

Luxembourg, 12 February 2024

NOTICE TO SHAREHOLDERS

Dear Shareholders,

The Board of Directors wishes to inform you of the following:

1/ Update to pre-contractual documents (PCD) published

In consultation with the management company, the Board of Directors of the SICAV has decided to provide more details of the following sections of the PCDs:

- Which environmental and/or social characteristics are promoted by this financial product?
- What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by the financial product?
- How do the sustainable investments that the financial product intends to pursue not cause significant harm to any environmental or social sustainable investment objective?
- Does this financial product take account of the principal adverse impacts on sustainability factors?
- What asset allocation is planned for this financial product?
- What investments come under the “#2 Not sustainable” category, what is their purpose and are there any minimum environmental or social safeguards?

2/ Candriam Bonds Credit Opportunities

The Candriam Bonds **Credit Opportunities** sub-fund which up to now did not have a sustainable investment objective and did not specifically promote environmental and/or social characteristics within the meaning of the SFDR Regulation, are now classified Art. 8 of this same SFDR Regulation, and thus promotes environmental and/or social characteristics without however having a sustainable investment objective.

The sub-fund will take into account an analysis of ESG criteria as set out in the Prospectus and more specifically in the SFDR Appendix.

3/ Rating of the issuers

The Candriam Bonds **Euro** sub-fund invests in securities issued by private sector issuers, issued or guaranteed by governments, international and supranational organisations, public sector entities and semi-public issuers. These issuers are highly rated (at least BBB-/Baa3 by one of the rating agencies at the time of acquisition).

For this sub-fund, the Board of Directors wishes to remove this notion of *"at the time of acquisition"* and specify that these issuers can be considered to be of comparable quality by the Management Company.

4/ Candriam Bonds Global Inflation Short Duration – Securities lending transactions

The sub-fund currently has recourse to securities lending transactions in a proportion which varies between **0% and 25%** of the net assets of the portfolio, and which can reach a **maximum of 75%** of the net assets of the portfolio, under certain market conditions.

CANDRIAM BONDS

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In light of market opportunities, the Board of Directors has decided to modify these proportions as follows: the expected proportion will be able to vary between **25% and 50%** of the portfolio's net assets and may reach a **maximum of 100%** of the net assets of the portfolio, under certain market conditions.

5/ Distressed debts

The Candriam Bonds **Emerging Markets** sub-fund is authorised to invest in *distressed debts* up to a maximum of 10% of the sub-fund's net assets.

The Board of Directors has decided, for the sake of greater transparency for investors, to specifically mention this limit in the Prospectus.

6/ Candriam Bonds Euro Diversified

Since the manager of the Candriam Bonds **Euro Diversified** sub-fund wishes to put a foreign exchange strategy in place, the Board of Directors has decided to delete the following sentence from the Prospectus: *"Exposures to currencies other than the EUR may be hedged against the foreign exchange risk, but this will not be done systematically."*

Investors are furthermore invited to familiarise themselves with the list of risk factors set out in the technical fact sheet of the sub-fund. The arbitrage risk in particular has been added.

7/ Candriam Bonds Total Return

Since the Candriam Bonds **Total Return** sub-fund is managed in a more defensive manner, the Board of Directors has decided to adjust the sub-fund's benchmark index. Thus, the current index €STER Capitalized +2% will be replaced by €STER capitalized.

The indices used to calculate performance fees will also be modified as follows:

Class	Currency	ISIN	Provisioning rate	Former minimum applicable return rate	New minimum applicable return rate
I	EUR	LU0252132039	20%	Capitalised €str +2% (floored at 0)	Capitalised €str (floored at 0)

These changes will take effect on **15 March 2024**.

Shareholders who do not agree with the above changes may apply for the redemption of their shares, free of charge, for a period of one month from **14 February 2024**.

The Prospectus dated **15 March 2024**, and the investor information documents are available free of charge from the registered office of the SICAV or may be obtained free of charge on the following website: <https://www.candriam.lu/en/private/funds-search#>

The Board of Directors