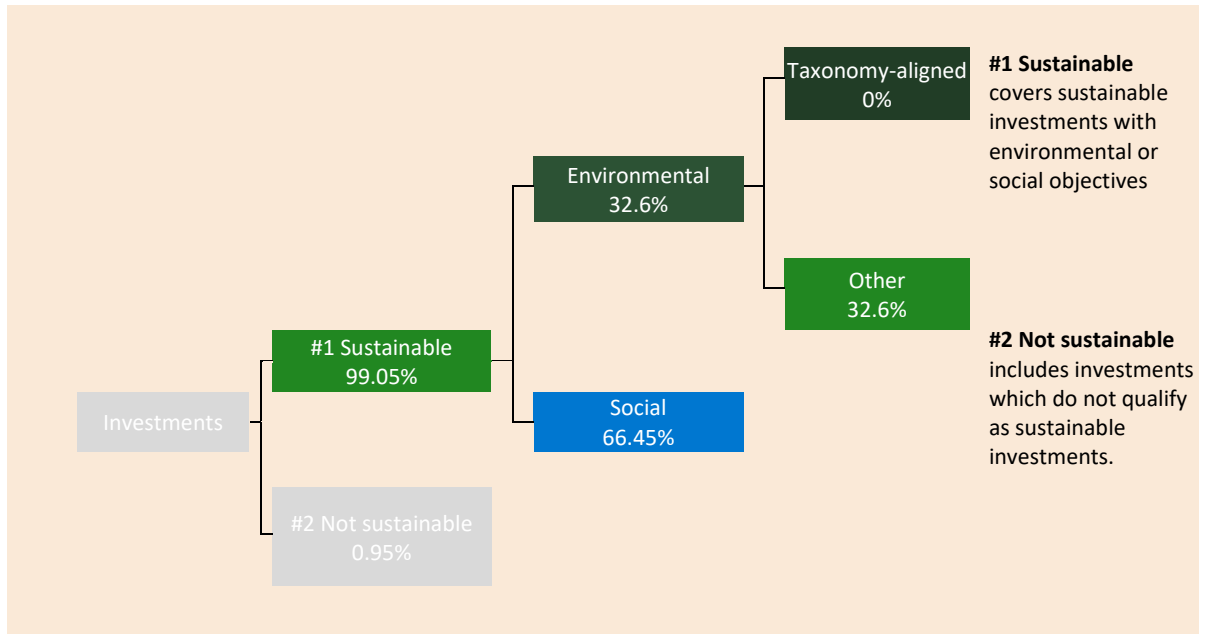
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Pharmaceuticals	21.49%
Banks and other financial institutions	11.39%
Communication	6.29%
Real estate	5.79%
Foods and non alcoholic drinks	5.66%
Insurance	5.24%
Retail trade and department stores	4.01%
Graphic art and publishing	3.87%
Electrical engineering	3.79%
Machine and apparatus construction	3.79%
Road vehicles	3.74%
Textiles and garments	3.46%
Hotels and restaurants	3.41%
Transportation	2.83%
Paper and forest products	2.71%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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:

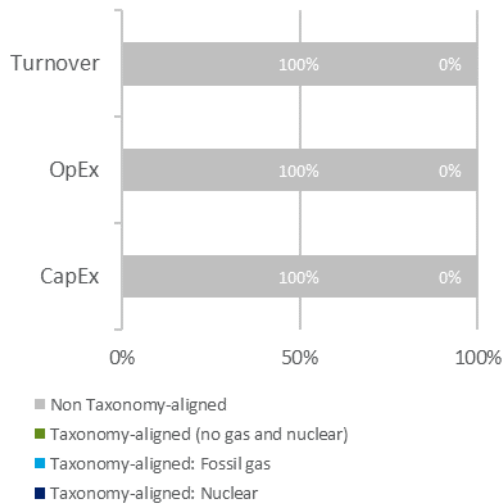
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities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

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

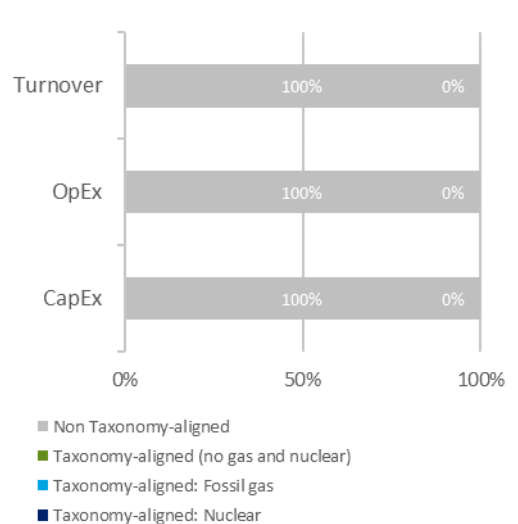
- Yes
  - In fossil gas
  - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*




2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

 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 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?**

Not applicable because no previous period data is available.

● **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 32.6% 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 2022 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 66.45%

 **What investments were included under “#2 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 0.95% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

In order to respect the sustainable investment objective during the reference period, the sub-fund reinforced positions in issuers as Siemens AG, Whitbread PLC and Deutsche Telekom contributing to the achievement of its sustainable investment objective.

- Siemens AG

Siemens (SIE-DE) is a germany-based technology group focusing on the areas of automation and digitalization in the process and manufacturing industries, intelligent infrastructure for buildings and distributed energy systems, smart mobility solutions for rail and road and medical technology and digital healthcare services.

During the year 2022 we increased the position of Siemens AG in portfolio on average by 0.70%. On January 1st, Siemens AG weighted for 1.15% of the portfolio value and ended the year 2022 at a weight of 1.91%.

We decided to further increase our purchases on Siemens AG in line with the improvement of its energy efficiency as reported by the company's CSR 2021 release. From 2020, the carbon footprint of Siemens AG has been reduced by 31%. Its carbon intensity is at 11 tCO<sub>2</sub>eq/m\$revenue, which is well below the industry average (632,5 tCO<sub>2</sub>eq/m\$revenue). Saving emissions (scope4) are estimated by the CIA methodology (Carbon4 Finance) at -12,4 mtCO<sub>2</sub>eq on Scope3 emissions. For transport/industrial/general equipment manufacturing, avoided emissions correspond to the Scope 3 emissions avoided downstream through the use of more energy efficient or low-carbon products over their useful life. For electricity equipment manufacturing, avoided emissions correspond to the Scope 3 emissions avoided downstream through the use of low-carbon electricity generation equipments over their useful life. For T&D equipment manufacturing, avoided emissions correspond to the Scope 3 emissions avoided downstream through increased electrification.

Tighter regulations also represent risks for machinery companies in terms of its offerings. Industry players must continue to innovate and systematically embed sustainability in their R&D to improve the efficiency of their offerings to meet regulatory and client requirements. The sector is at the forefront of the low carbon industrial revolution, with innovative solutions geared towards increasing process efficiency and lowering energy consumption, both essential for reducing the carbon footprint across multiple end-markets.

Siemens AG discloses relevant climate-related risks and opportunities identified by confronting its businesses to several science-based scenarios. The company is well aware of its climate change impact and considers this as a priority in its medium (2030) and long-term strategy (2050). Siemens AG aims to reduce its supply chain emissions ("net zero" by 2050) and therefore works on the selection of suppliers based on the carbon footprint of their materials; it also offers an Environmental Portfolio of products offering at least 20% better energy efficiency than comparable solutions (e.g. optimized drives) and works on improving the share of recycled content in its products.

The company commits to reduce scope 1 and scope 2 GHG emissions by 50% by 2030 from a 2019 base year (current achievement rate at 71.5%). By joining the RE100, Siemens AG has pledged to convert its electricity consumption completely to electricity from renewable sources by the year 2030 at the latest. As part of its commitment to EV100, the company is striving to convert its motor vehicle fleet completely to electric vehicles by the year 2030. The membership in EP100 bolsters the company's commitment to only owning or leasing buildings with no net CO<sub>2</sub> emissions by the year 2030.

Siemens AG has set an ambitious reduction target for its scope 3 upstream and downstream emissions (including Use of sold Products) leading its absolute emissions to be in line with a "2°C scenario" as defined by the IEA 2017 ETP. While its low-carbon investments cannot be precisely quantified, the company demonstrates expertise and invests in the sustainable development of the industry through its Environmental Portfolio offering energy efficient products or products necessary for renewable energy production and distribution. The impact of these projects is precisely quantified in terms of avoided GHG emissions.

Siemens AG discloses unquantified R&D projects contributing to automation, renewable energy production (e.g. tools for decentralized energy systems grid optimization, electricity storage systems, power electronics for inverters), supporting mobility electrification (e.g. charging infrastructure for electrical vehicles). The use of trains powered by green hydrogen instead of diesel is one example for the reduction of emissions in the use phase of its products.

- Whitbread PLC

Whitbread PLC (WTB-GB) is a United Kingdom-based company, which owns and operates hotels and restaurants. The Company is organized into a single business segment, Premier Inn. Premier Inn provides services in relation to accommodation and food both in the United Kingdom and internationally. The Company's restaurant brands include Beefeater, Brewers Fayre, Table, Cookhouse & Pub, Bar + Block, Premier Inn, hub and Thyme. The Company operates over 800 Premier Inn hotels and over 80,000 rooms across the United Kingdom.

During the year 2022 we increased the position of Whitbread PLC in portfolio on average by 0.45%. On January 1st, Whitbread PLC was not in the portfolio and ended the year 2022 at a weight of 0.63%.

We decided to initiate purchases of Whitbread PLC shares in line with the improvement of its energy efficiency as reported by the company's CSR 2021 release. From 2020, the carbon footprint of Whitbread PLC has been reduced by 32%. Its carbon intensity is at 67 tCO<sub>2</sub>eq/m\$revenue, which is below the industry average (83,6 tCO<sub>2</sub>eq/m\$revenue)

Hotels and restaurants are heavy GHG emitters and users of natural resources (e.g water). Some companies in these industries may face specific issues such as nutrition and food waste for restaurants. Environment efficiency of ships and buildings is getting more material as climate and environmental regulations tighten.

Whitbread PLC discloses relevant climate-related risks and opportunities performed on a 2 science-based scenario. The company has set a science based carbon target to reduce market-based Scope 1 and 2 carbon intensity (based on tCO<sub>2</sub>eq/m<sup>2</sup>) by 80% by 2030 and to be net zero by 2040 (against a 2016 base year) based on the SDA approach which was developed by the SBTi. These cover all company operations, and their targets were revised to be more ambitious in 2021.

The company has made considerable progress against their targets, although recognizing that Covid has played a part in the last 2 years. Whitbread PLC has taken this into account in its glide path and continue to work to reduce their emissions. This is being done through sourcing renewable energy across their owned and operated sites. The company continue to trial and implementing new, energy efficient and lower carbon technologies across their sites, for example, moving to more energy efficient appliances or systems, such as heat pumps or BMS (Building Management Systems) and trialing electric alternatives to gas (for example, air source heat pumps). This year Whitbread PLC continued the replacement of grills to more energy efficient versions, this year installing 150 new grills across 103 sites, bringing the total of new grills to 520. From this project start date in 2018, Whitbread has driven 50% gas usage reduction in their chargrills. Lastly the company implement energy efficiency programmes and continue to explore ways that can support their teams and customers to use less energy, from in-room messaging to incentivizing and training the teams to save energy.

The company has also set Scope 3 targets, to reduce its emissions by 50% by 2035 and 64% by 2050. Whitbread PLC is currently engaging with its suppliers and will start to report on these annually going forward.

- Deutsche Telekom

Deutsche Telekom AG (DTE-DE) is a Germany-based company that provides information technology (IT) and telecommunications services. The Company's operating segments include Germany, consisting of fixed-network and mobile activities in Germany; United States, which consists of mobile activities in the United States market; Europe, consisting of fixed-network and mobile operations of the national companies in various European countries; Systems Solutions, which operates information and communication technology (ICT) systems for multinational corporations and public sector institutions; Group Development, comprising the entities T-Mobile Netherlands and Deutsche Funkturm (DFMG) and its equity investment in Stroer SE & Co. KGaA, and Group Headquarters & Group Services, which consists of the operations of service headquarters and various other subsidiaries of the Company.

During the year 2022 we increased the position of DTE-DE in portfolio on average by 0.63%. On January 1st, Deutsche Telekom was not in the portfolio and ended the year 2022 at a weight of 1.35%.

We decided to initiate purchases of Deutsche Telekom shares in line with the improvement of its energy efficiency as reported by the company's CSR 2021 release. From 2020, the carbon footprint of Deutsche Telekom has been reduced by 11%. Its carbon intensity is at 22 tCO<sub>2</sub>eq/m\$revenue, which is below the industry average (71 tCO<sub>2</sub>eq/m\$revenue)

Climate change is negatively impacted by the explosion of traffic networks (more than 25% per year) that surpasses the energy gains in the ICT sector. With 5G, there is an exponential growth phase of wireless and data consumption: the average consumer used in 2017 2.5 GB/month compared to 0.2 GB/month in 2009. Digital energy consumption contributes to 4% of global greenhouse gas emissions nowadays (twice that of civil aviation), and is growing at a steady pace (The Shift Project (2019), Lean ICT). Deutsche Telekom derives mainly its revenues from fixed and mobile broadband across its different subsidiaries.

Deutsche Telekom AG reports its Scope 1 & 2 emissions clearly and transparently, as well as the Scope 3 emissions most relevant to its activity. The company is well aware of its climate change impact and considers this as a top priority in its long-term strategy. It monitors and reports the energy intensity of its network (which reduced from 163 to 119 kWh per terabytes transmitted over the past 3 years), and has objectives to increase its network or products energy efficiency.

Deutsche Telekom has set reduction targets validated by SBTi. Deutsche Telekom committed to reduce combined absolute Scope 1 and Scope 2 GHG emissions 90% by 2030 from a 2017 base year. This commitment includes emissions from Sprint, which was acquired by T-Mobile in 2020. The base year emissions value was adjusted to account for historical Sprint emissions to allow for an accurate comparison. Deutsche Telekom emissions from networks, data center & buildings declined by 90% in 2021 due to using 100% electricity from renewables. The Company relies partly on different approaches to consume renewable energy: - low-carbon Power Purchase Agreements (representing 28% of the renewable energy

consumption in 2020) - self-generated electricity (less than 1% of the total energy consumption in 2020) - Guarantee of Origin Certificates (30% in 2020). By this the overall target for 2030 has been already achieved in 2021.

The company has set a reduction target for its scope 3 emissions intensity per customer. Deutsche Telekom committed to reduce Scope 3 GHG emissions intensity 25% by 2030 from a 2017 base year (achievement rate at 14.2%). Nevertheless, as the company's annual average growth rate exceeds its annualized intensity reduction target, no absolute emissions reduction is targeted. The company is leading intense discussions with suppliers on binding carbon emission reduction targets to support achievement of Deutsche Telekom climate targets.

To give expression to the fact that challenges relating to climate change have been taken into account, the carbon footprint of companies is measured. As at 31/12/2022, the fund's carbon footprint was 40 tCO<sub>2</sub>-eq / million euro invested, compared to 77 tCO<sub>2</sub>-eq / million euro invested for the fund benchmark.

The subfund aims to achieve an ESG score, based on Candriam's proprietary ESG methodology, higher than its benchmark. Over the course of the year, the subfund's overall ESG score was 57 compared to 54 for the benchmark at the time.



### **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.



## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 35.11% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> 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"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input checked="" type="checkbox"/> It made <b>sustainable investments with a social objective</b> : 64.17% <ul style="list-style-type: none"> <li><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></li> </ul>	



### 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: 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 exclusion list as a result of the application of Candriam's Exclusion Policy.
- Number of holdings for which Candriam voted.

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

● **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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	19.98	40.24
ESG Score - Corporate - Higher than bench	54.34	50.51

● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

● **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.

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement & Voting: in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue and voting. Candriam prioritised its engagement and voting activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

- Voting:

The Candriam's approach to Corporate Governance relies on internationally-recognized standards, notably the principles laid down by the OECD as well as by the International Corporate Governance Network (ICGN).

In that respect, Candriam has exercised its 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. Remuneration and directors' election concentrate most of our votes against management. Indeed, we require companies to respect the pay-for-performance principle and will show our disagreement as soon as we consider the level of remuneration excessive or conditions of attribution not transparent enough nor challenging. Equally, we expect companies to comply with our minimum independence requirements : at boards failing to meet this requirement, we oppose (re-)election of any non-independent director, except CEO. Diversity (PAI13) and expertise level of the board are of course also taken into account in these votes.

In addition, Candriam always considers the relevance, consistence and feasibility of measures sponsored by any ESG resolution before casting vote.

In the best interest of its clients, Candriam considers internal ESG opinion on the investee companies but also any outcomes of engagement with them, in its voting choices.

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 and shareholder resolutions. More specifically, Candriam welcomes the introduction of management-sponsored 'Say-on-Climate' resolutions. Candriam built a detailed framework to be applied to every Say-on-Climate resolution, which assesses the stringency and the alignment of the company transition strategy with a 2050 net zero emissions pathway. As a result, most of these did not get our support during the period.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to comparnies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	18932.80
1- GHG Emissions - Scope 2 GHG Emissions	9432.31
1- GHG Emissions - Total GHG Emissions	28365.11
2 - Carbon Footprint	19.98
3 - GHG intensity of investee companies	115.77
4 - Exposure to companies active in fossil fuel sector	4.54%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	33.51%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
APPLE INC	Office supplies and computing	6.87%	US
MICROSOFT CORP	Internet and internet services	6.43%	US
ALPHABET INC -A-	Internet and internet services	2.64%	US
ALPHABET INC -C-	Internet and internet services	2.41%	US
UNITEDHEALTH GROUP INC	Healthcare	2.40%	US
PROCTER & GAMBLE CO	Miscellaneous consumer goods	1.95%	US
VISA INC -A-	Miscellaneous services	1.90%	US
HOME DEPOT INC	Retail trade and department stores	1.77%	US
BANK OF AMERICA CORP	Banks and other financial institutions	1.63%	US
MASTERCARD INC -A-	Banks and other financial institutions	1.61%	US
TESLA MOTORS INC	Road vehicles	1.57%	US
MERCK & CO INC	Pharmaceuticals	1.47%	US
LINDE PLC	Machine and apparatus construction	1.44%	GB
ABBOTT LABORATORIES	Pharmaceuticals	1.37%	US
ELI LILLY & CO	Pharmaceuticals	1.36%	US

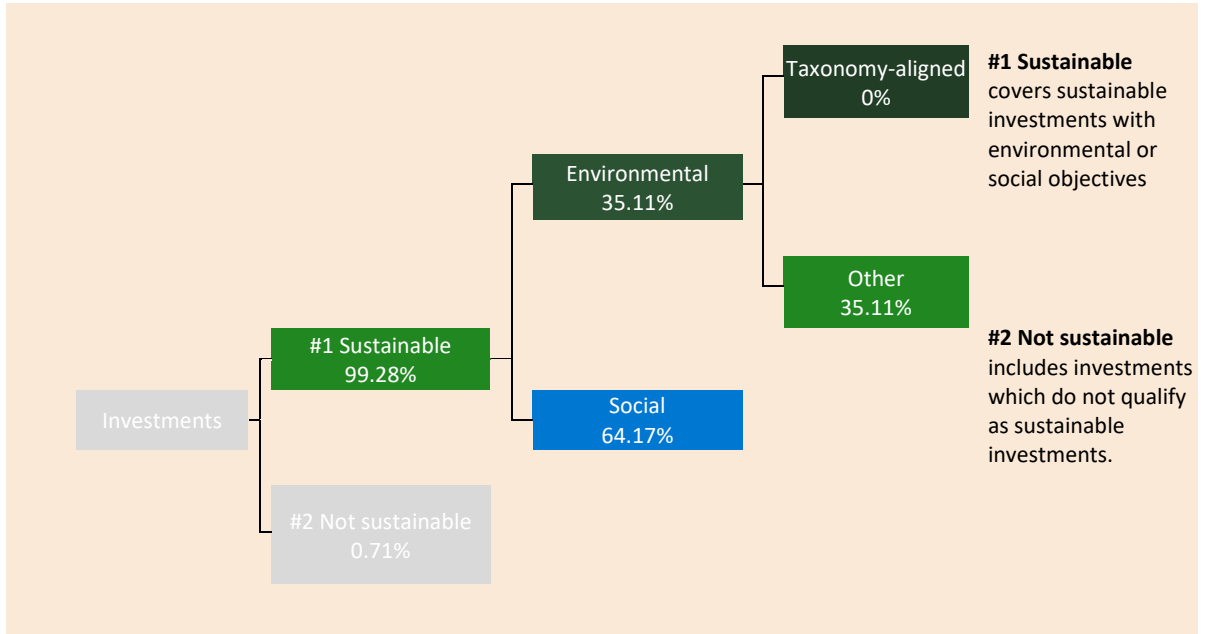
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Internet and internet services	15.61%
Pharmaceuticals	10.30%
Banks and other financial institutions	9.99%
Office supplies and computing	7.33%
Retail trade and department stores	6.30%
Electronics and semiconductors	5.20%
Healthcare	5.15%
Real estate	4.81%
Miscellaneous consumer goods	4.79%
Insurance	4.14%
Machine and apparatus construction	4.01%
Transportation	3.86%
Miscellaneous services	2.97%
Utilities	2.56%
Road vehicles	2.02%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*





## 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 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:

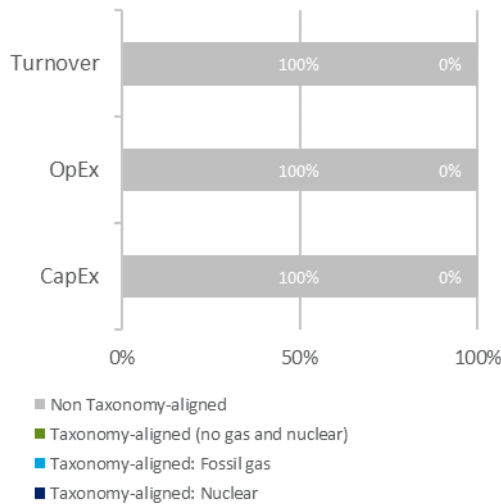
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities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

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

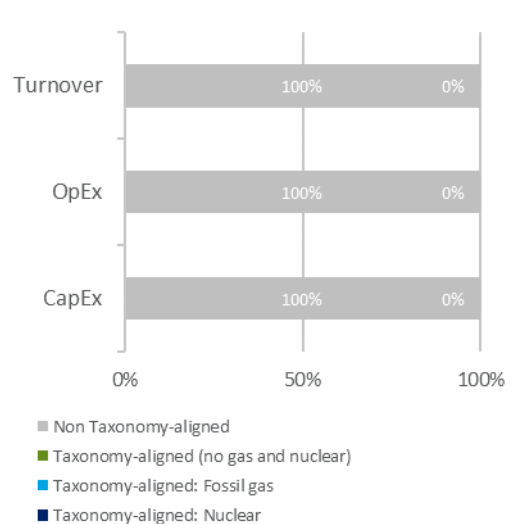
- Yes
- In fossil gas  In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*




2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

 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 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?**

Not applicable because no previous period data is available.

● **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 35.11% 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 2022 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 64.17%



**What investments were included under “#2 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 0.71% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions



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

In order to respect the sustainable investment objective during 2022, the sub-fund reinforced positions in issuers as Verizon Communications, Commercia Inc and Visa contributing to the achievement of its sustainable investment objective.

- Verizon Communications

Verizon Communications Inc. (VZ-US) is a holding company. The Company, through its subsidiaries, provides communications, information and entertainment products and services to consumers, businesses and governmental agencies.

During the year 2022 we increased the position of Verizon Communications in portfolio on average by 0.69%.

We decided to increase our purchases on Verizon Communications in line with the improvement of its energy efficiency as reported by the company's CSR 2021 release. From 2020, the carbon footprint of Verizon Communications has been reduced by 16%. Its emission intensity was in 2021 at 31 tCO2eq/M\$Revenue which is well below industry average (71.9 tCO2eq/M\$Revenue). Saving emissions (scope4) are estimated by the CIA methodology (Carbon4 Finance) at -1.5 tCO2eq on Scope1&2 emissions.

The Telecommunication service sector is considered to have a limited environmental impact as digital pollution is mostly invisible. However, a recent report published by The Shift Project, a carbon transition think Tank, proved otherwise. Digital energy consumption contributed to 4% of global greenhouse gas emissions in 2019 – twice that of civil aviation - and is bound to increase dramatically: the average consumer used in 2017 2.5GB/month compared to 0.2GB/month in 2009. Nowadays, the use of networks and data centers account respectively for 16% and 19% of the total Energy consumption in 2017 (The Shift Project, 2019) and account for most of the CO2 emissions in the Telecom sector.

Verizon Communications is well aware of its climate change impact and considers this as a top priority in its long-term strategy. This is shown through quantified objectives to improve the energy efficiency of its products (box, modem) and of its network.

The company has set ambitious targets on GHG emission reductions compliant with the Science Based Targets initiative. Verizon Communications aims to be aligned by 2030 with a 1.5°C climate scenario on its level of Scope1&2 emissions, as defined by the IEA's 2017 ETP report, and well-below 2°C by 2035 for the Scope3 emissions. From the base year 2019, the reduction is underway and in line with the targets (current achievement rate at 36% for Scopes 1+2 & 25% for Scope3)

Verizon Communications is planning to achieve this goal through by reducing energy where possible and investing in renewable energy. Almost all of its operational carbon emissions come from the electricity used to power their networks. Verizon Communications targets improvements on energy efficiency across their networks and facilities by migrating copper-based services to fiber technologies, which allows them to decommission switches and migrate to their newer intelligent edge network platforms. Verizon Communications is optimizing its cooling system settings at their network facilities so that cooling system demand is reduced. Verizon Communications is also deploying smart cooling systems across several technical

network facilities to optimize the cooling system capacity and telecommunications equipment demand through artificial intelligence (AI)-machine learning algorithms.

On the upstream chain value, Verizon Communications is expanding supplier partnerships to both capture primary emissions data, and encourage emissions goal setting and reduction activities.

- Comercia Inc.

Comerica Incorporated (CMA-US) engages in the provision of financial services. It operates through the following segments: Commercial Bank, Retail Bank, Wealth Management, Finance, and Other.

During the year 2022 we increased the position of Comercia Inc. in portfolio on average by 0.28%. On January 1st, Visa was not in the portfolio and ended the year 2022 at a weight of 0.20%.

We decided to increase our purchases on CMA-US in line with the improvement of its energy efficiency as reported by the company's CSR 2021 release. From 2020, the carbon footprint of Comercia Inc. has been reduced by 20%. Its absolute level of operational GHG emissions has declined from 38.500 tCO2Eq in 2020 to 35.519 tCO2Eq in 2021 (-8%).

Over the past years, regulators worldwide have declared climate change as a material risk in maintaining financial stability. As capital allocators, the financial sector has a crucial role to play in advancing the transition towards a low-carbon economy and meeting the objectives set by the Paris Agreement. Consequently, financial institutions are under pressure to enhance transparency and disclosures regarding climate-risks. Enhanced disclosures of bank balance sheets help understanding banks' exposures to long-term environmental risks. Green bonds and sustainability-linked loan products act as a way to finance general corporate purposes while still encouraging sustainability improvements.

Comerica Inc reports its Scope 1 & 2 emissions clearly and transparently, as well as the Scope 3 emissions most relevant to its activity. The bank defines a long-term strategy, setting a reduction target for its Scope 1&2 emissions. The bank has set an ambitious reduction target for its Scope 1&2 emissions which is higher than 2.5% per year. Comercia Inc. set two different reduction targets for 2020, but already met them. Comercia Inc. has drafted 3 other targets (2025-2030-2050), one of them being carbon neutrality by 2050.

The carbon neutrality by 2050 is underway and currently records an achievement rate of 56%. The company will reduce the total Scope 1 and Scope 2 GHG emissions associated with its occupied real estate by 100% below the 2012 base year emissions total of 81,734 by 2050, removing 81,734 metric tons CO2e from its carbon footprint. Comercia Inc. plans to achieve this goal through a combination of more aggressive mitigation activities, rationalization and consolidation of real estate, greening of the grid, and possible renewable purchases. Comerica intends to continue investing in energy-efficient technology in buildings, including continued replacement of legacy lighting and mechanical equipment. Comercia Inc. is adopting new technologies, such as thermal mass control and new construction standards, such as focused control of outdoor lighting. Comercia Inc. has purchased carbon credits to offset their Scope 1 travel emissions in 2021; however, they do not use the offsets to claim a reduction in Scope 1 emissions.

On the downstream chain value, the bank is well aware of levers to reduce its Scope 3 emissions and carries out specific projects. The bank mentions green lending in its reports: In 2017, the "environmentally beneficial loans and commitments totaled over \$832 million to 78 customers".

- Visa

Visa Incorporated (V-US) is a multinational technology company in the global payments industry based in the United States. The company operates in one segment named Payment Solutions. The company's transaction processing network facilitates authorization, clearing and settlement of payment transactions and enables to provide its financial institution

and merchant clients a range of products, platforms, and value-added services. Visa Inc's core business includes credit, debit, and prepaid products as well as its ATM network. The company is also offering contactless payment and e-commerce services.

During the year 2022 we increased the position of Visa in portfolio on average by 0.17%. On January 1st, Visa weighted for 1.68% of the portfolio value and ended the year 2022 at a weight of 1.91%.

We decided to further increase our purchases on Visa in line with the improvement of its energy efficiency as reported by the company's CSR 2021 release. From 2020, the carbon footprint of Visa has been reduced by 21%. Its emission intensity was in 2021 at 3 tCO<sub>2</sub>eq which is below industry average (5.8 tCO<sub>2</sub>eq).

The mitigation of environmental risks was representing before some weaknesses, notably the lack of clear, quantifiable GHG reduction targets, but was still assessed rather positively thanks to the progress showed by the company in advancing its decarbonization strategy. More recently, Visa has provided quantified data on its low-carbon investments. The company has invested in new equipment to improve the energy efficiency of its facilities.

Visa Inc has committed to set a science-based target on its scope 1&2 emissions. The company is currently developing its reduction target. The company has also developed a partnership with the Cambridge Institute for Sustainability Leadership to identify new opportunities to apply electronic payment capabilities and the Visa network toward realizing a sustainable future.

To give expression to the fact that challenges relating to climate change have been taken into account, the carbon footprint of companies is measured. As at 31/12/2022, the fund's carbon footprint was of 20 tCO<sub>2</sub>-eq / million euro invested, compared to 40 tCO<sub>2</sub>-eq / million euro invested for the fund benchmark.

The subfund aims to achieve an ESG score, based on Candriam's proprietary ESG methodology, higher than its benchmark. As at 31/12/2022, the subfund's overall ESG score was 54 compared to 50 for the benchmark at the time.



## 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.

## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 32.52%  <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 <b>sustainable investments with a social objective</b> : 66.81%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investment  <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 <b>did not make any sustainable investments</b>



### 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: 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 exclusion list as a result of the application of Candriam's Exclusion Policy.
- Number of holdings for which Candriam voted.

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

### ● **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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	15.15	51.74
ESG Score - Corporate - Higher than bench	55.28	51.03

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

### ● **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.

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement & Voting: in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue and voting. Candriam prioritised its engagement and voting activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the "new normal" course of business for Candriam's investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies' direct and indirect workforces.

- Voting:

The Candriam's approach to Corporate Governance relies on internationally-recognized standards, notably the principles laid down by the OECD as well as by the International Corporate Governance Network (ICGN).

In that respect, Candriam has exercised its 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. Remuneration and directors' election concentrate most of our votes against management. Indeed, we require companies to respect the pay-for-performance principle and will show our disagreement as soon as we consider the level of remuneration excessive or conditions of attribution not transparent enough nor challenging. Equally, we expect companies to comply with our minimum independence requirements : at boards failing to meet this requirement, we oppose (re-)election of any non-independent director, except CEO. Diversity (PAI13) and expertise level of the board are of course also taken into account in these votes.

In addition, Candriam always considers the relevance, consistence and feasibility of measures sponsored by any ESG resolution before casting vote.

In the best interest of its clients, Candriam considers internal ESG opinion on the investee companies but also any outcomes of engagement with them, in its voting choices.

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 and shareholder resolutions. More specifically, Candriam welcomes the introduction of management-sponsored 'Say-on-Climate' resolutions. Candriam built a detailed framework to be applied to every Say-on-Climate resolution, which assesses the stringency and the alignment of the company transition strategy with a 2050 net zero emissions pathway. As a result, most of these did not get our support during the period.

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1- GHG Emissions - Scope 2 GHG Emissions	8386.18
1- GHG Emissions - Total GHG Emissions	17022.28
2 - Carbon Footprint	15.15
3 - GHG intensity of investee companies	59.37
4 - Exposure to companies active in fossil fuel sector	2.14%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	33.23%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
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MICROSOFT CORP	Internet and internet services	4.56%	US
ALPHABET INC -A-	Internet and internet services	2.08%	US
ALPHABET INC -C-	Internet and internet services	1.96%	US
UNITEDHEALTH GROUP INC	Healthcare	1.78%	US
PROCTER & GAMBLE CO	Miscellaneous consumer goods	1.64%	US
VISA INC -A-	Miscellaneous services	1.53%	US
LVMH MOET HENNESSY LOUIS VUITTON SE	Textiles and garments	1.35%	FR
NOVO NORDISK	Pharmaceuticals	1.34%	DK
MASTERCARD INC -A-	Banks and other financial institutions	1.27%	US
ACCENTURE - SHS CLASS A	Miscellaneous services	1.23%	US
NOVARTIS AG REG SHS	Pharmaceuticals	1.12%	CH
L'OREAL SA	Pharmaceuticals	1.12%	FR
THERMO FISHER SCIENT SHS	Electronics and semiconductors	1.09%	US
LOWE'S CO INC	Retail trade and department stores	1.05%	US

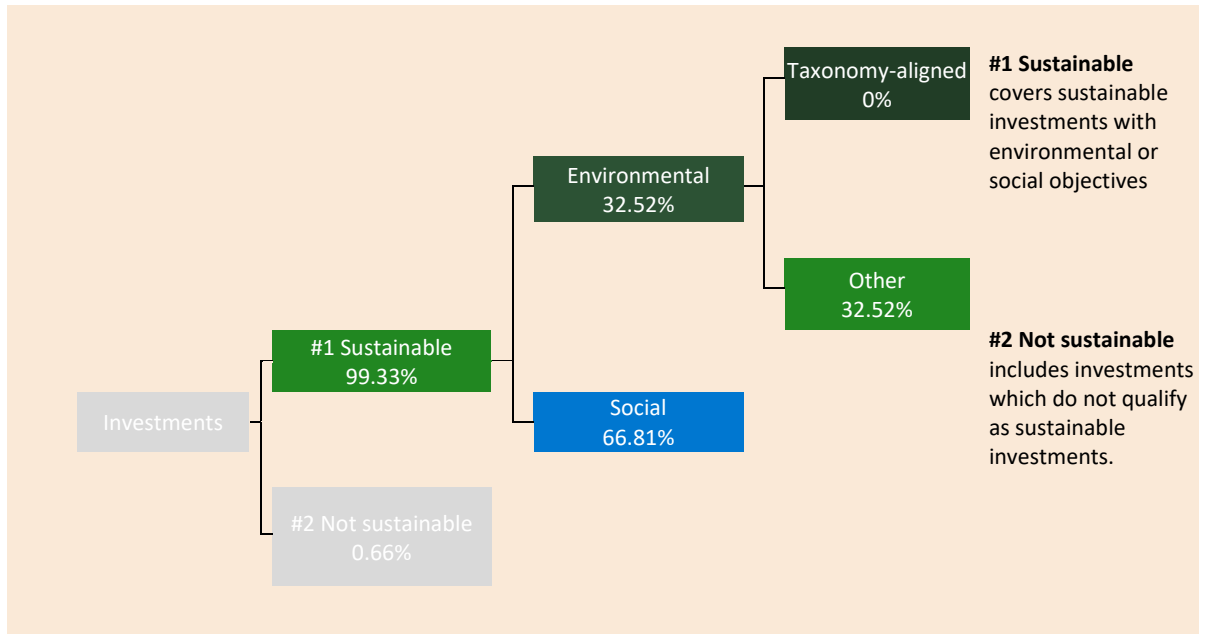
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## What was the proportion of sustainability-related investments?

**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	Proportion
Internet and internet services	15.12%
Banks and other financial institutions	14.29%
Pharmaceuticals	8.52%
Insurance	5.74%
Electronics and semiconductors	5.09%
Office supplies and computing	4.93%
Retail trade and department stores	4.88%
Real estate	4.36%
Graphic art and publishing	3.62%
Biotechnology	3.32%
Miscellaneous services	3.14%
Miscellaneous consumer goods	3.04%
Textiles and garments	2.71%
Healthcare	2.47%
Machine and apparatus construction	2.46%

*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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 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.

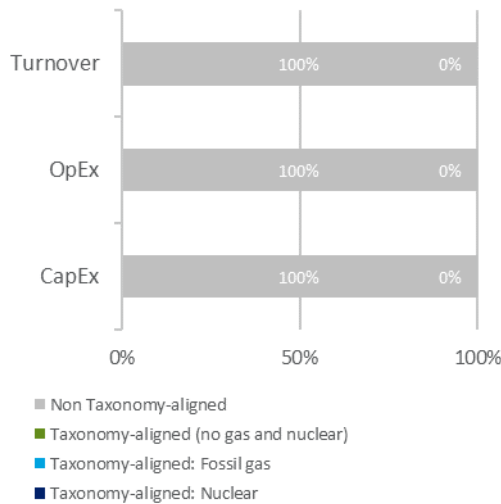
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

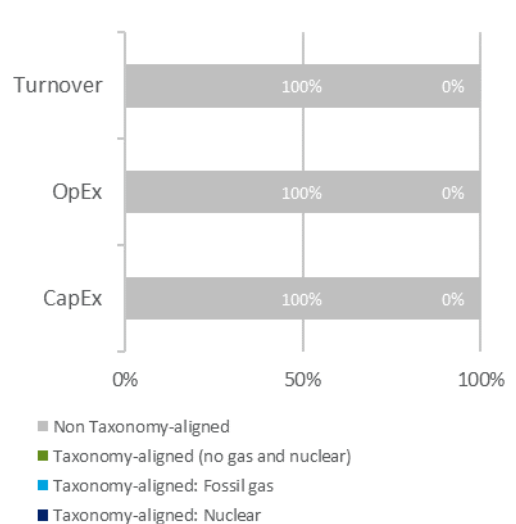
- Yes
- In fossil gas  In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments including sovereign bonds\*



2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

<sup>1</sup> 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.

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 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?**

Not applicable because no previous period data is available.

● **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 32.52% 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 2022 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 66.81%



**What investments were included under “#2 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 0.66% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions



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

In order to respect the sustainable investment objective during the reference period, the sub-fund reinforced positions in issuers such as Regency Centers Corporation, Visa and PNC Financial Services Group contributing to the achievement of its sustainable investment objective.

- Regency Centers Corporation

Regency Centers Corporation (REG-US) is a real estate investment trust (REIT). The Company is engaged in the ownership, management, leasing, acquisition and development of retail shopping centers in the United States.

During the year 2022 we increased the position of Regency Centers Corporation in portfolio on average by 0.50%. On January 1st, Regency Centers Corporation weighted for 0.16% of the portfolio value and ended the year 2022 at 0.56%.

We decided to increase our purchases on Regency Centers Corporation in line with the improvement of its energy efficiency as reported by the company’s CSR 2021 release. From 2020, the carbon footprint of Regency Centers Corporation has been reduced by 39%. Its emission intensity was in 2021 at 23 tCO2eq which is well below industry average (97.1 tCo2eq). Saving emissions are estimated by the CIA methodology (Carbon4) at -4.1 tCO2eq on Scope 1&2 emissions.

With 38% of GHG emissions linked to construction and buildings, the real estate industry has a huge impact on the environment and on resources both through the development of buildings (energy intensity of construction materials

used - embedded emissions; artificialization of arable land) and during the life of the building (energy consumption for heating, cooling and ventilation).

Regulators have started to wake up to the challenge and building codes have stricter environmental standards. Commercial tenants also are paying more attention to the quality of buildings they rent, with the implied cost reductions of well-designed energy-efficient buildings. Companies can demonstrate their progress with environmental certification of their buildings (eg. BREEAM, HQE or LEED standards) and or publicly disclosing the energy efficiency of their assets. The integration of climate-related performance in national building codes as well as expectations from customers explain the emphasis on the environmental footprint and environmental performance of buildings.

Regency Centers discloses relevant climate-related risks and opportunities. It performs a scenario analysis by confronting its business model to several science-based scenarios. In 2017, Regency Centers Corporation developed a Green Building Standard which is applied to all development and redevelopment projects.

Regency centers mention energy refurbishment (lighting, insulation, and fuel switch) as a part of its strategy, on its overall portfolio. Regency Centers Corporation has set an ambitious reduction target for its absolute scope 1&2 emissions of -50% by 2028 compared to 2018 levels leading its emissions intensity to be in line with a Beyond 2°C scenario as defined by the IEA 2017 ETP.

- Visa

Visa Incorporated (V-US) is a multinational technology company in the global payments industry based in the United States. The company operates in one segment named Payment Solutions. The company's transaction processing network facilitates authorization, clearing and settlement of payment transactions and enables to provide its financial institution and merchant clients a range of products, platforms, and value-added services. Visa Inc's core business includes credit, debit, and prepaid products as well as its ATM network. The company is also offering contactless payment and e-commerce services.

During the year 2022 we increased the position of Visa Incorporated in portfolio on average by 0.71%. On January 1st, Visa Incorporated was not in the portfolio and ended the year 2022 at a weight of 1.54%.

We decided to increase our purchases on Visa Incorporated in line with the improvement of its energy efficiency as reported by the company's CSR 2021 release. From 2020, the carbon footprint of Visa Incorporated has been reduced by 21%. Its emission intensity was in 2021 at 3 tCO<sub>2</sub>e/q which is below industry average (5.8 tCO<sub>2</sub>e/q).

The mitigation of environmental risks was representing before some weaknesses, notably the lack of clear, quantifiable GHG reduction targets, but was still assessed rather positively thanks to the progress showed by the company in advancing its decarbonization strategy. More recently, Visa Incorporated has provided quantified data on its low-carbon investments. The company has invested in new equipment to improve the energy efficiency of its facilities.

Visa Inc has committed to set a science-based target on its scope 1&2 emissions. The company is currently developing its reduction target. The company has also developed a partnership with the Cambridge Institute for Sustainability Leadership to identify new opportunities to apply electronic payment capabilities and the Visa network toward realizing a sustainable future.

- PNC Financial Services Group

PNC Financial Services Group, Inc. (PNC-US) is a diversified financial services organization. The Company provides regional banking, wholesale banking, and asset management services nationally and in the Company's primary regional markets.

During the year 2022 we increased the position of PNC Financial Services Group in portfolio on average by 0.88%. On January 1st, PNC Financial Services Group was not in the portfolio and ended the year 2022 at a weight of 1.01%.

We decided to increase our purchases on PNC Financial Services Group in line with the improvement of its energy efficiency as reported by the company's CSR 2021 release. From 2020, the carbon footprint of PNC Financial Services Group has been reduced by 31%. This company is qualified as 'Leading' when compared with other 170 peers' issuers available in Banks in NORTH AMERICA.

Over the past years, regulators worldwide have declared climate change as a material risk in maintaining financial stability. As capital allocators, the financial sector has a crucial role to play in advancing the transition towards a low-carbon economy and meeting the objectives set by the Paris Agreement. Consequently, financial institutions are under pressure to enhance transparency and disclosures regarding climate-risks. Enhanced disclosures of bank balance sheets help understanding banks' exposures to long-term environmental risks. Green bonds and sustainability-linked loan products act as a way to finance general corporate purposes while still encouraging sustainability improvements.

PNC Financial Services Group has defined a long-term strategy, setting a reduction target for its Scope 1&2 emissions. It considers its Scope 3 emissions related to bank activity. Reduction targets will be achieved by enhancing employee education and engagement, refurbishing and building Green and intelligent buildings, as well as integrating advanced machine learning techniques to energy data.

The Sustainable Finance Working Group is the backbone to PNC's sustainable finance, green lending and environmental sustainability programs. Areas focused on are Renewables, Energy efficiency, Green building, Sustainable transportation, etc. PNC Financial Services Group also underwrites green bonds that finance environmentally beneficial projects.

The bank has set an ambitious reduction target for its Scope 1&2 emissions which is higher than 2.5% per year. PNC Financial Services Group mentions 3 reduction goals for year 2035 compared to 2009, the first regarding reduction in carbon emissions 75% reduction by 2035, compared to 2009.

It is reported in the CSR report that PNC Financial Services Group invests in both sustainable financing and Responsible investing assets under management, respectively \$23B (since 2016) and \$2.4B for 2018.

To give expression to the fact that challenges relating to climate change have been taken into account, the carbon footprint of companies is measured. As at 31/12/2022, the fund's carbon footprint was 15 tCO<sub>2</sub>-eq / million euro invested, compared to 52 tCO<sub>2</sub>-eq / million euro invested for the fund benchmark.

The subfund aims to achieve an ESG score, based on Candriam's proprietary ESG methodology, higher than its benchmark. As at 31/12/2022, the subfund's overall ESG score was 55 compared to 51 for the benchmark at the time.



## **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.



## Sustainable investment objective

**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.

Did this financial product have a sustainable investment objective?	
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
<input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective</b> : 52.43%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> 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 <b>sustainable investments with a social objective</b> : 38.96%	<input type="checkbox"/> with a social objective
	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



### 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 : 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.
- ESG score : the Sub-fund aimed to have a weighted average ESG score , including corporate and sovereign issuers, which results from Candriam's proprietary ESG analysis , that is higher than 55 50 (on a scale from 0 to 100).

Moreover, the following indicators were monitored:

- to assure that there are no investments in issuers that are in violation with the OECD Guidelines for Multinational Enterprises or the UN Global Compact.
- to assure that there are no investments in issuers that are on the Candriam's SRI exclusion list as a result of the application of the Candriam's Exclusion Policy.
- to assure that there are no sovereign investments in countries that are on Candriam's Oppressive regime list
- to assure that there are no sovereign investments in countries considered "Not free" by Freedom House.

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.

The Sub-Fund aimed to reduce greenhouse gas emissions versus its benchmark as a first step towards the objectives of the Paris agreement. On a later stage, other steps will be set in order to ensure carbon emissions reduction in view of achieving the Paris Agreement.

### ● **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.

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?"

Sustainability KPI Name	Value	Benchmark
Carbon Footprint - Corporate - Scope 1&2 - Lower than absolute threshold (currently 100)	40.41	
ESG Score - Country and Corporate - Higher than 55	56.09	

### ● **... And Compared to Previous Periods?**

Not applicable because no previous period data is available.

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

Candriam ensured that its sustainable investments do 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 clear requirements and minimum thresholds to identify those issuers - companies and sovereigns - 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:

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

**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.

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 Sub-Fund level, the principal adverse impacts (PAI) on sustainability factors were considered through one or several means (cfr. Candriam's PAI statement : <https://www.candriam.com/en/private/sfdr/>):

- Engagement : in order to avoid and/or reduce the adverse impact on sustainable objectives, the Sub-Fund also considered the adverse impacts in its interactions with companies, through dialogue . Candriam prioritised its engagement activities according to an evaluation of the most material and relevant ESG challenges, facing industries and issuers, by considering both the financial and societal / stakeholder impacts. Therefore, the level of engagement with each company within the same product may vary and is subject to Candriam's prioritisation methodology.
  - Dialogue:

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.

Our objective is obviously to encourage companies to publicly report on how they align with a 1.5D trajectory and to support such an alignment. Beyond any Net Zero commitment and Scope1-2-3 absolute emissions disclosure, Candriam thus encourage them to provide insights on how short / mid term targets are aligned with scientifically recognized 1.5D trajectory. 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. As in previous year, we continue to support and actively participate to several collaborative initiatives such Climate Action 100+ . 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 (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>).

Given the geopolitical context and observed increase of inequalities, several engagements have also been performed in relation to the protection of fundamental human rights at direct or indirect workforce level (supply chain due diligence) (PAI10, PAI11). We also conducted a dedicated Post-covid direct engagement campaign aiming at investigating how relationships with stakeholders were impacted and the changes now integrated as the “new normal” course of business for Candriam’s investee companies. In the same vein, Human capital management is an aspect we address in most of our exchanges with companies. We continue to support Workforce Disclosure Initiative defending a better access to reliable, relevant and comparable data on companies’ direct and indirect workforces.

- Exclusion: Candriam's negative screening of companies or countries aimed to avoid investments in harmful activities or practices and may led to exclusions linked to companies' or issuers' adverse impact.
- Monitoring: calculation and evaluation of the principal adverse impact indicators including the reporting at Sub-Fund level. Some of these indicators may have explicit targets and can be used to measure the attainment of the sustainable investment objective of the sub-fund. See below the results of the indicators of this Sub-fund :

PAI indicators	Value
1- GHG Emissions - Scope 1 GHG Emissions	24341.26
1- GHG Emissions - Scope 2 GHG Emissions	7813.13
1- GHG Emissions - Total GHG Emissions	32154.39
2 - Carbon Footprint	40.41
3 - GHG intensity of investee companies	94.23
4 - Exposure to companies active in fossil fuel sector	5.02%*
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	39.13%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%
16 - Investee countries subject to social violations	0.00%

*\*This PAI does not reflect the % of income invested in the portfolio but the % of issuers who have part, even if marginal, of their income exposed to Fossil fuel. In order to accommodate the integration of renewable energy and handle their intermittency, even the greenest Electrical Utilities need to maintain some gas-based capacity as storage based solutions are still in their infancy. As example, Iberdrola, In 2021, total installed capacity was made of 75% renewables, gas represented 15% and the remaining is Nuclear. In its 2030 generation mix, the company plans to have 85% of Renewable energy, meeting the IEA's expectation of 60% share of renewables by 2030.*



## 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: 31/12/2022

Top investments	Sector	Proportion	Country
TOYOTA MOTOR FIN ZCP 110123	Banks and other financial institutions	3.32%	JP
BPCE FL.R 18-23 23/03Q	Banks and other financial institutions	2.90%	FR
FIDELITY NATL INFORM ZCP 060123	Internet and internet services	2.46%	US
COFINIMMO SA ZCP 040123	Investments funds	2.46%	BE
SPAI LETR DEL TESO ZCP 13-01-23	Bonds of States. Provinces and municipalities	2.37%	ES
DEUTSCHE TELEKOM AG ZCP 120123	Communication	2.37%	DE
LVMH FIN BELGIQUE SA ZCP 050123	Various capital goods	2.36%	FR
SCANIA CV AB ZCP 090123	Road vehicles	2.32%	SE
DANAHER CORP ZCP 230223	Machine and apparatus construction	2.27%	US
CITIGROUP INC FL.R 18-23 21/03Q	Banks and other financial institutions	2.23%	US
AEDIFICA NV/SA ZCP 170123	Investments funds	1.89%	BE
IBERDROLA INT. BV ZCP 110123	Electrical engineering	1.85%	ES
KERING FINANCE ZCP 170123	Banks and other financial institutions	1.80%	FR
VOLKSWAGEN FIN. SVC ZCP 140223	Banks and other financial institutions	1.79%	DE
RECKITT BENCKISER TS ZCP 060123	Non Classifiable Institutions	1.70%	GB

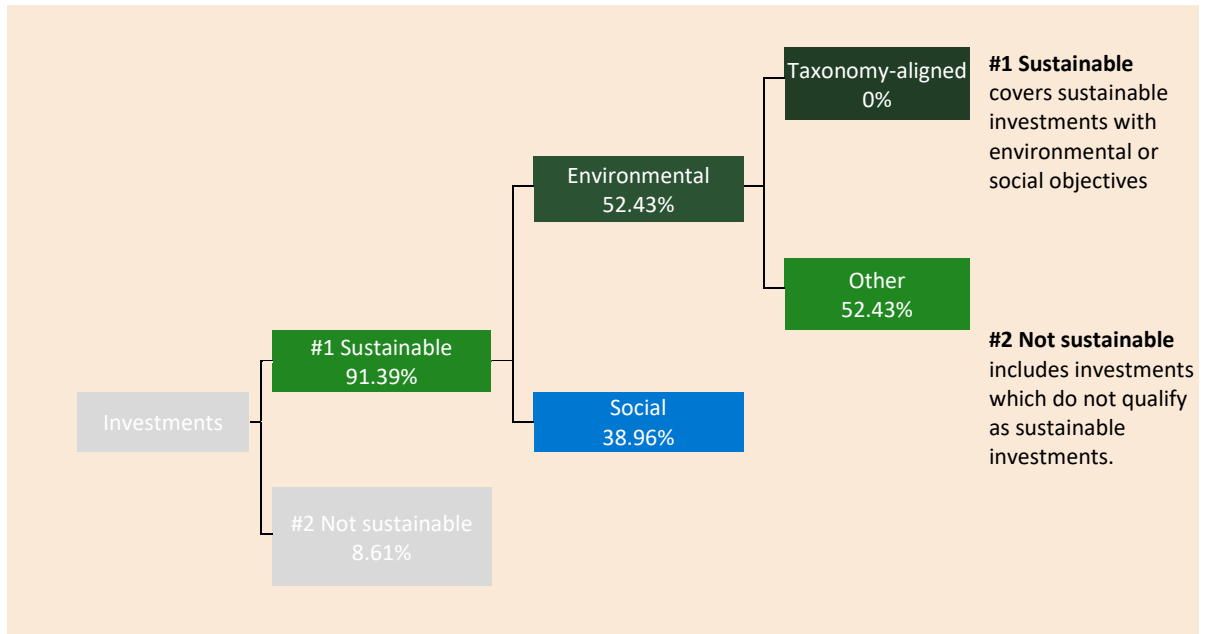
*Minor differences may be present between the data above and the corresponding ones in the section "Investment portfolio" of the annual report due to the number rounding process*



## 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	Proportion
Banks and other financial institutions	47.79%
Bonds of States, Provinces and municipalities	9.00%
Internet and internet services	6.53%
Investments funds	5.30%
Non Classifiable Institutions	2.93%
Machine and apparatus construction	2.46%
Miscellaneous consumer goods	2.37%
Communication	2.37%
Various capital goods	2.36%
Road vehicles	2.32%
Electrical engineering	2.04%
Supranational Organisations	1.71%
Utilities	1.32%
Office supplies and computing	1.04%
Real estate	0.94%

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## 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 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<sup>1</sup>?

Yes

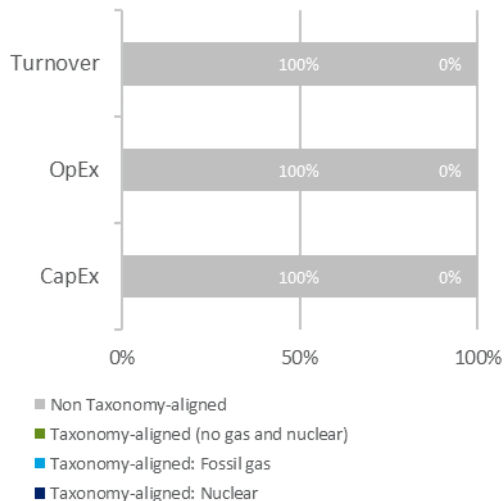
In fossil gas

In nuclear energy

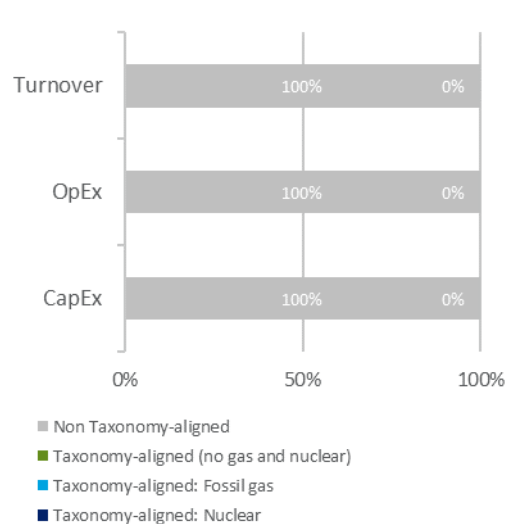
No

The two graphs below show in green the minimum percentage of investments that are 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.

1. Taxonomy-alignment of investments **including** sovereign bonds\*



2. Taxonomy-alignment of investments **excluding** sovereign bonds\*



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

<sup>1</sup> 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.

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 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?**

Not applicable because no previous period data is available.

● **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 52.43% 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 2022 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 38.96%

 **What investments were included under “#2 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 8.61% 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 are planned to be sold.
- Non single name derivatives used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions

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

The Sub-fund achieved a carbon footprint of 40.41 as at end of December 2022, better than its objective of maximum 100 tons of CO2 equivalent per million euro invested. These numbers are based on Scope 1 & 2 emissions.

In order to respect the sustainable investment objective during the reference period, we sold the following investments : Berkshire Hathaway, the holding was excluded due to a risk linked to its potential exposure to armaments.

In order to respect the sustainable investment objective during the reference period, we purchased the following investments for which the issuers had contribute to the achievement of its sustainable investment objective: Schneider, Royal Bank of Canada, Iberdrola, Toronto dominion and Thermo Fischer.

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

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

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