



Does Technology rule the post-COVID world?

Robotics at the centre of broad technological innovation

Speech technology

Mapping technology

Artificial Intelligence

Advanced sensor technology

Robotics cannot be isolated from the technology sector

as machine learning & advanced robot tasks

need sophisticated data centres



The advanced robot is the ultimate fusion of state of the **art hardware, software, engineering & artificial intelligence**

Cloud computing

Programming

Mechatronics

Mega trend 1: Technological breakthroughs

The wide availability of **memory & computing power** will enable a myriad of disruptive applications

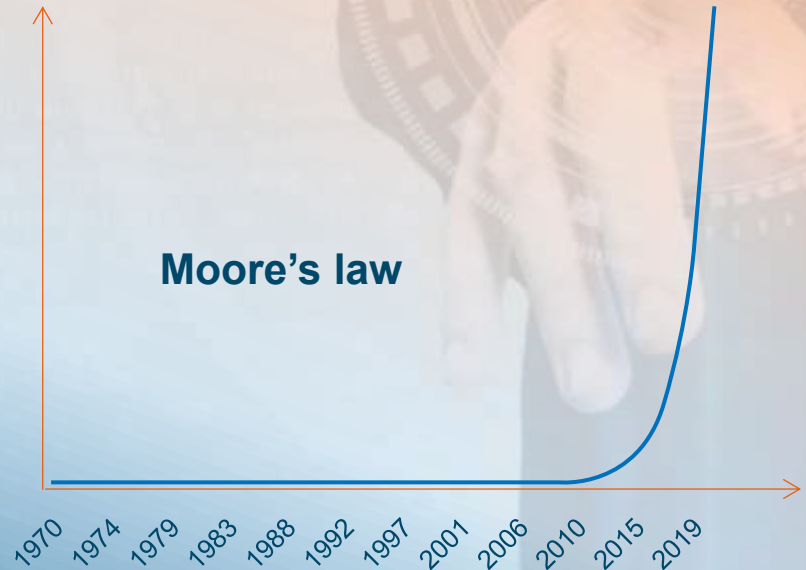
2018, The world's top supercomputer — **Summit** (US, built by IBM)



Computer processing power:
Calculates in 1 second what a human brain
would do in 6 billion years



Computing power
doubles every 2 year

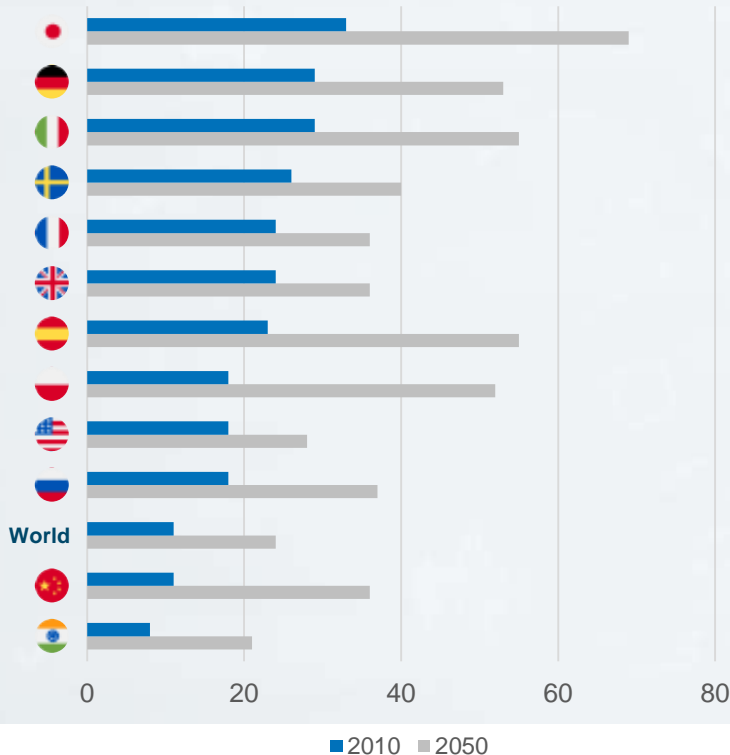


Mega trend 2: Demographic shifts

A decreasing active population combined with an ageing society **will demand more robotization**

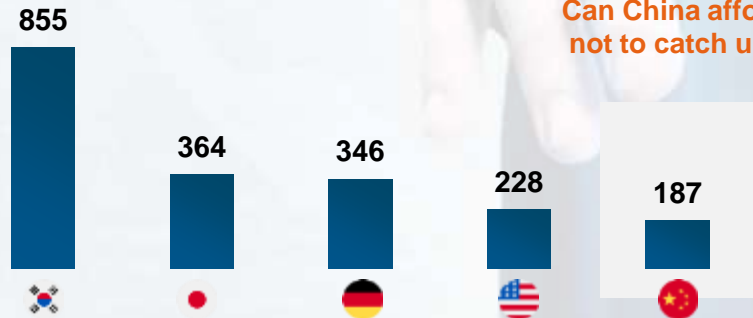
Old-age dependency ratios

Number of people aged 65 and over as % of labour force (aged 15-64), forecasts



- Japan will have a shortage of 400,000 nurses by 2025 → developing robo-nurses
Source: Japan Health, Labor and Welfare Ministry
- China's active population has started to decline → official robotization targets of 150 by 2025 (target is already hit in 2019)

Robot density per 10,000 workers in 2019



Can China afford not to catch up?

Source: European commission

Source: International Federation of Robotics

Mega trend 3: Environmental challenges

The Challenges

- **Pollution**
- **Global Warming**
- **Natural Resources Depletion**
- **Waste Disposal**

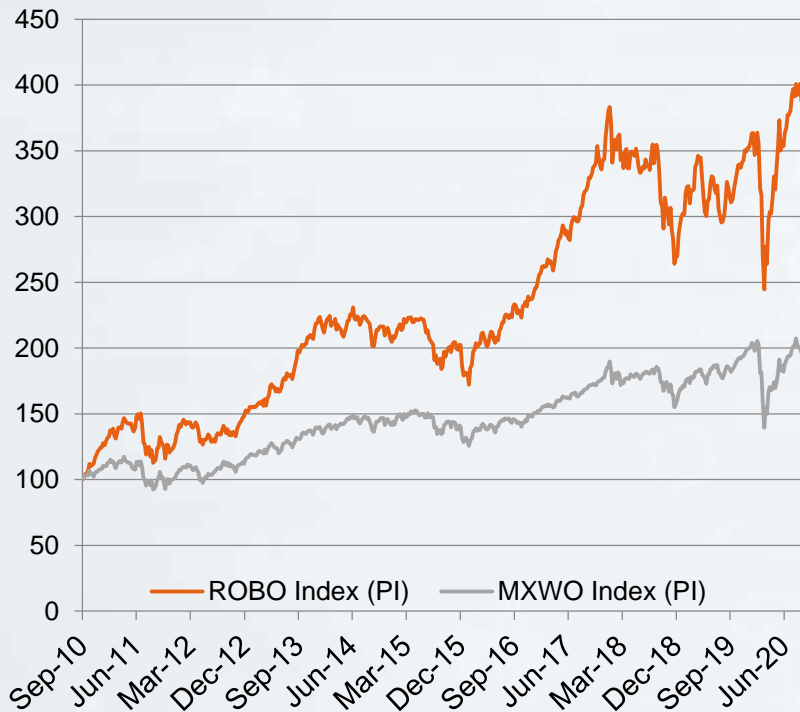
The Technological Solutions

- **Advanced environmental sensors**
- **From less consuming semiconductors to more energy efficient datacenters**
- **From simulation software to advanced recycling technology**
- **Work from Home (WFH)**

Various **environmental challenges** will be tackled by the use of innovative technology

Robot- and Automation stocks continue to outperform on 10Y

Robotics and automation index vs MSCI World on 10Y



Candriam Robotics Robo Index MSCI World

P/E 12M FWD	28.5	28.4	19.6
FCF yield	4.2%	4.3%	4.02%
Gross Margin	42.4%	36.8%	31.7%
R&D/Sales	14.3%	10.3%	8.1%
LT EPS growth (3y)	17.1%	15.5%	12.3%
Net Debt / EBITDA	-0.4	-0.4	1.9

Covid-19 is reinforcing these trends, even in the short term

WE SEE TECHNOLOGY AS THE BIGGEST BENEFICIARY

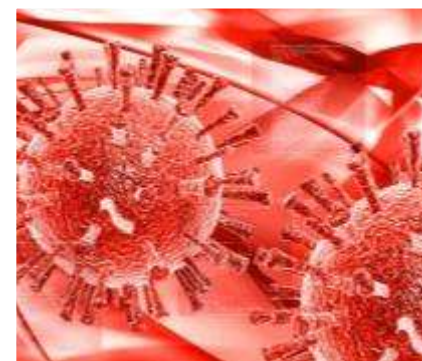
- ▶ Use of homeworking, e-learning, tele-medicine. Virtual reality – including video -- should permanently gain, relative to pre-Covid usage...
- ▶ These developments all mean increasing markets for broadband connections, semiconductors, connectivity



Presidential Elections



**Regulatory overhang
for Social Media**



**Covid-19 and timing for
a working vaccine**



**Is the V-shaped
recovery that many
analysts have in their
models too optimistic?**



**How big and how fast
will the stimulus
packages be, and how
will they be financed?**

Screening the investment universe

Investment Universe

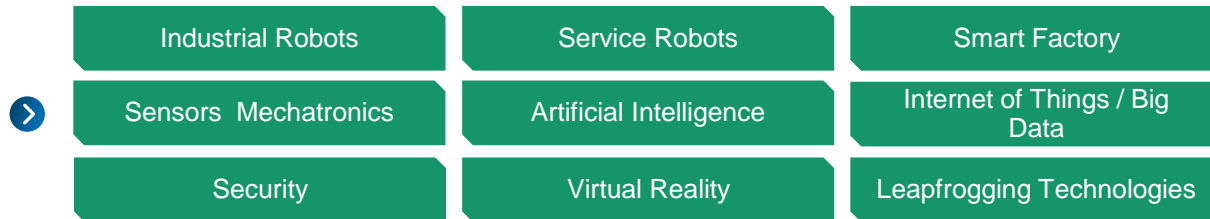
Global Equities, All caps

Thematic Screening

At least 30% of revenues related to one or more of these thematics and market cap > 250 mio USD

Idea generation from the Advisory Board:

- Industry Trends
- Technological Trends



Fundamental Analysis



Portfolio Construction

Sharpe optimisation

UCITS Fund Rules

Final portfolio
30-50 stocks

Internal Risk Limits

Company Meetings/Industry conferences
Selected Broker Input
Alphasense Big Data Tool
Expert calls GLG

Indicative data which may change over time - The fund is actively managed and the investment process implies referring to a benchmark index (IMSCI© World (Net Return)).

ESG Exclusions



Norms-based analysis



Human rights



Labour rights



Environment



Corruption



Controversial activities



Armament



Thermal Coal



Tobacco



Oppressive Regimes

Net Performance Review



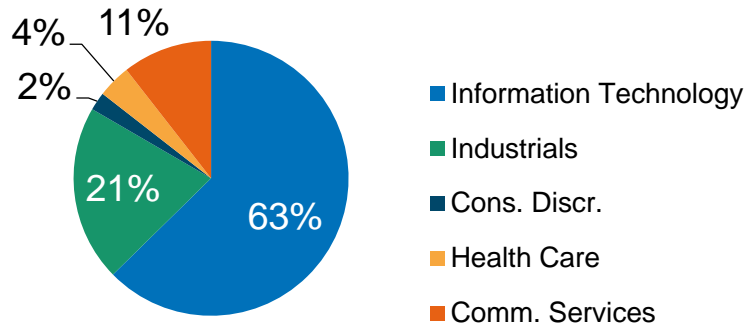
Share class: Candriam Equities L Robotics & Innovative Technology I – Data net of fees. The fund is actively managed and the investment process implies referring to a benchmark index (MSCI World (Net Return)). Past performance is no guarantee of future results and is not constant over time. -

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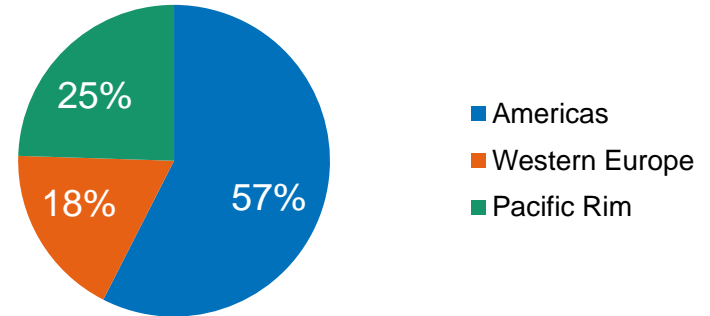
Morningstar ranks funds on the basis of criteria developed in-house (“The Morningstar Rating™ methodology”), which takes into account objective factors such as share class, fee structure, performances rules and performance periods. Morningstar category: EAA Fund Other Equity

Portfolio Allocation

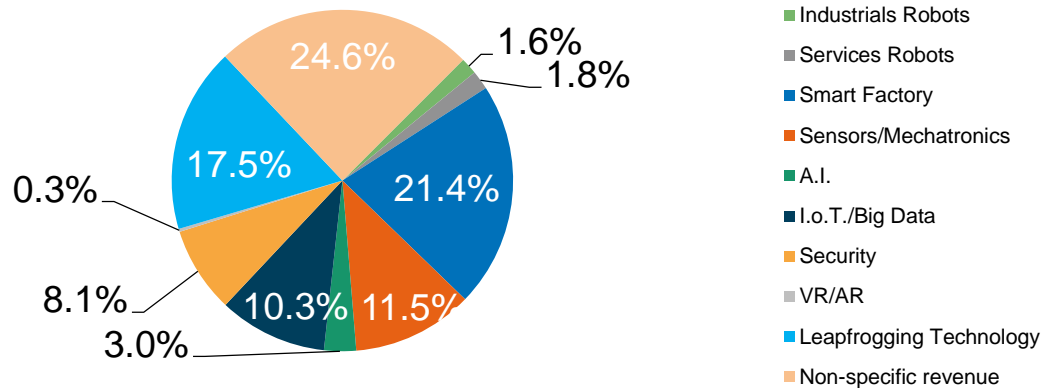
Sector Distribution



Regional Distribution



Thematic Exposure



Active share vs MSCI World 89.1% - Tracking Error (ex ante): 6.6% - Total risk: 25.9%

Candriam Equities L Robotics & Innovative Technology



Investment Philosophy

The fund offers exposure to the secular growth theme of robotics and innovative technology



Investment Process

A disciplined bottom-up process focusing on companies with above average revenue growth, strong competitive positioning and innovative technologies



Industry Experts interaction

The robotics advisory board ensures the exchange of key strategic insights in the broad area of robotics and innovative technology



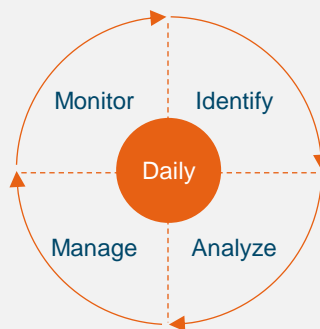
Experienced Investment Team

The Thematic Global Equity team consists of seasoned investment professionals with a proven track record

A dedicated and independent risk management team

INDEPENDENT RISK MANAGEMENT

- Risk identification for each investment strategy & Set-up of risk limits
- State of the art tools to monitor risks (RiskMetrics®, CharlesRiver®)
- Independent reporting to the CEO and the Executive Committee



INVESTMENT MANAGEMENT

- Disciplined risk management techniques tailored to each specific strategy
- Consider risk at all stages of the investment process
- Robust sell discipline

MONITORING AND FOLLOW UP COMMITTEES

Risk and Reward Profile



The fund presents a risk of capital loss, the net asset value of the fund may decrease in particular because of its exposure to the risk associated with to derivative financial

Main risks the fund is exposed to:

- ✓ The risk level shown reflects the fund's historical volatility, completed where applicable by that of its reference framework. The volatility indicates the extent to which the value of the fund may fluctuate upwards or downwards.
- ✓ The historical data may not be a reliable indication for the future.
- ✓ The indicated category may vary over time.
- ✓ The lowest category does not mean "risk-free".
- ✓ There is no guarantee or mechanism to protect the capital.

The investor needs to be aware of the following significant risks which are not necessarily adequately taken into account by the indicator:

- ✓ **Risk related to financial derivative instruments:** their use implies risk associated with the underlying assets and can accentuate downward movements via the resulting leverage effect. Hedging strategies using derivatives may not be perfect. Some derivatives may be difficult to value under exceptional markets circumstances.
- ✓ **Liquidity risk:** the fund may invest in securities and/or market segments which may prove to be less liquid, particularly under certain market conditions, and it may therefore be the case that the securities cannot be sold quickly and at reasonable prices.
- ✓ **Concentration risk:** given the significant concentration of assets in one market segment and a limited number of issuers, the risks potentially associated with a deterioration of the fundamentals and/or the liquidity of this segment would have a greater impact on the assets compared to a more diversified portfolio of assets.

Risk and Reward Profile

Main risks the fund is exposed to

Risk of capital loss

Equity Risk

Currency Risk

Derivatives Risk

Liquidity Risk

Concentration Risk

External factors risk

Emerging market Risk

Counterparty Risk

Fund Characteristics

CANDRIAM EQUITIES L ROBOTICS & INNOVATIVE TECHNOLOGY		October-20																		
Legal Form	UCITS - SICAV	Recommended investment horizon	6 years																	
Domicile	Luxembourg	Frequency of valuation	Daily																	
Launch date	March 24, 2017	Subscription	D before 12:00 PM (CET)																	
Management Company	Candriam Luxembourg	Redemption	D before 12:00 PM (CET)																	
Auditors	PricewaterhouseCoopers	Settlement	D+3																	
Depository bank	CACEIS Bank, Luxembourg Branch	Fund currency	USD																	
Transfer agent	CACEIS Bank, Luxembourg Branch	Fund AUM	411 million																	
Fund administration	CACEIS Bank, Luxembourg Branch																			
Registered for sale in	All or some of the fund share classes are authorized in the following countries (orange coloured points)																			
	AT	BE	CH	CL	DE	DK	ES	FI	FR	GB	IE	IT	LU	NL	NO	PT	SE	SK	SG	KR
	●		●		●		●		●	●	●	●	●	●		●				●

To fully understand the fund's risk profile, we advise investors to carefully review the official prospectus and the description of the underlying risks.

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Candriam consistently recommends investors to consult via our website www.candriam.com the key information document, prospectus, and all other relevant information prior to investing in one of our funds, including the net asset value (“NAV”) of the funds. This information is available either in English or in local languages for each country where the fund’s marketing is approved.

Specific information for investors in Spain: Candriam Luxembourg Sucursal en España has its registered office at C/ Pedro Teixeira, 8, Edif. Iberia Mart I, planta 4, 28020 Madrid and is registered with the Comisión Nacional del Mercado de Valores (CNMV) as an European Economic Area management company with a branch. The following collective investment institutions (IIC) are registered with the CNMV:

Nombre de IIC	Num. Reg. CNMV	Domicilio de IIC		Forma Legal	Nombre de IIC	Num. Reg. CNMV	Domicilio de IIC		Forma Legal
Candriam Absolute Return	657	Luxembourg	UCITS	SICAV	Candriam Diversified Futures	1532	France	UCITS	FCP
Candriam Bonds	266	Luxembourg	UCITS	SICAV	Candriam Global Alpha	1563	France	UCITS	FCP
Candriam Equities L	233	Luxembourg	UCITS	SICAV	Candriam Index Arbitrage	707	France	UCITS	FCP
Candriam GF	1392	Luxembourg	UCITS	SICAV	Candriam Long Short Credit	798	France	UCITS	FCP
Candriam Money Market	644	Luxembourg	UCITS	SICAV	Candriam Monétaire SICAV	1472	France	UCITS	SICAV
Candriam Quant	347	Luxembourg	UCITS	SICAV	Candriam Risk Arbitrage	711	France	UCITS	FCP
Candriam SRI	1493	Luxembourg	UCITS	SICAV	Candriam Sustainable	470	Belgium	UCITS	SICAV
Cleome Index	1275	Luxembourg	UCITS	SICAV					



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- MILAN
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