Candriam Equities L

Société d'Investissement à Capital Variable
Luxembourg ("SICAV")

PARTIAL PROSPECTUS
for the distribution of the shares in Switzerland

Subscriptions may only be accepted if made on the basis of this prospectus (hereinafter the "Prospectus"), which is only valid if accompanied by the last available annual report and the last semi-annual report if published after the last annual report.
These documents form an integral part of the Prospectus.

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3 June 2024

INTRODUCTION

Candriam Equities L (hereinafter the "SICAV" or the "Fund") is registered on the official list of undertakings for collective investment (hereinafter "UCI") pursuant to the law of 17 December 2010 (hereinafter the "Law").
Its registration on this list should not be interpreted as a positive assessment by the regulatory authority of the content of this Prospectus or the quality of the securities offered or held by the SICAV. Any affirmation to the contrary is unauthorised and illegal.

This Prospectus may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised.

Shares in this SICAV are not and will not be registered in the United States in accordance with the U.S. Securities Act of 1933, as amended ("1933 Securities Act") and are not and will not be eligible under any law of the United States. These shares may not be offered, sold or transferred to the United States (including its territories and possessions) or directly or indirectly benefit any U.S. Person (as defined in Regulation S of the 1933 Securities Act and Rule 4.7. of the Commodity Exchange Act). Subscribers to shares in this SICAV may be required to certify in writing that they are not U.S. Persons. Shareholders are required to notify the SICAV immediately in the event that they become U.S. Persons and will be required to dispose of their shares to non-U.S. Persons. The SICAV reserves the right to redeem all shares that are or become the direct or indirect property of a U.S. Person or if the holding of shares by any person is illegal or detrimental to the interests of the fund.
However, notwithstanding the foregoing, the SICAV reserves the right to make a private placement of its shares to a limited number of U.S. Persons to the extent permitted under applicable U.S. law.

In addition, financial institutions which do not comply with the FATCA programme (FATCA stands for the U.S. Foreign Account Tax Compliance Act), as included in the Hiring Incentives to Restore Employment Act (the "HIRE Act"), and its application measures, including the analogous provisions adopted by partner countries which have signed an "Intergovernmental Agreement" with the United States, must expect to be forced to have their shares redeemed when the programme comes into force.

The shares in the SICAV may not be offered, sold or transferred to a U.S. employee benefit plan subject to the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA") or any other U.S. employee benefit plan or U.S. individual retirement account or arrangement ("IRA") and may not be offered, sold or transferred to a fiduciary or any other person or entity acting on behalf of the assets of a U.S. employee benefit plan or IRA (collectively, a "U.S. benefit plan investor"). Subscribers to shares in the SICAV may be required to certify in writing that they are not U.S. benefit plan investors. Shareholders are required to notify the SICAV immediately in the event that they are or become U.S. benefit plan investors and will be required to dispose of their shares to non-U.S. benefit plan investors. The SICAV reserves the right to redeem any shares which are or become owned, directly or indirectly, by a U.S. benefit plan investor. However, notwithstanding the foregoing, the SICAV reserves the right to make a private placement of its shares with a limited number of U.S. benefit plan investors, to the extent permitted under applicable U.S. law.

The SICAV comes under part I of the law and meets the conditions set down in European Directive 2009/65/EC, as amended (hereinafter "Directive 2009/65/EC").

No person is authorised to give any information other than that contained in the Prospectus or in the documents referred to herein that may be consulted by the general public.
The Board of Directors of the SICAV is liable for the accuracy of the information contained in the Prospectus on the date of its publication.
This Prospectus may be updated if significant changes are made to this document. It is therefore recommended that subscribers contact the SICAV to enquire whether there is a more recent Prospectus.

It is recommended that subscribers seek advice on the laws and regulations such as those on taxation and foreign exchange control applicable to the subscription, purchase, ownership and sale of shares in their place of origin, residence and domicile.

In accordance with the provisions of the Luxembourg law on the protection of persons with regard to the processing of personal data, and all applicable local laws and regulations, in each case, as amended, revised or replaced (including by operation of EU Regulation 2016/679) (the "GDPR"), the Management Company, as data controller, collects, stores and processes, by electronic or other means, the personal data of investors for the purpose of fulfilling the services required by the investors and complying with its legal and regulatory obligations. The personal data processed by the Management Company includes, in particular, the name, contact details (including postal or email address), the tax identification number (TIN), banking details, invested amount and holdings in the fund ("Personal Data"). The investor may at his/her discretion refuse to communicate Personal Data to the Management Company. In this case, however, the Management Company may reject a request for Shares. Investors are entitled: (i) access his/her Personal Data (including, in certain cases, in a commonly used, machine readable format); (ii) have their Personal Data rectified (where they are inaccurate or incomplete); (iii) have their Personal Data erased where the Management Company or the SICAV no longer has any legitimate reasons to process them; (iv) have their Personal Data restricted; (v) object to the processing of their Personal Data by the Management Company in certain circumstances; and (vi) lodge a complaint with the applicable supervisory authority, by writing to the Management Company at its registered office. Personal Data is processed, in particular, for the purposes of processing subscriptions, redemptions and conversions of shares and payments of dividends to investors, account administration, client relationship management, performing controls on excessive trading and market timing practices, tax identification as may be required under Luxembourg or foreign laws and regulations [including laws and regulations relating to FATCA or CRS ("CRS" stands for "Common Reporting Standard" and means the Standard for Automatic Exchange of Financial Account Information in Tax matters, as developed by the OECD and implemented in particular by Directive 2014/107/EU)] and compliance with applicable anti-money laundering rules. Personal Data supplied by investors is also processed for the purpose of maintaining the register of shareholders of the SICAV. In addition, Personal Data may be processed for prospecting purposes. Each investor has the right to object to the use of his/her Personal Data for prospecting purposes by writing to the SICAV. The Management Company may ask investors for their consent to collect or process their Personal Data on certain occasions, for example, for the purposes of marketing. The investors can withdraw this consent at any time. The Management Company also processes investors' Personal Data where necessary to fulfil its contract with the investor, or when required by law, such as if the SICAV receives a request from law enforcement or other government officials. The Management Company also processes investors' Personal Data when it is in its legitimate interests to do this and when these interests are not overridden by investors' data protection rights. For example, there is a legitimate interest in ensuring the effective operation of the SICAV.
Personal Data may be transferred to affiliates and third-party entities supporting the activities of the SICAV, which include, in particular, the Management Company, Central Administration, Depositary, Transfer Agent and Distributors that are located in the European Union. Personal Data may also be transferred to entities which are located in countries outside of the European Union and whose data protection laws may not offer an adequate level of protection. In subscribing for Shares, each investor expressly consents and agrees to the transfer and processing of his/her Personal Data to the entities referred to above, including entities located outside the European Union and in particular in countries which may not offer an adequate level of protection. The Management Company or the SICAV may also transfer Personal Data to third parties, such as government or regulatory agencies, including tax authorities, in or outside the European Union, in accordance with applicable laws and regulations. In particular, such Personal Data may be disclosed to the Luxembourg tax authorities, which may in turn, acting as the data controller, disclose it to foreign tax authorities. Investors can request further information about how the SICAV ensures that transfers of Personal Data comply with the GDPR by contacting the SICAV at the registered office of the Management Company. Personal Data will not be retained for a period longer than necessary for the purpose of data processing, subject to applicable legal minimum retention periods.

This Prospectus is only valid if accompanied by the latest available annual report, together with the latest semi-annual report where the latter was published after the latest annual report. These documents form an integral part of the Prospectus.

Any reference made in this Prospectus to the terms:

- "Member State" refers to a Member State of the European Union. States that are party to the Agreement on the European Economic Area, other than the Member States of the European Union, are treated as equivalent to Member States of the European Union, within the limits defined by this Agreement and the associated instruments,
- EURO or EUR refers to the currency of the countries that are part of the European Monetary Union,
- GBP refers to the currency of the United Kingdom of Great Britain and Northern Ireland,
- USD refers to the currency of the United States of America.
- JPY refers to the currency of Japan,
- AUD refers to the currency of Australia,
- Bank Business Day refers to any full bank business day in Luxembourg. To avoid any confusion, 24 December is not considered to be a Bank Business Day,

The SICAV reminds investors that investors may fully exercise their investors' rights directly vis-à-vis the SICAV, in particular the right to attend general meetings of shareholders, only if they are registered in their own names in the register of shareholders of the SICAV. In the event that an investor invests in the SICAV through an intermediary investing in the SICAV in its name but on behalf of the investor, some shareholder rights may not necessarily be exercisable by the investor directly vis-à-vis the SICAV. Investors are advised to seek information regarding their rights.

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1. ADMINISTRATION OF THE SICAV

Board of Directors

Chairman

Mr Tanguy **de Villenfagne**
Advisor to the Group Strategic Committee
Candriam

Directors

M. Thierry **Blondeau**
Independent Director

Mrs Isabelle **Cabie**
Global Head of Corporate Sustainability
Candriam

Mrs Catherine **Delanghe**
Independent Director

Mr Pascal **Dequenne**
Global Head of Operations
Candriam

Mr Jean-Yves **Maldague**
Managing Director
Candriam

Ms Aurore **PELLE**
Senior Internal Auditor
Candriam

Registered Office

5, Allée Scheffer, L-2520 Luxembourg

Depositary Bank and Principal Paying Agent

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

Management Company

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

Chairman

- **Mr Naïm Abou-Jaoudé**
  Chairman and Chief Executive Officer of
  New York Life investment Management Holdings LLC and
  New York Life investment Management LLC

Directors

- **Mr Renato Guerriero**
  Deputy Chief Executive Officer - Global Development & Distribution
  Candriam

- **Mr Vincent Hamelink**
  Chief Executive Officer
  Candriam

- **Mr Frank Harte**
  Senior Managing Director, Chief Financial Officer & Treasurer
  New York Life Investment Management Holdings LLC and
  Senior Vice President
  New York Life Insurance Company

- **Mr Alain Karaoglan**
  Executive Vice President and Head of the Strategic Businesses of
  New York Life Insurance Company

- **Ms Melissa Kuan**
  Managing Director and Head of Strategy & Business Development of
  New York Life Investment Management

- **Mr Jean-Yves Maldague**
  Managing Director
  Candriam

- **Mr Anthony Malloy**
  Executive Vice President & Chief Investment Officer, New York Life Insurance Company
  Chief Executive Officer, NYL Investors LLC

Management Committee

Chairman

- Mr Jean-Yves **Maldague**,
  Managing Director
  Candriam

Members
- Ms Justine Barrielle, Manager
- Mr Fabrice Cuchet, Manager
- Ms Nadège Dufosse, Manager
- Mr Tanguy de Villenfagne, Manager
- Mr Nicolas Forest, Manager
- Mr Renato Guerriero, Manager
- Mr Vincent Hamelink, Manager

Administrative Agent and Domiciliary Agent duties are delegated to:
CACEIS Bank, Luxembourg Branch 5, Allée Scheffer, L-2520

Transfer agent duties (including registrar activities) are delegated to:
CACEIS Bank, Luxembourg Branch 5, Allée Scheffer, L-2520

The portfolio management function is performed directly by Candriam and/or by one or more of its branches:

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

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

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

*With the exception of the Candriam Equities L **Australia** sub-fund, for which the implementation of the portfolio management duties is delegated to:*
Ausbil Investment Management Limited
Grosvenor Place, 225 George Street, Sydney NSW 2000
Australia

The implementation of securities lending and borrowing operations is performed directly by Candriam and/or by one or more of the branches and is partly delegated to:

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

Auditors

PricewaterhouseCoopers
2, rue Gerhard Mercator
BP 1443
L-1014 Luxembourg

Auditors of the Management Company

PricewaterhouseCoopers
2, rue Gerhard Mercator
BP 1443
L-1014 Luxembourg

2. GENERAL CHARACTERISTICS OF THE SICAV

Candriam Equities L is a Luxembourg Société d'Investissement à Capital Variable [open-ended investment company] established for an unlimited term on 27 April 1994 in accordance with the provisions of the law and the law of 10 August 1915 on commercial companies, as amended.

The SICAV's articles of incorporation were published in the Mémorial C, Recueil Spécial des Sociétés et Associations (hereinafter referred to as "the Mémorial") on 9 June 1994. They have been amended on several occasions, most recently on 1 July 2022. The corresponding amendments were published in the Recueil Electronique des Sociétés et Associations. The coordinated articles of incorporation have been filed with the Luxembourg Trade and Companies Registry.

These documents can be examined there and copies may be obtained on request on payment of the required administrative fees.

The SICAV is registered in the Luxembourg Trade and Companies Registry under number B-47449.

The SICAV is an umbrella UCITS, which means that it is made up of several sub-funds, each representing a specific pool of assets and liabilities and each adhering to a specific investment policy.

The umbrella structure offers investors the benefit of being able to choose between different sub-funds and to move from one sub-fund to another. Within each sub-fund, the SICAV may issue different share classes which differ in particular in terms of the fees and commissions payable or in terms of their distribution policy.

Currently, the following sub-funds are available to investors:

- Candriam Equities L Australia
- Candriam Equities L Biotechnology
- Candriam Equities L Emerging Markets
- Candriam Equities L Europe Innovation
- Candriam Equities L Europe Optimum Quality
- Candriam Equities L Global Demography
- Candriam Equities L Life Care
- Candriam Equities L Meta Globe
- Candriam Equities L Oncology Impact
- Candriam Equities L Risk Arbitrage Opportunities
- Candriam Equities L Robotics & Innovative Technology

Each of the SICAV's sub-funds may, at the discretion of the Board of Directors, consist of one single share class or be divided into several share classes, the assets of which must be commonly invested as per the investment policy specific to the sub-fund in question. Each class of the sub-fund must have a specific subscription and redemption fee structure, a specific charging structure, a specific distribution policy, a different reference currency and other specific features. Each category of share thus defined constitutes a "class".

In addition, each share class may apply a specific hedging policy as found in the sub-fund fact sheets, that is:

- **Hedging against fluctuations in the reference currency**: such hedging aims to reduce the effect of fluctuations in exchange rates between the reference currency of the sub-fund and the currency in which the share class is denominated. This type of hedging aims to achieve a reasonably comparable performance (adjusted in particular for the difference in interest rate between the two currencies) between the hedged class and the equivalent denominated in the reference currency of the sub-fund. This type of hedging is identified by the suffix **H** in the name of the class.

- **Hedging against the foreign exchange exposure of the assets forming the portfolio**: such hedging aims to reduce the effect of fluctuations in exchange rates between the currencies in which the sub-fund's assets are held and the currency in which the class is denominated. This type of hedging is identified by the suffix **AH** in the name of the class.

The purpose of these two types of hedging is to reduce foreign exchange risk.
Investors must be aware that the hedging of foreign exchange cannot be a total and permanent process and may not therefore fully neutralise the foreign exchange risk and so there may be differences in performance.

Any gains or losses that may arise from the hedging process are borne separately by the holders of these classes.

The following classes may be issued:

- The **BF** class is reserved for Belgian-law feeder UCIs approved by the Management Company and managed by an entity of the Candriam group.

- The **C** class is offered to individuals and legal entities.

- The **CB** class is reserved only for distributors (banks) approved by the Management Company.

- The **I** class is reserved exclusively for institutional investors.

- The **I2** class is not subject to an outperformance fee and is reserved exclusively for institutional investors.

- The **LOCK** class (which may also be called "L Class") is a share class which is associated with a mechanism that aims to limit the capital risk incurred. This mechanism is offered only by Belfius Banque S.A., sole distributor authorised to sell these shares. By investing in this class, investors accept that the shares are sold automatically when the net asset value reaches a set amount (activation price). Accordingly, whenever Belfius Banque S.A. notes that the net asset value is equal to or less than the activation price, a redemption order is automatically generated and executed as soon as possible.
  The sales order will be consolidated at the first cut-off (deadline for the reception of orders) following the calculation date of the net asset value that gave rise to the automatic activation of the redemption order.

  In view of the specific nature of this class, before subscribing, potential investors should seek advice from their financial advisor at Belfius Banque S.A. so as to be aware of the technical and operational imperatives associated with this mechanism.

- The **N** class is reserved for distributors specially approved by the Management Company.

- The **P** class is reserved (i) for pension funds and/or similar investment vehicles, created on the initiative of one or more employers for the benefit of their employees and (ii) companies with one or more employers investing funds which they hold to provide pensions for their employees. The minimum initial subscription is EUR 15,000,000.

- The **P2** class is reserved for distribution in Switzerland (i) for pension funds and/or similar investment vehicles, created on the initiative of one or more employers for the benefit of their employees and (ii) for companies with one or more employers investing funds which they hold to provide pensions for their employees. The minimum initial subscription is EUR 15,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same Valuation Date.

- The **PI** class is reserved for institutional investors which subscribe before the sub-fund has reached a critical size in terms of the assets under management. The minimum initial subscription is EUR 1,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This minimum may be

changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same Valuation Date. This class will remain open for subscription until one of the following events occurs: (i) the period fixed by the Board of Directors ends, (ii) the sub-fund reaches a critical size in terms of the assets under management, as defined by the Board of Directors, (iii) the Board of Directors decides to close this class to subscription on justifiable grounds.
The Board of Directors may re-open this class of shares at its discretion and without the need to inform investors in advance.

- The **R** class is reserved for financial intermediaries (including distributors and platforms) which:

  (i) Have different arrangements with their clients for the provision of investment services in connection with the sub-fund, and

  (ii) As a result of their applicable laws and regulations or on the basis of agreements with their customers, are not entitled to accept and keep duties, fees and other monetary benefits from the Management Company in connection with the provision of the above-mentioned investment services.

- The **R2** class is restricted 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.

  - UCIs approved by the Management Company.

- The **S** class is reserved exclusively for institutional investors specifically approved by the Management Company.

- The **SF2** class is reserved for feeder funds approved by the Management Company and managed by delegation by an entity of the Candriam group. The minimum holding in this class is EUR 200,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This amount may be changed at the discretion of the Board of Directors provided that shareholders are treated equally.

- The **V** class is reserved exclusively for institutional investors whose minimum initial subscription is EUR 15,000,000, 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 **V2** class is not subject to an outperformance fee and is reserved exclusively for institutional/professional investors, distributors and/or intermediaries which are approved by the Management Company and whose minimum initial subscription is EUR 15,000,000, or its equivalent in foreign currencies in the case of classes denominated in foreign currencies. This amount may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same Valuation Date.

- The **Y** class is reserved exclusively for institutional investors specifically approved by the Management Company.

- The **Z** class is restricted to

  - 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.

  - UCIs approved by the Management Company and managed by an entity of the Candriam group.

- The **ZF** class is reserved for feeder UCIs approved by the Management Company and managed by an entity of the Candriam group.

If it appears that an investor no longer meets the conditions for accessing the class in question, the Board of Directors may take all the necessary measures and, if necessary, convert the shares into another appropriate class.

The assets of the various classes are pooled within a single account.

Before subscribing, investors should check the fact sheets accompanying this Prospectus (hereinafter the "Fact Sheets") to find out in which class and in what form shares are available for each sub-fund, as well as the applicable fees and other charges.

The Board of Directors may launch other sub-funds or classes, for which the investment policy and conditions of offer will be notified accordingly through the issue of an update to this Prospectus and through information in the press as deemed appropriate by the Board of Directors.

The capital of the SICAV is at all times equal to the net asset value and is represented by fully paid-up shares of no par value. Capital changes occur ipso jure and do not need to be announced or registered with the Trade and Companies Registry in the same way as required for the capital increases or decreases of limited companies. Its minimum capital is EUR 1,250,000.

3. MANAGEMENT & ADMINISTRATION

3.1. The Board of Directors

The Board of Directors of the SICAV is responsible for managing the assets of each of the sub-funds of the SICAV. The SICAV may appoint a management company.
The Board of Directors and the management company may carry out all the management and administration activities on behalf of the SICAV, including purchasing, selling, subscribing and exchanging transferable securities and exercising all rights directly or indirectly attached to the assets of the SICAV.
A list of members of the Board of Directors is found in this Prospectus and in the interim reports.

3.2. Domiciliation

The SICAV and CACEIS Bank, Luxembourg Branch have concluded a domiciliation agreement for an unlimited term.

Under this agreement, CACEIS Bank, Luxembourg Branch provides the registered office and address to the SICAV in addition to other services relating to domiciliation.

The SICAV may terminate the domiciliary agent functions of CACEIS Bank, Luxembourg Branch with three months' written notice, and the latter may terminate its own functions with the same notice.

3.3. Management Company

Candriam (hereinafter "the Management Company"), a partnership limited by shares with its registered office at L-8009 Strassen, 19-21 route d'Arlon, SERENITY – Bloc B, is appointed by a SICAV as the Management Company to the SICAV in accordance with a contract entered into for an unlimited term between the SICAV and the Management Company. This agreement may be terminated by either party subject to advance written notice of 90 days.
Candriam (formerly Candriam Luxembourg) was established in Luxembourg on 10 July 1991. It commenced its management activities on 1 February 1999 and is a subsidiary of Candriam Group, a New York Life Insurance Company Group entity.

Candriam received approval as a Management Company within the meaning of chapter 15 of the Law, and is authorised to provide collective portfolio management, investment portfolio management and investment advisory services. Its articles of incorporation were amended for the last time on 17 June 2022 and the corresponding amendments were published in the Mémorial C (Recueil des Sociétés et Associations). A version of the coordinated articles of incorporation has been filed with the Luxembourg Trade and Companies Registry.

The list of entities managed by the Management Company is available upon request from the Management Company.

Candriam is entered in the Luxembourg Trade and Companies Registry under number B-37.647. It is established for an unlimited period. Its financial year ends on 31 December each year.

3.3.1. Functions and responsibilities

The Management Company has the broadest possible powers to carry out UCI management and administration activities in pursuance of its objects.
It is responsible for the portfolio management, administration (administrative agent, domiciliary agent, transfer agent and registrar) and marketing, distribution, activities.

In accordance with the Law, the Management Company is authorised to delegate its duties, powers and obligations in full or in part to any person or company that it deems fit, provided that the Prospectus is updated beforehand. The Management Company, however, retains full responsibility for the actions of the delegate(s).

The various duties carried out by the Management Company or one of its delegates create entitlement to fees, as described in the Fact Sheets in the Prospectus.

Investors are invited to read the SICAV's annual reports to obtain detailed information on the fees paid to the Management Company or its delegates in remuneration of their services.

3.3.1.1. Portfolio management

The Board of Directors of the SICAV is responsible for the investment policy of the SICAV's various sub-funds. The Management Company has been appointed by the SICAV to implement the investment policy of the various sub-funds.

The Management Company performs, directly and/or through one or more of its branches, the portfolio management of the various sub-funds unless otherwise indicated. The Management Company may, inter alia, exercise on behalf of the SICAV any voting rights attached to the transferable securities that make up the assets of the SICAV.

The Management Company has delegated, under its supervision, responsibility and expense, the implementation of portfolio management for the Candriam Equities L **Australia** sub-fund to Ausbil Management Limited via a delegation agreement entered into for an unlimited term. This agreement may be terminated by either party subject to advance written notice of 90 days.

Ausbil Investment Management Limited is an Australian public limited company established in 1996 and authorised under Australian Financial Services licence no. 229722 issued by the Australian Securities and Investments Commission.
Since 30 September 2014, it has been a subsidiary of New York Life Investment Management Global Holdings s.à.r.l., a New York Life Insurance Company Group entity.

In addition, the Management Company has delegated the securities lending and borrowing agent activities and collateral management activities to CACEIS Bank, Luxembourg Branch via a delegation agreement entered into for an unlimited term.

3.3.1.2. Domiciliary agent, administrative agent, registrar, transfer agent and listing agent duties

The Management Company has delegated the administrative agent ("Administrative Agent") and registrar and transfer agent ("Transfer Agent") functions of the SICAV to CACEIS Bank, Luxembourg Branch, under the terms of a central administration agreement entered into by the Management Company and CACEIS Bank, Luxembourg Branch for an unlimited term ("Central Administration Agreement").

The Central Administration Agreement is concluded for an unlimited term and may be terminated by either party with three months' notice.

CACEIS Bank, Luxembourg Branch operates as the Luxembourg branch of CACEIS Bank, a société anonyme under French law whose registered office is at 89-91, rue Gabriel Peri, 92120 Montrouge, France, registered with the Trade and Companies Register of Nanterre under the number RCS Nanterre 692 024 722. It is a credit institution approved and supervised by the European Central Bank (ECB) and the French Prudential Supervision and Resolution Authority (ACPR). The institution is also authorised to perform banking activities and central administration activities in Luxembourg through its Luxembourg branch.

In particular, the Administrative Agent functions comprise the calculation of the NAV per share of each sub-fund and/or each share class as applicable, the management of accounts, the preparation of annual and semi-annual reports, and the performance of tasks in its capacity as the Administrative Agent.

In particular, the Transfer Agent functions comprise the processing of subscription, redemption and conversion orders and the keeping of the register of shareholders.

In this capacity, the Transfer Agent is also responsible for supervising measures to combat money laundering in accordance with the applicable regulations in Luxembourg on money laundering and financing of terrorism and preventing the financial sector from being used for the purposes of money laundering and financing of terrorism. CACEIS Bank, Luxembourg Branch is authorised to request the documents necessary in order to identify the investors.

3.3.1.3. Marketing

The marketing function consists in coordinating the marketing of the SICAV's shares through distributors and/or intermediaries designated by the Management Company (hereinafter "Distributors"). A list of Distributors can be obtained by investors free of charge from the Management Company's registered office.

Distributor or investment agreements may be entered into by the Management Company and the various Distributors.
Under these agreements, the Distributor, in its capacity as nominee, will be entered in the register of shareholders instead of the customers who have invested in the SICAV.
These agreements stipulate that a customer who has invested in the SICAV through the Distributor may at any time request the transfer of the shares purchased via the Distributor into his or her own name in the register upon receipt of the transfer instructions from the Distributor.

Shareholders may subscribe to the SICAV directly without needing to subscribe through a Distributor.

Any Distributor appointed must apply the procedures to combat money laundering as defined in the Prospectus. The appointed Distributor must have the legal and regulatory status required to market the SICAV and must be situated in a country subject to obligations to combat money laundering and the financing of terrorism equivalent to those of Luxembourg law or Directive (EU) 2015/849.

3.3.2. Remuneration policy

The Management Company has established a general framework concerning remuneration of its staff, in particular a remuneration policy (the "Remuneration Policy") in compliance with the applicable regulations and the following principles in particular:

The Remuneration Policy is compatible with sound and effective risk management including sustainability risks. It discourages any risk-taking that is inconsistent with the risk profile and the articles of incorporation of the SICAV. Candriam has designed policies aiming to promote responsible behaviour among personnel, taking account of sustainability-related impacts.

The Remuneration Policy is compatible with the financial strategy, objectives, values and interests of the Management Company, the SICAV and the investors, and includes measures to improve the way conflicts of interest are handled.

Candriam's remuneration structure is linked to a risk-adjusted performance. The evaluation of performance is set in a multi-year framework appropriate to the minimum holding period recommended to shareholders of the SICAV, in order to ensure that the performance evaluation process is based on the long term performance of the SICAV and that the effective payment of the performance-based remuneration elements is spread over the same period.

Candriam aims to ensure that the employees are not encouraged to take inappropriate and/or excessive risks (also concerning sustainability risks) which are incompatible with the risk profile of Candriam and, as applicable, of the funds managed. In addition, when sustainability-related impacts are considered by the fund, Candriam sees to it that the personnel take them fully into account.

The Remuneration Policy therefore ensures that the fixed and variable components of total remuneration are appropriately balanced; that the fixed component of total remuneration is high enough; that the policy concerning variable remuneration elements is sufficiently flexible including the possibility to pay no variable remuneration component.

The details of the updated Remuneration Policy, including the composition of the remuneration committee, a description of how remuneration and benefits are calculated, and how this policy is consistent with the consideration of sustainability risks and impacts, are available from the Management Company's website via this link (document entitled **Candriam Remuneration Policy**):
https://www.candriam.com/en/private/sfdr/
https://www.candriam.com/en/professional/sfdr/

A printed copy is available free of charge on request.

4. DEPOSITARY

CACEIS Bank, Luxembourg Branch acts as the depositary of the SICAV ("**Depositary**") in accordance with a depositary bank agreement for an unlimited term as amended from time to time ("**Depositary Bank Agreement**") and with the relevant provisions of the Law and applicable regulations.

The Depositary is responsible for the safekeeping and/or, as applicable, the registration and verification of ownership of the assets of the sub-fund, and it discharges the obligations and responsibilities set out in Part I of the Law and the applicable regulations. In particular, the Depositary performs appropriate and effective monitoring of the cash flows of the SICAV.

In accordance with the applicable regulations, the Depositary:

(i) Ensures that any sale, issue, redemption, repayment and cancellation of the shares of the SICAV take place in accordance with the Law and applicable regulations and the articles of incorporation of the SICAV,
(ii) Ensures that the net asset value of the shares is calculated in accordance with the applicable regulations, the articles of incorporation of the SICAV, and the procedures set out in Directive 2009/65/EC,
(iii) Carries out the instructions of the SICAV unless they conflict with the applicable regulations or the articles of incorporation of the SICAV,
(iv) Ensures that for transactions involving the SICAV's assets, the consideration is paid to the SICAV within the usual time limits,
(v) Ensures that the SICAV's income is allocated in accordance with the applicable regulations and the articles of incorporation of the SICAV.

The Depositary may not delegate any of the obligations and responsibilities in parts (i) to (v) above.

In accordance with Directive 2009/65/EC, the Depositary may, under certain conditions, entrust all or some of the assets for which it performs safekeeping or registration functions to correspondents or to third-party depositaries appointed from time to time ("Delegation"). The Depositary's responsibilities will not be affected by such Delegation, unless otherwise provided but solely within the limits allowed by the Law.

A list of these correspondents/third-party depositaries is available on the Depositary's website (www.caceis.com, in the regulatory oversight section). This list may be updated from time to time. The complete list of correspondents/third-party depositaries may be obtained free of charge from the Depositary.

Up-to-date information about the identity of the Depositary, a description of its responsibilities and potential conflicts of interest, the safekeeping functions delegated by the Depositary and the potential conflicts of interest that may arise from such Delegation are also available on request free of charge on the Depositary's website (above).

There are many situations in which a conflict of interest may arise, in particular when the Depositary delegates its safekeeping functions, or when the Depositary provides other services on behalf of the SICAV such as the central administration function or the registrar function. These situations and the potential conflicts of interest arising from them have been identified by the Depositary. In order to protect the interests of the SICAV and its investors, and to comply with the applicable regulations, the Depositary has put in place and guarantees application of a conflicts of interest policy, as well as procedures intended to prevent and to manage any potential or actual conflict of interest, principally aiming to do the following:

(a) Identify and analyse potential conflicts of interest,

(b) Record, manage and monitor conflicts of interest, either:

- By relying on permanent measures established to manage conflicts of interest such keeping separate legal entities, segregating functions, separating hierarchical structures, insider lists of staff members, or

- By setting up case-by-case management with a view to (i) taking appropriate preventive measures such as preparing a new watch list, establishing new "Walls of China", ensuring that transactions take place under market conditions and/or informing the SICAV's relevant investors, or (ii) refusing to carry out the activity creating the conflict of interest.

The Depositary has established a functional, hierarchical and/or contractual separation between the performance of its depositary bank functions and the performance of other tasks on behalf of the SICAV, in particular its administrative agent and registrar services.

The SICAV and the Depositary may terminate the Depositary Bank Agreement at any time with written notice of ninety (90) days. The SICAV may only dismiss the Depositary, however, if a new depositary bank is appointed within two months to perform the functions and responsibilities of the depositary bank. Once dismissed, the Depositary may continue to discharge its functions and responsibilities until all the assets of the sub-fund have been transferred to the new depositary bank.

5. INVESTMENT OBJECTIVES

The objective of the SICAV is to provide shareholders, through the available sub-funds, with an investment vehicle giving access to the equity markets.

The SICAV gives investors the opportunity to participate in securities portfolios actively managed by professionals, with the aim of increasing their net asset value. Each sub-fund will be structured in order to achieve the best possible yield.

For certain sub-funds of the SICAV, Candriam has the option of allocating 10% of the net (i.e. minus any discount granted to distributors, platforms and/or customers) management fees it receives in respect of the sub-fund in question to support charitable associations and/or organisations or to support other projects with a social impact, research and/or education initiatives, or philanthropic initiatives. When this option is chosen for a SICAV, the relevant information is contained in the fact sheet of the sub-fund in question.

This percentage of 10% may be revised at the discretion of Candriam; if this happens, the change will be reflected in an updated version of the Prospectus.

If there is a delay in selecting and approving beneficiaries or projects, meaning that the provision set aside could not actually be paid out during the year in which the net management fees were received, the accumulated provision will be paid out once the beneficiaries have been selected and approved.

Candriam may provide its support in the form of donations to organisations, funding for projects and/or shareholdings in organisations, companies or funds.

The selected projects and organisations may be linked to the sub-fund's particular investment objectives. Please see the sub-fund’s fact sheet for more information.

There is more information about the supported associations and/or organisations and the allocated charges on the Candriam website at https://csr.candriam.com

6. INVESTMENT POLICY

6.1 The investments of the various sub-funds of the SICAV must consist only of one or more of the following:

a) Units in UCITS authorised according to Directive 2009/65/EC and/or other UCIs, within the meaning of article 1, paragraph (2) points a) and b) of Directive 2009/65/EC, whether established in a Member State or not, provided:

- These other UCIs are approved in accordance with legislation stipulating that these undertakings are subject to supervision that the CSSF believes to be equivalent to that stipulated by EU legislation, and that cooperation between the authorities is sufficiently guaranteed;

- The level of protection guaranteed to unitholders in these other UCIs is equivalent to that provided for unitholders in a UCITS and, in particular, that the rules on asset segregation, borrowing, lending and short-selling of securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;

- The activities of these other UCIs are reported in semi-annual and annual reports such that their assets, liabilities, income and activities over the reporting period may be evaluated;

- The proportion of assets that the UCITS or other UCIs whose acquisition is contemplated may invest overall, in accordance with their management rules or their documents of incorporation, in units in other UCITS or other UCIs does not exceed 10%.

Furthermore, a sub-fund may acquire and/or hold shares to be issued or having been issued by one or more sub-funds of the SICAV (the "target sub-fund(s)"), without the SICAV being subject to the requirements stipulated by the Law of 10 August 1915 on commercial companies, as amended, in terms of the subscription, acquisition and/or holding by a company of its own shares, subject, however, to the following:

- The target sub-fund does not in turn invest in the sub-fund invested in this target sub-fund, and

- The proportion of assets that the target sub-funds whose acquisition is contemplated may invest overall in the units of other target sub-funds of the same UCI does not exceed 10%, and

- Any voting rights attached to the respective securities will be suspended for as long as they are held by the sub-fund in question, without prejudice to the appropriate treatment in the accounts and the interim reports, and

- In any event, for as long as these securities are held by the SICAV, their value will not be accounted for in the calculation of the net assets of the SICAV for the purpose of verifying the minimum assets level imposed by the act; and

b) Transferable securities and money market instruments listed or traded on a market within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments;

c) Transferable securities and money market instruments traded on another regulated market of a Member State, which operates regularly and is recognised and open to the public;

d) Transferable securities and money market instruments officially listed on a stock exchange of a European country (other than those forming part of the EU), North and South America, Asia, Oceania and Africa, or traded on another market of a country of Europe (other than those forming part of the EU), North and South America, Asia, Oceania and Africa, that is regulated, operating regularly, recognised and open to the public;

e) Newly issued transferable securities and money market instruments , provided that the terms of issue include the undertaking that the application for official listing on a stock exchange or another regulated market which operates regularly and is recognised and open to the public, as specified in points b), c) and d) above, is made within one year of the date of issue;

f) deposits with a bank which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months. The bank must have its registered office in a Member State or, if this is not the case, must be subject to prudential rules considered by the Luxembourg supervisory authority to be equivalent to those provided for under EU legislation,

g) derivative financial instruments, including equivalent cash-settled instruments, traded on a regulated market of the type referred to under points b), c) and d) above, or derivative financial instruments traded over-the-counter, provided that:

- The underlying consists of the instruments referred to in this article 6.1, financial indices, interest rates, exchange rates or currencies, in which the sub-fund may make investments according to its investment objectives;

- These instruments are reliably and verifiably valued on a daily basis and can, at the initiative of the SICAV, be sold, liquidated or closed by way of an offsetting transaction at their fair value at any time;

- The counterparties to the transactions are institutions subject to prudential supervision and belonging to the categories authorised by the CSSF;

h) Money market instruments other than those normally dealt in on the money market, which are liquid and whose value can be accurately determined at any time, provided the issue or issuer of these instruments is itself regulated for the purpose of protecting investors and savings and provided these instruments are:

- Issued or guaranteed by a central, regional or local authority, by a central bank of a Member State, by the European Central Bank, by the European Union or by the European Investment Bank, by a non-Member State or, in the case of a federal state, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or

- Issued by an undertaking whose securities are traded on the regulated markets referred to under points b), c) or d) above, or

- Issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF as being at least as stringent as those set forth by EU law, or

- Issued by other bodies belonging to categories approved by the CSSF, provided that investments in such instruments are subject to investor protection rules equivalent to those laid down in the first, second or third indent above, and that the issuer is a company with combined capital and reserves of at least ten million euros (EUR 10,000,000) which presents and publishes its annual accounts in accordance with the Fourth Council Directive 78/660/EEC, an entity which, within a group of companies that includes one or more listed companies, is dedicated to financing the group or an entity which is dedicated to financing securitisation vehicles that benefit from bank financing facilities.

Additional information pertaining to certain instruments:

- Total return swaps

A sub-fund may make use of total return swaps or other derivative financial instruments which have the same characteristics, for example certificates for differences, for the purpose of (long or short) exposure, hedging or arbitrage.

The underlying instruments to these operations may be individual securities or financial indices (equities, interest rates, credit, foreign currencies, commodities, volatility etc.) in which the sub-fund may invest in accordance with its investment objectives.

A sub-fund may conduct credit derivative transactions (single underlying or on a credit index) for the purposes of exposure, hedging or arbitrage.

These transactions are undertaken with counterparties which specialise in this type of transaction and are covered by agreements among the parties. They are carried out within the framework of the investment policy and the risk profile of each individual sub-fund.

The investment policy of each sub-fund set in the Fact Sheet specifies whether a sub-fund is permitted to make use of total return swaps or these other forms of derivative financial instruments with the same characteristics and also of credit derivatives.

6.2 A sub-fund may not:

- invest more than 10% of its assets in transferable securities or money market instruments other than those referred to in article 6.1., ,
- purchase precious metals or certificates representing precious metals.

A sub-fund may hold cash on an ancillary basis (up to 20% of its assets). Cash held on an ancillary basis is restricted to sight deposits such as cash in instant-access current accounts held at a bank.

6.3 The SICAV may acquire the movable or immovable property essential to the direct exercise of its activities.

6.4 Taking account of Environmental, Social and Governance criteria (“ESG”)

The Fact Sheet of each sub-fund will state the category in which it is classified for the purposes of Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "SFDR Regulation"), namely:

- Sub-fund which has sustainable investment as its objective ("Article 9 of the SFDR Regulation").
- Sub-fund which promotes, among other characteristics, environmental and/or social characteristics ("Article 8 of the SFDR Regulation").
- Other sub-fund which does not have sustainable investment as its objective and which does not specifically promote environmental and/or social characteristics.

If this is mentioned in the investment policy of a sub-fund of the SICAV, the Management Company may make investments which take account of Environmental, Social and Governance criteria.

ESG criteria are taken into account in the management framework defined for each sub-fund.

Information about sustainability indices, adverse impacts on sustainability factors, the promotion of environmental and social factors, and sustainable investment objectives is contained in the dedicated annex attached to the prospectus for each sub-fund concerned (the "SFDR Annex"). In addition, the annual report of the SICAV contains information about the principal adverse impacts on sustainability factors.

Candriam has developed an approach which is applied by the ESG research and investment team as follows:

In order to take account of the sustainability risk and to reflect profound social changes, some sub-funds aim to exclude companies which:
1) Have significantly and repeatedly violated one of the principles of the United Nations Global Compact, covering human rights, international labour standards, the environment, and anti-corruption, and/or
2. Are significantly exposed to certain controversial activities as defined for each sub-fund.

The details of Candriam's extended exclusions policy are available on the Management Company's website (see "Useful links" below).

The Management Company defines a framework which allows the asset managers to identify opportunities and risks around the serious challenges of sustainable development, potentially affecting portfolios in a substantial way.

As such, the issuing companies are evaluated from two distinct but related perspectives:

1) An analysis of each company's activities (products and services) to assess how its activities respond to the serious long-term challenges of sustainable development, in particular climate change, resource management and waste management, and

2) An analysis of the management of the essential stakeholders of each company, to assess how the companies integrate the interests of their stakeholders (customers, employees, suppliers, investors, society and the environment) into their strategies, their operations and the definition of their strategy.

The ESG score is a measure of the result of the internal ESG analysis performed by Candriam on the basis of its proprietary analysis. The score is calculated for companies or states, and can be used to calculate an ESG score for the portfolios by adding together the scores of the portfolio securities according to their weighting in the sub-fund's assets.

For companies, Candriam's proprietary analysis includes an analysis of the activities and management of the essential stakeholders of each company.

The score ranges from 0 (less good score) to 100 (top score).

To give expression to the fact that challenges relating to climate change have been taken into account, the carbon footprint of companies is measured. A company's carbon emissions are expressed as the carbon dioxide equivalent in tonnes (tCO2-eq), which combines the various greenhouse gas (GHG) emissions into a single measure. For any quantity and type of greenhouse gas, the CO2 equivalent signifies the quantity of CO2 that would have an equivalent impact on global warming. The carbon footprint measures the GHG emissions weighted by the assets in a portfolio, normalised by million euros invested (expressed as tCO2-eq /million euros invested). This measure can be used for benchmarking and comparison purposes. The carbon footprint may be calculated using another appropriate currency.

The data used for the calculations may originate from data providers outside Candriam. The carbon footprint calculation does not take account of all the emissions of companies.

Details of the calculation method are available in the transparency code on the Candriam website (see the Fact Sheets).

Engagement and voting

The company analysis and selection process may be accompanied – where applicable indirectly through the underlying fund(s) – by dialogue activities (for example, direct active dialogue with the companies, voting at AGMs and/or involvement in collaborative engagement initiatives) as described in Candriam's engagement policy.
Candriam's voting committee may decide not to vote in respect of certain sub-funds because such votes are not relevant, because the portfolio turnover rate is high, or because the cost of voting is too high in relation to the net assets of the fund.

Information about the engagement and voting policy and the report on the conditions under which voting rights are exercised are available on the Candriam website (see "Useful links" below).

The above policies linked to the ESG practices of companies are applied to positions held directly, to the underlyings of derivative products (apart from index derivatives) and to UCIs/UCITS managed by Candriam.

Alignment with the Taxonomy

The European taxonomy of green activities (the "Taxonomy") – Regulation (EU) 2020/852 is part of the EU's global efforts to meet the objectives of the European Green Deal and to allow Europe to achieve climate-neutrality by 2050. Specifically, this Regulation sets out six environmental objectives:

- Climate change mitigation
- Climate change adaptation
- The sustainable use and protection of water and marine resources
- The transition to a circular economy
- Pollution prevention and control
- The protection and restoration of biodiversity and ecosystems.

For directly-managed investments and/or for the underlying funds managed by Candriam, the environmental aspects making up these environmental objectives are placed at the heart of the ESG analysis of issuers as detailed in the SFDR Annex.

For the sub-funds which have sustainable investment as their objective and also for the sub-funds which promote, among other characteristics, environmental and/or social characteristics, this work to evaluate the contribution of issuers to the main environmental objectives, in particular the battle against climate change, requires a sector-based appraisal based on a heterogeneous data set and complex realities with multiple interdependencies. Candriam's ESG analysts have developed their own analysis framework. This enables them to systematically assess the contribution of a company's activities to the achievement of various environmental objectives set by Candriam and in line with the objective of the Taxonomy.

Following the publication of the technical criteria for the Taxonomy's 2 environmental objectives related to climate change by the group of experts created at the European level, Candriam has undertaken to integrate these technical criteria into its pre-existing analysis framework.
Carrying out such an analysis over the entire scope of the issuers concerned relies heavily on the effective publication of certain data by these key issuers, making it possible to assess their contribution in detail.
At present, only a small number of companies in the world provide the minimum data required for a rigorous evaluation of their alignment with the Taxonomy.

The weakness of the data used to accurately assess compliance with the criteria laid down by the Taxonomy makes it difficult to set a minimum percentage of the alignment of these sub-funds with the European Taxonomy. As such, the sub-funds in question are only able at present to commit to a minimum alignment. This minimum alignment percentage must therefore be considered as 0.

For the sub-funds which promote, among other characteristics, environmental and/or social characteristics, the "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

For the sub-funds which do not have sustainable investment as their objective and which do not specifically promote environmental and/or social characteristics, the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. As such, these sub-funds are prohibited from publishing information about alignment with the Taxonomy.

Useful links

For more information about ESG analyses, please visit the Candriam website via the following links:
https://www.candriam.com/en/private/sfdr/
https://www.candriam.com/en/professional/sfdr/

- Exclusion policy: document entitled **Candriam Exclusion Policy**.
- Engagement policy: document entitled **Candriam Engagement Policy**.
- Voting policy: document entitled **Candriam Proxy Voting.**

6.5 Efficient portfolio management techniques

In accordance with Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012, in order to generate additional capital or revenue or to reduce its costs and its risks, each sub-fund is authorised to make use of the following efficient portfolio management techniques covering marketable securities and money market instruments where this is duly specified in the Fact Sheet for the sub-fund in question.

6.5.1 Securities lending transactions

Each sub-fund may lend the securities in its portfolio to a borrower directly or through a standardised lending system organised by a recognised securities settlement service or a lending system organised by a financial institution that is subject to prudential supervision rules considered by the CSSF to be equivalent to those set down in Community legislation and that specialises in this type of transaction.

The type of securities contained in the lending transactions and the counterparties must meet the requirements of CSSF Circular 08/356 and the conditions defined in point 7.10 of the Prospectus.

The expected proportion and the maximum proportion of the assets under management involved in such transactions or contracts are contained in the fact sheet of each sub-fund.

The SICAV must ensure that it maintains the amount of securities lending at an appropriate level or must be able to request the return of the loaned securities, such that the sub-fund in question is able at all times to meet its redemption obligations, and must ensure that these transactions do not compromise the management of the sub-fund's assets in accordance with its investment policy.

6.5.2 Reverse repurchase transactions

Each sub-fund may enter into reverse repurchase transactions for which on maturity the seller (counterparty) is required to take back the asset contained in the repurchase agreement and the sub-fund is required to return the asset contained in the reverse repurchase agreement.

The expected proportion and the maximum proportion of the assets under management involved in such transactions or contracts are contained in the fact sheet of each sub-fund.

The type of securities contained in the reverse repurchase agreement and the counterparties must meet the requirements of CSSF Circular 08/356 and the conditions defined in point 7.10 of the Prospectus.
For the term of the reverse repurchase agreement, the sub-fund may not sell or use the securities which are contained in this agreement as a pledge/collateral unless the sub-fund has other means of coverage.

6.5.3 Repurchase transactions

Each sub-fund may enter into repurchase agreements for which on maturity the sub-fund is required to reacquire the asset contained in the repurchase agreement and the seller (counterparty) is required to return the asset contained in the reverse repurchase agreement.

The expected proportion and the maximum proportion of the assets under management involved in such transactions or contracts are contained in the fact sheet of each sub-fund.

The type of securities contained in the repurchase agreement and the counterparties must meet the requirements of CSSF Circular 08/356 and the conditions defined in point 7.10 of the Prospectus.

The relevant sub-fund must, on expiry of the term of the repurchase agreement, have the necessary assets to pay the agreed return price to the sub-fund.

The use of these transactions must not result in a change in its investment objectives or result in additional risks being taken which exceed its risk profile as defined in the Prospectus.

6.5.4 Associated risks and mitigation measures

The risks associated with efficient portfolio management techniques (including collateral management) are identified, managed and restricted by the risk management process. The principal risks are counterparty risk, delivery risk, operational risk, legal risk, custody risk and conflict of interest risk (as defined in the article entitled Risk factors), and such risks are mitigated by the organisation and the procedures defined by the Management Company as follows:

i. Selection of counterparties and legal framework

Counterparties to securities lending transactions are approved by CACEIS Bank, Luxembourg Branch acting in its capacity as the lending agent, and counterparties to other transactions are validated by the Management Company's risk management department and, when the transactions are initiated, have a minimum rating of BBB-/Baa3 from at least one recognised ratings agency or considered to be of equivalent quality by the Management Company (in particular if there is no rating). These counterparties are entities which are subject to prudential supervision and belong to the categories authorised by the CSSF (credit institution, investment company, etc.), and which specialise in this type of transaction. The counterparties are located in an OECD member country.

ii. Financial collateral

See point 7.10. Management of collateral for OTC derivative products and efficient portfolio management techniques below.

iii. Restrictions on reinvestment of financial collateral received

See point 7.10. Management of collateral for OTC derivative products and efficient portfolio management techniques below.

iv. Measures taken to reduce the risk of conflicts of interest

To mitigate the risk of a conflict of interest, the Management Company has established a process for selecting and monitoring counterparties through committees organised by the risk management department. In addition, the remuneration of these transactions is in line with market practices in order to avoid any conflict of interest.

v. Earnings on securities lending activities

The sub-funds in question receive at least 60% of the gross income from securities lending activities. The costs and fees paid to the Management Company and its delegates amount to a maximum of 40% of gross income apportioned as follows:

- 20% is paid to **Caceis Bank, Luxembourg Branch** in return for its securities lending and collateral management activities with eligible financial institutions;
- 20% is paid to the **Management Company** in return for supervising the securities lending activities and in particular for interacting with the lending agent and verifying the quality of execution of securities lending activities.

The annual report contains detailed information on the income from securities lending activities and on the operational costs and charges engendered. It also specifies the identity of the entities to which these costs and charges are paid and specifies if they are related to the Management Company and/or the depositary.

vi. Remuneration policy for reverse repurchase agreements

Income from reverse repurchase agreements is paid in full to the sub-fund.

vii. Remuneration policy for repurchase agreements

This activity does not generate income.

6.5.5 Periodic investor information

Further information on the conditions of application of these efficient portfolio management techniques is contained in the annual and semi-annual reports.

7. INVESTMENT RESTRICTIONS

7.1 a) A sub-fund may invest no more than 10% of its assets in transferable securities or money market instruments issued by the same entity.

A sub-fund may invest no more than 20% of its assets in deposits made with a single entity.

The risk exposure to a counterparty of a sub-fund in an OTC derivative transaction and efficient portfolio management techniques may not exceed 10% of its assets when the counterparty is one of the credit institutions referred to in point 6.1.f) above; or 5% of its assets in other cases.

Counterparties to these transactions are approved by the Management Company's risk management department and, when the transactions are initiated, have a minimum rating of BBB-/Baa3 from at least one recognised rating agency or considered to be of equivalent quality by the Management Company. These counterparties are entities which are subject to prudential supervision and belong to the categories authorised by the CSSF (credit institution, investment company, etc.), and which specialise in this type of transaction. The counterparties are located in an OECD member country.

The SICAV may have cause to be party to agreements, under the terms of which financial collateral may be granted under the conditions set out in point 7.10 below.

Additional information on these derivative financial instruments, notably the identity of the one or more counterparties to the transactions, along with the type and the amount of financial collateral received by the SICAV, are shown in the annual report of the SICAV.

b) The total value of the transferable securities and money market instruments held by the sub-fund in issuers in which it invests more than 5% of its assets must not exceed 40% of the value of its assets. This limit does not apply to deposits with financial institutions subject to prudential supervision or to over-the-counter derivative transactions with such institutions.

Notwithstanding the individual limits established in point 7.1 a) above, a sub-fund may not combine, if this were to result in it investing more than 20% of its assets in the same entity, several of the following items:

- Investments in transferable securities or money market instruments issued by this entity,
- Deposits with the said entity, or
- Risks arising from OTC derivative transactions entered into with this entity.

c) The 10% limit specified in point 7.1. a) above may be raised to a maximum of 35% if the transferable securities and money market instruments are issued or guaranteed by a Member State, by its local authorities, by a non-Member State of the EU or by public international bodies to which one or more Member States belong.

d) The 10% limit specified in point 7.1. a) above may be raised to a maximum of 25% in the case of certain bonds when these are issued by a credit institution which has its registered office in a Member State and which is subject by law to special supervision by the public authorities designed to protect these bondholders. In particular, the sums arising from the issue of these bonds must be invested, according to the legislation, in assets which, throughout the period of validity of the bonds, cover the debts arising from the bonds and which, in the event of the issuer's bankruptcy, would be used for the repayment of the capital and the payment of accrued interest.
If a sub-fund invests more than 5% of its assets in the bonds referred to in the first paragraph and issued by a single issuer, the total value of these investments may not exceed 80% of the asset value of this sub-fund.

e) Securities and money market instruments referred to in points 7.1 c) and d) above must not be taken into account when applying the 40% limit referred to in point 7.1 b) above.

The limits provided for in points 7.1 a), b), c) and d) may not be combined, and consequently investments in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body in accordance with points 7.1 a), b), c) and d) may not exceed a total of 35% of the assets of the sub-fund.

Companies which are included in the same group for the purposes of consolidated accounts, within the meaning of Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single entity for the purpose of calculating the limits set down in this point 7.1.

A sub-fund may cumulatively invest up to 20% of its assets in transferable securities and money market instruments within the same group.

7.2 Notwithstanding the restrictions specified in point 7.1 above, each sub-fund is authorised to invest, according to the principle of risk distribution, up to 100% of its assets in different issues of transferable securities and money market instruments issued or guaranteed by a Member State, by its local authorities, by a Member State of the OECD or by public international bodies to which one or more Member States of the EU belong. If a sub-fund exercises this latter option, it must hold transferable securities belonging to at least six different issues but securities belonging to the same issue may not exceed 30% of the total amount of the net assets.

7.3 By way of derogation from the restrictions specified in point 7.1. above, sub-funds whose investment policy is to replicate an equity or bond index (hereinafter the "benchmark index"), may raise the limits provided to a maximum of 20% for investments in equities and/or bonds issued by the same entity, provided:

- The composition of the index is sufficiently diversified;
- The index represents an adequate benchmark for the market to which it refers;
- The index is published in an appropriate manner.

The 20% limit referred to above is raised to 35% if this proves to be justified by exceptional conditions on the markets, notably on regulated markets where certain transferable securities or certain money market instruments are highly dominant. Investing up to this limit is only authorised for a single issuer.

7.4

a) A sub-fund may acquire units in the UCITS and/or UCIs stated in points 6.1. a), provided it does not invest more than 20% of its assets in a single UCITS or other UCI.
For the purpose of applying this investment limit, each sub-fund of an umbrella UCI is regarded as a separate issuer, provided the principle of the segregation of the liabilities of the various sub-funds with regard to third parties is ensured.

b) Investments in units of UCIs other than UCITS may not exceed in total 30% of the assets of a UCITS. Where a UCITS has acquired units of a UCITS and/or other UCIs, the assets of those UCITS or other UCIs are not combined for the purposes of calculating the limits set down in point 1 above.

c) If a sub-fund invests in the units of other UCITS and/or other UCIs which are managed, directly or by delegation, by the Management Company or by any other company with which the Management Company is associated as part of a co-management or co-control agreement or by means of a significant direct or indirect shareholding, the Management Company or the other company may not charge subscription or redemption fees for the sub-fund's investment in the units of other UCITS and/or other UCIs.

7.5

a) The SICAV may not acquire shares with a voting right allowing it to exercise a significant influence on the management of an issuer.

b) The SICAV may not acquire more than:
- 10% of the non-voting shares issued by a single issuer,
- 10% of the debt securities issued by a single issuer,
- 10% of the money market instruments of a single issuer,
- 25% of the units of a single UCITS or other UCI.

The limits set down in the second, third and fourth indents of point 7.5 b) above may be disregarded at the time of purchase if, at that time, the gross amount of the bonds or money market instruments, or the net amount of the securities in issue, cannot be calculated.

c) The limits set down in points 7.5. a) and b) above do not apply to:

- Transferable securities and money market instruments issued or guaranteed by a Member State or by its local authorities,

- Transferable securities and money market instruments issued or guaranteed by a non-Member State of the EU;

- The transferable securities and money market instruments issued by public international bodies to which one or more EU Member States belong.

7.6

a) The SICAV may not borrow. However, a sub-fund may acquire currencies through back-to-back loans.

b) As an exception to point a):

- The sub-funds may borrow provided these loans are temporary and represent a maximum of 10% of their assets;
- The SICAV may borrow provided the loans permit the acquisition of the immovable property essential to the direct exercise of its activities, and represent a maximum of 10% of its assets.

When the SICAV is authorised to borrow under the terms of point b) above, these loans will not exceed a total of 15% of its assets.

7.7

a) A sub-fund may not grant loans or stand as guarantor in respect of third parties.

b) Point a) will not prevent the sub-funds from acquiring the transferable securities, money market instruments or other financial instruments referred to in points 6.1. a), g) and h), that are not fully paid-up,

7.8 A sub-fund may not short-sell transferable securities and money market instruments or other financial instruments referred to in articles 6.1 a), g) and h).

7.9

a) The sub-funds need not necessarily follow the limits stated in this article when exercising the subscription rights relating to the transferable securities or money market instruments forming part of their assets.

Whilst ensuring that the principle of risk diversification is followed, newly approved sub-funds may deviate from the provisions of these points 7.1, 7.2, 7.3 and 7.4 for a period of six months from their approval date.

b) If the limits referred to in paragraph a) are exceeded unintentionally by the sub-fund or as a result of the exercise of the subscription rights, the primary objective of the latter in its selling transactions will be to regularise this situation in the interests of the shareholders.

c) In the month preceding a closure, cancellation, liquidation or demerger transaction, and in the thirty days preceding a sub-fund merger, the investment policy of the sub-funds affected by these operations may be deviated from, as indicated in the Fact Sheets.

7.10 Management of financial collateral for OTC derivative products and efficient portfolio management techniques.

a) General criteria

All collateral to reduce exposure to counterparty risk must at all times satisfy the following criteria:

- Liquidity: any collateral received in a form other than cash must have a strong level of liquidity and be traded on a regulated market or within the framework of a multilateral trading system making use of transparent price setting methods such that it can be quickly sold at a price close to the valuation prior to the sale.
- Valuation: the collateral received will be valued on a daily basis and assets with highly volatile prices will only be accepted as collateral if sufficiently prudent safety margins are in place.

- Credit quality of issuers: the financial collateral received must be of excellent quality.

- Correlation: the financial collateral received must be issued by an entity which is independent of the counterparty and does not have a strong correlation with the counterparty's performance.

- Diversification: the financial collateral must be sufficiently diversified in terms of the countries, markets and issuers (for the net assets). As regards issuer diversity, the maximum exposure to an issuer through the collateral received must not exceed 20% of the net assets of the respective sub-fund. However, this limit is raised to 100% for securities issued or guaranteed by a member state of the European Economic Area ("EEA"), by its local authorities, by a Member State of the OECD or by public international bodies to which one or more member states of the EEA belong. These issuers must be highly rated (in other words rated at least BBB-/Baa3 by a recognised ratings agency or regarded as such by the Management Company). If the sub-fund exercises this latter option, it must hold securities belonging to at least six different issues, with securities belonging to the same issue not exceeding 30% of the total amount of the net assets.

The management risks connected with collateral, such as operational and legal risks, must be identified, managed and restricted by the risk management process.

The collateral received may be fully mobilised at any time without reference thereto to the counterparty or the need to obtain its agreement.

b) Types of authorised collateral

The permitted types of financial collateral are as follows:

- Cash denominated in a currency of one of the OECD's member states;

- Highly rated debt securities (rated at least BBB-/Baa3 or equivalent by one of the ratings agencies) issued by public sector issuers from an OECD country (governments, supranational bodies,...) and of a minimum issue size of EUR 250 million, and a maximum residual maturity of 30 years;

- Highly rated debt securities (rated at least BBB-/Baa3 or equivalent by one of the ratings agencies) issued by private sector issuers from an OECD country and of a minimum issue size of EUR 250 million, and a maximum residual maturity of 15 years;

- Shares listed or traded on a regulated market of a Member State of the European Union or on a stock exchange of a state which is a member of the OECD provided the shares are included in a significant index,

- shares or units in undertakings for collective investment offering adequate liquidity and investing in money market instruments, highly rated bonds or shares that meet the conditions stated above.

The risk management department of the Management Company may impose stricter criteria in terms of the collateral received and thereby exclude certain types of instruments, certain countries, certain issuers or certain securities.

In the event of materialisation of the counterparty risk, the SICAV could end up owning the financial collateral received. If the SICAV is able to dispose of such collateral at a value corresponding to the value of the loan/assets transferred, it would not bear negative financial consequences. Otherwise (if the value of assets received as collateral fell below the value of the assets loaned/transferred before they could be sold), it might incur a loss equal to the difference between the value of the assets loaned/transferred and the value of the collateral once it is liquidated.

c) Level of financial collateral

The Management Company has put in place a policy which requires a level of financial collateral based on the type of transactions.

The level of collateral required for over-the-counter financial instruments and efficient portfolio management techniques is determined by the agreements reached with each of the counterparties taking account of factors such as the nature and the characteristics of the transactions, the quality of credit and the identity of the counterparties, as well as market conditions at the time. The counterparty's exposure which is not covered by collateral will at all times remain below the counterparty risk limits fixed in the Prospectus.

For the securities lending activity in particular, the financial collateral level will correspond to 100% of the value of the securities lent.

For repurchase agreements and reverse repurchase agreements, the financial collateral level will be 100% when the transaction is initiated. If the amount of collateral falls below this level, this amount will then be adjusted, in compliance with the minimum transferable amounts such as set down in the agreements entered into with counterparties. In no case will the counterparty risk exceed authorised regulatory limits.

For over-the-counter derivative financial instruments: During the course of transactions in over-the-counter financial instruments, some sub-funds may hedge transactions by making margin calls in cash in the currency of the sub-fund subject to the restrictions stated in point 7.1 of this Prospectus as regards the counterparty risk.

d) Discounting policy

The Management Company has put in place a discounting policy suited to each category of assets received as financial collateral.

For each of the categories of assets shown below, the Management Company may apply the following discounts and reserves the right to apply additional discounts depending on market conditions:

Asset category	Discount
Cash	0%
Debt securities issued by public sector issuer	0-4%
Debt securities issued by private sector issuer	2-5%
Equities, UCI units/shares	2-8%

e) Restrictions on reinvestment of financial collateral received

Non-cash financial collateral may not be sold or reinvested or pledged.

Collateral received in cash can only be placed with counterparties meeting the above eligibility criteria, invested in highly rated government loans, used for the purpose of reverse repurchase transactions that can be recalled at any time or invested in short-term monetary funds, in accordance with the applicable diversification criteria.

Although invested in assets with a low degree of risk, the investments may, nevertheless, contain some limited financial risk.

f) Safekeeping of collateral

In the event of transfer of ownership, the collateral received will be held by the Depositary or a sub-custodian. In other types of collateral agreement, the collateral is held by an external depositary subject to prudential supervision which is not connected to the supplier of the financial collateral.

The collateral received may be fully mobilised at any time without reference thereto to the counterparty or the need to obtain its agreement.

g) Financial collateral in favour of the counterparty

Certain derivative financial instruments may initially require collateral to be lodged in favour of the counterparty (cash and/or securities).

h) Periodic investor information

Further information on the use of these efficient portfolio management techniques is contained in the annual and semi-annual reports.

7.11 Valuation

a) Reverse repurchase and repurchase agreements

Reverse repurchase and repurchase agreements are valued at cost plus interest. For contracts exceeding three months, the credit spread of the counterparty may be revalued.

b) Securities lending

Securities lending operations are not recorded individually in the net asset value – the income generated is recorded monthly. Loaned securities remain valued in the net asset value according to the valuation rules defined elsewhere.

c) Collateral

Collateral received is valued daily by the Management Company and/or the collateral agent. This valuation follows the valuation principles defined in the prospectus, applying the discounts applicable to the instrument type.

Collateral provided is valued daily by the Management Company and/or the collateral agent.

8. RISK FACTORS

The SICAV's sub-funds may be exposed to various risks depending on their investment policy. The principal risks to which the sub-funds may be exposed are shown below. Each Fact Sheet states the non-marginal risks to which the respective sub-fund may be exposed.

The net asset value of a sub-fund may rise or fall and shareholders may not receive back the amount invested or obtain any return on their investment.
The risk description below makes no claim, however, to be exhaustive and potential investors should take note firstly of the whole of this Prospectus and secondly of the section "*What are the risks and what might be the benefits?*" in the key investor information document.
It is also recommended that investors consult their professional advisers before investing.

Risk of capital loss: there is no guarantee for investors relating to the capital invested in the sub-fund in question, and investors may not receive back the full amount invested.

Interest rate risk: a change in interest rates, resulting in particular from inflation, may cause a risk of losses and reduce the net asset value of the sub-fund (especially in the event of a rate increase if the sub-fund has a

positive rate sensitivity and in the event of a rate reduction if the sub-fund has a negative rate sensitivity). Long term bonds (and related derivatives) are more sensitive to interest rate variations.
A change in inflation, in other words a general rise or fall in the cost of living, is one of the factors potentially affecting interest rates and consequently the NAV.

Volatility risk: a sub-fund may be exposed (taking directional positions or using arbitrage strategies for example) to market volatility risk and could therefore, based on its exposure, suffer losses in the event of changes in the volatility level of these markets.

Credit risk: risk that an issuer or a counterparty will default. This risk includes the risk of changes in credit spreads and default risk.
Some sub-funds may be exposed to the credit market and/or specific issuers in particular whose prices will change based on the expectations of the market as regards their ability to repay their debt. These sub-funds may also be exposed to the risk that a selected issuer will default, i.e. will be unable to honour its debt repayment, in the form of coupons and/or principal. Depending on whether the sub-fund is positively or negatively positioned on the credit market and/or some issuers in particular, an upward or downward movement respectively of the credit spreads, or a default, may negatively impact the net asset value. When evaluating the credit risk of a financial instrument, the Management Company will never rely solely on external ratings.

Risk associated with derivative financial instruments: financial derivatives are instruments whose value depends on (or is derived from) one or more underlying financial assets (equities, interest rates, bonds, currencies, etc.). The use of derivatives therefore involves the risk associated with the underlying instruments. They may be used for purposes of exposure or hedging against the underlying assets. Depending on the strategies employed, the use of derivative financial instruments can also entail leverage risks (amplifying downward market movements). In a hedging strategy, the derivative financial instruments may, under certain market conditions, not be perfectly correlated to the assets to be hedged. With options, an unfavourable fluctuation in the price of the underlying assets could cause the sub-fund to lose all of the premiums paid. OTC financial derivatives also entail a counterparty risk (though this may be attenuated by the assets received as collateral) and may involve a valuation risk or a liquidity risk (difficulty selling or closing open positions).

Foreign exchange risk: foreign exchange risk derives from the sub-fund's direct investments and its investments in forward financial instruments, resulting in exposure to a currency other than its valuation currency. Changes in the exchange rate of this currency in relation to that of the sub-fund may negatively affect the value of assets in the portfolio.

Counterparty risk: the sub-funds may use OTC derivative products and/or efficient portfolio management techniques. These transactions may cause a counterparty risk, i.e. losses incurred in connection with commitments contracted with a defaulting counterparty.

Emerging countries risk: market movements can be stronger and faster on these markets than on the developed markets, which could cause the net asset value to fall in the event of adverse movements in relation to the positions taken. Volatility may be caused by a global market risk or may be triggered by the vicissitudes of a single security. Sectoral concentration risks may also be prevalent on some emerging markets. These risks may also heighten the volatility. Emerging countries may experience serious political, social, legal and fiscal uncertainties or other events that could have a negative impact on the sub-funds investing in them. In addition, local depositary and sub-custodial services remain underdeveloped in non-OECD countries and emerging countries, and transactions carried out in these markets are subject to transaction risk and custody risk. In some cases, the SICAV may be unable to recover all or part of its assets or may be exposed to delays in delivery when recovering its assets.

Risk associated with external factors: uncertainty about the sustainability of some external environmental factors (such as tax regime or regulatory changes) that may have an impact on operation of the sub-fund. The sub-fund may be subject to a number of legal and regulatory risks, in particular contradictory, incomplete, ambiguous and unpredictable interpretations or applications of laws, restricted public access to the regulations, practices and customs, ignorance or violations of laws by counterparties or other market participants, incomplete or incorrect transaction documents, the absence of amendments established or applied consistently in order to obtain redress, inadequate protection of investors or a failure to apply existing laws. Difficulties in asserting, protecting and enforcing rights may have a significant negative effect on the sub-fund and its transactions. In particular, tax rules may be changed regularly or interpreted differently, increasing the amount of tax payable by the investor or the sub-fund on its assets, income, capital gains, financial transactions or fees paid or received by service providers.

Settlement risk: the risk that settlement with a payment system does not take place as planned, because the payment or delivery by a counterparty does not occur or is not made in accordance with the initial conditions. This risk exists to the extent that some funds invest in regions where financial markets are not well developed. In regions where the financial markets are well developed, this risk is low.

High leverage risk: compared with other types of investment, some sub-funds may operate with a high level of leverage. Use of leverage can entail high volatility and the sub-fund may suffer higher losses depending on the leverage level.

Liquidity risk: liquidity risk is defined as that of a position in the sub-fund's portfolio that cannot be sold, liquidated or closed at a limited cost and within a sufficiently short time, thus jeopardising the sub-fund's ability to comply at any time with its obligations to redeem the shares of investors at their request. On certain markets (in particular emerging and high-yield bonds, equities with low market capitalisation, etc.), the quotation spreads may widen under less favourable market conditions, which could impact on the net asset value when assets are purchased or sold. Furthermore, in the event of a crisis on these markets, the securities could also become difficult to trade.

Delivery risk: the sub-fund may want to liquidate assets which at that time are subject to a transaction with a counterparty. In this case, the sub-fund would recall these assets from the counterparty. Delivery risk is the risk that the counterparty, although contractually obliged, may not be able in operational terms to return the assets quickly enough to allow the sub-fund to honour the sale of these instruments on the market.

Equity risk: some sub-funds may be exposed to equity market risk through direct investment (through transferable securities and/or derivative products). These investments, which generate long or short exposure, may entail a risk of substantial losses. A variation in the equity market in the reverse direction to the positions can lead to the risk of losses and may cause the net asset value of the sub-fund to fall.

Arbitrage risk: Arbitrage is a technique which consists in benefiting from the differences in prices recorded (or anticipated) between markets and/or sectors and/or securities and/or currencies and/or instruments. If such arbitrage transactions perform unfavourably (a rise in short transactions and/or fall in long transactions), the sub-fund's net asset value may fall.

Concentration risk: risk related to a significant concentration of investments in a specific asset class or certain markets. This means that changes in these assets or these markets have a significant impact on the sub-fund's portfolio value. The greater the diversification of the sub-fund's portfolio, the smaller the concentration risk. This risk is also greater for instance on more specific markets (certain regions, sectors or themes) than on broadly diversified markets (worldwide distribution).

Model risk: the management process of some sub-funds relies on establishing a model which is used to identify signals based on past statistical results. There is a risk that the model is inefficient and that the strategies used will produce a poor performance. There is no guarantee that past market situations will be reproduced in the future.

Commodities risk: trends for commodities may differ significantly from those of traditional transferable securities markets (equities, bonds). Climatic and geo-political factors can also affect the supply and demand levels of the respective underlying product, in other words altering the expected scarcity of the product on the market. Commodities such as energy, metals and agricultural products, however, could have trends which are more closely correlated with each other. Unfavourable trends on these markets may cause the net asset value of a sub-fund to fall.

Risk of conflicts of interest: selection of a counterparty based on reasons other than the sole interest of the Fund and/or unequal treatment in the management of similar portfolios could be the main sources of conflicts of interest.

Custody risk: the risk of loss of assets held by a depositary as a result of insolvency, negligence or fraudulent action by the Depositary or a sub-custodian. This risk is mitigated by the regulatory requirements governing depositary services.

Legal risk: the risk of litigation of all kinds with a counterparty or a third party. The Management Company aims to reduce these risks by putting in place controls and procedures.

Operational risk: the operational risk is the risk of direct or indirect losses associated with a number of factors (such as human error, fraud and malice, IT system failures and external events, etc.) which may have an impact upon the sub-fund and/or the investors. The Management Company aims to reduce these risks by putting in place controls and procedures.

ESG investment risk: The ESG investment risk refers to the risks which arise when ESG factors are taken into account in the management process, such as the exclusion of activities or issuers, or the inclusion of sustainability risks when issuers in the portfolio are selected and/or allocated.
The more such factors are taken into account, the higher the ESG investment risk will be.

The methodology is based on the definition of ESG sector models by the asset manager's internal ESG analysts. The research limitations are largely linked to the nature, extent and consistency of the currently available ESG data.

- Nature: certain ESG dimensions lend themselves more to narrative, qualitative information. Such information is subject to interpretation so it introduces a degree of uncertainty into the models.

- Extent: once the ESG dimensions considered by the analysts to be important for each sector have been defined, there is no guarantee that the data will be available for all the companies in that sector. Where possible, the missing data will be filled in by the asset manager's internal ESG analysis.

- Uniformity: the different ESG data providers have different methodologies. Even within the same provider, analogous ESG dimensions may be processed differently depending on the sector. This makes it harder to compare data from different providers.

The absence of European-level common or harmonised definitions and labels incorporating ESG and sustainability criteria may give rise to different approaches among the asset managers to fix the ESG objectives and to determine whether these objectives have been achieved by the funds they manage.
The pursued methodology excludes or limits exposure to the securities of certain issuers for ESG reasons. As a result, it is possible that certain market conditions will generate financial opportunities that the sub-fund is unable to benefit from.
Where applicable, exclusion or inclusion measures relating to the ESG investment risk are described in the section in the Prospectus describing the investment policy and/or in the Fact Sheet of each sub-fund.

Sustainability risk: the sustainability risk refers to any environmental, social or governance-related event or situation that might affect the performance and/or reputation of issuers in the portfolio.

Sustainability risks may be subdivided into three categories:

- Environmental: environmental events may create physical risks for the companies in the portfolio. For example, such events could arise from the consequences of climate change, loss of biodiversity, changes in ocean chemistry, etc. Apart from these physical risks, the companies could be negatively impacted by steps taken by governments to address environmental risks (such as a carbon tax). These mitigation risks could affect companies depending on their exposure to the above risks and how well they adapt to them.

- Social: refers to the risk factors linked to human capital, the supply chain and the way companies manage their impact on society. Issues around gender equality, remuneration policies, health and safety and the risks associated with working conditions in general all fall within the social dimension. The social dimension also includes risks of violation of human rights or labour rights in the supply chain.

- Governance: these aspects are linked to governance structures, for example the independence of the board of directors, management structures, labour relations, remuneration and compliance, or tax practices. The thing that governance risks have in common is that they are due to inadequate oversight of the company and/or the lack of incentive for the company to move towards higher governance standards.

The sustainability risk may be specific to the issuer, depending on its activities and practices, but may also be due to external factors. If an unforeseen event occurs in a specific issuer such as a strike or more generally an environmental disaster, the event could have a negative impact on portfolio performance. In addition, issuers which adapt their activities and/or policies may be less exposed to the sustainability risk.

Possible mitigation measures to manage risk exposure include the following:
- Exclusion of controversial activities or issuers,
- Exclusion of issuers based on sustainability criteria,
- Inclusion of sustainability risks when issuers are selected or given weightings in the portfolio,
- Engagement and sound management of the issuers.

Where applicable, these mitigation measures are described in the section in the Prospectus describing the investment policy and/or in the Fact Sheet of each sub-fund.

Hedging risk of the share classes: In some sub-funds, the SICAV may provide two types of hedging aimed at reducing foreign exchange risk: hedging against fluctuations in the reference currency and hedging against the foreign exchange exposure of the assets forming the portfolio. These techniques involve different types of risk. Investors must be aware that the hedging of foreign exchange cannot be a total and permanent process and may not therefore fully neutralise the foreign exchange risk and so there may be differences in performance. Any gains or losses that may arise from the hedging process are borne separately by the holders of these classes.

Risk associated with Chinese A equities: in addition to the emerging country risk mentioned above, Chinese A equities also come with the following specific risks:

- Risks associated with entry and exit restrictions and limited liquidity:

  Chinese A equities are accessible only to certain investors who use a special market access system (a trading and clearing system), the Stock Connect between the stock exchanges of Hong Kong and Shanghai and/or an acceptable or similar securities exchange and clearing system or via instruments available in the future ("Stock Connect"). As these entry conditions restrict the volumes exchanged and the stock market capitalisations, and therefore liquidity of the securities, they can accentuate the fluctuations (both upwards and downwards) and could be the subject of ill-defined regulatory changes. Restrictions on the repatriation of financial flows abroad cannot be excluded, for instance. A-shares are also restricted in share ownership terms, particularly as regards the maximum proportion of foreign shareholders.

  As a result, regardless of the wishes of the asset manager:
  - Increasing positions may prove impossible,
  - Sales could be mandatory and entail losses,
  - Sales could prove temporarily impossible, thereby exposing the sub-fund to unexpected risks, in extreme cases even preventing it from immediately honouring redemption requests from shareholders.

  Shareholders can find additional information on the following website:
  http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm.

- Risks associated with trading and custody arrangements:

  The Stock Connect program that provides access to the market in Chinese A-shares does not meet all the standard criteria applicable to developed markets as regards the trading, clearing and custody of securities. It is subject to regulatory and operational evolutions, such as by way of non-restricting example, restrictions of volumes or changes in the conditions of investor eligibility and/or of the securities that are traded there. The trading days are also subject to the opening of several markets (China and Hong-Kong). These factors could act as a brake on investing and especially disinvesting quickly on this market segment. Meanwhile the sub-fund could see the value of its securities change unfavourably.

  Besides, the valuation of some securities could be temporarily uncertain (particularly in the case of suspension of trading) and the Board of Directors of the SICAV could then obliged to value the securities concerned on the basis of the information in its possession.

- Risk associated with the renminbi:

  The renminbi, also known internationally as the Chinese yuan (RMB, CNY or CNH) is the local quotation currency of Chinese A-shares. It is exchanged inside and outside China at different exchange rates and has a high risk. The evolution of the exchange policy conducted by China and particularly the convertibility between local and international versions are very uncertain. Risks of a sudden short-term or long-term devaluation as well as temporary and substantial bid-ask spreads cannot be excluded.

- Tax uncertainties:

  The regulations and taxation applicable to Chinese equities (particularly Chinese A-shares) prove to be uncertain and regularly undergo changes that could lead to a taxation of dividends or capital gains, also retroactively. The Management Company may then decide to make a tax charge provision, which could later lead to a surplus or, in spite of all, prove insufficient. Performance of a sub-fund that invests directly or indirectly in Chinese stocks (particularly Chinese A equities) may be affected, including negatively, by the actual levy and, where applicable, the provision made.

- Risk associated with the custody of Chinese A stocks:

  Custody of Chinese A equities takes the form of a three-level structure in which the Depositary/sub-custodian of the sub-fund concerned holds stocks with the Hong Kong Securities Clearing Company Limited ("HKSCC"), which holds a nominee account with the China Securities Depositary and Clearing Corporation Limited ("ChinaClear"). As nominee, HKSCC is not obliged to take any legal action or court proceedings to in order to exercise the rights of the sub-fund concerned. In addition, HKSCC is not the economic beneficiary of the securities, thereby giving rise to the risk of the concept of economic beneficiary in mainland China not being recognised and defended whenever circumstances require it to be. In the highly unlikely event of a ChinaClear default in which ChinaClear is declared the defaulting party, the liability of HKSCC will be limited to helping the stakeholders in the compensation bring a complaint against ChinaClear. HKSCC will endeavour in good faith to recover the equities and amounts due from ChinaClear by having recourse to all available legal remedies or through the liquidation of ChinaClear. In this case, the sub-fund concerned could suffer from a delay in the recovery process or would be liable not to recover all of its losses from ChinaClear.

Risk of changes to the benchmark index by the index provider: Shareholders should note that the benchmark index provider has full discretion to determine and therefore alter the characteristics of the relevant benchmark index for which it acts as sponsor. Under the terms of the licence contract, an index provider may not be required to give licence holders using the relevant benchmark index (including the SICAV) sufficient notice of changes to the benchmark index. As a consequence, the SICAV will not necessarily be in a position to inform shareholders of the relevant sub-funds in advance of the changes made by the relevant index provider to the characteristics of the relevant benchmark index.

Merger and arbitrage risk:

Equity risk: this is the risk that the price of securities held in the portfolio fall because of a general fall in the markets, worsening economic conditions, or particular circumstances affecting the security issuer.
In a normal market, the performance of financial instruments concerned by a takeover bid, exchange or merger bid is decorrelated from markets and from sector variations.
When a major event occurs such as a stock market crash, financial instruments concerned by a takeover bid, exchange or merger bid may also experience major variations for technical reasons globally affecting liquidity on the capital markets, and this may give rise to increased volatility of the net asset value.

Merger and arbitrage risk: when a buyer officially launches a bid for a target company, the price of the target's financial instruments will move towards the price of the bid made.

- For a takeover bid (payment in cash), the portfolio managers will purchase the target's security at a price slightly below the bid price as the transaction might ultimately fail.
    - If the cash takeover bid succeeds, the fund will earn this performance: bid price – purchase price of the target.
    - If the cash takeover bid is cancelled, the price of the target will revert to its price before the takeover bid, so the fund will lose this amount: purchase price of the target – price before the takeover bid.

- For an exchange takeover bid (payment in securities), the portfolio managers will purchase the target's security and take a short position on the instrument of the target's potential purchaser.
    - If the exchange takeover bid succeeds, they will receive, in return for the target's securities, the purchaser's securities to cancel the short position.
    - If the exchange takeover bid fails, the price of the target will fall but the price of the purchaser will be more or less stable.

- If the portfolio managers expect the transaction to fail, they are able to initiate a short position on the target's securities via derivative financial instruments. Specific reasons why a cash takeover bid/exchange takeover bid/merger bid might fail include the opposition of the competition authorities, the opposition of the governments concerned, financing issues for the purchaser or the opposition of the target's shareholders.

If the sub-fund has built a strategy around transactions which ultimately fail, the loss could be significant especially if short positions have been taken (should the transaction not turn out as expected).

9. RISK MANAGEMENT

The Management Company has put in place a system of risk management procedures in order to measure the risk of the positions and their contribution to the overall risk of the portfolio.

The method of determining the overall risk is established on the basis of the investment policy and strategy of each sub-fund (and notably on the basis of the use of derivative financial instruments).
One of two methods is used to monitor the overall risk: the commitment method or the value at risk method. The method used is stated in the Fact Sheet for each sub-fund.

A) Commitment method

This method consists in converting the derivative financial instruments into equivalent positions in the underlying assets (where applicable, based on their respective sensitivity). This conversion may, if necessary, be replaced by the notional value.

A derivative financial instrument will not be included in the calculation of the overall risk in the following situations:

- If the simultaneous holding of this instrument linked to a financial asset and cash invested in risk-free assets is equivalent to the direct holding of the financial asset in question,
- If this financial instrument exchanges the performance of the financial assets held in the portfolio for the performance of other benchmark financial assets (at no additional risk relative to the direct holding of the benchmark financial assets).

The sub-fund may offset long and short positions in derivative financial instruments concerning identical underlying assets, regardless of the maturity of the contracts. Furthermore, offsetting is also permitted between derivative instruments and directly held assets, provided the two positions concern the same asset or assets whose historic yields are closely correlated. Offsetting may be in terms of market value or in terms of risk indicator.

The overall risk assumed by the sub-funds of the SICAV may not exceed 210% of the net asset value.

B) Value at risk (VaR) method

A VaR model is used to quantify the maximum potential loss that could be incurred by the sub-fund's portfolio under normal market conditions. This loss is estimated for a given period of time (holding period of 1 month) and a given confidence level (99%).

The value at risk may be calculated as an absolute or a relative value:

- Relative VaR limit

The overall risk arising from all the portfolio positions calculated through the VaR may not exceed twice the VaR of a benchmark portfolio with the same market value as the sub-fund. This management limit applies to all sub-funds for which a benchmark portfolio may be adequately defined. For the sub-funds in question, the benchmark portfolio is mentioned in the Fact Sheets.

- Absolute VaR limit

The overall risk of all the portfolio positions calculated through the VaR may not exceed an absolute VaR of 20%. This VaR must be calculated on the basis of an analysis of the investment portfolio.

If the overall risk is calculated via the VaR method, the expected level of leverage as well as the possibility of a higher level of leverage is referred to in the Fact Sheet for the sub-fund in question.

10. SHARES

From the time of their issue, the shares of the SICAV participate equally in the profits and any dividends of the SICAV and the proceeds of its liquidation. Shares do not carry any preferential or pre-emptive rights and each whole share, regardless of its net asset value, carries the right to one vote at any general meeting of shareholders. Shares must be fully paid-up and are issued at no par value.

There is no restriction as to the number of shares issued. In the event of liquidation, each share carries the right to a pro rata amount of the net liquidation proceeds.

The SICAV offers different share classes per sub-fund. Details of these are mentioned in the Fact Sheets. Shares are only available in registered form.

Shareholders will not receive any certificate representing the shares unless expressly requested by them. The SICAV will instead simply issue a written confirmation of entry in the register.

Fractions of shares divided into thousandths may be issued.

11. STOCK EXCHANGE LISTING

The shares may be listed on the Luxembourg Stock Exchange at the discretion of the Board of Directors.

12. ISSUING OF SHARES AND SUBSCRIPTION AND PAYMENT PROCEDURES

The Board of Directors is authorised to issue an unlimited number of shares at any time.
All shares subscribed must be fully paid up.

Current subscription

Shares in each sub-fund are issued at a price corresponding to the net asset value per share, plus any fees as defined in the Fact Sheets, payable to Distributors or as other indicated in the Fact Sheets.
The different share classes may comprise a minimum subscription or a minimum initial subscription, depending on the provisions of the Fact Sheets.

The Board of Directors of the SICAV reserves the right to apply different arrangements for certain countries in order to comply with the laws, regulations and administrative provisions of those countries and provided the investment documents in relation to those countries make due mention of these requirements.

Procedure

The date of the net asset value ("NAV") ("NAV Date"), the Valuation Date and cut-off time for subscription orders are set out in the Fact Sheets.

Any reference to the NAV Date must be interpreted as any Bank Business Day on which the net asset value is dated, an as specified in the Fact Sheets. The Management Company may consider certain days not to be NAV Dates if the banks, stock exchanges and/or regulated markets involved, as determined by the Management Company for each sub-fund, are closed for trading and/or settlement. A list of the days considered not to be NAV Dates for the different sub-funds is available on the website www.candriam.com.

The SICAV may, however, at the discretion of the Board of Directors, grant exceptions on request to individual distributors, allowing them an additional reasonable period of a maximum of 1 hour 30 minutes after the SICAV's official cut-off time in order that they may centralise, aggregate and send orders to the transfer agent, still based on an unknown net asset value.

Requests must specify the sub-fund and the type and number of shares applied for and must include a statement declaring that the buyer has received and read a copy of the Prospectus and that the subscription application is made on the basis of the terms of this Prospectus. The application must specify the name and address of the person in whose name the shares are to be registered and the address to which confirmations of entry in the register of shareholders are to be sent.

As soon as the price at which the shares are to be issued has been calculated, the Transfer Agentwill notify the Distributor who, in turn, will inform the buyer about the total amount to be paid, including the sales fee, in respect of the number of shares applied for.

Full payment, including any selling fee, must be received within the period specified in the Fact Sheets.

The total amount owed must be paid in the currency specified in the Fact Sheet for the sub-fund concerned by transfer to the Transfer Agent for deposit into the SICAV's account. Purchasers must give their bank instructions to advise the Transfer Agent that payment has been made, specifying the name of the buyer for identification purposes.

If the payment and the written subscription application have not been received by that date, the application may be rejected and any allocation of shares made on the basis of the application may be cancelled. If payment in connection with a subscription application is received after the period specified, the Transfer Agent may process this request on the basis that the number of shares that can be subscribed by means of such amount (including the applicable sales fee) will be the number resulting from the next calculation of the net asset value following receipt of payment.
If an application is rejected in full or in part, the price paid or the remaining balance will be returned to the applicant by post or by bank transfer, at the latter’s risk.

Fair treatment of investors

Investors participate in the sub-funds by subscribing into, and holding, shares of individual share classes. Individual shares of a single share class bear the same rights and obligations in order to ensure equal treatment of all investors within the same share class of the relevant sub-fund.

While remaining within the parameters profiling the different share classes of the relevant sub-fund, the Management Company may enter into arrangements, on the basis of objective criteria as further specified below, with individual investors or a group of investors providing for special entitlements for those investors.

Such entitlements shall be understood as being rebates on fees charged to the share class, or specific disclosures, and will be granted solely based on objective criteria determined by the Management Company and out of its own resources.

Objective criteria include, but are not limited to (alternatively, or cumulatively):

- the expected holding period for an investment in the sub-fund;
- the investor’s willingness to invest during the launch phase of the sub-fund;
- the current or anticipated amount subscribed or to be subscribed by an investor;
- the total Asset under Management (AuM) held by an investor in the sub-fund or in any other product of the Management Company;
- the type of the investor (e.g. repackager, wholesaler, fund management company, asset manager, other institutional investor, or private individual);
- the fee or revenues generated by the investor with a group of, or all affiliates of the group to which the Management Company belongs.

Any investor or prospective investor within a share class of a given sub-fund which is, in the reasonable opinion of the Management Company, objectively in the same situation than another investor in the same share class who entered into arrangements with the Management Company is entitled to the same arrangements. In order to obtain the same treatment, any investor or prospective investor may liaise with the Management Company by addressing a request to the Management Company. The Management Company will share the relevant information on the existence and nature of such specific arrangements with the relevant investor or prospective investor, verify the information received from the latter and determine on the basis of the information made available to it (including by such investor or prospective investor) whether the latter is entitled to the same treatment or not.

General provisions

The SICAV reserves the right to reject any subscription applications or to only accept such applications in part. Furthermore, and in accordance with the articles of incorporation, the Board of Directors reserves the right to suspend the issue and sale of the SICAV's shares at any time and without notice.

No shares will be issued by the SICAV during any period in which the calculation of the net asset value per share is suspended by the SICAV in accordance with the powers granted to it in its articles of incorporation and described in the Prospectus. Notice of any suspension of this type will be given to persons who have submitted a subscription application and any applications made or pending during such suspension may be withdrawn by written notification provided it is received by the Transfer Agent before the suspension is lifted. Unless they have been withdrawn, applications will be processed on the first Valuation Date following the end of the suspension.

13. CONVERSION OF SHARES

All shareholders may apply to convert all or some of their shares into shares of another class in the same or another sub-fund; however, the conversion of shares from or into certain classes may be restricted or prohibited as indicated in the Fact Sheets.

The request must be sent in writing, by telex or by fax to the Transfer Agent and must specify the number of shares in question, the form of the shares to be converted and the form of the shares in the new sub-fund or class.

The NAV Date (as defined in the section entitled *Issue of shares and subscription and payment procedures*), Valuation Date and cut-off time for conversion orders are set out in the Fact Sheets.

The SICAV may, however, at the discretion of the Board of Directors, grant exceptions on request to individual distributors, allowing them an additional reasonable period of a maximum of 1 hour 30 minutes after the SICAV's official cut-off time in order that they may centralise, aggregate and send orders to the transfer agent, still based on an unknown net asset value.

The rate at which all or some of the shares of a sub-fund or class (the "original sub-fund or class") are converted into shares in another sub-fund or class (the "new sub-fund or class") is determined, as closely as possible, on the basis of the following formula:

$$A = \frac{B \times C \times E}{D}$$

A is the number of shares of the new sub-fund (or class) to be allocated,

B is the number of shares in the original sub-fund (or class) to be converted,

C is the net asset value per share of the original sub-fund (or class) calculated on the Valuation Date in question,

D is the net asset value per share of the new sub-fund (or class) calculated on the Valuation Date in question,

E is the exchange rate between the currency of the original sub-fund and the currency of the new sub-fund on the date in question.

A conversion fee may be applied, such as mentioned and detailed in the *Costs and charges* section and the Fact Sheet for each sub-fund concerned.

After conversion, shareholders will be informed by the Transfer Agent of the number of shares that they have obtained in the new sub-fund (or new class) as a result of conversion and their respective price.

14. REDEMPTION OF SHARES

Shareholders are entitled at any time and without restriction to request that their shares be redeemed by the SICAV. The shares redeemed by the SICAV will be cancelled.

Redemption procedure

Redemption applications must be submitted in writing, by telex or by fax to the Transfer Agent, Applications must be irrevocable (subject to the provisions of the section entitled "Suspension of net asset value calculation and issue, redemption and conversion of shares") and must state the number, sub-fund and class of the shares to be redeemed, together with all appropriate references in order for the redemption order to be settled.

The application must be accompanied by the name under which the shares are registered and any documents certifying the transfer.

The NAV Date (as defined in the section entitled *Issue of shares and subscription and payment procedures*), Valuation Date and cut-off time for redemption orders are set out in the Fact Sheets.

The SICAV may, however, at the discretion of the Board of Directors, grant exceptions on request to individual distributors, allowing them an additional reasonable period of a maximum of 1 hour 30 minutes after the SICAV's official cut-off time in order that they may centralise, aggregate and send orders to the transfer agent, still based on an unknown net asset value.

As soon as is reasonably possible after the redemption price has been determined, the Transfer Agent will inform the applicant of the price.

The price of the redeemed shares will be paid within the period described in the Fact Sheets. Payment will be made in the currency specified in the Fact Sheet relating to the sub-fund concerned.

The redemption price of the SICAV's shares may be greater or less than the purchase price paid by the shareholder at the time of subscription, depending on whether the net value has appreciated or depreciated.

Deferred processing of redemptions

The right of any shareholder to apply for redemptions from the SICAV will be suspended during any period in which the calculation of the net asset value per share is suspended by the SICAV by virtue of the powers described in the section entitled "Suspension of net asset value calculation and issue, redemption and conversion of shares" in the Prospectus. Any shareholders offering shares for redemption will be notified of this suspension and the end of the suspension. The shares in question will be redeemed on the first Bank Business Day in Luxembourg following the lifting of the suspension.

If the suspension continues for more than one month from the notification of the redemption application, the application may be cancelled by giving written notice to the Transfer Agent, provided this notice reaches the Transfer Agent before the end of the suspension.

If the total redemption orders* received for a sub-fund on a given Valuation Date concern more than 10% of the total net assets of the sub-fund in question, the Board of Directors or Management Company may decide on behalf of the SICAV to defer all or some of these orders exceeding this threshold of 10% for as long as it takes to restore the necessary liquidity to honour these orders, although not in principle more than ten (10) Bank Business Days for each pending redemption.
Any redemption order deferred in this way will be treated as a priority over redemption orders on following Valuation Dates.
The price applied to these deferred redemptions will be the net asset value of the sub-fund on the date the orders are satisfied (i.e. the net asset value calculated after the period of deferral).

(*) including conversion orders from one sub-fund to another sub-fund of the SICAV.

15. MARKET TIMING AND LATE TRADING

Market timing and *late trading*, as defined below, are formally prohibited in relation to subscription, redemption and conversion orders.
The SICAV reserves the right to reject any subscription or conversion orders received from investors suspected of such practices and, where applicable, reserves the right to take all necessary steps to protect other investors.

Market timing

Market timing practices are not permitted.

Market timing means the arbitrage technique whereby an investor systematically subscribes to and redeems or converts units or shares of a single undertaking for collective investment over a short period of time by exploiting the time differences and/or imperfections or deficiencies of the system for calculating the net asset value of the undertaking for collective investment.

Late trading

Practices associated with *late trading* are not permitted.

Late trading means the acceptance of a subscription, conversion or redemption order after the cut-off time for the acceptance of orders on the relevant trading day and its execution at the price based on the net asset value applicable to that day.

16. THE FIGHT AGAINST MONEY LAUNDERING AND THE FINANCING OF TERRORISM

16.1 Identification of subscribers

The SICAV, the Management Company, the Transfer Agent, and the Distributors must at all times comply with the rules in Luxembourg relating to the combating of money-laundering and financing of terrorism and the prevention of the use of the financial sector for these purposes.

With regard to the combating of money-laundering and financing of terrorism, the SICAV, the Management Company and the Transfer Agent will ensure that the applicable Luxembourg legislation in this area is respected, and will satisfy themselves that subscribers are identified in Luxembourg in accordance with the legislation which is in force, including but not limited to Directive (EU) 2015/849, the Law of 12 November 2004 and CSSF Regulation No 12-02 of 14 December 2012, as amended from time to time.

The Transfer Agent has a duty to comply with rules in Luxembourg when it receives subscription applications. As such, when a shareholder or future shareholder submits a request, the Transfer Agent is required to identify the customer and the effective beneficiaries, and to verify their identity on the basis of documents, data or information from reliable and independent sources, applying a risk-based approach.

When the shares are subscribed by an intermediary acting on behalf of others, the Transfer Agent must put in place extra vigilance measures specifically seeking to analyse the robustness of the monitoring structures in the combating of money-laundering and financing of terrorism.

If there are any doubts as to the identity of a person making a subscription or redemption application due to a lack, irregularity or insufficiency of proof regarding that person's identity, it is the responsibility of the Transfer

Agent to suspend or even reject the subscription application for the reasons set out above. In such circumstances, the Transfer Agent will not be liable for any costs or interest.

16.2 Identification of the risk level of the investment

In addition, when performing investment transactions, the SICAV, the Management Company and, if applicable, the entity to which the implementation of the portfolio management duties is delegated, must carry out an analysis of the risk of money-laundering and financing of terrorism associated with the investment and put in place vigilance measures which are appropriate for the evaluated and documented risk.

17. NET ASSET VALUE

The net asset value is calculated by dividing, on the Valuation Date, the net assets of the respective sub-fund (made up of the assets corresponding to this sub-fund, less the liabilities attributable to this sub-fund) by the number of shares issued on behalf of this sub-fund, reflecting, where necessary, the distribution of the net assets of this sub-fund between the various classes.
Any reference to the Valuation Date must be interpreted as any Bank Business Day during which the net asset value of the NAV Date is determine, and as specified in the Fact Sheets.

The net asset value of the various classes shall be calculated as follows:

A. In particular, the SICAV's assets will consist of the following:

a) All cash on hand or on deposit including accrued interest;

b) All notes and bills payable at sight and accounts receivable (including proceeds from the sale of shares where payment has not yet been received);

c) All securities, units, shares, bonds, options or subscription rights and other investments and transferable securities owned by the SICAV;

d) All dividends and distributions receivable by the SICAV (it is understood that the SICAV may make adjustments in the light of fluctuations of the market value of transferable securities resulting from ex-dividend or ex-rights trading or similar practices);

e) All accrued interest from securities owned by the SICAV, unless such interest is included in the principal of the securities;

f) The preliminary expenses of the SICAV insofar as they have not been amortised;

g) All other assets of any kind, including prepaid expenses.

The value of these assets will be determined as follows:

a) Units in undertakings for collective investment are valued on the basis of their last available net asset value unless the publication date of the last net asset value is more than 10 Bank Business Days from the Valuation Date, in which case it will be estimated prudently and in good faith and in accordance with generally accepted principles and procedures.

b) The value of the cash on hand or on deposit, bills and notes payable at sight and accounts receivable, prepaid expenses and dividends and interest announced or due but not yet received, will be made up of the nominal value of these assets, except if it is unlikely that the value can be received, in which case the value will be determined by reducing the value by such amount the SICAV considers adequate in order to reflect the real value of these assets.

c) The valuation of any security listed on an official list or on any other regulated market, operating regularly, recognised and open to the public is based on the latest price known in Luxembourg, on the Valuation Date and, if the security is traded on several markets, on the basis of the latest price known on the main market of that security; if the last known price is not representative, the valuation will be based on the probable realisable value that the Board of Directors will estimate prudently and in good faith.

d) Securities not listed or traded on a stock market or regulated market, which operates on a regular basis and is recognised and open to the public, will be valued on the basis of their probable realisable value estimated prudently and in good faith.

e) Cash and money market instruments may be valued at their nominal value plus incurred interest or using the straight-line depreciation method.

f) All other assets will be valued by the directors on the basis of their probable realisable value, which must be estimated in good faith and according to generally accepted principles and procedures.

The Board of Directors may, at its sole discretion, permit the use of any other generally accepted valuation method where it considers that the resulting valuation better reflects the probable realisable value of an asset held by the SICAV.

All assets not expressed in the currency of the sub-fund will be converted at the exchange rate in force in Luxembourg on the respective Valuation Date.

B. The SICAV's liabilities will in particular consist of the following:

a) All borrowings, matured bills and accounts payable;

b) All administrative charges, overdue or due (including but not limited to remuneration paid to the SICAV's asset managers, depositaries, representatives and agents);

c) All known obligations, whether due or not due, including all contractual obligations payable relating to payments in cash or in kind, where the Valuation Date coincides with the date on which it is determined who is or will be entitled to such payment;

d) An appropriate reserve for future taxes on capital and on revenue, accrued up to the Valuation Date and determined periodically by the SICAV and, where necessary, other reserves authorised or approved by the Board of Directors;

e) Any other liabilities of the SICAV regardless of their nature and type, with the exception of those represented by its own funds. When valuing these other liabilities, the SICAV will take into consideration all its expenses, in particular: incorporation costs, fees and charges payable to counterparties providing a service to the SICAV including management, performance and consulting fees, fees payable to the depositary and correspondent agents, the administrative agent, the transfer agent, the paying agents, etc., including out-of-pocket expenses, legal fees and audit fees, promotional expenses, the cost of printing and publishing the share sales documents and any other document concerning the SICAV such as financial reports, the cost of calling and holding shareholders' meetings and of any amendments to the articles of incorporation, the cost of calling and holding meetings of the Board of Directors, reasonable travel expenses incurred by the directors in carrying out their duties plus attendance allowances, share issue and redemption costs, dividend payment costs, taxes due to the supervisory bodies in foreign countries where the SICAV is registered including fees and charges payable to local permanent representatives, also the costs associated with maintaining registrations, taxes, charges and duties imposed by government authorities, stock exchange listing and follow-on costs, financial, banking or brokerage charges, the expenses and costs connected with subscription to an account or a license or any other request for paid information from financial index providers, ratings agencies or any other data suppliers, and all other operating expenses and all other administrative charges. When valuing the amount of all or some of these liabilities, the SICAV may estimate regular or periodic administrative and other expenses on the basis of one year or any other period, allocating the amount over that period on a pro rata basis, or may set a fee calculated and paid as described in the sales documents.

The SICAV may calculate regular or periodic administrative and other expenses by way of an estimate for the year or any other period, allocating the amount over that period on a pro rata basis.

C. Distribution of assets and liabilities:

The directors will establish common assets accounts for each sub-fund in the following way:

a) If two or more share classes relate to a given sub-fund, the assets allocated to these classes will be invested commonly in accordance with the specific investment policy of the respective sub-fund.

b) The proceeds from the issue of the shares in each sub-fund will be allocated in the books of the SICAV to the assets account established for this class or sub-fund given that if one of more classes of shares are issued for a sub-fund, the corresponding amount will increase the proportion of net assets of this sub-fund attributable to the class to be issued.

c) The assets derived from other assets shall, in the SICAV's accounts, be allocated to the same common assets as the assets from which they are derived. In case of asset appreciation or depreciation, the increase or decrease in the value of that asset shall be attributable to the asset account of the Sub-fund to which this asset is allocated.

d) All liabilities of the SICAV which may be attributed to a specific sub-fund shall be attributed to the assets account of that sub-fund;

e) The assets, liabilities, costs and charges which cannot be attributed to a specific sub-fund shall be attributed to the various sub-funds in equal parts, or in so far as the amounts concerned justify it, on a pro rata basis of their respective net assets.

Following distributions made to the holders of the shares of one class, the net asset value of that class will be reduced by the amount of such distributions.

D. For the purposes of this article:

a) Each share of the SICAV in the process of being redeemed will be considered to be issued and existing until the close of business on the Valuation Date and will, from that date and until the price is paid, be considered a liability of the SICAV;

b) The shares to be issued by the SICAV in accordance with the subscription applications received will be treated as being issued from the close of business of the Valuation Date and the price will be treated as a debt due to the SICAV until received by the latter;

c) All investments, cash balances and other assets of the SICAV shall be valued after taking into account the market rates or exchange rates applicable on the day of the determination of the net asset value of shares; and

d) As far as possible, any purchase or sale of securities contracted by the SICAV on a Valuation Date shall be effective on the Valuation Date.

e) Following the payment of dividends to the shareholders of any sub-fund, the net asset value of that sub-fund shall be reduced by the amount of these dividends.

Anti-dilution mechanism

- **Application**

A protection mechanism intended to avoid performance dilution ("Anti-Dilution Mechanism") has been put in place on all the SICAV's sub-funds.

- **Description of the Anti-Dilution Mechanism and applicable thresholds**

The Anti-Dilution Mechanism put in place within the SICAV is intended to save existing sub-fund shareholders from having to pay charges incurred for transactions on portfolio assets performed in the wake of significant subscriptions to or redemptions from the sub-fund by investors.
Indeed, when there are significant subscriptions to or redemptions from the sub-fund, the asset manager must invest/disinvest the corresponding amounts, thus generating large transactions which may entail variable transaction charges depending on the asset types concerned.
These charges are mainly taxes on certain markets and execution fees billed by brokers. These charges can be fixed amounts or variable in proportion to the volumes traded and/or take the form of the difference between the bid or ask prices for a financial instrument on the one hand and the valuation or average price on the other (typical situation in bond trading for example).
The goal of the anti-dilution mechanism is therefore to have these charges borne by the investors at the origin of the subscription/redemption transactions concerned and to protect existing investors.

In practice, on Valuation Dates on which the difference between the amount of subscriptions and the amount of redemptions in a sub-fund (i.e. net transactions) exceeds a threshold established in advance by the Board of Directors, the latter reserves the right to determine the net asset value by adding to the assets (for net subscriptions) or deducting from the assets (for net redemptions) a fixed percentage of fees and charges corresponding to market practices in buying or selling securities – the swing pricing mechanism.

- **Impact of activating the Anti-Dilution Mechanism and applicable Factor**

  - In case of net subscriptions: increase in the net asset value, i.e. an increase in the purchase price for all investors subscribing to shares on that date,
  - In case of net redemptions: reduction in the net asset value, i.e. a reduction in the selling price for all investors redeeming their shares on that date.

This increase or reduction in the net asset value is called the "Factor" of the Anti-Dilution Mechanism.
The scope of this variation depends on the estimate made by the Management Company of the transaction charges applied to the types of assets concerned.

The pricing adjustment must not exceed 2% of the net asset value, except in exceptional circumstances, such as in the event of a strong drop in liquidity. If this 2% limit is exceeded, the Management Company will notify the CSSF and advise shareholders by publishing the information on its website www.candriam.com. The details will also be published for the sub-fund concerned in the SICAV's (semi-)annual report.

- **Process by which it is decided to apply the Anti-Dilution Mechanism**

The Board of Directors has entrusted the Management Company with implementation of the Anti-Dilution Mechanism.
The Management Company has drawn up a policy detailing how the Anti-Dilution Mechanism works and has implemented operational processes and procedures in order to oversee application of the Anti-Dilution Mechanism by the Administrative Agent and the Transfer Agent.

The policy detailing the Management Company's Anti-Dilution Mechanism has been duly validated by the SICAV's Board of Directors.

- **Methodology to be applied in case of outperformance fees**

If outperformance fees must be calculated, these fees are calculated before any application of the Anti-Dilution Mechanism, making these fees immune to the impact of the Anti-Dilution Mechanism.

18. SUSPENSION OF NET ASSET VALUE CALCULATION AND ISSUE, REDEMPTION AND CONVERSION OF SHARES

The Board of Directors is authorised to temporarily suspend the calculation of the net asset value of one or more sub-funds and/or as the issue, redemption and conversion of shares in the one or more sub-funds in the following cases:

a) Throughout the entire period during which one of the main markets or stock exchanges on which a substantial percentage of a given sub-fund's investments is listed is closed, except for normal closing days, or any period during which trading is subject to significant restrictions or is suspended.

b) In an urgent situation as a result of which the SICAV cannot gain access to its investments.

c) During any breakdown in the means of communication normally used to determine the price of any investment of the SICAV or current prices on any market or stock market.

d) During any period during which it is not possible to hand over the funds which are or may be necessary for the realisation or payment of any investment of the SICAV, or during any period in which it is not possible to repatriate funds required for the redemption of the shares.

e) In the event of the cancellation/closure or demerger of one or more sub-funds or classes or types of shares, provided this suspension is justified with a view to protecting the shareholders of the sub-funds or classes or types of shares in question.

f) If a meeting of shareholders is convened to propose the winding-up of the SICAV,

Subscribers and shareholders offering shares for redemption or conversion must be advised of the suspension of net asset value calculation.
Pending subscriptions and redemption or conversion applications may be withdrawn by means of a written notification, provided such notification is received by the SICAV before the suspension is lifted.

Suspended subscriptions, redemptions and conversions will be processed on the first Valuation Date following the lifting of the suspension.

19. APPROPRIATION OF INCOME

At the proposal of the Board of Directors, the general meeting of shareholders will decide on the allocation of income.

For the distribution shares, the Board of Directors may propose to distribute the net income arising from investments for the financial year, realised and unrealised capital gains and the net assets within the limits of the Law.

For the capitalisation shares, the Board of Directors will propose the capitalisation of the associated income.

Dividends that are not claimed within 5 years of their date of payment may no longer be claimed and shall revert to the appropriate classes of the SICAV.

The Board of Directors may, where it considers appropriate, make interim dividend payments.

20. SEPARATION OF SUB-FUNDS' LIABILITIES

The SICAV is a single and same legal entity. However, the assets of a specific sub-fund are only accountable for the debts, liabilities and obligations relating to that sub-fund. In relations between shareholders, each sub-fund is treated as a separate entity.

21. TAXATION

Taxation of the SICAV

Pursuant to applicable legislation and current practice, the SICAV is not subject to any Luxembourg income or capital gains tax. Similarly, dividends paid by the SICAV are not subject to any form of Luxembourg withholding tax.

However, the SICAV is liable in Luxembourg for an annual duty representing 0.05% of the net asset value of the SICAV. This duty is notably reduced to 0.01% for classes reserved for institutional investors. This tax is payable quarterly based on the assets of the SICAV and calculated at the end of the calendar quarter to which the tax relates.
In accordance with the Law and current practice, no tax is payable in Luxembourg on the capital gains realised on the assets of the SICAV.
Certain revenues of the SICAV in terms of dividends and interest from asset sources outside Luxembourg may, however, be liable to taxes at variable rates, which are generally deducted at source. Generally speaking, these taxes or deductions at source are not fully or partly recoverable. Within this context, the relief on these taxes and deductions at source provided for by the international double taxation prevention treaties entered into by the Grand Duchy of Luxembourg and the respective countries is not always applicable.

Taxation of shareholders

Under current legislation, shareholders are not liable in Luxembourg to any capital gains, income, gift or inheritance tax, except for shareholders who are domiciled, resident or have a permanent address in Luxembourg.

In terms of income tax, shareholders who are resident in Luxembourg are liable on the basis of a direct assessment for tax on dividends received and capital gains realised on the sale of their units if their units are held for a period of less than six months, or if more than 10% of the shares of the company are held.

Shareholders who are non-resident in Luxembourg are not liable for tax in Luxembourg on the dividends received or capital gains realised on the sale of their units.

It is recommended that shareholders familiarise themselves with and, if necessary, seek advice on the laws and regulations on taxation and exchange control applicable to the subscription, purchase, ownership and sale of shares in their place of origin, residence and/or domicile.

Information about taxation in Germany and its impact on the investment policy

The German Investment Tax Reform Act (GITA) came into force on 1 January 2018.

One of the provisions of GITA allows investors who are tax residents of Germany to apply tax relief on taxable income from their investments in German or foreign investment funds ("partial exemption").

The rates of relief depend on the type of investor (e.g. a person or legal entity) and on the type of fund (e.g. "equity funds" or "mixed funds" as defined in GITA).

To count as an equity fund or a mixed fund, thereby entitling investors to tax relief, a sub-fund must continuously meet minimum investment thresholds in *equity participations* as defined in GITA ("Equity participations"), namely:

- To count as an equity fund, an investment fund or one of its sub-funds must invest continuously at least 51% of its net asset value in equity participations.
- To count as a mixed fund, an investment fund or one of its sub-funds must invest continuously at least 25% of its net asset value in equity participations.

Equity participations include but are not limited to:

(1) Equities of a company officially listed on a stock exchange or traded on an organised market (meeting the criteria of a regulated market) and/or
(2) Equities of a company other than a real estate company which (i) is resident in the European Union or the European Economic Area and is subject to, but not exempt from, tax on income; or (ii) is resident in a third country (not a member of the European Union) and is subject to a tax on income of at least 15% and/or
(3) Units in equity funds or mixed funds as disclosed in accordance with GITA in the investment guidelines of the fund in question, with their particular percentage of permanent physical investment in equity participations as set out in GITA.

The Fact Sheet of each sub-fund will state whether the sub-fund counts as an equity fund or a mixed fund on the basis of the percentage of equity participations at the time its investment policy was implemented.

Information about taxation in France and its impact on the investment policy

Certain sub-funds of the SICAV are eligible for the Equities Savings Scheme (PEA) in France.
At least 75% of the net assets of the sub-fund are continuously invested in equities of companies having their registered office in a Member State of the European Union and/or of the European Economic Area that has entered into a tax treaty with France making it eligible for PEA in France.
Where applicable, the Fact Sheet of each sub-fund will state whether the sub-fund is eligible for PEA.

22. SHAREHOLDERS' GENERAL MEETINGS

An annual general meeting of shareholders will take place each year at the SICAV's registered office, or any other place in Luxembourg specified in the meeting notice. It will take place within six months of the end of the financial year.

Notices of all General Meetings of Shareholders will be sent by mail to all registered shareholders at the address shown in the share register at least eight days before the General Meeting in accordance with the legislation in force.

These notices will state the time and place of the general meeting and the conditions of admission, the agenda and the requirements under Luxembourg law as regards the required quorum and majority.

In addition, notices will be published in the Mémorial, Recueil des Sociétés et Associations of the Grand Duchy of Luxembourg, the Luxembourg newspaper "Luxemburger Wort" if the legislation requires it.

They will also be published in the press of the countries where the SICAV is marketed, if stipulated by the legislation of these countries.

The requirements concerning participation, quorum and majority during any general meeting will be those set down in the SICAV's articles of incorporation.

23. CLOSURE, MERGER AND DEMERGER OF A SUB-FUND, CLASS OR TYPE OF SHARE - LIQUIDATIONOF THE SICAV

23.1 Closure, cancellation and liquidation of sub-funds, share classes or share types

The Board of Directors may decide to close, cancel or liquidate one or more sub-funds, share classes or share types by cancelling the shares in question either by repaying to the shareholders of the one or more sub-funds, share classes or share types the total net asset value of the shares in these one or more sub-funds, share classes or share types, after deducting the liquidation charges; or by allowing them to convert to another sub-fund of the SICAV, with no conversion charge, thereby allocating them new shares equal to the value of their previous holding, after deducting the liquidation charges.

This decision may notably be made in the following circumstances:

- Substantial and unfavourable changes in the economic, political and social situation in the countries where either investments are made or shares in the sub-funds in question are distributed,
- If the net assets of a sub-fund were to fall below a level considered by the Board of Directors to be too low for that sub-fund to continue to be managed efficiently,
- Within the context of rationalising the products offered to shareholders.

This decision of the Board of Directors will be published as described in 25.2 below.

The net liquidation proceeds of each sub-fund will be distributed to the shareholders of each sub-fund proportionate to their holding.

The liquidation proceeds attributable to securities whose holders do not present themselves by the time the sub-fund closure procedure is complete will remain on deposit with the Caisse de Consignation in Luxembourg for the relevant beneficiary.

23.2 Merger of sub-funds, share classes or share types

23.2.1. Merger of share classes or share types

Under the circumstances indicated in article 23.1. above, the Board of Directors may decide to merge one or more share classes or share types of the SICAV.

This decision of the Board of Directors will be published as described in 25.2 below.

This publication will be made at least one month before the date the merger becomes effective so as to allow shareholders to apply for the redemption or repayment of their shares free of charge.

23.2.2 Merger of sub-funds

Under the circumstances indicated in article 23.1. above, the Board of Directors may decide to merge one or more sub-funds of the SICAV together or merge one or more sub-funds of the SICAV with each other or with another UCITS coming under Directive 2009/65/EC under the conditions set down in the Law.

However, for any merger giving rise to the disappearance of the SICAV, the taking effect of such merger will be decided by the general meeting of shareholders deliberating in accordance with the methods and the quorum and majority requirements stated in the articles of incorporation.

The SICAV will send the shareholders appropriate and accurate information about the proposed merger, so as to allow them to be fully informed and decide on the impact of this merger on their investment.
This information will be communicated based on the conditions set forth in the Law. From the date this information is communicated, shareholders will have a period of 30 days during which they will have the right, free of charge apart from amounts deducted by the SICAV to cover the divestment costs, to apply for the redemption or repayment of their shares or, where applicable, based on the decision of the Board of Directors, the conversion of their shares into shares of another sub-fund or another UCITS with a similar investment policy and managed by the Management Company or by any other company with which the Management Company is associated through a relationship of common management or common control or through a significant direct or indirect shareholding.
This 30-day period will expire five bank business days before the calculation date of the exchange ratio.

23.3 Demerger of sub-funds, share classes or share types

Under the same circumstances as those indicated in article 23.1. above, the Board of Directors may also, if it deems appropriate in the interests of the shareholders of a sub-fund, share class or share type, decide to divide this sub-fund, share class or share type into one or more sub-funds, share classes or share types.

This decision of the Board of Directors will be published as described in 25.2 below.

This publication will be made at least one month before the date the demerger becomes effective so as to allow shareholders to apply for the redemption or repayment of their shares free of charge.

23.4 Liquidation of the SICAV

If the share capital of the SICAV falls below two thirds of the minimum required capital, the Board of Directors must refer the matter of winding up the SICAV to a general meeting of shareholders deliberating without conditions of attendance and ruling on the basis of a simple majority of the shares represented at the meeting.
If the share capital of the SICAV falls below one quarter of the minimum capital, the Board of Directors must refer the matter of winding up the SICAV to a general meeting of shareholders deliberating without conditions of attendance. Winding-up may be declared by shareholders holding one quarter of the shares represented at the meeting.

The meeting invitation must be sent to shareholders in such way as to ensure that the meeting is held within forty days of finding that the net assets have fallen, respectively, below two-thirds or one-quarter of the minimum capital.

The liquidation of the SICAV, whether court-ordered or otherwise, will be carried out in accordance with the Law and the articles of incorporation.

In the event of a non-court ordered liquidation, the process will be carried out by one or more liquidators who will be appointed by the general meeting of shareholders, which will determine their powers and remuneration.

The sums and amounts for shares whose holders do not come forward on completion of the liquidation proceedings will remain on deposit with the Caisse de Consignation for the relevant beneficiary.

24. CHARGES AND FEES

24.1. Subscription, conversion and redemption fees

A subscription fee payable to the Distributors (unless otherwise stated in the Fact Sheets) may be applied to subscriptions.

A conversion fee payable to the Distributors (unless otherwise stated in the Fact Sheets) may be applied to conversions between sub-funds and to conversions between share classes in the same sub-fund if this is duly set out in the Fact Sheets.

A redemption fee payable to the Distributors (unless otherwise stated in the Fact Sheets) may be applied to redemptions.

These fees are expressed as a percentage of the amount of the subscription (subscription and/or conversion orders) or redemption as described in each Fact Sheet.

24.2. Management fee

In consideration for its portfolio management activity, the Management Company receives annual management fees, as indicated in the Fact Sheets.

The management fee is expressed as an annual percentage of the average net asset value of each share class and is payable monthly.

24.3. Outperformance fee

In consideration for its portfolio management activity, the Management Company may also receive outperformance fees corresponding to one of the following models:

24.3.1. Permanent HWM model

Reference indicator

The reference indicator is made up of the two following elements:

- A high water mark (HWM) corresponding to a first reference asset based on the highest NAV achieved at the end of a financial year from 31/12/2021.

  The initial HWM corresponds to the NAV of 31/12/2021. If a new share class is activated subsequently or a pre-existing share class is reactivated, the initial NAV of this new class at (re)launch will be used as the initial HWM.

- A hurdle corresponding to a second reference asset based on a theoretical investment of assets at the minimum rate of return which increases the subscription totals and proportionally reduces the redemption totals. If this minimum rate of return is negative, the rate of 0% is used to determine the hurdle rate.

Using a HWM guarantees that investors will not be billed for an outperformance fee while the NAV remains below the highest NAV achieved at the end of a financial year from 31/12/2021.

This variable remuneration aligns the interests of the Management Company with those of the investors and is a link with the sub-fund's risk/return ratio.

Method for calculating the outperformance fee

As the NAV is different for each class of shares, the outperformance fees are calculated independently for each share class, producing fees of different amounts.
The outperformance fee is calculated with the same frequency as the NAV calculation.
The outperformance fee is included in the NAV calculation.

If the NAV upon which fee calculation is based, in other words the NAV after the outperformance fee on redemptions but excluding the outperformance fee on shares still in circulation, is greater than the two components of the reference indicator (HWM and hurdle), this constitutes an outperformance.

The smaller of these two outperformances is the basis of calculation for the provision for an outperformance fee in line with the provisioning rate of this outperformance as set out in the table (the "Provisioning rate") in each fact sheet.

In the event of underperformance in relation to one of the two components of the reference indicator, the outperformance fee is reversed in line with the provisioning rate of this underperformance. Nevertheless, the accounting provision for the outperformance fee will never be negative.

When a dilution adjustment is applied to the NAV, it is excluded from the outperformance fee calculation.

In the case of share classes with distribution rights, any distributions of dividends will have no effect on the outperformance fee of the share class.

For each share class denominated in the currency of the sub-fund, outperformance fees are calculated in this currency, whereas for share classes denominated in another currency, whether or not they are currency hedged, the outperformance fees will be calculated in the currency of the share class.

Reference period

The reference period corresponds to the full term of the sub-fund or share class.

In general, the outperformance fee is determined for each 12 month period corresponding to the financial year.

Crystallisation

Any positive outperformance fee is crystallised, in other word becomes payable to the Management Company:

- At the end of each financial year. However, in the case of activation or reactivation of a class, the first crystallisation of outperformance fees for this share class cannot take place (apart from redemptions) until the end of the financial year following the financial year during which the class was reactivated;
- At the time of each redemption identified on each NAV calculation, in proportion to the number of shares redeemed. In this case, the outperformance fee provision will be reduced by the amount crystallised in this way,
- If applicable, on the closing date of a share class during a financial year.

In addition, and in accordance with the rules, an outperformance fee may be crystallised:

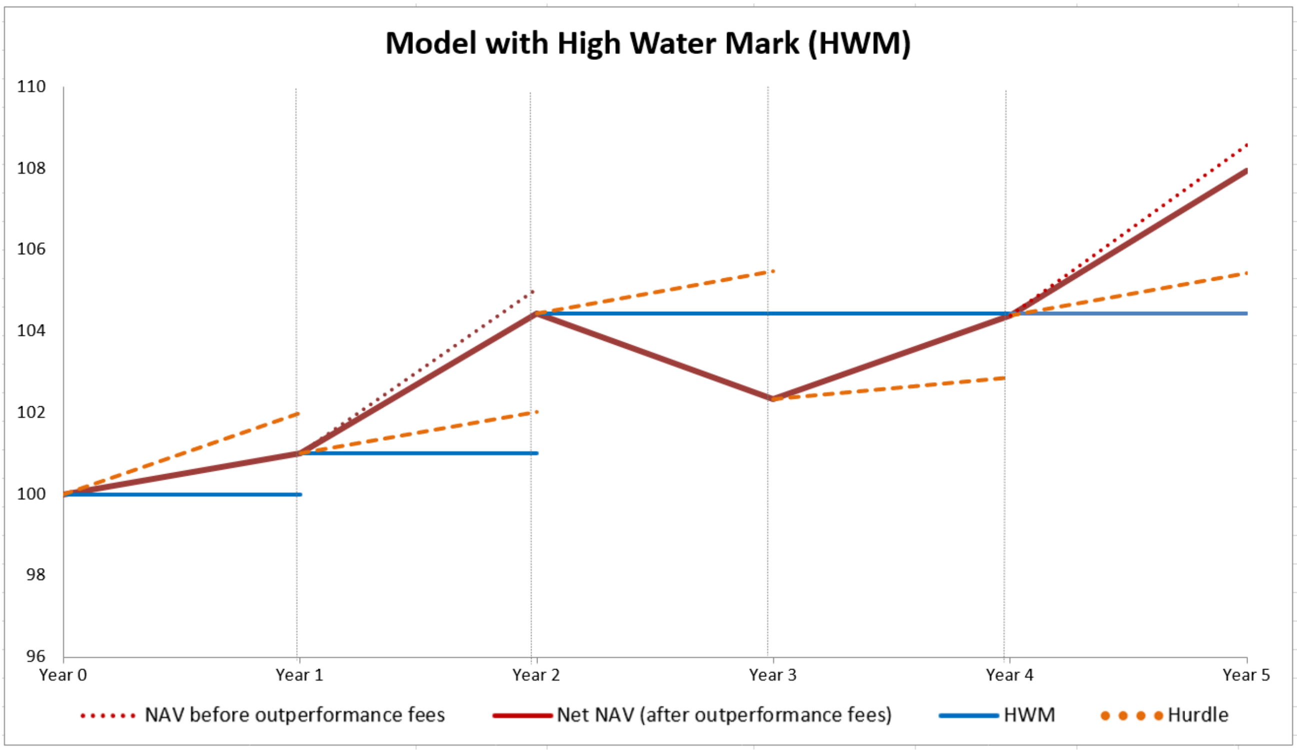
- In the event of merger/liquidation of the sub-fund/share classes during a financial year;
- If the outperformance mechanism changes.

Clawback of negative performances

In the event of negative performance recorded during a financial year, the underperformance will be carried over to the following financial year. The HWM will in this case remain identical to that of the previous financial year.

As for the hurdle, it is reinitialised at the start of each financial year regardless of whether an outperformance fee has been crystallised or not.

Examples illustrating the outperformance fee model applied



Year 1: The NAV is higher than the high water mark but lower than the hurdle. **No outperformance fee is paid. The HWM is adjusted.**

Year 2: The NAV at the end of the period is higher than the high water mark and the hurdle. **An outperformance fee is paid. The HWM is adjusted.**

Year 3: The NAV at the end of the period is lower than the high water mark and the hurdle. **No outperformance fee is paid. The HWM does not change.**

Year 4: The NAV at the end of the period is higher than the hurdle but not higher than the high water mark. **No outperformance fee is paid. The HWM does not change.**

Year 5: The NAV at the end of the period is higher than the high water mark and the hurdle. **An outperformance fee is paid. The HWM is adjusted.**

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
NAV - Start of period	0	100	101	104.4	102.3	104.4
Return of the share class (after charges)		1%	4%	-2%	2%	4%
NAV - End of period (before outperformance fees)	100	101	105	102.3	104.4	108.6
Hurdle - Start of period		100	101	104.4	102.3	104.4
Hurdle return (0% if negative)		2%	1%	1%	0.5%	1%
Hurdle - End of period	100	102	102	105.5	102.9	105.4
HWM - Start of period		100	101	104.4	104.4	104.4
Share class outperformance		0.0	3.03	0.0	0.0	3.1
Outperformance fee due		NO	YES	NO	NO	YES
Commission de surperformance (20%)		0.0	0.61	0.0	0.0	0.63
Net NAV - End of period (after outperformance fees)	100	101	104.4	102.3	104.4	107.9
HWM - End of period	100	101	104.4	104.4	104.4	107.9

24.3.2 5Y HWM model

Reference indicator

The reference indicator is made up of the two following elements:

- A high water mark (HWM) corresponding to a first reference asset based on the highest NAV achieved at the end of a financial year over the current reference period, from 31/12/2021.

  The initial HWM corresponds to the NAV of 31/12/2021. If a new share class is activated subsequently or a pre-existing share class is reactivated, the initial NAV of this new class at (re)launch will be used as the initial HWM.

- A hurdle corresponding to a second reference asset based on a theoretical investment of assets at the minimum rate of return which increases the subscription totals and proportionally reduces the redemption totals. If this minimum rate of return is negative, the rate of 0% is used to determine the hurdle rate.

  Using a 5 year HWM model guarantees that investors will not be billed for an outperformance fee while the NAV remains below the highest NAV achieved at the end of a financial year over the relevant reference period.

This variable remuneration aligns the interests of the Management Company with those of the investors and is a link with the sub-fund's risk/return ratio.

Method for calculating the outperformance fee

As the NAV is different for each class of shares, the outperformance fees are calculated independently for each share class, producing fees of different amounts.

The outperformance fee is calculated with the same frequency as the NAV calculation.

The outperformance fee is included in the NAV calculation.

If the NAV upon which fee calculation is based, in other words the NAV after the outperformance fee on redemptions but excluding the outperformance fee on shares still in circulation, is greater than the two components of the reference indicator (HWM and hurdle), this constitutes an outperformance.

The smaller of these two outperformances is the basis of calculation for the provision for an outperformance fee in line with the provisioning rate of this outperformance as set out in the table (the "Provisioning rate") in each fact sheet.

In the event of underperformance in relation to one of the two components of the reference indicator, the outperformance fee is reversed in line with the provisioning rate of this underperformance. Reversal of a provision, however, will not exceed the past outperformance fees.

When a dilution adjustment is applied to the NAV, it is excluded from the outperformance fee calculation.

In the case of share classes with distribution rights, any distributions of dividends will have no effect on the outperformance fee of the share class.

For each share class denominated in the currency of the sub-fund, outperformance fees are calculated in this currency, whereas for share classes denominated in another currency, whether or not they are currency hedged, the outperformance fees are calculated in the currency of the share class.

Reference period and period of clawback of negative performances

The reference period is 5 years.

At each financial year start ("year X"),

- the high water mark is initialised at the highest of the net asset values achieved at the end of the 5 previous financial years (i.e. year ends X-1, X-2, X-3, X-4 and X-5).
  Until 31/12/2026, however, the reference period will only date back as far as 31/12/2021.

- the hurdle is reinitialised at the level of the net asset value of the end of the previous financial year.

Crystallisation

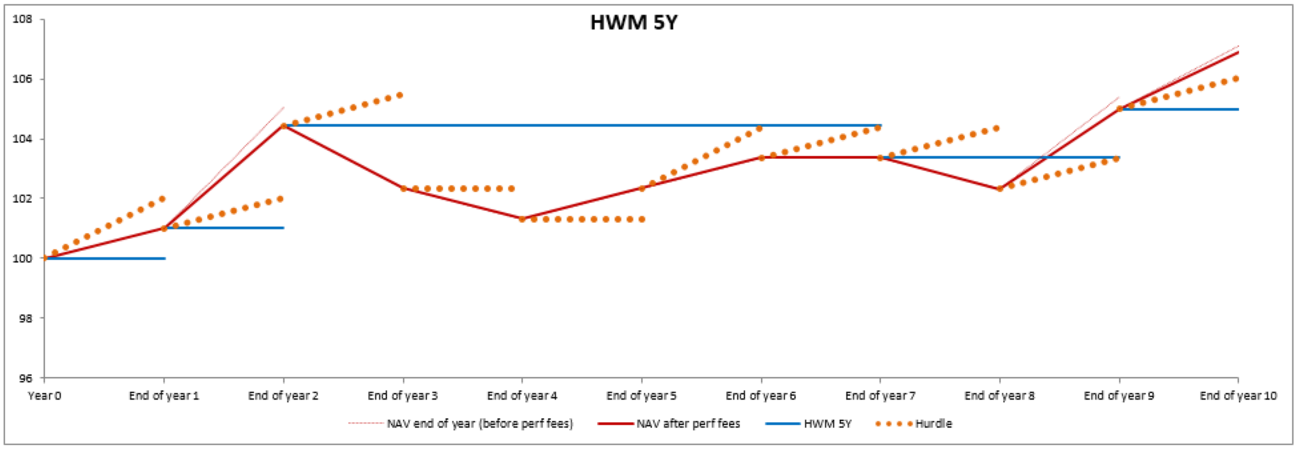
Any positive outperformance fee is crystallised, in other word becomes payable to the Management Company:

- At the end of each financial year. However, in the case of activation or reactivation of a class, the first crystallisation of outperformance fees for this share class cannot take place (apart from redemptions) until the end of the financial year following the financial year during which the class was reactivated;
- At the time of each redemption identified on each NAV calculation, in proportion to the number of shares redeemed. In this case, the outperformance fee provision will be reduced by the amount crystallised in this way,
- If applicable, on the closing date of a share class during a financial year.

In addition, and in accordance with the rules, an outperformance fee may be crystallised:

- In the event of merger/liquidation of the sub-fund/share classes during a financial year;
- If the outperformance mechanism changes.

Examples illustrating the outperformance fee model applied



	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
NAV - Beginning of year		100	101.0	104.4	102.3	101.3	102.3	103.4	103.4	102.3	105.0
Perf share class		1%	4%	-2%	-1%	1%	1%	0%	-1%	3%	2%
NAV - End of year (before perf fees)	100	101	105.0	102.3	101.3	102.3	103.4	103.4	102.3	105.4	107.1
Hurdle -Beginning of year		100	101.0	104.4	102.3	101.3	102.3	103.4	103.4	102.3	105.0
Hurdle performance (or 0% if negative)		2%	1%	1%	0%	0%	2%	1%	1%	1%	1%
Hurdle - End of year	100	102	102.0	105.5	102.3	101.3	104.4	104.4	104.4	103.3	106.0
HWM 5Y - Beginning of year		100	101.0	104.4	104.4	104.4	104.4	104.4	103.4	103.4	105.0
# reference period		1	1	1	2	3	4	5	1	2	1
Share class performance vs max(HWM 5Y, hurdle)		0.0	3.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	1.0
Performance fees payable		NO	YES	NO	NO	NO	NO	NO	NO	YES	YES
Performance fees amount (20%)		0.0	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.2
NAV - End of year (after perf fees)	100	101	104.4	102.3	101.3	102.3	103.4	103.4	102.3	105.0	106.9
HWM 5Y - End of year	100	101	104.4	104.4	104.4	104.4	104.4	103.4	103.4	105.0	106.9

Year 1: The end of year NAV is superior to the HWM but inferior to the hurdle.
No performance fees payable.
The HWM does not change.

Year 2: The end of year NAV is superior to the HWM and the hurdle.
Performance fees payable.
A new reference period starts with an adjusted HWM.

Year 3: The end of year NAV is lower than the HWM and the hurdle.
No performance fees payable.
The HWM does not change.

Year 4: The end of year NAV is lower than the HWM and the hurdle.
No performance fees payable.
The HWM does not change.

Year 5: The NAV at the end of year is superior to the hurdle but inferior to the HWM.
No performance fees payable.
The HWM does not change.

Year 6: The end of year NAV is lower than the HWM and the hurdle.
No performance fees payable.
The HWM does not change.

Year 7: The end of year NAV is lower than the HWM and the hurdle.
No performance fees payable.
After 5 years of underperformance, a new reference period starts with an adjusted HWM.
The HWM is adjusted at the highest NAV end of year among the last 5 years.

Year 8: The end of year NAV is lower than the HWM and the hurdle.
No performance fees payable.
The HWM does not change.

Year 9: The end of year NAV is superior to the HWM and the hurdle.
Performance fees payable.
A new reference period starts with an adjusted HWM.

Year 10: The end of year NAV is superior to the HWM and the hurdle.
Performance fees payable.
A new reference period starts with an adjusted HWM.

24.3.3 5 YEAR CLAWBACK model

Benchmark

The benchmark is the benchmark stated in the fact sheet of each affected sub-fund. A reference asset, based on a theoretical investment of assets at the rate of return of the benchmark which increases the subscription totals and proportionally reduces the redemption totals, is calculated and is compared against the NAV. In other words, a relative performance of the sub-fund compared to its benchmark is calculated.

An outperformance fee is billed when the relative performance of the NAV compared to the performance of the reference asset is positive, subject to a model to recover (or "claw back") possible future underperformances over a rolling 5 year period.

This recovery model guarantees that investors will not be billed for an outperformance fee unless any past relative underperformances have been recovered over the relevant reference period.

This variable remuneration aligns the interests of the Management Company with those of the investors and is a link with the sub-fund's risk/return ratio.

Method for calculating the outperformance fee

As the NAV is different for each class of shares, the outperformance fees are calculated independently for each share class, producing fees of different amounts.
The outperformance fee is calculated with the same frequency as the NAV calculation.
The outperformance fee is included in the NAV calculation.

If the NAV, after deducting the outperformance fee on redemptions but not the outperformance fee for shares still in circulation, and after deducting all other costs, is greater than the benchmark assets, a relative outperformance is recognised.

This relative outperformance is the basis of calculation for the provision for an outperformance fee in line with the provisioning rate of this outperformance as set out in the table in the fact sheet for each sub-fund (the "Provisioning rate").

In the event of underperformance in relation to the reference asset, the outperformance fee is reversed in line with the provisioning rate of this underperformance. Reversal of a provision, however, will not exceed the past outperformance fees.

When a dilution adjustment (positive or negative) is applied to the NAV, it is excluded from the outperformance fee calculation.

In the case of share classes with distribution rights, the impact of any distributions of dividends is neutralised through the calculation of the outperformance for the share class.

For each share class denominated in the currency of the sub-fund, outperformance fees are calculated in this currency, whereas for share classes denominated in another currency, whether or not they are currency hedged, the outperformance fees will be calculated in the currency of the share class.

Reference period and period of clawback of relative underperformances

- The reference period is 5 years. The first period starts on 01/01/2022, or on the (re)activation date of a share class if this is later.

If a relative outperformance is identified at the end of the financial year, the outperformance fee will not be deducted by the Management Company unless possible underperformances in relation to the reference asset over the previous financial years of the reference period have been clawed back.

In such a case, outperformance fees are crystallised at the end of the financial year, and a new reference period begins with a new benchmark asset set to the net asset value as it is at the end of the said financial year.

After 5 consecutive years without crystallisation, under-performances that have not been offset and that date from before the five year period in question will no longer be taken into account when calculating the outperformance fee.

Crystallisation

Any positive outperformance fee is crystallised, in other word becomes payable to the Management Company:

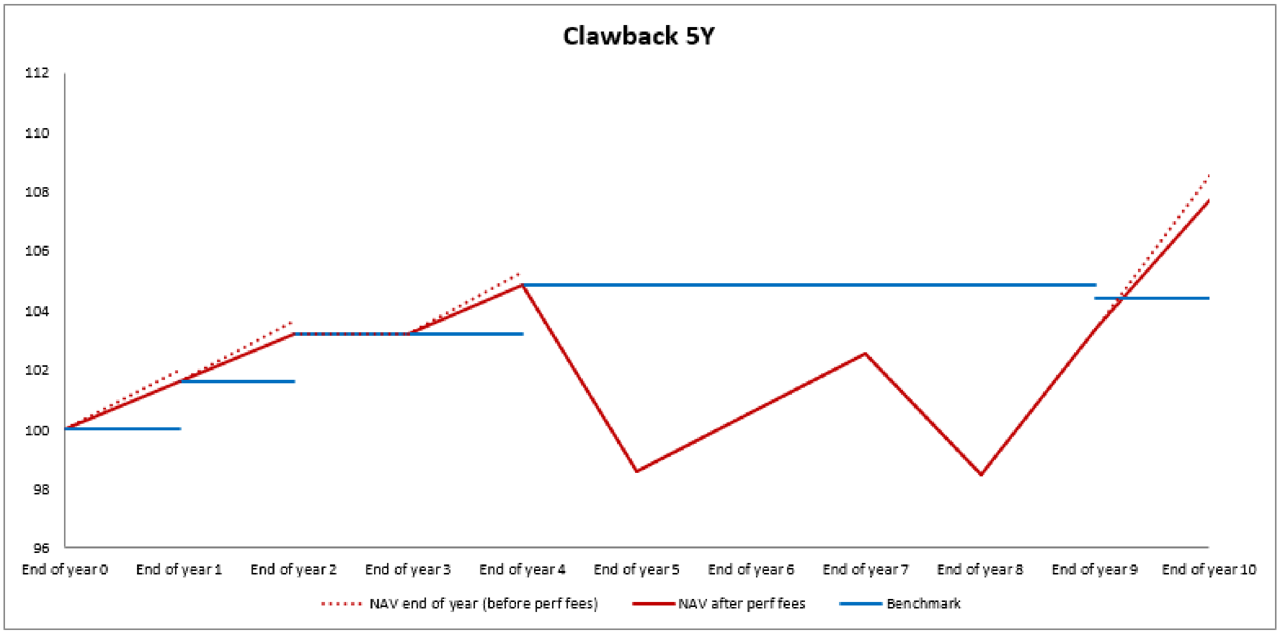
- At the end of each financial year. However, in the case of activation or reactivation of a class, the first crystallisation of outperformance fees for this share class cannot take place (apart from redemptions) until the end of the financial year following the financial year during which the class was reactivated;
- At the time of each redemption identified on each NAV calculation, in proportion to the number of shares redeemed. In this case, the outperformance fee provision will be reduced by the amount crystallised in this way,
- If applicable, on the closing date of a share class during a financial year.

In addition, and in accordance with the rules, an outperformance fee may be crystallised:

- In the event of merger/liquidation of the sub-fund/share classes during a financial year;
- If the outperformance mechanism changes.

Any crystallisation of the outperformance fee is definitively payable to the Management Company.

Examples illustrating the outperformance fee model applied



	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
NAV - Beginning of year		100	101.6	103.2	103.2	104.9	98.6	100.6	102.6	98.5	103.4
Share class performance		2%	2%	0%	2%	-6%	2%	2%	-4%	5%	5%
NAV - End of year (before perf fees)	100	102	103.6	103.2	105.3	98.6	100.6	102.6	98.5	103.4	108.6
Benchmark - Beginning of year		100	101.6	103.2	103.2	104.9	104.9	104.9	104.9	104.9	104.4
Benchmark performance		0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Benchmark - End of year	100	100	101.6	103.2	103.2	104.9	104.9	104.9	104.9	104.9	104.4
Share class performance vs benchmark		2.0	2.0	0.0	2.1	0.0	0.0	0.0	0.0	0.0	4.1
Performance fees payable		YES	YES	NO	YES	NO	NO	NO	NO	NO	YES
Performance fees amount (20%)		0.4	0.4	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.8
NAV- End of year (after perf fees)	100	101.6	103.2	103.2	104.9	98.6	100.6	102.6	98.5	103.4	107.7
Over/underperformance share class vs benchmark		2%	2%	0%	2%	-6%	2%	2%	-4%	5%	5%
Underperformance to be compensated in the following year		0%	0%	0%	0%	-6%	-4%	-2%	-6%	-1%	0%

Year 1: The end of year NAV is greater than the benchmark index.
Performance fees payable.

Year 2: The end of year NAV is greater than the benchmark, no previous underperformance needs to be offset.
Performance fees payable.

Year 3: The end of year NAV is less than or equal to the benchmark index.
No performance fees payable.

Year 4: The end of year NAV is greater than the benchmark index, the previous underperformance has been offset.
Performance fees payable.

Year 5: The end of year NAV is less than the benchmark index.
No performance fees payable.

Year 6: The performance of the share class is greater than that of the benchmark but the past underperformance has not been offset. The end of year NAV is less than the benchmark index.
No performance fees payable.

Year 7: The performance of the share class is greater than that of the benchmark but the past underperformance has not been offset. The end of year NAV is less than the benchmark index.
No performance fees payable.

Year 8: The performance of the share class is again underperforming the benchmark and previous underperformance has not been offset. The end of year NAV is less than the benchmark index.
No performance fees payable.

Year 9: After 5 years of underperformance carried forward, the -6% underperformance of year 5 is finally offset (+2% year 6 / +2% year 7 / -4% year 8 / +5 year 9). The +2% of year 9 is still offsetting the underperformance of year 5. Hence, the underperformance still needing to be offset as at the end of year 9 is -1%. The performance of the share class is greater than that of the benchmark but the past underperformance has not been offset. The end of year NAV is less than the benchmark index.
No performance fees payable.

Year 10: The end of year NAV is greater than the benchmark index, the previous underperformance has been offset.
Performance fees payable.

The performance graphics and performance fee tables presented in this document are simulations and/or are based solely on assumptions. They cannot be considered to be reliable indicators of future performance. They are in no way a guarantee that the fund will achieve or will be likely to achieve performances or receive performance fee amounts similar to those presented.

24.4. Distribution fee

In consideration for its marketing activity, the Management Company may also receive distribution fees, as indicated in the Fact Sheets where appropriate.

24.5. Operational and administrative charges

The SICAV will bear the day-to-day operational and administrative charges incurred to cover all the overheads, variable costs, charges, fees and other expenses, as described below (the "Operational and Administrative Charges").

The Operational and Administrative Charges cover the following costs, although this list is not exhaustive:

(a) expenses incurred directly by the SICAV, including, among others, fees and charges owing to the Depositary and the principal paying agent, commissions and fees for auditors, share class hedging charges, including those charged by the Management Company, the fees paid to Directors and the reasonable costs and expenses incurred by or for the Directors,

(b) a "service fee", paid to the Management Company and which includes the remaining amount of Operational and Administrative Charges after deducting the costs indicated in section (a) above, refers to the fees and charges of the domiciliary agent, the administrative agent, the transfer agent, the registrar and order routing platforms, the costs associated with registration and for maintaining this registration in all jurisdictions (such as fees deducted by the supervisory authorities concerned, translation costs and payment for representatives abroad and local paying agents), listing and maintenance fees for the stock exchange or specific platforms, share price publication costs, postal and communication costs, the costs for preparing, printing, translating and distributing prospectuses, key information documents, notices to the shareholders, financial reports or any other documents for shareholders, legal fees and expenses, the costs and charges associated with the subscription to any account or licence or any other use of paid information or data, the fees associated with analysis services, the fees incurred for using the SICAV's registered trademark and the fees and expenses for the Management Company and/or its delegates and/or any other agent appointed by the SICAV itself and/or independent experts.

Operational and Administrative Charges are expressed as an annual percentage of the average net asset value of each share class.

They are payable monthly at a maximum rate as set out in the Fact Sheets.

At the end of a given period, if the charges and expenses were to exceed the percentage of the Operational or Administrative Charges set for a share class then the Management Company would pay the difference. Conversely if the actual charges and expenses were to be less than the percentage of the Operational and Administrative Charges set for a class of shares, then the Management Company would retain the difference.

The Management Company may instruct the SICAV to settle all or part of the expenses as stated above directly on its assets. In such case, the amount of Operational and Administrative Charges will be reduced as a result.

The Operational and Administrative Charges do not cover:

- The duties, taxes, contributions, rights or similar tax charges imposed on the SICAV and its assets, including Luxembourg subscription tax.
- Charges linked to transactions: each sub-fund incurs the charges and expenses for buying and selling transferable securities, financial instruments and derivative products, brokerage fees and charges, interest (interest on swaps and loans, etc.) or tax and other expenses linked to transactions.
- Charges linked to securities lending and borrowing activities.
- Charges generated by the anti-dilution mechanism.
- Bank charges, for example interest on overdrafts.
- Credit facility charges.
- Non-recurring expenses, some of which may not be reasonably expected in the ordinary course of SICAV activities, including but not limited to, the cost of exceptional and/or ad hoc measures and fees for tax advisers, legal advice, expert assessment, introduction fees or fees for legal procedures to protect the interests of shareholders and any expenses associated with one-off agreements entered into by any third party in the interests of the shareholders.

Charges and expenses relating to updating the Prospectus may be amortised over the next five financial years.

The charges and costs relating to opening a specific sub-fund may be amortised over five years, exclusively in relation to the assets of this new sub-fund.

Charges and costs not directly attributable to a specific sub-fund will be allocated equally among the various sub-funds or, where the amount of charges and costs so requires, will be allocated among the sub-funds proportionate to their respective net assets.

25. SHAREHOLDER INFORMATION

25.1. Publication of the net asset value

The net asset value per share of each sub-fund together with the issue, redemption and conversion prices will be published on each Valuation Date and made available from the registered office of the SICAV and from the financial services authorities in the countries where the SICAV is marketed.

25.2. Financial notices and other information

Financial notices and other information for shareholders will be sent by mail to all registered shareholders at the address shown in the share register in accordance with the legislation in force. This information will also be published in the "Luxemburger Wort" if the legislation requires it.

It will also be published in the press of the countries where the shares of the SICAV are marketed, if stipulated by the legislation of these countries.

25.3. Financial year and reports to shareholders

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

Every year, the SICAV publishes a detailed report on its activities and the management of its assets, including its balance sheet and consolidated profit and loss account expressed in EUR, a detailed breakdown of the assets of each sub-fund and the auditors' report. This report is available from the SICAV's registered office and the offices of the financial services authorities in countries in which the SICAV is marketed.

Furthermore, after the end of each six-month period, it publishes a report which includes, in particular, the content of the portfolio, the movements in the portfolio over the period, the number of shares in issue and the number of shares issued and redeemed since the last publication.

The financial statements of the SICAV are prepared in compliance with the generally accepted accounting principles in Luxembourg, known as "Luxembourg GAAP".

25.4. Auditors

PricewaterhouseCoopers, Luxembourg is responsible for the auditing of the SICAV's accounts and annual reports.

25.5. Publicly available documents

The SICAV's Prospectus, key information documents, articles of incorporation and annual and semi-annual reports are available to the public free of charge, during normal office hours on bank business days, at the registered office of the SICAV and the offices of the financial services authorities in countries in which the SICAV is marketed.

The agreement appointing the Management Company, the agreement concerning the operational and administrative charges, and the depositary bank and principal paying agent agreement may be consulted by investors at the registered office of the SICAV during normal office hours on bank business days.
The Prospectus is also available at: www.candriam.com.

25.6. Additional information

In order to meet regulatory and/or tax requirements, the Management Company may, over and above the legal publications, communicate to investors requesting it the SICAV's portfolio composition and all information relating to it.

25.7. Information for investors located in Asia

To facilitate communication in the Asian time zones, investors have the option of contacting CACEIS Hong Kong Trust Company Limited directly to transmit their share subscription, redemption or conversion orders and to obtain any information or documentation concerning customer identification and/or Personal Data.

26. INFORMATION FOR INVESTORS IN SWITZERLAND

26.1. Representative

The representative in Switzerland is CACEIS (Switzerland) SA, Route de Signy 35, CH-1260 Nyon (hereinafter the “Swiss Representative”).

26.2. Paying agent

The paying agent in Switzerland is CACEIS Bank, Montrouge, succursale de Nyon/Suisse, Route de Signy 35, CH-1260 Nyon (hereinafter the “Swiss Paying Agent”).

26.3. Location where the relevant documents may be obtained

The Prospectus, the key information documents, the articles of incorporation as well as the annual and semi-annual reports may be obtained free of charge from the Swiss Representative.

26.4. Publications

In Switzerland, publications concerning to the SICAV are made on the website of Fundinfo (www.fundinfo.com).

Each time shares are issued or redeemed, the issue and the redemption prices or the net asset value together with a reference stating “excluding commissions” must be published for all share classes on the website of Fundinfo (www.fundinfo.com). Prices are published on a daily basis.

26.5. Share classes that are not distributed in Switzerland

The share classes BF, I2, LOCK, N, P, P2, R2, SF2, Y, Z and ZF are not actively distributed in Switzerland.

26.6. Payment of retrocessions and rebates

a/ Retrocessions

For the share classes C, CB, I, PI, S, V, V2 and Y, the Management Company and its agents may pay retrocessions as remuneration for distribution activity in respect of the shares in Switzerland. This remuneration may be deemed payment for the following services in particular:

- Activity of marketing and distribution in or from Switzerland;
- Storage of data and documents in relation to investors in accordance with the related regulation;
- Investor relations, including the management of enquiries and claims and communication to the Management Company and its agents;
- Communication of fund documents to investors (including annual and semi-annual reports, articles of incorporation, Prospectus and KID);
- Communication of marketing and advertising materials to prospective clients in accordance with the relevant regulations;
- Investment advice to prospective clients in accordance with the relevant regulations; and
- Preparation of investor due diligence files, monitoring of compliance with anti-money laundering procedures and verification of "Know Your Client" documents, in accordance with regulatory compliance requirements.

For the R share class, retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.
Disclosure of the receipt of is based on the applicable provisions of FinSA

b/ Rebates

Investors participate in the Sub-Funds by subscribing into, and holding, shares of individual Share Classes. Individual shares of a single Share Class bear the same rights and obligations in order to ensure equal treatment of all investors within the same Share Class of the relevant Sub-Fund.

While remaining within the parameters profiling the different Share Classes of the relevant Sub-Fund, the Management Company may enter into arrangements, on the basis of objective criteria as further specified below, with individual investors or a group of investors providing for special entitlements for those investors.

Such entitlements shall be understood as being rebates on fees charged to the Share Class, or specific disclosures, and will be granted solely based on objective criteria determined by the Management Company and out of its own resources.

Objective criteria include, but are not limited to (alternatively, or cumulatively):

- The expected holding period for an investment in the Sub-Fund;
- The investor's willingness to invest during the launch phase of the Sub-Fund;
- The current or anticipated amount subscribed or to be subscribed by an investor;
- The total Asset under Management (AuM) held by an investor in the Sub-Fund or in any other product of the Management Company;
- The type of the investor (e.g. repackager, wholesaler, fund management company, asset manager, other institutional investor, or private individual);
- The fee or revenues generated by the investor with a group of, or all affiliates of the group to which the Management Company belongs.

Any investor or prospective investor within a Share Class of a given Sub-Fund which is, in the reasonable opinion of the Management Company, objectively in the same situation than another investor in the same Share Class who entered into arrangements with the Management Company is entitled to the same arrangements. In order to obtain the same treatment, any investor or prospective investor may liaise with the Management Company by addressing a request to the Management Company. The Management Company will share the relevant information on the existence and nature of such specific arrangements with the relevant investor or prospective investor, verify the information received from the latter and determine on the basis of the information made available to it (including by such investor or prospective investor) whether the latter is entitled to the same treatment or not.
Upon request of investors, the Management Company makes available, free of charge, the amount of the respective rebates.

26.7. Place of performance and jurisdiction

In respect of the shares offered in, the place of performance is the registered office of the Swiss Representative.
The place of jurisdiction is at the registered office of the Swiss Representative or at the registered office or place of residence of the investor.

ANNEX I – FACT SHEETS

FACT SHEET

CANDRIAM EQUITIES L AUSTRALIA

This sub-fund does not have sustainable investment as its objective and does not specifically promote environmental and/or social characteristics, as described in the SFDR Regulation.

1. Investment objective and investor profile

The objective of the sub-fund is to use discretionary management to benefit from the performance of the market in equities of companies which have their registered office and/or carry out their primary economic activity in Australia, and to outperform the benchmark.

This sub-fund may be appropriate for investors who wish to achieve this objective over a long investment holding period and who are aware of, understand and are able to bear the specific risks of the sub-fund as set out below and defined in the section entitled Risk factors in the Prospectus.

2. Investment policy

This sub-fund will invest its assets principally in equity-type securities of companies that have their registered office or carry out their primary economic activity in Australia.

The sub-fund may hold, on an ancillary basis, the following financial instruments:
- Equities and/or securities equivalent to equities other than those described above (in particular convertible bonds, warrants, investment certificates).
- Money market instruments having an outstanding maturity of less that 12 months.
- Deposits and/or cash, and
- UCIs and UCITS for a maximum of 10% of assets

The sub-fund aims to concentrate on 25 to 50 positions. The discretionary approach is based on the following steps:
- A macro-economic analysis;
- Sector analysis;
- Fundamental analysis; and
- Construction of the portfolio.

The investment decisions made for this sub-fund do not consistently include sustainability risks in the selection of assets. Nevertheless, sustainability risks may be considered on a discretionary basis when a financial instrument is selected or sold.

The sub-fund does not take systematic account of the principal adverse impacts of investment decisions on sustainability factors (hereinafter the "PAIs") for one or more of the following reasons:
- Some or all of the issuing companies do not provide sufficient PAI data
- The PAI aspects are not considered to be predominant elements in the sub-fund's investment process
- The sub-fund invests in derivative financial instruments for which the PAI aspects have not yet been taken into consideration or been defined.

The financial management of the sub-fund is delegated to an asset manager which might not take account of the principal negative repercussions on sustainability as defined by the Management Company. In this context, negative repercussions on sustainability are therefore not taken into account in investment decisions.

Under certain conditions, the process may also be accompanied by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

For the purpose of good portfolio management, the sub-fund may also use financial instruments and techniques such as options, futures, swaps and/or forwards.

Investors are warned that warrants and forward contracts are more volatile than the underlying shares.

3. Efficient portfolio management techniques

The sub-fund will not use securities lending transactions, reverse repurchase or repurchase agreements.

4. Risk factors specific to the sub-fund and risk management

4.1 Risk factors specific to the sub-fund

- Risk of capital loss
- Equity risk
- Sustainability risk
- Concentration risk
- Risk associated with derivative financial instruments
- Liquidity risk
- Counterparty risk
- Risk of changes to the benchmark index by the index provider
- Risk related to external factors
- ESG investment risk
- Hedging risk of the share classes

There is a general explanation of the various risk factors in section 8. "Risk factors" in the Prospectus.

4.2 Risk management

The total derivatives exposure will be calculated according to the commitment approach set down in CSSF Circular 11/512.

5. Benchmark

The sub-fund is actively managed and its investment approach implies a reference to a benchmark. The benchmark used does not explicitly take sustainability criteria into account.

Benchmark name	All Ordinaries (Gross Return)
Benchmark definition	The index measures the performance of the 500 largest securities of the Australian equity market.
Use of the benchmark	- as an investment universe. In general, the financial instruments of the sub-fund are mostly contained in the index. However, investments outside the index are permitted, - in determining risk levels / parameters, - to compare performance. For share classes in currencies other than the currency of the sub-fund, another corresponding index may be used in order to compare performance.

Divergence of portfolio composition from the benchmark	As the sub-fund is managed actively, it does not aim to invest in each component of the index nor to invest in the same proportions as the components of the index. In normal market conditions, the expected tracking error of the sub-fund will be moderate to large, namely between 2% and 6%. This measure is an estimation of the divergence of the sub-fund's performance compared to the performance of the benchmark. The greater the tracking error, the greater the deviations from the index. The actual tracking error depends in particular on market conditions (volatility and correlations between financial instruments) and may therefore differ from the expected tracking error.
Benchmark provider	S&P Dow Jones Indices LLC
	The benchmark provider is an entity registered with ESMA in accordance with Article 36 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
	The Management Company has adopted robust written plans to cover the cases where the publication of the benchmark index has been stopped or where major changes in that benchmark have occurred. The Board of Directors of the SICAV, based on these plans, may choose another benchmark, if appropriate. Any such change of benchmark will be reflected in an updated Prospectus. Such plans are available free of charge, upon request, at the registered office of the Management Company.

6. Eligibility of the sub-fund

The sub-fund counts as an equity fund for the purposes of GITA, as defined in the section entitled *Taxation* in the Prospectus.

7. Valuation currency of the sub-fund: AUD

8. Form of the shares: registered shares only.

9. Share classes

- C class, capitalisation, denominated in AUD [**LU0078775011**]
- C class, distribution, denominated in AUD [**LU0078775284**]
- C class, capitalisation, denominated in EUR [**LU0256780106**]
- C-H class, capitalisation, denominated in EUR [**LU1006081621**]
- C-H class, capitalisation, denominated in CHF [**LU1006081548**]
- C-H class, capitalisation, denominated in GBP [**LU1006081894**]
- C-H class, capitalisation, denominated in USD[**LU1006081977**]
- N class, capitalisation, denominated in AUD **[LU0133347731]**
- N class, capitalisation, denominated in EUR [**LU0256780874**]
- I class, capitalisation, denominated in AUD [**LU0133348622**]
- I class, capitalisation, denominated in GBP [**LU1269736598**]
- I class, capitalisation, denominated in EUR [**LU0256781096**]
- R class, capitalisation, denominated in AUD [**LU0942225839**]
- R-H class, capitalisation, denominated in CHF [**LU1269736242**]
- R class, capitalisation, denominated in GBP [**LU1269736325**]
- R class, capitalisation, denominated in EUR [**LU1269736671**]

- R2 class, capitalisation, denominated in AUD [**LU1397644045**]
- R2 class, distribution, denominated in AUD [**LU1397644128**]
- Z class, capitalisation, denominated in AUD [**LU0240973742**]
- Z class, distribution, denominated in AUD [**LU1397644474**]
- V class, capitalisation, denominated in AUD [**LU0317020385**]
- V2 class, capitalisation, denominated in AUD, [**LU1397644391**]

10. Minimum subscription

No minimum subscription is required for the different share classes **except for the V and V2 classes**, for which the minimum initial subscription is the AUD equivalent of EUR 15,000,000 or (as decided by the Board of Directors) EUR 15,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same Valuation Date.

11. Fees and charges

Classes	Fees and charges				
	Issue	Exit	Conversion	Portfolio management	Operational and administrative charges
C	Max. 3.5%	0%	Max. 2.50%	Max. 1.50%	Max. 0.40%
I	0%	0%	0%	Max. 0.55%	Max. 0.30%
N	0%	0%	0%	Max. 2%	Max. 0.40%
R	Max. 3.5%	0%	0%	Max. 1%	Max. 0.40%
R2	Max. 3.5%	0%	Max. 2.50%	Max. 0.38%	Max. 0.40%
V	0%	0%	0%	Max. 0.42%	Max. 0.30%
V2	0%	0%	0%	Max. 0.55%	Max. 0.30%
Z	0%	0%	0%	0%	Max. 0.30%

12. Net asset value calculation frequency: each Bank Business Day.

13. Subscription, redemption and conversion arrangements

	Subscriptions/Redemptions/Conversions
Cut-off	D-1 at midday (Luxembourg time)
NAV date	D
Valuation date	D
Payment date	D+2

This Fact Sheet forms an integral part of the Prospectus dated 3 June 2024.

FACT SHEET

CANDRIAM EQUITIES L BIOTECHNOLOGY

This sub-fund is classified according to Article 8 of the SFDR Regulation, which means that it promotes environmental or social characteristics but does not have sustainable investment as its objective.

This Fact Sheet must be read in conjunction with the detailed information on the ESG characteristics of this sub-fund as described in the SFDR Annex.

1. Investment objective and investor profile

The objective of the sub-fund is to use discretionary management to benefit from the performance of the market in global equities of companies from the biotechnology sector, and to outperform the benchmark.

This sub-fund may be appropriate for investors who wish to achieve this objective over a long investment holding period and who are aware of, understand and are able to bear the specific risks of the sub-fund as set out below and defined in the section entitled Risk factors in the Prospectus.

2. Investment policy

This sub-fund enables shareholders to invest in a portfolio of global equities in the biotechnology sector. The assets will be invested principally in the equities of companies operating in this sector.

The sub-fund may hold, on an ancillary basis, the following financial instruments:

- Equities and/or securities equivalent to equities other than those described above (in particular convertible bonds, warrants, investment certificates).
- Money market instruments having an outstanding maturity of less that 12 months.
- Deposits and/or cash, and
- UCIs and UCITS for a maximum of 10% of assets

The sub-fund takes into account an analysis of ESG criteria as set out in the Investment policy section of the Prospectus. In particular, the ESG and thematic analysis for issuing companies is applied to a minimum of 90% of the sub-fund's investments, apart from deposits, cash and index derivatives.

Companies are picked based on two analyses: a clinical analysis and a fundamental analysis:

- The clinical analysis aims to assess the quality of the available clinical data and to use only companies found to be convincing in this respect, and
- The fundamental analysis selects the best companies according to five criteria: quality of management, growth potential, competitive advantage, value creation and indebtedness.

The sub-fund seeks to invest in equities of companies from the biotechnology sector which work towards United Nations Sustainable Development Goal 3 regarding "Good Health and Well-being" by responding to important and/or unmet medical needs.

The sub-fund also seeks to exclude certain companies as described in the SFDR Annex.

On the basis of the various analysis elements above (ESG analysis, breaches of the United Nations Global Compact, controversial activities), the analysed investment universe is reduced by at least 20%.

Under certain conditions, the process may also be accompanied by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

For more information about the ESG criteria, please see the Transparency Code which is available via the following link:
https://www.candriam.com/documents/candriam/article_208/en/document.pdf

For the purpose of good portfolio management, the sub-fund may use financial instruments and techniques such as options, futures, swaps and/or forwards.

Investors are warned that warrants and derivatives are more volatile than the underlying assets.

3. Efficient portfolio management techniques

The sub-fund will use securities lending transactions in a proportion which may vary between 25% and 50% of the net assets of the portfolio, and which may correspond to a maximum of 50% of the net assets of the portfolio, under certain market conditions.
In any case, these operations will only be carried out if market conditions allow to generate income for the sub-fund.

The sub-fund will not use reverse repurchase or repurchase agreements.

4. Benchmark

The sub-fund is actively managed and its investment approach implies a reference to a benchmark. The benchmark used does not explicitly take sustainability criteria into account.

Benchmark name	NASDAQ Biotechnology Index (Net Return)
Benchmark definition	The index measures the performance of NASDAQ-listed companies from the biotechnology and pharmaceuticals sector.
Use of the benchmark	- as an investment universe. In general, the financial instruments of the sub-fund are mostly contained in the index. However, investments outside the index are permitted, - to compare performance, - to calculate the performance fee for some share classes. For share classes in currencies other than the currency of the sub-fund, another corresponding index may be used in order to calculate performance fees as applicable (see "Performance fee" below).
Divergence of portfolio composition from the benchmark	As the sub-fund is managed actively, it does not aim to invest in each component of the index nor to invest in the same proportions as the components of the index. In normal market conditions, the expected tracking error of the sub-fund will be moderate to large, namely between 2% and 6%. This measure is an estimation of the divergence of the sub-fund's performance compared to the performance of the benchmark. The greater the tracking error, the greater the deviations from the index. The actual tracking error depends in particular on market conditions (volatility and correlations between financial instruments) and may therefore differ from the expected tracking error.

Benchmark provider	Nasdaq Copenhagen A/S	
	The benchmark provider is an entity registered with ESMA in accordance with Article 36 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.	
	The Management Company has adopted robust written plans to cover the cases where the publication of the benchmark index has been stopped or where major changes in that benchmark have occurred. The Board of Directors of the SICAV, based on these plans, may choose another benchmark, if appropriate. Any such change of benchmark will be reflected in an updated Prospectus. Such plans are available free of charge, upon request, at the registered office of the Management Company.	

5. Eligibility of the sub-fund

The sub-fund counts as an equity fund for the purposes of GITA, as defined in the section entitled *Taxation* in the Prospectus.

6. Risk factors specific to the sub-fund and risk management

6.1 Risk factors specific to the sub-fund

- Risk of capital loss
- Equity risk
- Sustainability risk
- Foreign exchange risk
- Liquidity risk
- Concentration risk
- Risk associated with derivative financial instruments
- Counterparty risk
- Risk of changes to the benchmark index by the index provider
- Risk related to external factors
- ESG investment risk
- Hedging risk of the share classes

There is a general explanation of the various risk factors in section 8. "Risk factors" in the Prospectus.

6.2 Risk management

The total derivatives exposure will be calculated according to the commitment approach set down in CSSF Circular 11/512.

7. Valuation currency of the sub-fund: USD. The net asset value will also be published in EUR.

8. Form of the shares: registered shares only.

9. Share classes

- C class, capitalisation, denominated in USD **[LU0108459040]**
- C class, distribution, denominated in USD **[LU0108459552]**
- C-H class, capitalisation, denominated in EUR **[LU1120766206]**
- C class, capitalisation, denominated in EUR **[LU1120766388]**
- I class, capitalisation, denominated in USD **[LU0133360163]**
- I-H class, capitalisation, denominated in EUR **[LU1006082199]**
- I-H class, capitalisation, denominated in CHF **[LU2478813442]**
- I class, capitalisation, denominated in EUR **[LU1120766032]**
- I class, capitalisation, denominated in GBP **[LU1269737059]**
- LOCK class, capitalisation, denominated in USD **[LU0574798848]**
- N class, capitalisation, denominated in USD **[LU0133359157]**
- N class, capitalisation, denominated in EUR **[LU2346865939]**
- N-H class, capitalisation, denominated in EUR **[LU2346866077]**
- R class, capitalisation, denominated in USD **[LU0942225912]**
- R-H class, capitalisation, denominated in CHF **[LU1269736754]**
- R-H class, capitalisation, denominated in EUR [**LU1708110975**]
- R class, capitalisation, denominated in EUR **[LU1269736838]**
- R class, capitalisation, denominated in GBP **[LU1269736911]**
- R2 class, capitalisation, denominated in USD [**LU1397644557**]
- R2 class, distribution, denominated in USD [**LU1397644631**]
- R2-H class, capitalisation, denominated in EUR [**LU1397644714**]
- R2 class, capitalisation, denominated in EUR [**LU1397644805**]
- S class, capitalisation, denominated in JPY [**LU1820816558**]
- V class, capitalisation, denominated in USD **[LU0317020203]**
- V2 class, capitalisation, denominated in USD [**LU2026682919**]
- Z class, capitalisation, denominated in USD **[LU0240982651]**
- Z class, distribution, denominated in USD **[LU1397644987]**

10. Minimum subscription

No minimum subscription is required for the different share classes **except for the V and V2 classes**, for which the minimum initial subscription is the USD equivalent of EUR 15,000,000 or (as decided by the Board of Directors) EUR 15,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same Valuation Date.

11. Fees and charges

Classes	Fees and charges				
	Issue	Exit	Conversion	Portfolio management	Operational and administrative charges
C	Max. 3.5%	0%	Max. 2.50%	Max. 1.60%	Max. 0.40%
I	0%	0%	0%	Max. 0.75%	Max. 0.30%
LOCK	Max. 3.5%	0%	Max. 2.50%	Max. 1.60%	Max. 0.40%
N	0%	0%	0%	Max. 2%	Max. 0.40%
R	Max. 3.5%	0%	0%	Max. 0.90%	Max. 0.40%
R2	Max. 3.5%	0%	Max. 2.50%	Max. 0.40%	Max. 0.40%
S	0%	0%	0%	Max. 0.80%	Max. 0.30%
V	0%	0%	0%	Max. 0.45%	Max. 0.30%
V2	0%	0%	0%	Max. 0.75%	Max. 0.30%
Z	0%	0%	0%	0%	Max. 0.30%

Specific charges associated with the LOCK Class mechanism: 0.10% per annum of the average net asset value. This fee is payable at the end of each quarter.

Outperformance fees

For each share class in the table below, the Management Company may be entitled to an outperformance fee calculated according to the "5Y Clawback" methodology defined in the section entitled *Costs and charges, Outperformance fees* in the Prospectus and based on the outperformance of the NAV in relation to the benchmark indicator as defined in the table below.

<table>
<tr><th>Class</th><th>Currency</th><th>ISIN</th><th>Provisioning rate</th><th>Benchmark</th><th>Methodology</th></tr>
<tr><td>I</td><td>USD</td><td>LU0133360163</td><td rowspan="7">20%</td><td rowspan="2">NASDAQ Biotechnology Index (Net Return)</td><td rowspan="7">5Y clawback</td></tr>
<tr><td>V</td><td>USD</td><td>LU0317020203</td></tr>
<tr><td>I-H</td><td>EUR</td><td>LU1006082199</td><td>NASDAQ Biotechnology Index (Net Return) Hedged in EUR*</td></tr>
<tr><td>I-H</td><td>CHF</td><td>LU2478813442</td><td>NASDAQ Biotechnology Index (Net Return) Hedged in CHF</td></tr>
<tr><td>I</td><td>EUR</td><td>LU1120766032</td><td>NASDAQ Biotechnology Index (Net Return) EUR</td></tr>
<tr><td>I</td><td>GBP</td><td>LU1269737059</td><td>NASDAQ Biotechnology Index (Net Return) GBP</td></tr>
</table>

* *The NASDAQ Biotechnology (Net Return) index, with the additional cost of hedging in euros such as calculated by the Management Company in accordance with the method used by the NASDAQ supplier to calculate the cost of the euro-dollar hedge on the NASDAQ 100 index.*

12. Net asset value calculation frequency: each Bank Business Day.

13. Subscription, redemption and conversion arrangements

	Subscriptions/Redemptions/Conversions
Cut-off	D at midday (Luxembourg time)
NAV date	D
Valuation date	D+1
Payment date	D+3

This Fact Sheet forms an integral part of the Prospectus dated 3 June 2024.

Fact Sheet

CANDRIAM EQUITIES L EMERGING MARKETS

This sub-fund is classified according to Article 8 of the SFDR Regulation, which means that it promotes environmental or social characteristics but does not have sustainable investment as its objective.

This Fact Sheet must be read in conjunction with the detailed information on the ESG characteristics of this sub-fund as described in the SFDR Annex.

1. Investment objective and investor profile

The objective of the sub-fund is to use discretionary management to benefit from the performance of the market in equities of companies which have their registered office and/or carry out their primary economic activity in emerging countries, and to outperform the benchmark.

This sub-fund may be appropriate for investors who wish to achieve this objective over a long investment holding period and who are aware of, understand and are able to bear the specific risks of the sub-fund as set out below and defined in the section entitled Risk factors in the Prospectus.

2. Investment policy

This sub-fund mainly invests its assets in equity-type securities issued by companies having their registered offices or carrying on the bulk of their business in emerging countries. These countries are characterised by an economic and financial system that is less developed than our own, but also by their long-term growth potential.

The sub-fund may hold, on an ancillary basis, the following financial instruments:

- Equities and/or securities equivalent to equities (in particular convertible bonds, warrants, investment certificates) of companies having their registered offices or carrying on the bulk of their business in countries other than emerging countries.
- Money market instruments having an outstanding maturity of less that 12 months.
- Deposits and/or cash, and
- UCIs and UCITS for a maximum of 10% of assets

The sub-fund takes into account an analysis of ESG criteria as set out in the Investment policy section of the Prospectus.

The discretionary approach is based on a fundamental analysis aiming to select the best companies according to five criteria: quality of management, growth potential, competitive advantage, value creation and indebtedness.

The analysis of companies' greenhouse gas emissions is taken into account, seeking a carbon footprint for the sub-fund which is below that of its benchmark. This analysis for issuing companies is applied to at least 75% of the sub-fund's investments, apart from deposits, cash and index derivatives.

The analysis of ESG criteria is also embedded in the financial management of the portfolio.

As the sub-fund invests in emerging markets, it is possible that the ESG analysis of the companies in the portfolio is not exhaustive.

The companies selected are those which are considered to be able to benefit the most from demographic, technological, macro-economic and development trends

The sub-fund seeks to exclude certain companies as described in the SFD Annex:

For more information about the ESG criteria, please see the Transparency Code which is available via the following link:
https://www.candriam.com/documents/candriam/article_205/en/document.pdf

Under certain conditions, the analysis and selection process may also be accompanied by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

For the purpose of good portfolio management, the sub-fund may use financial instruments and techniques such as options, futures, swaps and/or forwards.

Investors are warned that warrants and derivatives are more volatile than the underlying assets.

Investors should be aware that securities transaction settlement practices in emerging countries can be more risky than those of developed countries, partly because the SICAV will have to use brokers or counterparties that are far less capitalised and also because asset registration and custody can be unreliable in some countries. Settlement delays can cause the SICAV to lose investment opportunities due solely to the fact that the SICAV would simply not be in a position to freely dispose of the securities. In accordance with Luxembourg law, the Depositary remains responsible for selecting and supervising its choice of correspondent banks in various markets.

Investors should be aware that they assume a high level of risk given the uncertainties related to the economic and social policy in these countries and to the management policy of the companies whose shares are included in the portfolio. Moreover, in certain Eastern European countries, property law may be uncertain. **These characteristics may entail substantial volatility with regard to the securities, stock exchanges and currencies concerned and, consequently, with regard to the net asset value of the sub-fund.**

3. Efficient portfolio management techniques

The sub-fund will use securities lending transactions in a proportion which may vary between 0% and 25% of the net assets of the portfolio, and which may correspond to a maximum of 50% of the net assets of the portfolio, under certain market conditions.
In any case, these operations will only be carried out if market conditions allow to generate income for the sub-fund.
The sub-fund will not use reverse repurchase or repurchase agreements.

4. Benchmark

The sub-fund is actively managed and its investment approach implies a reference to a benchmark. The benchmark used does not explicitly take sustainability criteria into account.

Benchmark name	MSCI Emerging Markets (Net Return)
Benchmark definition	The index measures the performance of the large and mid capitalisation equity segment across emerging markets countries.

Use of the benchmark	- as an investment universe. In general, the financial instruments of the sub-fund are mostly contained in the index. However, investments outside the index are permitted, - in determining risk levels / parameters, - to compare performance, - to calculate the performance fee for some share classes. For share classes in currencies other than the currency of the sub-fund, another corresponding index may be used in order to calculate performance fees as applicable (see "Performance fee" below) and/or to compare performance
Divergence of portfolio composition from the benchmark	As the sub-fund is managed actively, it does not aim to invest in each component of the index nor to invest in the same proportions as the components of the index. In normal market conditions, the expected tracking error of the sub-fund will be large, namely above 4%. This measure is an estimation of the divergence of the sub-fund's performance compared to the performance of the benchmark. The greater the tracking error, the greater the deviations from the index. The actual tracking error depends in particular on market conditions (volatility and correlations between financial instruments) and may therefore differ from the expected tracking error.
Benchmark provider	MSCI Limited
	The benchmark index is provided by MSCI Limited which, since Brexit, is an entity which is covered by the transitional provision in Article 51(5) of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
	The Management Company has adopted robust written plans to cover the cases where the publication of the benchmark index has been stopped or where major changes in that benchmark have occurred. The Board of Directors of the SICAV, based on these plans, may choose another benchmark, if appropriate. Any such change of benchmark will be reflected in an updated Prospectus. Such plans are available free of charge, upon request, at the registered office of the Management Company.

5. Eligibility of the sub-fund

The sub-fund counts as an equity fund for the purposes of GITA, as defined in the section entitled *Taxation* in the Prospectus.

6. Risk factors specific to the sub-fund and risk management

6.1 Risk factors specific to the sub-fund

- Risk of capital loss
- Equity risk
- Foreign exchange risk
- Emerging countries risk
- Liquidity risk
- Risk associated with derivative financial instruments
- Risk associated with Chinese "A" equities

- Sustainability risk
- ESG investment risk
- Counterparty risk
- Risk of changes to the benchmark index by the index provider
- Risk related to external factors
- Hedging risk of the share classes

There is a general explanation of the various risk factors in section 8. Risk Factors in the Prospectus.

6.2 Risk management

The total derivatives exposure will be calculated according to the commitment approach set down in CSSF Circular 11/512.

7. Valuation currency of the sub-fund: EUR.

8. Form of the shares: registered shares only.

9. Share classes

- BF class, distribution, denominated in EUR **[LU1397645364]**
- BF class, capitalisation, denominated in EUR **[LU1904319164]**
- C class, capitalisation, denominated in EUR **[LU0056052961]**
- C class, distribution, denominated in EUR **[LU0056053001]**
- C class, capitalisation, denominated in USD [**LU1774692542**]
- C-H class, capitalisation, denominated in USD [**LU1293437023**]
- I class, capitalisation, denominated in EUR **[LU0133355080]**
- I class, distribution, denominated in EUR **[LU1269737562]**
- I class, capitalisation, denominated in GBP **[LU1269737489]**
- I-H class, capitalisation, denominated in USD **[LU1293437296]**
- I2 class, capitalisation, denominated in EUR [**LU2793359881**]
- I2 class, capitalisation, denominated in USD [**LU1774694167**]
- I2-H class, capitalisation, denominated in GBP **[LU1708111270]**
- LOCK class, capitalisation, denominated in EUR **[LU0574798921]**,
- N class, capitalisation, denominated in EUR **[LU0133352731]**
- P class, capitalisation, denominated in EUR **[LU0596238260]**
- P2 class, capitalisation, denominated in EUR **[LU2346220994]**
- R class, capitalisation, denominated in EUR **[LU0942226134]**
- R-H class, capitalisation, denominated in CHF **[LU1269737216]**
- R class, capitalisation, denominated in GBP **[**LU1269737307]
- R-H class, capitalisation, denominated in GBP [**LU1697008347**]
- R2 class, capitalisation, denominated in EUR [**LU1397645018**]
- R2 class, distribution, denominated in EUR [**LU1397645109**]
- V class, capitalisation, denominated in EUR **[LU0317020112]**
- V2 class, capitalisation, denominated in EUR **[LU1397645281]**
- V2 class, capitalisation, denominated in USD [**LU1774695990**]
- Z class, capitalisation, denominated in EUR **[LU0240980523]**

10. Minimum subscription

No minimum subscription is required for the different share classes except for the V, V2, P and P2 classes, for which the minimum initial subscription is EUR 15,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same Valuation Date.

11. Fees and charges

Classes	Fees and charges				
	Issue	Exit	Conversion	Portfolio management	Operational and administrative charges
BF	0%	0%	0%	Max. 0.30%	Max. 0.46%
C	Max. 3.5%	0%	Max. 2.50%	Max. 1.60%	Max. 0.55%
I	0%	0%	0%	Max. 0.75%	Max. 0.46%
I2	0%	0%	0%	Max. 1%	Max. 0.46%
LOCK	Max. 3.5%	0%	Max. 2.50%	Max. 1.60%	Max. 0.55%
N	0%	0%	0%	Max. 2%	Max. 0.55%
P	0%	0%	0%	Max. 0.45%	Max. 0.46%
P2	0%	0%	0%	Max. 0.45%	Max. 0.46%
R	Max. 3.5%	0%	0%	Max. 1%	Max. 0.55%
R2	Max. 3.5%	0%	Max. 2.50%	Max. 0.40%	Max. 0.55%
V	0%	0%	0%	Max. 0.45%	Max. 0.46%
V2	0%	0%	0%	Max. 0.75%	Max. 0.46%
Z	0%	0%	0%	0%	Max. 0.46%

Specific charges associated with the LOCK Class mechanism: 0.10% per annum of the average net asset value. This fee is payable at the end of each quarter.

Outperformance fee:

For each share class in the table below, the Management Company may be entitled to an outperformance fee calculated according to the "5Y Clawback" methodology defined in the section entitled *Costs and charges, Outperformance fees* in the Prospectus and based on the outperformance of the NAV in relation to the reference indicator ("benchmark") as defined in the table below.

<table>
<tr><th>Class</th><th>Currency</th><th>ISIN</th><th>Provisioning rate</th><th>Benchmark</th><th>Methodology</th></tr>
<tr><td>I</td><td>EUR</td><td>LU0133355080</td><td rowspan="5">20%</td><td rowspan="3">MSCI Emerging Markets (Net Return)</td><td rowspan="5">5Y clawback</td></tr>
<tr><td>I</td><td>EUR</td><td>LU1269737562</td></tr>
<tr><td>V</td><td>EUR</td><td>LU0317020112</td></tr>
<tr><td>I</td><td>GBP</td><td>LU1269737489</td><td>MSCI Emerging Markets (Net Return) GBP</td></tr>
<tr><td>I - H</td><td>USD</td><td>LU1293437296</td><td>MSCI Emerging Markets (Net Return) USD hedged</td></tr>
</table>

12. Net asset value calculation frequency: each Bank Business Day.

13. Subscription, redemption and conversion arrangements

	Subscriptions/Redemptions/Conversions
Cut-off	D-1 at midday (Luxembourg time)
NAV date	D
Valuation date	D
Payment date	D+2

This Fact Sheet forms an integral part of the Prospectus dated 3 June 2024.

Fact Sheet

CANDRIAM EQUITIES L EUROPE INNOVATION

This sub-fund is classified according to Article 8 of the SFDR Regulation, which means that it promotes environmental or social characteristics but does not have sustainable investment as its objective.

This Fact Sheet must be read in conjunction with the detailed information on the ESG characteristics of this sub-fund as described in the SFDR Annex.

1. Investment objective and investor profile

The objective of the sub-fund is to use discretionary management to benefit from the performance of the market in equities of companies showing evidence of strong and successful innovative capabilities which have their registered office and/or carry out the bulk of their business activities in Europe, and to outperform the benchmark index.

This sub-fund may be appropriate for investors who wish to achieve this objective over a long investment holding period and who are aware of, understand and are able to bear the specific risks of the sub-fund as set out below and defined in the section entitled Risk factors in the Prospectus.

2. Investment policy

This sub-fund invests primarily in equities and/or securities equivalent to equities issued by companies which have their registered office, and/or carry out the bulk of their business activities, in Europe.

The sub-fund may hold, on an ancillary basis, the following financial instruments:

- Equities and/or securities equivalent to equities other than those described above (in particular convertible bonds, warrants, investment certificates).
- Money market instruments having an outstanding maturity of less that 12 months.
- Deposits and/or cash, and
- UCIs and UCITS for a maximum of 10% of assets

The sub-fund takes into account an analysis of ESG criteria as set out in the Investment policy section of the Prospectus. In particular, the ESG analysis for issuing companies is applied to a minimum of 90% of the sub-fund's investments, apart from deposits, cash and index derivatives.

There are two strands in the selection of companies: an analysis of the ability to innovate and an analysis of financial quality.

The analysis of the ability to innovate identifies the most innovative companies in their sector. This includes, but is not limited to, product innovation, organisational innovation, marketing innovation, etc.
Bearing in mind that the engines of innovation differ from one sector to another, financial analysts tailor their analysis to the sector and select companies with a competitive advantage likely to create value.

The analysis of financial quality selects the best companies according to five criteria: quality of management, growth potential, competitive advantage, value creation and indebtedness.

The sub-fund selects companies on the basis of Candriam's ESG analysis, which assesses issuing companies from two distinct but related perspectives:

1) an analysis of each company's activities (products and services) to assess how its activities respond to the serious long-term challenges of sustainable development, in particular climate change, resource management and waste management, and

2) an analysis of the management of the essential stakeholders of each company, to assess how the companies integrate the interests of their stakeholders (customers, employees, suppliers, investors, society and the environment) into their strategies, their operations and the definition of their strategy.

The analysis of ESG criteria is embedded in the financial management of the portfolio. In this context, the sub-fund's ESG score is evaluated in comparison with that of the benchmark.

The analysis of companies' greenhouse gas emissions is taken into account, seeking a carbon footprint for the sub-fund which is below that of its benchmark.

The sub-fund also seeks to exclude certain companies as described in the SFDR Annex.

On the basis of the various analysis elements above (ESG analysis, breaches of the United Nations Global Compact, controversial activities), the analysed investment universe is reduced by at least 20%.

Under certain conditions, the analysis and selection process may also be accompanied by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

For the purpose of good portfolio management, the sub-fund may use financial instruments and techniques such as options, futures, swaps and/or forwards.

Investors are warned that warrants and derivatives are more volatile than the underlying assets.

For more information about the ESG criteria, please see the transparency code which is available via the following link:
https://www.candriam.com/documents/candriam/article_207/en/document.pdf

3. Benchmark

The sub-fund is actively managed and its investment approach implies a reference to a benchmark. The benchmark used does not explicitly take sustainability criteria into account.

Benchmark name	MSCI Europe (Net Return)
Benchmark definition	The index measures the performance of the large and mid capitalisation equity segment across developed markets in Europe.
Use of the benchmark	- as an investment universe. In general, the financial instruments of the sub-fund are mostly contained in the index. However, investments outside the index are permitted, - in determining risk levels / parameters, - to compare performance, - to calculate the performance fee for some share classes.

Divergence of portfolio composition from the benchmark	As the sub-fund is managed actively, it does not aim to invest in each component of the index nor to invest in the same proportions as the components of the index. In normal market conditions, the expected tracking error of the sub-fund will be large, namely above 4%. This measure is an estimation of the divergence of the sub-fund's performance compared to the performance of the benchmark. The greater the tracking error, the greater the deviations from the index. The actual tracking error depends in particular on market conditions (volatility and correlations between financial instruments) and may therefore differ from the expected tracking error.
Benchmark provider	MSCI Limited
	The benchmark index is provided by MSCI Limited which, since Brexit, is an entity which is covered by the transitional provision in Article 51(5) of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
	The Management Company has adopted robust written plans to cover the cases where the publication of the benchmark index has been stopped or where major changes in that benchmark have occurred. The Board of Directors of the SICAV, based on these plans, may choose another benchmark, if appropriate. Any such change of benchmark will be reflected in an updated Prospectus. Such plans are available free of charge, upon request, at the registered office of the Management Company.

4. Efficient portfolio management techniques

The sub-fund will use securities lending transactions in a proportion which may vary between 25% and 50% of the net assets of the portfolio, and which may correspond to a maximum of 50% of the net assets of the portfolio, under certain market conditions.
In any case, these operations will only be carried out if market conditions allow to generate income for the sub-fund.

The sub-fund will not use reverse repurchase or repurchase agreements.

5. Eligibility of the sub-fund

The sub-fund counts as an equity fund for the purposes of GITA, as defined in the section entitled *Taxation* in the Prospectus.

6. Risk factors specific to the sub-fund and risk management

6.1 Risk factors specific to the sub-fund

- Risk of capital loss
- Equity risk
- Foreign exchange risk
- Risk associated with derivative financial instruments
- Sustainability risk
- ESG investment risk
- Liquidity risk
- Concentration risk

- Counterparty risk
- Risk of changes to the benchmark index by the index provider
- Risk related to external factors
- Hedging risk of the share classes

There is a general explanation of the various risk factors in section 8. "Risk factors" in the Prospectus.

6.2 Risk management

The total derivatives exposure will be calculated according to the commitment approach set down in CSSF Circular 11/512.

7. Valuation currency of the sub-fund: EUR.

8. Form of the shares: registered shares only.

9. Share classes

- C class, capitalisation, denominated in EUR **[LU0344046155]**
- C class, distribution, denominated in EUR **[LU0344046239]**
- C-H class, capitalisation, denominated in USD [**LU1293437882**]
- I class, capitalisation, denominated in EUR **[LU0344046668]**
- I-H class, capitalisation, denominated in USD **[LU1293437965]**
- I2 class, capitalisation, denominated in EUR [**LU2793359964**]
- LOCK class, capitalisation, denominated in EUR **[LU0654531002**]
- N class, capitalisation, denominated in EUR **[LU0344046312]**
- R class, capitalisation, denominated in EUR **[LU1293438005]**
- R class, distribution, denominated in EUR **[LU2346866150]**
- R2 class, capitalisation, denominated in EUR [**LU1397646503**]
- R2 class, distribution, denominated in EUR [**LU1397646685**]
- S class, capitalisation, denominated in EUR [**LU2026683057**]
- S-H class, capitalisation, denominated in USD [**LU2226952955]**
- V class, capitalisation, denominated in EUR **[LU0344046403]**
- V2 class, capitalisation, denominated in EUR [**LU2026683131**]
- Z class, capitalisation, denominated in EUR **[LU0344046585]**
- Z class, distribution, denominated in EUR **[LU1397646768]**

10. Minimum subscription

No minimum subscription is required for the different share classes except for the following classes:

- **V and V2**, for which the minimum initial subscription is EUR 15,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same valuation date.

- **S**, for which the minimum initial subscription is EUR 40,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same valuation date.

11. Fees and charges

Classes	Fees and charges				
	Issue	Exit	Conversion	Portfolio management	Operational and administrative charges
C	Max. 3.5%	0%	Max. 2.50%	Max. 1.60%	Max. 0.40%
I	0%	0%	0%	Max. 0.75%	Max. 0.30%
I2	0%	0%	0%	Max. 0.90%	Max. 0.30%
LOCK	Max. 3.5%	0%	Max. 2.50%	Max. 1.60%	Max. 0.40%
N	0%	0%	0%	Max. 2%	Max. 0.40%
R	Max. 3.5%	0%	0%	Max. 0.85%	Max. 0.40%
R2	Max. 3.5%	0%	Max. 2.50%	Max. 0.40%	Max. 0.40%
S	0%	0%	0%	Max. 0.75%	Max. 0.30%
V	0%	0%	0%	Max. 0.45%	Max. 0.30%
V2	0%	0%	0%	Max. 0.75%	Max. 0.30%
Z	0%	0%	0%	0%	Max. 0.30%

Outperformance fee

For each share class in the table below, the Management Company may be entitled to an outperformance fee calculated according to the "5Y Clawback" methodology defined in the section entitled *Costs and charges, Outperformance fees* in the Prospectus and based on the outperformance of the NAV in relation to the reference indicator ("benchmark") as defined in the table below.

Class	Currency	ISIN	Provisioning rate	Benchmark	Methodology
I	EUR	LU0344046668	20%	MSCI Europe (Net Return)	5Y clawback
V	EUR	LU0344046403			
I – H	USD	LU1293437965		MSCI Europe (Net Return) USD hedged	

12. Net asset value calculation frequency: each Bank Business Day.

13. Subscription, redemption and conversion arrangements

	Subscriptions/Redemptions/Conversions
Cut-off	D at midday (Luxembourg time)
NAV date	D
Valuation date	D+1
Payment date	D+3

This Fact Sheet forms an integral part of the Prospectus dated 3 June 2024.

Fact Sheet

CANDRIAM EQUITIES L EUROPE OPTIMUM QUALITY

This sub-fund is classified according to Article 8 of the SFDR Regulation, which means that it promotes environmental or social characteristics but does not have sustainable investment as its objective.

This Fact Sheet must be read in conjunction with the detailed information on the ESG characteristics of this sub-fund as described in the SFDR Annex.

1. Investment objective and investor profile

The objective of the sub-fund is to use combined discretionary and quantitative management to benefit from the performance of the market in equities of companies which have their registered office, and/or carry out the bulk of their business activities, in Europe
The sub-fund also aims to reduce volatility and to partially hedge the risk of underperformance compared to the benchmark.

This sub-fund may be appropriate for investors who wish to achieve this objective over a long investment holding period and who are aware of, understand and are able to bear the specific risks of the sub-fund as set out below and defined in the section entitled Risk factors in the Prospectus.

2. Investment policy

This sub-fund invests primarily in equities and/or securities equivalent to equities issued by companies which have their registered office, and/or carry out the bulk of their business activities, in Europe.

The sub-fund may hold, on an ancillary basis, the following financial instruments:
- Equities and/or securities equivalent to equities other than those described above.
- Money market instruments having an outstanding maturity of less that 12 months.
- Deposits and/or cash, and
- UCIs and UCITS for a maximum of 10% of assets

The sub-fund takes into account an analysis of ESG criteria as set out in the Investment policy section of the Prospectus. In particular, the ESG analysis for issuing companies is applied to a minimum of 90% of the sub-fund's investments, apart from deposits, cash and index derivatives.

Portfolio management combines a quantitative and a discretionary approach.

The quantitative approach consists in optimising the portfolio to minimise volatility in respect of the benchmark, using options in particular.

The discretionary approach is based on a fundamental analysis aiming to select the best companies according to five criteria: quality of management, growth potential, competitive advantage, value creation and indebtedness.

As such, the sub-fund selects companies on the basis of Candriam's ESG analysis, which assesses issuing companies from two distinct but related perspectives:

1) an analysis of each company's activities (products and services) to assess how its activities respond to the serious long-term challenges of sustainable development, in particular climate change, resource management and waste management, and

2) an analysis of the management of the essential stakeholders of each company, to assess how the companies integrate the interests of their stakeholders (customers, employees, suppliers, investors, society and the environment) into their strategies, their operations and the definition of their strategy.

The analysis of ESG criteria is embedded in the financial management of the portfolio. In this context, the sub-fund's ESG score is evaluated in comparison with that of the benchmark.

The analysis of companies' greenhouse gas emissions is taken into account, seeking a carbon footprint for the sub-fund which is below that of its benchmark.

The sub-fund also seeks to exclude certain companies as described in the SFDR Annex.

On the basis of the various analysis elements above (ESG analysis, breaches of the United Nations Global Compact, controversial activities), the analysed investment universe is reduced by at least 20%.

Under certain conditions, the analysis and selection process may also be accompanied by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

For the purpose of good portfolio management, the sub-fund may use financial instruments and techniques such as options, futures, swaps and/or forwards.

Investors are warned that warrants and derivatives are more volatile than the underlying assets.

For more information about the ESG criteria, please see the transparency code which is available via the following link:
https://www.candriam.com/documents/candriam/article_207/en/document.pdf

3. Efficient portfolio management techniques

The sub-fund will use securities lending transactions in a proportion which may vary between 25% and 50% of the net assets of the portfolio, and which may correspond to a maximum of 50% of the net assets of the portfolio, under certain market conditions.
In any case, these operations will only be carried out if market conditions allow to generate income for the sub-fund.

The sub-fund will not use reverse repurchase or repurchase agreements.

4. Benchmark

The sub-fund is actively managed and its investment approach implies a reference to a benchmark. The benchmark used does not explicitly take sustainability criteria into account.

Benchmark name	MSCI Europe (Net Return)
Benchmark definition	The index measures the performance of the large and mid capitalisation equity segment across developed markets in Europe.
Use of the benchmark	- as an investment universe. In general, the financial instruments of the sub-fund are mostly contained in the index. However, investments outside the index are permitted, - in determining risk levels / parameters, - to compare performance, - to calculate the performance fee for some share classes.

Divergence of portfolio composition from the benchmark	As the sub-fund is managed actively, it does not aim to invest in each component of the index nor to invest in the same proportions as the components of the index. In normal market conditions, the expected tracking error of the sub-fund will be large, namely above 4%. This measure is an estimation of the divergence of the sub-fund's performance compared to the performance of the benchmark. The greater the tracking error, the greater the deviations from the index. The actual tracking error depends in particular on market conditions (volatility and correlations between financial instruments) and may therefore differ from the expected tracking error.
Benchmark provider	MSCI Limited
	The benchmark index is provided by MSCI Limited which, since Brexit, is an entity which is covered by the transitional provision in Article 51(5) of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
	The Management Company has adopted robust written plans to cover the cases where the publication of the benchmark index has been stopped or where major changes in that benchmark have occurred. The Board of Directors of the SICAV, based on these plans, may choose another benchmark, if appropriate. Any such change of benchmark will be reflected in an updated Prospectus. Such plans are available free of charge, upon request, at the registered office of the Management Company.

5. Eligibility of the sub-fund

The sub-fund counts as an equity fund for the purposes of GITA, as defined in the section entitled *Taxation* in the Prospectus.

6. Risk factors specific to the sub-fund and risk management

6.1 Risk factors specific to the sub-fund

- Risk of capital loss
- Equity risk
- Foreign exchange risk
- Concentration risk
- Risk associated with derivative financial instruments
- Counterparty risk
- Sustainability risk
- ESG investment risk
- Liquidity risk
- Model risk
- Volatility risk
- Risk of changes to the benchmark index by the index provider
- Risk related to external factors

There is a general explanation of the various risk factors in section 8. "Risk factors" in the Prospectus.

6.2 Risk management

The total derivatives exposure will be calculated according to the commitment approach set down in CSSF Circular 11/512.

7. **Valuation currency of the sub-fund:** EUR

8. **Payment currency of subscriptions, conversions and redemptions**: EUR

9. **Form of the shares:** registered shares only.

10. **Share classes**

- C class, capitalisation, denominated in EUR **[LU0304859712]**
- C class, distribution, denominated in EUR **[LU0304860058]**
- I class, capitalisation, denominated in EUR **[LU0304860645]**
- I class, distribution, denominated in EUR **[LU1269737729]**
- I2 class, capitalisation, denominated in EUR [**LU2793360038**]
- LOCK class, capitalisation, denominated in EUR **[LU0574799226]**
- N class, capitalisation, denominated in EUR **[LU0304860561]**
- R class, capitalisation, denominated in EUR **[LU1293438187]**
- R2 class, capitalisation, denominated in EUR [**LU1397646842**]
- R2 class, distribution, denominated in EUR [**LU1397646925**]
- V class, capitalisation, denominated in EUR **[LU0317019536]**
- V2 class, capitalisation, denominated in EUR [**LU2026683214**]
- Z class, capitalisation, denominated in EUR **[LU0317112661]**
- Z class, distribution, denominated in EUR **[LU1397647063]**

11. **Minimum subscription**

No minimum subscription is required for the different share classes except for the V and V2 classes, for which the minimum initial subscription is EUR 15,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same Valuation Date.

12. **Fees and charges**

Classes	Fees and charges				
	Issue	Exit	Conversion	Portfolio management	Operational and administrative charges
C	Max. 3.5%	0%	Max. 2.50%	Max. 1.60%	Max. 0.40%
I	0%	0%	0%	Max. 0.75%	Max. 0.30%
I2	0%	0%	0%	Max. 0.90%	Max. 0.30%
LOCK	Max. 3.5%	0%	Max. 2.50%	Max. 1.60%	Max. 0.40%
N	0%	0%	0%	Max. 2%	Max. 0.40%
R	Max. 3.5%	0%	0%	Max. 0.85%	Max. 0.40%
R2	Max. 3.5%	0%	Max. 2.50%	Max. 0.40%	Max. 0.40%
V	0%	0%	0%	Max. 0.45%	Max. 0.30%
V2	0%	0%	0%	Max. 0.75%	Max. 0.30%
Z	0%	0%	0%	0%	Max. 0.30%

Outperformance fee

For each share class in the table below, the Management Company may be entitled to an outperformance fee calculated according to the "5Y Clawback" methodology defined in the section entitled *Costs and charges, Outperformance fees* in the Prospectus and based on the outperformance of the NAV in relation to the reference indicator ("benchmark") as defined in the table below.

Class	Currency	ISIN	Provisioning rate	Benchmark	Methodology
I	EUR	LU0304860645	20%	MSCI Europe (Net Return)	5Y clawback
I	EUR	LU1269737729			
V	EUR	LU0317019536			

13. Net asset value calculation frequency: each Bank Business Day.

14. Subscription, redemption and conversion arrangements

	Subscriptions/Redemptions/Conversions
Cut-off	D at midday (Luxembourg time)
NAV date	D
Valuation date	D+1
Payment date	D+3

This Fact Sheet forms an integral part of the Prospectus dated 3 June 2024.

Fact Sheet

CANDRIAM EQUITIES L GLOBAL DEMOGRAPHY

This sub-fund is classified according to Article 8 of the SFDR Regulation, which means that it promotes environmental or social characteristics but does not have sustainable investment as its objective.

This Fact Sheet must be read in conjunction with the detailed information on the ESG characteristics of this sub-fund as described in the SFDR Annex.

1. Investment objective and investor profile

The objective of the sub-fund is to use discretionary management to benefit from the performance of the market in equities of global companies benefiting from demographic changes and to outperform the benchmark.

This sub-fund may be appropriate for investors who wish to achieve this objective over a long investment holding period and who are aware of, understand and are able to bear the specific risks of the sub-fund as set out below and defined in the section entitled Risk factors in the Prospectus.

2. Investment policy

This sub-fund invests mainly in equities, and/or securities equivalent to equities, of companies from developed countries and/or emerging countries, which are considered to be well-positioned to benefit from the global demographic changes expected in the coming years and which will have a major impact on the worldwide economy.
The sub-fund is defined as a conviction fund.

The sub-fund may hold, on an ancillary basis, the following financial instruments:

- Equities and/or securities equivalent to equities other than those described above (and in particular equities of companies in emerging countries, convertible bonds, warrants, investment certificates).
- Money market instruments having an outstanding maturity of less that 12 months.
- Deposits and/or cash, and
- UCIs and UCITS for a maximum of 10% of assets

The sub-fund takes into account an analysis of ESG criteria as set out in the Investment policy section of the Prospectus.

The asset manager takes into consideration the various aspects of these demographic changes, notably:

- The growth in the world population which is likely to produce growing demand for raw materials, energy and foodstuffs;

- The growing trend towards urbanisation and the generalisation of well-being in emerging countries which gives rise to the concept of the "global consumer". The sub-fund's investments may therefore include companies in the luxury goods, tourism and technologies sectors,

- The gradual ageing of the population in developed countries, and also increasingly in emerging markets, and its correlation with healthcare costs. The sub-fund's investments may include pharmaceutical companies and the biotechnology and medical equipment sectors.

Investment is in both cyclical sectors and in more defensive sectors such as healthcare. The asset manager decides on the optimum balance between these two components in order to optimise the yield based on the world growth predictions and the position of the stock markets.

The analysis of companies' greenhouse gas emissions is taken into account, seeking a carbon footprint for the sub-fund which is below that of its benchmark. This analysis for issuing companies is applied to at least 90% of the sub-fund's investments, apart from deposits, cash and index derivatives.
The analysis of ESG criteria is also embedded in the financial management of the portfolio.

The sectors mentioned above do not in any way constitute an exhaustive list because demographic changes will influence many other sectors and companies. The common denominator of the sub-fund's investments will be continuous growth in world consumption and the demand arising from this.

As the growth in the world population may also engender various controversies, the asset manager will rule out some companies that do not meet certain ethical rules. This will not, however, have any influence on the weighting allocated to certain sectors.

The sub-fund seeks to exclude certain companies as described in the SFDR Annex.

Under certain conditions, the analysis and selection process may also be accompanied by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

For the purpose of good portfolio management, the sub-fund may use financial instruments and techniques such as options, futures, swaps and/or forwards.

Investors are warned that warrants and derivatives are more volatile than the underlying assets.

For more information about the ESG criteria, please see the Transparency Code which is available via the following link:
https://www.candriam.com/documents/candriam/article_208/en/document.pdf

3. Efficient portfolio management techniques

The sub-fund will use securities lending transactions in a proportion which may vary between 0% and 25% of the net assets of the portfolio, and which may correspond to a maximum of 50% of the net assets of the portfolio, under certain market conditions.
In any case, these operations will only be carried out if market conditions allow to generate income for the sub-fund.

The sub-fund will not use reverse repurchase or repurchase agreements.

4. Benchmark

The sub-fund is actively managed and its investment approach implies a reference to a benchmark. The benchmark used does not explicitly take sustainability criteria into account.

Benchmark name	MSCI World (Net Return)
Benchmark definition	The index measures the performance of the large and mid capitalisation equity segment across developed markets countries.

Use of the benchmark	- as an investment universe. In general, the financial instruments of the sub-fund are mostly contained in the index. However, investments outside the index are permitted, - in determining risk levels / parameters, - to compare performance, - to calculate the performance fee for some share classes.
Divergence of portfolio composition from the benchmark	As the sub-fund is managed actively, it does not aim to invest in each component of the index nor to invest in the same proportions as the components of the index. In normal market conditions, the expected tracking error of the sub-fund will be moderate to large, namely between 2% and 6%. This measure is an estimation of the divergence of the sub-fund's performance compared to the performance of the benchmark. The greater the tracking error, the greater the deviations from the index. The actual tracking error depends in particular on market conditions (volatility and correlations between financial instruments) and may therefore differ from the expected tracking error.
Benchmark provider	MSCI Limited
	The benchmark index is provided by MSCI Limited which, since Brexit, is an entity which is covered by the transitional provision in Article 51(5) of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
	The Management Company has adopted robust written plans to cover the cases where the publication of the benchmark index has been stopped or where major changes in that benchmark have occurred. The Board of Directors of the SICAV, based on these plans, may choose another benchmark, if appropriate. Any such change of benchmark will be reflected in an updated Prospectus. Such plans are available free of charge, upon request, at the registered office of the Management Company.

5. Eligibility of the sub-fund

The sub-fund counts as an equity fund for the purposes of GITA, as defined in the section entitled *Taxation* in the Prospectus.

6. Risk factors specific to the sub-fund and risk management

6.1 Risk factors specific to the sub-fund

- Risk of capital loss
- Equity risk
- Foreign exchange risk
- Risk associated with derivative financial instruments
- Sustainability risk
- ESG investment risk
- Liquidity risk
- Counterparty risk
- Emerging countries risk
- Risk of changes to the benchmark index by the index provider

- Risk related to external factors

There is a general explanation of the various risk factors in section 8. "Risk factors" in the Prospectus.

6.2 Risk management

The total derivatives exposure will be calculated according to the commitment approach set down in CSSF Circular 11/512.

7. Valuation currency of the sub-fund: EUR.

8. Form of the shares: registered shares only.

9. Share classes

- C class, capitalisation, denominated in EUR **[LU0654531184]**
- C class, distribution, denominated in EUR **[LU0654531267]**
- I class, capitalisation, denominated in EUR **[LU0654531341]**
- I class, capitalisation, denominated in USD **[LU2328285445]**
- I2 class, capitalisation, denominated in EUR [**LU2793360111**]
- LOCK class, capitalisation, denominated in EUR **[LU0654531697]**
- N class, capitalisation, denominated in EUR **[LU0654531424]**
- R class, capitalisation, denominated in EUR [**LU1598288089**]
- R2 class, capitalisation, denominated in EUR **[LU1397647733]**
- R2 class, distribution, denominated in EUR [LU**1397647816**]
- V2 class, capitalisation, denominated in EUR [**LU2346220564**]
- V2 class, capitalisation, denominated in USD [**LU2439121216**]
- Z class, capitalisation, denominated in EUR **[LU1397647907]**
- Z class, distribution, denominated in EUR **[LU1397648038]**

10. Minimum subscription

No minimum subscription is required for the different share classes **except for the V2 class**, for which the minimum initial subscription is EUR 15,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same Valuation Date.

11. Fees and charges

Classes	Fees and charges				
	Issue	Exit	Conversion	Portfolio management	Operational and administrative charges
C	Max. 3.5%	0%	Max. 2.50%	Max. 1.60%	Max. 0.40%
I	0%	0%	0%	Max. 0.75%	Max. 0.30%
I2	0%	0%	0%	Max. 0.90%	Max. 0.30%
LOCK	Max. 3.5%	0%	Max. 2.50%	Max. 1.60%	Max. 0.40%
N	0%	0%	0%	Max. 2%	Max. 0.40%
R	Max. 3.5%	0%	0%	Max. 0.85%	Max. 0.40%
R2	Max. 3.5%	0%	Max. 2.50%	Max. 0.40%	Max. 0.40%
V2	0%	0%	0%	Max. 0.75%	Max. 0.30%
Z	0%	0%	0%	0%	Max. 0.30%

Specific charges associated with the LOCK Class mechanism: 0.10% per annum of the average net asset value. This fee is payable at the end of each quarter.

Outperformance fee

For each share class in the table below, the Management Company may be entitled to an outperformance fee calculated according to the "5Y Clawback" methodology defined in the section entitled *Costs and charges, Outperformance fees* in the Prospectus and based on the outperformance of the NAV in relation to the reference indicator ("benchmark") as defined in the table below.

Class	Currency	ISIN	Provisioning rate	Benchmark	Methodology
I	EUR	LU0654531341	20%	MSCI World (Net Return)	5Y clawback
I	USD	LU2328285445		MSCI World (Net Return) in USD	

12. Net asset value calculation frequency: each Bank Business Day.

13. Subscription, redemption and conversion arrangements

	Subscriptions/Redemptions/Conversions
Cut-off	D at midday (Luxembourg time)
NAV date	D
Valuation date	D+1
Payment date	D+3

This Fact Sheet forms an integral part of the Prospectus dated 3 June 2024.

Fact Sheet

CANDRIAM EQUITIES L LIFE CARE

This sub-fund is classified according to Article 8 of the SFDR Regulation, which means that it promotes environmental or social characteristics but does not have sustainable investment as its objective.

This Fact Sheet must be read in conjunction with the detailed information on the ESG characteristics of this sub-fund as described in the SFDR Annex.

1. Investment objective and investor profile

The objective of the sub-fund is to benefit from the performance of the markets in equities of companies active in the pharmaceuticals, healthcare, medical technologies and biotechnology sectors, by investing in stocks of companies selected by the asset manager on the basis of their expected return, and to outperform the benchmark.

This sub-fund may be appropriate for investors who wish to achieve this objective over a long investment holding period and who are aware of, understand and are able to bear the specific risks of the sub-fund as set out below and defined in the section entitled Risk factors in the Prospectus.

2. Investment policy

This sub-fund invests primarily in equities, and/or securities equivalent to equities, of companies throughout the world which are active in the pharmaceuticals, healthcare, medical technologies and biotechnology sectors. It may also invest in companies with a high proportion of sales achieved from health condition improvement products or services.

Attractively valued securities are selected on the basis of essentially scientific criteria, according to market fundamentals.

The sub-fund may hold, on an ancillary basis, financial instruments other than those described above, namely:

- Equities and/or transferable securities equivalent to equities other than those described above (in particular convertible bonds, investment certificates, etc.);
- Money market instruments;
- Deposits and/or cash.
- UCIs and UCITS for a maximum of 10% of assets

The sub-fund takes into account an analysis of ESG criteria as set out in the *Investment policy* section of the Prospectus. This analysis for issuing companies is applied to at least 90% of the sub-fund's investments, apart from deposits, cash and index derivatives.

The discretionary approach is based on a fundamental analysis aiming to select the best companies according to five criteria: quality of management, growth potential, competitive advantage, value creation and indebtedness.

The analysis of ESG criteria is also embedded in the financial management of the portfolio.
In this context, the sub-fund's ESG score is evaluated in comparison with that of the benchmark, seeking to achieve a better score than the benchmark.

The sub-fund seeks to exclude certain companies as described in the SFDR Annex.

Under certain conditions, the analysis and selection process may also be accompanied by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

The sub-fund may also make use of derivative financial instruments on regulated and/or over-the-counter markets (especially swaps, forwards, options or futures) for the purpose hedging and/or exposure.

The underlyings of these derivative financial instruments can be currencies, equities, equities indices and volatility.

Investors are warned that derivatives are more volatile than the underlying assets.

For more information about the ESG criteria, please see the Transparency Code which is available via the following link:
https://www.candriam.com/documents/candriam/article_205/en/document.pdf

3. Efficient portfolio management techniques

The sub-fund will use securities lending transactions in a proportion which may vary between 25% and 50% of the net assets of the portfolio, and which may correspond to a maximum of 50% of the net assets of the portfolio, under certain market conditions.
In any case, these operations will only be carried out if market conditions allow to generate income for the sub-fund.

The sub-fund will not use reverse repurchase or repurchase agreements.

4. Benchmark

The sub-fund is actively managed and its investment approach implies a reference to a benchmark. The benchmark used does not explicitly take sustainability criteria into account.

Benchmark name	MSCI World (Net Return)
Benchmark definition	The index measures the performance of the large and mid capitalisation equity segment across developed markets countries.
Use of the benchmark	- as an investment universe. In general, the financial instruments of the sub-fund are mostly contained in the index. However, investments outside the index are permitted, - in determining risk levels / parameters, - to compare performance.
Divergence of portfolio composition from the benchmark	As the sub-fund is managed actively, it does not aim to invest in each component of the index nor to invest in the same proportions as the components of the index. In normal market conditions, the expected tracking error of the sub-fund will be large, namely above 4%. This measure is an estimation of the divergence of the sub-fund's performance compared to the performance of the benchmark. The greater the tracking error, the greater the deviations from the index. The actual tracking error depends in particular on market conditions (volatility and correlations between financial instruments) and may therefore differ from the expected tracking error.

Benchmark provider	MSCI Limited
	The benchmark index is provided by MSCI Limited which, since Brexit, is an entity which is covered by the transitional provision in Article 51(5) of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
	The Management Company has adopted robust written plans to cover the cases where the publication of the benchmark index has been stopped or where major changes in that benchmark have occurred. The Board of Directors of the SICAV, based on these plans, may choose another benchmark, if appropriate. Any such change of benchmark will be reflected in an updated Prospectus. Such plans are available free of charge, upon request, at the registered office of the Management Company.

5. Eligibility of the sub-fund

The sub-fund counts as an equity fund for the purposes of GITA, as defined in the section entitled *Taxation* in the Prospectus.

6. Risk factors specific to the sub-fund and risk management

6.1 Risk factors specific to the sub-fund

- Risk of capital loss
- Equity risk
- Foreign exchange risk
- Concentration risk
- Risk associated with derivative financial instruments
- Sustainability risk
- ESG investment risk
- Liquidity risk
- Counterparty risk
- Emerging countries risk
- Risk of changes to the benchmark index by the index provider
- Risk related to external factors
- Hedging risk of the share classes

There is a general explanation of the various risk factors in section 8. "Risk factors" in the Prospectus.

6.2 **Risk management**

The total derivatives exposure will be calculated according to the commitment approach set down in CSSF Circular 11/512.

7. Valuation currency of the sub-fund: USD

8. Form of the shares: registered shares only.

9. Share classes

- BF class, capitalisation, denominated in USD [**LU2223682787**]
- BF class, distribution, denominated in USD [**LU2223682860**]
- C class, capitalisation, denominated in USD [**LU2223680658**]
- C class, distribution, denominated in USD [**LU2223680732**]
- C class, capitalisation, denominated in EUR [**LU2346866663**]
- C-H class, capitalisation, denominated in EUR [**LU2346866747**]
- I class, capitalisation, denominated in USD [**LU2223680815**]
- I class, distribution, denominated in USD [**LU2223680906**]
- I class, capitalisation, denominated in GBP [**LU2223681037**]
- I-H class, capitalisation, denominated in GBP [**LU2223681110**]
- I-H class, capitalisation, denominated in EUR [**LU2346866820**]
- I-H class, distribution, denominated in EUR [**LU2346867042**]
- I class, capitalisation, denominated in EUR [**LU2346867125**]
- I class, distribution, denominated in EUR [**LU2346867398**]
- N class, capitalisation, denominated in USD [**LU2346220721**]
- N class, capitalisation, denominated in EUR [**LU2346220648**]
- PI class, capitalisation, denominated in USD [**LU2223682191**]
- R class, capitalisation, denominated in USD [**LU2223681201**]
- R class, distribution, denominated in USD [**LU2223681383**]
- R class, capitalisation, denominated in EUR [**LU2223681466**]
- R-H class, capitalisation, denominated in EUR [**LU2223681540**]
- R class, capitalisation, denominated in GBP [**LU2223681623**]
- R2 class, capitalisation, denominated in USD [**LU2223681896**]
- R2 class, distribution, denominated in USD [**LU2223681979**]
- V class, capitalisation, denominated in USD [**LU2223682274**]
- Z class, capitalisation, denominated in USD [**LU2223682357**]
- Z class, distribution, denominated in USD [**LU2223682431**]
- Z class, capitalisation, denominated in EUR [**LU2223682605**]

10. Minimum subscription

No minimum subscription is required for the different share classes except for the following classes:

- **PI**, for which the minimum initial subscription is the USD equivalent of EUR 1,000,000, or (as decided by the Board of Directors) EUR 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.

- **V**, for which the minimum initial subscription is the USD equivalent of EUR 15,000,000 or (as decided by the Board of Directors) EUR 15,000,000 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.

11. Fees and charges

Classes	Fees and charges				
	Issue	Exit	Conversion	Portfolio management	Operational and administrative charges
BF	0%	0%	0%	Max. 0.30%	Max. 0.30%
C	Max. 3.5%	0%	Max. 2.50%	Max. 1.50%	Max. 0.40%
I	0%	0%	0%	Max. 0.80%	Max. 0.30%
N	0%	0%	0%	Max. 2%	Max. 0.40%
PI	0%	0%	0%	Max. 0.40%	Max. 0.30%
R	Max. 3.5%	0%	0%	Max. 0.80%	Max. 0.40%
R2	Max. 3.5%	0%	Max. 2.50%	Max. 0.40%	Max. 0.40%
V	0%	0%	0%	Max. 0.48%	Max. 0.30%
Z	0%	0%	0%	0%	Max. 0.30%

12. Net asset value calculation frequency: each Bank Business Day.

13. Subscription, redemption and conversion arrangements

	Subscriptions/Redemptions/Conversions
Cut-off	D at midday (Luxembourg time)
NAV date	D
Valuation date	D+1
Payment date	D+3

This Fact Sheet forms an integral part of the Prospectus dated 3 June 2024.

Fact Sheet

CANDRIAM EQUITIES L META GLOBE

This sub-fund is classified according to Article 8 of the SFDR Regulation, which means that it promotes environmental or social characteristics but does not have sustainable investment as its objective.

This Fact Sheet must be read in conjunction with the detailed information on the ESG characteristics of this sub-fund as described in the SFDR Annex.

1. Investment objective and investor profile

The objective of the sub-fund is to enable shareholders to benefit from the growth potential of global equities of companies which have a clear association with the metaverse, primarily due to their technological relevance and/or their stated intention to integrate the metaverse into their business model, and to outperform the benchmark. The companies are selected by the management team on a discretionary basis.

In addition, the sub-fund seeks to have positive long term impacts on the environment and social areas.

This sub-fund may be appropriate for investors who wish to achieve this objective over a long investment holding period and who are aware of, understand and are able to bear the specific risks of the sub-fund as set out below and defined in the section entitled Risk factors in the Prospectus.

2. Investment policy

This sub-fund will invest primarily in equities – and/or securities equivalent to equities – of companies throughout the world which have a clear association with the metaverse, primarily due to their technological relevance and/or their stated intention to integrate the metaverse into their business model.

The metaverse is a virtual world which can be thought of as a real-time merger of the physical world with a digital world generated by a computer, where an unlimited number of users can create, interact, travel, consume, work, etc.

In the metaverse, users can discover content and services created and used by a wide range of contributors, enabling them to perform transactions within a virtual economy.

Combining the physical and digital worlds in this way opens the door to many new applications in the consumer market as well as the industrial sector. (e.g.: crypto platform, block chain technology, design/simulation software, social media, cloud infrastructure, virtual/augmented reality, digital twins, education, entertainment apps,..).

This sub-fund is defined as a conviction fund: management of this sub-fund is based on the careful selection of a limited number of equities issued by companies of any capitalisation.

The sub-fund may hold, on an ancillary basis, the following financial instruments:
- Securities other than those described above
- Money market instruments;
- Deposits and/or cash, and
- UCIs and UCITS for a maximum of 10% of assets

The sub-fund takes into account an analysis of ESG criteria as set out in the Investment policy section of the Prospectus.

Securities are picked based on two pillars: a given theme and a fundamental analysis:

Thematic selection

Companies are selected on the basis of their clear association with the metaverse, primarily due to their technological relevance and/or their stated intention to integrate the metaverse into their business model.

Fundamental analysis

Companies are selected according to five criteria relating to financial quality:
- Quality of management (governance, stakeholder relations*, stability and reliability of management, transparency, etc.),
- Growth (is the company growing faster than the market, do its activities take account of the constraints and opportunities associated with the main challenges of sustainable development*),
- Competitive advantage (better offering than the competition, barriers to entry, unique added value),
- Value creation (profitability),
- Financial leverage (reasonable debt ratio compared to the sector norm).

* : lowest score from the developed ESG analysis.

The analysis of companies' greenhouse gas emissions is taken into account in order to evaluate a carbon footprint for the sub-fund in relation to that of its benchmark. This analysis for issuing companies is applied to at least 90% of the sub-fund's investments, apart from deposits, cash and index derivatives.

The analysis of ESG criteria is also embedded in the financial management of the portfolio. In this context, the sub-fund's ESG score is evaluated in comparison with that of the benchmark.

The sub-fund seeks to exclude certain companies as described in the SFDR Annex.

Under certain conditions, the analysis and selection process may also be accompanied by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

For the purpose of good portfolio management, the sub-fund may use financial instruments and techniques such as options, futures and/or forwards. Investors are warned that warrants and derivatives are more volatile than the underlying assets.

For more information about the ESG criteria, please see the Transparency Code which is available via the following link:
https://www.candriam.com/documents/candriam/article_208/en/document.pdf

3. Efficient portfolio management techniques

The sub-fund will use securities lending transactions in a proportion which may vary between 25% and 50% of the net assets of the portfolio, and which may correspond to a maximum of 75% of the net assets of the portfolio, under certain market conditions.
In any case, these operations will only be carried out if market conditions allow to generate income for the sub-fund.

The sub-fund will not use reverse repurchase or repurchase agreements.

4. Benchmark

The sub-fund is actively managed and its investment approach implies a reference to a benchmark. The benchmark used does not explicitly take sustainability criteria into account.

There is no EU "climate transition" benchmark or "Paris"-aligned benchmark or any other sustainable benchmark that takes full account of the sustainability aspects and the investment strategy described in this Prospectus.

Benchmark name	MSCI ACWI (All Countries World Index)
Benchmark definition	The index measures the performance of the large and mid capitalisation equity segment across developed and emerging markets worldwide.
Use of the benchmark	- as an investment universe. In general, the financial instruments of the sub-fund are mostly contained in the index. However, investments outside the index are permitted, - in determining risk levels / parameters, - to compare performance.
Divergence of portfolio composition from the benchmark	As the sub-fund is managed actively, it does not aim to invest in each component of the index nor to invest in the same proportions as the components of the index. In normal market conditions, the expected tracking error of the sub-fund will be large, namely above 4%. This measure is an estimation of the divergence of the sub-fund's performance compared to the performance of the benchmark. The greater the tracking error, the greater the deviations from the index. The actual tracking error depends in particular on market conditions (volatility and correlations between financial instruments) and may therefore differ from the expected tracking error.
Benchmark provider	MSCI Limited
	The benchmark index is provided by MSCI Limited which, since Brexit, is an entity which is covered by the transitional provision in Article 51(5) of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
	The Management Company has adopted robust written plans to cover the cases where the publication of the benchmark index has been stopped or where major changes in that benchmark have occurred. The Board of Directors of the SICAV, based on these plans, may choose another benchmark, if appropriate. Any such change of benchmark will be reflected in an updated Prospectus. Such plans are available free of charge, upon request, at the registered office of the Management Company.

5. Eligibility of the sub-fund

The sub-fund counts as an equity fund for the purposes of GITA, as defined in the section entitled Taxation in the Prospectus.

6. Risk factors specific to the sub-fund and risk management

6.1. Risk factors specific to the sub-fund

- Risk of capital loss
- Equity risk
- Foreign exchange risk
- Liquidity risk
- Concentration risk
- Risk associated with derivative financial instruments
- Emerging countries risk
- Sustainability risk
- ESG investment risk
- Counterparty risk
- Risk associated with Chinese "A" equities
- Risk of changes to the benchmark index by the index provider
- Risk related to external factors
- Hedging risk of the share classes

There is a general explanation of the various risk factors in section 8. "Risk factors" in the Prospectus.

6.2. Risk management

The total derivatives exposure will be calculated according to the commitment approach set down in CSSF Circular 11/512.

7. Valuation currency of the sub-fund: USD

8. Form of the shares: registered shares only

9. Share classes

- BF class, capitalisation, denominated in EUR [**LU2476791202**]
- BF class, distribution, denominated in EUR [**LU2476793323**]
- C class, capitalisation, denominated in USD **[LU2476793240]**
- C class, distribution, denominated in USD **[LU2476793166]**
- C-H class, capitalisation, denominated in EUR **[LU2476793083]**
- C class, capitalisation, denominated in EUR **[LU2476792945]**
- I class, capitalisation, denominated in USD **[LU2476792861]**
- I class, capitalisation, denominated in EUR **[LU2476792788]**
- I-H class, capitalisation, denominated in EUR [**LU2476792606**]
- N class, capitalisation, denominated in EUR **[LU2788600430]**
- PI class, capitalisation, denominated in USD **[LU2476792515]**
- R class, capitalisation, denominated in USD **[LU2476792432]**
- R class, distribution, denominated in USD **[LU2476792358]**
- R-H class, capitalisation, denominated in EUR **[LU2476792275]**
- R class, capitalisation, denominated in EUR **[LU2476792192]**
- R2 class, capitalisation, denominated in USD **[LU2476791970]**
- R2 class, distribution, denominated in USD **[LU2476791897]**
- R2-H class, distribution, denominated in EUR **[LU2476791624]**
- R2 class, distribution, denominated in EUR **[LU2476791541]**
- V class, capitalisation, denominated in USD **[LU2476791467]**
- Z class, capitalisation, denominated in USD **[LU2476791384]**
- Z class, distribution, denominated in USD **[LU2476793596]**

- Z class, capitalisation, denominated in EUR **[LU2476793679]**

10. Minimum subscription

No minimum subscription is required for the different share classes except for the following classes:

- **PI**, for which the minimum initial subscription is the USD equivalent of EUR 1,000,000, or (as decided by the Board of Directors) EUR 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.

- **V**, for which the minimum initial subscription is the USD equivalent of EUR 15,000,000 or (as decided by the Board of Directors) EUR 15,000,000 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.

11. Fees and charges

Classes	Fees and charges				
	Issue	Exit	Conversion	Portfolio management	Operational and administrative charges
BF	0%	0%	0%	Max. 0.30%	Max. 0.30%
C	Max. 3.5%	0%	Max 2.50%	Max. 1.60%	Max. 0.40%
I	0%	0%	0%	Max. 0.85%	Max. 0.30%
N	0%	0%	0%	Max. 2.00%	Max. 0.40%
PI	0%	0%	0%	Max. 0.75%	Max. 0.30%
R	Max. 3.5%	0%	0%	Max. 0.85%	Max. 0.40%
R2	Max. 3.5%	0%	Max 2.50%	Max. 0.40%	Max. 0.40%
V	0%	0%	0%	Max. 0.48%	Max. 0.30%
Z	0%	0%	0%	0%	Max. 0.30%

12. Net asset value calculation frequency: each Bank Business Day.

13. Subscription, redemption and conversion arrangements

	Subscriptions/Redemptions/Conversions
Cut-off	D at midday (Luxembourg time)
NAV date	D
Valuation date	D+1
Payment date	D+3

This Fact Sheet forms an integral part of the Prospectus dated 3 June 2024.

Fact Sheet

CANDRIAM EQUITIES L ONCOLOGY IMPACT

This sub-fund is classified according to Article 9 of the SFDR Regulation, which means that it has sustainable investment as its objective.

This Fact Sheet must be read in conjunction with the detailed information on the ESG characteristics of this sub-fund as described in the SFDR Annex.

1. Investment objective and investor profile

The objective of the sub-fund is to use discretionary management to benefit from the performance of the market in global equities of companies in the field of oncology (cancer research, diagnosis, treatment, etc.) in order to respond to one of the serious long-term challenges of sustainable development. The sub-fund therefore seeks to produce a return for investors while generating a positive social impact over the long term, by selecting companies that address certain societal challenges and mobilise resources in the fight against cancer.

This sub-fund may be appropriate for investors who wish to achieve this objective over a long investment holding period and who are aware of, understand and are able to bear the specific risks of the sub-fund as set out below and defined in the section entitled Risk factors in the Prospectus.

2. Investment policy

This sub-fund invests primarily in equities, and/or securities equivalent to equities, of companies throughout the world which are active in the health sector and which concentrate specifically on the research and development of cancer treatments.

The sub-fund may hold, on an ancillary basis, the following financial instruments:

- Securities other than those described above
- Money market instruments;
- Deposits and/or cash, and
- UCIs and UCITS for a maximum of 10% of assets

The sub-fund takes into account an analysis of ESG criteria as set out in the Investment policy section of the Prospectus. In particular, this analysis of issuing companies consists of a number of steps as described below, particularly the application of a thematic filter, of the ESG methodology and of Candriam's exclusions policy. This ESG analysis for issuing companies is applied to a minimum of 90% of the sub-fund's investments, apart from deposits, cash and index derivatives.

Securities are picked based on several pillars: a thematic filter, a clinical analysis and a fundamental analysis. This analysis is applied to all of the sub-fund's investments, apart from deposits, cash and index derivatives.

The thematic filter only accepts companies with a sufficient exposure to oncology and the battle against cancer in general, for example in areas such as treatments, diagnostic tools, medical equipment and services, and dedicated technologies.

The clinical analysis aims to assess the quality of the available clinical data and to use only companies found to be convincing in this respect.

The fundamental analysis selects the best companies according to five criteria: quality of management, growth potential, competitive advantage, value creation and indebtedness. The analysis of ESG criteria is also embedded in the financial management of the portfolio.

As such, the sub-fund selects companies on the basis of Candriam's ESG analysis, which assesses issuing companies from two distinct but related perspectives:

1) an analysis of each company's activities (products and services) to assess how its activities relate to the battle against cancer, which is one of the serious long-term challenges of sustainable development, and
2) an analysis of the management of the essential stakeholders of each company, to assess how the companies integrate the interests of their stakeholders (customers, employees, suppliers, investors, society and the environment) into their strategies, their operations and the definition of their strategy.

Implementation of the sub-fund's social objective

To achieve its social objective, the sub-fund seeks to outperform the benchmark in the two social indicators below, with the aim of evaluating the human and financial resources mobilised by the companies in the battle against cancer:
- Research and development spending as a proportion of the company's market capitalisation.
- The level of education of management teams, measured as the percentage of senior executives holding a doctorate.

Furthermore, the sub-fund also seeks to exclude certain companies as described in the SFDR Annex.

On the basis of the various analysis elements above (ESG analysis, breaches of the United Nations Global Compact, controversial activities), the analysed investment universe is reduced by at least 20%.

The analysis and selection process is also accompanied by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

For more information about the ESG criteria, please see the transparency code which is available via the following link:
https://www.candriam.com/documents/candriam/article_208/en/document.pdf

Candriam's commitment in the battle against cancer

The Management Company may allocate part of the net management fees it receives – as described in the section entitled "Fees and charges" below – with the aim of supporting associations and/or organisations fighting against cancer by being active in the field of scientific research and or the development of treatments, in social projects for families, in information, in public awareness and/or in cancer prevention.

Use of derivative products

For the purpose of good portfolio management, the sub-fund may use financial instruments and techniques such as options, futures, swaps and/or forwards.
Investors are warned that warrants and derivatives are more volatile than the underlying assets.

3. Efficient portfolio management techniques

The sub-fund will not use securities lending transactions, reverse repurchase or repurchase agreements.

4. Benchmark

The sub-fund is actively managed and its investment approach implies a reference to a benchmark. The benchmark used does not explicitly take sustainability criteria into account.

There is no EU "climate transition" benchmark or "Paris"-aligned benchmark or any other sustainable benchmark that takes full account of the sustainability aspects and the investment strategy described in this Prospectus.

Benchmark name	MSCI World (Net Return)
Benchmark definition	The index measures the performance of the large and mid capitalisation equity segment across developed markets countries.
Use of the benchmark	- as an investment universe. In general, the financial instruments of the sub-fund are mostly contained in the index. However, investments outside the index are permitted, - in determining risk levels / parameters.
Divergence of portfolio composition from the benchmark	As the sub-fund is managed actively, it does not aim to invest in each component of the index nor to invest in the same proportions as the components of the index. In normal market conditions, the expected tracking error of the sub-fund will be large, namely above 4%. This measure is an estimation of the divergence of the sub-fund's performance compared to the performance of the benchmark. The greater the tracking error, the greater the deviations from the index. The actual tracking error depends in particular on market conditions (volatility and correlations between financial instruments) and may therefore differ from the expected tracking error.
Benchmark provider	MSCI Limited
	The benchmark index is provided by MSCI Limited which, since Brexit, is an entity which is covered by the transitional provision in Article 51(5) of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
	The Management Company has adopted robust written plans to cover the cases where the publication of the benchmark index has been stopped or where major changes in that benchmark have occurred. The Board of Directors of the SICAV, based on these plans, may choose another benchmark, if appropriate. Any such change of benchmark will be reflected in an updated Prospectus. Such plans are available free of charge, upon request, at the registered office of the Management Company.

5. Risk factors specific to the sub-fund and risk management

5.1. Risk factors specific to the sub-fund

- Risk of capital loss
- Equity risk
- Foreign exchange risk
- Liquidity risk
- Concentration risk
- Risk associated with derivative financial instruments
- Emerging countries risk
- Sustainability risk
- ESG investment risk
- Counterparty risk
- Risk of changes to the benchmark index by the index provider
- Risk related to external factors
- Hedging risk of the share classes

There is a general explanation of the various risk factors in section 8. "Risk factors" in the Prospectus.

5.2. Risk management

The total derivatives exposure will be calculated according to the commitment approach set down in CSSF Circular 11/512.

6. Eligibility of the sub-fund

The sub-fund counts as an equity fund for the purposes of GITA, as defined in the section entitled *Taxation* in the Prospectus.

7. Valuation currency of the sub-fund: USD

8. Form of the shares: registered shares only

9. Share classes

- BF class, capitalisation, denominated in EUR [**LU1940963215**]
- BF class, distribution, denominated in EUR [**LU1940963306**]
- C class, capitalisation, denominated in USD [**LU1864481467**]
- C class, distribution, denominated in USD [**LU1864481541**]
- C-H class, capitalisation, denominated in EUR [**LU1864481624**]
- C class, capitalisation, denominated in EUR [**LU1864484214**]
- CB class, capitalisation, denominated in USD [**LU1864481897**]
- CB class, distribution, denominated in USD [**LU1864481970**]
- CB-H class, capitalisation, denominated in EUR [**LU1864482192**]
- CB class, capitalisation, denominated in EUR [**LU1864482275**]
- I class, capitalisation, denominated in USD [**LU1864482358**]
- I class, distribution, denominated in USD [**LU1864482432**]
- I class, capitalisation, denominated in GBP [**LU1864482515**]
- I-H class, capitalisation, denominated in EUR [**LU2015349330**]
- N class, capitalisation, denominated in USD [**LU2346866234**]
- N-H class, capitalisation, denominated in EUR [**LU1864482606**]
- N class, capitalisation, denominated in EUR [**LU2346866317**]
- PI class, capitalisation, denominated in USD [**LU1864483836**]
- R class, capitalisation, denominated in USD [**LU1864482788**]

- R class, distribution, denominated in USD [**LU1864482861**]
- R class, capitalisation, denominated in GBP [**LU1864482945**]
- R-H class, capitalisation, denominated in EUR [**LU1864483083**]
- R class, capitalisation, denominated in EUR [**LU1864483166**]
- R2 class, capitalisation, denominated in USD [**LU1864483240**]
- R2 class, distribution, denominated in USD [**LU1864483323**]
- R2-H class, distribution, denominated in EUR [**LU1864483596**]
- R2 class, capitalisation, denominated in EUR [**LU1864483679**]
- S class, capitalisation, denominated in JPY [**LU2015348282**]
- S class, distribution, denominated in JPY [**LU2015348522**]
- S-AH class, capitalisation, denominated in JPY [**LU2015348795**]
- S-AH class, distribution, denominated in JPY [**LU2015349090**]
- SF2 class, capitalisation, denominated in EUR [**LU2295688928**]
- V class, capitalisation, denominated in USD [**LU1864483752**]
- V class, capitalisation, denominated in GBP [**LU2425425506**]
- Z class, capitalisation, denominated in USD [**LU1864483919**]
- Z class, distribution, denominated in USD [**LU1864484057**]
- ZF class, capitalisation, denominated in USD [**LU1864484131**]
- ZF class, distribution, denominated in USD [**LU1904319248**]

10. Minimum subscription

No minimum subscription is required for the different share classes except for the following classes:

- **PI**, for which the minimum initial subscription is the USD equivalent of EUR 1,000,000, or (as decided by the Board of Directors) EUR 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.

- **V**, for which the minimum initial subscription is the USD equivalent of EUR 15,000,000 or (as decided by the Board of Directors) EUR 15,000,000 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.

- **S**, for which the minimum initial subscription is the USD equivalent of EUR 10,000,000 or (as decided by the Board of Directors) EUR 10,000,000 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.

11. Minimum holding

The SF2 class is subject to a minimum holding amount, as detailed in the definition of the share class in the section entitled *General description of the SICAV*.

12. Fees and charges

Classes	Fees and charges				
	Issue	Exit	Conversion	Portfolio management (*)	Operational and administrative charges
BF	0%	0%	0%	Max. 0.30%	Max. 0.30%
C	Max. 3.5%	0%	Max 2.50%	Max. 1.60%	Max. 0.40%
CB	Max. 3.5%	0%	Max 2.50%	Max. 1.60%	Max. 0.40%
I	0%	0%	0%	Max. 0.80%	Max. 0.30%
N	0%	0%	0%	Max. 2%	Max. 0.40%
PI	0%	0%	0%	Max. 0.40%	Max. 0.30%
R	Max. 3.5%	0%	0%	Max. 0.80%	Max. 0.40%
R2	Max. 3.5%	0%	Max 2.50%	Max. 0.40%	Max. 0.40%
S	0%	0%	0%	Max. 0.80%	Max. 0.30%
SF2	0%	0%	0%	Max. 0.40%	Max. 0.30%
V	0%	0%	0%	Max. 0.48%	Max. 0.30%
Z	0%	0%	0%	0%	Max. 0.30%
ZF	0%	0%	0%	0%	Max. 0.30%

(*) 10% of the net management fees received by the Management Company are allocated to associations and/or organisations fighting against cancer by being active in the field of scientific research and or the development of treatments, in social projects for families, in information, in public awareness and/or in cancer prevention, as set out in the section entitled *Investment objectives* of the Prospectus.

13. Net asset value calculation frequency: each Bank Business Day.

14. Subscription, redemption and conversion arrangements

	Subscriptions/Redemptions/Conversions
Cut-off	D at midday (Luxembourg time)
NAV date	D
Valuation date	D+1
Payment date	D+3

This Fact Sheet forms an integral part of the Prospectus dated 3 June 2024.

Fact Sheet

CANDRIAM EQUITIES L RISK ARBITRAGE OPPORTUNITIES

This sub-fund does not have sustainable investment as its objective and does not specifically promote environmental and/or social characteristics, as described in the SFDR Regulation.

1. Investment objective and investor profile

Over the minimum recommended investment period, the sub-fund's objective is to outperform the capitalised €STR with an average volatility objective of 4% to 6% under normal market conditions. However, the volatility may be higher, particularly under abnormal market conditions.

The sub-fund will seek to use discretionary management to benefit from the use of arbitrage strategies in so-called "special situations", essentially concerning equities issued by issuers located in developed countries.

This sub-fund may be appropriate for investors who wish to achieve this objective over a medium investment holding period, insofar as they are aware of, understand and are able to bear the specific risks of the sub-fund as set out below and defined in the section entitled Risk factors in the Prospectus.

2. Investment policy

This sub-fund primarily uses the following assets and techniques:

1. Within the scope of the implementation of the investment strategy:

- Equities – and/or securities equivalent to equities – of companies from developed and/or emerging countries, of any capitalisation,
- Forward contracts (futures, options and swaps) on regulated or OTC markets. These products are used for the purposes of exposure, arbitrage or hedging. The underlyings of these derivative financial instruments can be:
  - Equities and/or securities equivalent to equities
  - Equities indices
  - Currencies, for hedging purposes
- Securities lending,
- Units in undertakings for collective investment.

Total return swaps may relate to a maximum of 400% of the net assets of the sub-fund.
The proportion is normally expected to vary between 50% and 300%.

The sub-fund may make marginal investments in convertible bonds or bonds issued by private sector organisations.

2. Within the context of liquidity management:

- Money market instruments issued by all types of issuers with a short-term rating of at least A-2 when acquired (or equivalent) from one of the ratings agencies or considered to be of equivalent quality by the management company,
- Reverse repo and repo transactions,
- Securities borrowing,

- Bonds and other debt securities issued by all types of issuers with a short-term rating of at least A-2 when acquired (or equivalent) from one of the ratings agencies or considered to be of equivalent quality by the management company,
- Deposits and cash,
- Units in undertakings for collective investment (for a maximum of 10%).

The foreign exchange risk of the sub-fund is generally hedged with forward exchange.

In order to achieve its management objective, the sub-fund is mainly invested in securities contained in financial transactions in the form of a cash tender offer and/or exchange tender offer and/or declared merger. The strategy for this segment consists in buying or selling the financial instruments issued by companies involved in a cash tender offer, exchange tender offer or merger transaction in order to benefit from the transaction. The main risk here is that the transaction will not be completed.

As such, depending on the nature and the announced terms of the transaction, the sub-fund will conduct long transactions, long/short transactions (in which a purchase of securities is offset by the sale of another security), and more rarely short transactions but only if the transaction is expected to fail.
Short positions will only be taken through derivative financial instruments.

To a lesser extent, other special situations may be included such as demergers, changes in share ownership, changes in capital structure, sales of assets, management and strategy changes, company listings, etc. (this list is not exhaustive). Any event likely to create discontinuity in the price of an asset is a special situation.
The market risk can be hedged by selling an equity in the same sector or by using derivative products.

The management team places the cash generated by application of the above arbitrage strategy using a cautious portfolio fund strategy which mainly invests in bonds and money market instruments as described above. Under particular market conditions (especially if the long positions are taken through total return swaps), the exposure to these instruments may reach 100% of the net assets of the sub-fund.

The analysis of environmental, social and governance (ESG) criteria is also embedded in the financial management of the portfolio. This analysis aims to improve the way asset managers identify the risks but also the opportunities around the serious long-term challenges of sustainable development. In this context, Candriam has developed an in-house approach for ESG analysis, which is implemented within the ESG research and investment team.

In order to take account of the sustainability risk and to reflect profound social changes, the sub-fund aims to exclude companies which:

1) Fail to meet the criteria of a normative exclusion filter taking account of their environmental, social and governance practices and adherence to standards such as the United Nations Global Compact and the OECD's Guidelines for Multinational Enterprises. This filter seeks to exclude the companies which are the most seriously in breach of these normative principles and which present both material and severe structural risks in terms of environmental, social and governance factors; and/or

2) Are significantly exposed to controversial activities such as tobacco or thermal coal. The strategy does not allow investment in companies that manufacture, use or hold anti-personnel mines, cluster bombs, or chemical, biological, white phosphorus, nuclear and depleted uranium weapons.

"Negative" exposures (short) are authorised on these companies but not if they are exposed to controversial weapons subject to a legal exclusion.

Under certain conditions, the process may also be accompanied by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

The sub-fund does not take systematic account of the principal adverse impacts of investment decisions on sustainability factors (hereinafter the "PAIs") for one or more of the following reasons:

- Some or all of the issuing companies do not provide sufficient PAI data
- The PAI aspects are not considered to be predominant elements in the sub-fund's investment process
- The sub-fund invests in derivative financial instruments for which the PAI aspects have not yet been taken into consideration or been defined.

For the purpose of good portfolio management, the sub-fund may use financial instruments and techniques (notably options, futures, swaps and forwards). Investors are warned that derivatives are more volatile than the underlying assets.

The above policies linked to the ESG practices of companies are applied to positions held directly and through derivative products (apart from index derivatives) and to UCIs/UCITS managed by Candriam.

For the avoidance of doubt, according to article 48 of the Law, the sub-fund may not acquire shares with voting rights that enable it to exercise significant influence over the management of an issuer.

3. Efficient portfolio management techniques

The sub-fund will use securities lending transactions in a proportion which may vary between 25% and 50% of the net assets of the portfolio, and which may correspond to a maximum of 100% of the net assets of the portfolio, under certain market conditions.
In any case, these operations will only be carried out if market conditions allow to generate income for the sub-fund.

The sub-fund will use reverse repurchase agreements in a proportion which may vary between 0% and 25% of the net assets of the portfolio, and which may correspond to a maximum of 50% of the net assets of the portfolio.
In particular, the sub-fund will use reverse repurchase agreements when justified by the market conditions, and only when a cash investment based on such a transaction is justified.

The sub-fund will use repurchase agreements in a proportion which may vary between 0% and 10% of the net assets of the portfolio, and which may correspond to a maximum of 10% of the net assets of the portfolio.
In every case, such transactions must be justified in order to meet temporary liquidity needs.

4. Benchmark

The sub-fund is actively managed and its investment approach implies a reference to a benchmark. The benchmark used does not explicitly take sustainability criteria into account.

Benchmark name	Euro Short Term Rate (€STR) capitalised
Benchmark definition	The Euro Short Term Rate (€STR) reflects the wholesale euro unsecured overnight borrowing costs of banks located in the euro area.
Use of the benchmark	▪ to calculate the performance fee. ▪ to compare performance.
Benchmark provider	ECB (European Central Bank)
	The benchmark provider does not fall within the scope of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.

	The Management Company has adopted robust written plans to cover the cases where the publication of the benchmark index has been stopped or where major changes in that benchmark have occurred. The Board of Directors of the SICAV, based on these plans, may choose another benchmark, if appropriate. Any such change of benchmark will be reflected in an updated Prospectus. Such plans are available free of charge, upon request, at the registered office of the Management Company.

5. Risk factors specific to the sub-fund and risk management

5.1 Risk factors specific to the sub-fund

- Risk of capital loss
- Equity risk
- Risk associated with derivative financial instruments
- Merger and arbitrage risk
- Counterparty risk
- Arbitrage risk
- Sustainability risk
- Liquidity risk
- High leverage risk
- Interest rate risk
- Credit risk
- Foreign exchange risk
- Volatility risk
- Emerging countries risk
- Risk of changes to the benchmark index by the index provider
- Risk related to external factors
- ESG investment risk
- Hedging risk of the share classes

There is a general explanation of the various risk factors in section 8. "Risk factors" in the Prospectus.

5.2 Risk management

The total exposure will be calculated using the absolute VaR approach as described in the section entitled "Risk management".
The total risk of all the portfolio positions may not exceed an absolute VaR of 20%. This VaR uses a confidence level of 99% and a timeframe of 20 days.
As an indication, the leverage of this sub-fund is a maximum of 400%.
This leverage will be calculated for each derivative instrument according to the notional value method and is added to the securities portfolio of the sub-fund. The sub-fund could, however, be exposed to a higher leverage.

6. Valuation currency of the sub-fund: EUR

7. Form of the shares: registered shares only.

8. Share classes

- C class, capitalisation, denominated in EUR [**LU2223682944**]
- I class, capitalisation, denominated in EUR [**LU2223683082**]
- I class, capitalisation, denominated in GBP [**LU2223683165**]

- I-H class, capitalisation, denominated in GBP [**LU2223683249**]
- R class, capitalisation, denominated in EUR [**LU2223683322**]
- R-H class, capitalisation, denominated in GBP [**LU2223683595**]
- PI class, capitalisation, denominated in EUR [**LU2223683678**]
- S class, capitalisation, denominated in EUR [**LU2223683751**]
- V class, capitalisation, denominated in EUR [**LU2223683835**]
- Z class, capitalisation, denominated in EUR [**LU2223683918**]

9. Minimum subscription

No minimum subscription is required for the different share classes except for the following classes:

- **PI**, for which the minimum initial subscription is EUR 1,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same valuation date.

- **V**, for which the minimum initial subscription is EUR 15,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same valuation date.

- **S**, for which the minimum initial subscription is EUR 25,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same valuation date.

10. Fees and charges

Classes	Fees and charges				
	Issue	Exit	Conversion	Portfolio management	Operational and administrative charges
C	Max. 3.5%	0%	Max. 2.50%	Max. 1.50%	Max. 0.40%
I	0%	0%	0%	Max. 1%	Max. 0.30%
R	Max. 3.5%	0%	0%	Max. 1%	Max. 0.40%
PI	0%	0%	0%	Max. 0.50%	Max. 0.30%
S	0%	0%	0%	Max. 0.25%	Max. 0.30%
V	0%	0%	0%	Max. 0.80%	Max. 0.30%
Z	0%	0%	0%	0%	Max. 0.30%

Outperformance fees

For each share class in the table below, the Management Company may be entitled to an outperformance fee calculated according to the "Permanent High Water Mark" methodology defined in the section entitled *Costs and charges, Outperformance fees* in the Prospectus and based on the outperformance of the NAV in relation to the reference indicator as defined in the table below.

Class	Currency	ISIN	Provisioning rate	Minimum return rate	Methodology
C	EUR	LU2223682944	20%	Capitalised €STR – floored at zero	**Permanent HWM**
I	EUR	LU2223683082			
PI	EUR	LU2223683678			
R	EUR	LU2223683322			
V	EUR	LU2223683835			
Z	EUR	LU2223683918			
I – H	GBP	LU2223683249		Capitalised SONIA – floored at zero	
R -H	GBP	LU2223683595			
I	GBP	LU2223683165		ICE BofA Euro Currency Overnight Deposit Offered Rate – GBP - floored at zero	

11. **Net asset value calculation frequency:** each Bank Business Day.

12. **Subscription, redemption and conversion arrangements**

	Subscriptions
Cut-off	D-1 at midday (Luxembourg time)
NAV date	D
Valuation date	D+1
Payment date	D+2

	Redemptions
Cut-off	D-5 at midday (Luxembourg time)
NAV date	D
Valuation date	D+1
Payment date	D+2

	Conversions
It is not permitted to convert to other sub-funds.	

This Fact Sheet forms an integral part of the Prospectus dated 3 June 2024.

Fact Sheet

CANDRIAM EQUITIES L ROBOTICS & INNOVATIVE TECHNOLOGY

This sub-fund is classified according to Article 8 of the SFDR Regulation, which means that it promotes environmental or social characteristics but does not have sustainable investment as its objective.

This Fact Sheet must be read in conjunction with the detailed information on the ESG characteristics of this sub-fund as described in the SFDR Annex.

1. Investment objective and investor profile

The objective of the sub-fund is to use discretionary management to benefit from the performance of the market in equities of companies which are active in technological innovation and robotics.

This sub-fund may be appropriate for investors who wish to achieve this objective over a long investment holding period and who are aware of, understand and are able to bear the specific risks of the sub-fund as set out below and defined in the section entitled Risk factors in the Prospectus.

2. Investment policy

This sub-fund invests primarily in equities, and/or securities equivalent to equities, of companies throughout the world which are considered to be well-positioned to benefit from growth in technological innovation and robotics (for example artificial intelligence, automation, virtualisation, etc.).

This sub-fund is defined as a conviction fund: management of this sub-fund is based on the careful selection of a limited number of equities issued by companies of any capitalisation.

The sub-fund may hold, on an ancillary basis, the following financial instruments:

- Transferable securities other than those described above;
- Money market instruments;
- Deposits and/or cash, and
- UCIs and UCITS for a maximum of 10% of assets

The sub-fund takes into account an analysis of ESG criteria as set out in the Investment policy section of the Prospectus.

Companies are picked based on two pillars: a given theme and a fundamental analysis:

- The thematic selection aims to use only companies found to be sufficiently exposed to one or more sub-themes of robotics and new technologies, and

- The fundamental analysis selects the best companies according to five criteria: quality of management, growth potential, competitive advantage, value creation and indebtedness.

The analysis of companies' greenhouse gas emissions is taken into account, seeking a carbon footprint for the sub-fund which is below that of its benchmark. This analysis for issuing companies is applied to at least 90% of the sub-fund's investments, apart from deposits, cash and index derivatives.

The analysis of ESG criteria is also embedded in the financial management of the portfolio. In this context, the sub-fund's ESG score is evaluated in comparison with that of the benchmark.

The sub-fund seeks to exclude certain companies as described in the SFDR Annex.

Under certain conditions, the analysis and selection process may also be accompanied by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

For the purpose of good portfolio management, the sub-fund may use financial instruments and techniques such as options, futures, swaps and/or forwards.

Investors are warned that warrants and derivatives are more volatile than the underlying assets.

For more information about the ESG criteria, please see the Transparency Code which is available via the following link:
https://www.candriam.com/documents/candriam/article_208/en/document.pdf

3. Efficient portfolio management techniques

The sub-fund will use securities lending transactions in a proportion which may vary between 0% and 25% of the net assets of the portfolio, and which may correspond to a maximum of 50% of the net assets of the portfolio, under certain market conditions.
In any case, these operations will only be carried out if market conditions allow to generate income for the sub-fund.

The sub-fund will not use reverse repurchase or repurchase agreements.

4. Benchmark

The sub-fund is actively managed and its investment approach implies a reference to a benchmark. The benchmark used does not explicitly take sustainability criteria into account.

Benchmark name	MSCI World (Net Return)
Benchmark definition	The index measures the performance of the large and mid capitalisation equity segment across developed markets countries.
Use of the benchmark	- as an investment universe. In general, the financial instruments of the sub-fund are mostly contained in the index. However, investments outside the index are permitted, - in determining risk levels / parameters.
Divergence of portfolio composition from the benchmark	As the sub-fund is managed actively, it does not aim to invest in each component of the index nor to invest in the same proportions as the components of the index. In normal market conditions, the expected tracking error of the sub-fund will be large, namely above 4%. This measure is an estimation of the divergence of the sub-fund's performance compared to the performance of the benchmark. The greater the tracking error, the greater the deviations from the index. The actual tracking error depends in particular on market conditions (volatility and correlations between financial instruments) and may therefore differ from the expected tracking error.

Benchmark provider	MSCI Limited	
	The benchmark index is provided by MSCI Limited which, since Brexit, is an entity which is covered by the transitional provision in Article 51(5) of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.	
	The Management Company has adopted robust written plans to cover the cases where the publication of the benchmark index has been stopped or where major changes in that benchmark have occurred. The Board of Directors of the SICAV, based on these plans, may choose another benchmark, if appropriate. Any such change of benchmark will be reflected in an updated Prospectus. Such plans are available free of charge, upon request, at the registered office of the Management Company.	

5. Eligibility of the sub-fund

The sub-fund counts as an equity fund for the purposes of GITA, as defined in the section entitled *Taxation* in the Prospectus.

6. Risk factors specific to the sub-fund and risk management

6.1 Risk factors specific to the sub-fund

- Risk of capital loss
- Equity risk
- Foreign exchange risk
- Liquidity risk
- Concentration risk
- Risk associated with derivative financial instruments
- Sustainability risk
- ESG investment risk
- Counterparty risk
- Emerging countries risk
- Risk of changes to the benchmark index by the index provider
- Risk related to external factors
- Hedging risk of the share classes

There is a general explanation of the various risk factors in section 8. "Risk factors" in the Prospectus.

6.2 Risk management

The total derivatives exposure will be calculated according to the commitment approach set down in CSSF Circular 11/512.

7. Valuation currency of the sub-fund: USD.

8. Form of the shares: registered shares only.

9. Share classes

- BF class, capitalisation, denominated in USD [**LU2226954738**]
- BF class, distribution, denominated in USD [**LU2226954902]**
- C class, capitalisation, denominated in USD [**LU1502282558**]
- C class, capitalisation, denominated in EUR [**LU1502282632**]
- C-H class, capitalisation, denominated in EUR [**LU1806526718**]
- C class, distribution, denominated in USD [**LU1502282715**]
- I class, capitalisation, denominated in USD [**LU1502282806**]
- I class, capitalisation, denominated in EUR [**LU1613213971**]
- I-H class, capitalisation, denominated in GBP **[LU1613216214]**
- N class, capitalisation, denominated in USD **[LU2346866408]**
- N class, capitalisation, denominated in EUR **[LU2346866580]**
- N-H class, capitalisation, denominated in EUR [**LU1806526809**]
- PI class, capitalisation, denominated in USD [**LU1797802672**]
- R class, capitalisation, denominated in USD [**LU1502282988**]
- R class, distribution, denominated in USD [**LU1708110629**]
- R class, capitalisation, denominated in EUR **[LU1598284849]**
- R-H class, capitalisation, denominated in GBP [**LU1613217964**]
- R-H class, capitalisation, denominated in EUR [**LU1613220596**]
- R2 class, capitalisation, denominated in USD [**LU2026683990**]
- R2 class, distribution, denominated in USD [**LU2026684022**]
- V class, capitalisation, denominated in EUR [**LU2402073626]**
- Z class, capitalisation, denominated in USD [**LU1502283010**]
- Z class, distribution, denominated in USD [**LU1502283101**]
- ZF class, capitalisation, denominated in USD [**LU1806526981**]

10. Minimum subscription

No minimum subscription is required for the different classes of shares except:

- For the PI class, for which the minimum initial subscription is USD 1,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same valuation date.
- For the V class, for which the minimum initial subscription is USD 15,000,000 or the equivalent in foreign currencies for classes denominated in foreign currencies (this minimum may be changed at the discretion of the Board of Directors provided that shareholders are treated equally on the same valuation date).

11. Fees and charges

Classes	Fees and charges				
	Issue	Exit	Conversion	Portfolio management	Operational and administrative charges
BF	0%	0%	0%	Max. 0.30%	Max. 0.30%
C	Max. 3.5%	0%	Max. 2.50%	Max. 1.60%	Max. 0.40%
I	0%	0%	0%	Max. 0.85%	Max. 0.30%
N	0%	0%	0%	Max. 2%	Max. 0.40%
PI	0%	0%	0%	Max. 0.75%	Max. 0.30%
R	Max. 3.5%	0%	0%	Max. 0.85%	Max. 0.40%
R2	Max. 3.5%	0%	Max. 2.50%	Max. 0.40%	Max. 0.40%
V	0%	0%	0%	Max. 0.48%	Max. 0.30%
Z	0%	0%	0%	0%	Max. 0.30%
ZF	0%	0%	0%	0%	Max. 0.30%

12. Net asset value calculation frequency: each Bank Business Day.

13. Subscription, redemption and conversion arrangements

	Subscriptions/Redemptions/Conversions
Cut-off	D at midday (Luxembourg time)
NAV date	D
Valuation date	D+1
Payment date	D+3

This Fact Sheet forms an integral part of the Prospectus dated 3 June 2024.

ANNEX II – SFDR ANNEXES

- Candriam Equities L Biotechnology
- Candriam Equities L Emerging Markets
- Candriam Equities L Europe Innovation
- Candriam Equities L Europe Optimum Quality
- Candriam Equities L Global Demography
- Candriam Equities L Life Care
- Candriam Equities L Meta Globe
- Candriam Equities L Oncology Impact
- Candriam Equities L Robotics & Innovative Technology

CANDRIAM A NEW YORK LIFE INVESTMENTS COMPANY

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name:

Candriam Equities L - Biotechnology

Legal entity identifier

549300FEQZX6ZYGNSI05

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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: _%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 33 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective** _%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Sub-fund promotes environmental and social characteristics as follows:

- by seeking to avoid exposure to companies that present both significant and severe structural risks and that are seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises,

- by seeking to avoid exposure to companies that are significantly exposed to controversial activities such as the mining, transport or distribution of thermal coal, the production or retail of tobacco, and the production or sale of controversial weapons (anti-personnel mines, cluster bombs, chemical, biological, white phosphorus and or depleted uranium weapons),

- by seeking to support the energy transition with an energy mix favouring renewables and avoiding emitters which are highly exposed to especially polluting energy sources such as coal,

tar sands and shale gas/oil.

In addition to the above, Candriam's ESG research methodology is an integral part of the investment process. Finally, the Sub-fund seeks to invest a minimum proportion of its assets in sustainable investments

No non-financial benchmark has been designated in order to achieve the environmental or social characteristics promoted by the Sub-fund.

- ***What Sustainability Indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The sustainability indicators used in order to measure the achievement of environmental and social characteristics are the following:

- SDG 3 "good health and well-being": The sub-fund seeks to invest in the stock of companies operating in the biotech sector and whose activities facilitate the achievement of the targets of goal number 3 of the United Nations Sustainable Development Goals (SDG) 3 "Good health and well-being" by addressing significant and/or unsatisfied medical needs;

- steps to ensure that there are no investments in issuers seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- steps to ensure that there are no investments in issuers exposed to controversial weapons;

- steps to ensure that there are no investments in issuers particularly exposed to the exploration, mining, transport or distribution of thermal coal;

- steps to ensure that there are no investments in issuers particularly exposed to the production and distribution of tobacco;

- steps to ensure that there are no investments in issuers significantly exposed to the production, manufacture, sale, testing or maintenance of conventional weapons and/or components/services which are critical for conventional weapons;

- steps to ensure that there are no investments in electricity-producing issuers which have new coal or nuclear projects, or which have a carbon intensity above a certain threshold;

- steps to ensure that there are no investments in issuers significantly exposed to non-conventional oil and gas, nor in issuers exposed to conventional oil and gas for which a significant portion of revenues does not originate from natural gas and renewable energies;

- steps to ensure that there are no investments in issuers significantly exposed to gambling activities, directly or indirectly;

- steps to ensure that there are no investments in issuers significantly exposed to nuclear energy;

- steps to ensure that there are no investments in issuers producing, distributing and purchasing palm oil which are not members of the Roundtable on Sustainable Palm Oil and which are significantly exposed non-RSPO-certified palm oil, and which do not have a deforestation policy;

- steps to ensure that there are no investments in issuers directly involved in the extraction and smelting of metals and minerals which have not implemented relevant ESG risk management systems, in accordance with recognised international standards such as the UN Guiding Principles, Voluntary Principles on Security and Human Rights and the OECD Guidelines.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The sustainable investments which the sub-fund intends to make for part of the portfolio aim to have a positive environmental and social impact in the long term.

The sustainable investments held in the sub-fund do not systematically take account of one of more environmental objectives. Nevertheless, having undergone Candriam's proprietary ESG analysis and filtering, such sustainable investments may over the long-term contribute to one or more of the following environmental objectives as set out in Article 9 of Regulation (EU) 2020/852:

a) climate change mitigation,

b) climate change adaptation,

c) the sustainable use and protection of water and marine resources,

d) the transition to a circular economy,

e)pollution prevention and control.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments which the financial product makes do no significant harm to any sustainable environmental or social investment objectives, to the extent that Candriam takes account of the principal adverse impacts and aims for alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, through the framework of its ESG ratings and its exclusions policy on controversial activities and normative policy.

Companies that contribute negatively to environmental and/or social sustainable investment objectives and that consequently do significant harm to these objectives through their adverse impacts will consequently tend to be allocated a poor score under Candriam's ESG rating system. They are therefore highly likely to be excluded from the eligible investment universe.

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

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

For these sustainable investments realised partially by the Sub-fund, indicators of the principal adverse impacts on sustainability factors were considered using Candriam's ESG rating framework, exclusions from controversial activities and exclusions based on standards.

For example:

1. Through the exclusion of companies involved in controversial activities and standards-based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of the following principal adverse impacts (PAIs):

• PAI 3, 4 and 5: Exclusion of companies with significant exposure to conventional and non-conventional fossil fuel activities and/or non-renewable energy production. For PAIs 4 and 5, Candriam applies thresholds when taking account of exposure to these activities.

• PAI 7: Activities adversely impacting biodiversity sensitive areas. For example, Candriam excludes companies involved in palm oil (thresholds based on palm oil not certified by the RSPO).

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

2. By analysing the contribution of a company's business activities to the main sustainability challenges of climate change and resource depletion, Candriam takes account of the following principal adverse impacts:

• PAI 1, 2, 3, 4, 5 and 6: By assessing the main sustainability challenges of climate change, Candriam analyses a company's exposure to climate risks as well as the intensity of GHG emissions generated by their business activities. This assessment is used to determine whether the company's business activities contribute positively or negatively to climate change.

• PAI 7, 8 and 9: Assessment of the impact of a company's business activities on the depletion of natural resources.

3. Through entity level engagement: In order to avoid and/or reduce adverse impacts on sustainability factors, Candriam also considers adverse impacts through its Enterprise-wide Engagement Programme, which includes dialogue with companies and/or the exercise of voting rights. Candriam prioritises engagement and/or voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary from one issuer to another depending on Candriam's prioritising methodology.

The main themes of Candriam's engagement and/or voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 10 (violations of the United Nations Global Compact Principles and the OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

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

The investments in the portfolio undergo a normative analysis examining respect for international social, human, environmental and anti-corruption norms as defined in the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The conventions of the International Labour Organisation and the International Bill of Human Rights are among the many international references embedded in the normative analysis and Candriam's ESG analysis framework.

The analysis seeks to exclude companies which have significantly and/or repeatedly breached one of these principles.

Additional information on how Candriam takes account of the "do no significant harm" principle can be found at the links mentioned at the end of this Appendix.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

Does this financial product consider principal adverse impacts on sustainability factors?

x Yes, at the Sub-fund level, as indicated in Annex I of the SFDR delegated Regulation supplementing Regulation (EU) 2019/2088, the Principal Adverse Impacts (PAIs) on sustainability factors are taken into account – as described in the Level 1 PAIs in the document entitled "Principal Adverse Impact at Product Level" – by one or more of the following means:

• Exclusions:

Through the exclusion of companies involved in controversial activities or through standard-based exclusions, Candriam takes the following into account:

Through the exclusion of companies involved in controversial activities and standards-

based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of:

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

• Engagement and voting:

In order to avoid and/or reduce adverse impacts on sustainability factors, the Sub-fund also considers adverse impacts through its Entity-wide Engagement Programme, which includes dialogue with companies and the exercise of voting rights. Candriam prioritises its engagement and voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary depending on the issuers and Candriam's prioritising methodology.

The main themes of Candriam's engagement and voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 7 (activities having an adverse impact on biodiversity sensitive zones) PAI 10 (violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

• Monitoring:

Monitoring includes calculating and assessing the main adverse impacts on sustainability factors, including reporting at the Sub-fund level.

For funds using carbon footprint as a sustainability indicator, PAI 2 is covered by this monitoring approach. PAI 3 (GHG intensity of investee companies) is monitored for funds forming part of Candriam's commitment to the Net Zero Asset Manager initiative. In addition, PAI 10 (Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), PAI 14 (Exposure to controversial weapons).

The indicators of specific principal adverse impacts taken into account depend on data quality and availability and may change as data quality and availability improves. If it is not possible to use a principal adverse impact indicator due to data limitations or other technical issues, the fund manager may use a representative replacement indicator.

More extensive information on the types of PAI considered can be found through the links provided at the end of this Annex (document entitled "Principal adverse impacts at product level").

☐ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The objective of the sub-fund is to use discretionary management to benefit from the performance of the market in global equities of companies from the biotechnology sector, and to outperform the benchmark.

The investment strategy is applied according to a well-defined investment process and a rigorous risk framework. Adherence to these elements is subject to risk monitoring by Candriam.

Regarding the environmental and social aspects of the investment strategy, Candriam's exclusive ESG analysis (which produces ESG ratings and scores) and a normative controversy evaluation (including the controversial activity exclusion policy) are applied, making it possible define the investable universe for the sub-fund.

Furthermore, Candriam's ESG analysis, which includes an analysis of the issuer's activities and its interaction with its main stakeholders, is an integral part of the financial management of the portfolio, enabling the asset manager to identify the risks as well as opportunities around the serious challenges of sustainable development.

As the management company, Candriam has established a monitoring framework as described in the sustainability risk management policy. Monitoring of the sub-fund's investment strategy risks seeks to ensure that the investments are aligned with and take account of environmental, social and governance indicators and the sustainability thresholds as explained above.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The investment strategy contains binding elements such as an exclusions policy comprising a normative filter as well as the exclusion of certain controversial activities as described in Candriam's Level 2A Exclusions Policy. Candriam's Level 2A Exclusions Policy is aimed at harmful activities that in Candriam's opinion have a substantial adverse impact and incur serious financial and sustainability risks. Exposure to these activities presents significant systemic and reputational risks for invested companies from economic, environmental and social points of view.

Furthermore, since climate change is the main sustainable development challenge to be taken up in the near future, Candriam's Level 2A exclusions policy takes account of this and focuses on environmental issues. The objective is to contribute to the fight against climate change by excluding activities that significantly harm the environment. We believe that supporting environmental sustainability in this way can also have positive repercussions on social issues.

Candriam's Level 2A Exclusions Policy applies to all investments made by Candriam by way of long positions in direct lines on private sector and sovereign issuers and derivative products on individual issuers.

Candriam's Level 2A Exclusions Policy excludes controversial activities linked to weapons, tobacco and thermal coal, and encourages third parties to do likewise. These activities engender significant systemic risks for society and the global economy.

Applying Candriam's Level 2A Exclusions Policy also implies excluding conventional weapons. This is in line with the approach of many sustainable investors and various standards which exclude this activity because of the negative nature of armaments that have often been used to breach human rights and have had devastating effects on human lives and the overall well-being of society. The difficulty in obtaining detailed information on end-users and end-uses of weapons is an additional factor justifying this exclusion.

Portfolios subject to Candriam's Level 2A Exclusions Policy also exclude gambling activities, as these activities may potentially be linked to illegal activities and corruption and could therefore engender reputational risks for Candriam and our clients. This reflects the concerns of many responsibility-oriented investors as well as some independent ESG executives.

The full list of activities excluded under Candriam's Level 2A Exclusions Policy and their respective thresholds and exclusion criteria are available through the links provided at the end of this Annex (document entitled "Candriam Level 2A Exclusions Policy").

In addition, the portfolio is constructed in order to achieve or to respect:

- the objective of the sustainability indicator described above,

- the defined minimum proportion of investments which have environmental and social characteristics,

- the defined minimum proportion of sustainable investments.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

On the basis of the various elements of analysis above (ESG analysis, breaches of the UN Global Compact, controversial activities), the sub-fund's analysed investment universe is reduced by at least 20%.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The company's governance is a core aspect of the stakeholder analysis performed by Candriam. It can be used to evaluate:

1) how a company interacts with and manages its stakeholders, and

2) how a company's board of directors discharges its governance and management functions regarding disclosure and transparency and regarding consideration of sustainability objectives.

In order to evaluate a company's governance practices specifically regarding the stability of the management structures, labour relations, staff remuneration and tax compliance as defined by the SFDR, Candriam's ESG analysis includes five key pillars of governance:

1. The strategic orientation, which evaluates the independence, expertise and composition of the board of directors and ensures that the board acts in the interests of all shareholders and other stakeholders and that it is able to act as an effective counterweight to management,

2. An audit committee and an evaluation of the independence of the auditors in order to avoid conflicts of interest,

3. Transparency around the remuneration of senior managers, enabling managers and the remuneration committee to be held to account by the shareholders, to align the interests of senior management with those of the shareholders, and to focus on long-term performance,

4. The share capital to ensure that all the shareholders have equal voting rights,

5. Financial conduct and transparency.

What is the asset allocation planned for this financial product?

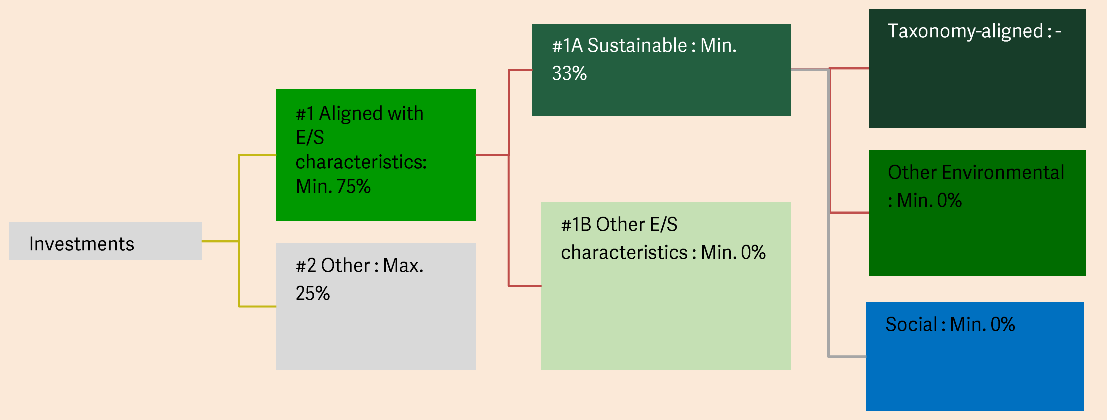
Asset allocation describes the share of investments in specific assets.

The Sub-fund seeks to invest at least 75% of its total net assets in investments which have environmental and social characteristics, of which a minimum of 33% of its total net assets will consist of sustainable investments. A maximum of 25% of the total net assets of the Sub-fund may be allocated to other assets as defined below.

The investments which have environmental and social characteristics are investments which undergo Candriam's proprietary ESG analysis and are eligible on the basis of their ESG rating. In addition, these investments must respect Candriam's exclusion policy concerning controversial activities and the normative filter. The investments which have E/S characteristics must demonstrate good governance practices.

Sustainable investments are defined on the basis of Candriam's proprietary ESG analysis. An issuer which respects Candriam's exclusion filters is eligible as a sustainable investment on the basis of an ESG rating reflecting high sustainability standards.

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.



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

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

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

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

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

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The use of derivative products is not intended to achieve the environmental or social characteristics promoted by the sub-fund.

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

The EU Taxonomy Regulation establishes six distinct but interconnected environmental objectives. These environmental objectives are placed at the heart of Candriam's ESG research and analysis of issuers.

At the present time, however, only a small number of companies worldwide publish the necessary information for a rigorous evaluation of their alignment with the Taxonomy.

As a result, the sub-fund does not commit to a minimum Taxonomy alignment percentage, meaning that this percentage must be considered to be zero.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

☐ Yes

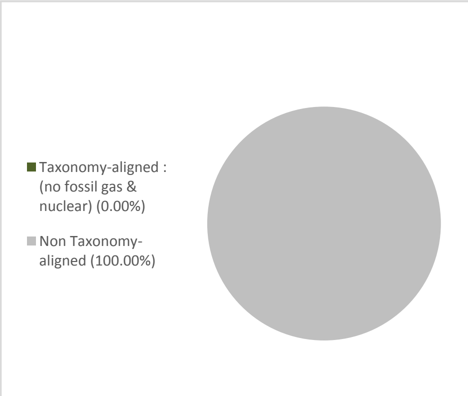
☐ In fossil gas ☐ In nuclear energy

☒ No

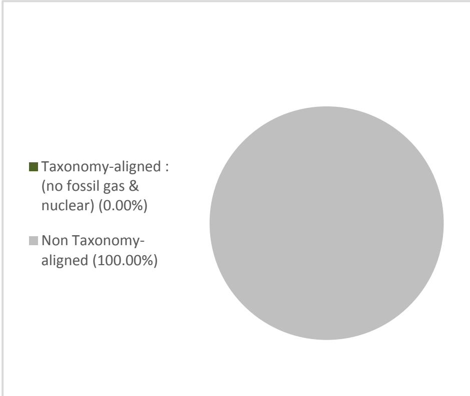
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas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

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***



This graph represents max. 100 % of the total investments.

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

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.

What is the minimum share of investments in transitional and enabling activities?

No minimum proportion of investments in transitional and/or enabling activities has been fixed. However, Candriam's ESG research and analysis framework includes an evaluation of transitional and/or enabling activities and how they contribute to the sustainability objectives.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

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

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with an environmental objective.

What is the minimum share of socially sustainable investments?

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with a social objective.

What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Investments in the “Others” category may be held in the Sub-fund up to a maximum of 25% of the total net assets.

Such investments may be:

- cash and cash equivalents: demand deposits, reverse repurchase transactions that are necessary in order to manage the liquidity of the Sub-fund following subscriptions/redemptions and/or resulting from the Sub-fund’s market exposure decision

- issuers which had E/S characteristics at the time of investment and which are no longer fully aligned with Candriam’s E/S investment criteria. The intention is to sell these investments;

- other investments including single name derivatives which may be purchased for diversification purposes and which cannot undergo ESG filtering or for which ESG data is not available but which as a minimum respect the principles of good governance;

- non single name derivatives may be used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No specific index has been designated as a benchmark in order to evaluate alignment with E/S characteristics.

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

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A

Where can I find more product specific information online?

For more detailed information about the product, go to:

https://www.candriam.com/en/private/sfdr/

https://www.candriam.com/en/professional/sfdr/

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name:

Candriam Equities L - Emerging Markets

Legal entity identifier

549300MOPMACRTTEU844

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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: _%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective** _%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Sub-fund promotes environmental and social characteristics as follows:

- by seeking to avoid exposure to companies that present both significant and severe structural risks and that are the most seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- by seeking to avoid exposure to companies that are significantly exposed to controversial activities such as the mining, transport or distribution of thermal coal, the production or retail of tobacco, and the production or sale of controversial weapons (anti-personnel mines, cluster bombs, chemical, biological, white phosphorus and or depleted uranium weapons);

- by seeking to achieve a lower carbon footprint than the benchmark.

In addition to the above, Candriam's ESG research methodology is an integral part of the investment process. Finally, the Sub-fund seeks to invest a minimum proportion of its assets in sustainable investments

No non-financial benchmark has been designated in order to achieve the environmental or social characteristics promoted by the Sub-fund.

- ***What Sustainability Indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The sustainability indicators used in order to measure the achievement of environmental and social characteristics are the following:

- steps to ensure that there are no investments in issuers with the "red" flag indicating the most serious breaches of the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- steps to ensure that there are no investments in issuers particularly exposed to the exploration, mining, transport or distribution of thermal coal;

- steps to ensure that there are no investments in issuers exposed to controversial weapons;

- steps to ensure that there are no investments in issuers particularly exposed to the production and distribution of tobacco.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The sustainable investments which the sub-fund intends to make for part of the portfolio aim to contribute to a reduction in greenhouse gas emissions by means of exclusions and the use of climate indicators in the analysis of companies, and they aim to have a positive environmental and social impact in the long term.

Concerning sustainable investments with environmental objectives, the sub-fund, through its sustainable investments defined by Candriam's proprietary ESG analysis, may over the long-term contribute to one or more of the following environmental objectives as set out in Article 9 of Regulation (EU) 2020/852:

a) climate change mitigation,

b) climate change adaptation,

c) the sustainable use and protection of water and marine resources,

d) the transition to a circular economy,

e) pollution prevention and control.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The sustainable investments which the financial product makes do no significant harm to any sustainable environmental or social investment objectives, to the extent that Candriam takes account of the principal adverse impacts and aims for alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, through the framework of its ESG ratings and its exclusions policy on controversial activities and normative policy.

Companies that contribute negatively to environmental and/or social sustainable investment objectives and that consequently do significant harm to these objectives through their adverse impacts will consequently tend to be allocated a poor score under Candriam's ESG rating system. They are therefore highly likely to be excluded from the eligible investment universe.

Principal adverse impacts are the most significant negative impacts of investment decisions on

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

For these sustainable investments realised partially by the Sub-fund, indicators of the principal adverse impacts on sustainability factors were considered using Candriam's sustainability factors relating to environmental, social and employee matters, respect for human rights, anti‑corruption and anti‑bribery matters.

ESG rating framework, exclusions from controversial activities and exclusions based on standards.

For example:

1. Through the exclusion of companies involved in controversial activities and standards-based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of the following principal adverse impacts (PAIs):

• PAI 3, 4 and 5: Exclusion of companies with significant exposure to conventional and non-conventional fossil fuel activities and/or non-renewable energy production. For PAIs 4 and 5, Candriam applies thresholds when taking account of exposure to these activities.

• PAI 7: Activities adversely impacting biodiversity sensitive areas. For example, Candriam excludes companies involved in palm oil (thresholds based on palm oil not certified by the RSPO).

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

2. By analysing the contribution of a company's business activities to the main sustainability challenges of climate change and resource depletion, Candriam takes account of the following principal adverse impacts:

• PAI 1, 2, 3, 4, 5 and 6: By assessing the main sustainability challenges of climate change, Candriam analyses a company's exposure to climate risks as well as the intensity of GHG emissions generated by their business activities. This assessment is used to determine whether the company's business activities contribute positively or negatively to climate change.

• PAI 7, 8 and 9: Assessment of the impact of a company's business activities on the depletion of natural resources.

3. Through entity level engagement: In order to avoid and/or reduce adverse impacts on sustainability factors, Candriam also considers adverse impacts through its Enterprise-wide Engagement Programme, which includes dialogue with companies and/or the exercise of voting rights. Candriam prioritises engagement and/or voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary from one issuer to another depending on Candriam's prioritising methodology.

The main themes of Candriam's engagement and/or voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 10 (violations of the United Nations Global Compact Principles and the OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

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

The investments in the portfolio undergo a normative analysis examining respect for international social, human, environmental and anti-corruption norms as defined in the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The conventions of the International Labour Organisation and the International Bill of Human Rights are among the many international references embedded in the normative analysis and Candriam's ESG analysis framework.

The analysis seeks to exclude companies which have significantly and/or repeatedly breached one of these principles.

Additional information on how Candriam takes account of the "do no significant harm" principle can be found at the links mentioned at the end of this Appendix.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

Does this financial product consider principal adverse impacts on sustainability factors?

x Yes, at the Sub-fund level, as indicated in Annex I of the SFDR delegated Regulation supplementing Regulation (EU) 2019/2088, the Principal Adverse Impacts (PAIs) on sustainability factors are taken into account – as described in the Level 1 PAIs in the document entitled "Principal Adverse Impact at Product Level" – by one or more of the following means:

• Exclusions:

Through the exclusion of companies involved in controversial activities or through standard-based exclusions, Candriam takes the following into account:

Through the exclusion of companies involved in controversial activities and standards-based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of:

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

• Engagement and voting:

In order to avoid and/or reduce adverse impacts on sustainability factors, the Sub-fund also considers adverse impacts through its Entity-wide Engagement Programme, which includes dialogue with companies and the exercise of voting rights. Candriam prioritises its engagement and voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary depending on the issuers and Candriam's prioritising methodology.

The main themes of Candriam's engagement and voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 7 (activities having an adverse impact on biodiversity sensitive zones) PAI 10 (violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

• Monitoring:

Monitoring includes calculating and assessing the main adverse impacts on sustainability factors, including reporting at the Sub-fund level.

For funds using carbon footprint as a sustainability indicator, PAI 2 is covered by this monitoring approach. PAI 3 (GHG intensity of investee companies) is monitored for funds forming part of Candriam's commitment to the Net Zero Asset Manager initiative. In addition, PAI 10 (Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), PAI 14 (Exposure to controversial weapons).

The indicators of specific principal adverse impacts taken into account depend on data quality and availability and may change as data quality and availability improves. If it is not possible to use a principal adverse impact indicator due to data limitations or other technical issues, the fund manager may use a representative replacement indicator.

More extensive information on the types of PAI considered can be found through the links provided at the end of this Annex (document entitled "Principal adverse impacts at product level").

No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The objective of the sub-fund is to use discretionary management to benefit from the performance of the market in equities of companies which have their registered office and/or carry out their primary economic activity in emerging countries, and to outperform the benchmark.

The investment strategy is applied according to a well-defined investment process and a rigorous risk framework. Adherence to these elements is subject to risk monitoring by Candriam.

Regarding the environmental and social aspects of the investment strategy, Candriam's proprietary ESG analysis (which produces ESG ratings and scores) and a normative controversy evaluation (including the controversial activity exclusion policy) are applied, making it possible to define the investable universe for the sub-fund.

Furthermore, Candriam's ESG analysis, which includes an analysis of the issuer's activities and its interaction with its main stakeholders, is an integral part of the financial management of the portfolio, enabling the asset manager to identify the risks as well as opportunities around the serious challenges of sustainable development.

As the management company, Candriam has established a monitoring framework as described in the sustainability risk management policy. Monitoring of the sub-fund's investment strategy risks seeks to ensure that the investments are aligned with and take account of environmental, social and governance indicators and the sustainability thresholds as explained above.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The investment strategy contains binding elements such as an exclusion policy comprising a normative filter as well as the exclusion of certain controversial activities as described in Candriam's Level 1 Company-Wide Exclusions Policy. Candriam's Level 1 Company-Wide Exclusions Policy is aimed at harmful activities that in Candriam's opinion have a substantial negative impact and involve significant financial and sustainability risks. Exposure to these activities presents significant systemic and reputational risks for invested companies from economic, environmental and social points of view.

Consequently Candriam excludes activities linked to controversial weapons, tobacco and thermal coal from all the portfolios that it manages directly and encourages third parties to do likewise.

Candriam's Level 1 Company-Wide Exclusions Policy applies to all investments made by Candriam by way of long positions in direct lines on private sector and sovereign issuers and derivative products on individual issuers.

The full list of activities excluded by virtue of Candriam's Level 1 Company-Wide Exclusions Policy and their respective thresholds and exclusion criteria are available through the links provided at the end of this Annex (document entitled "Candriam Level 1 Company-Wide Exclusions Policy").

In addition, the portfolio is constructed in order to achieve or to respect:

- the objective of the sustainability indicator described above,

- the defined minimum proportion of investments which have environmental and social characteristics,

- the defined minimum proportion of sustainable investments.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The sub-fund is subject to an exclusion policy comprising a normative filter as well as the exclusion of certain controversial activities. There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the investment strategy

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The company's governance is a core aspect of the stakeholder analysis performed by Candriam. It can be used to evaluate:

1) how a company interacts with and manages its stakeholders, and

2) how a company's board of directors discharges its governance and management functions regarding disclosure and transparency and regarding consideration of sustainability objectives.

In order to evaluate a company's governance practices specifically regarding the stability of the management structures, labour relations, staff remuneration and tax compliance as defined by the SFDR, Candriam's ESG analysis includes five key pillars of governance:

1. The strategic orientation, which evaluates the independence, expertise and composition of the board of directors and ensures that the board acts in the interests of all shareholders and other stakeholders and that it is able to act as an effective counterweight to management,

2. An audit committee and an evaluation of the independence of the auditors in order to avoid conflicts of interest,

3. Transparency around the remuneration of senior managers, enabling managers and the remuneration committee to be held to account by the shareholders, to align the interests of senior management with those of the shareholders, and to focus on long-term performance,

4. The share capital to ensure that all the shareholders have equal voting rights,

5. Financial conduct and transparency.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

The Sub-fund seeks to invest at least 75% of its total net assets in investments which have environmental and social characteristics, of which a minimum of 10% of its total net assets will consist of sustainable investments. A maximum of 25% of the total net assets of the Sub-fund may be allocated to other assets as defined below.

The investments which have environmental and social characteristics are investments which have been subject to Candriam's proprietary ESG analysis and are eligible on the basis of their ESG rating. In addition, these investments must respect Candriam's exclusion policy concerning controversial activities and the normative filter. The investments which have E/S characteristics must demonstrate good governance practices.

Sustainable investments are defined on the basis of Candriam's proprietary ESG analysis. An issuer which respects Candriam's exclusion filters is eligible as a sustainable investment on the basis of an ESG rating reflecting high sustainability standards.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
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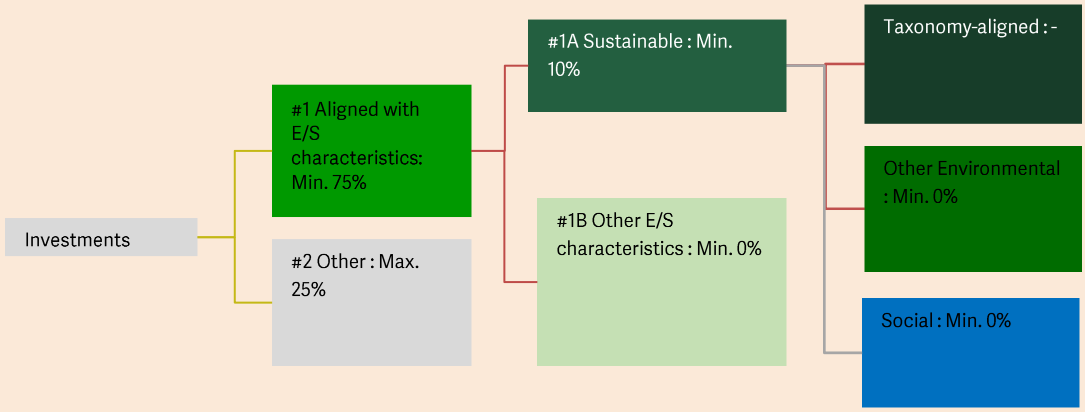


#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

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

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

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

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

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The use of derivative products is not intended to achieve the environmental or social characteristics promoted by the sub-fund.

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

The EU Taxonomy Regulation establishes six distinct but interconnected environmental objectives. These environmental objectives are placed at the heart of Candriam's ESG research and analysis of issuers.

At the present time, however, only a small number of companies worldwide publish the necessary information for a rigorous evaluation of their alignment with the Taxonomy.

As a result, the sub-fund does not commit to a minimum Taxonomy alignment percentage, meaning that this percentage must be considered to be zero.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

☐ Yes

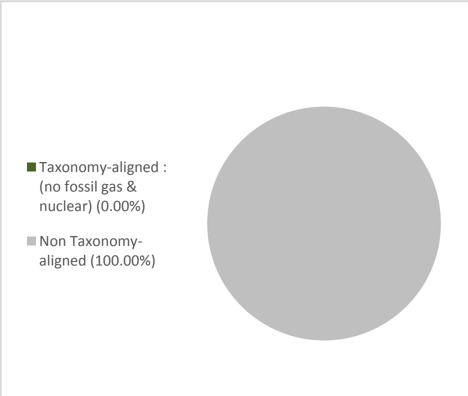
☐ In fossil gas ☐ In nuclear energy

X No

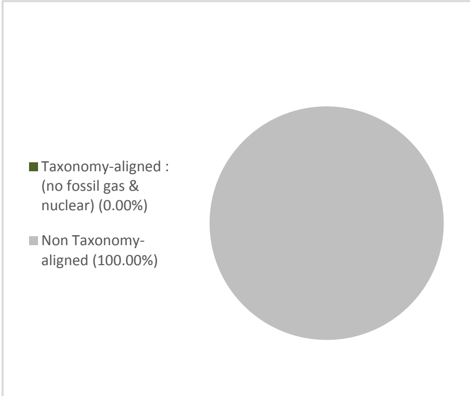
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas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

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***



This graph represents max. 100 % of the total investments.

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

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.

What is the minimum share of investments in transitional and enabling activities?

No minimum proportion of investments in transitional and/or enabling activities has been fixed. However, Candriam's ESG research and analysis framework includes an evaluation of transitional and/or enabling activities and how they contribute to the sustainability objectives.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

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

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with an environmental objective.

What is the minimum share of socially sustainable investments?

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with a social objective.

What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Investments in the “Others” category may only be held in the Sub-fund up to a maximum of 25% of the total net assets.

Such investments may be:

- cash and cash equivalents: demand deposits, reverse repurchase transactions that are necessary in order to manage the liquidity of the Sub-fund following subscriptions/redemptions and/or resulting from the Sub-fund’s market exposure decision

- issuers which had E/S characteristics at the time of investment and which are no longer fully aligned with Candriam’s E/S investment criteria. The intention is to sell these investments;

- other investments including single name derivatives which may be purchased for diversification purposes and which cannot undergo ESG filtering or for which ESG data is not available but which as a minimum respect the principles of good governance;

- non single name derivatives may be used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No specific index has been designated as a benchmark in order to evaluate alignment with E/S characteristics.

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

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A

Where can I find more product specific information online?

For more detailed information about the product, go to:

https://www.candriam.com/en/private/sfdr/

https://www.candriam.com/en/professional/sfdr/

CANDRIAM
A NEW YORK LIFE INVESTMENTS COMPANY

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name:

Candriam Equities L - Europe Innovation

Legal entity identifier

5493005QODYGX9APSB89

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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: _%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 33 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective** _%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Sub-fund promotes environmental and social characteristics as follows:

- by seeking to avoid exposure to companies that present both significant and severe structural risks and that are seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- by seeking to avoid exposure to companies that are significantly exposed to controversial activities such as the mining, transport or distribution of thermal coal, the production or retail of tobacco, and the production or sale of controversial weapons (anti-personnel mines, cluster bombs, chemical, biological, white phosphorus and or depleted uranium weapons);

- by seeking to support the energy transition with an energy mix favouring renewables and avoiding emitters which are highly exposed to especially polluting energy sources such as coal,

tar sands and shale gas/oil;

- by seeking to achieve a lower carbon footprint than the benchmark.

In addition to the above, Candriam's ESG research methodology is an integral part of the investment process. Finally, the Sub-fund seeks to invest a minimum proportion of its assets in sustainable investments

No non-financial benchmark has been designated in order to achieve the environmental or social characteristics promoted by the Sub-fund.

- ***What Sustainability Indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The sustainability indicators used in order to measure the achievement of environmental and social characteristics are the following:

- carbon footprint: the Sub-fund seeks to achieve a carbon footprint on private issuers below its benchmark;

- steps to ensure that there are no investments in issuers seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- steps to ensure that there are no investments in issuers exposed to controversial weapons;

- steps to ensure that there are no investments in issuers particularly exposed to the exploration, mining, transport or distribution of thermal coal;

- steps to ensure that there are no investments in issuers particularly exposed to the production and distribution of tobacco;

- steps to ensure that there are no investments in issuers significantly exposed to the production, manufacture, sale, testing or maintenance of conventional weapons and/or components/services which are critical for conventional weapons;

- steps to ensure that there are no investments in electricity-producing issuers which have new coal or nuclear projects, or which have a carbon intensity above a certain threshold;

- steps to ensure that there are no investments in issuers significantly exposed to non-conventional oil and gas, nor in issuers exposed to conventional oil and gas for which a significant portion of revenues does not originate from natural gas and renewable energies;

- steps to ensure that there are no investments in issuers significantly exposed to gambling activities, directly or indirectly;

- steps to ensure that there are no investments in issuers significantly exposed to nuclear energy;

- steps to ensure that there are no investments in issuers producing, distributing and purchasing palm oil which are not members of the Roundtable on Sustainable Palm Oil and which are significantly exposed non-RSPO-certified palm oil, and which do not have a deforestation policy;

- steps to ensure that there are no investments in issuers directly involved in the extraction and smelting of metals and minerals which have not implemented relevant ESG risk management systems, in accordance with recognised international standards such as the UN Guiding Principles, Voluntary Principles on Security and Human Rights and the OECD Guidelines.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The sustainable investments which the sub-fund intends to make for part of the portfolio aim to contribute to a reduction in greenhouse gas emissions by means of exclusions and the use of climate indicators in the analysis of companies, and they aim to have a positive environmental and social impact in the long term.

Concerning sustainable investments with environmental objectives, the sub-fund, through

its sustainable investments defined by Candriam's proprietary ESG analysis, may over the long-term contribute to one or more of the following environmental objectives as set out in Article 9 of Regulation (EU) 2020/852:

a) climate change mitigation,

b) climate change adaptation,

c) the sustainable use and protection of water and marine resources,

d) the transition to a circular economy,

e) pollution prevention and control.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments which the financial product makes do no significant harm to any sustainable environmental or social investment objectives, to the extent that Candriam takes account of the principal adverse impacts and aims for alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, through the framework of its ESG ratings and its exclusions policy on controversial activities and normative policy.

Companies that contribute negatively to environmental and/or social sustainable investment objectives and that consequently do significant harm to these objectives through their adverse impacts will consequently tend to be allocated a poor score under Candriam's ESG rating system. They are therefore highly likely to be excluded from the eligible investment universe.

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

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

For these sustainable investments realised partially by the Sub-fund, indicators of the principal adverse impacts on sustainability factors were considered using Candriam's ESG rating framework, exclusions from controversial activities and exclusions based on standards.

For example:

1. Through the exclusion of companies involved in controversial activities and standards-based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of the following principal adverse impacts (PAIs):

• PAI 3, 4 and 5: Exclusion of companies with significant exposure to conventional and non-conventional fossil fuel activities and/or non-renewable energy production. For PAIs 4 and 5, Candriam applies thresholds when taking account of exposure to these activities.

• PAI 7: Activities adversely impacting biodiversity sensitive areas. For example, Candriam excludes companies involved in palm oil (thresholds based on palm oil not certified by the RSPO).

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

2. By analysing the contribution of a company's business activities to the main sustainability challenges of climate change and resource depletion, Candriam takes account of the following principal adverse impacts:

• PAI 1, 2, 3, 4, 5 and 6: By assessing the main sustainability challenges of climate change, Candriam analyses a company's exposure to climate risks as well as the intensity of GHG emissions generated by their business activities. This assessment is used to determine whether the company's business activities contribute positively or negatively to climate change.

• PAI 7, 8 and 9: Assessment of the impact of a company's business activities on the depletion of natural resources.

3. Through entity level engagement: In order to avoid and/or reduce adverse impacts on sustainability factors, Candriam also considers adverse impacts through its Enterprise-wide Engagement Programme, which includes dialogue with companies and/or the exercise of voting rights. Candriam prioritises engagement and/or voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary from one issuer to another depending on Candriam’s prioritising methodology.

The main themes of Candriam’s engagement and/or voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 10 (violations of the United Nations Global Compact Principles and the OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

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

The investments in the portfolio undergo a normative analysis examining respect for international social, human, environmental and anti-corruption norms as defined in the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The conventions of the International Labour Organisation and the International Bill of Human Rights are among the many international references embedded in the normative analysis and Candriam’s ESG analysis framework.

The analysis seeks to exclude companies which have significantly and/or repeatedly breached one of these principles.

Additional information on how Candriam takes account of the “do no significant harm” principle can be found at the links mentioned at the end of this Appendix.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

Does this financial product consider principal adverse impacts on sustainability factors?

x Yes, at the Sub-fund level, as indicated in Annex I of the SFDR delegated Regulation supplementing Regulation (EU) 2019/2088, the Principal Adverse Impacts (PAIs) on sustainability factors are taken into account – as described in the Level 2 PAIs in the document entitled "Principal Adverse Impact at Product Level" – by one or more of the following means:

• Exclusions:

Through the exclusion of companies involved in controversial activities or through standard-based exclusions, Candriam takes the following into account:

Through the exclusion of companies involved in controversial activities and standards-

based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of the following principal adverse impacts (PAIs):

• PAI 3, 4 and 5: Exclusion of companies with significant exposure to conventional and non-conventional fossil fuel activities and/or non-renewable energy production. For PAIs 4 and 5, Candriam applies thresholds when taking account of exposure to these activities.

• PAI 7: Activities adversely impacting biodiversity sensitive areas. For example, Candriam excludes companies involved in palm oil (thresholds based on palm oil not certified by the RSPO).

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

• Engagement and voting:

In order to avoid and/or reduce adverse impacts on sustainability factors, the Sub-fund also considers adverse impacts through its Entity-wide Engagement Programme, which includes dialogue with companies and the exercise of voting rights. Candriam prioritises its engagement and voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary depending on the issuers and Candriam's prioritising methodology.

The main themes of Candriam's engagement and voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 7 (activities having an adverse impact on biodiversity sensitive zones) PAI 10 (violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

• Monitoring:

Monitoring includes calculating and assessing the main adverse impacts on sustainability factors, including reporting at the Sub-fund level. Certain principal adverse impact indicators may have explicit objectives and be used to measure achievement of the Sub-fund's sustainable investment objective. All principal adverse impacts that take into account GHG emissions, carbon footprint and intensity (PAI 1 to 4) are tracked as well as PAI 10 (Violations of the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises), PAI 13 (gender diversity in governance bodies), PAI 14 (involvement in controversial weapons).

The indicators of specific principal adverse impacts taken into account depend on data quality and availability and may change as data quality and availability improves. If it is not possible to use a principal adverse impact indicator due to data limitations or other technical issues, the fund manager may use a representative replacement indicator.

More extensive information on the types of PAI considered can be found through the links provided at the end of this Annex (document entitled "Principal adverse impacts at product level").

☐ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The objective of the sub-fund is to use discretionary management to benefit from the performance of the market in equities of companies showing evidence of strong and successful innovative capabilities and which have their registered office and/or carry out their primary economic activity in an EEA country, and to outperform the benchmark.

The investment strategy is applied according to a well-defined investment process and a rigorous risk framework. Adherence to these elements is subject to risk monitoring by Candriam.

Regarding the environmental and social aspects of the investment strategy, Candriam's proprietary ESG analysis (which produces ESG ratings and scores) and a normative controversy evaluation (including the controversial activity exclusion policy) are applied, making it possible to define the investable universe for the sub-fund.

Furthermore, Candriam's ESG analysis, which includes an analysis of the issuer's activities and its interaction with its main stakeholders, is an integral part of the financial management of the portfolio, enabling the asset manager to identify the risks as well as opportunities around the serious challenges of sustainable development.

As the management company, Candriam has established a monitoring framework as described in the sustainability risk management policy. Monitoring of the sub-fund's investment strategy risks seeks to ensure that the investments are aligned with and take account of environmental, social and governance indicators and the sustainability thresholds as explained above.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The investment strategy contains binding elements such as an exclusions policy comprising a normative filter as well as the exclusion of certain controversial activities as described in Candriam's Level 2A Exclusions Policy. Candriam's Level 2A Exclusions Policy is aimed at harmful activities that in Candriam's opinion have a substantial adverse impact and incur serious financial and sustainability risks. Exposure to these activities presents significant systemic and reputational risks for invested companies from economic, environmental and social points of view.

Furthermore, since climate change is the main sustainable development challenge to be taken up in the near future, Candriam's Level 2A exclusions policy takes account of this and focuses on environmental issues. The objective is to contribute to the fight against climate change by excluding activities that significantly harm the environment. We believe that supporting environmental sustainability in this way can also have positive repercussions on social issues.

Candriam's Level 2A Exclusions Policy applies to all investments made by Candriam by way of long positions in direct lines on private sector and sovereign issuers and derivative products on individual issuers.

Candriam's Level 2A Exclusions Policy excludes controversial activities linked to weapons, tobacco and thermal coal, and encourages third parties to do likewise. These activities engender significant systemic risks for society and the global economy.

Applying Candriam's Level 2A Exclusions Policy also implies excluding conventional weapons. This is in line with the approach of many sustainable investors and various standards which exclude this activity because of the negative nature of armaments that have often been used to breach human rights and have had devastating effects on human lives and the overall well-being of society. The difficulty in obtaining detailed information on end-users and end-uses of weapons is an additional factor justifying this exclusion.

Portfolios subject to Candriam's Level 2A Exclusions Policy also exclude gambling activities, as these activities may potentially be linked to illegal activities and corruption and could therefore engender reputational risks for Candriam and our clients. This reflects the concerns of many responsibility-oriented investors as well as some independent ESG executives.

The full list of activities excluded under Candriam's Level 2A Exclusions Policy and their respective thresholds and exclusion criteria are available through the links provided at the end of this Annex (document entitled "Candriam Level 2A Exclusions Policy").

In addition, the portfolio is constructed in order to achieve or to respect:

- the objective of the sustainability indicator described above,

- the defined minimum proportion of investments which have environmental and social characteristics,

- the defined minimum proportion of sustainable investments.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

On the basis of the various elements of analysis above (ESG analysis, breaches of the UN Global Compact, controversial activities), the sub-fund's analysed investment universe is reduced by at least 20%.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The company's governance is a core aspect of the stakeholder analysis performed by Candriam. It can be used to evaluate:

1) how a company interacts with and manages its stakeholders, and

2) how a company's board of directors discharges its governance and management functions regarding disclosure and transparency and regarding consideration of sustainability objectives.

In order to evaluate a company's governance practices specifically regarding the stability of the management structures, labour relations, staff remuneration and tax compliance as defined by the SFDR, Candriam's ESG analysis includes five key pillars of governance:

1. The strategic orientation, which evaluates the independence, expertise and composition of the board of directors and ensures that the board acts in the interests of all shareholders and other stakeholders and that it is able to act as an effective counterweight to management,

2. An audit committee and an evaluation of the independence of the auditors in order to avoid conflicts of interest,

3. Transparency around the remuneration of senior managers, enabling managers and the remuneration committee to be held to account by the shareholders, to align the interests of senior management with those of the shareholders, and to focus on long-term performance,

4. The share capital to ensure that all the shareholders have equal voting rights,

5. Financial conduct and transparency.

What is the asset allocation planned for this financial product?

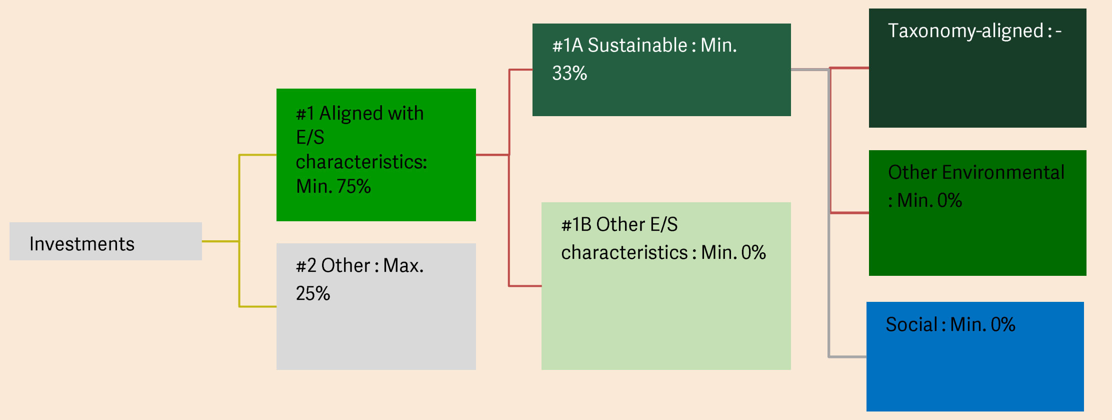
Asset allocation describes the share of investments in specific assets.

The Sub-fund seeks to invest at least 75% of its total net assets in investments which have environmental and social characteristics, of which a minimum of 33% of its total net assets will consist of sustainable investments. A maximum of 25% of the total net assets of the Sub-fund may be allocated to other assets as defined below.

The investments which have environmental and social characteristics are investments which have been subject to Candriam's proprietary ESG analysis and are eligible on the basis of their ESG rating. In addition, these investments must respect Candriam's exclusion policy concerning controversial activities and the normative filter. The investments which have E/S characteristics must demonstrate good governance practices.

Sustainable investments are defined on the basis of Candriam's proprietary ESG analysis. An issuer which respects Candriam's exclusion filters is eligible as a sustainable investment on the basis of an ESG rating reflecting high sustainability standards.

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.



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

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

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

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

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

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The use of derivative products is not intended to achieve the environmental or social characteristics promoted by the sub-fund.

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

The EU Taxonomy Regulation establishes six distinct but interconnected environmental objectives. These environmental objectives are placed at the heart of Candriam's ESG research and analysis of issuers.

At the present time, however, only a small number of companies worldwide publish the necessary information for a rigorous evaluation of their alignment with the Taxonomy.

As a result, the sub-fund does not commit to a minimum Taxonomy alignment percentage, meaning that this percentage must be considered to be zero.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

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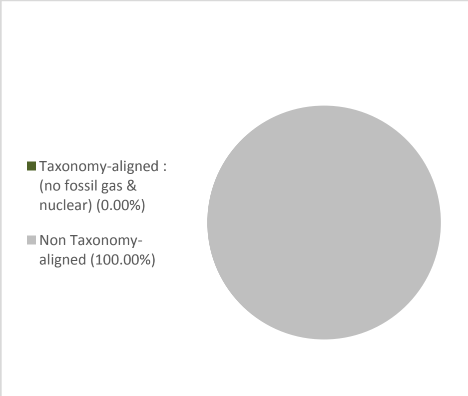
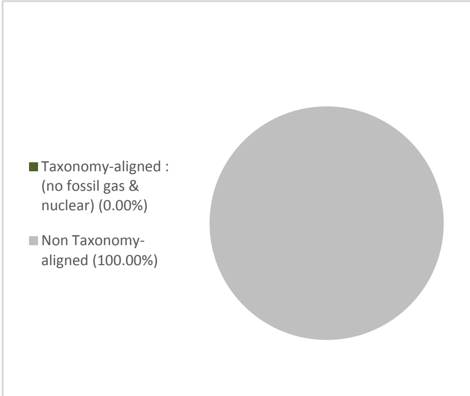
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas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

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***



This graph represents max. 100 % of the total investments.

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

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.

What is the minimum share of investments in transitional and enabling activities?

No minimum proportion of investments in transitional and/or enabling activities has been fixed. However, Candriam's ESG research and analysis framework includes an evaluation of transitional and/or enabling activities and how they contribute to the sustainability objectives.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

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

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with an environmental objective.

What is the minimum share of socially sustainable investments?

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with a social objective.

What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Investments in the “Others” category may be held in the Sub-fund up to a maximum of 25% of the total net assets.

Such investments may be:

- cash and cash equivalents: demand deposits, reverse repurchase transactions that are necessary in order to manage the liquidity of the Sub-fund following subscriptions/redemptions and/or resulting from the Sub-fund’s market exposure decision

- issuers which had E/S characteristics at the time of investment and which are no longer fully aligned with Candriam’s E/S investment criteria. The intention is to sell these investments;

- other investments including single name derivatives which may be purchased for diversification purposes and which cannot undergo ESG filtering or for which ESG data is not available but which as a minimum respect the principles of good governance;

- non single name derivatives may be used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No specific index has been designated as a benchmark in order to evaluate alignment with E/S characteristics.

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

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A

Where can I find more product specific information online?

For more detailed information about the product, go to:

https://www.candriam.com/en/private/sfdr/

https://www.candriam.com/en/professional/sfdr/

CANDRIAM
A NEW YORK LIFE INVESTMENTS COMPANY

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Candriam Equities L - Europe Optimum Quality

Legal entity identifier 5493003ZDQ4QU4NNSK42

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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: _%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 33 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective** _%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Sub-fund promotes environmental and social characteristics as follows:

- by seeking to avoid exposure to companies that present both significant and severe structural risks and that are seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- by seeking to avoid exposure to companies that are significantly exposed to controversial activities such as the mining, transport or distribution of thermal coal, the production or retail of tobacco, and the production or sale of controversial weapons (anti-personnel mines, cluster bombs, chemical, biological, white phosphorus and or depleted uranium weapons);

- by seeking to support the energy transition with an energy mix favouring renewables and avoiding emitters which are highly exposed to especially polluting energy sources such as coal,

tar sands and shale gas/oil;

- by seeking to achieve a lower carbon footprint than the benchmark.

In addition to the above, Candriam's ESG research methodology is an integral part of the investment process. Finally, the Sub-fund seeks to invest a minimum proportion of its assets in sustainable investments

No non-financial benchmark has been designated in order to achieve the environmental or social characteristics promoted by the Sub-fund.

- ***What Sustainability Indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The sustainability indicators used in order to measure the achievement of environmental and social characteristics are the following:

- carbon footprint: the Sub-fund seeks to achieve a carbon footprint on private issuers below its benchmark;

- steps to ensure that there are no investments in issuers seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- steps to ensure that there are no investments in issuers exposed to controversial weapons;

- steps to ensure that there are no investments in issuers particularly exposed to the exploration, mining, transport or distribution of thermal coal;

- steps to ensure that there are no investments in issuers particularly exposed to the production and distribution of tobacco;

- steps to ensure that there are no investments in issuers significantly exposed to the production, manufacture, sale, testing or maintenance of conventional weapons and/or components/services which are critical for conventional weapons;

- steps to ensure that there are no investments in electricity-producing issuers which have new coal or nuclear projects, or which have a carbon intensity above a certain threshold;

- steps to ensure that there are no investments in issuers significantly exposed to non-conventional oil and gas, nor in issuers exposed to conventional oil and gas for which a significant portion of revenues does not originate from natural gas and renewable energies;

- steps to ensure that there are no investments in issuers significantly exposed to gambling activities, directly or indirectly;

- steps to ensure that there are no investments in issuers significantly exposed to nuclear energy;

- steps to ensure that there are no investments in issuers producing, distributing and purchasing palm oil which are not members of the Roundtable on Sustainable Palm Oil and which are significantly exposed non-RSPO-certified palm oil, and which do not have a deforestation policy;

- steps to ensure that there are no investments in issuers directly involved in the extraction and smelting of metals and minerals which have not implemented relevant ESG risk management systems, in accordance with recognised international standards such as the UN Guiding Principles, Voluntary Principles on Security and Human Rights and the OECD Guidelines.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The sustainable investments which the sub-fund intends to make for part of the portfolio aim to contribute to a reduction in greenhouse gas emissions by means of exclusions and the use of climate indicators in the analysis of companies, and they aim to have a positive environmental and social impact in the long term.

Concerning sustainable investments with environmental objectives, the sub-fund, through

its sustainable investments defined by Candriam's proprietary ESG analysis, may over the long-term contribute to one or more of the following environmental objectives as set out in Article 9 of Regulation (EU) 2020/852:

a) climate change mitigation,

b) climate change adaptation,

c) the sustainable use and protection of water and marine resources,

d) the transition to a circular economy,

e) pollution prevention and control.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments which the financial product makes do no significant harm to any sustainable environmental or social investment objectives, to the extent that Candriam takes account of the principal adverse impacts and aims for alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, through the framework of its ESG ratings and its exclusions policy on controversial activities and normative policy.

Companies that contribute negatively to environmental and/or social sustainable investment objectives and that consequently do significant harm to these objectives through their adverse impacts will consequently tend to be allocated a poor score under Candriam's ESG rating system. They are therefore highly likely to be excluded from the eligible investment universe.

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

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

For these sustainable investments realised partially by the Sub-fund, indicators of the principal adverse impacts on sustainability factors were considered using Candriam's ESG rating framework, exclusions from controversial activities and exclusions based on standards.

For example:

1. Through the exclusion of companies involved in controversial activities and standards-based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of the following principal adverse impacts (PAIs):

• PAI 3, 4 and 5: Exclusion of companies with significant exposure to conventional and non-conventional fossil fuel activities and/or non-renewable energy production. For PAIs 4 and 5, Candriam applies thresholds when taking account of exposure to these activities.

• PAI 7: Activities adversely impacting biodiversity sensitive areas. For example, Candriam excludes companies involved in palm oil (thresholds based on palm oil not certified by the RSPO).

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

2. By analysing the contribution of a company's business activities to the main sustainability challenges of climate change and resource depletion, Candriam takes account of the following principal adverse impacts:

• PAI 1, 2, 3, 4, 5 and 6: By assessing the main sustainability challenges of climate change, Candriam analyses a company's exposure to climate risks as well as the intensity of GHG emissions generated by their business activities. This assessment is used to determine whether the company's business activities contribute positively or negatively to climate change.

• PAI 7, 8 and 9: Assessment of the impact of a company's business activities on the depletion of natural resources.

3. Through entity level engagement: In order to avoid and/or reduce adverse impacts on sustainability factors, Candriam also considers adverse impacts through its Enterprise-wide Engagement Programme, which includes dialogue with companies and/or the exercise of voting rights. Candriam prioritises engagement and/or voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary from one issuer to another depending on Candriam's prioritising methodology.

The main themes of Candriam's engagement and/or voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 10 (violations of the United Nations Global Compact Principles and the OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

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

The investments in the portfolio undergo a normative analysis examining respect for international social, human, environmental and anti-corruption norms as defined in the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The conventions of the International Labour Organisation and the International Bill of Human Rights are among the many international references embedded in the normative analysis and Candriam's ESG analysis framework.

The analysis seeks to exclude companies which have significantly and/or repeatedly breached one of these principles.

Additional information on how Candriam takes account of the "do no significant harm" principle can be found at the links mentioned at the end of this Appendix.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

Does this financial product consider principal adverse impacts on sustainability factors?

x Yes, at the Sub-fund level, as indicated in Annex I of the SFDR delegated Regulation supplementing Regulation (EU) 2019/2088, the Principal Adverse Impacts (PAIs) on sustainability factors are taken into account – as described in the Level 2 PAIs in the document entitled "Principal Adverse Impact at Product Level" – by one or more of the following means:

• Exclusions:

Through the exclusion of companies involved in controversial activities or through standard-based exclusions, Candriam takes the following into account:

Through the exclusion of companies involved in controversial activities and standards-

based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of the following principal adverse impacts (PAIs):

• PAI 3, 4 and 5: Exclusion of companies with significant exposure to conventional and non-conventional fossil fuel activities and/or non-renewable energy production. For PAIs 4 and 5, Candriam applies thresholds when taking account of exposure to these activities.

• PAI 7: Activities adversely impacting biodiversity sensitive areas. For example, Candriam excludes companies involved in palm oil (thresholds based on palm oil not certified by the RSPO).

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

• Engagement and voting:

In order to avoid and/or reduce adverse impacts on sustainability factors, the Sub-fund also considers adverse impacts through its Entity-wide Engagement Programme, which includes dialogue with companies and the exercise of voting rights. Candriam prioritises its engagement and voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary depending on the issuers and Candriam's prioritising methodology.

The main themes of Candriam's engagement and voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 7 (activities having an adverse impact on biodiversity sensitive zones) PAI 10 (violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

• Monitoring:

Monitoring includes calculating and assessing the main adverse impacts on sustainability factors, including reporting at the Sub-fund level. Certain principal adverse impact indicators may have explicit objectives and be used to measure achievement of the Sub-fund's sustainable investment objective. All principal adverse impacts that take into account GHG emissions, carbon footprint and intensity (PAI 1 to 4) are tracked as well as PAI 10 (Violations of the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises), PAI 13 (gender diversity in governance bodies), PAI 14 (involvement in controversial weapons).

The indicators of specific principal adverse impacts taken into account depend on data quality and availability and may change as data quality and availability improves. If it is not possible to use a principal adverse impact indicator due to data limitations or other technical issues, the fund manager may use a representative replacement indicator.

More extensive information on the types of PAI considered can be found through the links provided at the end of this Annex (document entitled "Principal adverse impacts at product level").

☐ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The objective of the sub-fund is to use combined discretionary and quantitative management to benefit from the performance of the market in equities of companies which have their registered office and/or carry out their primary economic activity in an EEA country. The sub-fund also aims to reduce volatility and to partially hedge the risk of underperformance compared to the benchmark.

The investment strategy is applied according to a well-defined investment process and a rigorous risk framework. Adherence to these elements is subject to risk monitoring by Candriam.

Regarding the environmental and social aspects of the investment strategy, Candriam's proprietary ESG analysis (which produces ESG ratings and scores) and a normative controversy evaluation (including the controversial activity exclusion policy) are applied, making it possible to define the investable universe for the sub-fund.

Furthermore, Candriam’s ESG analysis, which includes an analysis of the issuer’s activities and its interaction with its main stakeholders, is an integral part of the financial management of the portfolio, enabling the fund’s asset manager to identify the risks as well as opportunities around the serious challenges of sustainable development.

As the management company, Candriam has established a monitoring framework as described in the sustainability risk management policy. Monitoring of the sub-fund’s investment strategy risks seeks to ensure that the investments are aligned with and take account of environmental, social and governance indicators and the sustainability thresholds as explained above.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The investment strategy contains binding elements such as an exclusions policy comprising a normative filter as well as the exclusion of certain controversial activities as described in Candriam’s Level 2A Exclusions Policy. Candriam’s Level 2A Exclusions Policy is aimed at harmful activities that in Candriam’s opinion have a substantial adverse impact and incur serious financial and sustainability risks. Exposure to these activities presents significant systemic and reputational risks for invested companies from economic, environmental and social points of view.

Furthermore, since climate change is the main sustainable development challenge to be taken up in the near future, Candriam's Level 2A exclusions policy takes account of this and focuses on environmental issues. The objective is to contribute to the fight against climate change by excluding activities that significantly harm the environment. We believe that supporting environmental sustainability in this way can also have positive repercussions on social issues.

Candriam’s Level 2A Exclusions Policy applies to all investments made by Candriam by way of long positions in direct lines on private sector and sovereign issuers and derivative products on individual issuers.

Candriam’s Level 2A Exclusions Policy excludes controversial activities linked to weapons, tobacco and thermal coal, and encourages third parties to do likewise. These activities engender significant systemic risks for society and the global economy.

Applying Candriam’s Level 2A Exclusions Policy also implies excluding conventional weapons. This is in line with the approach of many sustainable investors and various standards which exclude this activity because of the negative nature of armaments that have often been used to breach human rights and have had devastating effects on human lives and the overall well-being of society. The difficulty in obtaining detailed information on end-users and end-uses of weapons is an additional factor justifying this exclusion.

Portfolios subject to Candriam's Level 2A Exclusions Policy also exclude gambling activities, as these activities may potentially be linked to illegal activities and corruption and could therefore engender reputational risks for Candriam and our clients. This reflects the concerns of many responsibility-oriented investors as well as some independent ESG executives.

The full list of activities excluded under Candriam’s Level 2A Exclusions Policy and their respective thresholds and exclusion criteria are available through the links provided at the end of this Annex (document entitled “Candriam Level 2A Exclusions Policy”).

In addition, the portfolio is constructed in order to achieve or to respect:

- the objective of the sustainability indicator described above,

- the defined minimum proportion of investments which have environmental and social characteristics,

- the defined minimum proportion of sustainable investments.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

On the basis of the various elements of analysis above (ESG analysis, breaches of the UN Global Compact, controversial activities), the sub-fund's analysed investment universe is reduced by at least 20%.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The company's governance is a core aspect of the stakeholder analysis performed by Candriam. It can be used to evaluate:

1) how a company interacts with and manages its stakeholders, and

2) how a company's board of directors discharges its governance and management functions regarding disclosure and transparency and regarding consideration of sustainability objectives.

In order to evaluate a company's governance practices specifically regarding the stability of the management structures, labour relations, staff remuneration and tax compliance as defined by the SFDR, Candriam's ESG analysis includes five key pillars of governance:

1. The strategic orientation, which evaluates the independence, expertise and composition of the board of directors and ensures that the board acts in the interests of all shareholders and other stakeholders and that it is able to act as an effective counterweight to management,

2. An audit committee and an evaluation of the independence of the auditors in order to avoid conflicts of interest,

3. Transparency around the remuneration of senior managers, enabling managers and the remuneration committee to be held to account by the shareholders, to align the interests of senior management with those of the shareholders, and to focus on long-term performance,

4. The share capital to ensure that all the shareholders have equal voting rights,

5. Financial conduct and transparency.

What is the asset allocation planned for this financial product?

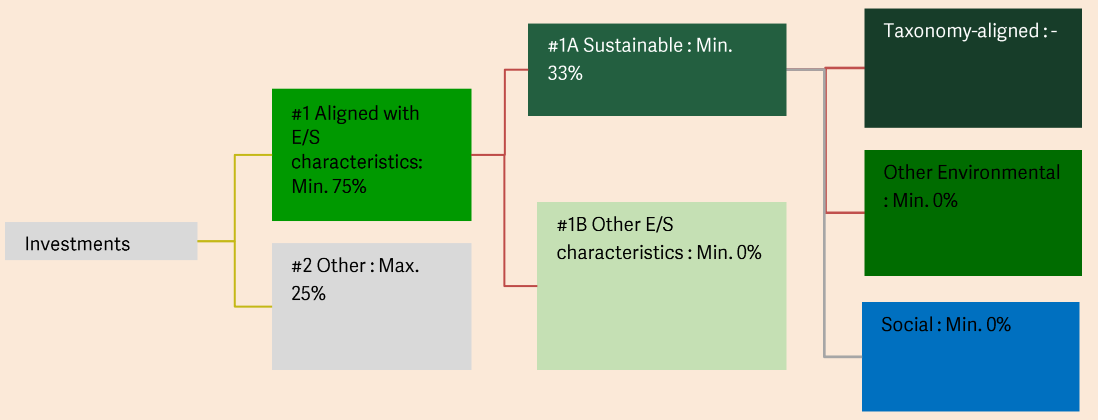
Asset allocation describes the share of investments in specific assets.

The Sub-fund seeks to invest at least 75% of its total net assets in investments which have environmental and social characteristics, of which a minimum of 33% of its total net assets will consist of sustainable investments. A maximum of 25% of the total net assets of the Sub-fund may be allocated to other assets as defined below.

The investments which have environmental and social characteristics are investments which have been subject to Candriam's proprietary ESG analysis and are eligible on the basis of their ESG rating. In addition, these investments must respect Candriam's exclusion policy concerning controversial activities and the normative filter. The investments which have E/S characteristics must demonstrate good governance practices.

Sustainable investments are defined on the basis of Candriam's proprietary ESG analysis. An issuer which respects Candriam's exclusion filters is eligible as a sustainable investment on the basis of an ESG rating reflecting high sustainability standards.

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.



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

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

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

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

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

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The use of derivative products is not intended to achieve the environmental or social characteristics promoted by the sub-fund.

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

The EU Taxonomy Regulation establishes six distinct but interconnected environmental objectives. These environmental objectives are placed at the heart of Candriam's ESG research and analysis of issuers.

At the present time, however, only a small number of companies worldwide publish the necessary information for a rigorous evaluation of their alignment with the Taxonomy.

As a result, the sub-fund does not commit to a minimum Taxonomy alignment percentage, meaning that this percentage must be considered to be zero.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

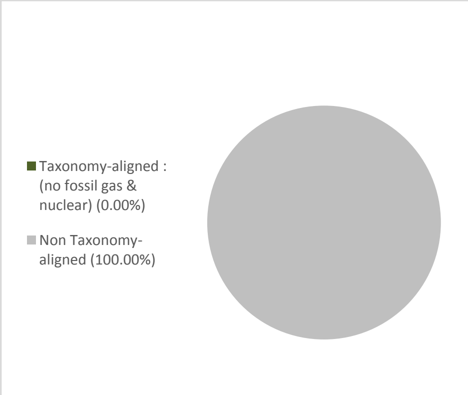
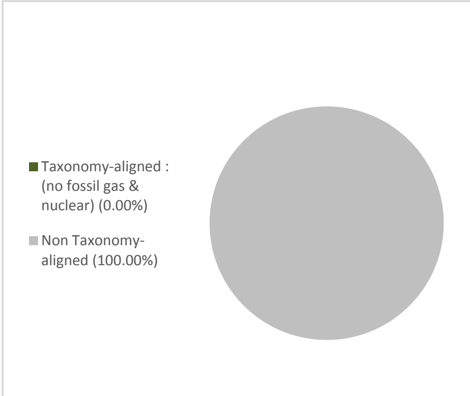
☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

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

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***
	
	This graph represents max. 100 % of the total investments.

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

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.

What is the minimum share of investments in transitional and enabling activities?

No minimum proportion of investments in transitional and/or enabling activities has been fixed. However, Candriam's ESG research and analysis framework includes an evaluation of transitional and/or enabling activities and how they contribute to the sustainability objectives.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

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

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with an environmental objective.

What is the minimum share of socially sustainable investments?

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with a social objective.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

Investments in the "Others" category may be held in the Sub-fund up to a maximum of 25% of the total net assets.

Such investments may be:

- cash and cash equivalents: demand deposits, reverse repurchase transactions that are necessary in order to manage the liquidity of the Sub-fund following subscriptions/redemptions and/or resulting from the Sub-fund's market exposure decision

- issuers which had E/S characteristics at the time of investment and which are no longer fully aligned with Candriam's E/S investment criteria. The intention is to sell these investments;

- other investments including single name derivatives which may be purchased for diversification purposes and which cannot undergo ESG filtering or for which ESG data is not available but which as a minimum respect the principles of good governance;

- non single name derivatives may be used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No specific index has been designated as a benchmark in order to evaluate alignment with E/S characteristics.

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

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  N/A

- ***How does the designated index differ from a relevant broad market index?***

  N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A

Where can I find more product specific information online?

For more detailed information about the product, go to:

https://www.candriam.com/en/private/sfdr/

https://www.candriam.com/en/professional/sfdr/

CANDRIAM
A NEW YORK LIFE INVESTMENTS COMPANY

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name:

Candriam Equities L - Global Demography

Legal entity identifier

549300U1J0TKZBMYAV14

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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: _%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective** _%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Sub-fund promotes environmental and social characteristics as follows:

- by seeking to avoid exposure to companies that present both significant and severe structural risks and that are seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- by seeking to avoid exposure to companies that are significantly exposed to controversial activities such as the mining, transport or distribution of thermal coal, the production or retail of tobacco, and the production or sale of controversial weapons (anti-personnel mines, cluster bombs, chemical, biological, white phosphorus and or depleted uranium weapons);

- by seeking to support the energy transition with an energy mix favouring renewables and avoiding emitters which are highly exposed to especially polluting energy sources such as coal,

tar sands and shale gas/oil;

- by seeking to achieve a lower carbon footprint than the benchmark.

In addition to the above, Candriam's ESG research methodology is an integral part of the investment process. Finally, the Sub-fund seeks to invest a minimum proportion of its assets in sustainable investments

No non-financial benchmark has been designated in order to achieve the environmental or social characteristics promoted by the Sub-fund.

- ***What Sustainability Indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The sustainability indicators used in order to measure the achievement of environmental and social characteristics are the following:

- carbon footprint: the Sub-fund seeks to achieve a carbon footprint on private issuers below its benchmark;

- steps to ensure that there are no investments in issuers seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- steps to ensure that there are no investments in issuers exposed to controversial weapons;

- steps to ensure that there are no investments in issuers particularly exposed to the exploration, mining, transport or distribution of thermal coal;

- steps to ensure that there are no investments in issuers particularly exposed to the production and distribution of tobacco;

- steps to ensure that there are no investments in issuers significantly exposed to the production, manufacture, sale, testing or maintenance of conventional weapons and/or components/services which are critical for conventional weapons;

- steps to ensure that there are no investments in electricity-producing issuers which have new coal or nuclear projects, or which have a carbon intensity above a certain threshold;

- steps to ensure that there are no investments in issuers significantly exposed to non-conventional oil and gas, nor in issuers exposed to conventional oil and gas for which a significant portion of revenues does not originate from natural gas and renewable energies;

- steps to ensure that there are no investments in issuers significantly exposed to gambling activities, directly or indirectly;

- steps to ensure that there are no investments in issuers significantly exposed to nuclear energy;

- steps to ensure that there are no investments in issuers producing, distributing and purchasing palm oil which are not members of the Roundtable on Sustainable Palm Oil and which are significantly exposed non-RSPO-certified palm oil, and which do not have a deforestation policy;

- steps to ensure that there are no investments in issuers directly involved in the extraction and smelting of metals and minerals which have not implemented relevant ESG risk management systems, in accordance with recognised international standards such as the UN Guiding Principles, Voluntary Principles on Security and Human Rights and the OECD Guidelines.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The sustainable investments which the sub-fund intends to make for part of the portfolio aim to contribute to a reduction in greenhouse gas emissions by means of exclusions and the use of climate indicators in the analysis of companies, and they aim to have a positive environmental and social impact in the long term.

Concerning sustainable investments with environmental objectives, the sub-fund, through

its sustainable investments defined by Candriam's proprietary ESG analysis, may over the long-term contribute to one or more of the following environmental objectives as set out in Article 9 of Regulation (EU) 2020/852:

a) climate change mitigation,

b) climate change adaptation,

c) the sustainable use and protection of water and marine resources,

d) the transition to a circular economy,

e) pollution prevention and control.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments which the financial product makes do no significant harm to any sustainable environmental or social investment objectives, to the extent that Candriam takes account of the principal adverse impacts and aims for alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, through the framework of its ESG ratings and its exclusions policy on controversial activities and normative policy.

Companies that contribute negatively to environmental and/or social sustainable investment objectives and that consequently do significant harm to these objectives through their adverse impacts will consequently tend to be allocated a poor score under Candriam's ESG rating system. They are therefore highly likely to be excluded from the eligible investment universe.

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

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

For these sustainable investments realised partially by the Sub-fund, indicators of the principal adverse impacts on sustainability factors were considered using Candriam's ESG rating framework, exclusions from controversial activities and exclusions based on standards.

For example:

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• PAI 7: Activities adversely impacting biodiversity sensitive areas. For example, Candriam excludes companies involved in palm oil (thresholds based on palm oil not certified by the RSPO).

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

2. By analysing the contribution of a company's business activities to the main sustainability challenges of climate change and resource depletion, Candriam takes account of the following principal adverse impacts:

• PAI 1, 2, 3, 4, 5 and 6: By assessing the main sustainability challenges of climate change, Candriam analyses a company's exposure to climate risks as well as the intensity of GHG emissions generated by their business activities. This assessment is used to determine whether the company's business activities contribute positively or negatively to climate change.

• PAI 7, 8 and 9: Assessment of the impact of a company's business activities on the depletion of natural resources.

3. Through entity level engagement: In order to avoid and/or reduce adverse impacts on sustainability factors, Candriam also considers adverse impacts through its Enterprise-wide Engagement Programme, which includes dialogue with companies and/or the exercise of voting rights. Candriam prioritises engagement and/or voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary from one issuer to another depending on Candriam’s prioritising methodology.

The main themes of Candriam’s engagement and/or voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 10 (violations of the United Nations Global Compact Principles and the OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

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

The investments in the portfolio undergo a normative analysis examining respect for international social, human, environmental and anti-corruption norms as defined in the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The conventions of the International Labour Organisation and the International Bill of Human Rights are among the many international references embedded in the normative analysis and Candriam’s ESG analysis framework.

The analysis seeks to exclude companies which have significantly and/or repeatedly breached one of these principles.

Additional information on how Candriam takes account of the “do no significant harm” principle can be found at the links mentioned at the end of this Appendix.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

Does this financial product consider principal adverse impacts on sustainability factors?

x Yes, at the Sub-fund level, as indicated in Annex I of the SFDR delegated Regulation supplementing Regulation (EU) 2019/2088, the Principal Adverse Impacts (PAIs) on sustainability factors are taken into account – as described in the Level 1 PAIs in the document entitled "Principal Adverse Impact at Product Level" – by one or more of the following means:

• Exclusions:

Through the exclusion of companies involved in controversial activities or through standard-based exclusions, Candriam takes the following into account:

Through the exclusion of companies involved in controversial activities and standards-

based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of:

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

• Engagement and voting:

In order to avoid and/or reduce adverse impacts on sustainability factors, the Sub-fund also considers adverse impacts through its Entity-wide Engagement Programme, which includes dialogue with companies and the exercise of voting rights. Candriam prioritises its engagement and voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary depending on the issuers and Candriam's prioritising methodology.

The main themes of Candriam's engagement and voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 7 (activities having an adverse impact on biodiversity sensitive zones) PAI 10 (violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

• Monitoring:

Monitoring includes calculating and assessing the main adverse impacts on sustainability factors, including reporting at the Sub-fund level.

For funds using carbon footprint as a sustainability indicator, PAI 2 is covered by this monitoring approach. PAI 3 (GHG intensity of investee companies) is monitored for funds forming part of Candriam's commitment to the Net Zero Asset Manager initiative. In addition, PAI 10 (Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), PAI 14 (Exposure to controversial weapons).

The indicators of specific principal adverse impacts taken into account depend on data quality and availability and may change as data quality and availability improves. If it is not possible to use a principal adverse impact indicator due to data limitations or other technical issues, the fund manager may use a representative replacement indicator.

More extensive information on the types of PAI considered can be found through the links provided at the end of this Annex (document entitled "Principal adverse impacts at product level").

☐ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The objective of the sub-fund is to use discretionary management to benefit from the performance of the market in equities of global companies benefiting from demographic changes and to outperform the benchmark.

The investment strategy is applied according to a well-defined investment process and a rigorous risk framework. Adherence to these elements is subject to risk monitoring by Candriam.

Regarding the environmental and social aspects of the investment strategy, Candriam's exclusive ESG analysis (which produces ESG ratings and scores) and a normative controversy evaluation (including the controversial activity exclusion policy) are applied, making it possible define the investable universe for the sub-fund.

Furthermore, Candriam's ESG analysis, which includes an analysis of the issuer's activities and its interaction with its main stakeholders, is an integral part of the financial management of the portfolio, enabling the asset manager to identify the risks as well as opportunities around the serious challenges of sustainable development.

As the management company, Candriam has established a monitoring framework as described in the sustainability risk management policy. Monitoring of the sub-fund's investment strategy risks seeks to ensure that the investments are aligned with and take account of environmental, social and governance indicators and the sustainability thresholds as explained above.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The investment strategy contains binding elements such as an exclusions policy comprising a normative filter as well as the exclusion of certain controversial activities as described in Candriam's Level 2A Exclusions Policy. Candriam's Level 2A Exclusions Policy is aimed at harmful activities that in Candriam's opinion have a substantial adverse impact and incur serious financial and sustainability risks. Exposure to these activities presents significant systemic and reputational risks for invested companies from economic, environmental and social points of view.

Furthermore, since climate change is the main sustainable development challenge to be taken up in the near future, Candriam's Level 2A exclusions policy takes account of this and focuses on environmental issues. The objective is to contribute to the fight against climate change by excluding activities that significantly harm the environment. We believe that supporting environmental sustainability in this way can also have positive repercussions on social issues.

Candriam's Level 2A Exclusions Policy applies to all investments made by Candriam by way of long positions in direct lines on private sector and sovereign issuers and derivative products on individual issuers.

Candriam's Level 2A Exclusions Policy excludes controversial activities linked to weapons, tobacco and thermal coal, and encourages third parties to do likewise. These activities engender significant systemic risks for society and the global economy.

Applying Candriam's Level 2A Exclusions Policy also implies excluding conventional weapons. This is in line with the approach of many sustainable investors and various standards which exclude this activity because of the negative nature of armaments that have often been used to breach human rights and have had devastating effects on human lives and the overall well-being of society. The difficulty in obtaining detailed information on end-users and end-uses of weapons is an additional factor justifying this exclusion.

Portfolios subject to Candriam's Level 2A Exclusions Policy also exclude gambling activities, as these activities may potentially be linked to illegal activities and corruption and could therefore engender reputational risks for Candriam and our clients. This reflects the concerns of many responsibility-oriented investors as well as some independent ESG executives.

The full list of activities excluded under Candriam's Level 2A Exclusions Policy and their respective thresholds and exclusion criteria are available through the links provided at the end of this Annex (document entitled "Candriam Level 2A Exclusions Policy").

In addition, the portfolio is constructed in order to achieve or to respect:

- the objective of the sustainability indicator described above,

- the defined minimum proportion of investments which have environmental and social characteristics,

- the defined minimum proportion of sustainable investments.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The sub-fund is subject to an exclusion policy comprising a normative filter as well as the exclusion of certain controversial activities. There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the investment strategy

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The company's governance is a core aspect of the stakeholder analysis performed by Candriam. It can be used to evaluate:

1) how a company interacts with and manages its stakeholders, and

2) how a company's board of directors discharges its governance and management functions regarding disclosure and transparency and regarding consideration of sustainability objectives.

In order to evaluate a company's governance practices specifically regarding the stability of the management structures, labour relations, staff remuneration and tax compliance as defined by the SFDR, Candriam's ESG analysis includes five key pillars of governance:

1. The strategic orientation, which evaluates the independence, expertise and composition of the board of directors and ensures that the board acts in the interests of all shareholders and other stakeholders and that it is able to act as an effective counterweight to management,

2. An audit committee and an evaluation of the independence of the auditors in order to avoid conflicts of interest,

3. Transparency around the remuneration of senior managers, enabling managers and the remuneration committee to be held to account by the shareholders, to align the interests of senior management with those of the shareholders, and to focus on long-term performance,

4. The share capital to ensure that all the shareholders have equal voting rights,

5. Financial conduct and transparency.

What is the asset allocation planned for this financial product?

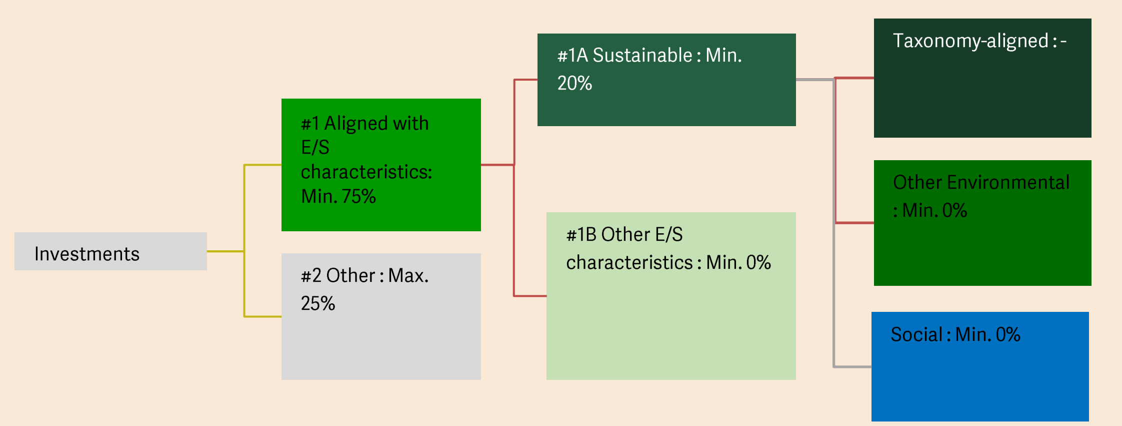
Asset allocation describes the share of investments in specific assets.

The Sub-fund seeks to invest at least 75% of its total net assets in investments which have environmental and social characteristics, of which a minimum of 20% of its total net assets will consist of sustainable investments. A maximum of 25% of the total net assets of the Sub-fund may be allocated to other assets as defined below.

The investments which have environmental and social characteristics are investments which undergo Candriam's proprietary ESG analysis and are eligible on the basis of their ESG rating. In addition, these investments must respect Candriam's exclusion policy concerning controversial activities and the normative filter. The investments which have E/S characteristics must demonstrate good governance practices.

Sustainable investments are defined on the basis of Candriam's proprietary ESG analysis. An issuer which respects Candriam's exclusion filters is eligible as a sustainable investment on the basis of an ESG rating reflecting high sustainability standards.

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.



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

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

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

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

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

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The use of derivative products is not intended to achieve the environmental or social characteristics promoted by the sub-fund.

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

The EU Taxonomy Regulation establishes six distinct but interconnected environmental objectives. These environmental objectives are placed at the heart of Candriam's ESG research and analysis of issuers.

At the present time, however, only a small number of companies worldwide publish the necessary information for a rigorous evaluation of their alignment with the Taxonomy.

As a result, the sub-fund does not commit to a minimum Taxonomy alignment percentage, meaning that this percentage must be considered to be zero.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

☐ Yes

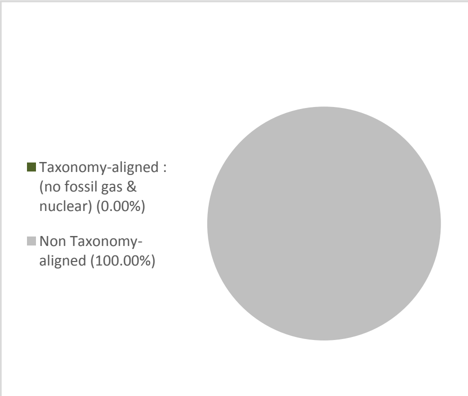
☐ In fossil gas ☐ In nuclear energy

☒ No

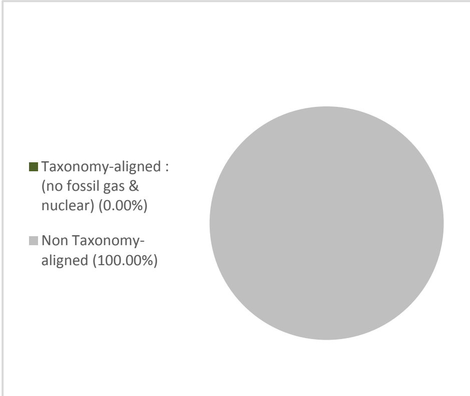
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas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

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***



This graph represents max. 100 % of the total investments.

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

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.

What is the minimum share of investments in transitional and enabling activities?

No minimum proportion of investments in transitional and/or enabling activities has been fixed. However, Candriam's ESG research and analysis framework includes an evaluation of transitional and/or enabling activities and how they contribute to the sustainability objectives.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with an environmental objective.

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

What is the minimum share of socially sustainable investments?

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with a social objective.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

Investments in the "Others" category may be held in the Sub-fund up to a maximum of 25% of the total net assets.

Such investments may be:

- cash and cash equivalents: demand deposits, reverse repurchase transactions that are necessary in order to manage the liquidity of the Sub-fund following subscriptions/redemptions and/or resulting from the Sub-fund's market exposure decision

- issuers which had E/S characteristics at the time of investment and which are no longer fully aligned with Candriam's E/S investment criteria. The intention is to sell these investments;

- other investments including single name derivatives which may be purchased for diversification purposes and which cannot undergo ESG filtering or for which ESG data is not available but which as a minimum respect the principles of good governance;

- non single name derivatives may be used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No specific index has been designated as a benchmark in order to evaluate alignment with E/S characteristics.

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

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  N/A

- ***How does the designated index differ from a relevant broad market index?***

  N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A

Where can I find more product specific information online?

For more detailed information about the product, go to:

https://www.candriam.com/en/private/sfdr/

https://www.candriam.com/en/professional/sfdr/

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name:

Candriam Equities L - Life Care

Legal entity identifier

549300LFOYJY0PZ0LO27

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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: _%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 33 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective** _%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Sub-fund promotes environmental and social characteristics as follows:

- by seeking to avoid exposure to companies that present both significant and severe structural risks and that are seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises,

- by seeking to avoid exposure to companies that are significantly exposed to controversial activities such as the mining, transport or distribution of thermal coal, the production or retail of tobacco, and the production or sale of controversial weapons (anti-personnel mines, cluster bombs, chemical, biological, white phosphorus and or depleted uranium weapons),

- by seeking to support the energy transition with an energy mix favouring renewables and avoiding emitters which are highly exposed to especially polluting energy sources such as coal,

tar sands and shale gas/oil.

In addition to the above, Candriam's ESG research methodology is an integral part of the investment process. Finally, the Sub-fund seeks to invest a minimum proportion of its assets in sustainable investments

No non-financial benchmark has been designated in order to achieve the environmental or social characteristics promoted by the Sub-fund.

- ***What Sustainability Indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The sustainability indicators used in order to measure the achievement of environmental and social characteristics are the following:

- ESG score: the Sub-fund seeks to achieve an ESG score greater than that of its benchmark;

- steps to ensure that there are no investments in issuers seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- steps to ensure that there are no investments in issuers exposed to controversial weapons;

- steps to ensure that there are no investments in issuers particularly exposed to the exploration, mining, transport or distribution of thermal coal;

- steps to ensure that there are no investments in issuers particularly exposed to the production and distribution of tobacco;

- steps to ensure that there are no investments in issuers significantly exposed to the production, manufacture, sale, testing or maintenance of conventional weapons and/or components/services which are critical for conventional weapons;

- steps to ensure that there are no investments in electricity-producing issuers which have new coal or nuclear projects, or which have a carbon intensity above a certain threshold;

- steps to ensure that there are no investments in issuers significantly exposed to non-conventional oil and gas, nor in issuers exposed to conventional oil and gas for which a significant portion of revenues does not originate from natural gas and renewable energies;

- steps to ensure that there are no investments in issuers significantly exposed to gambling activities, directly or indirectly;

- steps to ensure that there are no investments in issuers significantly exposed to nuclear energy;

- steps to ensure that there are no investments in issuers producing, distributing and purchasing palm oil which are not members of the Roundtable on Sustainable Palm Oil and which are significantly exposed non-RSPO-certified palm oil, and which do not have a deforestation policy;

- steps to ensure that there are no investments in issuers directly involved in the extraction and smelting of metals and minerals which have not implemented relevant ESG risk management systems, in accordance with recognised international standards such as the UN Guiding Principles, Voluntary Principles on Security and Human Rights and the OECD Guidelines.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The sustainable investments which the sub-fund intends to make for part of the portfolio aim to have a positive environmental and social impact in the long term.

The sustainable investments held in the sub-fund do not systematically take account of one of more environmental objectives. Nevertheless, having undergone Candriam's proprietary ESG analysis and filtering, such sustainable investments may over the long-term contribute to one or more of the following environmental objectives as set out in Article 9 of Regulation (EU) 2020/852:

a) climate change mitigation,

b) climate change adaptation,

c) the sustainable use and protection of water and marine resources,

d) the transition to a circular economy,

e)pollution prevention and control.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments which the financial product makes do no significant harm to any sustainable environmental or social investment objectives, to the extent that Candriam takes account of the principal adverse impacts and aims for alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, through the framework of its ESG ratings and its exclusions policy on controversial activities and normative policy.

Companies that contribute negatively to environmental and/or social sustainable investment objectives and that consequently do significant harm to these objectives through their adverse impacts will consequently tend to be allocated a poor score under Candriam's ESG rating system. They are therefore highly likely to be excluded from the eligible investment universe.

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

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

For these sustainable investments realised partially by the Sub-fund, indicators of the principal adverse impacts on sustainability factors were considered using Candriam's ESG rating framework, exclusions from controversial activities and exclusions based on standards.

For example:

1. Through the exclusion of companies involved in controversial activities and standards-based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of the following principal adverse impacts (PAIs):

• PAI 3, 4 and 5: Exclusion of companies with significant exposure to conventional and non-conventional fossil fuel activities and/or non-renewable energy production. For PAIs 4 and 5, Candriam applies thresholds when taking account of exposure to these activities.

• PAI 7: Activities adversely impacting biodiversity sensitive areas. For example, Candriam excludes companies involved in palm oil (thresholds based on palm oil not certified by the RSPO).

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

2. By analysing the contribution of a company's business activities to the main sustainability challenges of climate change and resource depletion, Candriam takes account of the following principal adverse impacts:

• PAI 1, 2, 3, 4, 5 and 6: By assessing the main sustainability challenges of climate change, Candriam analyses a company's exposure to climate risks as well as the intensity of GHG emissions generated by their business activities. This assessment is used to determine whether the company's business activities contribute positively or negatively to climate change.

• PAI 7, 8 and 9: Assessment of the impact of a company's business activities on the depletion of natural resources.

3. Through entity level engagement: In order to avoid and/or reduce adverse impacts

on sustainability factors, Candriam also considers adverse impacts through its Enterprise-wide Engagement Programme, which includes dialogue with companies and/or the exercise of voting rights. Candriam prioritises engagement and/or voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary from one issuer to another depending on Candriam's prioritising methodology.

The main themes of Candriam's engagement and/or voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 10 (violations of the United Nations Global Compact Principles and the OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

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

The investments in the portfolio undergo a normative analysis examining respect for international social, human, environmental and anti-corruption norms as defined in the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The conventions of the International Labour Organisation and the International Bill of Human Rights are among the many international references embedded in the normative analysis and Candriam's ESG analysis framework.

The analysis seeks to exclude companies which have significantly and/or repeatedly breached one of these principles.

Additional information on how Candriam takes account of the "do no significant harm" principle can be found at the links mentioned at the end of this Appendix.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

Does this financial product consider principal adverse impacts on sustainability factors?

x Yes, at the Sub-fund level, as indicated in Annex I of the SFDR delegated Regulation supplementing Regulation (EU) 2019/2088, the Principal Adverse Impacts (PAIs) on sustainability factors are taken into account – as described in the Level 1 PAIs in the document entitled "Principal Adverse Impact at Product Level" – by one or more of the following means:

• Exclusions:

Through the exclusion of companies involved in controversial activities or through standard-based exclusions, Candriam takes the following into account:

Through the exclusion of companies involved in controversial activities and standards-based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of:

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for

Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

• Engagement and voting:

In order to avoid and/or reduce adverse impacts on sustainability factors, the Sub-fund also considers adverse impacts through its Entity-wide Engagement Programme, which includes dialogue with companies and the exercise of voting rights. Candriam prioritises its engagement and voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary depending on the issuers and Candriam's prioritising methodology.

The main themes of Candriam's engagement and voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 7 (activities having an adverse impact on biodiversity sensitive zones) PAI 10 (violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

• Monitoring:

Monitoring includes calculating and assessing the main adverse impacts on sustainability factors, including reporting at the Sub-fund level.

For funds using carbon footprint as a sustainability indicator, PAI 2 is covered by this monitoring approach. PAI 3 (GHG intensity of investee companies) is monitored for funds forming part of Candriam's commitment to the Net Zero Asset Manager initiative. In addition, PAI 10 (Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), PAI 14 (Exposure to controversial weapons).

The indicators of specific principal adverse impacts taken into account depend on data quality and availability and may change as data quality and availability improves. If it is not possible to use a principal adverse impact indicator due to data limitations or other technical issues, the fund manager may use a representative replacement indicator.

More extensive information on the types of PAI considered can be found through the links provided at the end of this Annex (document entitled "Principal adverse impacts at product level").

No

What investment strategy does this financial product follow?

The objective of the sub-fund is to benefit from the performance of the markets in equities of companies active in the pharmaceuticals, healthcare, medical technologies and biotechnology sectors, by investing in stocks of companies selected by the asset manager on the basis of their expected return, and to outperform the benchmark.

The investment strategy is applied according to a well-defined investment process and a rigorous risk framework. Adherence to these elements is subject to risk monitoring by Candriam.

Regarding the environmental and social aspects of the investment strategy, Candriam's exclusive ESG analysis (which produces ESG ratings and scores) and a normative controversy evaluation (including the controversial activity exclusion policy) are applied, making it possible define the investable universe for the sub-fund.

Furthermore, Candriam's ESG analysis, which includes an analysis of the issuer's activities and its interaction with its main stakeholders, is an integral part of the financial management of the portfolio, enabling the asset manager to identify the risks as well as opportunities around the serious challenges of sustainable development.

As the management company, Candriam has established a monitoring framework as described in the sustainability risk management policy. Monitoring of the sub-fund's investment strategy risks seeks to ensure that the investments are aligned with and take account of environmental, social and governance indicators and the sustainability thresholds as explained above.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The investment strategy contains binding elements such as an exclusions policy comprising a normative filter as well as the exclusion of certain controversial activities as described in Candriam’s Level 2A Exclusions Policy. Candriam’s Level 2A Exclusions Policy is aimed at harmful activities that in Candriam’s opinion have a substantial adverse impact and incur serious financial and sustainability risks. Exposure to these activities presents significant systemic and reputational risks for invested companies from economic, environmental and social points of view.

Furthermore, since climate change is the main sustainable development challenge to be taken up in the near future, Candriam's Level 2A exclusions policy takes account of this and focuses on environmental issues. The objective is to contribute to the fight against climate change by excluding activities that significantly harm the environment. We believe that supporting environmental sustainability in this way can also have positive repercussions on social issues.

Candriam’s Level 2A Exclusions Policy applies to all investments made by Candriam by way of long positions in direct lines on private sector and sovereign issuers and derivative products on individual issuers.

Candriam’s Level 2A Exclusions Policy excludes controversial activities linked to weapons, tobacco and thermal coal, and encourages third parties to do likewise. These activities engender significant systemic risks for society and the global economy.

Applying Candriam’s Level 2A Exclusions Policy also implies excluding conventional weapons. This is in line with the approach of many sustainable investors and various standards which exclude this activity because of the negative nature of armaments that have often been used to breach human rights and have had devastating effects on human lives and the overall well-being of society. The difficulty in obtaining detailed information on end-users and end-uses of weapons is an additional factor justifying this exclusion.

Portfolios subject to Candriam's Level 2A Exclusions Policy also exclude gambling activities, as these activities may potentially be linked to illegal activities and corruption and could therefore engender reputational risks for Candriam and our clients. This reflects the concerns of many responsibility-oriented investors as well as some independent ESG executives.

The full list of activities excluded under Candriam’s Level 2A Exclusions Policy and their respective thresholds and exclusion criteria are available through the links provided at the end of this Annex (document entitled “Candriam Level 2A Exclusions Policy”).

In addition, the portfolio is constructed in order to achieve or to respect:

- the objective of the sustainability indicator described above,

- the defined minimum proportion of investments which have environmental and social characteristics,

- the defined minimum proportion of sustainable investments.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The sub-fund is subject to an exclusion policy comprising a normative filter as well as the exclusion of certain controversial activities. There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the investment strategy

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The company's governance is a core aspect of the stakeholder analysis performed by Candriam. It can be used to evaluate:

1) how a company interacts with and manages its stakeholders, and

2) how a company's board of directors discharges its governance and management functions regarding disclosure and transparency and regarding consideration of sustainability objectives.

In order to evaluate a company's governance practices specifically regarding the stability of the management structures, labour relations, staff remuneration and tax compliance as defined by the SFDR, Candriam's ESG analysis includes five key pillars of governance:

1. The strategic orientation, which evaluates the independence, expertise and composition of the board of directors and ensures that the board acts in the interests of all shareholders and other stakeholders and that it is able to act as an effective counterweight to management,

2. An audit committee and an evaluation of the independence of the auditors in order to avoid conflicts of interest,

3. Transparency around the remuneration of senior managers, enabling managers and the remuneration committee to be held to account by the shareholders, to align the interests of senior management with those of the shareholders, and to focus on long-term performance,

4. The share capital to ensure that all the shareholders have equal voting rights,

5. Financial conduct and transparency.

What is the asset allocation planned for this financial product?

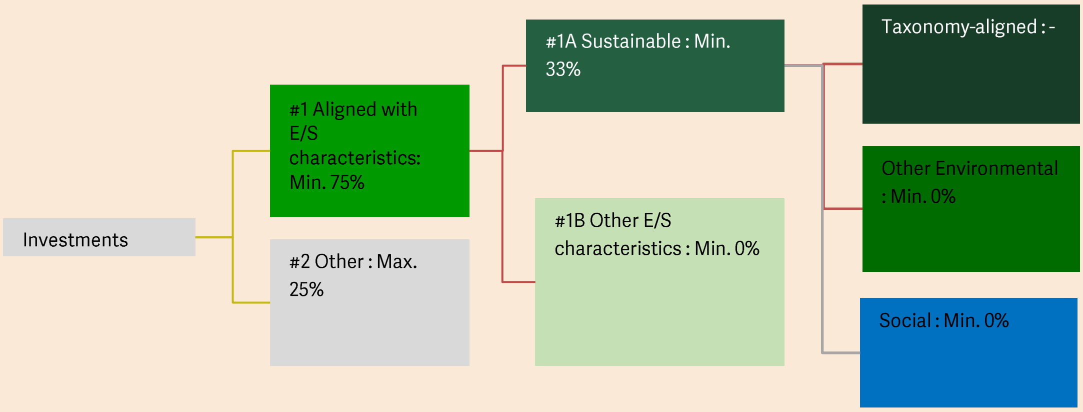
Asset allocation describes the share of investments in specific assets.

The Sub-fund seeks to invest at least 75% of its total net assets in investments which have environmental and social characteristics, of which a minimum of 33% of its total net assets will consist of sustainable investments. A maximum of 25% of the total net assets of the Sub-fund may be allocated to other assets as defined below.

The investments which have environmental and social characteristics are investments which undergo Candriam's proprietary ESG analysis and are eligible on the basis of their ESG rating. In addition, these investments must respect Candriam's exclusion policy concerning controversial activities and the normative filter. The investments which have E/S characteristics must demonstrate good governance practices.

Sustainable investments are defined on the basis of Candriam's proprietary ESG analysis. An issuer which respects Candriam's exclusion filters is eligible as a sustainable investment on the basis of an ESG rating reflecting high sustainability standards.

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.



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

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

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

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

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

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The use of derivative products is not intended to achieve the environmental or social characteristics promoted by the sub-fund.

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

The EU Taxonomy Regulation establishes six distinct but interconnected environmental objectives. These environmental objectives are placed at the heart of Candriam's ESG research and analysis of issuers.

At the present time, however, only a small number of companies worldwide publish the necessary information for a rigorous evaluation of their alignment with the Taxonomy.

As a result, the sub-fund does not commit to a minimum Taxonomy alignment percentage, meaning that this percentage must be considered to be zero.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

☐ Yes

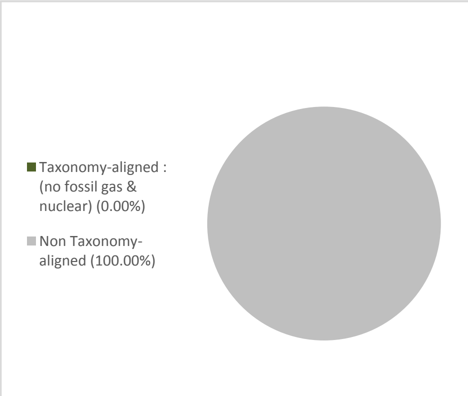
☐ In fossil gas ☐ In nuclear energy

x No

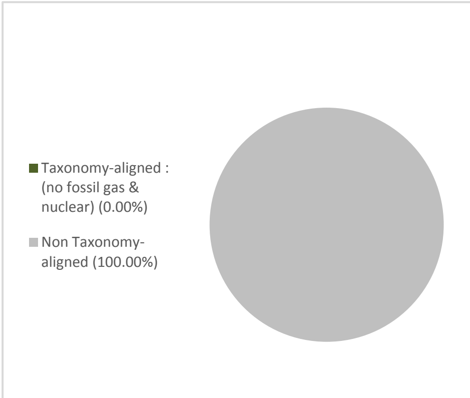
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas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

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***



This graph represents max. 100 % of the total investments.

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

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.

What is the minimum share of investments in transitional and enabling activities?

No minimum proportion of investments in transitional and/or enabling activities has been fixed. However, Candriam's ESG research and analysis framework includes an evaluation of transitional and/or enabling activities and how they contribute to the sustainability objectives.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

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

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with an environmental objective.

What is the minimum share of socially sustainable investments?

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with a social objective.

What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Investments in the “Others” category may be held in the Sub-fund up to a maximum of 25% of the total net assets.

Such investments may be:

- cash and cash equivalents: demand deposits, reverse repurchase transactions that are necessary in order to manage the liquidity of the Sub-fund following subscriptions/redemptions and/or resulting from the Sub-fund’s market exposure decision

- issuers which had E/S characteristics at the time of investment and which are no longer fully aligned with Candriam’s E/S investment criteria. The intention is to sell these investments;

- other investments including single name derivatives which may be purchased for diversification purposes and which cannot undergo ESG filtering or for which ESG data is not available but which as a minimum respect the principles of good governance;

- non single name derivatives may be used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No specific index has been designated as a benchmark in order to evaluate alignment with E/S characteristics.

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

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  N/A

- ***How does the designated index differ from a relevant broad market index?***

  N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A

Where can I find more product specific information online?

For more detailed information about the product, go to:

https://www.candriam.com/en/private/sfdr/

https://www.candriam.com/en/professional/sfdr/

CANDRIAM
A NEW YORK LIFE INVESTMENTS COMPANY

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Candriam Equities L - Meta Globe

Legal entity identifier 549300A6CBX8AODAYP82

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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

[ ] **Yes**	[X] **No**
[ ] It will make a minimum of **sustainable investments with an environmental objective**: _%	[X] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20 % of sustainable investments
[ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
[ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	[X] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	[X] with a social objective
[ ] It will make a minimum of **sustainable investments with a social objective** _%	[ ] It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Sub-fund promotes environmental and social characteristics as follows:

- by seeking to avoid exposure to companies that present both significant and severe structural risks and that are seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- by seeking to avoid exposure to companies that are significantly exposed to controversial activities such as the mining, transport or distribution of thermal coal, the production or retail of tobacco, and the production or sale of controversial weapons (anti-personnel mines, cluster bombs, chemical, biological, white phosphorus and or depleted uranium weapons);

- by seeking to support the energy transition with an energy mix favouring renewables and avoiding emitters which are highly exposed to especially polluting energy sources such as coal,

tar sands and shale gas/oil;

- by seeking to achieve a lower carbon footprint than the benchmark.

In addition to the above, Candriam's ESG research methodology is an integral part of the investment process. Finally, the Sub-fund seeks to invest a minimum proportion of its assets in sustainable investments

No non-financial benchmark has been designated in order to achieve the environmental or social characteristics promoted by the Sub-fund.

- ***What Sustainability Indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The sustainability indicators used in order to measure the achievement of environmental and social characteristics are the following:

- carbon footprint: the Sub-fund seeks to achieve a carbon footprint on private issuers below its benchmark;

- steps to ensure that there are no investments in issuers seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- steps to ensure that there are no investments in issuers exposed to controversial weapons;

- steps to ensure that there are no investments in issuers particularly exposed to the exploration, mining, transport or distribution of thermal coal;

- steps to ensure that there are no investments in issuers particularly exposed to the production and distribution of tobacco;

- steps to ensure that there are no investments in issuers significantly exposed to the production, manufacture, sale, testing or maintenance of conventional weapons and/or components/services which are critical for conventional weapons;

- steps to ensure that there are no investments in electricity-producing issuers which have new coal or nuclear projects, or which have a carbon intensity above a certain threshold;

- steps to ensure that there are no investments in issuers significantly exposed to non-conventional oil and gas, nor in issuers exposed to conventional oil and gas for which a significant portion of revenues does not originate from natural gas and renewable energies;

- steps to ensure that there are no investments in issuers significantly exposed to gambling activities, directly or indirectly;

- steps to ensure that there are no investments in issuers significantly exposed to nuclear energy;

- steps to ensure that there are no investments in issuers producing, distributing and purchasing palm oil which are not members of the Roundtable on Sustainable Palm Oil and which are significantly exposed non-RSPO-certified palm oil, and which do not have a deforestation policy;

- steps to ensure that there are no investments in issuers directly involved in the extraction and smelting of metals and minerals which have not implemented relevant ESG risk management systems, in accordance with recognised international standards such as the UN Guiding Principles, Voluntary Principles on Security and Human Rights and the OECD Guidelines.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The sustainable investments which the sub-fund intends to make for part of the portfolio aim to contribute to a reduction in greenhouse gas emissions by means of exclusions and the use of climate indicators in the analysis of companies, and they aim to have a positive environmental and social impact in the long term.

Concerning sustainable investments with environmental objectives, the sub-fund, through

its sustainable investments defined by Candriam's proprietary ESG analysis, may over the long-term contribute to one or more of the following environmental objectives as set out in Article 9 of Regulation (EU) 2020/852:

a) climate change mitigation,

b) climate change adaptation,

c) the sustainable use and protection of water and marine resources,

d) the transition to a circular economy,

e) pollution prevention and control.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The sustainable investments which the financial product makes do no significant harm to any sustainable environmental or social investment objectives, to the extent that Candriam takes account of the principal adverse impacts and aims for alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, through the framework of its ESG ratings and its exclusions policy on controversial activities and normative policy.

Companies that contribute negatively to environmental and/or social sustainable investment objectives and that consequently do significant harm to these objectives through their adverse impacts will consequently tend to be allocated a poor score under Candriam's ESG rating system. They are therefore highly likely to be excluded from the eligible investment universe.

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

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

For these sustainable investments realised partially by the Sub-fund, indicators of the principal adverse impacts on sustainability factors were considered using Candriam's ESG rating framework, exclusions from controversial activities and exclusions based on standards.

For example:

1. Through the exclusion of companies involved in controversial activities and standards-based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of the following principal adverse impacts (PAIs):

• PAI 3, 4 and 5: Exclusion of companies with significant exposure to conventional and non-conventional fossil fuel activities and/or non-renewable energy production. For PAIs 4 and 5, Candriam applies thresholds when taking account of exposure to these activities.

• PAI 7: Activities adversely impacting biodiversity sensitive areas. For example, Candriam excludes companies involved in palm oil (thresholds based on palm oil not certified by the RSPO).

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

2. By analysing the contribution of a company's business activities to the main sustainability challenges of climate change and resource depletion, Candriam takes account of the following principal adverse impacts:

• PAI 1, 2, 3, 4, 5 and 6: By assessing the main sustainability challenges of climate change, Candriam analyses a company's exposure to climate risks as well as the intensity of GHG emissions generated by their business activities. This assessment is used to determine whether the company's business activities contribute positively or negatively to climate change.

• PAI 7, 8 and 9: Assessment of the impact of a company's business activities on the depletion of natural resources.

3. Through entity level engagement: In order to avoid and/or reduce adverse impacts on sustainability factors, Candriam also considers adverse impacts through its Enterprise-wide Engagement Programme, which includes dialogue with companies and/or the exercise of voting rights. Candriam prioritises engagement and/or voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary from one issuer to another depending on Candriam's prioritising methodology.

The main themes of Candriam's engagement and/or voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 10 (violations of the United Nations Global Compact Principles and the OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

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

The investments in the portfolio undergo a normative analysis examining respect for international social, human, environmental and anti-corruption norms as defined in the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The conventions of the International Labour Organisation and the International Bill of Human Rights are among the many international references embedded in the normative analysis and Candriam's ESG analysis framework.

The analysis seeks to exclude companies which have significantly and/or repeatedly breached one of these principles.

Additional information on how Candriam takes account of the "do no significant harm" principle can be found at the links mentioned at the end of this Appendix.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

Does this financial product consider principal adverse impacts on sustainability factors?

x Yes, at the Sub-fund level, as indicated in Annex I of the SFDR delegated Regulation supplementing Regulation (EU) 2019/2088, the Principal Adverse Impacts (PAIs) on sustainability factors are taken into account – as described in the Level 1 PAIs in the document entitled "Principal Adverse Impact at Product Level" – by one or more of the following means:

• Exclusions:

Through the exclusion of companies involved in controversial activities or through standard-based exclusions, Candriam takes the following into account:

Through the exclusion of companies involved in controversial activities and standards-based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of:

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

• Engagement and voting:

In order to avoid and/or reduce adverse impacts on sustainability factors, the Sub-fund also considers adverse impacts through its Entity-wide Engagement Programme, which includes dialogue with companies and the exercise of voting rights. Candriam prioritises its engagement and voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary depending on the issuers and Candriam's prioritising methodology.

The main themes of Candriam's engagement and voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 7 (activities having an adverse impact on biodiversity sensitive zones) PAI 10 (violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

• Monitoring:

Monitoring includes calculating and assessing the main adverse impacts on sustainability factors, including reporting at the Sub-fund level.

For funds using carbon footprint as a sustainability indicator, PAI 2 is covered by this monitoring approach. PAI 3 (GHG intensity of investee companies) is monitored for funds forming part of Candriam's commitment to the Net Zero Asset Manager initiative. In addition, PAI 10 (Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), PAI 14 (Exposure to controversial weapons).

The indicators of specific principal adverse impacts taken into account depend on data quality and availability and may change as data quality and availability improves. If it is not possible to use a principal adverse impact indicator due to data limitations or other technical issues, the fund manager may use a representative replacement indicator.

More extensive information on the types of PAI considered can be found through the links provided at the end of this Annex (document entitled "Principal adverse impacts at product level").

☐ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The objective of the sub-fund is to enable shareholders to benefit from the growth potential of global equities of companies which have a clear link with the metaverse, due principally to their technological relevance and/or their clear will to integrate the metaverse into their business model, and to outperform the benchmark. The companies are selected by the management team on a discretionary basis.

The investment strategy is applied according to a well-defined investment process and a rigorous risk framework. Adherence to these elements is subject to risk monitoring by Candriam.

Regarding the environmental and social aspects of the investment strategy, Candriam's exclusive ESG analysis (which produces ESG ratings and scores) and a normative controversy evaluation (including the controversial activity exclusion policy) are applied, making it possible define the investable universe for the sub-fund.

Furthermore, Candriam's ESG analysis, which includes an analysis of the issuer's activities and its interaction with its main stakeholders, is an integral part of the financial management of the portfolio, enabling the asset manager to identify the risks as well as opportunities around the serious challenges of sustainable development.

As the management company, Candriam has established a monitoring framework as described in the sustainability risk management policy. Monitoring of the sub-fund's investment strategy risks seeks to ensure that the investments are aligned with and take account of environmental, social and governance indicators and the sustainability thresholds as explained above.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The investment strategy contains binding elements such as an exclusions policy comprising a normative filter as well as the exclusion of certain controversial activities as described in Candriam's Level 2A Exclusions Policy. Candriam's Level 2A Exclusions Policy is aimed at harmful activities that in Candriam's opinion have a substantial adverse impact and incur serious financial and sustainability risks. Exposure to these activities presents significant systemic and reputational risks for invested companies from economic, environmental and social points of view.

Furthermore, since climate change is the main sustainable development challenge to be taken up in the near future, Candriam's Level 2A exclusions policy takes account of this and focuses on environmental issues. The objective is to contribute to the fight against climate change by excluding activities that significantly harm the environment. We believe that supporting environmental sustainability in this way can also have positive repercussions on social issues.

Candriam's Level 2A Exclusions Policy applies to all investments made by Candriam by way of long positions in direct lines on private sector and sovereign issuers and derivative products on individual issuers.

Candriam's Level 2A Exclusions Policy excludes controversial activities linked to weapons, tobacco and thermal coal, and encourages third parties to do likewise. These activities engender significant systemic risks for society and the global economy.

Applying Candriam's Level 2A Exclusions Policy also implies excluding conventional weapons. This is in line with the approach of many sustainable investors and various standards which exclude this activity because of the negative nature of armaments that have often been used to breach human rights and have had devastating effects on human lives and the overall well-being of society. The difficulty in obtaining detailed information on end-users and end-uses of weapons is an additional factor justifying this exclusion.

Portfolios subject to Candriam's Level 2A Exclusions Policy also exclude gambling activities, as these activities may potentially be linked to illegal activities and corruption and could therefore engender reputational risks for Candriam and our clients. This reflects the concerns of many responsibility-oriented investors as well as some independent ESG executives.

The full list of activities excluded under Candriam's Level 2A Exclusions Policy and their respective thresholds and exclusion criteria are available through the links provided at the end of this Annex (document entitled "Candriam Level 2A Exclusions Policy").

In addition, the portfolio is constructed in order to achieve or to respect:

- the objective of the sustainability indicator described above,

- the defined minimum proportion of investments which have environmental and social characteristics,

- the defined minimum proportion of sustainable investments.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The sub-fund is subject to an exclusion policy comprising a normative filter as well as the exclusion of certain controversial activities. There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the investment strategy

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The company's governance is a core aspect of the stakeholder analysis performed by Candriam. It can be used to evaluate:

1) how a company interacts with and manages its stakeholders, and

2) how a company's board of directors discharges its governance and management functions regarding disclosure and transparency and regarding consideration of sustainability objectives.

In order to evaluate a company's governance practices specifically regarding the stability of the management structures, labour relations, staff remuneration and tax compliance as defined by the SFDR, Candriam's ESG analysis includes five key pillars of governance:

1. The strategic orientation, which evaluates the independence, expertise and composition of the board of directors and ensures that the board acts in the interests of all shareholders and other stakeholders and that it is able to act as an effective counterweight to management,

2. An audit committee and an evaluation of the independence of the auditors in order to avoid conflicts of interest,

3. Transparency around the remuneration of senior managers, enabling managers and the remuneration committee to be held to account by the shareholders, to align the interests of senior management with those of the shareholders, and to focus on long-term performance,

4. The share capital to ensure that all the shareholders have equal voting rights,

5. Financial conduct and transparency.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

The Sub-fund seeks to invest at least 75% of its total net assets in investments which have environmental and social characteristics, of which a minimum of 20% of its total net assets will consist of sustainable investments. A maximum of 25% of the total net assets of the Sub-fund may be allocated to other assets as defined below.

The investments which have environmental and social characteristics are investments which undergo Candriam's proprietary ESG analysis and are eligible on the basis of their ESG rating. In addition, these investments must respect Candriam's exclusion policy concerning controversial activities and the normative filter. The investments which have E/S characteristics must demonstrate good governance practices.

Sustainable investments are defined on the basis of Candriam's proprietary ESG analysis. An issuer which respects Candriam's exclusion filters is eligible as a sustainable investment on the basis of an ESG rating reflecting high sustainability standards.

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.
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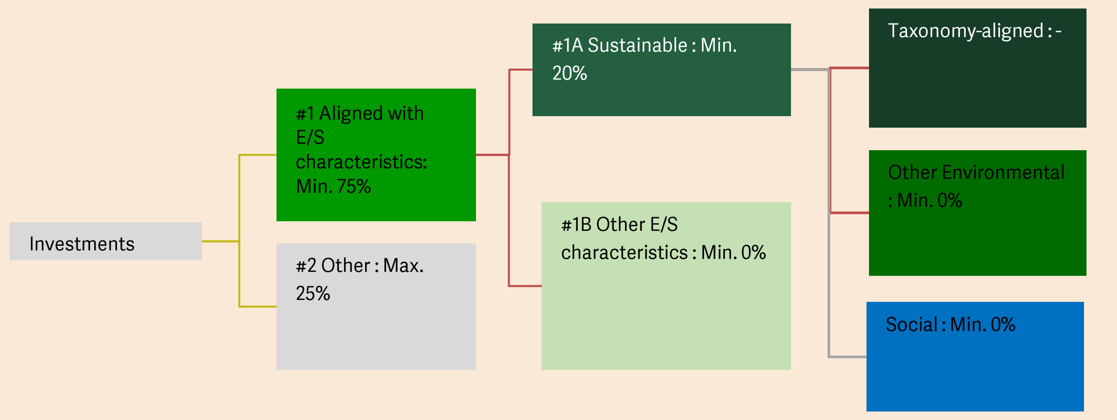


#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

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

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

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

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

- ***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

The use of derivative products is not intended to achieve the environmental or social characteristics promoted by the sub-fund.

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

The EU Taxonomy Regulation establishes six distinct but interconnected environmental objectives. These environmental objectives are placed at the heart of Candriam's ESG research and analysis of issuers.

At the present time, however, only a small number of companies worldwide publish the necessary information for a rigorous evaluation of their alignment with the Taxonomy.

As a result, the sub-fund does not commit to a minimum Taxonomy alignment percentage, meaning that this percentage must be considered to be zero.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?**[1]

☐ Yes

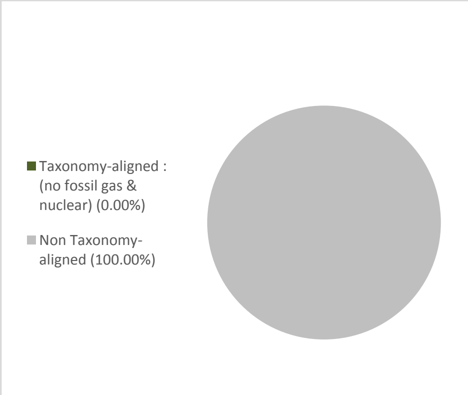
☐ In fossil gas ☐ In nuclear energy

☒ No

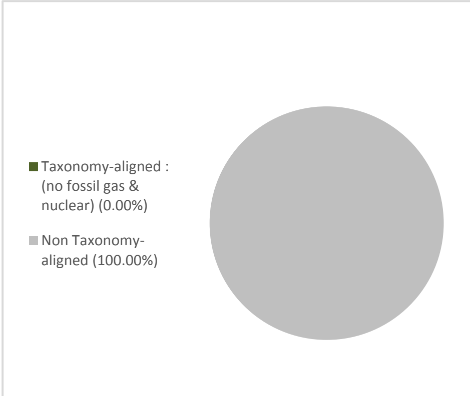
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas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

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***



This graph represents max. 100 % of the total investments.

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

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.

What is the minimum share of investments in transitional and enabling activities?

No minimum proportion of investments in transitional and/or enabling activities has been fixed. However, Candriam's ESG research and analysis framework includes an evaluation of transitional and/or enabling activities and how they contribute to the sustainability objectives.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

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

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with an environmental objective.

What is the minimum share of socially sustainable investments?

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with a social objective.

What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Investments in the “Others” category may be held in the Sub-fund up to a maximum of 25% of the total net assets.

Such investments may be:

- cash and cash equivalents: demand deposits, reverse repurchase transactions that are necessary in order to manage the liquidity of the Sub-fund following subscriptions/redemptions and/or resulting from the Sub-fund’s market exposure decision

- issuers which had E/S characteristics at the time of investment and which are no longer fully aligned with Candriam’s E/S investment criteria. The intention is to sell these investments;

- other investments including single name derivatives which may be purchased for diversification purposes and which cannot undergo ESG filtering or for which ESG data is not available but which as a minimum respect the principles of good governance;

- non single name derivatives may be used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No specific index has been designated as a benchmark in order to evaluate alignment with E/S characteristics.

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

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A

Where can I find more product specific information online?

For more detailed information about the product, go to:

https://www.candriam.com/en/private/sfdr/

https://www.candriam.com/en/professional/sfdr/

Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name:

Candriam Equities L - Oncology Impact

Legal entity identifier

5493008RMIWWW5WNUT02

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.

Does this financial product have a sustainable investment objective?

☒ Yes	☐ No
☒ It will make a minimum of **sustainable investments with an environmental objective**: 0%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of _% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It will make a minimum of **sustainable investments with a social objective** 25%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

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

What is the sustainable investment objective of this financial product?

The sub-fund seeks to produce a return for investors while generating a positive social impact over the long term, by selecting companies that address certain societal challenges and mobilise resources in the fight against cancer.

The sustainable investments held in the sub-fund do not systematically take account of one of more environmental objectives. Nevertheless, having undergone Candriam's proprietary ESG analysis and filtering, such sustainable investments may over the long term contribute to one or more of the following environmental objectives as set out in Article 9 of Regulation (EU) 2020/852:

a) climate change mitigation,

b) climate change adaptation,

c) the sustainable use and protection of water and marine resources,

d) the transition to a circular economy,

e)pollution prevention and control.

The sub-fund has not designated a benchmark in order to achieve its sustainable investment objective.

The sub-fund's benchmark cannot be considered to be an EU "climate transition" benchmark nor a "Paris-aligned" benchmark as defined in title III chapter 3a of Regulation (EU) 2016/1011.

- ***What Sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

Achievement of the sustainability objectives is measured by means of the following sustainability indicators:

- Research and development spending: better-than-benchmark research and development spending as a proportion of the company's market capitalisation,

- The level of education of management teams: better-than-benchmark percentage of senior executives holding a PhD;

- Eligible companies must have an individual exposure to oncology-related activities and/or the fight against cancer of at least 10% in terms of income or capex or pipelines.

The following indicators are also tracked in order to:

- ensure that there are no investments in companies in breach of the OECD Guidelines for Multinational Enterprises and the UN Global Compact,

- ensure that there are no investments in companies contained in Candriam's SRI exclusion list following application of Candriam's exclusion policy,

- measure the number of participations for which Candriam has voted.

- ***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

The sustainable investments which the financial product makes do no significant harm to any sustainable environmental or social investment objectives, to the extent that Candriam takes account of the principal adverse impacts and aims for alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, through the framework of its ESG ratings and its exclusions policy on controversial activities and normative policy.

Companies that contribute negatively to environmental and/or social sustainable investment objectives and that consequently do significant harm to these objectives through their adverse impacts will consequently tend to be allocated a poor score under Candriam's ESG rating system. It is therefore highly likely that they be excluded from the eligible investment universe.

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

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

Indicators of the principal adverse impacts on sustainability factors were considered using Candriam's ESG rating framework, exclusions from controversial activities and exclusions based on standards.

For example:

1. Through the exclusion of companies involved in controversial activities and through standards-based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of the following principal adverse impacts (PAIs):

• PAI 3, 4 and 5: Exclusion of companies with significant exposure to conventional and non-conventional fossil fuel activities and/or non-renewable energy production. For PAIs 4 and 5, Candriam applies thresholds when taking account of exposure to these activities.

• PAI 7: Activities adversely impacting biodiversity sensitive areas. For example, Candriam excludes companies involved in palm oil (thresholds based on palm oil not certified by the RSPO).

• PAI 10: Breaches of UN Global Compact principles and the OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

2. By analysing the contribution of a company's business activities to the main sustainability challenges of climate change and resource depletion, Candriam takes account of the following principal adverse impacts:

• PAI 1, 2, 3, 4, 5 and 6: By assessing the main sustainability challenges of climate change, Candriam analyses a company's exposure to climate risks as well as the intensity of GHG emissions generated by their business activities. This assessment is used to determine whether the company's business activities contribute positively or negatively to climate change.

• PAI 7, 8 and 9: Assessment of the impact of a company's business activities on the depletion of natural resources.

3. Through entity level engagement: In order to avoid and/or reduce adverse impacts on sustainability factors, Candriam also considers adverse impacts through its Enterprise-wide Engagement Programme, which includes dialogue with companies and the exercise of voting rights. Candriam prioritises engagement and voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary from one issuer to another depending on Candriam's prioritising methodology.

The main themes of Candriam's engagement and voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 10 (violations of the United Nations Global Compact Principles and the OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

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

The investments in the portfolio undergo a normative analysis examining respect for international social, human, environmental and anti-corruption norms as defined in the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The conventions of the International Labour Organisation and the International Bill of Human Rights are among the many international references embedded in the normative analysis and Candriam's ESG analysis framework.

The analysis seeks to exclude companies which have significantly and/or repeatedly breached one of these principles.

Additional information on how Candriam takes account of the "do no significant harm" principle can be found at the links mentioned at the end of this Appendix.

Does this financial product consider principal adverse impacts on sustainability factors?

x Yes, at the Sub-fund level, as indicated in Annex I of the SFDR delegated Regulation supplementing Regulation (EU) 2019/2088, the Principal Adverse Impacts (PAIs) on sustainability factors are taken into account – as described in the Level 2 PAIs in the document entitled "Principal Adverse Impact at Product Level" – by one or more of the following means:

• Exclusions:

Through the exclusion of companies involved in controversial activities or through standard-based exclusions, Candriam takes the following into account:

Through the exclusion of companies involved in controversial activities and standards-based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of the following principal adverse impacts (PAIs):

• PAI 3, 4 and 5: Exclusion of companies with significant exposure to conventional and non-conventional fossil fuel activities and/or non-renewable energy production. For PAIs 4 and 5, Candriam applies thresholds when taking account of exposure to these activities.

• PAI 7: Activities adversely impacting biodiversity sensitive areas. For example, Candriam excludes companies involved in palm oil (thresholds based on palm oil not certified by the RSPO).

• PAI 10: Breaches of UN Global Compact principles and the OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

• Engagement and voting:

In order to avoid and/or reduce adverse impacts on sustainability factors, the sub-fund also considers adverse impacts through its Entity-wide Engagement Programme, which includes dialogue with companies and the exercise of voting rights. Candriam prioritises its engagement and voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary depending on the issuers and Candriam's prioritising methodology.

The main themes of Candriam's engagement and voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 7 (activities having an adverse impact on biodiversity sensitive zones) PAI 10 (breaches of the United Nations Global Compact Principles and the OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

• Monitoring:

Monitoring includes calculating and assessing the main adverse impacts on sustainability factors, including reporting at the sub-fund level. Certain principal adverse impact indicators may have explicit objectives and be used to measure achievement of the sub-fund's sustainable investment objective. All principal adverse impacts that take into account GHG emissions, carbon footprint and intensity (PAI 1 to 4)) are tracked as well as PAI 10 (Violations of the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises), PAI 13 (gender diversity in governance bodies), PAI 14 (involvement in controversial weapons).

The indicators of specific principal adverse impacts taken into account depend on data quality and availability and may change as data quality and availability improves. If it is not possible to use a principal adverse impact indicator due to data limitations or other technical issues, the fund manager may use a representative replacement indicator.

More extensive information on the types of PAI considered can be found through the links provided at the end of this Annex (document entitled "Principal adverse impacts at product level").

☐ No

What investment strategy does this financial product follow?

The objective of the sub-fund is to use discretionary management to benefit from the performance of the market in global equities of companies in the field of oncology (cancer research, diagnosis, treatment, etc.) in order to respond to one of the serious long-term

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

challenges of sustainable development.

The investment strategy is applied according to a well-defined investment process and a rigorous risk framework. Adherence to these elements is subject to risk monitoring by Candriam.

Regarding the environmental and social aspects of the investment strategy, Candriam's proprietary ESG analysis (which produces ESG ratings and scores) and a normative controversy evaluation (including the controversial activity exclusion policy) are applied, making it possible to define the investable universe for the sub-fund.

Furthermore, Candriam's ESG analysis, which includes an analysis of the issuer's activities and its interaction with its main stakeholders, is an integral part of the financial management of the portfolio, enabling the asset manager to identify the risks as well as opportunities around the serious challenges of sustainable development.

As the management company, Candriam has established a monitoring framework as described in the sustainability risk management policy. Monitoring of the sub-fund's investment strategy risks seeks to ensure that the investments are aligned with and take account of environmental, social and governance indicators and the sustainability thresholds as explained above.

- ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

The binding elements of the investment strategy used to select investments with the aim of achieving the sustainable investment objectives are based on Candriam's ESG analysis and the resulting framework of ESG ratings and scores.

The analysis produces ESG ratings and scores which determine the eligibility of issuers and which act as binding elements in the selection of issuers for sustainable investments.

Negative filtering of issuers is also applied, consisting of a normative controversy evaluation and an exclusion of issuers involved in controversial activities as described in Candriam's exclusion policy. Candriam's Level 3 SRI Exclusions Policy uses a wide range of excluded activities to address environmental and social questions. These activities involve risks for the environment, our health, human rights and other environmental and social objectives.

Candriam's Level 3 SRI Exclusions Policy applies to all investments made by Candriam by way of long positions in direct lines on private sector and sovereign issuers and derivative products on individual issuers.

The policy is aimed at harmful activities that in our opinion have a substantial adverse impact and involve serious financial and sustainability risks. Exposure to these activities presents significant systemic and reputational risks for invested companies from economic, environmental and social points of view.

Candriam's Level 3 SRI Exclusions Policy excludes controversial activities linked to weapons, tobacco and thermal coal, and encourages third parties to do likewise. In addition, the Level 3 SRI Exclusions Policy takes account of the fact that climate change is the biggest sustainability challenge of the near future, and it therefore emphasises the environmental questions. The objective is to contribute to the fight against climate change by excluding activities that significantly harm the environment. We believe that supporting environmental sustainability in this way can also have positive repercussions for the social questions. The exclusion of these activities is part of a broader greenhouse gas reduction framework which is necessary to prevent the temperature of the planet rising two degrees Celsius above pre-industrial levels. Candriam has taken steps to lower its exposure to climate risks by reducing its exposure to corporate activities that generate the most greenhouse gases. In particular, these are oil, gas and mining activities. In line with this approach, Candriam is a signatory to the Net Zero Asset Managers initiative.

Candriam's Level 3 SRI Exclusions Policy also targets a number of activities which, with the gradual rise of ESG investment, are no longer considered suitable by numerous sustainable and responsible investors due to their potential repercussions on the well-being of humans, society and animals. Examples include adult content, conventional weapons, alcohol, gambling, GMOs, nuclear energy, palm oil and animal experimentation.

The full list of activities excluded by virtue of Candriam's Level 3 SRI Exclusions Policy and their respective thresholds and exclusion criteria are available through the links provided at the end of this Annex (document entitled "Candriam Level 3 SRI Exclusions

Policy”).

Finally, the sub-fund’s investment strategy has other sustainability-related binding elements. It seeks to have:

- a minimum share of sustainable investments;

- better-than-benchmark research and development spending as a proportion of the company's market capitalisation,

- better-than-benchmark percentage of senior executives holding a PhD;

- Eligible companies must have an individual exposure to oncology-related activities and/or the fight against cancer of at least 10% in terms of income or capex or pipelines.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The company’s governance is a core aspect of the stakeholder analysis performed by Candriam. It can be used to evaluate:

1) how a company interacts with and manages its stakeholders, and

2) how a company’s board of directors discharges its governance and management functions regarding disclosure and transparency and regarding consideration of sustainability objectives.

In order to evaluate a company’s governance practices specifically regarding the stability of the management structures, labour relations, staff remuneration and tax compliance as defined by the SFDR, Candriam’s ESG analysis includes five key pillars of governance:

1. The strategic orientation, which evaluates the independence, expertise and composition of the board of directors and ensures that the board acts in the interests of all shareholders and other stakeholders and that it is able to act as an effective counterweight to management,

2. An audit committee and an evaluation of the independence of the auditors in order to avoid conflicts of interest,

3. Transparency around the remuneration of senior managers, enabling managers and the remuneration committee to be held to account by the shareholders, to align the interests of senior management with those of the shareholders, and to focus on long-term performance,

4. The share capital to ensure that all the shareholders have equal voting rights,

5. Financial conduct and transparency.

What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.

At least 80% of the net total assets of the Sub-fund are considered to be sustainable as defined by the SDFR.

Sustainable investments are defined on the basis of Candriam’s proprietary ESG analysis.

With Candriam’s proprietary ESG research and analysis, including its ESG rating framework, it is possible to define clear requirements and minimum thresholds in order to identify companies considered to be “sustainable investments”. Candriam ensures that these companies:

- are involved in economic activities which contribute to an environmental objective or to a social objective,

- do no significant harm to any of the environmental and/or social sustainable investment objectives and in particular respect minimum guarantees,

- respect the principles of good governance.

With Candriam’s ESG research and analysis, it is possible to determine and evaluate the company’s capacity to contribute to the environmental and/or social sustainable objectives. As such, in order to determine whether a company is a sustainable company that respects the requirements and the philosophy set out in the SDFR, Candriam:

- applies company exclusion filters based on a normative analysis and on an analysis of controversial activities. These measures contain minimum guarantees regarding international norms and conventions and make it possible to exclude activities considered by Candriam to be harmful to the environmental and/or social sustainability objectives,

- applies and embeds the ESG research and analysis as a core component of its evaluation of the sustainability of issuers. This allows Candriam to identify and evaluate sustainability risks and opportunities and the contributions of issuers to sustainability objectives.

Following Candriam's ESG research and analysis, each issuer is given:

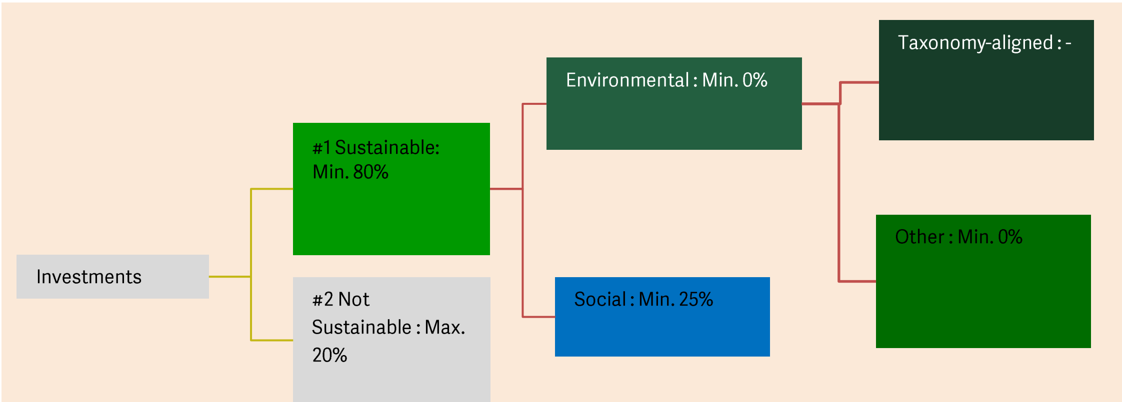
- a commercial activity score that evaluates how an issuer's commercial activities contribute to the main sustainability challenges, and

- a stakeholder score that evaluates how an issuer interacts with and manages its main stakeholders.

Together, these scores make up a global ESG score and an ESG rating for each issuer.

An issuer which respects Candriam's exclusion filters is considered to be a sustainable investment on the basis of its ESG rating. Details regarding this methodology and definition can be found via the links at the end of this Appendix.

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.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

How does the use of derivatives attain the sustainable investment objective?

Derivative products are not used in order to achieve sustainability objectives.

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

The EU Taxonomy Regulation establishes six distinct but interconnected environmental objectives. These environmental objectives are placed at the heart of Candriam's ESG research and analysis of issuers.

At the present time, however, only a small number of companies worldwide publish the necessary information for a rigorous evaluation of their alignment with the Taxonomy.

As a result, the sub-fund does not commit to a minimum Taxonomy alignment percentage, meaning that this percentage must be considered to be zero.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

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

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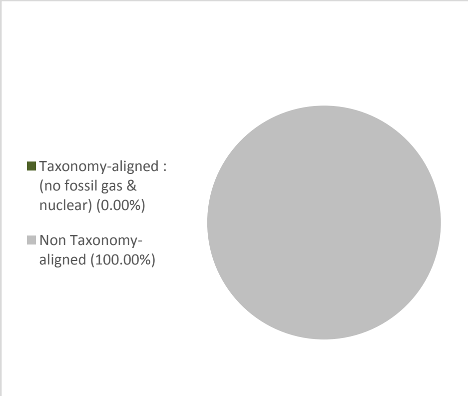
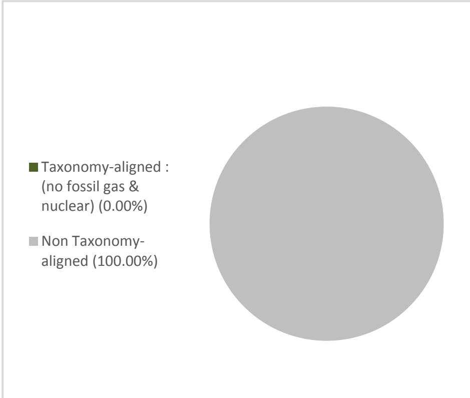


2. Taxonomy alignment of investments **excluding sovereign bonds***



This graph represents max. 100 % of the total investments.

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

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.

What is the minimum share of investments in transitional and enabling activities?

No minimum proportion of investments in transitional and/or enabling activities has been fixed. However, Candriam's ESG research and analysis framework includes an evaluation of transitional and/or enabling activities and how they contribute to the sustainability objectives.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

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

The sub-fund does not commit to a minimum of sustainable investments whose environmental objective is not aligned with the EU Taxonomy.

What is the minimum share of sustainable investments with a social objective?

At least 25% of the net total assets of the sub-fund are considered to be sustainable investments with a social objective.

What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

Non-sustainable investments may not be held in the Sub-fund above 20% of the total net assets. Such non-sustainable investments may be:

- cash: demand deposits, reverse repurchase transactions that are necessary in order to manage the liquidity of the Sub-fund following subscriptions/redemptions and/or resulting from the Sub-fund’s market exposure decision;

- issuers who were considered to be sustainable investments at the time of investment and which are no longer fully aligned with Candriam’s sustainable investment criteria. The intention is to sell these investments,

- non single name derivatives may be used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions.

Such investments do not affect achievement of the Sub-fund’s sustainable investment objectives because they make up a limited part of its assets.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

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

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

  The sub-fund is actively managed and its investment approach implies a reference to a benchmark.

  The selected benchmark does not explicitly take sustainability objectives into account.

  There is no EU “climate transition” benchmark or “Paris-aligned” benchmark or any other sustainability benchmark that takes full account of the sustainability objectives and the investment strategy described in the sub-fund’s prospectus.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

- ***How does the designated index differ from a relevant broad market index?***

- ***Where can the methodology used for the calculation of the designated index be found?***

Where can I find more product specific information online?

For more detailed information about the product, go to:

https://www.candriam.com/en/private/sfdr/

https://www.candriam.com/en/professional/sfdr/

CANDRIAM
A NEW YORK LIFE INVESTMENTS COMPANY

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Candriam Equities L - Robotics & InnovativeTechnology

Legal entity identifier 549300SSUD38HW3VW184

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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: _%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective** _%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Sub-fund promotes environmental and social characteristics as follows:

- by seeking to avoid exposure to companies that present both significant and severe structural risks and that are seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- by seeking to avoid exposure to companies that are significantly exposed to controversial activities such as the mining, transport or distribution of thermal coal, the production or retail of tobacco, and the production or sale of controversial weapons (anti-personnel mines, cluster bombs, chemical, biological, white phosphorus and or depleted uranium weapons);

- by seeking to support the energy transition with an energy mix favouring renewables and avoiding emitters which are highly exposed to especially polluting energy sources such as coal,

tar sands and shale gas/oil;

- by seeking to achieve a lower carbon footprint than the benchmark.

In addition to the above, Candriam's ESG research methodology is an integral part of the investment process. Finally, the Sub-fund seeks to invest a minimum proportion of its assets in sustainable investments

No non-financial benchmark has been designated in order to achieve the environmental or social characteristics promoted by the Sub-fund.

- ***What Sustainability Indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The sustainability indicators used in order to measure the achievement of environmental and social characteristics are the following:

- carbon footprint: the Sub-fund seeks to achieve a carbon footprint on private issuers below its benchmark;

- steps to ensure that there are no investments in issuers seriously in breach of the normative principles, taking account of their practices with regard to environmental and social issues and of adherence to norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises;

- steps to ensure that there are no investments in issuers exposed to controversial weapons;

- steps to ensure that there are no investments in issuers particularly exposed to the exploration, mining, transport or distribution of thermal coal;

- steps to ensure that there are no investments in issuers particularly exposed to the production and distribution of tobacco;

- steps to ensure that there are no investments in issuers significantly exposed to the production, manufacture, sale, testing or maintenance of conventional weapons and/or components/services which are critical for conventional weapons;

- steps to ensure that there are no investments in electricity-producing issuers which have new coal or nuclear projects, or which have a carbon intensity above a certain threshold;

- steps to ensure that there are no investments in issuers significantly exposed to non-conventional oil and gas, nor in issuers exposed to conventional oil and gas for which a significant portion of revenues does not originate from natural gas and renewable energies;

- steps to ensure that there are no investments in issuers significantly exposed to gambling activities, directly or indirectly;

- steps to ensure that there are no investments in issuers significantly exposed to nuclear energy;

- steps to ensure that there are no investments in issuers producing, distributing and purchasing palm oil which are not members of the Roundtable on Sustainable Palm Oil and which are significantly exposed non-RSPO-certified palm oil, and which do not have a deforestation policy;

- steps to ensure that there are no investments in issuers directly involved in the extraction and smelting of metals and minerals which have not implemented relevant ESG risk management systems, in accordance with recognised international standards such as the UN Guiding Principles, Voluntary Principles on Security and Human Rights and the OECD Guidelines.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The sustainable investments which the sub-fund intends to make for part of the portfolio aim to contribute to a reduction in greenhouse gas emissions by means of exclusions and the use of climate indicators in the analysis of companies, and they aim to have a positive environmental and social impact in the long term.

Concerning sustainable investments with environmental objectives, the sub-fund, through

its sustainable investments defined by Candriam's proprietary ESG analysis, may over the long-term contribute to one or more of the following environmental objectives as set out in Article 9 of Regulation (EU) 2020/852:

a) climate change mitigation,

b) climate change adaptation,

c) the sustainable use and protection of water and marine resources,

d) the transition to a circular economy,

e) pollution prevention and control.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments which the financial product makes do no significant harm to any sustainable environmental or social investment objectives, to the extent that Candriam takes account of the principal adverse impacts and aims for alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, through the framework of its ESG ratings and its exclusions policy on controversial activities and normative policy.

Companies that contribute negatively to environmental and/or social sustainable investment objectives and that consequently do significant harm to these objectives through their adverse impacts will consequently tend to be allocated a poor score under Candriam's ESG rating system. They are therefore highly likely to be excluded from the eligible investment universe.

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

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

For these sustainable investments realised partially by the Sub-fund, indicators of the principal adverse impacts on sustainability factors were considered using Candriam's ESG rating framework, exclusions from controversial activities and exclusions based on standards.

For example:

1. Through the exclusion of companies involved in controversial activities and standards-based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of the following principal adverse impacts (PAIs):

• PAI 3, 4 and 5: Exclusion of companies with significant exposure to conventional and non-conventional fossil fuel activities and/or non-renewable energy production. For PAIs 4 and 5, Candriam applies thresholds when taking account of exposure to these activities.

• PAI 7: Activities adversely impacting biodiversity sensitive areas. For example, Candriam excludes companies involved in palm oil (thresholds based on palm oil not certified by the RSPO).

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

2. By analysing the contribution of a company's business activities to the main sustainability challenges of climate change and resource depletion, Candriam takes account of the following principal adverse impacts:

• PAI 1, 2, 3, 4, 5 and 6: By assessing the main sustainability challenges of climate change, Candriam analyses a company's exposure to climate risks as well as the intensity of GHG emissions generated by their business activities. This assessment is used to determine whether the company's business activities contribute positively or negatively to climate change.

• PAI 7, 8 and 9: Assessment of the impact of a company's business activities on the depletion of natural resources.

3. Through entity level engagement: In order to avoid and/or reduce adverse impacts on sustainability factors, Candriam also considers adverse impacts through its Enterprise-wide Engagement Programme, which includes dialogue with companies and/or the exercise of voting rights. Candriam prioritises engagement and/or voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary from one issuer to another depending on Candriam's prioritising methodology.

The main themes of Candriam's engagement and/or voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 10 (violations of the United Nations Global Compact Principles and the OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

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

The investments in the portfolio undergo a normative analysis examining respect for international social, human, environmental and anti-corruption norms as defined in the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The conventions of the International Labour Organisation and the International Bill of Human Rights are among the many international references embedded in the normative analysis and Candriam's ESG analysis framework.

The analysis seeks to exclude companies which have significantly and/or repeatedly breached one of these principles.

Additional information on how Candriam takes account of the "do no significant harm" principle can be found at the links mentioned at the end of this Appendix.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

Does this financial product consider principal adverse impacts on sustainability factors?

x Yes, at the Sub-fund level, as indicated in Annex I of the SFDR delegated Regulation supplementing Regulation (EU) 2019/2088, the Principal Adverse Impacts (PAIs) on sustainability factors are taken into account – as described in the Level 1 PAIs in the document entitled "Principal Adverse Impact at Product Level" – by one or more of the following means:

• Exclusions:

Through the exclusion of companies involved in controversial activities or through standard-based exclusions, Candriam takes the following into account:

Through the exclusion of companies involved in controversial activities and standards-based exclusions, which are based on an analysis of companies' compliance with international standards, Candriam takes account of:

• PAI 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

• PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions,chemical weapons and biological weapons).

• Engagement and voting:

In order to avoid and/or reduce adverse impacts on sustainability factors, the Sub-fund also considers adverse impacts through its Entity-wide Engagement Programme, which includes dialogue with companies and the exercise of voting rights. Candriam prioritises its engagement and voting activities based on an evaluation of the most significant and the most relevant ESG challenges faced by the sectors and the issuers, taking account of the financial, social and environmental impacts. Therefore, the level of engagement may vary depending on the issuers and Candriam's prioritising methodology.

The main themes of Candriam's engagement and voting practices are the energy transition, fair working conditions and business ethics. For example, in its dialogue and voting activities, Candriam takes into account PAI 1, 2 and 3 (GHG emissions, carbon footprint and GHG intensity), PAI 4 (exposure to fossil fuels), PAI 6 (energy consumption intensity by sector with high climate impact), PAI 7 (activities having an adverse impact on biodiversity sensitive zones) PAI 10 (violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), as well as PAI 12 and PAI 13 (gender).

• Monitoring:

Monitoring includes calculating and assessing the main adverse impacts on sustainability factors, including reporting at the Sub-fund level.

For funds using carbon footprint as a sustainability indicator, PAI 2 is covered by this monitoring approach. PAI 3 (GHG intensity of investee companies) is monitored for funds forming part of Candriam's commitment to the Net Zero Asset Manager initiative. In addition, PAI 10 (Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), PAI 14 (Exposure to controversial weapons).

The indicators of specific principal adverse impacts taken into account depend on data quality and availability and may change as data quality and availability improves. If it is not possible to use a principal adverse impact indicator due to data limitations or other technical issues, the fund manager may use a representative replacement indicator.

More extensive information on the types of PAI considered can be found through the links provided at the end of this Annex (document entitled "Principal adverse impacts at product level").

☐ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The objective of the sub-fund is to use discretionary management to benefit from the performance of the market in equities of companies which are active in technological innovation and robotics.

The investment strategy is applied according to a well-defined investment process and a rigorous risk framework. Adherence to these elements is subject to risk monitoring by Candriam.

Regarding the environmental and social aspects of the investment strategy, Candriam's exclusive ESG analysis (which produces ESG ratings and scores) and a normative controversy evaluation (including the controversial activity exclusion policy) are applied, making it possible define the investable universe for the sub-fund.

Furthermore, Candriam's ESG analysis, which includes an analysis of the issuer's activities and its interaction with its main stakeholders, is an integral part of the financial management of the portfolio, enabling the asset manager to identify the risks as well as opportunities around the serious challenges of sustainable development.

As the management company, Candriam has established a monitoring framework as described in the sustainability risk management policy. Monitoring of the sub-fund's investment strategy risks seeks to ensure that the investments are aligned with and take account of environmental, social and governance indicators and the sustainability thresholds as explained above.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The investment strategy contains binding elements such as an exclusions policy comprising a normative filter as well as the exclusion of certain controversial activities as described in Candriam's Level 2A Exclusions Policy. Candriam's Level 2A Exclusions Policy is aimed at harmful activities that in Candriam's opinion have a substantial adverse impact and incur serious financial and sustainability risks. Exposure to these activities presents significant systemic and reputational risks for invested companies from economic, environmental and social points of view.

Furthermore, since climate change is the main sustainable development challenge to be taken up in the near future, Candriam's Level 2A exclusions policy takes account of this and focuses on environmental issues. The objective is to contribute to the fight against climate change by excluding activities that significantly harm the environment. We believe that supporting environmental sustainability in this way can also have positive repercussions on social issues.

Candriam's Level 2A Exclusions Policy applies to all investments made by Candriam by way of long positions in direct lines on private sector and sovereign issuers and derivative products on individual issuers.

Candriam's Level 2A Exclusions Policy excludes controversial activities linked to weapons, tobacco and thermal coal, and encourages third parties to do likewise. These activities engender significant systemic risks for society and the global economy.

Applying Candriam's Level 2A Exclusions Policy also implies excluding conventional weapons. This is in line with the approach of many sustainable investors and various standards which exclude this activity because of the negative nature of armaments that have often been used to breach human rights and have had devastating effects on human lives and the overall well-being of society. The difficulty in obtaining detailed information on end-users and end-uses of weapons is an additional factor justifying this exclusion.

Portfolios subject to Candriam's Level 2A Exclusions Policy also exclude gambling activities, as these activities may potentially be linked to illegal activities and corruption and could therefore engender reputational risks for Candriam and our clients. This reflects the concerns of many responsibility-oriented investors as well as some independent ESG executives.

The full list of activities excluded under Candriam's Level 2A Exclusions Policy and their respective thresholds and exclusion criteria are available through the links provided at the end of this Annex (document entitled "Candriam Level 2A Exclusions Policy").

In addition, the portfolio is constructed in order to achieve or to respect:

- the objective of the sustainability indicator described above,

- the defined minimum proportion of investments which have environmental and social characteristics,

- the defined minimum proportion of sustainable investments.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The sub-fund is subject to an exclusion policy comprising a normative filter as well as the exclusion of certain controversial activities. There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the investment strategy

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The company's governance is a core aspect of the stakeholder analysis performed by Candriam. It can be used to evaluate:

1) how a company interacts with and manages its stakeholders, and

2) how a company's board of directors discharges its governance and management functions regarding disclosure and transparency and regarding consideration of sustainability objectives.

In order to evaluate a company's governance practices specifically regarding the stability of the management structures, labour relations, staff remuneration and tax compliance as defined by the SFDR, Candriam's ESG analysis includes five key pillars of governance:

1. The strategic orientation, which evaluates the independence, expertise and composition of the board of directors and ensures that the board acts in the interests of all shareholders and other stakeholders and that it is able to act as an effective counterweight to management,

2. An audit committee and an evaluation of the independence of the auditors in order to avoid conflicts of interest,

3. Transparency around the remuneration of senior managers, enabling managers and the remuneration committee to be held to account by the shareholders, to align the interests of senior management with those of the shareholders, and to focus on long-term performance,

4. The share capital to ensure that all the shareholders have equal voting rights,

5. Financial conduct and transparency.

What is the asset allocation planned for this financial product?

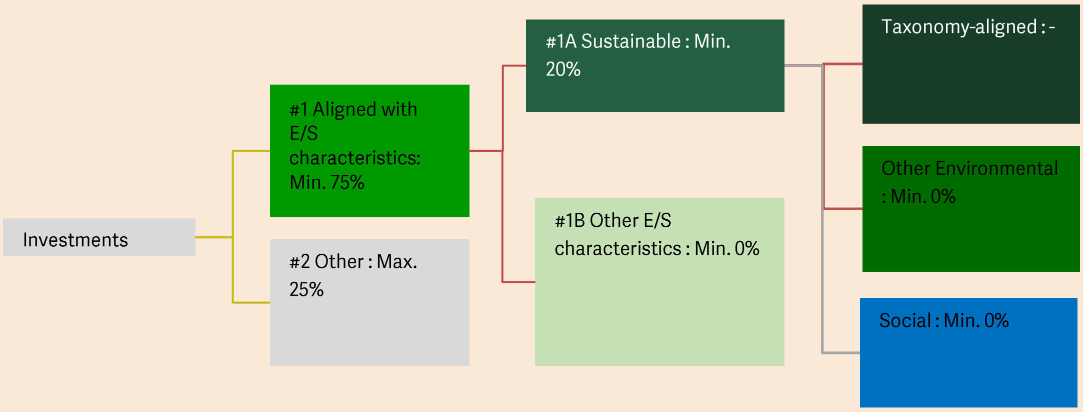
Asset allocation describes the share of investments in specific assets.

The Sub-fund seeks to invest at least 75% of its total net assets in investments which have environmental and social characteristics, of which a minimum of 20% of its total net assets will consist of sustainable investments. A maximum of 25% of the total net assets of the Sub-fund may be allocated to other assets as defined below.

The investments which have environmental and social characteristics are investments which undergo Candriam's proprietary ESG analysis and are eligible on the basis of their ESG rating. In addition, these investments must respect Candriam's exclusion policy concerning controversial activities and the normative filter. The investments which have E/S characteristics must demonstrate good governance practices.

Sustainable investments are defined on the basis of Candriam's proprietary ESG analysis. An issuer which respects Candriam's exclusion filters is eligible as a sustainable investment on the basis of an ESG rating reflecting high sustainability standards.

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.



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

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

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

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

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

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The use of derivative products is not intended to achieve the environmental or social characteristics promoted by the sub-fund.

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

The EU Taxonomy Regulation establishes six distinct but interconnected environmental objectives. These environmental objectives are placed at the heart of Candriam's ESG research and analysis of issuers.

At the present time, however, only a small number of companies worldwide publish the necessary information for a rigorous evaluation of their alignment with the Taxonomy.

As a result, the sub-fund does not commit to a minimum Taxonomy alignment percentage, meaning that this percentage must be considered to be zero.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?[1]

☐ Yes

☐ In fossil gas ☐ In nuclear energy

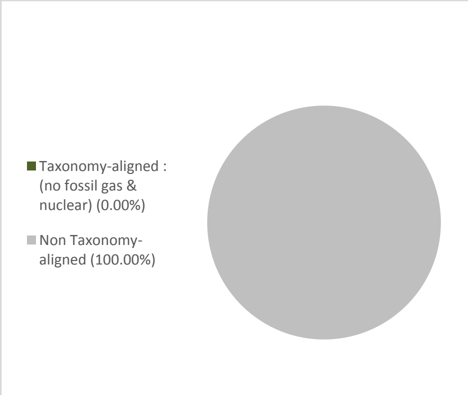
x No

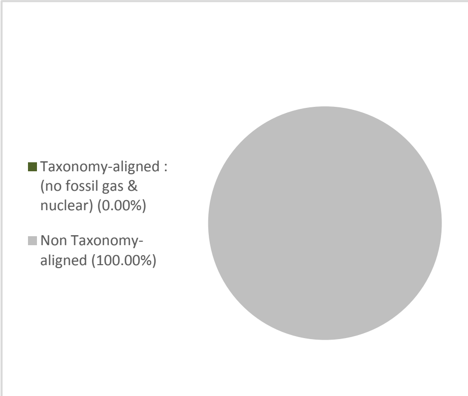
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas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

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***





This graph represents max. 100 % of the total investments.

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

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.

What is the minimum share of investments in transitional and enabling activities?

No minimum proportion of investments in transitional and/or enabling activities has been fixed. However, Candriam's ESG research and analysis framework includes an evaluation of transitional and/or enabling activities and how they contribute to the sustainability objectives.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

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

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with an environmental objective.

What is the minimum share of socially sustainable investments?

There is no hierarchy of environmental or social objectives and as a result, the strategy neither seeks nor commits to a specific minimum proportion of sustainable investments with a social objective.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

Investments in the "Others" category may be held in the Sub-fund up to a maximum of 25% of the total net assets.

Such investments may be:

- cash and cash equivalents: demand deposits, reverse repurchase transactions that are necessary in order to manage the liquidity of the Sub-fund following subscriptions/redemptions and/or resulting from the Sub-fund's market exposure decision

- issuers which had E/S characteristics at the time of investment and which are no longer fully aligned with Candriam's E/S investment criteria. The intention is to sell these investments;

- other investments including single name derivatives which may be purchased for diversification purposes and which cannot undergo ESG filtering or for which ESG data is not available but which as a minimum respect the principles of good governance;

- non single name derivatives may be used for efficient portfolio management and/or for hedging purposes and/or temporarily following subscriptions/redemptions.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No specific index has been designated as a benchmark in order to evaluate alignment with E/S characteristics.

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

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  N/A

- ***How does the designated index differ from a relevant broad market index?***

  N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A

Where can I find more product specific information online?

For more detailed information about the product, go to:

https://www.candriam.com/en/private/sfdr/

https://www.candriam.com/en/professional/sfdr/