March 2022

Procedure to change of category

(Opt up/down)

To recall:

Recognising that not all investors have the same knowledge or experience of financial instruments and their associated risks, the Markets in Financial Instruments Directive (MiFID) defines two categories of investor: professionals and non-professionals. Depending upon their category, each investor is entitled to an appropriate level of protection.

Professional investors

They have sufficient experience, knowledge and expertise to take investment decisions themselves, to assess the associated risks adequately and to bear them financially.

They are inter alia investment firms, credit institutions, insurance companies, undertakings for collective investment and their management companies, pension funds, national governments and central banks. This category also includes companies which satisfy at least two of the following three conditions:

- a balance sheet total of at least 20 million euros;
- net turnover of at least 40 million euros;
- equity of at least 2 million euros.

Classification as a professional investor means in particular that they may communicate less information to the management company than a non-professional investor. Candriam's duty of diligence vis-à-vis this category of investor is less extensive than to non-professional investors.

Non-professional investors

Non-professional investors include all investors (individuals and legal entities) not classified in the previous category. In exercising its duty of diligence, the management company must formally question this type of investor in order to assess their knowledge and experience regarding financial instruments, as well as their financial situation and their investment objectives. These investors consequently benefit from a higher level of protection.

Candriam has informed you of your classification, on the basis of the information they have at their disposal and the criteria of the Directive.

Under certain conditions, an investor may ask to be classified in another category than that attributed by Candriam.

An investor in the category of professional investor may therefore opt for classification as a non-professional investor and a higher duty of diligence on the part of Candriam.

A non-professional investor may opt for the status of professional investor if the MiFID requirements are satisfied. They must respond to at least two of the following three criteria:

- the value of their portfolio of financial instruments (including bank deposits) must exceed 500,000 euros;
- over the previous four quarters, they must have carried out an average of ten transactions of a significant size per quarter, on the market concerned;
- they have at least one year's professional experience in the financial sector.

Procedure for application to change category:

If you so desire, we invite you to follow the following procedure:

1. You are an investor in the "non -professional" category and wish to opt for classification in the "professional" category

a. You are an individual investor: Please complete and sign the enclosed form, substantiating your application with supporting documents. You can then send it by post for the attention of the Client Servicing Department or submit it to your relationship manager.

Application as a professional investor (individual)

b. You represent an institutional investor: Please complete and sign the enclosed form, substantiating your application with supporting documents. You can then send it by post for the attention of the Client Servicing Department or submit it to your relationship manager.

Application as a professional investor (company)

c. Upon receipt of your application: we will open a file for change of category and your application will be assessed by your relationship manager in accordance with the criteria of the Directive. An official reply will be sent to you by post. If the response is positive, and always in line with the requirements of the Directive, an agreement will be signed by the two parties. In fact, following your application to be treated as a professional client, you must be aware that you waive certain protections granted to non-professional clients and that you cannot claim any compensation whatsoever under the regime you relinquish. That agreement will take the following form:

Classification as a professional investor (individual)

Classification as a professional investor (company)

d. If the response is positive and upon receipt of the agreement signed by you: we will adapt all our investment services to the professional category. It is also to be noted that the status of professional investor will be questioned if there is any unfavorable development in fulfilment of the criteria stipulated in the application form.

e.

2. You are an investor in the "professional" category and wish to opt for classification in the "non -professional" category

a. Please complete and sign the enclosed application form. You can then send it by post for the attention of the Client Servicing Department or submit it to your relationship manager.

Request to change investor classification for the purposes of receiving greater protection

b. Upon receipt of your application: we will open a file for change of category and your application will be assessed by your relationship manager. An official reply will be sent to you by post. If the response is positive, we will send you the application form duly signed by Candriam.

c. If the response is positive: we will adapt all our investment services to the non-professional category. It is also to be noted that the status of non- professional investor will be applied to all investment services provided by Candriam.