CANDRIAM L

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

Luxembourg

Prospectus

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

1 January 2023

INTRODUCTION

Candriam L (hereinafter the "SICAV") is registered on the official list of Undertakings for Collective Investment (hereinafter "UCI") pursuant to the Luxembourg Law of 17 December 2010 on Undertakings for Collective Investment and its implementing provisions (hereinafter the "Law").
The SICAV meets the conditions laid down in part I of the Law and in European Directive 2009/65/EC, as amended (hereinafter "Directive 2009/65/EC").

Such registration may not be interpreted as a positive appraisal by the supervisory authority as to the content of the Prospectus or the quality of the securities offered 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. Unitholders are required to notify the Management Company immediately in the event that they become U.S. Persons and are required to dispose of their units to non-U.S. Persons. The SICAV reserves the right to redeem any share that is or becomes the direct or indirect property of a U.S. Person or any holding of units by any person which is illegal or detrimental to the interests of the SICAV.
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 US Foreign Account Tax Compliance Act, as included in the Hiring Incentives to Restore Employment Act (hereinafter the "HIRE Act"), and its application measures, including the identical 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 is put in place.

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.

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. Any subscription made on the basis of information or indications not found in the Prospectus or that are incompatible with the information found in this Prospectus will be at the risk of the subscriber.

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 will be updated at the appropriate time in order to reflect significant changes. It is therefore recommended that potential subscribers contact the SICAV to enquire whether a later Prospectus has been published.

Any reference made in this Prospectus:

- to the term "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,
- to the term EUR refers to the currency of the countries that are members of the Economic and Monetary Union,
- to the term 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,
- to the term USD refers to the currency of the United States of America.

Subscribers and potential purchasers of the SICAV's shares are advised to obtain information about the possible tax consequences, the legal requirements and any restriction or exchange control provision under the laws of their countries of origin, residence or domicile that could have an effect on the subscription, purchase, ownership or sale of the shares of the SICAV.

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. In particular, investors' personal data processed by the Management Company includes the name, details (postal address or e-mail address), tax identification number (TID), bank details, and the amount invested and held in the SICAV ("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 this 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 the European Union and whose data protection laws do not necessarily guarantee an adequate level of protection. When subscribing for shares, all investors expressly agree to the transfer and processing of their Personal Data to and by such entities, including those located outside the European Union, and in particular in those countries which do not necessarily guarantee 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 the data processing, subject to applicable legal minimum retention periods.

The SICAV reminds investors that any investors may only fully exercise their investor rights directly in relation to the SICAV (in particular the right to attend general meetings of shareholders) if the investors are registered in their own name 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.

Contents

1. ADMINISTRATION OF THE SICAV

Board of Directors:

Chairman

Mr Tanguy de Villenfagne
Member of the Group Strategic Committee
Candriam - Belgian Branch

Directors

Mr Thierry Blondeau
Independent Director

Mrs Catherine Delanghe
Independent Director

Mr Renato Guerriero
Global Head of European Client Relations
Member of the Group Strategic Committee
Candriam – Succursale Italiana

Mrs. Nadège Dufosse
Head of Asset Allocation
Candriam

Mr Vincent Hamelink
Member of the Executive Committee
Candriam – Belgian Branch

Registered office: 5, Allée Scheffer, L-2520 Luxembourg

Management Company:

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

Board of Directors

Chairwoman

Ms Yie-Hsin Hung
Chairman and Executive Officer
New York Life Investment Management Holdings LLC
Senior Vice President
New York Life Insurance Company

Members

Mr Jean-Yves Maldague
Managing Director
Candriam

Mr Naïm Abou-Jaoudé
Chairman of the Executive Committee
Candriam

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

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

Mr Vincent Hamelink
Member of the Group Strategic Committee
Candriam – Belgian Branch

Management Committee

Chairman

Mr Jean-Yves Maldague
Managing Director
Candriam

Members

Mr Naïm Abou-Jaoudé, Director - Manager
Mr Fabrice Cuchet, Manager
Mr Tanguy de Villenfagne, Manager
Mr Pascal Dequenne, Manager
Mr Vincent Hamelink, Manager
Mr Renato Guerriero, Manager
Mr Alain Peters, Manager

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

Depositary Bank and Principal Paying Agent:	**CACEIS Bank, Luxembourg Branch** 5 Allée Scheffer, L-2520 Luxembourg
Domiciliary agent, Administrative agent Transfer Agent:	**CACEIS Bank, Luxembourg Branch** 5 Allée Scheffer, L-2520 Luxembourg
Auditors:	**PricewaterhouseCoopers** 2, rue Gerhard Mercator BP 1443 L-1014 Luxembourg

2. GENERAL CHARACTERISTICS OF THE SICAV

CANDRIAM L (hereafter "the SICAV") is a société d'investissement à capital variable under Luxembourg law. It was formed in Luxembourg on 17 December 2013 for an unlimited term pursuant to the legislation of the Grand Duchy of Luxembourg. The SICAV is subject to the provisions of the law of 10 August 1915 on commercial companies (hereinafter the "Act of 10 August 1915") provided that no derogation from such provisions is provided for by the Law.

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. This minimum must be achieved within the six months following the approval of the SICAV. The SICAV comes under part I of the law.

Its articles of incorporation were filed with the Luxembourg Trade and Companies Registry and were published in the Mémorial C, Recueil des Sociétés et Associations. They were amended most recently on 1 July 2022 and the corresponding amendments will be published in the Recueil Electronique des Sociétés et Associations ("RESA"). A version of the coordinated articles of incorporation has been filed with the Luxembourg Trade and Companies Registry.

The registered office of the SICAV is in Esch-sur-Alzette. The SICAV is registered in the Luxembourg Trade and Companies Registry under number B182856.

The SICAV takes the form of an umbrella SICAV, which is made up of a number of sub-funds each representing a pool of specific assets and liabilities and each adhering to a specific investment policy.

Each sub-fund is governed by its own investment policy and monetary reference. Subscribers may choose the sub-fund whose management strategy best suits their objectives and sensitivity.

The umbrella structure enables investors to choose between different sub-funds and to move from one sub-fund to another.

The following sub-funds are currently available to investors:

- **Candriam L Conservative Asset Allocation**
- **Candriam L Balanced Asset Allocation**
- **Candriam L Dynamic Asset Allocation**
- **Candriam L Multi-Asset Income**
- **Candriam L Multi-Asset Income & Growth**
- **Candriam L Multi-Asset Premia**

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

In addition, each 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.

Within each sub-fund, the Board of Directors may decide to create the following share classes:

- A **C** class, offered to individuals and legal entities;

- An **I** class reserved exclusively for institutional investors.

- An **N** class, reserved for distributors specially approved by the Management Company.

- A **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.

- An **R** class, 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.

- An **R2** class reserved for:

  - 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.

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

- A **V** class, reserved exclusively for institutional investors whose minimum initial subscription is EUR 15,000,000 (this minimum may be changed at the discretion of the Board of Directors provided that equal treatment of shareholders is ensured on the same Valuation Date).

- A **Z** class, reserved for:

    - Institutional/professional investors approved by the Management Company. The portfolio management activity for this class is directly remunerated through the contract concluded with the investor, so no portfolio management fee is payable for the assets of this class.

    - 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.

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

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 costs.

The Board of Directors of the SICAV defines the investment policy for each of the sub-funds.

3. MANAGEMENT AND 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.

It may perform any management or administration duties on behalf of the SICAV, notably the purchase, sale, subscription or exchange of any transferable securities, and exercise any 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 the 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. It is a subsidiary of Candriam Group, a New York Life Insurance Company Group entity.

Candriam received the approval of the Management Company pursuant to section 15 of the Law. It is thus authorised to provide collective portfolio management, investment portfolio management and investment advisory services. Its articles of incorporation were last amended 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, Transfer Agent including Registrar activities) and marketing (distribution) activities for the SICAV.

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 give rise to 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 function

The SICAV's Board of Directors is responsible for the investment policy of the SICAV's various sub-funds and has appointed the Management Company to be responsible for carrying out the investment policy of its 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. 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.

3.3.1.2 Administrative agent, registrar, transfer agent and listing agent functions

Under the terms of a central administration agreement entered into by the Management Company and CACEIS Bank, Luxembourg Branch (the "Central Administration Agreement"), 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.

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 sis 89-91, rue Gabriel Peri, 92120 Montrouge, France, Trade Register 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 function

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 the European Directive 2005/60/EC (hereinafter "Directive 2005/60/EC").

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:
https://www.candriam.com/siteassets/legal-and-disclaimer/external_disclosure_remuneration_policy.pdf

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 ideal investment vehicle that follows a well-defined management objective taking account of the degree of risk to which the investor is prepared to be exposed.
Each sub-fund will therefore offer shareholders the option of participating in the trends on the equities and bond markets of the main world financial markets whilst at the same time saving them from the constraints and concerns of researching and monitoring these markets.

Furthermore, a suitable diversification of the investments will allow managers to achieve an optimal return in relation to the admissible level of risk in each sub-fund.

The SICAV will take the risks that it deems reasonable in order to achieve the assigned objective. However, it cannot guarantee that it will achieve this objective because of stock market fluctuations and other risks to which investments in transferable securities, money market instruments and other financial assets are exposed. The value of the shares may go down as well as up.

6. INVESTMENT POLICY

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 UCI, 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 Community 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 of a UCITS and, in particular, that the rules on asset segregation, borrowing, lending and short-selling of transferable 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 UCI whose acquisition is contemplated may invest overall, in accordance with their management rules or their documents of incorporation, in units of other UCITS or other UCI 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 one or more "target sub-funds"), without the SICAV being subject to the requirements stipulated by the Law of 10 August 1915 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 net assets level imposed by the Law.

   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 financial instruments markets;

   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 Member State of Europe (other than those forming part of the EU), North and South America, Asia, Oceania or 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 or Africa that is regulated, operates regularly, is 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 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 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,

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

- 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,

h) money market instruments other than those normally traded 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 Community 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 laid down by Community law, or

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

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.

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.

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

4. Taking account of environmental, social and governance criteria (ESG)

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.

Information relating to sustainability indicators, negative impacts in terms of sustainability, the promotion of environmental or social characteristics and sustainable investment objectives is included in the dedicated appendix attached to the Prospectus for each sub-fund concerned (the "SFDR Annex”). Moreover, information on principal adverse impacts on sustainability factors is available in the financial statements of the SICAV.

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").

  These funds aim to have positive impacts in the long term. Their sustainable investment objective may be linked to climate change, specific topics, social issues, and/or a global sustainable objective incorporating several sustainable impacts.

To achieve their sustainable investment objective, specific objectives are defined at fund level according to the specific features of the strategy and the asset class, for example:

- carbon emission objectives,
- objectives concerning the required global sustainability rating, country-specific sustainability indicators with relevance for the particular universe of sovereign issuers,
- an/or other types of objective.

- **Sub-fund which promotes, among other characteristics, environmental and/or social characteristics** ("Article 8 of the SFDR Regulation").

  These funds incorporate ESG factors in their management.
  For example the ESG factors below may be taken into account in the analysis, selection and allocation of investments:

  - assessment of the company's relations with stakeholders (customers, suppliers, employees, etc.),
  - the exposure or impact of companies on the big sustainability issues such as climate change, resource and waste management, well-being, health and quality of life, demographic changes, etc.
  - assessment of sovereign issuers on the essential aspects of sustainability, e.g. human capital, natural capital, etc.

  This analysis of ESG factors, for example, may produce an ESG score at sub-fund level.

- **Other sub-fund which does not have sustainable investment as its objective and which does not specifically promote environmental and/or social characteristics.**

  The funds do not have a sustainable investment objective and do not promote, among other characteristics, environmental and/or social characteristics. Nevertheless, they may consider the ESG risks.

a. Direct line investments

Direct equity and bond investments are based on the proprietary ESG methodology defined by Candriam, which produces an ESG score. 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.
For countries, it includes the 4 fundamental sustainability dimensions: human capital, natural capital, social capital and economic capital.

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

b. Investments in UCIs/UCITS

The sub-funds may invest in UCIs/UCITS:

- which have sustainable investment as their objective ("Article 9 of the SFDR Regulation").

- which promote, among other characteristics, environmental and/or social characteristics ("Article 8 of the SFDR Regulation").

- which do not have sustainable investment as their objective and which do not specifically promote environmental and/or social characteristics ("Article 6 of the SFDR Regulation").

For funds using Candriam as the Asset Manager and Management Company, the Candriam website has more details about Candriam's internal ESG analysis.

Other funds may have different ESG approaches and exclusion policies. Information about this investment policy is available from the Management Company.

c. General provisions

The selection and allocation 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.

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.

The Fact Sheets of the relevant sub-funds explicitly mention that the carbon footprint is taken into account, and apply to directly held securities as well as investments in UCIs/UCITS where data is available.

d. 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 six 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 two 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, few companies around the world provide the minimum amount of data needed to rigorously assess their degree of 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. As such, these sub-funds are prohibited from publishing information about alignment with the Taxonomy.

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.

For more details please see the transparency code on Candriam's website (see "Useful links" below).

e. Useful links

Details of the methodology are available under the following links:

- Transparency code:
  https://www.candriam.com/en/private/market-insights/sri-publications/#transparency.

- Exclusion policy:
  https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/exclusion-policy.pdf

- Voting policy:
  https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/proxy-voting-policy.pdf

- Engagement policy:
  https://www.candriam.com/4b0e56/siteassets/medias/publications/brochure/corporate-brochures-and-reports/engagement-policy/candriam_engagement_policy.pdf

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**:

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 10 of section 7 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.

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 meet the requirements of CSSF Circular 08/356 and such conditions as are defined in point 10 of section 7 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.

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 meet the requirements of CSSF Circular 08/356 and such conditions as are defined in point 10 of section 7 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.

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 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 ratings agency or are 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.

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. Remuneration policy for reverse repurchase agreements

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

vi. Remuneration policy for repurchase agreements

This activity does not generate income.

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

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 1.f) of Article 6, or 5% of its assets in other cases.

In over-the-counter operations, the counterparties to these operations, when the transactions are initiated, have a minimum short-term rating of A-2 or equivalent from at least one recognised ratings agency, and are approved by the Management Company's risk management department.
The SICAV may have cause to be party to agreements, under the terms of which financial collateral may be provided under the conditions set in point 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 the issuing bodies 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 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 this entity, and/or
- exposures arising from OTC derivative transactions entered into with this entity.

c) The 10% limit specified in point 1a) 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 1a) above may be raised to a maximum of 25% in the case of certain bonds when these are issued by a bank 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 bond-holders. 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 sub-paragraph and issued by a single issuer, the total value of these investments may not exceed 80% of the value of its net assets.

e) Securities and money market instruments referred to in points 1 c) and d) above must not be taken into account when applying the 40% limit referred to in point 1 b) above.
The limits provided for in points 1 a), b), c) and d) may not be combined: consequently, investments in transferable securities or money market instruments issued by the same entity, deposits or derivative instruments with the same entity, in accordance with points 1 a), b), c) and d) may not exceed in total 35% of the assets of the sub-fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with 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 1.

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

2. **Notwithstanding the restrictions specified in point 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.

3. Notwithstanding the restrictions specified in point 1 above, sub-funds whose investment policy is to replicate an equity or bond index (hereinafter the "benchmark index"), may raise the limits to a maximum of 20% for investments in equities and/or bonds issued by the same body, provided that:

- the composition of the index is sufficiently diversified,
- the index adequately represents 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, in which certain transferable securities or certain money market instruments are highly dominant. Investing up to this limit is only authorised for a single issuer.

4. 1) A sub-fund may acquire units in the UCITS and/or other UCI stated under point 1 a) of article 6, provided it does not invest more than 20% of its assets in a single UCITS or other UCI. For the purpose of applying this limit, each sub-fund of an umbrella UCI is regarded as a separate issuer, provided that the principle of the segregation of the liabilities of the various sub-funds with regard to third parties is followed,

   2) Investments in units of UCI other than UCITS may not exceed in total 30% of the assets of a sub-fund. If a sub-fund acquires units in UCITS and/or other UCIs, the assets of these UCITS or other UCIs are not combined for the purposes of the limits stated in point 1 above,

   3) If a sub-fund invests in the shares of another SICAV sub-fund or in the units of other UCITS and/or UCIs which are managed, directly or by delegation, 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, the Management Company or the other company may not charge subscription or redemption fees to this sub-fund.

   As some of the SICAV's sub-funds are funds of funds, when they invest in another sub-fund of the SICAV or in other UCITS and/or UCIs (hereinafter "underlyings"), fees and costs are deducted by the sub-fund and by the underlyings. The management fee for the underlyings will be a maximum of 3% per annum.

5. a) The SICAV may not acquire shares with voting rights that enable it to exercise a significant influence over 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 the same UCITS and/or UCI.

   The limits set down in the second, third and fourth indents of point 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 laid down in points 5 a) and 5 b) above do not apply with regard 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,

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

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) above, any sub-fund may borrow up to 10% of its assets, provided these are temporary loans and the SICAV may borrow provided these 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. 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 transferable securities, money market instruments or other financial instruments referred to in points 1 a), 1 g) and 1 h) of article 6, that are not fully paid-up,

8. A sub-fund may not short-sell transferable securities and money market instruments or other financial instruments referred to in articles 1 a), 1g) and 1h).

9. a) The sub-funds need not necessarily follow the limits stated in this article 7 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 points 1, 2, 3 and 4 of this article 7 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.

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 (at net asset value level). 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 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 an OECD member state,
- 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, etc.) 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,
- equities 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 equities 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 eligibility criteria above, in point 1 f) of article 6 of the Prospectus, invested in highly rated government loans, used for the purpose of reverse repurchase transactions that can be recalled at any time and/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.

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 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.

1) 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 buying and selling 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.

2) <u>Value at risk</u> (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:

a) 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.

b) 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.

9. RISK FACTORS

Investors must be aware that investing in the SICAV may carry a different level of risk than other traditional securities investments.

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 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 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 entitled "*What are the risks and what could I get in return?* " shown in the key information document.

It is also recommended that investors consult their professional advisers before investing.

- **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 sell transactions and/or fall in buy transactions), the sub-fund's net asset value may fall.

- **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.

- **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).

- **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.

- **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.

- **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.

- **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.

- **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.

- **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 of capital loss**: there is no guarantee for investors relating to the capital invested, 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.

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

- **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.

- **Risk arising from 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).

- **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 the 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.

- **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.

- **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 equities 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 Chinese A stock market 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 stocks. It is exchanged inside and outside China at different exchange rates and has a high risk. 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 substantial temporary quotation differentials cannot be excluded.

- Tax uncertainties:

  The regulations and taxation applicable to Chinese stocks (particularly Chinese A stocks) prove to be uncertain and regularly undergo changes that could lead to a taxation of dividends or capital gains, including retroactive. 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 Depository 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 stocks 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.

- **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.

10. THE SHARES

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

There is no restriction as to the number of shares issued. The rights attached to the shares are those set down in the articles of incorporation and in the Law of 10 August 1915 provided that no derogation from such provisions is provided for by the law.
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 will in future only be 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. LISTING OF SHARES

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.

1) Current subscription

Shares in each class are issued at a price corresponding to the net asset value per share, plus a possible selling fee for the sales agents or as otherwise indicated in 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.

2) Procedure

The NAV Date, Valuation Date and cut-off time for subscription orders are set out in the Fact Sheets.

Any reference to the VNI 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 (namely the markets in which the sub-fund is mainly invested), 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.

The SICAV reserves the right to:

a) refuse all or part of an application to purchase shares,
b) at any time, redeem the shares held by persons not authorised to purchase or own shares in the SICAV.

The Board of Directors may restrict or prevent ownership of the SICAV's shares by any person or legal entity if the SICAV considers that this ownership leads to a breach of the Law in the Grand Duchy of Luxembourg or abroad, or may imply that the SICAV be subject to tax in a country other than the Grand Duchy or may in some other way be detrimental to the SICAV.

Besides indicating the sub-fund and class in question, requests must indicate the amount or number of shares to be subscribed and be accompanied by a statement confirming that the purchaser has received and read a copy of this Prospectus and the last financial report and that the subscription application is submitted on the basis of the terms of this Prospectus.

Subject to receiving the full subscription price and any specific indications concerning registration, the confirmation of share ownership will be sent, at the risk of the subscriber, no later than 10 days from the subscription to the subscriber itself or to its appointed agent, depending on the subscriber's instructions.

Where an application is rejected in full or in part, the price paid or the outstanding balance will be returned to the applicant by post, at the applicant's risk. The SICAV reserves the right to present all cheques and payment orders on receipt and to retain payments in excess of the purchase price for as long as subscriber's cheques and payment orders have not been cashed.

3) General provisions

The SICAV reserves the right to reject subscription applications or to accept them only in part. Furthermore, the Board of Directors reserves the right to suspend the issue and sale of the shares of the SICAV at any time and without notice.

The SICAV, the Management Company, assisted by the Transfer Agent, and the selling agents shall at all times comply with Luxembourg legislation relating to the combating of money-laundering and financing of terrorism and the prevention of the use of the financial sector for the purpose of money-laundering and financing of terrorism.
The Transfer Agent will comply with Luxembourg laws when it receives subscription applications. Therefore when any shareholders or future shareholders submit an application, they must prove their identity by means of a copy of their identification papers (passport or identity card) certified true by the competent authorities of their country, such as an embassy, consulate, notary or the police. If the application is made by a legal entity, it must provide a copy of its articles of incorporation and the names and identities of its shareholders or directors. However, where the application is made by a bank or financial institution subject to obligations equivalent to those set down in the amended Law of 12 November 2004 or Directive (UE) 2015/849, the identity of these shareholders will not be verified. 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 charges or interest.

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 have all or part of their shares converted into shares of another class or another sub-fund, subject to the compliance with the eligibility conditions.

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 class.

The conversion will be carried out free of charge to shareholders.

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 part of the shares in a given class (the "original class") is converted into shares of another class (the "new class") is determined, as closely as possible, in accordance with the following formula:

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

A is the number of shares in the new class to be allocated

B is the number of shares in the original class to be converted,

C is the net asset value per share of the original class calculated on the Valuation Date in question,

D is the net asset value per share of the new class calculated on the Valuation Date in question.

E is the exchange rate between the currency of the original class and the currency of the new class. If the currency of the original class is the same as the new class, E will take the value 1.

14. REDEMPTION OF SHARES

All shareholders are entitled, at any time and without restriction, to request that their shares be redeemed by the SICAV. Shares redeemed by the SICAV will be cancelled.

Redemption procedure

Redemption applications must be submitted in writing to the Transfer Agent. The application must be irrevocable (subject to the provisions of the chapter *"Temporary suspension of the calculation of the net asset value)*, and must state the number and class of shares to be redeemed and all the appropriate references for settling the redemption.

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.

Payment shall be in the currency of the class in question.
The applicable exchange rate will be the rate in force on the Valuation Date.

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 [applicable from 14 February 2022]

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 "Temporary 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

The practices, defined below, of *Market Timing* and *Late Trading* are strictly prohibited for both subscription 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 shareholders.

15.1 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.

15.2 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 selling agents 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 per share is determined for each class, under the responsibility of the Board of Directors of the SICAV, on each Valuation Date. 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 is expressed in the currency of the sub-fund and determined, for each class of shares in the respective sub-fund, by dividing the net assets attributable to this class by the total number of shares in this class in circulation on the Valuation Date. The net asset value per share of a sub-fund will be rounded up to the nearest thousandths monetary unit of the sub-fund.

Given the specific nature of some SICAV sub-funds (fund of funds), it should be noted that the net asset value of each class of these sub-funds will fluctuate principally as a function of the net asset value of the UCITS/UCIs in which these sub-funds invest.

The percentage of the total net assets attributable to each class of shares of a sub-fund will be determined, at the launch of the SICAV, by the ratio of the number of shares issued in each class multiplied by the respective initial issue price and will be subsequently adjusted on the basis of subscriptions/redemptions and dividend distributions as follows:

- firstly, when a dividend is distributed to distribution shares, the net assets attributable to the shares of that class are decreased by the total dividend amount (causing a decrease in the percentage of the total net assets attributable to this class of shares), whereas the net assets attributable to capitalisation share classes remain unchanged (causing an increase in the percentage of the total net assets attributable to these share classes),

- secondly, with regard to the issue or redemption of shares in a share class, the corresponding net assets will be increased by the amount received or decreased by the amount paid respectively.

The net assets of each sub-fund will be valued as follows:

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

1. All cash amounts and bank balances including interest due but not yet received and interest accrued on these deposits up to the Valuation Date,

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

3. All securities, units, shares, bonds, options or subscription rights and other investments and securities owned by the SICAV,

4. All dividends and distributions receivable by the SICAV in cash or as securities of which the SICAV is aware.

5. All interest due but not yet received and all interest borne up to the Valuation Date by securities owned by the SICAV, except where this interest is included in the principal amount of those securities,

6. The SICAV's start-up costs unless these have been amortised,

7. All other assets of any type, including pre-paid expenses.

The value of these assets is determined as follows:

a) Units in UCIs shall be 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 Business Days from the valuation day, 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 tickets payable at sight and accounts receivable, expenses paid in advance 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 obtained; in the latter case, the value will be determined by reducing such value by an amount the SICAV considers adequate in order to reflect the real value of the assets.

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

   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.

d) 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.

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

1. all borrowings, matured bills and accounts payable,

2. all known commitments, matured or otherwise, including all matured contractual obligations, the purpose of which is to obtain payment in cash or in kind, including the amount of dividends declared by the SICAV but not yet paid,

3. all reserves authorised or approved by the Board of Directors, particularly those formed with view to covering a potential capital loss on some of the SICAV's investments;

4. 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.

   In order to value these liabilities, the SICAV will take account of administrative and other expenses of a regular or periodic nature on a pro rata basis.

III. Each share in the SICAV that is in the process of being redeemed must be considered to be issued and outstanding until the close of business on the Valuation Date on which it is redeemed and will, from the close of business on that date until the redemption price is paid, be considered a liability of the SICAV.

Each share to be issued by the SICAV in accordance with subscription applications received will be treated as having been issued from the close of business on the Valuation Date on which its issue price is calculated, and its price will be treated as an amount due to the SICAV until received by it.

IV. As far as possible, any investments or divestments made by the SICAV up to a given Valuation Date will be taken into account.

V. Unless otherwise stipulated in the Fact Sheets, the net asset value of the sub-funds will be expressed in EUR.

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

The net asset value of the SICAV is equal to the sum of the net asset values of the various sub-funds. The capital of the SICAV will, at all times, be equal to the net asset value of the SICAV and its consolidation currency is the EUR.

18. TEMPORARY SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE

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

a) if the net asset value of shares in UCIs representing a substantial part of the investments of the sub-fund cannot be determined,

b) 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 (for example, suspension of redemption/subscription orders if the stock exchange is closed for half a day),

c) if the political, economic, military, monetary or social situation, or any event of force majeure, beyond the responsibility or control of the SICAV, makes it impossible to access its assets by reasonable and normal means, without causing serious harm to shareholders' interests,

d) 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,

e) if restrictions on foreign exchange or capital movements prevent the execution of transactions on behalf of the SICAV or where transactions to buy or sell the SICAV's assets cannot be carried out at normal exchange rates or where payments due in respect of the redemption or conversion of shares in the SICAV cannot, in the opinion of the Board of Directors, be made at normal exchange rates,

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

g) if a meeting of shareholders is convened to propose the winding-up of the SICAV.

Subscribers and shareholders offering shares for redemption MUST be advised of the suspension of the calculation of the net asset value.

Pending subscriptions and redemption requests may be withdrawn by written instruction provided this is received by the Transfer Agent before the end of the suspension.

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

19. APPROPRIATION OF INCOME

19.1 General principles

Each year, the general meeting of shareholders votes on proposals put forward by the Board of Directors in this regard.

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

For the distribution classes, 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 provisions of the law.

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

19.2 Dividend distribution policy

The SICAV may propose the distribution of dividends to holders of distribution shares. No dividend is generally paid in relation to capitalisation shares.

When the Board of Directors proposes the distribution of dividends at the general meeting of shareholders, the amount distributed is calculated subject to the limits stated by law.

For each share class, annual dividends may be declared separately to the general meeting of shareholders. The Board of Directors also reserves the right to pay interim dividends for each share class during the financial year.

For each share class, the SICAV may pay dividends more frequently as necessary or at different dates during the year as deemed appropriate by the Board of Directors. Share classes with the suffix:

- (m) may distribute dividends on a monthly basis,
- (q) may distribute dividends on a quarterly basis,
- (s) may distribute dividends on a semi-annual basis.

The Board of Directors may define dividend policies and payment methods for dividends and interim dividends.

For instance, the SICAV may offer share classes which will distribute a fixed dividend based on a fixed amount or a fixed percentage of the net asset value per share on the date set by the Board of Directors. This dividend will normally be paid at fixed intervals (quarterly for example) as deemed appropriate by the Board of Directors.

A timetable for payment of dividends including details of the distribution frequency and the basis of calculation of dividends are available from the Management Company or on the website of the Management Company at the following address: www.candriam.com.

The attention of shareholders is drawn particularly to the following points:

- The amount of the dividend does not necessarily depend on income received or capital gains realised by the share class.

- The dividend paid may consists of a capital distribution provided that following such distribution, the net asset value of the SICAV is above the minimum capital requirement under Luxembourg law. The dividend paid may exceed the income of the share class, potentially eroding the invested capital. Shareholders should therefore note that when the dividend is higher than the income generated by the investments in a share class, it may be deducted from the capital of the share class in question and from the realised and unrealised capital gains. In some countries, this may result in tax treatment that is detrimental to shareholders. They are therefore advised to evaluate their personal situation with their tax adviser.

In addition, regarding share classes distributing a fixed dividend, shareholders should note the following in particular:

- During periods of negative performance of a sub-fund/share class, the dividend will continue to be paid as normal. As a result, the capital value of the investment of the sub-fund/share class may fall more quickly. The value of a shareholder's investment could therefore ultimately be reduced to zero.

- The Board of Directors will periodically revise the fixed distribution share classes, reserving the right to make changes. Changes to the distribution policy will be published on the Management Company website.

- Payment of dividends cannot be guaranteed indefinitely.

- The Board of Directors may decide not to distribute a dividend for a share class or to reduce the amount of the dividend to be distributed.

Dividends unclaimed for a period of five years from the payment date can no longer be claimed and will revert to the shares classes concerned.

20. SEPARATION OF SUB-FUNDS' LIABILITIES

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

21. TAXATION

1) Taxation of the SICAV

Under the terms of current Luxembourg legislation and according to current practice, the SICAV is not subject to Luxembourg income tax. Similarly, dividends paid by the SICAV are not subject to any form of Luxembourg withholding tax.

However, the SICAV is liable in Luxembourg to an annual tax representing 0.05% of the net asset value of the SICAV. This tax is reduced to 0.01% for classes reserved for institutional investors. This rate is reduced to 0%, however, for the assets of the SICAV which are invested in the units of other UCITS subject to a subscription tax in Luxembourg. This tax is payable quarterly based on the net assets of the SICAV and calculated at the end of the 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 sources outside Luxembourg may, however, be liable for variable rate taxes, 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.

2) 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.
We recommend that shareholders familiarise themselves with and, if necessary, seek advice on the laws and regulations governing taxation and exchange control applicable to the subscription, purchase, holding and sale of shares in their place of origin, residence and/or domicile.

22. GENERAL MEETINGS OF SHAREHOLDERS

The Annual General Meeting of Shareholders is held each year at the registered office of the SICAV or any other place in Luxembourg specified on the meeting notice. It will take place within six months of the end of the financial year.

Announcements concerning the General Meetings of shareholders will be sent by letter to all shareholders to the address shown on the shareholders' register at least eight days before the General Meeting, according to the applicable laws.

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.

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, DEMERGER, LIQUIDATION

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.

2) Merger of sub-funds, share classes or share types

a) Merger of share classes or share types

Under the circumstances indicated in article 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.

b) Merger of sub-funds

Under the circumstances indicated in article 1 above, the Board of Directors may decide to 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.

3) Demerger of sub-funds, share classes or share types

Under the same circumstances as indicated in article 1 above, the Board of Directors may also, if it deems it appropriate in the interests of the shareholders of a sub-fund, class or type of share, 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.

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 Management fees

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.

24.2 Outperformance fee

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

24.2.1. 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 (re)activated,
- 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:

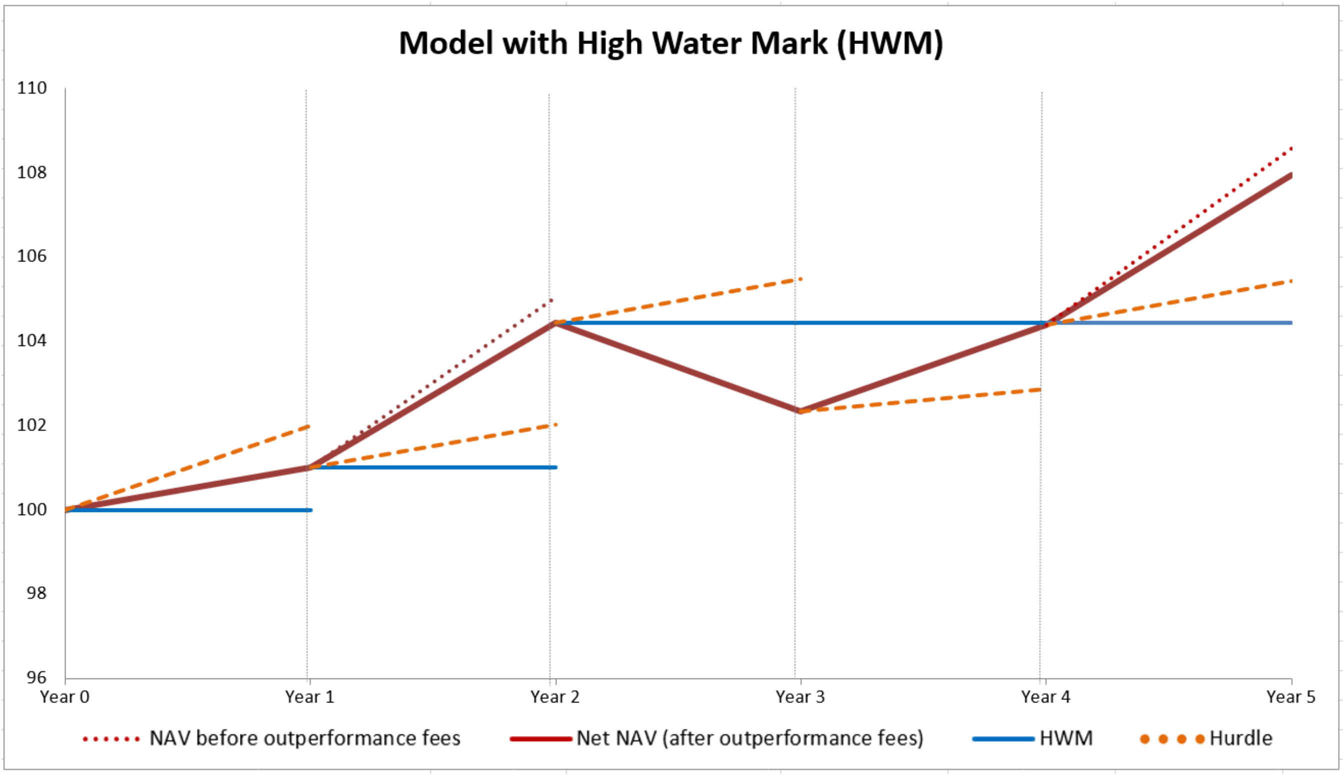
- in the event of merger/liquidation of the sub-fund/share class during a financial year,
- if the outperformance mechanism changes.

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 performance 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 performance 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 performance 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

24.2.2 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

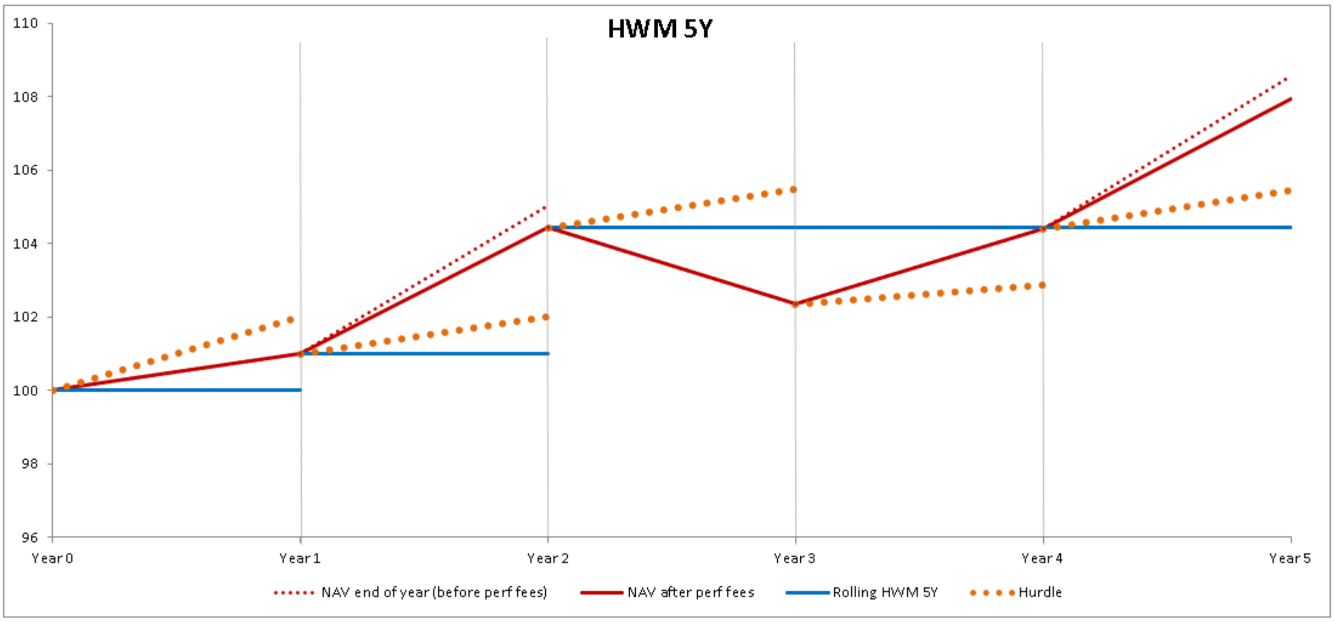
Any positive outperformance fee is crystallised, in other word becomes payable to the Management Company:

- at the end of each financial year. However, in the case of activation or reactivation of a class, the first crystallisation of performance 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 (re)activated.
- 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 1: The NAV is higher than the high water mark but lower than the hurdle. **No performance 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 performance 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 performance 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 - Beginning of year		100	101	104.4	102.3	104.4
Perf share class		1%	4%	-2%	2%	4%
NAV - End of year (before perf fees)	100	101	105	102.3	104.4	108.6
Hurdle -Beginning of year		100	101	104.4	102.3	104.4
Hurdle performance (or 0% if negative)		2%	1%	1%	0.5%	1%
Hurdle - End of year	100	102	102	105.5	102.9	105.4
HWM - beginning of year		100	101	104.4	104.4	104.4
Share class performance vs (max HWM, hurdle)		0.0	3.0	0.0	0.0	3.1
Performance fees payable		NO	YES	NO	NO	YES
Performance fees amount (20%)		0.0	0.6	0.0	0.0	0.6
NAV- End of year (after perf fees)	100	101	104.4	102.3	104.4	107.9
HWM - end of year	100	101	104.4	104.4	104.4	107.9

The performance graphics and outperformance 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.

24.3 Distribution fee

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

24.4 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 fees, 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, 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), stock exchange listing and follow-on expenses, 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.
- Fees linked to transactions: each sub-fund incurs the fees and expenses for buying and selling transferable securities, financial instruments and derivative products, brokerage fees and expenses, interest (interest on swaps and loans, etc.) or tax and other expenses linked to transactions.
- Fees linked to securities lending and borrowing activities.
- Fees generated by the anti-dilution mechanism.
- Bank fees, for example interest on overdrafts.
- Credit facility fees.
- 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

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 at Esch-sur-Alzette and from the organisations responsible for the financial service in the countries where the SICAV is marketed.

2) Financial notices and other information

Financial reports and other information will be sent to shareholders at their addresses in the shareholders' register in accordance with the legislation in force.

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.

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

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.

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.

4) Auditors

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

5) Documents of the SICAV

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.

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.

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.

Annex I – Fact Sheets

CANDRIAM L CONSERVATIVE ASSET ALLOCATION

Fact Sheet

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 shall be read together with the detailed information about the ESG characteristics of this sub-fund which is described in the SFDR Annex.

1. Investment objective and investor profile

The objective of the sub-fund is to use discretionary UCI/UCITS management to benefit from the performance of the financial markets by holding a minority of investments in equities (neutral weighting 30%) and to outperform the benchmark.

This sub-fund may be appropriate for investors who wish to achieve this objective over a medium 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

The sub-fund invests in the following asset classes primarily through UCITS and/or UCIs, which may predominantly or exclusively comprise UCITS/UCIs managed by an entity of the Candriam group, and/or via derivative products:

- Bonds and/or similar securities (such as "investment grade" bonds, high-yield bonds, inflation-linked bonds, etc.);
- Shares or other similar securities;
- Money market instruments.
- Cash.

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

The sub-fund may also invest:

- directly in shares, bonds or other securities, money market instruments and cash;
- in UCITS/UCIs which follow specific strategies (such as commodities, alternative strategies or other opportunities),
- in Chinese "A" equities (up to a maximum of 10%) either directly or via UCITS/UCIs.

The sub-fund invests at least 75% of its assets in UCIs which have sustainable investment as their objective, or which promote, among other characteristics, environmental and/or social characteristics; or directly in equities and bonds selected for their social and environmental characteristics according to the methodology defined by Candriam.

The analysis of companies' greenhouse gas emissions is taken into account, and the carbon footprint for the sub-fund is evaluated in comparison with that of its benchmark.

The details of the methodology are available in the transparency code, which can be accessed via the link in *Useful links* in the *Investment policy* section of the Prospectus.
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 and depleted uranium weapons.

Funds that are not managed by Candriam or whose management is delegated to third-party asset managers, however, may have different ESG policies and exclusion policies.

In certain conditions, the analysis and selection process may be accompanied – where applicable indirectly through the underlying fund(s) – by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

The UCIs in which the sub-fund invests meet the conditions of article 41 (1) of the Law.

The quota of net assets invested in shares shall always be a minority and could be heavily reduced, according to the manager's expectations regarding the trend of the financial markets and in order to reduce the risk for the investor. Thus neutral weighting in equities in the portfolio is about 30%.

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 of hedging, exposure and/or arbitrage.
The underlyings of these derivative financial instruments may be currencies, interest rates, credit spreads, equities, equity indices and volatility.

3. Benchmark

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

Benchmark name	• 70% Bloomberg Euro-Aggregate 1-10 Year Index (Total Return) • 15% MSCI Europe (Net Return) • 9% MSCI USA (Net Return) • 4.5% MSCI Emerging Markets (Net Return) • 1.5% MSCI Japan (Net Return)
Benchmark definition	• Bloomberg Euro-Aggregate 1-10 Year Index: measures the performance of investment grade bonds denominated in EUR with maturities between 1 and 10 years. • MSCI Europe: measures the performance of the large and mid capitalisation equity segment across developed markets in Europe. • MSCI USA: measures the performance of the large and mid capitalisation equity segment of the United States market. • MSCI Emerging Markets: measures the performance of the large and mid capitalisation equity segment across emerging markets countries. • MSCI Japan: measures the performance of the large and mid capitalisation equity segment of the Japanese market.
Use of the benchmark	• 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 limited to moderate, namely between 0.5% and 3%. 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	Bloomberg Index Services Limited MSCI Limited
	The benchmark providers are, since Brexit, entities which are 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 does not use securities lending transactions.

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 reach a maximum of 50% of the net assets of the portfolio, under certain market conditions.
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 reach a maximum of 10% of the net assets of the portfolio, under certain market conditions.
In every case, such transactions must be justified in order to meet temporary liquidity needs.

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
- Interest rate risk
- Credit risk
- Foreign exchange risk
- Risk associated with derivative financial instruments
- Emerging countries risk
- Counterparty risk
- Arbitrage risk
- Sustainability risk

- ESG investment risk
- Commodities risk
- Liquidity risk
- Volatility risk
- Risk associated with Chinese "A" equities
- Risk of changes to the benchmark index by the index provider
- Risk related to external factors

A general explanation of the various risk factors is given in article Risk Factors in the Prospectus.

5.2 Risk management

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

6. Valuation currency of the sub-fund: EUR

7. Share classes

- C class (capitalisation) [LU0982875154]
- C class (distribution) [LU0982875238]
- I class (capitalisation) [LU0982875311]
- I class (distribution) [LU1207304798]
- R2 class (capitalisation) [LU1427870164]
- R2 class (distribution) [LU1427870248]
- V class (capitalisation) [LU0982875402]
- Z class (capitalisation) [LU0982875584]

8. Form of the shares: registered shares only.

9. Minimum initial subscription

Classes	**Minimum initial subscription**
C, I, R2, Z	None
V	15,000,000 EUR*

**This minimum may be changed at the discretion of the Board of Directors, provided that equal treatment of shareholders is assured 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%	0%	Max. 1.30%	Max. 0.25%
I	0%	0%	0%	Max. 0.50%	Max. 0.20%
R2	Max. 3.5%	0%	0%	Max. 0.32%	Max. 0.25%
V	0%	0%	0%	Max. 0.35%	Max. 0.20%
Z	0%	0%	0%	0%	Max. 0.20%

These fees are expressed as an annual percentage of the average net asset value of the sub-fund.
The management fee is payable at the end of each month and the administration and depositary fees are payable at the end of each quarter.

11. Frequency of net asset value calculation: Each Bank Business Day.

12. Subscription, redemption and conversion arrangements

	Subscriptions/Redemptions/Conversions
Cut-off	D-1 at 5 p.m. (Luxembourg time)
NAV date	D
Valuation date	D+1
Payment date	D+3

This Fact Sheet forms an integral part of the Prospectus dated 1 January 2023.

CANDRIAM L BALANCED ASSET ALLOCATION

Fact Sheet

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 shall be read together with the detailed information about the ESG characteristics of this sub-fund which is described in the SFDR Annex.

1. Investment objective and investor profile

The objective of the sub-fund is to use discretionary UCI/UCITS management to benefit from the performance of the financial markets by holding an equal balance of investments in equities and bonds (neutral weighting of equities 50%) and to outperform the benchmark.

This sub-fund may be appropriate for investors who wish to achieve this objective over a medium 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

The sub-fund invests in the following asset classes primarily through UCITS and/or UCIs, which may predominantly or exclusively comprise UCITS/UCIs managed by an entity of the Candriam group, and/or via derivative products:

- Bonds and/or similar securities (such as "*investment grade*" bonds, high-yield bonds, inflation-linked bonds, etc.);
- Shares or other similar securities;
- Money market instruments.
- Cash.

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

The sub-fund may also invest:

- directly in shares, bonds or other securities, money market instruments and cash;
- in UCIs which follow specific strategies (such as commodities, alternative strategies or other opportunities),
- in Chinese "A" equities (up to a maximum of 10%) either directly or via UCITS/UCIs.

The sub-fund invests at least 75% of its assets in UCIs which have sustainable investment as their objective, or which promote, among other characteristics, environmental and/or social characteristics; or directly in equities and bonds selected for their social and environmental characteristics according to the methodology defined by Candriam.

The analysis of companies' greenhouse gas emissions is taken into account, and the carbon footprint for the sub-fund is evaluated in comparison with that of its benchmark.

The details of the methodology are available in the transparency code under the following link:
https://www.candriam.com/en/private/market-insights/sri-publications/#transparency.

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 and depleted uranium weapons.

Funds that are not managed by Candriam or whose management is delegated to third-party asset managers, however, may have different ESG policies and exclusion policies.

In certain conditions, the analysis and selection process may be accompanied – where applicable indirectly through the underlying fund(s) – by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

The UCIs in which the sub-fund invests meet the conditions of article 41 (1) of the Law.

The quota of assets invested in shares may be either the majority, or the minority and it could be highly reduced, according to the asset manager's expectations of the trend of the financial markets and in order to reduce the risk for the investor. Thus neutral weighting in equities in the portfolio is about 50%.

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 of hedging, exposure and/or arbitrage.
The underlyings of these derivative financial instruments may be currencies, interest rates, credit spreads, equities, equity indices and volatility.

3. Benchmark

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

Benchmark name	• 50% Bloomberg Euro-Aggregate 1-10 Year Index (Total Return) • 25% MSCI Europe (Net Return) • 15% MSCI USA (Net Return) • 7.5% MSCI Emerging Markets (Net Return) • 2.5% MSCI Japan (Net Return)
Benchmark definition	• Bloomberg Euro-Aggregate 1-10 Year Index: measures the performance of investment grade bonds denominated in EUR with maturities between 1 and 10 years. • MSCI Europe: measures the performance of the large and mid capitalisation equity segment across developed markets in Europe. • MSCI USA: measures the performance of the large and mid capitalisation equity segment of the United States market. • MSCI Emerging Markets: measures the performance of the large and mid capitalisation equity segment across emerging markets countries. • MSCI Japan: measures the performance of the large and mid capitalisation equity segment of the Japanese market.
Use of the benchmark	• 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 limited to moderate, namely between 0.5% and 3%. 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	Bloomberg Index Services Limited MSCI Limited
	The benchmark providers are, since Brexit, entities which are 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 does not use securities lending transactions.

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 reach a maximum of 50% of the net assets of the portfolio, under certain market conditions.
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 reach a maximum of 10% of the net assets of the portfolio, under certain market conditions.
In every case, such transactions must be justified in order to meet temporary liquidity needs.

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
- Interest rate risk
- Credit risk
- Foreign exchange risk
- Risk associated with derivative financial instruments
- Emerging countries risk
- Counterparty risk
- Arbitrage risk

- Sustainability risk
- ESG investment risk
- Commodities risk
- Liquidity risk
- Volatility risk
- Risk associated with Chinese "A" equities
- Risk of changes to the benchmark index by the index provider
- Risk related to external factors

A general explanation of the various risk factors is given in article Risk Factors in the Prospectus.

5.2. Risk management

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

6. Valuation currency of the sub-fund: EUR

7. Share classes

- C class (capitalisation) [LU0982874694]
- C class (distribution) [LU0982874777]
- I class (capitalisation) [LU0982874850]
- I class (distribution) [LU1207304871]
- R2 class (capitalisation) [LU1427870321]
- R2 class (distribution)[LU1427870594]
- S class (capitalisation) [LU2407037428]
- V class (capitalisation) [LU0982874934]
- Z class (capitalisation) [LU0982875071]

8. Form of the shares: registered shares only.

9. Minimum initial subscription

Classes	Minimum initial subscription
C, I, R2, S, Z	None
V	15,000,000 EUR*

**This minimum may be changed at the discretion of the Board of Directors, provided that equal treatment of shareholders is assured 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%	0%	Max. 1.30%	Max. 0.25%
I	0%	0%	0%	Max. 0.50%	Max. 0.20%
R2	Max. 3.5%	0%	0%	Max. 0.32%	Max. 0.25%
S	0%	0%	0%	Max. 0.35%	Max. 0.20%
V	0%	0%	0%	Max. 0.35%	Max. 0.20%
Z	0%	0%	0%	0%	Max. 0.20%

These fees are expressed as an annual percentage of the average net asset value of the sub-fund.
The management fee is payable at the end of each month and the administration and depositary fees are payable at the end of each quarter.

11. Frequency of net asset value calculation: Each Bank Business Day.

12. Subscription, redemption and conversion arrangements

	Subscriptions/Redemptions/Conversions
Cut-off	D-1 at 5 p.m. (Luxembourg time)
NAV date	D
Valuation date	D+1
Payment date	D+3

This Fact Sheet forms an integral part of the Prospectus dated 1 January 2023.

CANDRIAM L DYNAMIC ASSET ALLOCATION

Fact Sheet

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 shall be read together with the detailed information about the ESG characteristics of this sub-fund which is described in the SFDR Annex.

1. Investment objective and investor profile

The objective of the sub-fund is to use discretionary UCI/UCITS management to benefit from the performance of the financial markets by holding a majority of investments in equities (neutral weighting 75%) 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

The sub-fund invests in the following asset classes primarily through UCITS and/or UCIs, which may predominantly or exclusively comprise UCITS/UCIs managed by an entity of the Candriam group, and/or via derivative products:

- Shares or other similar securities;
- Bonds and/or similar securities (such as "investment grade" bonds, high-yield bonds, inflation-linked bonds, etc.);
- Money market instruments.
- Cash.

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

The sub-fund may also invest:

- directly in shares, bonds or other securities, money market instruments and cash;
- in UCITS/UCIs which follow specific strategies (such as commodities, alternative strategies or other opportunities),
- in Chinese "A" equities (up to a maximum of 10%) either directly or via UCITS/UCIs.

The sub-fund invests at least 75% of its assets in UCIs which have sustainable investment as their objective, or which promote, among other characteristics, environmental and/or social characteristics; or directly in equities and bonds selected for their social and environmental characteristics according to the methodology defined by Candriam.

The analysis of companies' greenhouse gas emissions is taken into account, and the carbon footprint for the sub-fund is evaluated in comparison with that of its benchmark.

The details of the methodology are available in the transparency code under the following link: https://www.candriam.com/en/private/market-insights/sri-publications/#transparency.

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 and depleted uranium weapons.

Funds that are not managed by Candriam or whose management is delegated to third-party asset managers, however, may have different ESG policies and exclusion policies.

In certain conditions, the analysis and selection process may be accompanied – where applicable indirectly through the underlying fund(s) – by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

The UCIs in which the sub-fund invests meet the conditions of article 41 (1) of the Law.

The proportion of the net assets invested in shares shall in principle represent the majority investment. However, it could be highly reduced according to the manager's expectations of the trend of the financial markets and in order to reduce the risk for the investor. Thus neutral weighting in equities in the portfolio is about 75%.

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 of hedging, exposure and/or arbitrage.
The underlyings of these derivative financial instruments may be currencies, interest rates, credit spreads, equities, equity indices and volatility.

3. Benchmark

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

Benchmark name	• 25% Bloomberg Euro-Aggregate 1-10 Year Index (Total Return) • 37.5% MSCI Europe (Net Return) • 22.5% MSCI USA (Net Return) • 11.25% MSCI Emerging Markets (Net Return) • 3.75% MSCI Japan (Net Return)
Benchmark definition	• Bloomberg Euro-Aggregate 1-10 Year Index: measures the performance of investment grade bonds denominated in EUR with maturities between 1 and 10 years. • MSCI Europe: measures the performance of the large and mid capitalisation equity segment across developed markets in Europe. • MSCI USA: measures the performance of the large and mid capitalisation equity segment of the United States market. • MSCI Emerging Markets: measures the performance of the large and mid capitalisation equity segment across emerging markets countries. • MSCI Japan: measures the performance of the large and mid capitalisation equity segment of the Japanese market.
Use of the benchmark	• 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 limited to moderate, namely between 0.5% and 3%. 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	Bloomberg Index Services Limited MSCI Limited
	The benchmark providers are, since Brexit, entities which are 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 does not use securities lending transactions.

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 reach a maximum of 50% of the net assets of the portfolio, under certain market conditions.
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 reach a maximum of 10% of the net assets of the portfolio, under certain market conditions.
In every case, such transactions must be justified in order to meet temporary liquidity needs.

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
- Interest rate risk
- Credit risk
- Foreign exchange risk
- Risk associated with derivative financial instruments
- Emerging countries risk
- Counterparty risk
- Arbitrage risk
- Sustainability risk

- ESG investment risk
- Commodities risk
- Liquidity risk
- Volatility risk
- Risk associated with Chinese "A" equities
- Risk of changes to the benchmark index by the index provider
- Risk related to external factors

A general explanation of the various risk factors is given in article Risk Factors in the Prospectus.

5.2. Risk management

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

6. Valuation currency of the sub-fund: EUR

7. Share classes

- C class (capitalisation) [LU0982876806]
- C class (distribution) [LU0982876988]
- I class (capitalisation) [LU0982877101]
- I class (distribution) [LU1207307460]
- R class (capitalisation) [LU1427870677]
- R2 class (capitalisation) [LU1427870750]
- R2 class (distribution) [LU1427870834]
- V class (capitalisation) [LU0982877283]
- Z class (capitalisation) [LU0982877366]

8. Form of the shares: registered shares only.

9. Minimum initial subscription

Classes	**Minimum initial subscription**
C, I, R, R2, Z	None
V	15,000,000 EUR*

**This minimum may be changed at the discretion of the Board of Directors, provided that equal treatment of shareholders is assured 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%	0%	Max. 1.30%	Max. 0.25%
I	0%	0%	0%	Max. 0.50%	Max. 0.20%
R	Max. 3.5%	0%	0%	Max. 0.80%	Max. 0.25%
R2	Max. 3.5%	0%	0%	Max. 0.32%	Max. 0.25%
V	0%	0%	0%	Max. 0.35%	Max. 0.20%
Z	0%	0%	0%	0%	Max. 0.20%

These fees are expressed as an annual percentage of the average net asset value of the sub-fund.
The management fee is payable at the end of each month and the administration and depositary fees are payable at the end of each quarter.

11. Frequency of net asset value calculation: Each Bank Business Day.

12. Subscription, redemption and conversion arrangements

	Subscriptions/Redemptions/Conversions
Cut-off	D-1 at 5 p.m. (Luxembourg time)
NAV date	D
Valuation date	D+1
Payment date	D+3

This Fact Sheet forms an integral part of the Prospectus dated 1 January 2023.

CANDRIAM L MULTI-ASSET INCOME

Fact Sheet

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 benefit from the absolute performance of the financial markets via flexible investments in equities and bonds, on the basis of active discretionary management, not involving any reference to a benchmark in UCITS and/or UCIs. Nevertheless the maximum weighting of equities is 50%.

This sub-fund may be appropriate for investors who wish to achieve this objective over a medium 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

The sub-fund primarily invests, directly or via derivative products, in the following asset classes:

- Bonds and/or similar securities (such as "investment grade" bonds, high-yield bonds, inflation-linked bonds, etc.);
- Shares or other similar securities;
- Money market instruments.
- Cash.

The sub-fund may also invest up to a maximum of 10% of the net assets:
- in UCITS and/or UCIs investing in equities, bonds or other securities, or in money market UCIs;
- in UCITS and/or UCIs investing in other asset classes (such as for instance commodities, real estate, etc.) and/or developing alternative strategies (arbitrage, etc.),
- in Chinese "A" equities (up to a maximum of 10%) either directly or via UCITS/UCIs.

The proportion of assets invested in equities amounts to a maximum 50% of the sub-fund's net assets.

The total duration of the portfolio may vary between -2 years and +6 years.

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 and depleted uranium weapons.

Funds that are not managed by Candriam or whose management is delegated to third-party asset managers, however, may have different ESG policies and exclusion policies.

For directly-managed investments and/or the underlying funds, the sub-fund does not systematically take into account the principal adverse impacts (PIAs) of investment decisions on sustainability 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 underlying funds might not take account of the principal adverse impacts on sustainability factors as defined by the Management Company.

In certain conditions, the analysis and selection process may be accompanied – where applicable indirectly through the underlying fund(s) – 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 (currency exchange swaps - interest rate swaps - credit default swaps – inflation swaps – total return swaps), forwards, options or futures) for the purpose of hedging, exposure and/or arbitrage. Total return swaps may relate to a maximum of 25% of the net assets of the sub-fund. The proportion is normally expected to vary between 0 % and 25 %.
The underlyings of these derivative financial instruments may be currencies, interest rates, credit spreads, equities, equity indices and volatility.

3. Benchmark

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

Benchmark name	Capitalised €str + 1.5%
Benchmark definition	Short term rate in euros that reflects unsecured overnight borrowing costs in euros for banks in the euro zone.
Use of the benchmark	• 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 outperformance fees as applicable (see "Outperformance fee" below).
	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 does not use securities lending transactions.

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 reach a maximum of 50% of the net assets of the portfolio, under certain market conditions.
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 reach a maximum of 10% of the net assets of the portfolio, under certain market conditions.
In every case, such transactions must be justified in order to meet temporary liquidity needs.

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
- Interest rate risk
- Credit risk
- Foreign exchange risk
- Risk associated with derivative financial instruments
- Arbitrage risk
- Emerging countries risk
- Sustainability risk
- Liquidity risk
- Counterparty risk
- Commodities risk
- Volatility risk
- Risk associated with Chinese "A" equities
- Risk related to external factors
- ESG investment risk

A general explanation of the various risk factors is given in article Risk Factors in the Prospectus.

5.2. Risk management

The total derivatives commitment will be calculated using the absolute VaR approach as described in the section entitled “Risk management”.
The total risk of all the portfolio derivative positions may not exceed an absolute VaR of 20%. This VaR uses a confidence level of 99% and a timeframe of 20 days.
The expected leverage of this Sub-fund should vary between 0% and 450%. 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. Share classes

- C class (capitalisation), denominated in EUR [LU0982876392]
- C-H class (capitalisation), denominated in USD [LU1375971873]
- C class (distribution), denominated in EUR [LU0982876475]
- C(q) class (distribution), denominated in EUR [LU1236612575]
- I class (capitalisation), denominated in EUR [LU0982876558]
- I-H class (capitalisation) denominated in USD [LU1375971956]
- I(q) class (distribution), denominated in EUR [LU1207304954]
- N class (capitalisation), denominated in EUR [LU1427870917]
- R class (capitalisation), denominated in EUR [LU1427871139]
- R(q) class (distribution), denominated in EUR [LU1427871212]
- R2 class (capitalisation), denominated in EUR [LU1427871303]
- R2 class (distribution), denominated in EUR [LU1427871485]
- V class (capitalisation), denominated in EUR [LU0982876632]
- V(q) class (distribution), denominated in EUR [LU1207305092]
- Z class (capitalisation), denominated in EUR [LU0982876715]
- Z(q) class (distribution), denominated in EUR [LU1207305175]

8. Form of the shares: registered shares only.

9. Minimum initial subscription

Classes	Minimum initial subscription
C, I, N, R, R2, Z	None
V	15,000,000 EUR*

**This minimum may be changed at the discretion of the Board of Directors, provided that equal treatment of shareholders is assured 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%	0%	Max. 1.25%	Max. 0.30%
I	0%	0%	0%	Max. 0.70%	Max. 0.25%
N	0%	0%	0%	Max. 1.75%	Max. 0.30%
R	Max. 3.5%	0%	0%	Max. 0.80%	Max. 0.30%
R2	Max. 3.5%	0%	0%	Max. 0.32%	Max. 0.30%
V	0%	0%	0%	Max. 0.50%	Max. 0.25%
Z	0%	0%	0%	0%	Max. 0.25%

These fees are expressed as an annual percentage of the average net asset value of the sub-fund.
The management fee is payable at the end of each month and the administration and depositary fees are 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 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
I	EUR	LU0982876558	20%	Capitalised €str +1.5% (floored at 0)	5Y High Water Mark
I-H	USD	LU1375971956			
I (q)	EUR	LU1207304954			
V	EUR	LU0982876632			
V (q)	EUR	LU1207305092			

11. Frequency of net asset value calculation: Each Bank Business Day.

12. 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

CANDRIAM L MULTI-ASSET INCOME & GROWTH

Fact Sheet

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 benefit from the performance of the financial markets via flexible investments in equities and bonds, on the basis of active discretionary management, not involving any reference to a benchmark in UCITS and/or UCIs.

This sub-fund may be appropriate for investors who wish to achieve this objective over a medium 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

The sub-fund primarily invests, directly or via derivative products, in the following asset classes:

- Bonds and/or similar securities (such as "investment grade" bonds, high-yield bonds, inflation-linked bonds, etc.);
- Equities or other similar securities;
- Money market instruments;
- Cash.

The sub-fund may also invest up to a maximum of 10% of the net assets:

- via UCITS and/or UCIs investing in equities, bonds or other securities, money market UCIs;
- in UCITS/UCIs investing in other asset classes (such as for instance commodities, real estate, etc.) and/or developing alternative strategies (arbitrage, etc.);
- in Chinese "A" equities (up to a maximum of 10%) either directly or via UCITS/UCIs.

The total duration of the portfolio may vary between -2 years and +10 years.

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 and depleted uranium weapons.

Funds that are not managed by Candriam or whose management is delegated to third-party asset managers, however, may have different ESG policies and exclusion policies.

For directly-managed investments and/or the underlying funds, the sub-fund does not systematically take into account the principal adverse impacts (PIAs) of investment decisions on sustainability 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 underlying funds might not take account of the principal adverse impacts on sustainability factors as defined by the Management Company.

In certain conditions, the analysis and selection process may be accompanied – where applicable indirectly through the underlying fund(s) – 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 (currency exchange swaps - interest rate swaps - credit default swaps – inflation swaps – total return swaps), forwards, options or futures) for the purpose of hedging, exposure and/or arbitrage. Total return swaps may relate to a maximum of 25% of the net assets of the sub-fund. The proportion is normally expected to vary between 0 % and 25 %.
The underlyings of these derivative financial instruments may be currencies, interest rates, credit spreads, equities, equity indices and volatility.

3. Benchmark

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

Benchmark name	Capitalised €str + 4%
Benchmark definition	Short term rate in euros that reflects unsecured overnight borrowing costs in euros for banks in the euro zone.
Use of the benchmark	• 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 outperformance fees as applicable (see "Outperformance fee" below) and/or to compare performance
	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 does not use securities lending transactions.

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 reach a maximum of 50% of the net assets of the portfolio, under certain market conditions.
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 reach a maximum of 10% of the net assets of the portfolio, under certain market conditions.
In every case, such transactions must be justified in order to meet temporary liquidity needs.

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
- Interest rate risk
- Credit risk
- Foreign exchange risk
- Risk associated with derivative financial instruments
- Arbitrage risk
- Emerging countries risk
- Sustainability risk
- Liquidity risk
- Counterparty risk
- Commodities risk
- Volatility risk
- Risk associated with Chinese "A" equities
- Risk related to external factors
- ESG investment risk

A general explanation of the various risk factors is given in article Risk Factors in the Prospectus.

5.2. Risk management

The total derivatives commitment will be calculated using the absolute VaR approach as described in the section entitled “Risk management”.
The total risk of all the portfolio derivative positions may not exceed an absolute VaR of 20%. This VaR uses a confidence level of 99% and a timeframe of 20 days.
The expected leverage of this Sub-fund should vary between 0% and 450%. 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. Share classes

- C class (capitalisation), denominated in EUR [LU1207305258]
- C-H class (capitalisation), denominated in USD [LU1375972095]
- C(q) class (distribution), denominated in EUR [LU1207305332]
- C class (distribution), denominated in EUR [LU1236612658]
- I class (capitalisation), denominated in EUR [LU1207305415]
- I-H class (capitalisation), denominated in USD [LU1375972178]
- I(q) class (distribution), denominated in EUR [LU1207305506]
- N class (capitalisation), denominated in EUR [LU1427871568]
- PI class (capitalisation), denominated in EUR [LU1797472518]
- R class (capitalisation), denominated in EUR [LU1427871725]
- R(q) class (distribution), denominated in EUR [LU1427871998]
- R2 class (capitalisation), denominated in EUR [LU1427872020]
- R2 class (distribution), denominated in EUR [LU1427872293]
- V class (capitalisation), denominated in EUR [LU1207305688]
- V(q) class (distribution), denominated in EUR [LU1207305761]
- Z class (capitalisation), denominated in EUR [LU1207305845]
- Z(q) class (distribution), denominated in EUR [LU1207305928]

8. **Form of the shares:** registered shares only.

9. Minimum initial subscription

Classes	Minimum initial subscription
C, I, N, R, R2, Z	None
PI	1,000,000 EUR*
V	15,000,000 EUR*

**This minimum may be changed at the discretion of the Board of Directors, provided that equal treatment of shareholders is assured 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%	0%	Max. 1.25%	Max. 0.30%
I	0%	0%	0%	Max. 0.70%	Max. 0.25%
N	0%	0%	0%	Max. 1.75%	Max. 0.30%
PI	0%	0%	0%	Max. 0.70%	Max. 0.25%
R	Max. 3.5%	0%	0%	Max. 0.80%	Max. 0.30%
R2	Max. 3.5%	0%	0%	Max. 0.32%	Max. 0.30%
V	0%	0%	0%	Max. 0.50%	Max. 0.25%
Z	0%	0%	0%	0%	Max. 0.25%

These fees are expressed as an annual percentage of the average net asset value of the sub-fund.
The management fee is payable at the end of each month and the administration and depositary fees are 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 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
I	EUR	LU1207305415	20%	Capitalised €str +4% (floored at 0)	5Y High Water Mark
I-H	USD	LU1375972178			
I (q)	EUR	LU1207305506			
V	EUR	LU1207305688			
V (q)	EUR	LU1207305761			

11. Frequency of net asset value calculation: Each Bank Business Day.

12. 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 1 January 2023.

CANDRIAM L MULTI-ASSET PREMIA

Fact Sheet

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 typical investor profile

The objective of the sub-fund is to benefit from an absolute performance via flexible investments, using a management of strategies based on a quantitative analysis as well as a qualitative analysis, and to outperform the benchmark.

This sub-fund may be appropriate for investors who wish to achieve this objective over a medium 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

The sub-fund primarily invests in various asset classes in the global markets via derivative financial instruments.

The portfolio is constructed around three different strategies:

i/ a "trend following" strategy, which consists of exploiting the directionality of the markets by identifying trends via an in-depth analysis of prices. The aim is to profit from market trends of different asset classes and over different investment horizons, by taking long and short positions.

ii/ a "carry" strategy, which aims to capture yield from different asset classes using low correlation strategies. This consists of taking long/short positions depending on the attractiveness of the current yield.

iii/ an "equity market neutral" strategy, which aims to deliver an absolute performance with a low correlation with the equity markets. An equity universe is evaluated and long positions are taken on equities expected to perform relatively positively, and short positions are taken on equities expected to perform relatively negatively. The total value of long positions must approximately match the total value of short positions.

Within the scope of the implementation of the investment strategy:

The sub-fund invests in derivative financial instruments listed on regulated markets (primarily via futures, options and forwards) and/or on over-the-counter markets (primarily via forwards, swaps and total return swaps).

Total return swaps (including contracts for difference (CFD) and other equity swaps) may represent up to a maximum of 300% of the net assets of the sub-fund.

The proportion is normally expected to vary between 200 % and 300 %.

These instruments are used for the purposes of exposure, arbitrage and/or hedging.
The underlyings of these derivative financial instruments can be:

- Equities and/or securities equivalent to equities,
- Equity and sector indices,
- Currencies,
- Bonds and other equivalent securities issued by all types of issuers (for example investment grade bonds, emerging bonds, high yield bonds, etc.),
- Bond indices,
- Commodities indices,
- Interest rates,

- Credit spread
- Volatility indices.

Investment in cash is an integral part of the portfolio construction.

The following securities are equivalent to cash, if they mature in less than one year:
- Deposits
- Reverse repurchases
- Money market instruments issued by all types of issuers with a short term rating at the time of purchase of at least A-2 from one of the ratings agency (or considered to be of equivalent quality by the Management Company),
- Bonds or other debt securities and commercial papers issued by all types of issuers with a short-term rating at the time of purchase of at least A-2 from one of the ratings agencies (or considered to be of equivalent quality by the Management Company),
- Units in UCITS or AIFs whose assets primarily consist of money market instruments and/or bonds and other debt securities meeting the above criteria.

The remainder of the assets may be invested in securities or money-market instruments other than those described above.

The sub-fund may invest a maximum of 10% of its net assets in UCITS and UCIs.

The global exposure is calculated using the VaR approach. The total risk may not exceed an absolute VaR of 20%. This VaR uses a confidence level of 99% and a timeframe of 20 days.

The leverage of this sub-fund will be a maximum of 1500%.

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.

Investors' attention is drawn to the fact that derivative instruments carry risks which differ from those associated with traditional instruments and in some cases carry higher risks.

Investors are reminded that the sub-fund uses potentially high leverage which can result in losses.

Financial futures markets and total return swaps are characterised, among other things, by the fact that the initial investment is far lower than the nominal contract amount, thereby generating significant leverage.

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 and depleted uranium weapons.

"Negative" exposures (selling) are authorised on these companies but not if they are exposed to controversial weapons subject to a legal exclusion.

Funds that are not managed by Candriam or whose management is delegated to third-party asset managers, however, may have different ESG policies and exclusion policies.

For directly-managed investments and/or the underlying funds, the sub-fund does not systematically take into account the principal adverse impacts (PIAs) of investment decisions on sustainability 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 underlying funds might not take account of the principal adverse impacts on sustainability factors as defined by the Management Company.

In certain conditions, the analysis and selection process may be accompanied – where applicable indirectly through the underlying fund(s) – by active involvement, in particular dialogue with companies and voting as the shareholder at AGMs.

3. Benchmark

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

Benchmark name	Capitalised €STR
Benchmark definition	Short term rate in euros that reflects unsecured overnight borrowing costs in euros for banks in the euro zone.
Use of the benchmark	• 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 outperformance fees as applicable (see "Outperformance fee" below) and/or to compare performance
	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 does not use securities lending transactions.

The sub-fund will regularly use reverse repurchase agreements in a proportion which may vary between 25% and 50% of the net assets of the portfolio, and which may reach a maximum of 100% of the net assets of the portfolio, under certain market conditions.
Under no circumstances will these transactions be carried out unless 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 reach a maximum of 10% of the net assets of the portfolio, under certain market conditions.
In every case, such transactions must be justified in order to meet temporary liquidity needs.

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
- Interest rate risk
- Commodities risk
- Credit risk
- Foreign exchange risk
- Risk associated with derivative financial instruments
- Counterparty risk
- Model risk
- Arbitrage risk
- Volatility risk
- Emerging countries risk
- Leverage risk
- Sustainability risk
- Liquidity 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

A general explanation of the various risk factors is given in article 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 derivative positions may not exceed an absolute VaR of 20%. This VaR uses a confidence level of 99% and a timeframe of 20 days.
The leverage of this sub-fund will be a maximum of 1500%. 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.

6. Valuation currency of the sub-fund: EUR

7. Share classes

- C class (capitalisation), denominated in EUR [LU1797471627]
- I class (capitalisation), denominated in EUR [LU1797471890]
- I-H class (capitalisation), denominated in USD [LU1797471973]
- PI class (capitalisation), denominated in EUR [LU1797472195]
- R class (capitalisation), denominated in EUR [LU1797472278]
- S class (capitalisation), denominated in EUR [LU1797472351]
- Z class (capitalisation), denominated in EUR [LU1797472435]

8. Form of the shares: registered shares only.

9. Minimum initial subscription

Classes	Minimum initial subscription
C, I, R, S, Z	None
PI	1,000,000 EUR*

**This minimum may be changed at the discretion of the Board of Directors, provided that equal treatment of shareholders is assured 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%	0%	Max. 1.50%	Max. 0.50%
I	0%	0%	0%	Max. 0.75%	Max. 0.40%
PI	0%	0%	0%	Max. 0.75%	Max. 0.40%
R	Max. 3.5%	0%	0%	Max. 0.75%	Max. 0.50%
S	0%	0%	0%	Max. 0.10%	Max. 0.40%
Z	0%	0%	0%	0%	Max. 0.40%

These fees are expressed as an annual percentage of the average net asset value of the sub-fund.
The management fee is payable at the end of each month and the administration and depositary fees are 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 "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	LU1797471627	20%	Capitalised €str (floored at 0)	Permanent High Water Mark
I	EUR	LU1797471890			
PI	EUR	LU1797472195			
R	EUR	LU1797472278			
Z	EUR	LU1797472435			
I-H	USD	LU1797471973		Capitalised FED FUNDS EFFECTIVE RATE US (floored at 0)	

11. Frequency of net asset value calculation: Each Bank Business Day.

12. 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 1 January 2023.

Annex II – SFDR Annexes

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 L - Balanced Asset Allocation

Legal entity identifier

549300BSGFAL5L3F4487

Environmental and/or social characteristics

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 lay down 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	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 via UCITS and/or UCIs or directly 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's 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, fragmentation bombs, chemical, biological, white phosphorus and or depleted uranium weapons),

- by seeking to avoid exposure to countries considered to be oppressive regimes.

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 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's carbon footprint is evaluated and compared with the benchmark,

- steps to ensure that there are no investments in issuers most seriously in breach of 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 significantly exposed to the mining, transport or distribution of thermal coal,

- steps to ensure that there are no investments in issuers significantly exposed to the production and distribution of tobacco,

- steps to ensure that there is no investment in sovereign issuers of regimes considered to be oppressive.

- ***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/or 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 several 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.

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 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 sub-fund partly invests in sustainable investments. As such, Candriam performs ESG research and analysis on the sovereign and corporate issuers to ensure that these investments do no significant harm to any of the environmental and/or social sustainable investment objectives.

Based on its exclusive ESG ratings and scores, Candriam's ESG methodology defines clear requirements and minimum thresholds in order identify issuers which can be considered to be "sustainable investment" and which, in particular, do no significant harm to any of the environmental and/or social sustainable investment objectives.

In particular, the "do no significant harm" principle is evaluated for companies as follows:

- by considering the "principal adverse impacts",

- by aligning with the OECD Guidelines for Multinational Enterprises and the UN Global Compact to ensure that minimum social and environmental guarantees are respected.

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

Consideration of the principal adverse impacts is an essential part of Candriam's approach to sustainable investment. The principal adverse impacts are considered throughout the ESG research and analysis process and by means of several methods.

For the analysis of corporate issuers, these methods include:

1. ESG ratings of companies: the ESG research and filtering methodology considers and evaluates the principal adverse impacts on sustainability from two distinct but related perspectives:

- the commercial activities of the issuers of the company and their positive or adverse impact on the main sustainability challenges such as climate change and resource depletion,

- the company's interactions with the main stakeholders.

2. Negative filtering of companies, consisting of a normative exclusion and an exclusion of companies involved in controversial activities.

3. Engagement activities with the companies based on dialogue and voting, helping to avoid or mitigate the adverse impacts. The ESG analysis framework and its results feed into Candriam's engagement policy and vice versa.

For the analysis of sovereign issuers, these methods include:

1. ESG ratings of countries: the ESG research and filtering methodology considers and evaluates the principal adverse impacts on sustainability from the perspective of four capitals of sustainable development:

- natural capital, evaluating how a country conserves and uses its natural resources in a sustainable way,

- human capital, measuring economic and creative productivity by evaluating levels of education and expertise, innovation, health, including sustainability issues,

- social capital, evaluating civil society and state institutions in each country, focusing on transparency and democracy, the effectiveness of government, corruption, inequality and population security,

- economic capital, evaluating a country's economic fundamentals in order to determine each government's capacity to finance and support sustainable development policies in the long term.

2. Negative filtering of countries comprising the following elements in particular:

- Candriam's list of highly oppressive regimes - States guilty of serious human

rights violations.

The integration of the principal adverse impacts on sustainability factors is based on the specific materiality of each indicator for each specific industry/sector to which the company belongs or for each country in order to ensure that a country's rating properly reflects the short, medium and long term problems, challenges and/or opportunities that matter for the future development of the country. The significance depends on a number of factors including the type of information, the quality and scope of the data, applicability, relevance and geographical coverage.

→ *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The investments in the portfolio undergo a normative controversy 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 International Labour Organisation and the International Bill of Human Rights are among the many international references embedded in the normative analysis and in Candriam's ESG model.

The analysis seeks to exclude companies which have significantly and repeatedly breached one of these principles.

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, the principal adverse impacts (PAIs) on sustainability factors are considered at the level of the sub-fund by one or more means (see Candriam's PAI declaration):

- Monitoring: calculation and evaluation of the indicators of the principal adverse impacts, including (if applicable) regular reporting at sub-fund level. Certain of these indicators may have explicit objectives and be used to measure achievement of the sub-fund's sustainable investment objective.

- Engagement and voting: in order to avoid and/or mitigate the adverse impact on sustainability objectives, the sub-fund also considers adverse impacts in its interactions with the companies, through dialogue and voting. 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 and social impacts and of the impacts on the stakeholders. The degree of engagement with each company may consequently vary within the same product and is subject to Candriam's prioritising methodology.

- Exclusion: Candriam's negative filtering on companies or on countries seeks to avoid investments in harmful activities or practices and may result in exclusions related to the adverse impact of companies or issuers.

The specific principal negative impacts considered are subject to the availability of data and may change as the quality and availability of data improves.

For more information about the types of PAI considered, click on the following link to Candriam's SDFR site (SDFR is the Sustainable Finance Disclosure Regulation):

https://www.candriam.com/en/private/market-insights/sfdr/

https://www.candriam.com/en/professional/market-insights/sfdr/

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 of UCITS and/or UCIs to benefit from the performance of the financial markets by balancing investments in equities and bonds (neutral weighting of equities 50%) 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 and the exclusion of investment in countries considered to be oppressive as described

in Candriam’s exclusion policy, which is available on the Candriam website here: https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/exclusion-policy.pdf.

In addition, the portfolio is constructed in order to achieve or to respect:

- 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.

Asset allocation describes the share of investments in specific assets.

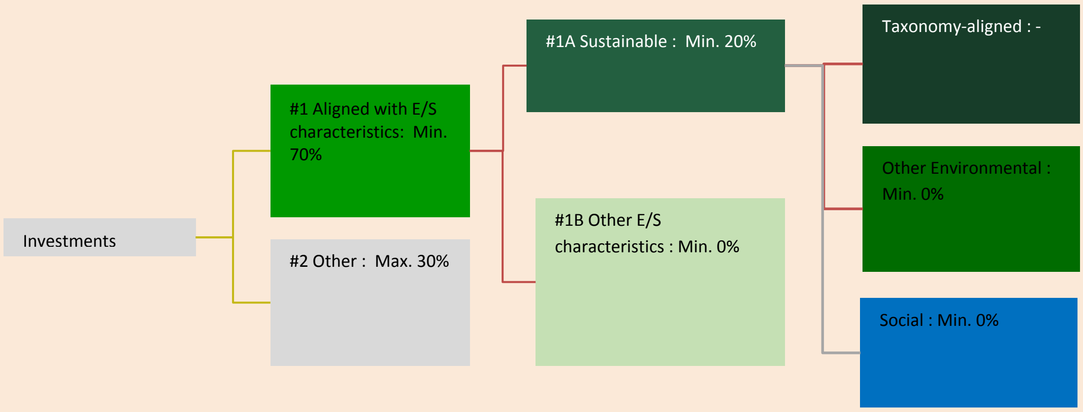
What is the asset allocation planned for this financial product?

The sub-fund seeks to invest at least 70% of its total net assets in investments which have environmental and social characteristics, of which a minimum of 20% will consist of sustainable investments. A maximum of 30% of the total net assets of the sub-fund may be allocated to other assets.

The investments which have environmental and social characteristics are investments which have undergone Candriam's proprietary ESG analysis. 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 its ESG rating. For investments in UCITS and/or UCIs, a look-through approach will be applied wherever possible.

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 EDG 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.

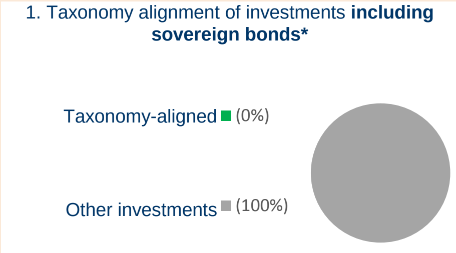
To determine the Taxonomy alignment percentage of the investments, Candriam uses its in-house ESG team which applies its own ESG research and analysis framework. It uses data published by the companies about their activities which are aligned with the Taxonomy and/or information published by third-party data providers or other sources which according to Candriam's ESG team analyse Taxonomy alignment information about the companies in a reliable way and distribute it. The calculation is not examined or audited by an external party.

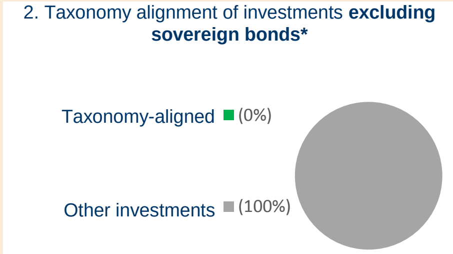
The methodology used to calculate the alignment of investments with the UE Taxonomy is based on a company's turnover/income.

The sub-fund may hold sustainable investments with environmental objectives which are not aligned with ecologically sustainable economic activities as covered and defined by the EU Taxonomy. The environmental objectives of the sustainable investments as defined in the Prospectus or Candriam's Transparency Code pursue not only climate objectives as defined in the EU Taxonomy Regulation, but also other environmental objectives such as alignment with a circular economy objective,

a specific temperature objective, or sustainable objectives which partially include environmental indicators such as a global ESG score which is better than a benchmark or the achievement of an absolute minimum ESG score.

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.





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

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.

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.

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 sustainable investments with an environmental objective that are not aligned with 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 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 30% 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,

- other investments (including derivatives) which may be purchased for diversification purposes, which cannot undergo ESG filtering or for which ESG data is not available.

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?

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?***
- ***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/market-insights/sfdr/

https://www.candriam.com/en/professional/market-insights/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 L - Conservative Asset Allocation

Legal entity identifier

5493007N5XG40WZTVS86

Environmental and/or social characteristics

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 lay down 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**: _	☒ 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 via UCITS and/or UCIs or directly 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's 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, fragmentation bombs, chemical, biological, white phosphorus and or depleted uranium weapons),

- by seeking to avoid exposure to countries considered to be oppressive regimes.

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 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's carbon footprint is evaluated and compared with the benchmark,

- steps to ensure that there are no investments in issuers most seriously in breach of 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 significantly exposed to the mining, transport or distribution of thermal coal,

- steps to ensure that there are no investments in issuers significantly exposed to the production and distribution of tobacco,

- steps to ensure that there is no investment in sovereign issuers of regimes considered to be oppressive.

- ***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.

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 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 sub-fund partly invests in sustainable investments. As such, Candriam performs ESG research and analysis on the sovereign and corporate issuers to ensure that these investments do no significant harm to any of the environmental and/or social sustainable investment objectives.

Based on its exclusive ESG ratings and scores, Candriam's ESG methodology defines clear requirements and minimum thresholds in order identify issuers which can be considered to be "sustainable investment" and which, in particular, do no significant harm to any of the environmental and/or social sustainable investment objectives.

In particular, the "do no significant harm" principle is evaluated for companies as follows:

- by considering the "principal adverse impacts",

- by aligning with the OECD Guidelines for Multinational Enterprises and the UN Global Compact to ensure that minimum social and environmental guarantees are respected.

→ *How have the indicators for adverse impacts on sustainability factors been taken into account?*

Consideration of the principal adverse impacts is an essential part of Candriam's approach to sustainable investment. The principal adverse impacts are considered throughout the ESG research and analysis process and by means of several methods.

For the analysis of corporate issuers, these methods include:

1. ESG ratings of companies: the ESG research and filtering methodology considers and evaluates the principal adverse impacts on sustainability from two distinct but related perspectives:

- the commercial activities of the issuers of the company and their positive or adverse impact on the main sustainability challenges such as climate change and resource depletion,

- the company's interactions with the main stakeholders.

2. Negative filtering of companies, consisting of a normative exclusion and an exclusion of companies involved in controversial activities.

3. Engagement activities with the companies based on dialogue and voting, helping to avoid or mitigate the adverse impacts. The ESG analysis framework and its results feed into Candriam's engagement policy and vice versa.

For the analysis of sovereign issuers, these methods include:

1. ESG ratings of countries: the ESG research and filtering methodology considers and evaluates the principal adverse impacts on sustainability from the perspective of four capitals of sustainable development:

- natural capital, evaluating how a country conserves and uses its natural resources in a sustainable way,

- human capital, measuring economic and creative productivity by evaluating levels of education and expertise, innovation, health, including sustainability issues,

- social capital, evaluating civil society and state institutions in each country, focusing on transparency and democracy, the effectiveness of government, corruption, inequality and population security,

- economic capital, evaluating a country's economic fundamentals in order to determine each government's capacity to finance and support sustainable development policies in the long term.

2. Negative filtering of countries comprising the following elements in particular:

- Candriam's list of highly oppressive regimes — States guilty of serious human

rights violations.

The integration of the principal adverse impacts on sustainability factors is based on the specific materiality of each indicator for each specific industry/sector to which the company belongs or for each country in order to ensure that a country's rating properly reflects the short, medium and long term problems, challenges and/or opportunities that matter for the future development of the country. The significance depends on a number of factors including the type of information, the quality and scope of the data, applicability, relevance and geographical coverage.

→ *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The investments in the portfolio undergo a normative controversy 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 International Labour Organisation and the International Bill of Human Rights are among the many international references embedded in the normative analysis and in Candriam's ESG model.

The analysis seeks to exclude companies which have significantly and repeatedly breached one of these principles.

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, the principal adverse impacts (PAIs) on sustainability factors are considered at the level of the sub-fund by one or more means (see Candriam's PAI declaration):

- Monitoring: calculation and evaluation of the indicators of the principal adverse impacts, including (if applicable) regular reporting at sub-fund level. Certain of these indicators may have explicit objectives and be used to measure achievement of the sub-fund's sustainable investment objective.

- Engagement and voting: in order to avoid and/or mitigate the adverse impact on sustainability objectives, the sub-fund also considers adverse impacts in its interactions with the companies, through dialogue and voting. 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 and social impacts and of the impacts on the stakeholders. The degree of engagement with each company may consequently vary within the same product and is subject to Candriam's prioritising methodology.

- Exclusion: Candriam's negative filtering on companies or on countries seeks to avoid investments in harmful activities or practices and may result in exclusions related to the adverse impact of companies or issuers.

The specific principal negative impacts considered are subject to the availability of data and may change as the quality and availability of data improves.

For more information about the types of PAI considered, click on the following link to Candriam's SDFR site (SDFR is the Sustainable Finance Disclosure Regulation):

https://www.candriam.com/en/private/market-insights/sfdr/

https://www.candriam.com/en/professional/market-insights/sfdr/

☐ 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 of UCITS and/or UCIs to benefit from the performance of the financial markets by holding a minority of investments in equities (neutral weighting 30%) 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 and the exclusion of investment in countries considered to be oppressive as described

in Candriam's exclusion policy, which is available on the Candriam website here: https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/exclusion-policy.pdf.

In addition, the portfolio is constructed in order to achieve or to respect:

- 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?

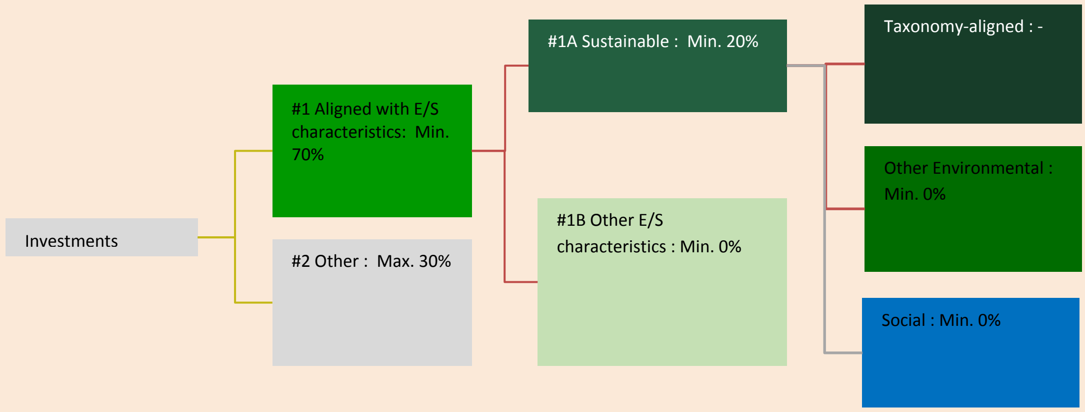
Asset allocation describes the share of investments in specific assets.

The sub-fund seeks to invest at least 70% of its total net assets in investments which have environmental and social characteristics, of which a minimum of 20% will consist of sustainable investments. A maximum of 30% of the total net assets of the sub-fund may be allocated to other assets.

The investments which have environmental and social characteristics are investments which have undergone Candriam's proprietary ESG analysis. 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 its ESG rating. For investments in UCITS and/or UCIs, a look-through approach will be applied wherever possible.

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 EDG 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.

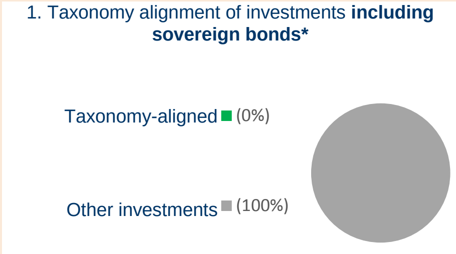
To determine the Taxonomy alignment percentage of the investments, Candriam uses its in-house ESG team which applies its own ESG research and analysis framework. It uses data published by the companies about their activities which are aligned with the Taxonomy and/or information published by third-party data providers or other sources which according to Candriam's ESG team analyse Taxonomy alignment information about the companies in a reliable way and distribute it. The calculation is not examined or audited by an external party.

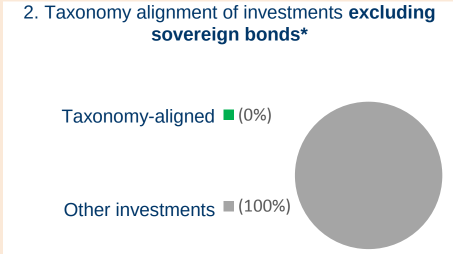
The methodology used to calculate the alignment of investments with the UE Taxonomy is based on a company's turnover/income.

The sub-fund may hold sustainable investments with environmental objectives which are not aligned with ecologically sustainable economic activities as covered and defined by the EU Taxonomy. The environmental objectives of the sustainable investments as defined in the Prospectus or Candriam's Transparency Code pursue not only climate objectives as defined in the EU Taxonomy Regulation, but also other environmental objectives such as alignment with a circular economy objective,

a specific temperature objective, or sustainable objectives which partially include environmental indicators such as a global ESG score which is better than a benchmark or the achievement of an absolute minimum ESG score.

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.





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.

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

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.

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 sustainable investments with an environmental objective that are not aligned with 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 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 30% 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,

- other investments (including derivatives) which may be purchased for diversification purposes, which cannot undergo ESG filtering or for which ESG data is not available.

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?

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?***
- ***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?

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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 L - Dynamic Asset Allocation

Legal entity identifier 549300D37RNJEKLKVH62

Environmental and/or social characteristics

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 lay down 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**: _	☒ 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 via UCITS and/or UCIs or directly 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's 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, fragmentation bombs, chemical, biological, white phosphorus and or depleted uranium weapons),

- by seeking to avoid exposure to countries considered to be oppressive regimes.

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 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's carbon footprint is evaluated and compared with the benchmark,

- steps to ensure that there are no investments in issuers most seriously in breach of 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 significantly exposed to the mining, transport or distribution of thermal coal,

- steps to ensure that there are no investments in issuers significantly exposed to the production and distribution of tobacco,

- steps to ensure that there is no investment in sovereign issuers of regimes considered to be oppressive.

- ***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 several 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.

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 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 sub-fund partly invests in sustainable investments. As such, Candriam performs ESG research and analysis on the sovereign and corporate issuers to ensure that these investments do no significant harm to any of the environmental and/or social sustainable investment objectives.

Based on its exclusive ESG ratings and scores, Candriam's ESG methodology defines clear requirements and minimum thresholds in order identify issuers which can be considered to be "sustainable investment" and which, in particular, do no significant harm to any of the environmental and/or social sustainable investment objectives.

In particular, the "do no significant harm" principle is evaluated for companies as follows:

- by considering the "principal adverse impacts",

- by aligning with the OECD Guidelines for Multinational Enterprises and the UN Global Compact to ensure that minimum social and environmental guarantees are respected.

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

Consideration of the principal adverse impacts is an essential part of Candriam's approach to sustainable investment. The principal adverse impacts are considered throughout the ESG research and analysis process and by means of several methods.

For the analysis of corporate issuers, these methods include:

1. ESG ratings of companies: the ESG research and filtering methodology considers and evaluates the principal adverse impacts on sustainability from two distinct but related perspectives:

- the commercial activities of the issuers of the company and their positive or adverse impact on the main sustainability challenges such as climate change and resource depletion,

- the company's interactions with the main stakeholders.

2. Negative filtering of companies, consisting of a normative exclusion and an exclusion of companies involved in controversial activities.

3. Engagement activities with the companies based on dialogue and voting, helping to avoid or mitigate the adverse impacts. The ESG analysis framework and its results feed into Candriam's engagement policy and vice versa.

For the analysis of sovereign issuers, these methods include:

1. ESG ratings of countries: the ESG research and filtering methodology considers and evaluates the principal adverse impacts on sustainability from the perspective of four capitals of sustainable development:

- natural capital, evaluating how a country conserves and uses its natural resources in a sustainable way,

- human capital, measuring economic and creative productivity by evaluating levels of education and expertise, innovation, health, including sustainability issues,

- social capital, evaluating civil society and state institutions in each country, focusing on transparency and democracy, the effectiveness of government, corruption, inequality and population security,

- economic capital, evaluating a country's economic fundamentals in order to determine each government's capacity to finance and support sustainable development policies in the long term.

2. Negative filtering of countries comprising the following elements in particular:

- Candriam's list of highly oppressive regimes - States guilty of serious human

rights violations.

The integration of the principal adverse impacts on sustainability factors is based on the specific materiality of each indicator for each specific industry/sector to which the company belongs or for each country in order to ensure that a country's rating properly reflects the short, medium and long term problems, challenges and/or opportunities that matter for the future development of the country. The significance depends on a number of factors including the type of information, the quality and scope of the data, applicability, relevance and geographical coverage.

→ *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The investments in the portfolio undergo a normative controversy 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 International Labour Organisation and the International Bill of Human Rights are among the many international references embedded in the normative analysis and in Candriam's ESG model.

The analysis seeks to exclude companies which have significantly and repeatedly breached one of these principles.

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, the principal adverse impacts (PAIs) on sustainability factors are considered at the level of the sub-fund by one or more means (see Candriam's PAI declaration):

- Monitoring: calculation and evaluation of the indicators of the principal adverse impacts, including (if applicable) regular reporting at sub-fund level. Certain of these indicators may have explicit objectives and be used to measure achievement of the sub-fund's sustainable investment objective.

- Engagement and voting: in order to avoid and/or mitigate the adverse impact on sustainability objectives, the sub-fund also considers adverse impacts in its interactions with the companies, through dialogue and voting. 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 and social impacts and of the impacts on the stakeholders. The degree of engagement with each company may consequently vary within the same product and is subject to Candriam's prioritising methodology.

- Exclusion: Candriam's negative filtering on companies or on countries seeks to avoid investments in harmful activities or practices and may result in exclusions related to the adverse impact of companies or issuers.

The specific principal negative impacts considered are subject to the availability of data and may change as the quality and availability of data improves.

For more information about the types of PAI considered, click on the following link to Candriam's SDFR site (SDFR is the Sustainable Finance Disclosure Regulation):

https://www.candriam.com/en/private/market-insights/sfdr/

https://www.candriam.com/en/professional/market-insights/sfdr/

☐ 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 of UCITS and/or UCIs to benefit from the performance of the financial markets by holding a majority of investments in equities (neutral weighting 75%) 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 and the exclusion of investment in countries considered to be oppressive as described

in Candriam's exclusion policy, which is available on the Candriam website here: https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/exclusion-policy.pdf.

In addition, the portfolio is constructed in order to achieve or to respect:

- 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?

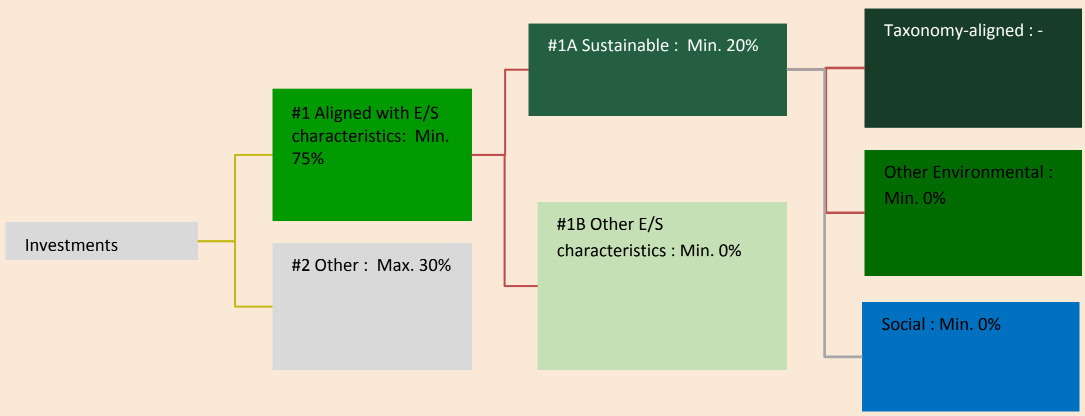
Asset allocation describes the share of investments in specific assets.

The sub-fund seeks to invest at least 70% of its total net assets in investments which have environmental and social characteristics, of which a minimum of 20% will consist of sustainable investments. A maximum of 30% of the total net assets of the sub-fund may be allocated to other assets.

The investments which have environmental and social characteristics are investments which have undergone Candriam's proprietary ESG analysis. 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 its ESG rating. For investments in UCITS and/or UCIs, a look-through approach will be applied wherever possible.

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 EDG 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.

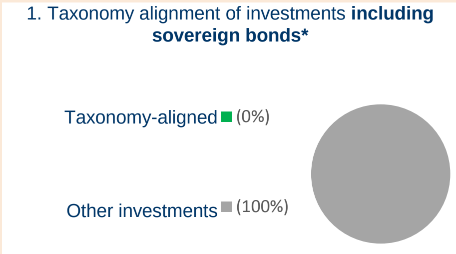
To determine the Taxonomy alignment percentage of the investments, Candriam uses its in-house ESG team which applies its own ESG research and analysis framework. It uses data published by the companies about their activities which are aligned with the Taxonomy and/or information published by third-party data providers or other sources which according to Candriam's ESG team analyse Taxonomy alignment information about the companies in a reliable way and distribute it. The calculation is not examined or audited by an external party.

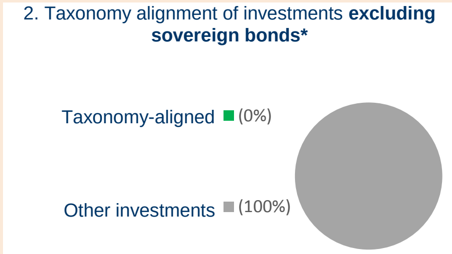
The methodology used to calculate the alignment of investments with the UE Taxonomy is based on a company's turnover/income.

The sub-fund may hold sustainable investments with environmental objectives which are not aligned with ecologically sustainable economic activities as covered and defined by the EU Taxonomy. The environmental objectives of the sustainable investments as defined in the Prospectus or Candriam's Transparency Code pursue not only climate objectives as defined in the EU Taxonomy Regulation, but also other environmental objectives such as alignment with a circular economy objective,

a specific temperature objective, or sustainable objectives which partially include environmental indicators such as a global ESG score which is better than a benchmark or the achievement of an absolute minimum ESG score.

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.





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

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.

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.

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 sustainable investments with an environmental objective that are not aligned with 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 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 30% 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,

- other investments (including derivatives) which may be purchased for diversification purposes, which cannot undergo ESG filtering or for which ESG data is not available.

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?

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?***
- ***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/market-insights/sfdr/

https://www.candriam.com/en/professional/market-insights/sfdr/