



PRESS RELEASE

Candriam continued to see strong demand for ESG-related strategies in 2022

- ESG-related assets represented 74% of total AUM (compared to 67% in 2021)
- Sustainable strategies generated over €3 billion of new investment
- Overall, over €1 billion of Net New Cash was recorded in 2022
- Thematic and emerging market equities proved two of the most attractive investment strategies

London, 3 April 2023 – Despite challenging markets in 2022, Candriam, a global multi-asset manager focused on sustainable investment, saw a record proportion of AUM allocated towards ESG-related¹ strategies, hitting 74% (€103 billion) of the total €139 billion². Candriam Sustainable SICAV generated notably over €2.9 billion of new investment. Over 57% of Candriam's funds were also ranked 4 or 5 stars by Morningstar in the same period³.

Overall, Candriam's equity strategies saw the largest inflows by asset class. Among these, its emerging market equity strategy attracted the highest influx of new investment of over €1.6bn in 2022, closely followed by its thematic equity offering (€800 million). Candriam Quantitative Equity strategy also saw an addition of €618 million. Meanwhile, bonds recorded good commercial success in sustainable bond segments.

In 2022, Candriam won 15 new institutional mandates, the majority of which were for its sustainable bonds and equities strategies, in target European markets including Austria, Belgium, France, Italy, Switzerland and The Netherlands, as well as internationally. The firm has also been very active on the distribution front, continuing to gather momentum and attract interest of distributors in Europe and internationally.

In addition, the firm continued to invest in its teams of expert professionals and announced new appointments. In May, it expanded both its ESG development and climate-related thematic global equity teams⁴, while in October it also appointed five new fund managers⁵ in its investment grade

¹ "ESG Related" includes "Sustainable investing" (Best-In-Class/ Impact Investing/ Thematic Funds and mandates) plus "ESG Integration" (funds and mandates not considered as "Sustainable investing" but integrating ESG factors into the financial valuation/ credit assessment of securities).

² As of 31 December 2022, compared to AUM €158 billion as at 31 December 2021. As of 31/12/2022, Candriam changed the Assets Under Management (AUM) calculation methodology, and AUM now includes certain assets, such as non-discretionary AUM, external fund selection, overlay services, including ESG screening services, advisory consulting services, white labelling services, and model portfolio delivery services that do not qualify as Regulatory Assets Under Management, as defined in the SEC's Form ADV. AUM is reported in EUR. AUM not denominated in EUR is converted at the spot rate as of 30/12/2022.

³ Source: Morningstar Consolidated Ratings Report as end of December 2022. The quality of the ranking, award or label obtained by the fund or the management company depends on the quality of the issuing institution and the ranking, award or label does not guarantee the future results of the fund or the management company.

⁴ <https://www.candriam.com/en/professional/SysSiteAssets/presspage/press/pressrelease/2022/05-2022/candriam-strengthens-sustainable-investment-teams-with-four-new-appointments---final.pdf>

⁵ https://www.candriam.com/en/professional/SysSiteAssets/presspage/press/pressrelease/2022/10-2022/20221005-candriam-five-new-appointments_press-release-final.pdf

credit team, its fixed income team, its multi-asset team and its equity market neutral team, in response to growing investor demand for its products.

Naïm Abou-Jaoudé, CEO of Candriam and Chairman of New York Life Investment Management International, said: “Last year proved to be a challenging environment for our industry, and we are pleased to still generate good overall performance and new investments. Our clients have continued to demonstrate their full support for our firm, of which I – and the whole of Candriam – are immensely grateful for.

“As I move on to lead New York Life Investment Management (NYLIM) as its new CEO, I am confident that Candriam’s newly appointed CEO, Vincent Hamelink and Deputy CEO, Renato Guerriero⁶ will continue to drive Candriam’s commitment to move forward the sustainability agenda. In entering this new phase, Candriam is in a prominent and strong position to help its clients navigate the current environment.”

Stewardship

As part of its strong conviction to encourage and support ESG improvements, Candriam led and took part in a number of initiatives. In 2022, the firm participated in 1,939 meetings and voted 25,715 resolutions⁷ during the voting season, which was characterised by an increased number of shareholder resolutions filed and the utmost attention given to climate and human capital-related proposals, while other ESG factors (i.e. setting up dedicated ESG committees and increasing employees representations at board levels) also gained momentum. These voting activities were recognised by ShareAction which ranked Candriam fifth among 68 asset managers for its voting performance in 2022⁸.

Candriam was also on the forefront of engagement, conducting dialogue both directly with 331 distinct issuers and collaboratively⁹ with 1,631 distinct issuers in 2022. Among some of these were engagement efforts with a number of companies on issues such as the ongoing effects of the Covid-19 pandemic on their operations, exposure and risk management around geopolitical developments (i.e. Myanmar and Russia), board of directors diversity and challenging companies’ net zero strategies. Last September, Candriam also released its interim report on its Facial Recognition Technology (FRT) initiative – which it launched in 2021 with the support of over 50 leading global investors – detailing engagement undertaken to address the human rights risks posed by the technology¹⁰.

⁶ Appointments effective from 1 May 2023.

https://www.candriam.com/en/professional/SysSiteAssets/presspage/press/pressrelease/2023/01-2023/nylim_candriam-ceo-press-release_en.pdf

⁷ For Candriam open-end equity funds, dedicated funds and mandates under Candriam’s voting policy.

⁸ <https://shareaction.org/reports/voting-matters-2022/ranking-asset-managers-voting-performance>. This score shows how many shareholder-sponsored resolutions each manager voted ‘for’, as a percentage of the total number of resolutions the manager was able to vote on. The quality of the ranking, award or label obtained by the fund or the management company depends on the quality of the issuing institution and the ranking, award or label does not guarantee the future results of the fund or the management company.

⁹ Not counting statements, nor CDP-related surveys.

¹⁰ <https://www.candriam.com/en/professional/insight-overview/topics/esg/facial-recognition-and-human-rights--responsible-investors-acting-together/>

Candriam Academy

Last year marked an important milestone for the Candriam Academy¹¹, the industry's first free-to-access accredited training platform for sustainable and responsible investing. As the Academy celebrated its fifth year, it revealed a new improved online home with rich, dynamic, and practical content, developed to the highest sustainable web standards. As of 31 December 2022, the Academy had over 13,000 members across 50 countries, an increase of 30% from the previous year.

As part of Candriam's mission to encourage collaboration and shared learning within the wider asset management industry, the Academy expanded in late 2022 the number of its courses accredited to the highest educational standards, launching a new module on Sovereign Sustainability Analysis¹².

Double Impact and Philanthropy

Candriam's philanthropic commitment to donate 10% of the net management fee across its sustainable strategies continued at full steam in 2022. The firm donated €3.3 million to social and green projects via its philanthropic arm, The Candriam Institute for Sustainable Development¹³, last year.

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About Candriam

Candriam stands for "**C**onviction **AND** Responsibility **I**n **A**sset **M**anagement" and is a European multi-specialist asset manager. A pioneer and leader in sustainable investments since 1996, Candriam manages EUR 139 billion of assets under management¹ with a team of more than 600 professionals. It operates management offices in Luxembourg, Brussels, Paris, and London, and has client representatives in more than 20 countries throughout continental Europe, the United Kingdom, the United States, and the Middle East. Candriam offers investment solutions¹⁴ in several key areas: bonds, equities, absolute performance strategies, and asset allocation, with a broad and innovative range of ESG strategies covering all its asset classes.

Candriam is a New York Life Investments Company¹⁵. New York Life Investments ranks among the world's largest asset managers¹⁶. For more information see: www.candriam.com.

¹¹ <https://academy.candriam.com/en/>

¹² <https://academy.candriam.com/en/course/sovereign-sustainability-analysis/>

¹³ <https://institute.candriam.com/>

¹⁴ Not all products and services are available to all investors or in all regions.

¹⁵ New York Life Investments is a service mark used by New York Life Investment Management Holdings LLC and its subsidiary New York Life Investment Management LLC. Both are wholly-owned indirect subsidiaries of New York Life Insurance Company.

¹⁶ Source: New York Life Investments ranked 27th among the world's largest money managers within Pensions & Investments, June 2022. Rankings are based on total worldwide institutional assets under management for the year-end 2021. New York Life Investments assets include assets of affiliated investment advisors.

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