

# **Disclosures pursuant To article 10 of Regulation 2019/2088 on Sustainability- Related Disclosure in the Financial Services Sector (SFDR)**

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## A. General Approach

Candriam makes use of several methodologies that are instrumental in attaining the sustainable investment objectives defined for financial products classified as article 9. The table links available below provide an overview of the different methodologies applicable to the article 9 products covered by this disclosure.

## B. Methodologies used to assess sustainable investment objectives of article 9 impact products

### Corporate issuers

#### Impact strategy

Impact investments focus on generating financial returns while also positively addressing a range of global challenges. This is materialized by investing in companies deliberately generating positive impacts by providing market-based solution through their business activities. Social, green or sustainable bonds finance projects in all possible business activities aiming to achieving certain Sustainable Development Goals (SDGs) as well.

#### ESG Integration

Candriam article 9 impact strategies integrate ESG criteria and sustainability risk management into the core investment process when selecting assets or funds which aim delivering a positive sustainable impact and aligned with the SDGs described in the investment objectives detailed in the products pre-contractual documentation.

For more, please refer to the pre-contractual documentation of the related article 9 products.

#### Norms-based Analysis

With the purpose of selecting companies generating positive impacts, directly or indirectly through funds, the Candriam article 9 impact products covered by this disclosure aim to avoid negative social or environmental impacts of severe or very severe controversies which would be inconsistent with the stated purpose.

The article 9 impact products identify and invest only in positively impactful investments, avoiding controversial ones.

For more information, please refer to the pre-contractual documentation of the related article 9 products.

#### Exclusions: SRI and additional

The Candriam Exclusion policy does not cover the Candriam M Impact Finance, classified as article 9.

Nonetheless, this article 9 product excludes controversial activities which are excluded by the Candriam Exclusion policy.

The Candriam M Impact Finance fund aims to exclude companies that are not compliant with the IFC Exclusion List by being involved in controversial activities such as production or trade in weapons, commercial logging operations for use in primary tropical moist forest, and production or activities involving harmful or exploitative forms of forced labour.

For more information, please refer to the [IFC website](#) and the pre-contractual documentation of the related article 9 product.

### **C. Sustainable investment objective for article 9 products**

Candriam impact products aim to have long-term positive impacts on social domains and/or on the environment.

When it comes to impact finance, the sustainable investment objectives are multiple and vary according to the major challenges to which the strategies aspire to positively participate. Their respective sustainable goals can focus on domains such as social inclusion, education, health care, agriculture, environment or technology.

Candriam Impact M Finance aims to invest principally in asset delivering a positive sustainable impact as currently illustrated by the United Nations Sustainable Development Goals (SDGs) 2030 adopted by all United Nations Member States in 2015, particularly by promoting SDG 1 – No Poverty, SDG 5 – Gender Equality, SDG 8 – Decent Work and Economic Growth, and SDG 10 – Reduced Inequalities while monitoring the negative sustainable impact on the remaining SDGs.

Sustainability risks are taken into account by regularly engaging with issuers and by excluding any investments that significantly harm sustainable investment objectives, by way of the 2007 IFC Exclusion List based on controversial activities exposure, such as production or trade in weapons, commercial logging operations for use in primary tropical moist forest, and production or activities involving harmful or exploitative forms of forced labour.

For more information, please refer to the [IFC website](#) and the pre-contractual documentation of the related article 9 products.

### **D. Index selection for products classified as article 8**

Candriam may use the services of several external data providers to integrate ESG into the investment approach. However, to overcome the potential lack of coverage of external private data, Candriam, the asset managers of the invested impact funds or the asset managers

under mandate also source information directly from the invested private companies. Where information is not directly available to us, questionnaires with objective and tailor-made criteria are sent out to measure the overall impact of companies and of the fund.

## **E. Methodologies overview**

### **Belgium**

<https://www.candriam.com/siteassets/medias/publications/sfdr/table/be-art.-9-impact.pdf>

### **Austria**

<https://www.candriam.com/siteassets/medias/publications/sfdr/table/at-art.-9-impact.pdf>

### **France**

<https://www.candriam.com/siteassets/medias/publications/sfdr/table/fr-art.-9-impact.pdf>

### **Germany**

<https://www.candriam.com/siteassets/medias/publications/sfdr/table/de-art.-9-impact.pdf>

### **Italy**

<https://www.candriam.com/siteassets/medias/publications/sfdr/table/it-art.-9-impact.pdf>

### **Luxembourg**

<https://www.candriam.com/siteassets/medias/publications/sfdr/table/lu-art.-9-impact.pdf>

### **Netherlands**

<https://www.candriam.com/siteassets/medias/publications/sfdr/table/nl-art.-9-impact.pdf>

### **Switzerland**

<https://www.candriam.com/siteassets/medias/publications/sfdr/table/ch-art.-9-impact.pdf>

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AUM as at  
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