



CANDRIAM SUSTAINABLE EQUITY EMERGING MARKETS

REPORTING 31|08|2022

Share Class: R (EUR)



07.2022

OVERALL
MORNINGSTAR
RATING
TM

Lower Risk ← Higher Risk

Potentially lower return ← Potentially higher return



RISK AND
REWARD
PROFILE

The risk level shown reflects the fund's historical volatility, completed where applicable by that of its reference framework. The volatility indicates the extent to which the value of the fund may fluctuate upwards or downwards.

- The indicated category may vary over time.
- The historical data give no indication of a future risk profile.
- The lowest category does not mean "risk-free".
- There is no guarantee or mechanism to protect the capital.



Candriam Sustainable Equity Emerging Markets is in top 32 % percentile (as of 30 June 2022)

MORNINGSTAR
SUSTAINABILITY
RATING



(1)

SRI Label

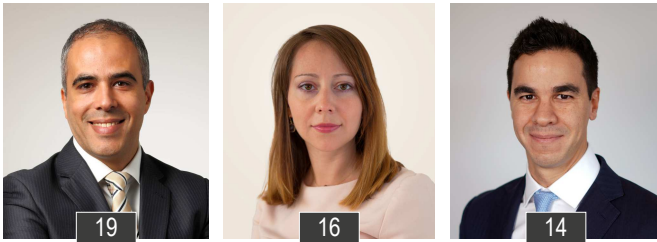


THINK
BEFORE PRINTING

CANDRIAM
A NEW YORK LIFE INVESTMENTS COMPANY

PAGES 1 / 10 FOR PROFESSIONAL INVESTORS ONLY

Nota bene: Even if the subfund is awarded the label, it does not mean that the same subfund meets your sustainability objectives or that the label will be compliant with the requirements of future national or European regulations. For further information, please go to www.fsma.be/fr/finance-durable.



Lamine Saidi
Senior Fund Manager

Galina Besedina
Fund Manager

Paulo Salazar
Head of Emerging Markets Equity

Years of experience

FUND CHARACTERISTICS

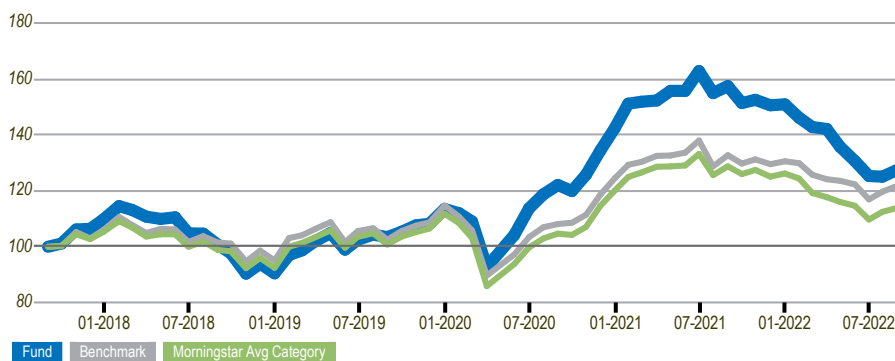
Inception Date	23/03/2017
Fund Domicile	Luxembourg
Fund Legal Form	SICAV
Benchmark	MSCI Emerging Markets NR
Total net assets (M EUR)	2,763.26
NAV per share cap.(EUR) (C)	189.21
NAV per share dis.(EUR) (D)	100.98
Fund Reference Currency	EUR
NAV Calculation	Daily
Morningstar™ Category	EAA Fund Global Emerging Markets Equity
ISIN Code (C)	LU1434524416
ISIN Code (D)	LU1720118535
Ticker Bloomberg (C)	CSEEMRC LX Equity
Ticker Bloomberg (D)	CSEMRDE LX Equity
Latest Dividend Distributed	2.59 (2022-05-06)
Dealing Cut Off	D-1<12:00
Antidilution Mechanisms	-
Custodian Bank	CACEIS Bank, Luxembourg Branch
Management Company	CANDRIAM

INVESTMENT STRATEGY

Candriam Sustainable Equity Emerging Markets, a sub-fund of the SICAV Candriam Sustainable, invests in shares of companies in emerging countries that comply with the 10 principles of the UN Global Compact and are not involved in controversial activities such as gambling or arms trading. In addition, the Sub-fund focuses on companies that are well positioned to meet global sustainability challenges. The portfolio is well diversified and fully invested. The levels of risk are well managed and closely monitored. The fund's sustainable investment objective is to reduce greenhouse gas emissions whilst also seeking to achieve a long term positive impact on social and environmental dimensions. The investment horizon is 6 years. The fund is managed actively, with reference to the index mentioned on the section "characteristics". For further information about this index and its use, please consult the fund's key investor information document (KIID).

PERFORMANCE (1)

	1 month	3 months	YTD	1 year	3 years	5 years
Fund	2.0%	-2.4%	-15.5%	-19.0%	23.4%	27.5%
Benchmark	1.8%	-0.4%	-6.3%	-8.2%	18.8%	21.8%
	0.2%	-2.0%	-9.2%	-10.8%	4.6%	5.7%
	2021	2020	2019	2018	3 years annualized	5 years annualized
Fund	6.0%	25.5%	25.4%	-17.6%	7.2%	5.0%
Benchmark	5.2%	7.8%	20.6%	-10.3%	5.9%	4.0%
	0.8%	17.7%	4.8%	-7.4%	1.4%	1.0%



(1) Past Performances shown on this page are not an indicator of future performances and are not constant over time. See important disclosures on performance under the section 'warning' in the 'Important Information' on page 4. NAVs are net of fees and are provided by the accounting department and the reference index by official providers.

STATISTICS

	Funds	Benchmark
Equity Exposure	95.39%	100.00%
Number of Positions	93	1,388
Active Share	69.14%	-
Volatility	19.53%	19.23%
Tracking Error	7.15%	-
Sharpe Ratio	0.45	0.39
Alpha	1.79%	-
Beta	0.95	-
Information Ratio	0.19	-
Price Earning Ratio	19.41	12.95
ROE	18.28%	16.87%
P/Book value	3.12	1.77
Dividend Yield	1.88%	3.25%

ESG ASSESSMENT

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Exclusion	Norm based	Positive selection	Integration

FEES

C	0.80%	1.05%	-
D	0.80%	1.14%	-
Real Management Fee	Ongoing Charges	Performance Fees	

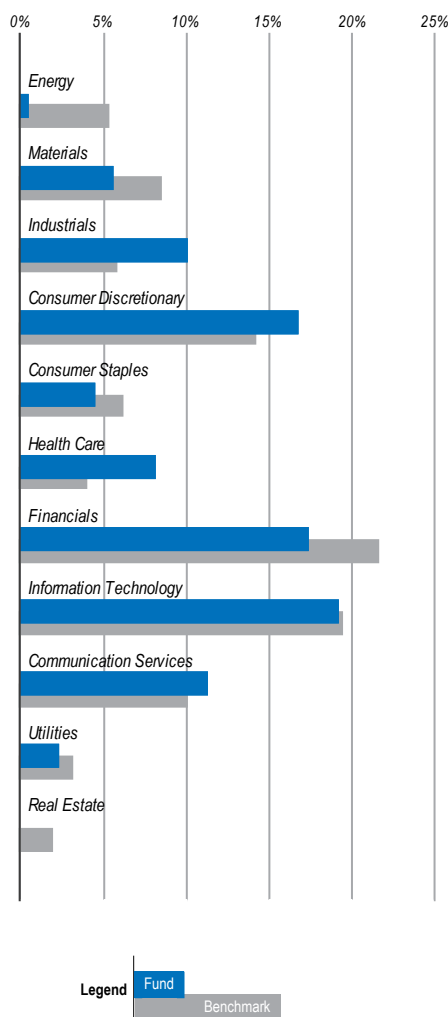
TOP 10 ISSUERS

	% Fund	Sector	Country	% Active weight
1 TAIWAN SEMICONDUCTOR	7.32	Information Technology	Taiwan	+1.04
2 ALIBABA GROUP HOLDING LTD	4.46	Consumer Discretionary	China	+1.66
3 TENCENT HOLDINGS LTD	3.58	Communication Services	China	-0.42
4 MEITUAN	2.58	Consumer Discretionary	China	+0.94
5 HOUSING DEVELOPMENT FINANCE	2.54	Financials	India	+1.73
6 SK HYNIX INC	2.48	Information Technology	Korea Republic of	+1.89
7 BHARTI AIRTEL LTD	2.31	Communication Services	India	+2.00
8 SAMSUNG BIOLOGICS CO LTD	2.01	Health Care	Korea Republic of	+1.84
9 NARI TECHNOLOGY CO LTD	1.68	Industrials	China	+1.66
10 JD.COM INC	1.67	Consumer Discretionary	China	+0.62

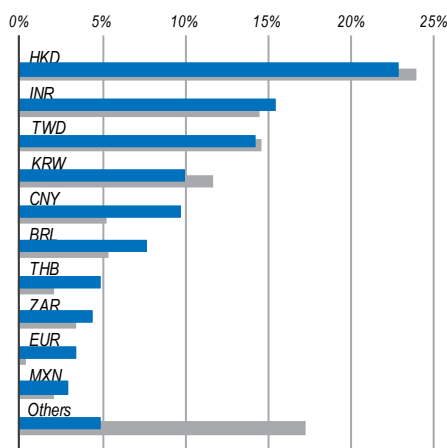
TOP 10 COUNTRIES

Country	% Fund	% Bench	% Active weight
1 China	30.77	32.09	-1.32
2 India	15.45	14.49	+0.96
3 Taiwan	14.15	14.60	-0.44
4 Korea Republic of	9.95	11.58	-1.63
5 Brazil	7.56	5.29	+2.27
6 Thailand	4.78	1.97	+2.82
7 South Africa	4.28	3.40	+0.89
8 Mexico	3.00	2.00	+0.99
9 Indonesia	1.51	1.98	-0.47
10 Poland	0.93	0.54	+0.40

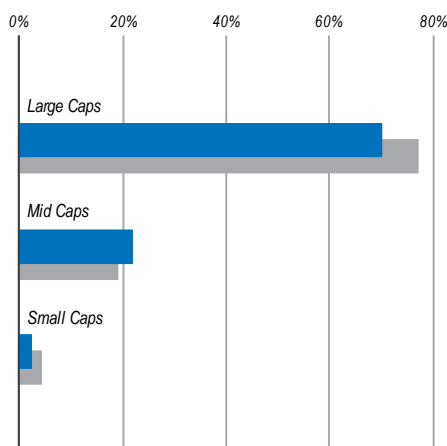
SECTOR ALLOCATION



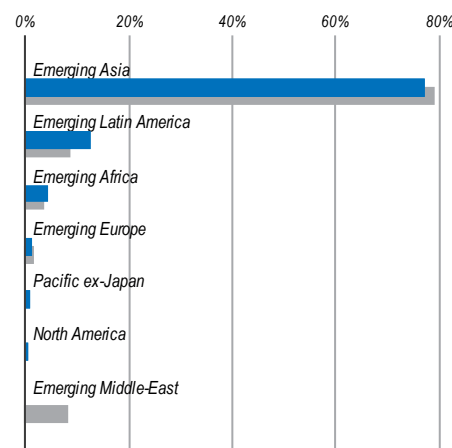
CURRENCY ALLOCATION



MARKET CAPITALISATION

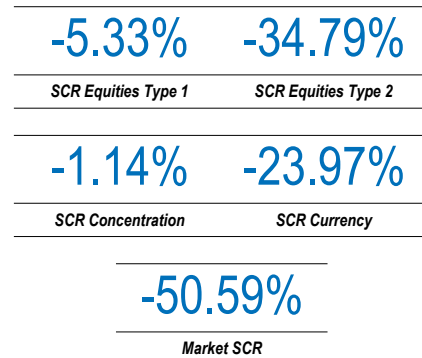


GEOGRAPHICAL ALLOCATION



SCR

SOLVENCY CAPITAL REQUIREMENT



IMPORTANT INFORMATION

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The present document does not constitute investment research as defined by Article 36, paragraph 1 of the Commission delegated regulation (EU) 2017/565. Candriam stresses that this information has not been prepared in compliance with the legal provisions

promoting independent investment research, and that it is not subject to any restriction prohibiting the execution of transactions prior to the dissemination of investment research.

Candriam consistently recommends investors to consult via our website www.candriam.com the key information document, prospectus, and all other relevant information prior to investing in one of our funds. These documents are available either in English or in local languages for each country where the fund's marketing is approved.



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GLOSSARY

VOLATILITY*

The Volatility is the statistical measure of dispersion of returns for a fund around the mean. A higher volatility means that a fund's value can potentially be spread out over a larger range of values and makes the fund a riskier investment.

RISK AND REWARD PROFILE

The Risk and Reward Profile is defined by the Synthetic Risk Reward Indicator (SRR1), a number on a scale from 1 to 7 based on the fund's volatility (regulatory measure). A rating of 1 represents the lower end of the risk scale with potentially lower rewards available while a rating of 7 reflects higher risk but potentially higher rewards.

SHARPE RATIO*

The Sharpe Ratio measures the level of compensation an investment in the fund offered for the risk taken. It is calculated by subtracting the risk-free rate from the return of the fund and dividing that result by the volatility. The higher the Sharpe ratio the better, a negative ratio has no significance other than that the fund underperformed the risk-free rate.

TRACKING ERROR*

The Tracking Error is a statistical measure of dispersion of the excess returns of the fund around the mean, making it the volatility of the difference between the fund's return and its reference index return. A higher tracking error indicates a higher deviation from the reference index.

BETA

Beta measures the sensitivity of fund returns to changes in returns of its reference index. A beta greater than 1 indicates the fund is more volatile, thus more risky than the reference index.

ALPHA

Alpha represents the performance of a fund relative to its reference index, it is often considered to represent the value that a portfolio manager adds to or subtracts from a fund's return. It is the return on a fund that is not a result of general movement in the greater market.

* based on weekly data over 3 Years (1 year if too little history)

NUMBERS OF POSITIONS

The Number of Positions represents the total number of instruments in position.

ACTIVE SHARE

It is calculated by taking the sum of the absolute value of the differences of the weight of each holding in the fund and the weight of each holding in the reference index and dividing by two. The greater the difference between the composition of the fund and its reference index, the greater the active share.

EXPOSURE

The Exposure of a fund is expressed as a percentage of total portfolio holdings, taking into account the leverage of derivative instruments. It represents the amount an investor can lose from the risks unique to a particular investment. The Equity Exposure is the sum of exposures to equity instruments, including derivatives.

P/E RATIO

The Price/Earnings Ratio of a fund is calculated by dividing the market value of the fund by the total amount of the underlying company's realized earnings per share. Index derivatives are excluded.

P/BOOK VALUE

The Price/Book Value of a fund is calculated by dividing the market value of the fund by the total amount of the underlying company's published book value per share. Index derivatives are excluded.

RETURN ON EQUITY (ROE)

The Return on Equity is a measure of the profitability. For a fund this is calculated as the average of the underlying company's realized earnings per share divided by their published book value per share. Index derivatives are excluded.

SCR (Solvency Capital Requirement)

Market SCR represents an estimate of the capital charge for market risk, broken down into risk sub-modules (Interest rate, Spread, Equity..), which is applicable to insurers under Solvency 2 Directive. Candriam calculations are based on the standard formula as provided by the regulation.

DIVIDEND YIELD

The Dividend Yield of a fund is determined by dividing the total amount of the annual dividends received for all shares in the fund by the current market value of the fund. Index derivatives are excluded.

OCF

The Ongoing Charges Figure (OCF) informs the investor on the total annual cost of investing within the fund and is comprised of all annual charges & other payments.

REAL MANAGEMENT FEES

The Real Management Fee is the actual percentage charge deducted from the fund's average net assets.

PERFORMANCE FEE

The Performance Fee refers to a charge on any returns that the Fund achieves above the reference index. Please refer to the Prospectus for further information.

ESG ASSESSMENT – EXCLUSION

The Exclusion filter refers to the exclusion of companies involved in harmful or controversial activities. Involvement is assessed using activity-specific revenue-based threshold levels.

ESG ASSESSMENT – NORMS-BASED

The Norms-Based analysis excludes companies which are in violation of the 10 principles of the United Nations Global Compact (UNGC). These principles cover 4 main categories: Human Rights, Labour Rights, Environment and Anti-Corruption.

ESG ASSESSMENT – POSITIVE SELECTION

The Positive selection analysis is inclusive, not exclusive. It includes only the companies with the best ESG score, obtained by evaluating their ability to manage the sustainable development issues based on a combination of specific factors material to each sector.

ESG ASSESSMENT – INTEGRATION

The Integration of ESG factors into investment decisions consists of integrating specific extra-financial factors into the financial valuation or credit assessment of securities. The factors used are selected based on their materiality in the given asset class.

SUSTAINABILITY REPORTING

The following pages provide metrics and indicators related to the sustainability impact of corporate instruments (i.e. equities, corporate bonds etc.).

The Fund is classified as an article 9 financial product according to the Sustainable Finance Disclosure Regulation. The sustainable investment objective of the Fund is two-fold:

- The Fund aims to contribute to the reduction of greenhouse gas emissions in order to fulfil the long-term objectives of the Paris Agreement.
- Moreover, not focusing on specific themes, the Fund aims to have long-term positive impacts on the environment, beyond the issue of climate change, and on social domains.

The Fund aims to achieve these objective through a combination of positive selection of issuers based on sustainability considerations, exclusions, impact measurement and active ownership.

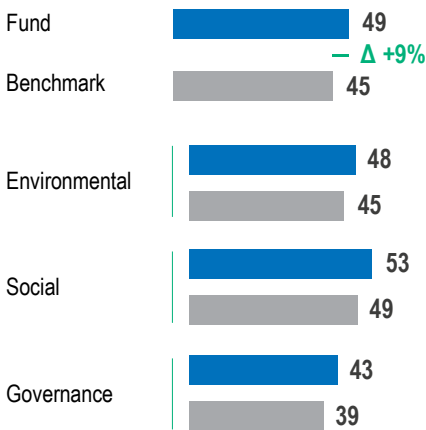
For more information on our sustainable investments, the methodology and relevant sustainability indicators used to measure the impact of such investments, refer to our website: [//www.candriam.com/en/professional/market-insights/sfdr](http://www.candriam.com/en/professional/market-insights/sfdr)

SUSTAINABILITY SCORE

The sustainability score (also called 'ESG score') is based on Candriam's proprietary ESG analysis and scoring methodology. For companies, Candriam's proprietary ESG analysis is done from two distinct but related angles: analysis of the impacts of business activities (products and services) and management of companies' key stakeholders.

COMPANY ESG SCORE

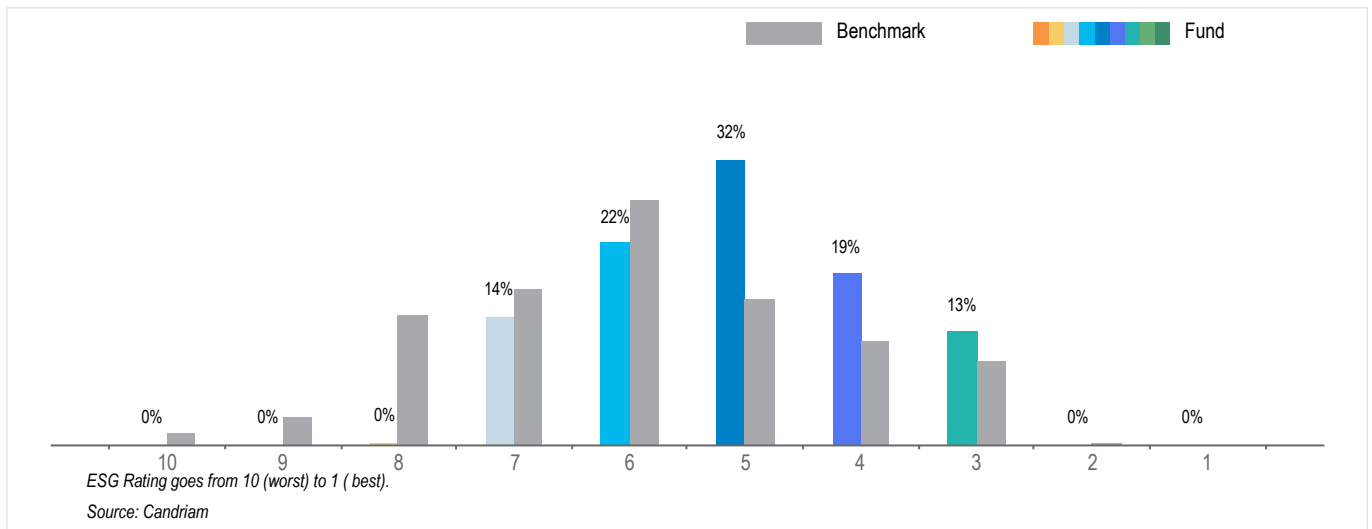
ESG Score - Companies (0-100)



Source: Candriam

Coverage Rate (Fund/Benchmark): 95.7% / 97.1%

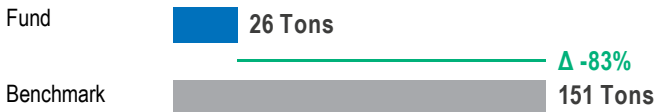
COMPANY ESG RATING



COMPANY SUSTAINABILITY INDICATORS



CARBON FOOTPRINT



The difference in carbon footprint is equivalent to



66 Round Trips
Brussels - New York



Emissions produced by
80 cars annually

Tons CO2eq per million € invested in fund/benchmark

Source: Candriam, Trucost

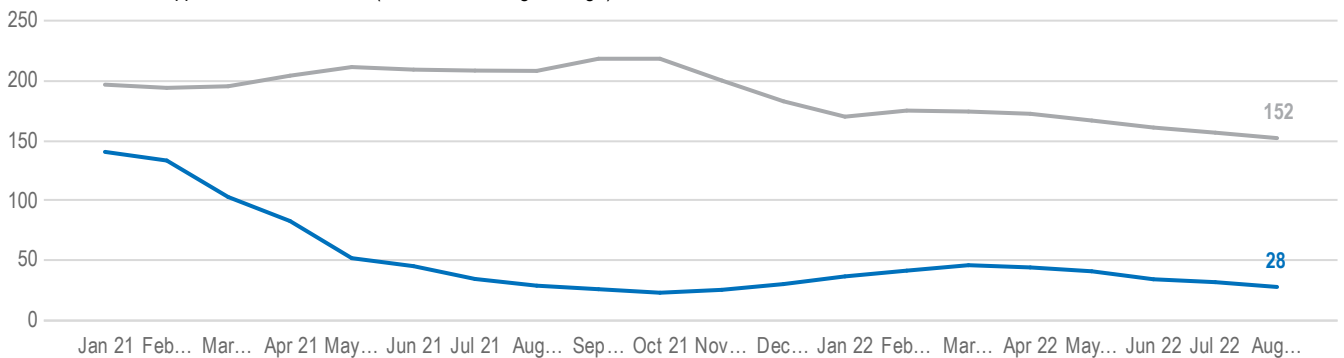
Coverage Rate (Fund/Benchmark): 98.6% / 97.0%



CARBON FOOTPRINT EVOLUTION

Tons CO2eq per million € invested (3 months moving average)

— Fund — Benchmark

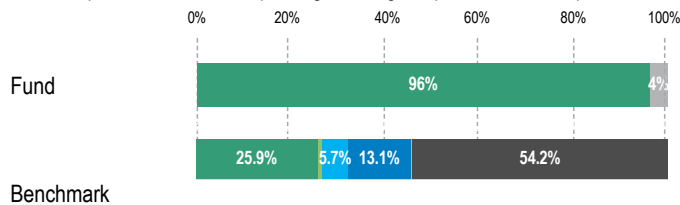


Source: Candriam, Trucost



POWER GENERATION MIX

The power generation mix of a portfolio shows the percentages that different energy sources represent within electric power generating companies held in the portfolio.



Source: Candriam, Trucost

■ Renewables
 ■ Others
 ■ Nuclear
 ■ Natural Gas
 ■ Oil
 ■ Coal

Exposure of electric power generation companies



Total power generation from
renewables
46,935 MWH



Equivalent annual power
consumption of
6,095 PEOPLE



ENVIRONMENTAL INDICATORS

Green exposure (by MSCI ESG Research)



Source: Candriam, MSCI

Coverage Rate (Fund/Benchmark): 95.2% / 95.2%

Fossil Fuel exposure (by MSCI ESG Research)



Source: Candriam, MSCI

Coverage Rate (Fund/Benchmark): 98.2% / 97.4%

BOARD GENDER DIVERSITY



Source: Candriam, MSCI
 Coverage Rate (Fund/Benchmark): 95.5% / 94.8%

PERCENTAGE OF INDEPENDENT BOARD MEMBERS



Source: Candriam, ISS-Oekom
 Coverage Rate (Fund/Benchmark): 61.5% / 57.1%

SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) are a collection of 17 global goals set by the United Nations General Assembly in 2015, and to be achieved by year 2030. A score is calculated with respect to each SDG of investee companies held in portfolio. Each score is a weighted average of the level of contribution to such SDG by such companies.

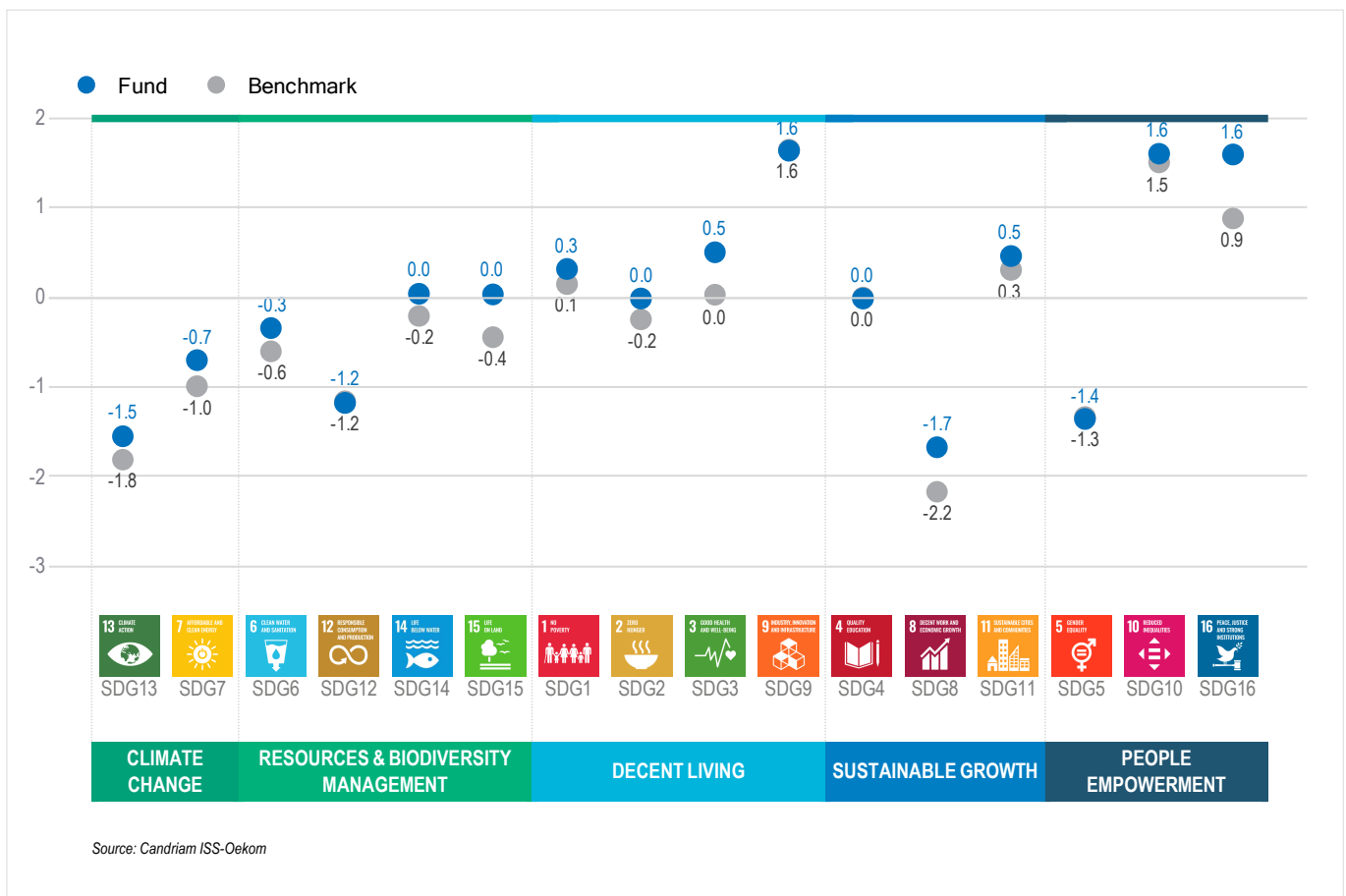
In order to estimate this contribution, the scores consider three dimensions:

- Contribution of the companies' products and services to achieving each goal
- Impact of the companies' operations on relevant ESG dimensions (e.g. human capital management, environmental impact, supply chain management)
- Exposure of the companies to controversies detrimental to attaining the Sustainable Development Goals

The fund and the benchmark are rated from -10 to +10 on each SDG, reflecting their degree of positive or negative contribution to each goal.



Source: Candriam
 Coverage Rate (Fund/Benchmark): 91.3% / 91.2%



Source: Candriam ISS-Oekom

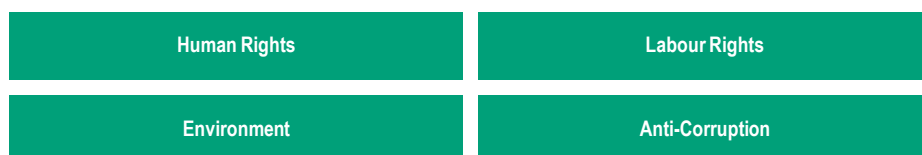
SUMMARY ESG DATA

Indicator (Source)	Metric	Benchmark	Fund	Coverage rate (% rate/% eligible assets)	Fund weight concerned (% rated/total assets)
Carbon footprint ¹	Tons CO2eq/million € invested	151	26	98.6%	94.1%
Carbon intensity ¹	Tons CO2eq/million € revenues	426	104	98.6%	94.1%
Weighted Average Carbon Intensity ¹	Tons CO2eq/million € revenues	373	114	98.6%	94.1%
Green exposure ²	Percentage green exposure	5	8	95.2%	90.8%
Fossil Fuel exposure ²	Percentage fossil fuel exposure	11	1	98.2%	93.6%
Renewable energy production ¹	Total M watt/h	61081	46935	2.2%	2.1%
Water consumption ¹	M3 water/million € invested	6491.48	1005.78	98.6%	94.1%
Water intensity ¹	M3 water/million € revenues	18103	3971	98.6%	94.1%
Weighted Average Water Intensity (WAWI) ¹	M3 water/million € revenues	27828	9508	98.6%	94.1%
Board gender diversity ²	Percentage gender diversity board members	19%	22%	95.5%	91.1%
Board independence ³	Percentage independent Board members	51%	51%	61.5%	58.7%
Biodiversity programmes ⁴	Score from 0 to 100 (100 is best)	48.38	36.20	5.1%	4.9%
Employee fatality rate ⁴	Score from 0 to 100 (100 is best)	51.77	56.66	38.0%	36.3%
Collective bargaining agreements ⁴	Score from 0 to 100 (100 is best)	21.58	22.62	93.5%	89.2%
Bribery & corruption policy ⁴	Score from 0 to 100 (100 is best)	49.10	50.55	93.4%	89.0%
Money laundering policy ⁴	Score from 0 to 100 (100 is best)	42.92	52.09	18.2%	17.4%

Sources: 1) Candriam, Trucost 2) Candriam, MSCI 3) Candriam, ISS-Oekom 4) Candriam, Sustainalytics

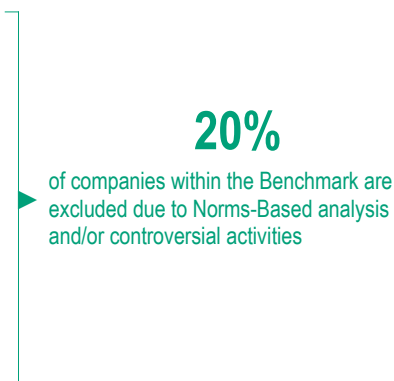
NORMS-BASED ANALYSIS / CONTROVERSIAL ACTIVITIES ANALYSIS

Candriam's Norms-Based Analysis excludes companies which are in violation of the ten principles of the United Nations Global Compact.



Candriam controversial activities analysis excludes companies involved in harmful or controversial activities. The details of Candriam's controversial activity are available on the Management Company's website via the link:

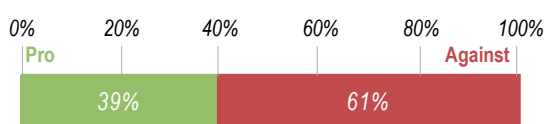
<https://www.candriam.com/en/professional/Market-insights/sri-publications>



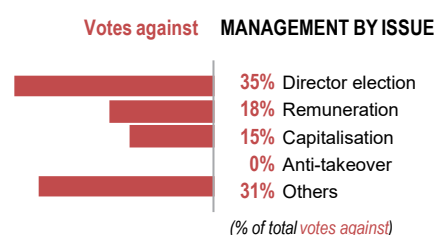
VOTING POLICIES

Over the course of the last 4 quarters, Candriam voted at 163 general meetings on behalf of the fund and voted against at least one resolution in 99 general meetings. Candriam has engaged with companies since 2003 through an increasingly active proxy-voting policy that upholds the principle of good corporate governance and sustainable development.

MEETINGS WITH AT LEAST ONE VOTE AGAINST MANAGEMENT



For more information regarding our Proxy Voting Policy, please visit our webpage: www.candriam.com/en/professional/market-insights/sri-publications



GLOSSARY

COMPANY CARBON FOOTPRINT METRICS

Refer to the measurement of greenhouse gas (GHG) emissions of an investment portfolio by summing the proportional GHG emissions of the underlying holdings, proportional to the share of ownership.

tCO₂-eq: Carbon dioxide (CO₂) is the most common GHG emitted by human activities, in terms of the quantity released and the total impact on global warming. As a result, the term 'CO₂' is sometimes used as a shorthand expression for all greenhouse gases. A portfolio's carbon footprint is measured in tonnes of carbon dioxide equivalent (tCO₂-eq) which allows to bundle various greenhouse gas emissions in a single number. For any quantity and type of greenhouse gas, CO₂-eq signifies the amount of CO₂ which would have the equivalent global warming impact.

Scope 1, 2 and 3: The international GHG Protocol classifies a company's GHG emissions into three 'scopes':

- Scope 1 emissions: Direct emissions from owned or controlled sources.
- Scope 2 emissions: Indirect emissions from the generation of purchased energy.
- Scope 3 emissions: All indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

All Carbon Footprint Metrics analysed in this report are based on both Scope 1 and Scope 2 data sourced from specialist data provider Trucost.

Good quality Scope 3 data currently do not exist because of the complexity to measure and control upstream and downstream value chain data. That also entails that so-called 'avoided emissions' are excluded from Carbon Footprinting analytics.

One can distinguish between four Carbon Footprint Metrics:

(1) Total Carbon Emissions: Measure the total GHG emissions of a portfolio in the most literal sense by summing all GHG emissions of the underlying holdings, proportional to the share of ownership. The dependence of this measure on a portfolio's size makes this metric of limited usefulness for benchmarking and comparison purposes.

(2) (Normalized) Carbon footprint: Measure the asset-weighted carbon emissions of a portfolio normalized per million \$ invested (expressed in tCO₂-eq / million \$ invested).

(3) (Normalized) Carbon Intensity: Measures the asset-weighted carbon emissions of a portfolio normalized per million \$ of revenue (expressed in tCO₂-eq / million \$ revenues). This metric provides an indication of the amount of GHG emitted by the holdings in a portfolio to generate 1 million \$ of revenue.

(4) Weighted Average Carbon Intensity (WACI): The sum product of the portfolio's holdings' weights and carbon intensities, where holdings' carbon and carbon intensities, where holdings' carbon intensities are calculated as the company's total carbon emissions divided by the company's total revenues.

EQUIVALENT CO₂ EMISSIONS

'Equivalent CO₂ emissions' information aims to provide investors with examples of human activities generating CO₂ emissions that are equivalent to the CO₂ emissions of the companies held in the fund and the benchmark for €1 million invested. Real-life examples illustrate of how much less or more CO₂ is emitted by the companies held by the fund compared to its benchmark. For commercial flights, this information is expressed as the number of round-trip flights from Brussels to New York in economy class. For family cars, it is expressed as the number of cars driving 13 000 km per year and emitting 120g of CO₂ per km on average (Source: Eurostat).

CARBON FOOTPRINT EVOLUTION

Provides a graphical representation of historical carbon footprints of the portfolio, based on monthly calculations of 3-months moving averages of greenhouse gas emission (Tons CO₂eq per million € invested).

COMPANY ESG RATING

Based on Candriam's proprietary ESG Analytical Framework, each issuer receives an ESG Rating, from ESG 1 (best) to ESG 10 (worst). The ESG Rating is the result of our Business Activity Analysis and Stakeholder Analysis. It expresses each issuer's absolute ESG performance, including sustainability-related risks, opportunities and impacts.

RENEWABLE ENERGY PRODUCTION

Measures the absolute level (i.e. not asset-weighted) of renewable energy production within the Fund, expressed in MWh.

GREEN EXPOSURE

Asset-weighted percentage of revenues generated from green goods and services, such as alternative energy, energy efficiency, green buildings, pollution prevention and sustainable water. The data is sourced from MSCI ESG research.

FOSSIL FUEL EXPOSURE

Asset-weighted percentage of revenues generated from thermal coal extraction, unconventional and conventional oil and gas extraction, oil refining, thermal coal-based power generation, liquid fuel-based power generation and natural gas power generation. The data is sourced from MSCI ESG research.

BOARD GENDER DIVERSITY

Average ratio of female-to-male board members in investee companies.

BOARD INDEPENDENCE

Asset-weighted percentage of independent board members at the companies held in the portfolio.

BIODIVERSITY PROGRAMMES

Provides an assessment of the quality of biodiversity protection programmes within the underlying companies of a portfolio.

EMPLOYEE FATALITY RATE

Provides an assessment of the fatality rates in the underlying companies of the portfolio over the last three years.

COLLECTIVE BARGAINING AGREEMENTS

Provides an assessment of the extent to which the employees of the companies held in the portfolio are covered by collective bargaining agreements.

BRIBERY CORRUPTION POLICY

Provides an assessment of the quality of anti-bribery and corruption policies within the underlying companies of the portfolio.

MONEY LAUNDERING POLICY

Provides an assessment of the quality of anti-money laundering policies within the underlying companies of the portfolio.

WATER CONSUMPTION

Measures the asset-weighted water consumption of a portfolio normalized per million \$ invested (expressed in cubic meters water / million \$ invested). Data are sourced from "Trucost" and do not include the supply of drinkable water and the wastewater that enters a company's facility to be treated.

WATER INTENSITY (M3/MIO USD REVENUES)

Measures the asset-weighted water consumption of a portfolio normalized per million \$ of revenue (expressed in cubic meters water / million \$ revenues). This metric provides an indication of the amount of water consumed by the companies in the portfolio to generate 1 million \$ of revenue. Data are sourced from "Trucost" and do not include the supply of drinkable water and the wastewater that enter a company's facility to be treated.

WEIGHTED AVERAGE WATER INTENSITY (WAWI)

The sum product of the portfolio's holdings' weights and water intensities, where holdings' water intensities are calculated as a company's total water consumption divided by the company's total revenues.

NORMS-BASED ANALYSIS

Candriam's Norms-Based Analysis excludes companies which are in violation of the ten principals of the United Nations Global Compact.

CONTROVERSIAL ACTIVITIES ANALYSIS

Candriam's Controversial Activities Analysis excludes companies involved in harmful or controversial activities. Involvement is assessed using activity-specific revenue-based threshold levels.

COVERAGE RATE (FUND/INDEX)

Indicates the percentage of holdings within the Fund or within the Benchmark for which the relevant ESG data is available and analysed.

IMPORTANT DISCLOSURES

This reporting is issued by the relevant Management Company of the group Candriam explicitly mentioned above.

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ESG investment risk

The extra financial objectives presented in this document are based on the realization of assumptions made by Candriam.

Implementing Candriam's ESG rating models does require access to various quantitative as well as qualitative data, depending on the sector and the exact activities of a given company. In some areas, such as board composition and background of the directors, data is usually available and subject to quality and accuracy checks by company auditors or regulators. In many other areas however, our ESG analysts cannot rely on the same degree of systematic availability and data reliability. Yet, the quality of the data is of the essence of the assessment of a company. These limitations do affect Candriam's ESG ratings.