



PRIVATE TRANSPARENCY REPORT

2025

CANDRIAM

Generated 24-11-2025

About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The private Transparency Reports, which are produced using signatories' reported information, support signatories to have internal discussions about their practices. Signatories can also choose to make these available to clients, beneficiaries, and other stakeholders.

This private Transparency Report is an export of your responses to the PRI Reporting Framework during the 2025 reporting period. It includes all responses (public and private) to core and plus indicators.

In response to signatory feedback, the PRI has not summarised your responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options that you selected are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

Disclaimers

Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

Data accuracy

This document presents information reported directly by signatories in the 2025 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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SENIOR LEADERSHIP STATEMENT (SLS)

SENIOR LEADERSHIP STATEMENT

SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

At Candriam, we believe that sustainability challenges can represent a source of multi-decade opportunities for investors, as well as financially material risks for their portfolios, and are a key determinant for the wellbeing of society and the environment. As economic agents involved in the allocation of resources, we want to play a positive role in this journey, managing the assets entrusted to us in the best interests of our clients while contributing to create a more sustainable economy over the long term, through investment. We encapsulate this purpose in our brand name – CANDRIAM –, which stands for “Conviction AND Responsibility In Asset Management”, and in our tagline, “Investing for Tomorrow”, which is our brand promise to all our stakeholders, starting with our clients. We have considered responsible investment (RI) for almost 30 years, having launched our first sustainability-led investment solutions in 1996 and signed the UN PRI at their creation, in 2006. Since then, we have been strengthening our RI expertise, developing our value proposition as clients' needs evolve over time. We have also constantly been advocating the conviction that incorporating materially relevant sustainability factors into our investment decision-making process improves our ability to effectively manage risk, accurately assess intrinsic value, generate long-term returns and ensure sustainable outcomes for our clients, our employees, our partners and society as a whole. As an active and responsible asset manager, we consider the integration of RI dimensions to be a valuable component of investment management that can be deployed across a broad range of asset classes, where applicable. To deliver on our RI philosophy, Candriam has developed a value proposition based on 3 pillars:

- Systematic integration of materially relevant RI criteria into our investments. Our proprietary RI models focus on how companies' business activities contribute to solving global challenges whilst looking after all their stakeholders. Our investment teams select issuers whose strategy should enable them to take advantage of these challenges. Furthermore, activities deemed unsustainable are subject to certain company-wide thresholds/exclusions: thermal coal, tobacco, banned weapons(1), gross violations of international norms(2). 75% of our AUM are applying an RI-led approach – above our company-wide exclusions –, based on our in-house proprietary screening.
- Active stewardship to help corporates and governments progress on their sustainability journey and express our disagreement when necessary, as well as to inform our investment decision-making in the best interest of our clients. Direct dialogue, collaborative initiatives when appropriate, and the exercise of voting rights are part of our RI process. We initiate or take part in numerous initiatives, both at global and local levels and report on these annually Report(3).
- Impact measurement & transparency. We aim to set clear objectives that measure the contribution of our investments to solving sustainability-related challenges whilst delivering on the UN SDGs. We report on the impact of our investments in a transparent way, enabling investors to assess their contribution through investing in our investment strategies. Candriam has developed proprietary analytical frameworks for assessing the sustainability of corporate and sovereign issuers that enable us to offer a broad range of RI strategies spanning equity and fixed income. A key characteristic of these frameworks is that they have been built to be comprehensive, forward-looking and assess the sustainability-related risks & opportunities of investments as well as these investments' contributions to sustainability challenges. While the corporate and sovereign RI frameworks differ in structure and processes, both are grounded in issuer-specific analysis.

- For corporates, a twofold assessment structure:
 - o Assessment of Business Activities: We evaluate issuers' exposure to key sustainability challenges through their business activities, identifying related risks, opportunities, and their positive or negative contributions.
 - o Stakeholder Integration Analysis: We assess how effectively companies incorporate stakeholder interests into long-term strategy, highlighting associated risks, opportunities, and impacts on stakeholders. A screening on compliance with international norms or standards and risk assessment of controversial activities is complementary to this approach.
 - For sovereigns, a four-capital assessment - Natural, Human, Social and Economic- supported by a robust quantitative model and completed by qualitative country- or topic- specific analysis. Adherence to democratic and transparency principles supplemented this approach.
- As part of our societal commitment, Candriam is fully committed to advancing research & education in RI, in order to help investors improve their skills and investment practices(4).

Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
 - refinement of ESG analysis and incorporation
 - stewardship activities with investees and/or with policymakers
 - collaborative engagements
 - attainment of responsible investment certifications and/or awards

In 2024, 75% of our assets under management were allocated to strategies applying environmental, social and/or governance principles beyond our controversial activities exclusions, and 89% were classified as Art. 8 or 9 under the EU Sustainable Finance Disclosure Regulation (SFDR). These figures reflect our sustained focus on integrating RI principles across our investment activities. Moreover, following the strengthened guidance from EU regulatory bodies, Candriam did not have to reclassify any fund under SFDR, demonstrating strong conviction in the suitability of our products to meet regulatory requirements. Candriam strengthened its RI value proposition to investors through innovation, launching several new strategies designed to meet evolving investor preferences:

- Candriam launched a strategy aiming to facilitate investors' access to the opportunities offered by the growing water challenge, by investing in companies that provide solutions to treat, transport, distribute and valorize water as well as companies that lead the reduction in water intensity – it is estimated that the investment needed for essential infrastructure is ranging from \$6.7 trillion by 2030 to \$22.6 trillion by 2050
- Within its Alternative Investment platform, Candriam launched a sustainable market-neutral strategy seeking to combine robust financial and ESG analysis within a systematic market neutral framework, with the aim of offering investors sustainably aligned, diversified, and uncorrelated returns
- Lastly, Candriam further broadened its sustainable investment offering through the introduction of new SFDR Article 8 bond and equity funds, designed to meet evolving investor preferences.

As an increasing concern for investors, biodiversity was another important area of focus for Candriam in 2024. The physical impacts of biodiversity loss, such as the deterioration of air, water and soil quality, and the decline of ecosystem services like pollination, are already putting pressure on our economies, with important implications for our investors' portfolios. At Candriam, we have gradually and consistently incorporated biodiversity considerations into our RI-related strategies. Supported by our proprietary biodiversity model, the release of our Biodiversity Strategy in 2024 acts as a catalyst to accelerate our commitment to biodiversity preservation. It outlines our approach to integrating this complex issue into a defined range of investment strategies, helping evaluate whether companies effectively manage biodiversity risks and impacts based on their specific exposure and so understanding and managing the risks and opportunities linked to biodiversity loss for clients' portfolios. As a signatory of the Taskforce on Nature-related Financial Disclosures initiative, we disclosed our first report (5). As a signatory to the Net Zero Asset Management Initiative, we are committed to a net zero action plan for our investments, meaning we commit ourselves to decarbonising investments progressively while targeting carbon neutrality by 2050. In 2024, despite mounting pressure for and resistance to climate action, we continued our progress towards our target of reducing the carbon intensity of our SFDR art 9 and a subset of our art 8 strategies by 50% by 2030 and reaching net zero by 2050. This progress is detailed in our Net Zero Progress Report.(6)

Lastly, bridging investors' knowledge gap on the financial risks and opportunities related to RI continues to be an important focus of Candriam's action as a responsible investor. The Candriam Institute for Sustainable Development (4) continues to partner with renowned European academic bodies to train the next generation of responsible investors and sponsor academic research on RI and through the Candriam Academy, which was launched in 2017 as the first online, free-access training course on RI. The Academy, which is available in 7 languages, now counts over 16,400 members in 116 countries. It saw many developments again in 2024:

- Creation of two new courses, on Engagement and Biodiversity
- Launch of a Japanese version

- Organisation of two ESG Talks webinars: o Integrating ESG into Private Debt o Join the Race to Net Zero: Uncover the Secrets of Carbon Measurement & Paris-Alignment Candriam also published multiple research and thought leadership papers, and publicized them through many communication channels to raise investors' awareness on these important challenges, notably:
- COP16 : Final boarding call for Biodiversity <https://www.candriam.com/en-fr/professional/insight-overview/topics/esg/cop16--final-boarding-call-for-biodiversity/>
- Sovereign Sustainability: Rising Water Pressure - https://www.candriam.com/siteassets/_assets/02-publications/research-paper/2024/09/sov/2024_09_wp_sovereignsustainability_en.pdf?v=4add41
- PFAS Forever chemicals... forever pollution? <https://www.candriam.com/en/professional/insight-overview/topics/esg/forever-chemicals-forever-pollution/>

Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

Candriam is committed to continuously advancing our approach to responsible investment across our strategies, research, and operations. After years of strong momentum, responsible investing is facing a more challenging environment and we are entering a phase that demands recalibration. Over the next two years, we will implement several concrete initiatives to maintain our ESG leadership, expand our sustainable investment offering, and leverage innovation to support better outcomes for investors and society.

Maintaining our leadership in ESG Research Our ESG Investment & Research team will continue to build on its expertise and contribute to the evolution of sustainable investment practices. Recent developments include the creation of proprietary frameworks addressing the climate transition and biodiversity loss — two systemic challenges that will remain key integration priorities in our investment processes over the next years. We are also developing an ESG research approach focused on the risks and opportunities associated with Artificial Intelligence (AI). As AI becomes a structural force in the global economy, understanding its societal implications and materiality across sectors will be essential to maintaining our leadership in ESG research and responsible investing.

Harnessing innovation and AI for ESG integration Beyond being a subject of ESG analysis, AI is also a tool we are actively exploring to enhance ESG data collection, analysis, and decision-making. In the coming years, we will continue to pilot and scale initiatives to harness AI and other technologies, with the aim of strengthening our ESG research capabilities. These tools will serve as complements to the rigorous, qualitative expertise of our in-house ESG analysts, who remain central to our investment philosophy.

Expanding our responsible investment offering Candriam will continue to diversify its range of investment strategies with a strong and deliberate focus on responsible investment. This includes tailoring and a growing presence in private assets, where we are building long-term partnerships with firms that embed ESG principles throughout their investment approach. Additionally, we continue to work on the measurement of our investment societal benefits to further enrich our reporting related to sustainable bonds investment strategies.

Looking ahead Over the next two years, we will continue to drive the strategic evolution of our responsible investment approach. This means maintaining ESG integration across all asset classes, expanding our range of solutions aligned with sustainability objectives, and reinforcing our role as a forward-thinking investor contributing to global transitions — including climate, biodiversity, and digital transformation.

We are committed to maintaining our leadership in sustainable investment by combining robust research, innovative tools, and strong partnerships. In doing so, we aim to generate long-term value for our clients while supporting a more inclusive, resilient, and sustainable global economy.

Footnotes related to sections 1 & 2 of the statement (1) anti-personnel landmines, cluster bombs, depleted uranium weapons, chemical and biological weapons, white phosphorus weapons (2) <https://www.candriam.com/siteassets/medias/publications/brochure/corporate-brochures-and-reports/exclusion-policy/candriam-exclusion-policy-en.pdf> (3)

<https://www.candriam.com/siteassets/medias/publications/brochure/commercial-brochures/sri-brochure/voting-and-engagement-report-2024.pdf?v=49af00> (4) Candriam Institute for Sustainable Development <https://institute.candriam.com/esg.html> (5)

https://www.candriam.com/siteassets/medias/insights/sfdr-publications/2024_tnfd_report_final.pdf (6)

<https://www.candriam.com/en/professional/insight-overview/publications/research-papers/net-zero-progress-report/>

Section 4. Endorsement

'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.

Name

Hamelink Vincent

Position

CEO

Organisation's Name

CANDRIAM

☒ A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

☐ B

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS (ORO)

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 1	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which international or regional ESG-related legislation(s) and/or regulation(s) did your organisation report?

- ☐ (A) Corporate Sustainability Reporting Directive (CSRD) [European Union]
- ☒ (B) Directive on AIFM (2011/61/EU) [European Union]
- ☐ (C) Enhancing climate-related disclosures by asset managers, life insurers and FCA-regulated pension providers (PS21/24) [United Kingdom]
- ☐ (D) EU Taxonomy Regulation [European Union]
- ☐ (E) Improving shareholder engagement and increasing transparency around stewardship (PS19/13) [United Kingdom]
- ☐ (F) IORP II (Directive 2016/2341) [European Union]
- ☐ (G) Law on Energy and Climate (Article 29) [France]
- ☒ (H) MiFID II (2017/565) [European Union]
- ☒ (I) Modern Slavery Act [United Kingdom]
- ☐ (J) PEPP Regulation (2019/1238) [European Union]
- ☒ (K) PRIIPS Regulation (2016/2340 and 2014/286) [European Union]
- ☐ (L) Regulation on the Integration of Sustainability Risks in the Governance of Insurance and Reinsurance Undertakings (2021/1256) [European Union]
- ☒ (M) SFDR Regulation (2019/2088) [European Union]
- ☒ (N) SRD II (Directive 2017/828) [European Union]
- ☐ (O) The Occupational Pension Schemes Regulation on Climate Change Governance and Reporting [United Kingdom]
- ☐ (P) Climate Risk Management (Guideline B-15) [Canada]
- ☐ (Q) Continuous Disclosure Obligations (National Instrument 51-102) [Canada]
- ☐ (R) Disposiciones de Carácter General Aplicables a los Fondos de Inversión y a las Personas que les Prestan Servicios (SIEFORE) [Mexico]
- ☐ (S) Instrucciones para la Integración de Datores ASG en Los Mecanismos de Revelación de Información para FIC (External Circular 005, updated) [Colombia]
- ☐ (T) Provides for the creation, operation, and disclosure of information of investment funds, as well as the provision of services for the funds, and revokes the regulations that specifies (CVM Resolution No. 175) [Brazil]
- ☐ (U) SEC Expansion of the Names Rule [United States of America]
- ☐ (V) SEC Pay Ratio Disclosure Rule [United States of America]
- ☐ (W) ASIC RG65 Section 1013DA Disclosure Guidelines [Australia]
- ☐ (X) Circular to Licensed Corporations: Management and Disclosure of Climate-related Risks by Fund Managers [Hong Kong SAR]
- ☐ (Y) Financial Investment Services and Capital Markets Act (FSCMA) [Republic of Korea]
- ☐ (Z) Financial Instruments and Exchange Act (FIEA) [Japan]
- ☐ (AA) Financial Markets Conduct Act [New Zealand]
- ☐ (AB) Guiding Opinions on Regulating the Asset Management Business of Financial Institutions [China]
- ☐ (AC) Guidelines on Environmental Risk Management for Asset Managers [Singapore]
- ☐ (AD) Guidelines on Sustainable and Responsible Investment Funds [Malaysia]
- ☐ (AE) Modern Slavery Act (2018) [Australia]

- ☐ (AF) Stewardship Code for all Mutual Funds and All Categories of AIFs [India]
- ☐ (AG) ADGM Sustainable Finance Regulatory Framework [United Arab Emirates]
- ☐ (AH) JSE Limited Listings Requirements [South Africa]

☒ (AI) Other

Specify:

Californian AB 1305 (United States of America)

- ☐ (AJ) Other
- ☐ (AK) Other
- ☐ (AL) Other
- ☐ (AM) Other
- ☐ (AN) Not applicable; our organisation did not report to any ESG-related legislation and/or regulation during the reporting year.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 2	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which voluntary responsible investment/ESG frameworks did your organisation report?

- ☐ (A) Asset Owners Stewardship Code [Australia]
- ☐ (B) Código Brasileiro de Stewardship [Brazil]
- ☐ (C) New Zealand Stewardship Code
- ☐ (D) Principles for Responsible Institutional Investors (Stewardship Code) [Japan]
- ☒ (E) Stewardship Code [United Kingdom]
- ☐ (F) Stewardship Framework for Institutional Investors [United States of America]
- ☐ (G) CFA Institute ESG Disclosure Standards for Investment Products [Global]
- ☐ (H) Guidelines on Funds' Names using ESG or Sustainability-related Terms [European Union]
- ☒ (I) Luxflag ESG Label [Luxembourg]
- ☐ (J) RIAA Responsible Investment Certification Program [Australia]
- ☒ (K) SRI Label [France]
- ☐ (L) ANBIMA Code of Regulation and Best Practices of Investment Funds [Brazil]
- ☐ (M) Code for Institutional Investors 2022 [Malaysia]
- ☐ (N) Code for Responsible Investing in South Africa (CRISA 2) [South Africa]
- ☐ (O) Corporate Governance Guidelines [Canada]
- ☐ (P) Defined Contribution Code of Practice [United Kingdom]
- ☐ (Q) European Association for Investors in Non-Listed Real Estate Vehicles (INREV) Guidelines [Global]
- ☐ (R) Global ESG Benchmark for Real Assets (GRESB) [Global]
- ☐ (S) Global Impact Investing Network (GIIN) Impact Reporting and Investment Standards (IRIS+) [Global]
- ☐ (T) OECD Guidelines for MNEs - Responsible Business Conduct for Institutional Investors [Global]
- ☐ (U) UN Guiding Principles (UNGP) on Business and Human Rights [Global]
- ☒ (V) Net Zero Asset Managers (NZAM) Initiative [Global]
- ☐ (W) Net-Zero Asset Owner Alliance (NZAOA) [Global]
- ☐ (X) Recommendations of the Taskforce for Climate-related Financial Disclosure (TCFD) [Global]
- ☐ (Y) The Net Zero Investment Framework (NZIF) 2.0 [Global]
- ☒ (Z) Recommendations of the Taskforce for Nature-related Financial Disclosure (TNFD) [Global]
- ☐ (AA) Global Reporting Initiative (GRI) Standards [Global]
- ☐ (AB) IFC Performance Standard [Global]
- ☐ (AC) International Sustainability Standards Board (ISSB) Standards [Global]
- ☐ (AD) Sustainability Accounting Standards Board (SASB) Standards [Global]
- ☒ (AE) Other

Specify:

Towards Sustainability SRI label (Belgium)

- ☐ (AF) Other

- ☐ (AG) Other
- ☐ (AH) Other
- ☐ (AI) Other
 - (AJ) Not applicable; our organisation did not report to any voluntary responsible investment/ESG frameworks during the reporting year.

ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL
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What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2024

SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL
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Does your organisation have subsidiaries?

- ☐ (A) Yes
- ☒ (B) No

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries not part of row (B), and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 133,708,132,228.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 26,479,592,080.00

Additional context to your response(s): (Voluntary)

note : exchange rate €/€ : 1.03550005

ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PRIVATE	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	38.13%	3.66%
(B) Fixed income	48.2%	0.09%
(C) Private equity	0%	0.02%
(D) Real estate	0%	0.03%
(E) Infrastructure	0%	0%
(F) Hedge funds	2.89%	0.12%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	6.86%	0%
(J) Off-balance sheet	0%	0%

(I) Other - (1) Percentage of Internally managed AUM - Specify:

This % covers cash, derivatives and money markets instruments or investments

ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PRIVATE	Asset breakdown: Externally managed assets	GENERAL

Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.

	(1) Listed equity	(2) Fixed income - SSA	(3) Fixed income - corporate	(4) Fixed income - securitised	(5) Fixed income - private debt
(A) Active	100%	13.94%	86.06%	0%	0%
(B) Passive	0%	0%	0%		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PRIVATE	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(A) Listed equity - active	26.68%	73.32%
(C) Fixed income - active	29.7%	70.3%
(E) Private equity	0%	100%
(F) Real estate	0%	100%
(H) Hedge funds	6.88%	93.12%

ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PRIVATE	Asset breakdown: Internally managed listed equity	GENERAL

Provide a further breakdown of your internally managed listed equity AUM.

(A) Passive equity	12.29%
(B) Active – quantitative	11.12%
(C) Active – fundamental	76.59%
(D) Other strategies	0%

ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PRIVATE	Asset breakdown: Internally managed fixed income	GENERAL

Provide a further breakdown of your internally managed fixed income AUM.

(A) Passive – SSA	1.92%
(B) Passive – corporate	1.55%
(C) Active – SSA	36.27%
(D) Active – corporate	59.32%
(E) Securitised	0.94%
(F) Private debt	0%

ASSET BREAKDOWN: INTERNALLY MANAGED HEDGE FUND

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 HF	CORE	OO 5	OO 11	PRIVATE	Asset breakdown: Internally managed hedge fund	GENERAL

Provide a further breakdown of your internally managed hedge fund assets.

(A) Multi-strategy 13.21%

(B) Long/short equity 23.07%

(C) Long/short credit 51.26%

(D) Distressed, special situations
and event-driven fundamental 12.46%

(E) Structured credit 0%

(F) Global macro 0%

(G) Commodity trading advisor 0%

(H) Other strategies 0%

MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PRIVATE	Management by PRI signatories	GENERAL

What percentage of your organisation's externally managed assets are managed by PRI signatories?

95%

GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

AUM in Emerging Markets and Developing Economies

(A) Listed equity	(2) >0 to 10%
(B) Fixed income – SSA	(2) >0 to 10%
(C) Fixed income – corporate	(2) >0 to 10%
(D) Fixed income – securitised	(2) >0 to 10%
(F) Private equity	(1) 0%
(G) Real estate	(1) 0%
(I) Hedge funds	(1) 0%

STEWARDSHIP

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Fixed income - active	(4) Fixed income - passive
(A) Yes, through internal staff	☒	☒	☒	☒
(B) Yes, through service providers	☐	☐	☐	☐
(C) Yes, through external managers	☐	☐	☐	☐
(D) We do not conduct stewardship	☐	☐	☐	☐
	(5) Private equity	(6) Real estate	(8) Hedge funds	(11) Other
(A) Yes, through internal staff	☐	☐	☒	☒
(B) Yes, through service providers	☐	☐	☐	☐
(C) Yes, through external managers	☐	☐	☐	☐
(D) We do not conduct stewardship	☒	☒	☐	☐

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 HF	CORE	OO 5	OO 9	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation have direct investments in listed equity across your hedge fund strategies?

- ☒ (A) Yes
☐ (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Hedge funds
(A) Yes, through internal staff	☐	☐	☐
(B) Yes, through service providers	☒	☒	☐
(C) Yes, through external managers	☐	☐	☐
(D) We do not conduct (proxy) voting	☐	☐	☒

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?

Percentage of your listed equity holdings over which you have the discretion to vote

(A) Listed equity – active (8) >60 to 70%

(B) Listed equity - passive (10) >80 to 90%

STEWARDSHIP NOT CONDUCTED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 10	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship not conducted	2

Describe why your organisation does not currently conduct stewardship and/or (proxy) voting.

Stewardship, excluding (proxy) voting

(E) Private equity

This asset class is invested in external mutual funds and represents less than 0.5 % of our total assets under management. Our external management selection considers ESG practices including the stewardship/voting ones. The asset manager selected is conducting stewardship/voting activities.

(F) Real estate

This asset class is invested in external mutual funds and represents less than 0.5 % of our total assets under management. Our external management selection considers ESG practices including the stewardship/voting ones. The asset manager selected is conducting stewardship/voting activities.

(Proxy) voting

(N) Hedge funds

So far we encounter implementation burden as investment specificities do not go well along with voting requirements aspects. However we always try to challenge this state of affair and regularly check feasibility with investment teams.

ESG INCORPORATION

INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors, to some extent, into your investment decisions?

	(1) Yes, we incorporate ESG factors into our investment decisions	(2) No, we do not incorporate ESG factors into our investment decisions
(A) Listed equity - passive	☒	☐
(B) Listed equity - active - quantitative	☒	☐
(C) Listed equity - active - fundamental	☒	☐
(E) Fixed income - SSA	☒	☐
(F) Fixed income - corporate	☒	☐
(G) Fixed income - securitised	☒	☐
(L) Hedge funds - Multi-strategy	☒	☐
(M) Hedge funds - Long/short equity	☒	☐
(N) Hedge funds - Long/short credit	☒	☐
(O) Hedge funds - Distressed, special situations and event-driven fundamental	☒	☐
(V) Other: This % covers cash, derivatives and money markets instruments or investments	☒	☐

EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when selecting external investment managers?

	(1) Yes, we incorporate ESG factors when selecting external investment managers	(2) No, we do not incorporate ESG factors when selecting external investment managers
(A) Listed equity - active	☒	☐
(C) Fixed income - active	☒	☐
(E) Private equity	☒	☐
(F) Real estate	☒	☐
(H) Hedge funds	☒	☐

Additional context to your response(s): (Voluntary)

The Candriam Multi-Management Team conducts a structured due diligence questionnaire specifically designed to assess Responsible Investment (RI) and Environmental, Social, and Governance (ESG) practices, which is sent to fund managers both prior to investment and, on a selective basis, post-investment as part of our ongoing monitoring framework. The questionnaire is a key tool used to assess managers' ESG integration across investment policy, process, oversight, and implementation. The questionnaire evaluates external managers on a broad spectrum of ESG-related criteria, including the existence and scope of formal ESG policies, their historical and strategic commitment to responsible investing, adherence to international sustainability frameworks (such as the PRI, UN Global Compact, and relevant conventions including the Oslo and Ottawa Conventions), and the robustness of internal ESG governance (and training mechanisms). It also scrutinizes their processes for ESG screening, exclusion policies, reliance on third-party ESG data providers, and proprietary analytical methodologies. These insights inform both the selection and ongoing monitoring of managers. For existing relationships, monitoring efforts are supported by the questionnaire's insights, which are reviewed by the multi-management team to assess positive or negative developments in ESG integration and performance.

EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when appointing external investment managers?

	(1) Yes, we incorporate ESG factors when appointing external investment managers	(2) No, we do not incorporate ESG factors when appointing external investment managers
(A) Listed equity - active	☒	☐
(C) Fixed income - active	☒	☐
(E) Private equity	☒	☐
(F) Real estate	☒	☐
(H) Hedge funds	☒	☐

Additional context to your response(s): (Voluntary)

see answer to OO12

EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when monitoring external investment managers?

	(1) Yes, we incorporate ESG factors when monitoring external investment managers	(2) No, we do not incorporate ESG factors when monitoring external investment managers
(A) Listed equity - active	☒	☐
(C) Fixed income - active	☒	☐
(E) Private equity	☒	☐
(F) Real estate	☒	☐
(H) Hedge funds	☒	☐

Additional context to your response(s): (Voluntary)

For existing relationships, monitoring efforts are supported by the selection questionnaire's insights, which are reviewed by the multi-management team to assess positive or negative developments in ESG integration and performance.

ESG IN OTHER ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 15	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG in other asset classes	1

Describe how your organisation incorporates ESG factors into the following asset classes.

Internally managed
(C) Other

For cash, counterparties need to be eligible to our Norm-based ESG analysis criteria which excludes issuers for severe breach to UNGC principles.

Money market instruments invested in direct lines are subject to the same ESG integration process as for corporates or sovereigns: the issuer has at least to be eligible to our Norm-based screening and controversial activities company-wide exclusion policy covering banned weapons (anti-personnel landmines, cluster bombs, depleted uranium weapons & armor, chemical, biological & white phosphorus weapons), tobacco (5 % revenues) and thermal coal (5 % revenues and no development of new projects). If part of a SRI marketed product, an extended list of controversial activities applies that includes conventional armament, conventional/unconventional O&G, alcohol, adult content... (full list and applied thresholds are available in our disclosed exclusion policy) and only issuers part of the eligible universe based on our ESG assessment framework for corporates and SSA can be invested. The ESG integration process is similar to this described in the FI module that applies to all Fixed Income assets : ESG factors part of our ESG assessment frameworks are impacting the issuer credit rating and influence the issuer's weighting. In case of external money market vehicle, there need at least to respect Candriam's company-wide exclusion policy (norm-based and controversial activities) and for SRI marketed products, an equivalent ESG approach is required. A due diligence process is conducted by the risk management and multi-management team and leads to an approved selection list of third-party products.

Derivatives cover interest rate futures and swaps, equity swaps, CDS, credit derivatives and equity index futures, forwards, listed equities/OTC. For open funds, there use is constrained by the limits approved in the dedicated prospectus but the following rules need to be applied by SFDR art 8 classified products: Credit derivative indices & Equity index futures may be used temporarily for hedging purposes and in the event of large subscriptions or redemptions. Forwards are exclusively used to quickly adjust the portfolio's exposure to foreign exchange risk in the event of strong market fluctuations or a major change in the portfolio's composition. Single underlying derivatives must be compliant with the company-wide exclusion policy. For SFDR art 9 products, the general principle on the use of derivatives is that short positions via derivatives can only be used to cover long positions. No net short positions are authorized, except in exceptional cases where adequate hedging cannot be achieved due to lack of instrument coverage. Counterparties /underlying issuer or index need to be part of the SRI eligible universe.

ESG STRATEGIES

LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PRIVATE	Listed equity	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?

Percentage out of total internally managed active listed equity

(A) Screening alone	2.59%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	47.62%
(E) Thematic and integration	0%
(F) Screening and thematic	0%

(G) All three approaches combined 49.79%

(H) None 0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PRIVATE	Listed equity	1

What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?

Percentage coverage out of your total listed equity assets where a screening approach is applied

(A) Positive/best-in-class screening only

0%

(B) Negative screening only

50.2%

(C) A combination of screening approaches

49.8%

FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PRIVATE	Fixed income	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?

(1) Fixed income - SSA

(2) Fixed income - corporate

(3) Fixed income - securitised

(A) Screening alone

7.27%

12.2%

13.23%

(B) Thematic alone

0%

0%

0%

(C) Integration alone

0%

0%

0%

(D) Screening and integration

57.13%

53.66%

67.41%

(E) Thematic and integration	0%	0%	0%
(F) Screening and thematic	0%	0%	0%
(G) All three approaches combined	23.72%	34.14%	19.36%
(H) None	11.88%	0%	0%

Additional context to your response(s): (Voluntary)

(H) Fixed income SSA : this % covers only segregated mandates invested only in one EU sovereign issuer which is eligible to our SRI universe.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PRIVATE	Fixed income	1

What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?

	(1) Fixed income - SSA	(2) Fixed income - corporate	(3) Fixed income - securitised
(A) Positive/best-in-class screening only	0%	0%	0%
(B) Negative screening only	73.08%	65.85%	80.64%
(C) A combination of screening approaches	26.92%	34.15%	19.36%

ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PRIVATE	Labelling and marketing	1

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

☒ (A) Yes, we market products and/or funds as ESG and/or sustainable

Provide the percentage of total AUM that your ESG and/or sustainability-marketed products or funds represent:

73%

☐ (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable

- (C) Not applicable; we do not offer products or funds

Additional context to your response(s): (Voluntary)

This % represents the "Article 8 or 9" SFDR classified products in total AUM, according to the EU Sustainable Finance Disclosure Regulation. If only in-scope SFDR AUM are considered, this % represents 89% of in-scope SFDR AUM. Our ESG/sustainability marketed products/funds are either classified SFDR Article 8 or SFDR Article 9. "Article 9" products have defined and quantifiable ESG (Environmental, Social and Governance) objectives. They are products with a social or environmental objective, aligned with the definition of sustainable investments. "Article 8" products do not have a defined ESG objective but take ESG criteria into consideration when constructing their portfolios. In addition, a proportion of those marketed ESG/sustainability funds carry at least one SRI label among the national French SRI label, the Belgian Towards Sustainability label or the ESG LuxFlag label.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PRIVATE	Labelling and marketing	1

Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?

- (A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications

Provide the percentage of total AUM that your labelled and/or certified products and/or funds represent:

23%

- (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.2	CORE	OO 18.1	N/A	PUBLIC	Labelling and marketing	1

Which ESG/RI certifications or labels do you hold?

- ☐ (A) Commodity type label (e.g. BCI)
- ☐ (B) GRESB
- ☐ (C) Austrian Ecolabel (UZ49)
- ☐ (D) B Corporation
- ☐ (E) BREEAM
- ☐ (F) CBI Climate Bonds Standard
- ☐ (G) DDV-Nachhaltigkeitskodex-ESG-Strategie
- ☐ (H) DDV-Nachhaltigkeitskodex-ESG-Impact
- ☐ (I) EU Ecolabel
- ☐ (J) EU Green Bond Standard
- ☒ (K) Febelfin label (Belgium)
- ☐ (L) Finansol
- ☐ (M) FNG-Siegel Ecolabel (Germany, Austria and Switzerland)
- ☐ (N) Greenfin label (France)
- ☐ (O) Grüner Pfandbrief
- ☐ (P) ICMA Green Bond Principles
- ☐ (Q) ICMA Social Bonds Principles
- ☐ (R) ICMA Sustainability Bonds Principles
- ☐ (S) ICMA Sustainability-linked Bonds Principles
- ☐ (T) Kein Verstoß gegen Atomwaffensperrvertrag
- ☒ (U) Le label ISR (French government SRI label)
- ☐ (V) Luxflag Climate Finance

- ☐ (W) Luxflag Environment
 - ☒ (X) **Luxflag ESG**
 - ☐ (Y) Luxflag Green Bond
 - ☐ (Z) Luxflag Microfinance
 - ☐ (AA) Luxflag Sustainable Insurance Products
 - ☒ (AB) **National stewardship code**
- Specify:

The UK Stewardship code (FRC), the EFAMA code

- ☐ (AC) Nordic Swan Ecolabel
- ☐ (AD) Other SRI label based on EUROSIF SRI Transparency Code (e.g. Novethic)
- ☐ (AE) People's Bank of China green bond guidelines
- ☐ (AF) RIAA (Australia)
- ☒ (AG) **Towards Sustainability label (Belgium)**
- ☐ (AH) Other

PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 19	CORE	OO 5.3 FI, OO 11	LE 8, FI 10	PRIVATE	Passive investments	1

What percentage of your total internally managed passive listed equity and/or fixed income passive AUM utilise an ESG index or benchmark?

Percentage of AUM that utilise an ESG index or benchmark

(A) Listed equity - passive	17.91%
(B) Fixed income - passive	8.61%

THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20	CORE	OO 17 FI	FI 15, FI 17	PRIVATE	Thematic bonds	1

What percentage of your total environmental and/or social thematic bonds are labelled by the issuers in accordance with industry-recognised standards?

Percentage of your total environmental and/or social thematic bonds labelled by the issuers

(A) Green or climate bonds	79%
(B) Social bonds	7%
(C) Sustainability bonds	5%
(D) Sustainability-linked bonds	9%
(E) SDG or SDG-linked bonds	0%
(F) Other	0%
(G) Bonds not labelled by the issuer	0%

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	☒	☐	☐
Confidence Building Measures	☒	☐	☐
(A) Listed equity – passive	☒	☐	☐
(B) Listed equity – active – quantitative	☒	☐	☐
(C) Listed equity – active – fundamental	☒	☐	☐
(E) Fixed income – SSA	☒	☐	☐
(F) Fixed income – corporate	☒	☐	☐
(G) Fixed income – securitised	☒	☐	☐
(L) Hedge funds – Multi-strategy	☐	☐	☒
(M) Hedge funds – Long/short equity	☐	☐	☒
(N) Hedge funds – Long/short credit	☐	☐	☒
(O) Hedge funds – Distressed, special situations and event-driven fundamental	☐	☐	☒

(T) External manager selection, appointment and monitoring (SAM) – listed equity - active	☐	☐	☒
(V) External manager selection, appointment and monitoring (SAM) – fixed income - active	☐	☐	☒
(X) External manager selection, appointment and monitoring (SAM) – private equity	☐	☐	☒
(Y) External manager selection, appointment and monitoring (SAM) – real estate	☐	☐	☒
(AA) External manager selection, appointment and monitoring (SAM) – hedge funds	☐	☐	☒

SUBMISSION INFORMATION

REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- ☐ (A) Publish as absolute numbers
- ☒ (B) Publish as ranges

POLICY, GOVERNANCE AND STRATEGY (PGS)

POLICY

RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- ☒ (A) Overall approach to responsible investment
- ☒ (B) Guidelines on environmental factors
- ☒ (C) Guidelines on social factors
- ☒ (D) Guidelines on governance factors
- ☒ (E) Guidelines on sustainability outcomes
- ☒ (F) Guidelines tailored to the specific asset class(es) we hold
- ☒ (G) Guidelines on exclusions
- ☒ (H) Guidelines on managing conflicts of interest related to responsible investment
- ☒ (I) Stewardship: Guidelines on engagement with investees
- ☒ (J) Stewardship: Guidelines on overall political engagement
- ☒ (K) Stewardship: Guidelines on engagement with other key stakeholders
- ☒ (L) Stewardship: Guidelines on (proxy) voting
- ☐ (M) Other responsible investment elements not listed here
- ☐ (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- ☒ (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
- ☒ (B) Specific guidelines on human rights (may be part of guidelines on social factors)
- ☒ (C) Specific guidelines on other systematic sustainability issues

Specify:

A key characteristic of Candriam's ESG analytical frameworks is that they have been built to integrate a long-term perspective of how sustainability impacts socio-economic development using the double materiality principle (cf EU regulation - see box(1)). The developed assessment framework provides in-depth evaluations of corporate and sovereign issuers' sustainability, as well as sector-specific ESG analysis and, fundamental research related to sustainability issues. The corporate proprietary ESG analysis framework combines a Business activity analysis and a Stakeholders analysis. The Business activity analysis assesses the extent to which a company's activities (products & services) are exposed and contribute, positively/negatively, to key ESG trends – i.e. our "Key Sustainability Challenges"(KSC).

The analytical framework integrates the notion of materiality – meaning that different KSCs have different levels relevance for different sectors and business activities. Accordingly, our sector models define the materiality of each KSC for each sector. The Stakeholder analysis evaluates a company's ability to sustainably incorporate stakeholder interests into its long-term strategy, and its potential positive/negative short- and long-term impacts on its stakeholders. The framework includes an in-depth analysis of the materiality of each stakeholder for each sector, as different stakeholders will be more or less pivotal for different sectors but the Governance factors are systematically considered in the Stakeholders analysis. By using the ESG score resulting from our proprietary ESG analysis framework to inform their investment decision or as objective our investment processes are systematically considering 1/ the material sustainability issues 2/ the Governance factors. For sovereign, our sustainability framework provides a forward-looking assessments of countries' ESG performance and debt reliability, using a materiality-based model.

- (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Additional context to your response(s): (Voluntary)

(1) EU regulatory definition of double materiality covers sustainability risks and opportunities and contribution to sustainability. complementary information related to (C) For sovereign, our sustainability framework provides a forward-looking assessments of countries' ESG performance and debt reliability, using a materiality-based model that weighs the relevance of each ESG trend, theme, and indicator for current and future sustainability. The ability of countries to develop sustainably, and the resulting risks and opportunities are assessed across the four pillars of sovereign capital: - Human Capital, Natural Capital, Social Capital, and Economic Capital. These four capital domains incorporate a wide range of material ESG factors which we evaluate using Candriam's defined themes, issues, and indicators. This generates a dynamic capital-based analytical tree, which covers the sustainable development challenges and opportunities faced by each nation. For more information please refer to Candriam's ESG Integration Policy, available via <https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/candriams-integration-policy.pdf?v=4977d7>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

Which elements of your formal responsible investment policy(ies) are publicly available?

☒ (A) Overall approach to responsible investment

Add link:

<https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/candriams-integration-policy.pdf>

☒ (B) Guidelines on environmental factors

Add link:

<https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/candriams-integration-policy.pdf>

☒ (C) Guidelines on social factors

Add link:

<https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/candriams-integration-policy.pdf>

☒ (D) Guidelines on governance factors

Add link:

<https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/candriams-integration-policy.pdf>

☒ (E) Guidelines on sustainability outcomes

Add link:

<https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/candriams-climate-policy.pdf>

☒ **(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)**

Add link:

<https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/candriams-climate-policy.pdf>

☒ **(G) Specific guidelines on human rights (may be part of guidelines on social factors)**

Add link:

https://www.candriam.com/en-lu/professional/SysSiteAssets/medias/publications/brochure/corporate-brochures-and-reports/candriam-human-rights-policy/human_rights_policy_def_gb.pdf

☒ **(H) Specific guidelines on other systematic sustainability issues**

Add link:

<https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/candriams-integration-policy.pdf>

☒ **(I) Guidelines tailored to the specific asset class(es) we hold**

Add link:

<https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/candriams-integration-policy.pdf>

☒ **(J) Guidelines on exclusions**

Add link:

<https://www.candriam.com/siteassets/medias/publications/brochure/corporate-brochures-and-reports/exclusion-policy/candriam-exclusion-policy-en.pdf?v=49df9f>

☒ **(K) Guidelines on managing conflicts of interest related to responsible investment**

Add link:

<https://www.candriam.com/en/professional/SysSiteAssets/medias/legal/regulatory-information/conflict-of-interests-policy-en.pdf>

☒ **(L) Stewardship: Guidelines on engagement with investees**

Add link:

https://www.candriam.com/siteassets/medias/insights/sfdr-publications/engagement_policy_en.pdf

☒ **(M) Stewardship: Guidelines on overall political engagement**

Add link:

<https://www.candriam.com/siteassets/medias/insights/publications/candriams-guiding-principles-on-esg-promotion--influence--2025.pdf?v=4a0784>

☒ **(N) Stewardship: Guidelines on engagement with other key stakeholders**

Add link:

https://www.candriam.com/siteassets/medias/insights/sfdr-publications/engagement_policy_en.pdf

☒ **(O) Stewardship: Guidelines on (proxy) voting**

Add link:

https://www.candriam.com/siteassets/medias/publications/brochure/corporate-brochures-and-reports/proxy-voting/proxy_voting_policy_2024.pdf

- (Q) No elements of our formal responsible investment policy(ies) are publicly available

Additional context to your response(s): (Voluntary)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?

● (A) Yes

Elaborate:

Financial markets play a pivotal role in the financing of companies' activities to support economic growth and foster innovation. They are also an important source of debt finance for sovereign issuers.

Therefore, an essential question for investors is: What type of economic development would they like support through their financing activities, and how can they support its sustainability? For instance, are we seeking growth fuelled by coal-fired power plants that pollute heavily, impact climate change and public health, risk of being stranded and put invested capital at risk? Or are we looking for economic development powered by wind farms, innovation in green hydrogen and sustainable food solutions that may offer attractive risk-adjusted returns in the long run? Thus, as society is changing, investors today are being challenged on their capital allocation and the types of issuers they finance. It is essential for the international investment community to take a broad, holistic view on the interplay between economic development and the opportunities and risks stemming from sustainability, and to fully appreciate the socio-economic value of considering and integrating sustainability in investments.

Candriam is fully committed to contributing to that mission, to the sustainability objectives of the Paris Agreement and to the UN SDGs. As an active and responsible asset manager, we consider that the explicit and systematic integration of environmental, social and governance issues is a necessary and central part of sustainable investment strategies - being active or passive- across all asset classes in order to create sustainable long term value for our clients. That's why we developed our own ESG analysis framework and propose a full range of SRI marketed products/strategies covering all traditional asset classes and regions. Some are mainstreamed products others are focusing on SDG's related strategies. We also progressively enlarge our coverage to less liquid assets.

Climate change is one of the most urgent and important challenges that society and investors are facing today. It is also a source of opportunity for investors through the reallocation of capital and innovation that our responses to climate change are creating and will undoubtedly stimulate. As an asset manager, Candriam's responsibility is to preserve and develop the assets of its investors. Candriam therefore integrates climate change at every level of analysis and investment decision making as well as in the exercise of its role as an active and responsible investor. We also committed to becoming net zero by 2050 at the end of 2021. This will redefine the way we invest, impact how our investment teams manage climate risks and ultimately create positive climate benefits.

Given the role the financial sector is playing on capital allocation in the real economy, the investment decisions taken by asset managers have a direct or indirect influence on the cost of financing for companies, their ability to develop certain projects rather than others, and their strategic choices. Moreover, these investment decisions are coupled with an ability to influence companies, among other things through the exercise of voting rights held as a shareholder in those companies. This capacity to influence also entails a responsibility to exercise it in the interests of our investors, while taking into account the impact of our decisions on society at large.

○ (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?

☑ (A) Overall stewardship objectives

- ☒ (B) Prioritisation of specific ESG factors to be advanced via stewardship activities
- ☒ (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
- ☒ (D) How different stewardship tools and activities are used across the organisation
- ☒ (E) Approach to escalation in stewardship
- ☒ (F) Approach to collaboration in stewardship
- ☒ (G) Conflicts of interest related to stewardship
- ☒ (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa

☒ (I) Other

Specify:

Candriam's engagement policy also includes guidelines and principles around:

- Designing, launching and tracking an engagement;
- Engaging with sovereign;
- Reporting internally as well as to the clients
- Disclosure to engaged stakeholders and public.

- (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Additional context to your response(s): (Voluntary)

At Candriam, Stewardship includes our Engagement, Voting and Responsible Investment. The below policies explain our various commitments in these fields.

Please refer to Candriam's Engagement Policy (updated in December 2024 to reflect the current practices and priorities) here: https://www.candriam.com/siteassets/medias/insights/sfdr-publications/engagement_policy_en.pdf Candriam's Voting Policy here applied in 2024: [proxy_voting_policy_2024.pdf](https://www.candriam.com/siteassets/medias/publications/brochure/corporate-brochures-and-reports/responsible-investment-policy/responsible-investment-policy.pdf) Candriam's Voting Policy as of January 2025: [proxy_voting_policy_en_2025.pdf](https://www.candriam.com/siteassets/medias/publications/brochure/corporate-brochures-and-reports/responsible-investment-policy/responsible-investment-policy.pdf) Candriam's Responsible Investment Policy: <https://www.candriam.com/siteassets/medias/publications/brochure/corporate-brochures-and-reports/responsible-investment-policy/responsible-investment-policy.pdf> Candriam's ESG Integration policy: <https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/candriams-integration-policy.pdf?v=4977d7>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?

- ☒ (A) Yes, it includes voting principles and/or guidelines on specific environmental factors
- ☒ (B) Yes, it includes voting principles and/or guidelines on specific social factors
- ☒ (C) Yes, it includes voting principles and/or guidelines on specific governance factors
- (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

Additional context to your response(s): (Voluntary)

Principles and/or guidelines on specific environment factors Candriam's Voting Policy includes voting guidelines on specific environmental factors when assessing the performance of the CEO, notably to check that executive remuneration schemes are aligned with environmental objectives. We pay attention at the impact of environmental disaster on bonus attribution as well as the KPIs chosen by issuers to check whether they are in line with companies' strategies and materiality assessment. We also expect all listed companies should publish a comprehensive climate change policy in line with accepted principles. Interest of every environment-related shareholder proposal is assessed, and our voting policy explains more in details how. Guidelines and principles on climate risk oversight at board level, climate risk integration in the reporting, say-on-climate proposals can be found in the dedicated section of our voting policy (page 23).

Principles and/or guidelines on specific social factors Candriam's Voting Policy includes voting guidelines on specific social factors. We take into account social factors when assessing the CEO's performance, when evaluating short-term and long-term incentives, taking into account impact of severe controversies. We also assess disclosure related to Human Capital and social risks and opportunities and its alignment with the overall workforce pay levels versus CEO remuneration. We also look at the social considerations when voting on significant transactions involving redundancies. On page 26 of the proxy voting policy, more information can be found about the considerations taken into account when voting on pay equality-, consumer-, political activities and lobbying-, tax-related shareholder resolutions.

Principles and/or guidelines on specific governance factors Candriam's Voting Policy includes voting guidelines on specific governance factors such as shareholder rights, board accountability, executives' and directors' remuneration, Board committees and managers, audit, auditors and financial reports, conflict of interests etc. All these factors are detailed in our Voting Policy available online.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

● **(A) We have a publicly available policy to address (proxy) voting in our securities lending programme**

Add link(s):

https://www.candriam.com/siteassets/medias/publications/brochure/corporate-brochures-and-reports/proxy-voting/proxy_voting_policy_2024.pdf

- (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- (C) We rely on the policy of our external service provider(s)
- (D) We do not have a policy to address (proxy) voting in our securities lending programme
- (E) Not applicable; we do not have a securities lending programme

RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment
 (B) Guidelines on environmental factors
 (C) Guidelines on social factors
 (D) Guidelines on governance factors

(7) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

AUM coverage

(A) Specific guidelines on climate change
 (1) for all of our AUM

(B) Specific guidelines on human rights
 (2) for a majority of our AUM

(C) Specific guidelines on other systematic sustainability issues
 (2) for a majority of our AUM

Additional context to your response(s): (Voluntary)

All managed strategies are subject to ESG screening, whether they are corporate bonds, equities, or sovereign bonds. Certain exceptions may apply to investments in index derivatives, external funds/ETFs not managed by Candriam, dedicated and delegated funds, or private assets. In alignment with the SFDR classification of the funds/mandates and the asset class strategy applied, our RI guidelines are applied in different ways : from our company-wide ESG exclusion policy through approaches such as ESG integration, ESG Best-in-Universe, dedicated ESG-related thematic universe or a combination of those.

ESG exclusion policy For corporate issuers, these exclusions are the result of our controversial activities analysis and our norms-based analysis. Using specific thresholds, we exclude harmful activities that we believe have a substantial negative impact and carry serious risks from both a financial and a sustainability perspective. Exposure to these activities presents important systemic and reputational risks from an economic as well as environmental and social perspective. For example, the company-wide exclusion policy is related to banned weapons, tobacco, thermal coal activities as well as most severe violations of the United Nations Global Compact principles. As a company's response to a crisis is a key aspect of the evaluation, dialogue with the company often is an important aspect of the assessment of these violations. For sovereign issuers and quasi-sovereign entities, exclusions are applied based on Candriam's in-depth negative screening of oppressive regimes, i.e. countries in which human rights are severely breached on a regular basis, fundamental liberties are systematically denied, and the security of people is not guaranteed due to government failure and systematic ethical breaches.

ESG integration For corporate issuers in fixed income strategies, our ESG assessment framework is considered into the business profile of the corporate which supplemented the financial profile. This business profile is made of 3 components : sector assessment, business and stakeholders analysis and governance. The sector assessment considers exposure to KSC climate and digitalization, business and stakeholders analysis integrates human capital and customers assessment. Details about the way systematic sustainable issues that are part of our proprietary ESG assessment framework are considered into the investment selection process and influence the weighting of the issuer, alongside other key criteria can be found in answer to FI 14 for sovereign strategies, LE 5 for equity strategies.

ESG Best-in-class universe and dedicated ESG thematic universe Those approaches apply a screening based on the final ESG internal rating delivered by our ESG proprietary approach for issuers (corporates, SSA) or on a dedicated ESG approach based on the same underlying pillars. More information about the screening applied to art 9 SFDR strategies can be found on our website https://www.candriam.com/documents/candriam/article_206/en/document.pdf

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

☒ **(A) Listed equity**

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☐ (10) >90% to <100%

☒ **(11) 100%**

☒ **(B) Fixed income**

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%

- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

☑ (F) Hedge funds

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

☑ (I) Other

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

We apply Candriam Engagement Policy on 100% of money market instruments but not on derivatives that are also classified as “other”
As far as our answer to (F) is related for Hedge funds, we only consider the coverage of the long only positions to define the coverage.
More specifically, other type of instruments like Options, Futures, Indices, CDS,s, TRSs, Short positions are not in scope.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?

☑ (A) Actively managed listed equity

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

As explained in our Voting policy, regarding equity holdings, 1) we chose to exclude some funds directly invested in equities from our proxy voting activities, namely : Absolute return and other investment funds whose positions are subject to rapid change as well as some funds for which voting costs are too high with respect to the funds' net asset value, 2) in case of dedicated funds or mandates, we have discretion of vote only for the ones whose clients gave us voting delegation under Candriam Voting policy. If we added to listed equity holdings over which we have discretion of vote, equity holdings of Mandates or Dedicated funds for which we vote but under custom (non Candriam) voting policy, we would reach 70-80% of listed equity covered by our voting activities. 3) Several clients still prefer not to give us delegation of vote (under Candriam or any other voting policy) for their mandates or dedicated funds invested in listed equities.

We review at least once a year our voting scope and challenge feasibility for mandates/funds not being part of it yet. More specifically we regularly engage with institutional clients having not given so far their delegation of vote to change their opinion. Some regulations (e.g. in Italy) sometimes do not facilitate this delegation to the asset manager.

☒ **(B) Passively managed listed equity**

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☒ **(10) >90% to <100%**
- ☐ (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

As explained in our Voting policy, regarding equity holdings, 1) we chose to exclude some funds for which voting costs are too high with respect to the funds' net asset value, 2) in case of dedicated funds or mandates, we have discretion of vote only for the ones whose clients gave us voting delegation under Candriam Voting policy. 3) Several clients still prefer not to give us delegation of vote (under Candriam or any other voting policy) for their mandates or dedicated funds invested in listed equities.

We review at least once a year our voting scope and challenge feasibility for mandates/funds not being part of it yet. More specifically we regularly engage with institutional clients having not given so far their delegation of vote to change their opinion. Some regulations (e.g. in Italy) sometimes do not facilitate this delegation to the asset manager.

GOVERNANCE

ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

- ☒ **(A) Board members, trustees, or equivalent**
☒ **(B) Senior executive-level staff, or equivalent**

Specify:

CEO, Chief Sales & Distribution Officer, Chief Invest. Officer, Chief Fin. Officer, Chief Operational Officer, Chief Risks Officer, Gl. Head of Investment Solutions, Gl. Head of Corporate Dev. & Sustainability, Gl. Head of HR, Gl. Head of Communication & Marketing, Chief Legal & Compliance Officer who all are part of the GSC. Gl. Heads of inv. asset classes, Gl. Head of Institutional Portfolio Management, Gl. Head of SRI & local Head of sales teams who are members of the Executive committee

- ☒ **(C) Investment committee, or equivalent**

Specify:

Regular invest. committees define invest. strategy, implementation of ESG integration, monitor ESG implementation & products KPI. ESG analysts are regularly invited to present ESG research/assessment results and permanent members of dedicated ESG thematic Committee. The Sustainability Risk Committee approves the ESG processes & framework for products, assess & monitor ESG risks & negative impacts, defines company-wide exclusions as well as engagement actions, monitor compliance & breaches

☒ **(D) Head of department, or equivalent**

Specify department:

All heads of investment units (FI corporate/global bonds/emerging bonds, EQ quantitative/fundamental/indexed/, HF, Institutional portfolio management FI/EQ/Asset allocation, Multi-asset management, External multi-management)

- (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

	(1) Board members, trustees, or equivalent	(2) Senior executive-level staff, investment committee, head of department, or equivalent
(A) Overall approach to responsible investment	☒	☒
(B) Guidelines on environmental, social and/or governance factors	☐	☒
(C) Guidelines on sustainability outcomes	☐	☒
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	☒	☒
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	☒	☒
(F) Specific guidelines on other systematic sustainability issues	☐	☒
(G) Guidelines tailored to the specific asset class(es) we hold	☐	☒
(H) Guidelines on exclusions	☒	☒

(I) Guidelines on managing conflicts of interest related to responsible investment	☐	☒
(J) Stewardship: Guidelines on engagement with investees	☐	☒
(K) Stewardship: Guidelines on overall political engagement	☐	☒
(L) Stewardship: Guidelines on engagement with other key stakeholders	☐	☒
(M) Stewardship: Guidelines on (proxy) voting	☐	☒
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	☐	☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

● (A) Yes

Describe how you do this:

As a PRI signatory, Candriam is committed to promoting ESG in its relations with all stakeholders. The organisation's ESG experts are in charge of PRI implementation principles within Candriam and also externally, based on Candriam's own ESG practices which favour stewardship to elevate ESG standards, promote ESG integration and ESG practices in investments. Association memberships are decided and monitored by the Global Strategic Committee (GSC). Candriam's role and representativeness within those associations are decided and regularly reviewed by the GSC. The basic principle is that in industry associations and in associations with a leading role in the promotion of ESG, a Candriam ESG expert is participating as active member in the RI working groups. Additionally, Candriam fosters leading roles in those associations in order to promote best practices in ESG investments in line with Candriam's positions and participate to the promotion of sustainable standards by policymakers. In consistency with Candriam's organisation and ESG governance, ESG policies and strategic orientations adopted by Candriam are under the responsibility of the GSC. The GSC hosts sustainability focus-sessions supported by Candriam's ESG and CSR experts in order to share and discuss market trends, regulatory evolutions in the field of ESG and decide on new orientations and ESG roadmap. ESG experts have a crucial role in the ESG governance and the working groups in charge of the implementation. Within this ESG governance framework, the workstream ESG Regulation & Certification is the forum where new policy developments and related consultations, SRI certification and labellisation (incl.

PRI) are shared, discussed and monitored. This workstream is co-headed by the Gl. Head of Corporate Sustainability and a Senior Legal Advisor. This committee gathers senior-level staff from Compliance, Risk, Client solution, Solution development, ESG investment & research. The workstream Stewardship & Collaborative supervises and monitors engagement activities (including support to statements and collaborative initiatives) and decides which are submitted to the GSC/Exco for approval. This workstream is headed by the Lead expert in Stewardship and its members are the Global Head of ESG research & Investments department, of Corporate Sustainability, of Communication & marketing. They also are Candriam's ESG expert representatives in the associations for the RI workgroups and within associations with ESG missions.

- (B) No
- (C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

☒ **(A) Internal role(s)**

Specify:

Chief Investment Officer (CIO), Heads of investment department, Portfolio managers, Investment analysts, Dedicated responsible investment staff (ESG analysis, ESG assessment of issuers, eligible universe, stewardship & voting), Proxy voting committee and its operational sub-committee. The Sustainability Risk Committee is headed by the CIO and Global Head of Risk Management . It assesses and monitors ESG risks & negative sustainability impacts, incl climate change, human rights risks

- ☐ (B) External investment managers, service providers, or other external partners or suppliers
- (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?

☒ **(A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent**

Describe: (Voluntary)

Candriam operates under a comprehensive governance structure, which is crucial to our oversight functions inclusive RI and CSR :

- The General Meeting of Shareholders holds the broadest powers, overseeing significant corporate actions. These include the approval of annual accounts, appointment of directors and managers and amendments to the company's objectives or form of the company.

- The Board of Directors – ("BoD") is the governing body responsible for guiding our strategy and general policy, management control, risk monitoring and shareholders relations. It ensures that Candriam develops and executes a comprehensive ESG and corporate sustainability strategy. In this context the BoD is responsible for validating the relevant critical policies. Non-executive members representative of Candriam's shareholders are part of the BoD.

The BoD is supported by the following Committees:

- The Board of Management ("BoM") is responsible for the daily management of Candriam. Meeting monthly, the BoM is our key decision-making body on strategic issues including RI and corporate sustainability. It examines and approves relevant policies governing the execution of Candriam's strategy and activities, including those covering sustainability risks, climate change and social and human rights.

- The Group Strategic Committee convenes twice a month to make strategic decisions and manage Candriam's financial situation. The committee sets the firm's strategy for sustainable investing, covering investment approach, product and commercial positioning as well as corporate sustainability. It hosts sustainability focus-sessions supported by Candriam's ESG and CSR experts and oversees the due diligence approach across the value chain, including the development and review of appropriate practices.

- The Executive Committee meets bi-monthly. RI and CSR business review sessions are organized annually. The ESG review session follows-up on the implementation of the strategic ESG roadmap, reviewing ESG aspects of business development, investments, operations, IT, stewardship & collaborative initiatives, communication and regulatory. It reviews public reporting on progress via UN PRI and CSR Report.
- The Remuneration Committee convenes annually. The Local Management Committees meet quarterly in each branch and in Luxembourg. In the Belgian branch, they meet monthly, and in the French branch, they meet bi-monthly. The Board members and trustees have as objective to contribute to the development of the organisation's ESG incorporation approach. The Board of directors involvement in RI is reflected in Candriam's corporate presentations where RI is described as strategic and a "distinguished feature". The annual "management report" to the Board of directors always comment on RI positioning and CSR efforts which are strategic orientations and as such part of their performance assessment. Since Candriam ambition is to manage a majority of ESG screened assets, the bonus pool for executive members can be reduced if this is not achieved, considering long term interests and preferences of clients within an evolving regulatory context. The Board of Directors of Candriam approves the proposed bonuses and salary increases made by the Remuneration Committee for the Candriam executive members. Non-executive members of Candriam's Board of Directors will never receive any form of variable remuneration from Candriam.

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?

● **(A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)**

Indicate whether these responsible investment KPIs are linked to compensation

● **(1) KPIs are linked to compensation**

- (2) KPIs are not linked to compensation as these roles do not have variable compensation
- (3) KPIs are not linked to compensation even though these roles have variable compensation

Describe: (Voluntary)

The Candriam's Remuneration Policy applies to remuneration within Candriam Group granted to employees & executive directors bound by a management agreement with Candriam. It takes into account Candriam's business strategy, objectives, risk tolerance, and the long-term interests of Candriam's clients, shareholders and employees. It also seeks to promote sound and effective risk management & behaviour which is consistent with the risk profile, strategy, objectives & values of the managed funds and discretionary portfolio management mandates. Candriam's overarching objective is to provide long term investment performance to its clients. Candriam's structure of remuneration is linked to risk adjusted performance. In this respect, Candriam aims to provide an appropriate remuneration environment and to ensure that employees are not incentivised to take inappropriate and/or excessive risks including sustainability risks which are inconsistent with the risk profile of Candriam and, where appropriate, the managed funds and discretionary portfolio management mandates. Moreover, when taken into account by the fund or mandate, Candriam ensures that staff duly consider sustainable impacts. The Human Resources department of Candriam manages the yearly performance evaluation process based on qualitative & quantitative measures, including the achievement of pre-established objectives and the employee's professional and personal skills. The total amount of remuneration is based on a combination of the assessment of the performance of the individual and of his/her business unit and the overall results of Candriam. When assessing individual performance, Candriam will take into account both financial and non-financial criteria. To the extent necessary, Candriam will set the evaluation of performance in a multi-year framework appropriate to the life cycle of the funds it manages, where applicable, in order to ensure that the performance evaluation process is based on longer term performance. Qualitative performance evaluation includes the evaluation through a range of factors like risk management including sustainability risks, awareness of sustainability impacts, governance and compliance, teamwork, people leadership, people development and alignment to Candriam's goals and values. For Front Office (Portfolio Managers and Analysts), the performance of funds as well as the underlying factors influencing fund performance such as the market environment and the risk management including sustainability risks and characteristics/objectives, the attitude towards clients, the fund competitive position and the evolution of AUM are key factors in the appraisal.

The bonus pool available for executive members of the Candriam management body is determined in a discretionary manner with a top-down approach. The bonus pool is then allocated on a discretionary basis between the executive members of the Candriam Management Body depending on their contribution to Candriam's profitability and performance in accordance with the general principles describe above, as well as their management and contribution to Candriam's Sustainability objectives as defined across functions. Since Candriam ambition is to manage a majority of ESG screened assets, the bonus pool for executive members can be reduced if this is not achieved, considering long term interests and preferences of clients within an evolving regulatory context. The Board of Directors of Candriam approves the proposed bonuses and salary increases made by the Remuneration Committee for the executive members of this management body. Non-executive members of Candriam's Management Body will never receive any form of variable remuneration from Candriam.

Among the main RI KPI used to define the compensation of Senior-level executives, we can mention

(A) level of ESG incorporation in investment activities (AUM ratio ESG integration, ESG marketed products) (B) level of development of the organisation's ESG incorporation approach : number of new ESG products launched, ESG innovative products /solutions launched, comparison with peers, level of coverage of investment universe by ESG analysis, extension of ESG integration approach to less common asset classes (C) the promotion of ESG through internal training on ESG-related topics, organized events to help investors to understand ESG in investments , and stewardship activities e.g. through sharing findings from continuous ESG research or investment decisions (D) ESG performance of investment process: % of products with ESG impact indicators (incl. climate ones) compared to benchmark, achievement of defined ESG objectives (e.g % of green bonds, Net zero commitment)

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 15	PLUS	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?

	(1) Board members, trustees or equivalent	(2) Senior executive-level staff, investment committee, head of department or equivalent
(A) Specific competence in climate change mitigation and adaptation	☒	☒
(B) Specific competence in investors' responsibility to respect human rights	☒	☒
(C) Specific competence in other systematic sustainability issues	☐	☒
(D) The regular training of this senior leadership role does not include any of the above responsible investment competencies	☐	☐

EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- ☒ (A) Any changes in policies related to responsible investment
- ☒ (B) Any changes in governance or oversight related to responsible investment
- ☒ (C) Stewardship-related commitments
- ☒ (D) Progress towards stewardship-related commitments
- ☒ (E) Climate-related commitments
- ☒ (F) Progress towards climate-related commitments
- ☒ (G) Human rights-related commitments
- ☒ (H) Progress towards human rights-related commitments
- ☒ (I) Commitments to other systematic sustainability issues
- ☒ (J) Progress towards commitments on other systematic sustainability issues
- ☐ (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- ☒ (A) Yes, including governance-related recommended disclosures
- ☒ (B) Yes, including strategy-related recommended disclosures
- ☒ (C) Yes, including risk management-related recommended disclosures
- ☒ (D) Yes, including applicable metrics and targets-related recommended disclosures
- ☐ (E) None of the above

Add link(s):

<https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/candriams-climate-policy.pdf?v=4977b6>
https://www.candriam.com/siteassets/medias/insights/sfdr-publications/pais_qualitative_reporting_gb.pdf?v=49d7fa
<https://www.candriam.com/en/professional/sfdr/>
https://csr.candriam.com/pdf/Candriam_2025_CSR%20Report.pdf

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?

☒ **(A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)**

Link to example of public disclosures

https://www.candriam.com/FundDocumentDownload/GetApiDocument/hZ95qGNqfobo4M-57c3CqjYcxD9zKwWfgZD-YLSQISE/CandriamSustainableEquityEurope_Ar_20241231_en_AC_1717.pdf?nocache

☐ (B) Disclosures against the European Union's Taxonomy

☐ (C) Disclosures against the CFA's ESG Disclosures Standard

☒ **(D) Disclosures against other international standards, frameworks or regulations**

Specify:

EU Shareholders rights directive 2, EFAMA Stewardship

Link to example of public disclosures

<https://www.candriam.com/siteassets/medias/publications/brochure/commercial-brochures/sri-brochure/voting-and-engagement-report-2024.pdf?v=49af00>

☒ **(E) Disclosures against other international standards, frameworks or regulations**

Specify:

UK Stewardship code

Link to example of public disclosures

https://media.frc.org.uk/documents/Candriam_UK_Stewardship_Report-UK-2024.pdf

☒ **(F) Disclosures against other international standards, frameworks or regulations**

Specify:

TCFD/NZAMi

Link to example of public disclosures

https://www.candriam.com/siteassets/_assets/02-publications/research-paper/2024/07/net-zero-progress-zero/net_zero_report_gb.pdf

☒ **(G) Disclosures against other international standards, frameworks or regulations**

Specify:

Belgian Towards Sustainability label

Link to example of public disclosures

https://www.candriam.com/documents/candriam/article_206/en/document.pdf

Additional context to your response(s): (Voluntary)

Related to (A) we provide a link to an SFDR compliant fund reporting, additional regulatory requirements are presented in a dedicated corner on our website <https://www.candriam.com/en/professional/sfdr/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?

- ☒ (A) Yes, we publicly disclosed all of our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

Add link(s):

https://csr.candriam.com/pdf/Candriam_2025_CSR%20Report.pdf

<https://www.candriam.com/siteassets/medias/insights/publications/candriams-guiding-principles-on-esg-promotion--influence--2025.pdf?v=4a0784>

- ☐ (B) Yes, we publicly disclosed some of our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- ☐ (C) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- ☐ (D) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

STRATEGY

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

Which elements do your organisation-level exclusions cover?

- ☒ (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services
- ☒ (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
- ☒ (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact
- ☒ (D) Exclusions based on our organisation's climate change commitments
- ☐ (E) Other elements
- ☐ (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

How does your responsible investment approach influence your strategic asset allocation process?

- ☒ (A) We incorporate ESG factors into our assessment of expected asset class risks and returns

Select from dropdown list:

- ☒ (1) for all of our AUM subject to strategic asset allocation
- ☐ (2) for a majority of our AUM subject to strategic asset allocation
- ☐ (3) for a minority of our AUM subject to strategic asset allocation

☒ (B) We incorporate climate change–related risks and opportunities into our assessment of expected asset class risks and returns

Select from dropdown list:

- ☒ (1) for all of our AUM subject to strategic asset allocation
- ☐ (2) for a majority of our AUM subject to strategic asset allocation
- ☐ (3) for a minority of our AUM subject to strategic asset allocation

☒ (C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns

Select from dropdown list:

- ☐ (1) for all of our AUM subject to strategic asset allocation
- ☒ (2) for a majority of our AUM subject to strategic asset allocation
- ☐ (3) for a minority of our AUM subject to strategic asset allocation

☒ (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns

Select from dropdown list:

- ☒ (1) for all of our AUM subject to strategic asset allocation
- ☐ (2) for a majority of our AUM subject to strategic asset allocation
- ☐ (3) for a minority of our AUM subject to strategic asset allocation

Specify: (Voluntary)

The results of the ESG assessments are incorporated into investment decisions in different ways, depending on the investment strategies:

- through a set of exclusions that apply to all investments made by Candriam via long positions in direct lines in corporate and sovereign issuers and single-name derivatives.

- in regards to ESG integration, this goes beyond environmental issues and includes the social and governance dimensions of corporate behaviour. Candriam's portfolio management teams therefore integrate within their investment process financially relevant ESG factors, taking into account the specificities of each asset class. For example, Candriam's fundamental equity strategies the Business Growth pillar that is part of the fundamental analysis, takes into account the five Key Sustainability Challenges, (Climate Change, Resource Depletion, Health & Wellness, Demographic Shifts and Digitalization). These are analysed in order to assess the growth potential in conjunction with other key market drivers and regulatory risk.

For sovereign issuers, ESG factors are used into sovereign creditworthiness analysis using Candriam's proprietary sovereign model, which is structured around the four pillars of the ESG framework: Natural Capital, Economic Capital, Social Capital, and Human Capital.

Note that for sovereign issuers, some Countries are at risks for the financial stability, especially under the Financial Action Task Force and this has to be considered in our asset allocation process. The same applies for countries excluded for non compliance to international treaties or conventions for our SRI marketed products.

- ☐ (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- ☐ (F) Not applicable; we do not have a strategic asset allocation process

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?

	(1) Listed equity	(2) Fixed income	(6) Hedge funds
(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	☐	☐	☐
(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	☒	☒	☒

Additional context to your response(s): (Voluntary)

Although our stewardship efforts aim to address both individual level and portfolio level risks, our primary stewardship objective is to maximise our individual investments' risk-adjusted returns for a majority of AUM in Listed Equities and Fixed Income. For Sovereign AUMs, our primary stewardship efforts address portfolio level sustainability issues such as climate change or deforestation that are considered as material for the subject sovereign positions and widely affect countries.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?

The way Candriam sets up its engagement priorities and thus in return, chose where to allocate resources is clearly defined in our engagement policy.

At Candriam, we can classify triggers of engagement into 6 main categories:

- Candriam Strategic decision (Sustainability Risk committee demand)
 - ESG opinion review or follow up
 - Exceptional Event / Controversy
 - Thematic (e.g. Climate, Biodiversity, Diversity)
 - Voting related (e.g. weak governance practices, level of dissent or number of failed resolutions at previous AGMs of investee companies)
 - Investment team's or client's demand
- The formal process of identifying and prioritising the investees to be engaged is then done considering:

1. The presence of the investee in the portfolios as well as the interests of investment teams and potential leverage. We typically won't engage with companies that are not present in our portfolios unless there is a particular interest that a company could be included in the portfolios or could soon become eligible to SRI marketed portfolios. We also consider the overall size of the position held throughout Candriam compared to the overall market capitalization and enterprise value of the investee. We take into account positions where CANDRIAM has strong conviction (overweight vs benchmark) on an investee too and pay particular attention to specific engagement demand from investment teams (e.g. in the context of a controversy). The same way, attention is paid to specific demands of our institutional investors for mandates or dedicated funds.

2. The topic of the engagement must be relevant and material (double materiality approach) and can have an impact on the Candriam ESG opinion of the investee and thus eventually on its eligibility to certain investment strategies. As a result, issuers which are in the middle range of ESG opinion have greater chances to be chosen. Prior to starting an engagement, in coordination with ESG research analyst, fundamental analysts and portfolio managers, we make sure the engagement is associated to clear sustainable issues that are material to the investee and its stakeholders. The trendsetter nature of some investees may also influence prioritisation, as any change at their level might impact market practices or the market approach to the issue in question.

3. The engagement has defined clear and observable objectives over a given timeframe (Milestones).

We also prioritise engagements attached to Candriam engagement conviction topics that have changed in December 2024 (previously business ethics, energy transitions and working conditions):

1. Governance & Business Ethics
2. Climate change
3. Human rights
4. Human capital

5. Biodiversity & natural capital These topics are put forward, when relevant, by both ESG and financial analysts when dialoguing with investees. Aligned with the UN SDGs, they are undisputedly seen as important to the community, and their materiality is acknowledged across the value chain.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

- (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- (B) We collaborate on a case-by-case basis
- (C) Other
- (D) We do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Elaborate on your organisation's default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.

Candriam's default position is to engage through collaborative stewardship as we see great advantages. Every year we have joined new collaborative initiatives while at the same time continuing our participation to on-going initiatives. Since 2021, Candriam has also led a collaborative initiative to advocate for ethical use of facial recognition technology (which was hosted on the PRI collaborative platform) and regrouped 55 responsible investors. This work enabled us to understand the challenges faced by companies, report on the best practices we observed and understood the need for regulation. In early 2024 we decided to merge this initiative on Facial Recognition into the World Benchmarking Alliance's (WBA) Ethical AI Collective Impact coalition, a group of 70 asset managers managing over \$8.5 trillion of investors' assets who are promoting a safe use of Artificial Intelligence. Today, Candriam co-leads this AI initiative. We are broadly encouraging all companies to do and share more on ethical AI in order to promote a more trustworthy digital economy and sustainable society. Our general principles on act in concert applies to this collaborative initiative.

We find that joining or leading such collaborative initiatives makes sense when:

- the target of the engagement is a country, a group of countries, an international organization or any authority in which we are not a shareholder;
- the history of individual dialogue with the corporate issuer in question is sub-optimal;
- an opportunity arises to engage with others on the topic in question with a shared understanding of it, while avoiding issuers' fatigue in answering similar questions;

- economies of scale are required (large number of companies to be contacted on the same topic);
- further media coverage is expected to raise public attention on the topic under consideration.

By experience, for large systemic topics such as climate change, deforestation or human rights due diligence, we prefer collaborative engagement as it has proven to be more efficient. For collaborative initiatives we join, we can usually choose the issuers on which we wish to be more active. We can actually lead the engagement with the issuer, organising regular group-update calls, providing an engagement evaluation framework for other participating investors, contacting companies in the name of the group and participating in meetings or calls. When supporting actively without taking the lead, we help lead investors in preparations and/or participating in calls/ meetings. For issuers we have proportionally less interest in, we opt for a more passive attitude, being signatories of letters and named as supporting investors participating in any of the calls/meetings organized with the issuers. We find that collaborative engagement work best when lead investors are selected to drive the dialogue and are from the same geographical area as the issuer or stakeholder.

For the avoidance of doubt, Candriam does not accept, enter into, or participate in any agreement, arrangement, or understanding—whether formal or informal, written or oral—with any other person or entity for the purpose of acquiring, holding, voting, or disposing of equity securities of any issuer, in a manner that would result in the formation of a “group” as defined under Rule 13d-5(b)(1) of the Securities Exchange Act of 1934. Candriam expressly disclaims any intention to act jointly or in concert with any other person with respect to such securities and does not acknowledge the existence of any such group or coordinated action. Furthermore, Candriam shall act solely pursuant to the principles and guidelines set forth in its applicable internal procedures, policies, and regulatory frameworks, and any action it undertakes in respect of equity securities shall be interpreted in light of those internal rules alone.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Rank the channels that are most important for your organisation in achieving its stewardship objectives.

☒ **(A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff**

Select from the list:

● 1

☒ **(B) External investment managers, third-party operators and/or external property managers, if applicable**

Select from the list:

● 3

☒ **(C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers**

Select from the list:

● 5

☒ **(D) Informal or unstructured collaborations with investors or other entities**

Select from the list:

● 4

☒ **(E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar**

Select from the list:

● 2

☐ **(F) We do not use any of these channels**

Additional context to your response(s): (Voluntary)

(C) Candriam does not use external paid specialist stewardship services at all for conducting its stewardship activities.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 26	PLUS	OO 8, OO 9, PGS 1	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation ensure that its policy on stewardship is implemented by the external service providers to which you have delegated stewardship activities?

☑ (A) Example(s) of measures taken when selecting external service providers:

We use external providers to generate custom voting reports, proposing recommendations of votes aligned with our voting policies and passing our votes to AGMs. When selecting external providers, we notably check their capacity both in terms of resources and competencies to cover our voting scope and analyse AGMs in due time taking into account all the specificities of our voting policy, in full independency (Conflict of interest aspects are also discussed). We compare capabilities, additional services and coverage compared to other providers. Analysis samples are requested and discussed ahead of any contract. We also check the relevance and accuracy of communication channels in place to ensure the proper execution of our votes. Several of our internal departments are involved in this initial due diligence, including our middle office as well as the legal, risk and compliance departments. As a consequence, more operational aspects such as service continuity aspects or compatibility of IT systems with our in-house tracking software are also discussed.

☑ (B) Example(s) of measures taken when designing engagement mandates and/or consultancy agreements for external service providers:

We contract with ISS for providing us with custom voting recommendations. In the related mandate, we ensure by contract we have the final hand on voting and that our provider has relevant human and technology resources to provide us with required recommendations at sufficient/expected standards in due time and ensure our final vote will pass. Its capacity to include new coming AGMs or to expand the service to tailor-made policies for our institutional clients is also key.

☑ (C) Example(s) of measures taken when monitoring the stewardship activities of external service providers:

We have daily contact with ISS our main proxy advisor to discuss voting items and proposed recommendation. We also receive daily files to feed our internal database with which we track the meetings, ballots and voting deadlines. Candriam IT team as well as an external consultant have daily review and monitoring and the Voting team has a daily view on the accuracy of the data. We also organize regular meetings with appropriate stakeholders in the company to discuss difficulties they potentially meet, new voting items and related guidelines, potential concerns with application of our voting guidelines. As we reanalyse internally a great share of the voting items our proxy adviser gives us recommendation on, we may identify difference of interpretation; in such situations, we systematically exchange with our proxy advisor counterpart. Our Proxy Voting Committee is regularly updated on our voting activity and the challenges we may encounter. A due diligence is regularly performed by our risk department. Middle Office monthly voting KPIs' report are also effective source of information to identify any potential concern to be addressed.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 27	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How are your organisation's stewardship activities linked to your investment decision making, and vice versa?

Per definition, outcomes of our engagement activities feed our ESG analysis and may strongly influence sustainability opinion and thus eligibility level of an issuer. While negative engagement outcome may turn an issuer to non-eligible to some investment strategy, such as our sustainable strategies, positive outcome may also make an issuer eligible to a strategy. Generally speaking, engagement is positively perceived by our investment teams.

Engagement related information is thus part of several 'ESG standard communication' to investment teams, such as:

- Sector-based committee reports, which mention dialogues that occurred during the sector ESG reviews

- ESG Alerts All engagements carried out by the ESG Research, Voting and Engagement team (which are mostly joined by the Investment teams) through individual or collaborative dialogues with issuers are systematically recorded in a dedicated platform designed for this purpose, where all the information on dialogue activity is stored: contact, period of contact, topic and associated target of engagement (including the related impact from an UN SDG perspective), Candriam's role (applicable to collaborative engagements), engagement milestones with associated level of achievement, current status of engagement, impact on Candriam process/analysis and issuer eligibility as well as the companies response levels, E-mails, notes and related documents are also stored on the platform. The history of our votes at issuers' meetings are available on this internal tool as well.

In line with existing operational procedures, validation steps (dialogue continuation/closure, escalation measures, ...) are also recorded. This proprietary platform is built to enable immediate access to the stewardship history (individual & collaborative dialogue, voting history) for every issuer covered. This platform can thus feed reports provided to Candriam various investment teams and is put to good use at meetings the ESG Research & Investment team holds with these same investment teams. The dialogues and vote history per issuer are also available on the internal knowledge sharing platform. Past or current engagements, as well as related outcomes, will feed conversations during

- regular investment committees,
- when defining engagement priorities,
- for meetings called for specific issues
- for meetings proposed by the ESG team to inform about evolutions of a specific engagement (including potential escalation) or of our approach.

In addition to the above and for specific engagements such as the Net Zero Campaign, emails are sent to the fund managers to inform them about the state of the campaign, the level of responsiveness of the various targets, of achievements and planned next steps.

Good collaboration between internal teams is essential and engagement definitively helps for the expected 'cross fertilization' of ESG integration. For example, pre-AGM dialogues with companies have shaped our governance approach in specific sectors due to their specificities and triggered internal discussions with investment teams to create joint approach in analysing governance topics. As soon as feasible, dialogues with issuers involve representative of the ESG and investment teams. We believe that this is an essential part of ESG Integration in the investment processes. Engagements are also more successful when all teams are speaking of one voice.

Regarding cross-asset Candriam-wide exclusions, such decision being taken at Sustainability Risk committee level, cases presented to the committee systematically encompass an engagement section, presenting outcomes of past engagement plus analysis on how further engagement may or may not help decreasing the level of risks associated to the concerned issuer. This same Sustainability Risks Committee also feeds the ESG team with sound inputs, so that priorities of engagement can address challenges identified as relevant for Candriam.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 28	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

If relevant, provide any further details on your organisation's overall stewardship strategy.

More details are provided in our Engagement policy regarding responsibilities associated to stewardship activities, scope and type of engagement, but also indicators used for monitoring engagement activities and their outcomes, the way we report on these to our clients. For compliance matters, we also detail our approach to communication with issuers, public disclosure of information gathered through engagement, exchanges of information with other investors (incl. Acting in Concert aspects). The way we prioritize engagement is directly linked to a good knowledge of the ESG challenges faced by industries and issuers, and of their respective materiality. This is the necessary entry points to any of our engagement initiative, individual or collective. Such analysis is regularly performed but may also be prompted by exceptional events such as an acquisition, a change in the issuers' business model or a controversial event. Building upon this first step of identifying ESG material topics, priorities and timeline of engagement can be defined and/or updated also in light of our level of exposure, internal parties' interest, topic, current sustainability opinion on the issuer, trendsetter nature of the issuer etc...

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?

☒ **(A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes**

Select from the below list:

- ☒ **(1) in all cases**
- ☐ (2) in a majority of cases
- ☐ (3) in a minority of cases

☒ **(B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear**

Select from the below list:

- ☒ **(1) in all cases**
- ☐ (2) in a majority of cases
- ☐ (3) in a minority of cases
- ☐ (D) We do not review external service providers' voting recommendations
- ☐ (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How is voting addressed in your securities lending programme?

- ☐ (A) We recall all securities for voting on all ballot items
- ☒ **(B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting**

Provide details on these criteria:

For funds with securities lending programs and which are included in the voting perimeter, a minimum of 50% of every position is systematically reserved for voting (except for those which trade in 'share blocking' markets, where the reserved proportion may be smaller). In practice, we rarely have a significant proportion of holdings on loan around the dates of near shareholder meetings. For funds having received the French SRI Labels (List to be found under www.candriam.com/en/professional/funds-search/afnor-certification/), a recall of the shares is systematically performed (unless materially impossible) in order to be able to vote for 100% of the securities held in the considered portfolio. The decision to recall some or all of the shares on loan may occur when materially feasible and when the meeting is considered of particular importance, such as:

- A controversial item is on the agenda, including specific shareholder resolutions, resolutions seeking approval for corporate actions, or resolutions posing a threat to the fundamental rights of shareholders as well as of say-on-climate and nature resolutions ;

- A shareholder resolution deserves our full support as a passing threshold will be difficult to reach and the topic is of primary interest for shareholders
- We are a co-filer of a shareholder resolution;
- We want to express our full voting interest for the considered meeting as a continuity of an existing engagement with the company;
- We conclude that management should be sanctioned; for example, for failing to manage a severe controversy or for particularly poor risk management practices, with proven consequences on shareholder and stakeholder interests.
- The issuer is in one of our watchlists we create at the beginning of each year for different reasons. The triggers for such watchlists include but are not limited to: climate, biodiversity, human rights and governance concerns, existing or past controversy.

- (C) Other
- (D) We do not recall our securities for voting purposes
- (E) Not applicable; we do not have a securities lending programme

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

- **(A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment**
 - (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
 - (C) We vote in favour of shareholder resolutions only as an escalation measure
 - (D) We vote in favour of the investee company management's recommendations by default
 - (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

- ☒ **(A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database**
- ☒ **(B) We pre-declared our voting intentions publicly by other means, e.g. through our website**
Add link(s) to public disclosure:

<https://www.candriam.com/fr/professional/insights/publications/predeclaration-of-voting-intentions/>

- ☒ **(C) We privately communicated our voting decision to investee companies prior to the AGM/EGM**
 - (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
 - (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

● **(A) Yes, for all (proxy) votes**

Add link(s):

<https://vds.issgovernance.com/vds/#/NDA0Nw==/>

- (B) Yes, for the majority of (proxy) votes
- (C) Yes, for a minority of (proxy) votes
- (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?

● **(A) Within one month of the AGM/EGM**

- (B) Within three months of the AGM/EGM
- (C) Within six months of the AGM/EGM
- (D) Within one year of the AGM/EGM
- (E) More than one year after the AGM/EGM

Additional context to your response(s): (Voluntary)

In practice , decisions are public 1 business day after the meeting date

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?

	(1) In cases where we abstained or voted against management recommendations	(2) In cases where we voted against an ESG-related shareholder resolution
(A) Yes, we publicly disclosed the rationale	(1) for all votes	(1) for all votes
(B) Yes, we privately communicated the rationale to the company	(3) for a minority of votes	(3) for a minority of votes
(C) We did not publicly or privately communicate the rationale, or we did not track this information	○	○
(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year	○	○

(A) Yes, we publicly disclosed the rationale - Add link(s):

<https://vds.issgovernance.com/vds/#/NDA0Nw==/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 35	PLUS	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How does your organisation ensure vote confirmation, i.e. that your votes have been cast and counted correctly?

1. Communication channels & flows' monitoring First step is the connection of the portfolio to our voting platform. Clear procedure are in place involving Client Servicing, Middle Office, and ESG team to ensure voting is set in full accordance with clients expectations and in the right timeframe. Then, Candriam reconciles the Listed Equity/Bond Assets positions and cash balances as well as the transaction movements with the involved custodian on a daily basis. The Listed Equity/Bond Assets positions are sent by the custodian to our main Proxy Voting provider (ISS) who, in turn, sends the vote to the sub-custodian according to the Listed Equity Assets positions reported by the custodian and reconciled by Candriam. All these tasks are performed by our Middle Office in collaboration with internal and external parties. Every voting ballot received is then tracked into Candriam systems. An internal salesforce tool is used to track, flag and report on these meetings and ballots. Meetings or specific resolutions can be flagged depending:

- The nature of these specific voting items;
- The potential for controversy regarding the issuer (identified by the ESG team in collaboration with investment teams);
- The potential for controversy of items subject to intervention during the meeting including those having experienced strong vote dissent in recent history;
- The existence of a direct or collaborative dialogue with the company with respect to one or more of the agenda items of the meeting, or a dialogue whose nature may influence Candriam's vote;
- The relative importance of Candriam's share ownership;
- The relative importance of the involved issuer in Candriam's managed assets. It will trigger internal re-analysis of part or full considered meeting. In 2024, 33% of the 1'901 meetings we voted benefited from this internal review.

In addition, for items of vote & related ballots where the ESG team would have decided to deviate from initial custom recommendation of our main proxy advisor, we have a 4 eyes check mechanism, to ensure any vote change is properly entered into the voting system. The change is reported on the tool and another analyst is assigned to double check whether the change is effectively implemented. In addition to this, Candriam Middle Office performs daily and systematic checks of our voting chains and related transfers of information between parties (incl. custodians, sub-custodians) to monitor closely our voting processes and ensure effective vote, in the direction we expect. Furthermore, Candriam Middle Office team notifies us in case some of our votes are not being processed correctly to make sure we can introduce our vote again and that our vote is taken into consideration. This includes chasing custodian or proxy adviser to ensure our final voting decision will effectively pass. Ultimately and if issue pertains in spite of these efforts, we may decide to enter a manual proxy card to ensure the vote pass effectively. Still, some votes may not pass: reasons are investigated, analysed and recorded. If ab-normal (not falling under our voting policy 'standards' exceptions), the Proxy Voting committee will be informed and an incident report will be introduced to our risk management team and remediation measures will be put in place to avoid similar cases to occur again. This daily monitoring is performed by both our Middle Office team as well as our ESG team, and involve alerts set up at different levels of the voting chain. A due diligence addressing, among other items, information security risks and business continuity risks, as well as accuracy and transparency of the information, is also performed regularly by Candriam's Risk Department.

Please be aware the above cover funds and mandates applying Candriam voting strategy but also the mandates or dedicated funds applying a custom voting policy. In this last case, we may consider involving other proxy advisor in complement of our main one to help us in better answering clients' demands related to their voting guidelines. We hold regular meetings or exchanges via emails with them to ensure of our good comprehension of their voting guidelines.

2. Vote: voting instructions' monitoring Ahead of the voting season, following the update of our voting policy and then during the voting season, regular meetings are held with ISS, our main proxy advisor, but also with other proxy advisor we use, to ensure good comprehension and implementation of our voting guidelines and discuss new type of resolution requiring further guidelines.

During the season, as we re-analyse internally a significant share of the resolutions we vote, we may contact again proxy advisers' analysts to ensure again the good comprehension of involved guidelines or to inform them on guidelines for new type of resolutions, and precise interpretation of the voting guide we provided.

STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9 HF, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

	(1) Listed equity	(2) Direct listed equity holdings in hedge fund portfolios
(A) Joining or broadening an existing collaborative engagement or creating a new one	☒	☒
(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal	☒	☐
(C) Publicly engaging the entity, e.g. signing an open letter	☒	☒
(D) Voting against the re-election of one or more board directors	☒	☐
(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director	☒	☐
(F) Divesting	☒	☒
(G) Litigation	☐	☐
(H) Other	☒	☒
(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings	☐	☐

(H) Other - (1) Listed equity - Specify:

We have asked questions at the AGM to address an issue in a more public manner and make other investors aware of our concerns. We may preannounce our voting intentions where we don't follow board voting recommendations for one or more items raising our voice on the involved concern. We may contact market regulator to support change in governance practices or to ask for support in our efforts.

(H) Other - (2) Direct listed equity holdings in hedge fund portfolios - Specify:

We contacted market regulator to support change in governance practices or to ask for support in our efforts.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

- ☒ (A) Joining or broadening an existing collaborative engagement or creating a new one
- ☒ (B) Publicly engaging the entity, e.g. signing an open letter
- ☒ (C) Not investing
- ☒ (D) Reducing exposure to the investee entity
- ☒ (E) Divesting
- ☐ (F) Litigation
- ☐ (G) Other
- ☐ (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 38	PLUS	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

Describe your approach to escalation for your SSA and/or private debt fixed income assets.

(A) SSA - Approach to escalation

Candriam's ESG Sovereign research process scores countries and defines their eligibility in sustainable portfolios and feeds investment processes of other investment strategies. Escalations cases are less frequent for SSA than for corporates but still exist. Below examples of such escalations, including an example of escalation via collaborative initiative which remains our preferred approach in such situations. Some countries with high sustainability ranking might have an issue or controversy. In such cases, in accordance with the ESG Sovereign research team and the Debt Portfolio Manager, the ESG engagement team might be tasked with engaging a sovereign issuer on the said specific topic as an escalation, if deemed relevant. While this has not been the case over 2022, it was the case in 2023 when we have engaged a South American government and associated stakeholders, in relation to a recent tax policy related issue impacting negatively its sustainability score. In 2024, we engaged with two different sovereign issuers (one in Latin America and one in Africa) on various issues that may have impacted negatively their investment eligibility for some RI strategies.

Over systemic issues like climate change, when our ESG country specialists consider some countries are more particularly at risk, and that making governments properly understand our expectations may help to shift the line, it can also be considered as an escalation. In that sense, our active participation into both the Australian Collaborative Sovereign Engagement on Climate Change led by the PRI and Investor Policy Dialogue on Deforestation (IPDD) were also an escalation.

As for corporates, reduction of position or even ineligibility conducting to progressive or complete divesting is also an option.

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- ☒ (A) Yes, we engaged with policy makers directly
- ☒ (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- ☒ (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
 - ☐ (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- ☒ (A) We participated in 'sign-on' letters
- ☒ (B) We responded to policy consultations
- ☒ (C) We provided technical input via government- or regulator-backed working groups

Describe:

In the context of Candriam's representation in the main European asset manager's trade associations, our experts are regularly dialoguing with government or regulatory-backed working groups. This dialogue can take place during dedicated stand-alone interviews or during meetings with other trade association's representatives. As EU Sustainable Finance regulation evolves rapidly, such dialogues have been frequented in the last years. During the reporting year, this has been the case when Candriam's experts have participated to interviews organized by the originator, working group at trade associations or have represented trade associations in interview with local regulatory authorities. The objective is to share our practices or implementation issues related to the new regulations developments. This was the case for example for the ESMA fund naming guidelines, the EU SFDR L1 review, the CSRD-ESRS implementation as well as in the case of the revision of the French national SRI label criteria.

- ☐ (D) We engaged policy makers on our own initiative
- ☐ (E) Other methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

☒ (A) We publicly disclosed all our policy positions

Add link(s):

https://csr.candriam.com/pdf/Candriam_2025_CSR%20Report.pdf
https://finance.ec.europa.eu/regulation-and-supervision/consultations/finance-2023-sfdr-implementation_en
https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.esma.europa.eu%2Fsystem%2Ffiles%2Fwebform%2F102114%2F91871%2FESMA_CP_FUNA_CANDRIAM_REPLYFORM.docx&wdOrigin=BROWSELINK

☒ (B) We publicly disclosed details of our engagements with policy makers

Add link(s):

<https://www.candriam.com/siteassets/medias/publications/brochure/commercial-brochures/sri-brochure/voting-and-engagement-report-2024.pdf?v=496863>

○ (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

Additional context to your response(s): (Voluntary)

In relation to answer (A), 2024 was the last year of the EU Commission term and there were no major public open consultation but exchanges were organised with related stakeholders based on the position we and the trade associations we are active member of disclosed in 2023. For the SFDR implementation consultation, please see the disclosed list of contribution to the consultation dated 22012024 on the referred website to identify the Candriam's one.

STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.

(A) Example 1:

Title of stewardship activity:

French personal care company - Child Labour Controversy Engagement

(1) Led by

☒ (1) Internally led

○ (2) External service provider led

○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

☐ (1) Environmental factors

☒ (2) Social factors

☐ (3) Governance factors

(3) Asset class(es)

☒ (1) Listed equity

☐ (2) Fixed income

☐ (3) Private equity

☐ (4) Real estate

☐ (5) Infrastructure

☐ (6) Hedge funds

☐ (7) Forestry

☐ (8) Farmland

☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

This French personal care company was mentioned in the BBC documentary Perfume's Dark Secret (June 2024) exposing the widespread use of child labour in the Egyptian Jasmine harvest. Candriam is part of a coalition of investors engaging French companies with potential exposure to Child and Forced labour under the umbrella of the French SIF. We are lead investor on the company engagement. In 2024 we have carried out an engagement call to hear about the company's reaction to the BBC documentary and to get an update on recent advances in their process and disclosures on child and forced labour. We found that the company is very pro-active in assessing, mapping and mitigating human rights risks. They carry out regular impact assessment on the riskiest products. The company has put in place a program with the Fair Labor Association, the International Labour Organisation and the Egyptian Government to eradicate child labour. The program considers Living Wage and Education issues. They engage their auditors to improve their efficiency. The company reports on policies, risk assessment, due diligence processes via a Human Right Report which is best-in-class. We have since re-engaged with the company and several other cosmetics and perfume brands, plus their tier1 fragrance suppliers to address risks in the supply chain. We have also used some of company's material as examples of best practice during engagement calls with companies exposed to similar risks.

(B) Example 2:

Title of stewardship activity:

BFF Bank SpA - Engagement on Remuneration

(1) Led by

☒ (1) Internally led

☐ (2) External service provider led

☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

☐ (1) Environmental factors

☐ (2) Social factors

☒ (3) Governance factors

(3) Asset class(es)

☒ (1) Listed equity

☐ (2) Fixed income

☐ (3) Private equity

☐ (4) Real estate

☐ (5) Infrastructure

☐ (6) Hedge funds

☐ (7) Forestry

☐ (8) Farmland

☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Since 2021, we've engaged in multiple discussions with the company to express our concerns regarding transparency and alignment with industry best practices. While some of these concerns were addressed in 2022 and 2023, the company's remuneration policy and disclosure practices still fall short of expectations. This sentiment is shared by other investors, as evidenced by the high level of dissent received at AGM. Recognizing the need for collaborative guidance to enhance disclosure practices and align the CEO's remuneration package with industry standards, we participated in a collaborative engagement in March 2023. Since 2021, we've engaged in multiple discussions with the company to express our concerns regarding transparency and alignment with industry best practices.

While some of these concerns were addressed in 2022 and 2023, the company's remuneration policy and disclosure practices still fall short of expectations. This sentiment is shared by other investors, as evidenced by the high level of dissent received at AGM. Recognizing the need for collaborative guidance to enhance disclosure practices and align the CEO's remuneration package with industry standards, we participated in a collaborative engagement in March 2023, facilitated by the Investment Managers' Committee (p22 protocollo_funzionamento_112022.pdf (comitatogestori.it)). Despite our efforts, there was no improvement observed and our discontent has been communicated through votes against remuneration-related items.

Ahead of the BFF Bank SpA 2024 annual general meeting (AGM), we co-filed a shareholder resolution to nominate two Board members with valuable expertise, particularly in executive compensation, corporate governance, and human resources. The goal is for their experience to enhance the bank's remuneration practices, and address longstanding concerns regarding disclosure practices, severance payments, and performance alignment. The proposed slate received more than 50% support, making it «the slate with the most votes», and these two directors were appointed to the Board.

(C) Example 3:

Title of stewardship activity:

Large German automaker – Governance and Forced Labour engagement

(1) Led by

- ☒ (1) Internally led
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☒ (2) Social factors
- ☒ (3) Governance factors

(3) Asset class(es)

- ☒ (1) Listed equity
- ☒ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

As early as 2020, this Large German automaker was named in the 'Uyghurs for sale' report by ASPI which alleged that there where evidence of forced labour within the company's extensive Chinese Supply Chain. In 2022, one of our ESG data provider raised a red flag on the company due to concerns about involvement in Uyghur forced labour at its jointly-owned facility with SAIC Motor in Urumqi, the capital city of China's Xinjiang region. We are concerned that the company has weak human rights identification and due diligence in place to mitigate risks in its extensive supply chain. We are also concerned that the company board suffers from very weak independence and is not equipped to face the company's human rights challenges. In 2020, Candriam joined the Uyghur Forced Labour Investor Initiative under the umbrella of the Investor Alliance on Human Rights. In 2024, Candriam launched a direct campaign to discuss with 5 European and 2 US automakers with a focus on forced labour. Since 2022, we have met with the company 3 times, once by ourselves and twice with other investors, to discuss allegations of forced labour and human right risk management. In December 2024, due to the refusal of management to engage with us, we decided to escalate our engagement and write two letters signed by 10 investors: We wrote the management to express our concerns about the company's weak human right risk management performance, showing examples of best practices at peer firms.

(D) Example 4:

Title of stewardship activity:

PFAS Campaign

(1) Led by

- ☒ (1) Internally led
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☒ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

- (3) Asset class(es)
- ☒ (1) Listed equity
 - ☒ (2) Fixed income
 - ☐ (3) Private equity
 - ☐ (4) Real estate
 - ☐ (5) Infrastructure
 - ☐ (6) Hedge funds
 - ☐ (7) Forestry
 - ☐ (8) Farmland
 - ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

In 2024 Candriam started an engagement campaign aiming to: 1. Understand key challenges, risks and opportunities faced by companies across industries producing or using PFAS,

2. Uncover and share the best practices implemented across sectors,

3. Strengthen our internal analysis by integrating these insights into our proprietary ESG research model.

We developed a research framework which assesses a company's PFAS strategy based on 6 main pillars (PFAS exposure, Governance and monitoring processes, Phase out plans and alternatives development, Legal risks & provisions, Impact & remedies, Disclosure) We contacted 48 companies, pre-populating our PFAS framework with publicly available data before distributing questionnaires. This approach ensures companies can verify the accuracy of the data while also providing additional insights. 23 companies responded, among them, some big names in the chemical sector that are especially exposed to PFAS. We organized a total of 6 calls with well-known EU companies. Most exposed companies struggle to find alternatives and advocate for science-based PFAS regulations. While some argue their PFAS are safe due to a lack of contrary studies, others assume a ban is inevitable and seek alternatives. Finally, companies that developed substitutes found them to have superior properties, offering hope for the industry's future. For less exposed companies the significant costs of PFAS treatment, such as reverse osmosis, is prohibitive. The material information for each firm has been integrated in our ESG research model, complementing our company analysis. We published a research paper (candriam.com/siteassets/_assets/01-insights/2025/04/case-study-pfas/pfas-paper-eng.pdf) to highlight the key PFAS issues, risks and opportunities encountered by target companies in April 2025. We are providing each contacted company with a dedicated report outlining our assessment of the company relative to peers and our expectations. Finally, we will integrate the new information collected in our ESG research analysis. The objective is to incorporate our risk assessment vis-à-vis PFAS in our investment process.

(E) Example 5:

Title of stewardship activity:

- (1) Led by
- ☐ (1) Internally led
 - ☐ (2) External service provider led
 - ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

Has your organisation identified climate-related risks and opportunities affecting your investments?

☒ (A) Yes, within our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

At Candriam, we are convinced that climate change is one of the biggest systemic risks facing our economies on the mid and long-term. We also believe that investing in the low-carbon transition can generate significant investment opportunities.

On our standard planning horizon, we have identified the following risks and opportunities:

- Specific sectors and/or assets that are at risk of being stranded: Candriam's in-house ESG assessment framework used since 2008 allows us to identify companies business activities that are incompatible with the Paris Agreement and led to the following decisions:
 - Thermal coal: as the most polluting fossil fuel, since 2018, for all investments, companies which are directly or indirectly involved in the thermal coal industry and generate more than 10% (5 % from 2023) of their revenues from coal-based extraction and electricity production are excluded. Companies launching new products are excluded with no minimum revenue threshold applied.
 - Oil & Gas: for all SRI marketed products, we exclude companies generating more than 5% of their turnover from conventional or unconventional oil & gas extraction, being production, refining, transport or distribution. We also exclude companies generating more than 50% of revenues from equipment and services dedicated to the oil & gas sector.
 - Carbon-intensive utilities: in the utilities sectors, a maximum level of carbon intensity (g CO2/kWh) is fixed in accordance with IEA 1.5 degrees scenario.
- Specific sectors and/or assets that are likely to benefit under a range of climate scenarios. Part of our ESG proprietary model (business activity dimension) is based on an in-depth assessment of the positive or negative contribution of issuers' activities to key sustainability challenges, including climate change. We have about 1200 activities that are covered in our ESG model. In addition, we use climate data from C4F in order to assess to what extent each issuer is contributing positively or negatively to reaching the Paris goals. Transition risks are fully integrated in our ESG analysis framework: companies of all sizes within all business sectors face climate change risks. The risks incurred differ in nature and intensity depending on the sector, the business activity and the regional mix. A proprietary climate risks analysis is implemented combining a full understanding of sector climate issues with an in-depth analysis of the company business models and climate strategy. The IEA Net Zero scenario is used in the business activity climate assessment and to evaluate the company's climate performance and strategy. The combination of these two dimensions exposure/management allows to assess whether the company is doing enough to mitigate its transition risk. This information is used to limit exposure of our SRI marketed products to transition risks and to target our engagement efforts towards companies' facing the highest transition risks. The IEA Net Zero scenario is used as reference for sectors covered by the IEA. Depending on the credibility of their climate strategy (including targets, strategic planning, capital allocation, governance, risk management), companies are put into 5 categories: "achieving net zero", "aligned to net zero pathway", "aligning towards net zero pathway", "committed to aligning", "not aligned/incompatible". We have set the objective to have 50% of our financed emissions coming from companies assessed as net zero or "aligned to net zero pathway" by 2030. This is the same assessment that helps target our climate engagement efforts and guides our climate voting policy.
- Assets with exposure to direct physical climate risk: At this stage, the physical risks are qualitatively integrated into our climate analysis as well as into our Engagement process. The specific short-term impact of climate change is assessed through continuous monitoring of companies' response to climate change and their exposure to physical risks arising from climate change. This task falls under the mission of our ESG analysts, but also that of each manager called upon to assess the attractiveness of companies within the framework of portfolio management. The medium and long-term exposure of companies to greenhouse gas reduction measures as well as to the physical risks resulting from climate change is monitored through the analysis of company activities and their alignment with climate change on the one hand, and through the active dialogue led by our ESG specialists with companies on the other. We have developed internally a specific assessment tool on water-related risks that is based on asset level data, and include an assessment of present and projected (2030, 2040) water risks, based on WRI Aqueduct and WWF models. This tool is used to assess water related risks in our ESG assessment and to conduct more targeted water-related engagement with high-risk companies.

☐ (B) Yes, beyond our standard planning horizon

☐ (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

● **(A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities**

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

Climate issues have been part of our ESG consideration since 2008 with Climate change & Resource depletion being the main impacting long term sustainability challenges that must be assessed when considering the business model resilience of investee companies. Combined with the stakeholders management assessment they determine the final ESG score of companies across all sectors and are at the origin of poor ESG score for high impacting sectors. The results of this ESG assessment are used in all fundamental strategies except the hedged funds ones and:

- are embedded in the strategies based on the Best-in-universe and Best-in-class selection (top 50 %/70 %). These strategies cover all asset classes/regions & target a decarbonisation path
- inform the ESG integration process of all fundamental equity & corporate bonds strategies
- all bonds portfolios favour the investment in green/sustainability bonds for a pocket between 5 and 10 %.

Since 2015, Candriam has supported Paris Agreement targets and decided to monitor carbon footprint of its ESG marketed funds that are implementing a strict selection based on Candriam ESG assessment framework and the reduction of exposure to fossil fuels : exclusion of investee companies with > 5 % exposure to coal and to conventional & unconventional oil & gas (including refining, transport and distribution), exclusion of utility companies with a carbon intensity not aligned with the IEA 1.5 degree scenario (312g CO2/kWh in 2024). Exclusion thresholds are progressively revised, those applied in 2024 are detailed in our answer to PGS 42.

Company-wide exclusion policy covering all investments has been extended end 2018. Companies considered as a source of stranded assets in the short to medium term due to the climate change issue are currently excluded across Candriam's investments. The exclusion applies to all companies that derive over 5% of revenues from coal-fired power generation or coal mining, and those that develop new thermal coal projects.

Aside from this exclusion, ESG integration approach applied to all our Fixed income and Equities investment process and based on the conclusions of our ESG assessment for corporates that are impacted by the climate resilience of companies business model leads to following decisions:

- Fundamental Equity strategies: Energy, Mining & Utilities sectors are structurally underweighted due to the poor perspectives offered by most of investee companies exposed to fossil fuels.
- Quantitative Equity strategies: carbon optimisation approach is implemented across all sectors, low carbon solutions implemented for institutional clients based on a set of climate-related indicators (company's carbon footprint, contribution to energy transition, CO2 of fossil fuels reserves).
- Fixed income corporate process considers climate issue in corporate's credit quality assessment that influence the final credit exposure.

Based on our in-house ESG expertise, dedicated strategies to environmental objectives and open-funds have been proposed to final investors. Investment decisions are directly related to a dedicated framework targeting the environmental thematic which have been developed for Climate change, Circular Economy and Future mobility strategies. More information in our answer to SO 3.3.

The EU SFDR gave us the opportunity to explicitly define targets related to climate change for our products classified as art 8 and 9 (89 % of SFDR in scope AUM, 73 % of total AUM) :

- For strategies with an ESG objective (SFDR art9), portfolios target 30 % lower carbon footprint (initially based on scope 1 and 2 emissions, scope 3 being progressively integrated) than the reference benchmark. Fixed income process is also committed to invest 10 % of their portfolio in green bonds with a target at 20 % by 2025. Environmental thematic products are aligned with a 2.5°C temperature with the objective to be aligned with 2°C by 2025.
- For strategies promoting ESG characteristics (SFDR art8), portfolios are committed to have their carbon footprint below this of the reference benchmark.

In 2022, we further integrated climate change at the heart of our ESG strategy by committing to net zero by 2050 with very ambitious 2030 objectives. We joined the NZAMI in November 2021 and have published in April 2023 a new climate strategy including 2030 objectives. The implementation of our net zero strategy started with an initial scope of open funds representing 17 % of our AUM. This is a company-wide commitment involving all teams at Candriam, including ESG, Fund Management, Risk, Data, Reporting. The monitoring of progress is done very regularly to the Sustainability Risk Committee and at least once a year to the Group Strategic Committee.

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 42	PLUS	N/A	N/A	PUBLIC	Climate change	General

Which sectors are covered by your organisation's strategy addressing high-emitting sectors?

☒ (A) Coal

Describe your strategy:

Exclusion driven: We exclude companies that derive more than 5% of their revenues from the value chain of thermal coal, including power generation or that develop new coal projects from across our investments. For our Art 9 SRI strategies (Level 3 SRI Exclusion Policy), we exclude:

- Companies involved in the exploration, processing, transportation and distribution of thermal coal (>5% revenues)
- Companies involved in the extraction of thermal coal (>0% revenues)
- Companies developing new projects in coal extraction, coal power generation or coal transportation For Candriam's Article 8 and certain Article 6 strategies that apply Candriam's Level 2a Exclusion Policy we exclude:
- Companies directly involved in coal extraction (>0% revenues)
- Companies with expansion plans (new projects) in coal mining or coal-based power generation

☒ (B) Gas

Describe your strategy:

Exclusion driven: For our art 9 SRI strategies, (Level 3 SRI Exclusion policy) we exclude:

- Companies involved in the exploration, production, refining or transport of oil & gas (>5% revenues),
- Companies providing services and equipment dedicated to oil & gas production (>25% revenues)
- Companies with expansion or exploration plans for new oil and gas projects For Candriam's Article 8 and certain art 6 strategies that apply Candriam's Level 2a Exclusion Policy we exclude:
- Companies with any involvement in unconventional oil and gas extraction (shale gas, shale oil, tar sands, arctic drilling, deep water drilling, extra heavy oil Unless (the two conditions have to be met):
 - The company dedicates over 20% of its capex to renewable energy AND,
 - The company does not explore or develop new oil & gas projects Engagement driven:

we also conduct dialogue on climate in priority with companies that are carbon intensive and/or face significant climate risks. The oil and gas sector is among priority targets for our collaborative (CA100+) and individual engagement.

☒ (C) Oil

Describe your strategy:

Exclusion driven: For our art 9 SRI strategies, (Level 3 SRI Exclusion policy) we exclude:

- Companies involved in the exploration, production, refining or transport of oil & gas (>5% revenues),
- Companies providing services and equipment dedicated to oil & gas production (>25% revenues)
- Companies with expansion or exploration plans for new oil and gas projects For Candriam's Article 8 and certain art 6 strategies that apply Candriam's Level 2a Exclusion Policy we exclude:
- Companies with any involvement in unconventional oil and gas extraction (shale gas, shale oil, tar sands, arctic drilling, deep water drilling, extra heavy oil Unless (the two conditions have to be met):
 - The company dedicates over 20% of its capex to renewable energy AND,
 - The company does not explore or develop new oil & gas projects Engagement driven:

we also conduct dialogue on climate in priority with companies that are carbon intensive and/or face significant climate risks. The oil and gas sector is among priority targets for our collaborative (CA100+) and individual engagement.

☒ (D) Utilities

Describe your strategy:

Selection driven: For our art 9 SRI strategies, we exclude companies:

- Companies with new coal or nuclear-based projects and companies carbon intensity above 312gCO₂/kWh
- Companies with new coal or nuclear-based projects In addition, carbon reduction targets on SRI strategies limit investment in carbon-intensive companies.

For Candriam's Article 8 and certain art 6 strategies that apply Candriam's Level 2a Exclusion Policy we apply the same thresholds as for our Level 3 SRI strategies (Article 9): a limit of 312 gCO₂/kWh and the exclusion of companies developing new coal or nuclear-based projects.

Engagement driven: we also conduct dialogue on climate in priority with companies that are carbon intensive and/or face significant climate risks. The utilities sector is among priority targets for our collaborative (CA100+) and individual engagement.

☒ **(E) Cement**

Describe your strategy:

Selection driven: climate-related assessment account for about 50% of the ESG rating of cement companies. As such companies that do not demonstrate a relevant decarbonization strategy are unlikely to reach the SRI eligibility threshold. In addition, carbon reduction targets on (art 9) SRI strategies limit investment in carbon-intensive companies.

Engagement driven: we also conduct dialogue on climate in priority with companies that are carbon intensive and/or face significant climate risks. The cement sector is among priority targets for our collaborative (CA100+) and individual engagement.

☒ **(F) Steel**

Describe your strategy:

Selection driven: climate-related assessment account for about 40% of the ESG rating of steel-making companies. As such companies that do not demonstrate a relevant decarbonization strategy are unlikely to reach the SRI eligibility threshold. In addition, carbon reduction targets on SRI (art 9) strategies limit investment in carbon-intensive companies.

Engagement driven: we also conduct dialogue on climate in priority with companies that are carbon intensive and/or face significant climate risks. The steel sector is among priority targets for our collaborative (CA100+) and individual engagement.

☒ **(G) Aviation**

Describe your strategy:

Selection driven: climate-related assessment account for about 40% of the ESG rating of transport operators, including aviation. As such companies that do not demonstrate a relevant decarbonization strategy are unlikely to reach the SRI eligibility threshold. In addition, carbon reduction targets on SRI (art 9) strategies limit investment in carbon-intensive companies. Engagement driven: we also conduct dialogue on climate in priority with companies that are carbon intensive and/or face significant climate risks. The aviation sector is among priority targets for our collaborative (CA100+) and individual engagement.

☒ **(H) Heavy duty road**

Describe your strategy:

Selection driven: climate-related assessment account for about 40% of the ESG rating of heavy duty transport. As such companies that do not demonstrate a relevant decarbonization strategy are unlikely to reach the SRI eligibility threshold. In addition, carbon reduction targets on SRI (art 9) strategies limit investment in carbon-intensive companies. Engagement driven: we also conduct dialogue on climate in priority with companies that are carbon intensive and/or face significant climate risks. The heavy duty transport sector is among targeted sectors for our collaborative (CA100+) and individual engagement.

☒ **(I) Light duty road**

Describe your strategy:

Selection driven: climate-related assessment account for about 40% of the ESG rating of automakers. As such companies that do not demonstrate a relevant decarbonization strategy are unlikely to reach the SRI eligibility threshold. In addition, carbon reduction targets on SRI (art 9) strategies limit investment in carbon-intensive companies. Engagement driven: we also conduct dialogue on climate in priority with companies that are carbon intensive and/or face significant climate risks. The automotive sector is among priority targets for our collaborative (CA100+) and individual engagement.

☒ **(J) Shipping**

Describe your strategy:

Selection driven: climate-related assessment account for about 40% of the ESG rating of transport operators, including shipping. As such companies that do not demonstrate a relevant decarbonization strategy are unlikely to reach the SRI eligibility threshold. In addition, carbon reduction targets on SRI (art 9) strategies limit investment in carbon-intensive companies.

☒ **(K) Aluminium**

Describe your strategy:

Selection driven: climate-related assessment account for about 40% of the ESG rating of aluminium-making companies. As such companies that do not demonstrate a relevant decarbonization strategy are unlikely to reach the SRI eligibility threshold. In addition, carbon reduction targets on SRI (art 9) strategies limit investment in carbon-intensive companies. Engagement driven: we also conduct dialogue on climate in priority with companies that are carbon intensive and/or face significant climate risks. The aluminium sector is among priority targets for our collaborative (CA100+) and individual engagement.

☒ **(L) Agriculture, forestry, fishery**

Describe your strategy:

Selection driven: climate-related assessment account for about 25% of the ESG rating of food and beverage companies. As such companies that do not demonstrate a relevant decarbonization strategy will be impacted in their ESG rating and could be challenged for SRI eligibility. In addition, carbon reduction targets on SRI (art 9) strategies limit investment in carbon-intensive companies. Engagement driven: we also conduct dialogue on climate in priority with companies that are carbon intensive and/or face significant climate risks. The food & beverage sector is among priority targets for our collaborative (CA100+) and individual engagement.

☒ **(M) Chemicals**

Describe your strategy:

Selection driven: climate-related assessment account for about 30% of the ESG rating of chemicals. As such companies that do not demonstrate a relevant decarbonization strategy will be impacted in their ESG rating and could be challenged for SRI eligibility. In addition, carbon reduction targets on SRI (art 9) strategies limit investment in carbon-intensive companies. Engagement driven: we also conduct dialogue on climate in priority with companies that are carbon intensive and/or face significant climate risks. The chemicals sector is among priority targets for our collaborative (CA100+) and individual engagement.

☒ **(N) Construction and buildings**

Describe your strategy:

Selection driven: climate-related assessment account for about 25% of the ESG rating of real estate companies. As such companies that do not demonstrate a relevant decarbonization strategy will be impacted in their ESG rating and could be challenged for SRI eligibility. In addition, carbon reduction targets on SRI (art 9) strategies limit investment in carbon-intensive companies. Engagement driven: we also conduct dialogue on climate in priority with companies that are carbon intensive and/or face significant climate risks. The construction and building sector is among targeted sectors for our collaborative (CA100+) and individual engagement.

☒ **(O) Textile and leather**

Describe your strategy:

Selection driven: climate-related assessment account for about 30% of the ESG rating of textile companies. As such companies that do not demonstrate a relevant decarbonization strategy will be impacted in their ESG rating and could be challenged for SRI eligibility.

☒ **(P) Water**

Describe your strategy:

Selection driven: climate-related assessment account for about 40% of the ESG rating of water utilities. As such companies that do not demonstrate a relevant decarbonization strategy are unlikely to reach the SRI eligibility threshold. In addition, carbon reduction targets on SRI (art 9) strategies limit investment in carbon-intensive companies. Engagement driven: we also conduct dialogue on climate in priority with companies that are carbon intensive and/or face significant climate risks. The waste & water sector is among targeted sectors for our collaborative (CA100+) and individual engagement.

☐ **(Q) Other**

- ☐ (R) We do not have a strategy addressing high-emitting sectors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?

- ☐ (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
☐ (B) Yes, using the One Earth Climate Model scenario
☒ (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
☐ (D) Yes, using other scenarios
☐ (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?

- ☒ (A) Yes, we have a process to identify and assess climate-related risks
 (1) Describe your process

We have developed an internal proprietary model to assess the specific transition risks faced by issuers in high-stake sectors. This tool allows us to identify the companies that are likely to face high risks related to the transition to a net zero world, such as the risk of stranded assets or the risk of seeing their business outlook impacted by climate-related regulation. The model combines the expertise of our ESG team and our quantitative team. It is based on both the company's specific exposure to transition risks, linked to its activities and countries of operation, and its management of climate risks. Our proprietary analysis tool identifies and measures the transition risks faced by companies. The analysis is carried out at the level of individual issuers and combines two dimensions:

- The exposure to transition risks, which combines the assessment of the impacts of the companies' activities on climate with the company's geographical footprint. Various activities face various level of transition risks depending on where they are located and the nature and speed of the transition in each region or country.
- The corporates' climate strategy, which assesses the quality and credibility of companies' climate strategy and how they manage their transition risks.

These two factors result in a companies' ranking according to their management of transition risks in five categories: Highly insufficient / Insufficient / Average / Good / Excellent. This assessment feeds our investment analysis and is used to target our engagement efforts: we prioritise the companies facing the highest risks.

As signatory to the NZAMi since November 2021, Candriam committed itself to "Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner". Our goal is to encourage our investee companies to align their activities with a pathway to limiting global warming to 1.5°C over several years. Among the intermediate target set, we are committed that by 2030, 50% of Candriam "financed emissions [will be] assessed as "Net Zero" or "Aligned to a Net Zero pathway". We have developed a clear multi-step engagement programme focusing on accompanying our investee companies on their decarbonization journey. This has been validated by our Stewardship workstream and presented to our Global Strategic Committee.

- (2) Describe how this process is integrated into your overall risk management

Transition risk assessment are available to all analyst and portfolio managers. For some SRI strategies, companies that face the highest transition risks are not eligible to investment. Investee companies facing the highest transition risks are also priority targets of our climate engagement.

The Risk team is in charge of monitoring climate-related exclusions, and the achievement of climate-related objectives for all relevant investment strategies. The Sustainability Risk Committee is regularly updated by the ESG team on the main identified ESG risks, including the climate-related ones. Escalation process leading to engagement actions or portfolio divestment is also under its responsibility.

☒ **(B) Yes, we have a process to manage climate-related risks**

(1) Describe your process

Transition risk assessment are available to all analyst and portfolio managers. For some SRI strategies, companies that face the highest transition risks are not eligible to investment. Investee companies facing the highest transition risks are also priority targets of our climate engagement. In addition, all relevant SRI strategies (excluding monetary and social thematic) have carbon reduction objectives in place that allow to avoid the most carbon intensive companies. As part of our Net Zero commitment, we have set in 2021 several objectives to mitigate exposure to climate risks:

- Engage: we have set the objective to engage with companies accounting for at least 70% of our financed emissions by 2030
- Aligning our investment with net zero: we have set the objective of having at least 50% of our financed emissions coming from companies assessed as "Net Zero" or "Aligned to net zero pathways" by 2030
- Emissions Reduction targets: we have set the objective of reducing our average Weighted Average Carbon Intensity (WACI) by at least 50% by 2030.
- Financing the ecological transition: measuring and maximizing the share of our investments contributing positively to the transition by 2030.

More specifically, our engagement actions related to our portfolio decarbonization targets is to support our investee companies, and not to immediately divest if we determine that their progress is not 1.5°C aligned. For this purpose, we identified the 50 issuers which make the largest contribution to Candriam's portfolio WACI and Carbon Footprint (financed emissions). We categorized these issuers into three priority groups. We will have a 'route point' in 2025 to perform a global assessment of the progress, and to decide how we deal with the laggards, if there are any. An exception to this 'accompany rather than divest' principle may occur in cases where we have engaged with a company for years, expressing our discontent, and that company has nevertheless consistently refused to take action to adopt a 1.5°C pathway. Of course we have several intermediary escalation measures to show companies that we expect more:

- Filing shareholder resolutions.
- Bringing other interested investors to the conversation to increase leverage with the company.
- Active Proxy Voting. We have a new dedicated section in our Candriam Voting Policy on climate, where we detail how mismanagement of climate risks will impact our voting. We will also preannounce our voting intentions ahead of selected AGMs to highlight and publicize our position on certain proposals.

(2) Describe how this process is integrated into your overall risk management

The Risk team is in charge of monitoring climate-related exclusions, and the achievement of climate-related objectives for all relevant investment strategies.

The implementation of our net zero strategy is a company-wide commitment involving all teams at Candriam, including ESG, Fund Management, Risk, Data, Reporting, that are all contributing to the development of the necessary tools and monitoring process. The monitoring of progress is done very regularly to the Sustainability Risk Committee and at least once a year to the Group Strategic Committee.

- (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and publicly disclose?

- ☐ (A) Exposure to physical risk

☒ **(B) Exposure to transition risk**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

- **(3) Metric or variable used and disclosed, including methodology**
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
 - https://www.candriam.com/en/professional/SysSiteAssets/medias/insights/esg/climate-strategy/climate_strategy_gb.pdf
- ☐ (C) Internal carbon price
- ☒ **(D) Total carbon emissions**
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - **(3) Metric or variable used and disclosed, including methodology**
 - (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
 - https://www.candriam.com/siteassets/medias/insights/sfdr-publications/pais_qualitative_reporting_gb.pdf?v=49d7fa
- ☒ **(E) Weighted average carbon intensity**
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - **(3) Metric or variable used and disclosed, including methodology**
 - (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
 - https://www.candriam.com/siteassets/medias/insights/sfdr-publications/pais_qualitative_reporting_gb.pdf?v=49d7fa
- ☐ (F) Avoided emissions
- ☒ **(G) Implied Temperature Rise (ITR)**
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - **(3) Metric or variable used and disclosed, including methodology**
 - (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
 - <https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/candriams-climate-policy.pdf?v=4977b6>
- ☐ (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
- ☒ **(I) Proportion of assets or other business activities aligned with climate-related opportunities**
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - **(3) Metric or variable used and disclosed, including methodology**
 - (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
 - https://csr.candriam.com/pdf/Candriam_2025_CSR%20Report.pdf
- ☒ **(J) Other metrics or variables**
 - Specify:
 - Exposure to fossil fuels
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - **(3) Metric or variable used and disclosed, including methodology**
 - (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable
 - https://www.candriam.com/siteassets/medias/insights/sfdr-publications/pais_qualitative_reporting_gb.pdf?v=49d7fa
- (K) Our organisation did not use or publicly disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, did your organisation publicly disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

☒ (A) Scope 1 emissions

- (1) Indicate whether this metric was disclosed, including the methodology
 - (1) Metric disclosed
 - (2) Metric and methodology disclosed
- (2) Provide links to the disclosed metric and methodology, as applicable

https://csr.candriam.com/pdf/Candriam_2025_CSR%20Report.pdf

☒ (B) Scope 2 emissions

- (1) Indicate whether this metric was disclosed, including the methodology
 - (1) Metric disclosed
 - (2) Metric and methodology disclosed
- (2) Provide links to the disclosed metric and methodology, as applicable

https://csr.candriam.com/pdf/Candriam_2025_CSR%20Report.pdf

☒ (C) Scope 3 emissions (including financed emissions)

- (1) Indicate whether this metric was disclosed, including the methodology
 - (1) Metric disclosed
 - (2) Metric and methodology disclosed
- (2) Provide links to the disclosed metric and methodology, as applicable

https://www.candriam.com/siteassets/medias/insights/sfdr-publications/pais_qualitative_reporting_gb.pdf?v=49d7fa

https://csr.candriam.com/pdf/Candriam_2025_CSR%20Report.pdf

https://www.candriam.com/en/professional/SysSiteAssets/medias/insights/sfdr-publications/sfdr-esg-impact-indicators-definitions_en.pdf

- (D) Our organisation did not publicly disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

● (A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities

- (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?

- ☒ (A) The UN Sustainable Development Goals (SDGs) and targets
- ☒ (B) The UNFCCC Paris Agreement
- ☒ (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☒ (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- ☐ (E) The EU Taxonomy
- ☐ (F) Other relevant taxonomies
- ☒ (G) The International Bill of Human Rights
- ☒ (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- ☒ (I) The Convention on Biological Diversity
- ☐ (J) Other international framework(s)
- ☐ (K) Other regional framework(s)
- ☐ (L) Other sectoral/issue-specific framework(s)
- ☐ (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

- ☒ (A) Identify sustainability outcomes that are closely linked to our core investment activities
- ☒ (B) Consult with key clients and/or beneficiaries to align with their priorities
- ☒ (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
- ☒ (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- ☐ (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- ☐ (F) Understand the geographical relevance of specific sustainability outcome objectives
- ☐ (G) Other method
- ☐ (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

- ☒ (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities

- (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?

- ☒ (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons
- ☐ (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- ☐ (C) We have been requested to do so by our clients and/or beneficiaries
- ☒ (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- ☒ (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
- ☒ (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- ☐ (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- ☐ (H) Other

HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

During the reporting year, what steps did your organisation take to identify and take action on the actual and potential negative outcomes for people connected to your investment activities?

- ☒ (A) We assessed the country level context of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes

Explain how these activities were conducted:

The analysis of Human Rights is an integral part of the ongoing application of our proprietary ESG analytical frameworks. We develop granular evaluations of the Human Rights issues and potential risks at the investee company, sector and country levels and build an understanding of how investment portfolios are linked to them. Our ongoing analysis of sovereigns considers countries' Human and Social capital. Our Human Capital analysis covers issues such as health, slave labour and discriminatory labour practices. Social Capital also includes a variety of matters intimately connected to Human Rights, including freedom of expression and belief, as well as civil liberties and minority rights. In accordance with Candriam's Exclusion Policy, we do not invest in the debt of sovereign or quasi-sovereign entities that are on Candriam's Oppressive Regimes List, which represent severe Human Rights violators. Analysts continuously monitor countries' compliance with a set of democracy and freedom filters.

- ☒ (B) We assessed the sector context of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes

Explain how these activities were conducted:

The analysis of Human Rights is an integral part of the ongoing application of our proprietary ESG analytical frameworks. We develop granular evaluations of the Human Rights issues and potential risks at the investee company, sector and country levels and build an understanding of how investment portfolios are linked to them. While Human Rights are an essential part of the ongoing analysis of all companies at Candriam, they are even more heavily weighted in the case of issuers, activities and sectors with intrinsically high Human Rights stakes. This materiality assessment is conducted systematically as part of the annual update of ESG sector models by ESG Analysts: ESG Analysts update the proprietary ESG models for their respective sectors and attribute relative weightings to ESG issues, including those pertaining to Human Rights. Sector models are updated more frequently in case of structural changes or events warranting a refresh.

☒ **(C) We assessed the human rights performance of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes**

Explain how these activities were conducted:

Our ongoing assessments of the overall sustainability of corporate and sovereign issuers take into consideration Human Rights matters. Candriam systematically evaluates compliance of corporates with international norms and standards, including those pertaining to Human Rights, and monitors and evaluates any incidents. This notably includes the principles of the United Nations Global Compact pertaining to Human Rights, as well as the Universal Declaration of Human Rights.

☒ **(D) We monitored severe and emerging human rights controversies to understand how this could connect our organisation to negative human rights outcomes**

Explain how these activities were conducted:

ESG Analysts continuously monitor issuers to identify any controversies with regards to international norms and standards, including those pertaining to Human Rights (such as principles of the United Nations Global Compact pertaining to Human Rights, as well as the Universal Declaration of Human Rights). When a controversy is identified, analysts assess its magnitude and severity, as well as the issuer's reactivity and the credibility of its response. Based on this analysis, controversies are classified according to a traffic-light system. The results of this screening is implemented in our strategies via Candriam's exclusion policy, which specifies several levels of exclusions depending on the strategy applied to the portfolios

☒ **(E) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities**

Specify:

Engagement

Explain how these activities were conducted:

During 2024, we actively engaged companies exposed to severe human right risks such as Forced Labour (with a focus on Uyghur Forced Labour), Child Labour, exposure to Conflict Affect and High Risk Areas (with a focus on Russia/Ukraine and Israël/Palestine), Supply Chain risks, Digital Rights (with a focus on Ethical AI). We did this through our own engagement campaign and through collaborative initiatives (that has been the case for CAHRA where we engaged in both ways). These theme are well documented in our annual report: <https://www.candriam.com/siteassets/medias/publications/brochure/commercial-brochures/sri-brochure/voting-and-engagement-report-2024.pdf>

- (F) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.1	PLUS	PGS 49	N/A	PUBLIC	Human rights	1, 2

During the reporting year, which stakeholder groups did your organisation include when identifying and taking action on the actual and potential negative outcomes for people connected to your investment activities?

☒ **(A) Workers**

Sector(s) for which each stakeholder group was included

- ☒ **(1) Energy**
- ☒ **(2) Materials**
- ☒ **(3) Industrials**
- ☒ **(4) Consumer discretionary**

- ☒ (5) Consumer staples
- ☒ (6) Healthcare
- ☒ (7) Finance
- ☒ (8) Information technology
- ☒ (9) Communication services
- ☒ (10) Utilities
- ☒ (11) Real estate
- ☒ (B) Communities
 - Sector(s) for which each stakeholder group was included
 - ☒ (1) Energy
 - ☒ (2) Materials
 - ☒ (3) Industrials
 - ☒ (4) Consumer discretionary
 - ☒ (5) Consumer staples
 - ☒ (6) Healthcare
 - ☒ (7) Finance
 - ☒ (8) Information technology
 - ☒ (9) Communication services
 - ☒ (10) Utilities
 - ☒ (11) Real estate
- ☒ (C) Customers and end-users
 - Sector(s) for which each stakeholder group was included
 - ☒ (1) Energy
 - ☒ (2) Materials
 - ☒ (3) Industrials
 - ☒ (4) Consumer discretionary
 - ☒ (5) Consumer staples
 - ☒ (6) Healthcare
 - ☒ (7) Finance
 - ☒ (8) Information technology
 - ☒ (9) Communication services
 - ☒ (10) Utilities
 - ☒ (11) Real estate
- ☐ (D) Other stakeholder groups

Additional context to your response(s): (Voluntary)

As described in Candriam's Human Rights Policy, ESG Analysts update the proprietary ESG models for their respective sectors and attribute relative weightings to ESG issues, including those pertaining to Human Rights. More specifically, Candriam's Human Rights assessment is embedded in our proprietary ESG models, which are sector-specific and materiality-based. Human Rights are primarily evaluated through our Stakeholder Management Analysis, focusing on how companies consider the interests of employees, suppliers, customers, and society in their long-term strategies. Analysts assign higher weights to stakeholders most exposed to Human Rights risks. Additionally, our Business Activities Analysis examines how companies impact key sustainability challenges—particularly Health & Wellness, Digitalisation, and Demographic Change—which are closely linked to Human Rights. These insights are integrated into our investment strategies via tailored rules and guidelines across funds and mandates. Similarly, Human rights are embedded in our framework for sovereign issuers through screening and in Candriam's financial fundamental analysis.

Lastly, human rights are a focus of engagement. We engage on several topics such as supply chain risks, forced labour, child labour, labour rights, living wage, exposure to conflict affected and high-risk areas (CAHRA). These engagements concern several combinations of stakeholders and industry groups. For example, human right risks are particularly salient for affected communities in materials and utilities sectors, forced labour and child labour can be particularly salient in the agricultural sector, where societal risks are prominent in the technology sector. We report this in our voting and engagement annual report section 'III. Human Rights & Human Capital' (<https://www.candriam.com/siteassets/medias/publications/brochure/commercial-brochures/sri-brochure/voting-and-engagement-report-2024.pdf> (from page 37 onwards))

Moreover, human rights are taken into account when deciding on the final vote to cast. In general, while taking into consideration the voting recommendations of one or more proxy advisers, Candriam has the final say in the votes we exercise. Especially in more complex situations, Candriam's dedicated ESG stewardship analysts may perform a full internal analysis of some or all of the items to be presented at a shareholder meeting, in addition to any custom recommendations provided by our main proxy service provider ISS or others. In this way, Candriam reassesses items for meetings that are potentially controversial. The decision to re-assess voting items internally is based on several factors, including human rights and the issuers are systematically added to our internal watchlist 'Human Rights'. The following criteria can be the reason for an issuer to be added to the watchlist or a meeting to be considered priority:

- The nature of these specific voting items (every shareholder resolution is re-analysed by the Voting team including social shareholder resolutions);
- The potential for social-related controversy regarding the issuer;
- The potential for social-related controversy of items subject to intervention during the meeting;

The existence of a direct or collaborative dialogue with the company with respect to one or more of the agenda items of the meeting, or a dialogue whose nature may influence Candriam's vote

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.2	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, what information sources did your organisation use to identify the actual and potential negative outcomes for people connected to its investment activities?

☒ (A) Corporate disclosures

Provide further detail on how your organisation used these information sources:

Candriam is willing to use any available report from investee companies to identify actual and potential outcomes on Human Rights, as well as assess the consistency of the company in regard to Human Rights outcomes. We use the following documents (not limited to and when available):

- Annual and semi-annual report
- ESG Progress Report
- Corporate Social Responsibility Report
- Investor Day Presentation
- Human Rights Progress Report
- Human Rights Policy
- Corporate Code of Conduct
- Suppliers code of conduct

☒ (B) Media reports

Provide further detail on how your organisation used these information sources:

Our ESG Analysts Team keep an eye on the press to be aware of any news that could impact an investee in portfolio or within our investible universe. To that extend, they are looking at any press article or press release, as it is usually the way controversies are revealed.

☒ (C) Reports and other information from NGOs and human rights institutions

Provide further detail on how your organisation used these information sources:

At Candriam, we believe reports and any information from NGOs and human rights-related institutions should be strongly considered and thus any information we can get from the below documents is of value (including but not limited to):

- Public research/analysis from NGOs and Human Rights institutions (e.g., UNGC, OECD, Council of Europe...)
- Business and Human Rights Resource Center
- KnowTheChain
- Institute for Human Rights and Business
- The Danish Institute for Human Rights
- Corporates Human Rights Benchmark

☒ (D) Country reports, for example, by multilateral institutions, e.g. OECD, World Bank

Provide further detail on how your organisation used these information sources:

At country level, we are using international institutions materials to identify negative outcomes on Human Rights. We use documents such as:

- World Bank's reports and publications
- *Working Groups publications
- * Database
- Freedom House
- Human Rights Country Reports
- EU Annual Reports on Human Rights and Democracy
- US Department of Labor List of Goods Produced by Child Labor or forced Labor

☒ **(E) Data provider scores or benchmarks**

Provide further detail on how your organisation used these information sources:

Candriam use external ESG data providers such as MSCI and Sustainalytics. We also use the Corporate Human Rights Benchmark, the World Benchmarking Alliance and the Ranking Digital Rights Index (for both analysis and engagement purposes).

☒ **(F) Human rights violation alerts**

Provide further detail on how your organisation used these information sources:

ESG data providers we have a commercial agreement with, as well as Freedom House or Business and Human Rights Resource Center

☐ **(G) Sell-side research**

☒ **(H) Investor networks or other investors**

Provide further detail on how your organisation used these information sources:

We participate to many collective engagements on the subject of human rights. The insights gathered through dialogues and seminars, provided that they do not involve material non-public information, are used to feed our ESG research.

For more details, please refer to pages 37 to 44 of our 2024 engagement report:

<https://www.candriam.com/siteassets/medias/publications/brochure/commercial-brochures/sri-brochure/voting-and-engagement-report-2024.pdf?v=49af00>

We also use, the following networks but not limited to : the Workforce disclosure Initiative, Access to Nutrition Initiative, Investor Alliance for Human Rights.

☒ **(I) Information provided directly by affected stakeholders or their representatives**

Provide further detail on how your organisation used these information sources:

Through our engagement activities we often hear the testimonies of affected workers through union representative and communities through NGOs. This information feeds our ESG research.

☐ **(J) Social media analysis**

☐ **(K) Other**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 50	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, did your organisation, directly or through influence over investees, enable access to remedy for people affected by negative human rights outcomes connected to your investment activities?

☐ **(A) Yes, we enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities**

☒ **(B) Yes, we used our influence to ensure that our investees provided access to remedies for people affected by negative human rights outcomes we were linked to through our investment activities**

Describe:

At Candriam, we believe Human Rights are a pivotal factor to a sustainable future. To have a greater positive impact and/or progress, the three steps (prevent, mitigate and remediate) of access to remedy for people for corporates should be considered bottom-up and top-down in the means, and simultaneously at investor and investee level. Altogether, our Policies, our ESG Framework and Engagement with investees are the cornerstone of the access to remedy for people and the respect of Human Rights:

- Prevent: our proprietary ESG Framework assesses potential and/or actual Human Rights-related risks. This through the four pillars of our corporate methodology (norms-based, controversial activities, business activities and stakeholders). The consideration of SFDR - Principal Adverse Impacts, with the Do No Significant Harm feature, assist good practices and thus prevention of negative outcomes on Human Rights. Candriam Corporate policies (e.g., Human Rights Policy, , ESG Integration Policy) help to prevent from negative outcomes in relation to Human rights, as they define rules and good practices put in place within the investor/investee company. Our engagement activities also support implementation of due diligence aligned with UN Guiding Principles at our investees.

- Mitigate: to help mitigate negative outcomes related to Human Rights and based on our ESG Framework, we exclude risky issuers from our investments for non-compliance to our ESG criteria (following the applied screening/exclusion process applied to the different strategies). On the investee side, the Human rights Due Diligence process we insist on the importance of independent audit process as a way to mitigate negative outcomes by identifying the risks and determining the potential/actual actions to be taken in case it materializes.

- Remediate: Engagement & Voting is the way to remediate to negative outcomes on Human Rights for both investors and investees. Investors use Engagement & Voting with investees to support and/or influence the practices for improved access to remedy. As a responsible asset manager, all of the above are considered when it comes to Human Rights. We also understand the key role engagement is playing in regard to Human Rights, and shift towards a more social world improving on Human Rights.

Candriam engages with companies directly and collaboratively about "remedy for people" affected by negative Human Rights outcomes. When engaging companies on Human Rights, we often voice our expectations of best practices, such as having strong procedures to offer effective access to remedy to those negatively affected by the company's operations, products or services. Candriam has engaged investee companies on several human rights related issues in 2024: Uyghur forced labour, child labour, conflict affected and high risk areas (CAHRAs), artificial intelligence, ... etc. Concerning CAHRAs, we see this as a growing source of risk for investee companies given the rise in geopolitical tensions including hot conflicts. Whereas in the past, CAHRAs were relatively contained to areas insignificant to global trade, the Russian invasion of Ukraine in 2022, the Israel/Palestine conflict in 2023, the tensions between China and Taiwan have shown that important economies could get rapidly engulfed in conflict. It is therefore important that we understand if companies present in these economies have put in place the right policies, governance and heightened due diligence to make sure human rights are protected. Our dialogues show that they often not have an acceptable standard. Our engagement with these companies have often led to downgrades. We wrote about our engagement efforts in CAHRAs in a public paper : https://www.candriam.com/siteassets/_assets/01-insights/2025/01/case-study_sustainability/2025_01_case-study_sustainability-on-the-front-line_gb.pdf?v=48f55f

- o (C) No, we did not enable access to remedy directly, or through the use of influence over investees, for people affected by negative human rights outcomes connected to our investment activities during the reporting year

LISTED EQUITY (LE)

OVERALL APPROACH

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify and incorporate material ESG factors across your listed equity strategies?

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental
(A) Yes, our investment process incorporates material governance factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors beyond our organisation's average investment holding period	(2) for a majority of our AUM	(1) for all of our AUM	(1) for all of our AUM
(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their discretion	○	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○	○

MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your listed equity strategies?

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental
(A) Yes, we have a formal process that includes scenario analyses	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a formal process, but it does not include scenario analyses			
(C) We do not have a formal process for our listed equity strategies; our investment professionals monitor how ESG trends vary over time at their discretion	○	○	○
(D) We do not monitor and review the implications of changing ESG trends on our listed equity strategies	○	○	○

(A) Yes, we have a formal process that includes scenario analysis - Specify: (Voluntary)

The monitoring and review of the implications of the ESG trends is included both in our Best-in-Universe corporate and sovereign approaches, as well as in our ESG integration frameworks within the equity investment process. As part of the calculation of the ESG score, the team analyses the business activities of a company. Companies are exposed to major long-term ESG trends that can strongly influence the environment in which they operate and that may shape their future market challenges and long-term growth. We have identified five key sustainability trends that include Climate change, Resource Depletion, Digitalisation, Health and Wellness and Demographic Evolution. We group companies based on the industry or sector in which each company operates, its geographic location, business model. We determine the degree to which each industry group is exposed to the five major ESG trends, and score them from 0 to +100, based on relevance and materiality. We assess a company exposure, through its revenue generation, assets, CAPEX etc., to the five key trends. Based on the conclusions of the sector Business Activities Analysis, all the company's exposures to the major sustainable development trends/ challenges specific to its sector are evaluated and scored.

The latest ESG trends and specifically regulations that have an impact on issuers and segments (different sectors or regions) are also source of revision of our exclusion policy. Furthermore, when assessing a particular sector (like the Autos for example), we take into account the compliance around the 2-degree scenario that each company will be subjected to while trying to understand how they are positioned for the future.

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How does your financial analysis and equity valuation or security rating process incorporate material ESG risks?

	(1) Active - quantitative	(2) Active - fundamental
(A) We incorporate material governance-related risks into our financial analysis and equity valuation or security rating process	(1) in all cases	(1) in all cases
(B) We incorporate material environmental and social risks into our financial analysis and equity valuation or security rating process	(1) in all cases	(1) in all cases
(C) We incorporate material environmental and social risks related to companies' supply chains into our financial analysis and equity valuation or security rating process	(1) in all cases	(1) in all cases
(D) We do not incorporate material ESG risks into our financial analysis, equity valuation or security rating processes	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

What information do you incorporate when you assess the ESG performance of companies in your financial analysis, benchmark selection and/or portfolio construction process?

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental
(A) We incorporate qualitative and/or quantitative information on current performance across a range of material ESG factors	(1) in all cases	(1) in all cases	(1) in all cases
(B) We incorporate qualitative and/or quantitative information on historical performance across a range of material ESG factors	(1) in all cases	(1) in all cases	(1) in all cases
(C) We incorporate qualitative and/or quantitative information on material ESG factors that may impact or influence future corporate revenues and/or profitability	(1) in all cases	(1) in all cases	(1) in all cases
(D) We incorporate qualitative and/or quantitative information enabling current, historical and/or future performance comparison within a selected peer group across a range of material ESG factors	(2) in a majority of cases	(2) in a majority of cases	(1) in all cases
(E) We do not incorporate qualitative or quantitative information on material ESG factors when assessing the ESG performance of companies in our financial analysis, equity investment or portfolio construction process	○	○	○

ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 5	PLUS	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

Provide an example of how you incorporated ESG factors into your equity selection and research process during the reporting year.

Our proprietary ESG assessment of companies applied since 2008 is combined with the different equity processes in order to complete financial investment decision. Candriam's ESG analysis for companies consists in evaluating their ability to manage the sustainable development issues specific to their sector. These are addressed from two distinguishable but interlinked angles namely Business Activities and Stakeholders Analysis. This so-called Best-in-universe analysis is followed by a norms-based check designed to exclude companies for which there is definite proof of systematic breaches of the ten principles of the UN Global Compact that covers Human & Labour rights, respect for the environment and anti-corruption. The last step consists in excluding companies involved in controversial activities.

1. Business Activities Analysis This analysis evaluates the company's exposure (services/products, production areas, market segments, etc.) to the major sustainable development challenges. These challenges are long-term trends liable to considerably influence the economic environment in which companies operate and to determine the future challenges in the market as well as the long-term growth opportunities. Candriam has identified five global sustainability trends: Climate Change, Resource Depletion, Health & Wellness, Demographic Evolution and Digitalisation. We assess a company exposure, through its revenue generation, assets, CAPEX etc.

2. Stakeholders Analysis Relationships with stakeholders give rise to opportunities as well as risks and are therefore determinants of long-term value. The Stakeholder Analysis evaluates a company's ability to incorporate stakeholder interests in its long-term strategy, insofar as they are a source of risks and opportunities for the company. These six categories of stakeholders include Investors, Employees, Customers, Suppliers, Society, and the Environment and cover 20 themes such as employee training, fair working conditions at suppliers, relationships with local authorities, pollution and local impact. We determine the relevance of each category based on qualitative and quantitative data. For instance, we may look at the degree of attention paid to shareholders; the frequency of certain events such as accidents and fines; the tangible or intangible financial impact of ESG issues, and the outlook and prospects for a company to improve or deteriorate in these measures. Based on the relevance, we determine weights for each category.

The company's final ESG score is a combination of those two assessments and results in a ESG rating (1-10) based on a regional best-in-universe philosophy.

Incorporation of ESG assessment in Equity investment process

1. Active Fundamental Strategies Five financial criteria with equal weight are part of the company's valuation process:

1. Quality of management
2. Business Growth
3. Competitive Advantage
4. Value Creation

5. Financial Leverage ESG factors related to stakeholders management are integrated in the Quality of management criteria. Those related to the sustainability level of its business activities are part of the Business Growth and Competitive advantage ones. Based on this assessment, companies are "green", "orange" or "red" flagged. If the company stakeholder's score belongs to the last 20 % of of its universe, the 'Quality of Management score' cannot be 'green'. Only "green" or "orange"-flagged companies can be potentially part of the portfolio. The company valuation is predominantly based on DCF models where the discount rate is impacted by the company's color flag. Positions against benchmark are function of color flag and the upside potential derived through our valuation analysis For ESG marketed strategies, this integration process is applied after excluding companies with an ESG rating 6-10 and apply a stricter controversial activities screening. Portfolios are committed to at least a reduction of their carbon footprint of 30 % against benchmark.

For ESG thematic strategies like Climate Action or Circular Economy, a dedicated ESG screening framework is applied ensuring companies in portfolio are exposed for more than a defined % of their revenues to the thematic. Portfolios are aligned with 2.5 degrees and target 2 degrees by 2025.

2. Active/Passive Quantitative Strategies Companies ESG score and carbon intensity are incorporated in the optimization process, defining the final company's portfolio weighting. This enables the portfolio managers to define a specific absolute or relative target that can be set and respected.

3. Passive Strategies Our SRI ETF strategies replicate our ESG proprietary universe which aim to select the best corporate issuers

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?

	(1) Passive equity	(2) Active - quantitative	(3) Active - fundamental
(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process	(2) for a majority of our AUM	(1) for all of our AUM	(1) for all of our AUM
(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM	(2) for a majority of our AUM
(E) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors	○	○	○

(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process - Specify:

For active quantitative/passive: material ESG factors do have exposure to some financial style bias which are corrected through our risk optimized portfolio construction process For active fundamental : carbon emissions of companies are taken into consideration with the target to have lower carbon intensity for the portfolio compared to benchmark or to reduce by at least 30% the carbon intensity compared to benchmark.

PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 7	PLUS	OO 21	N/A	PUBLIC	Passive investments	1

Provide an example of how material ESG factors influenced weightings and tilts in the design of your passively managed funds.

As a result of our ESG assessment framework which takes into account exposure of business activities to ESG main challenges/trends and stakeholders relationships practices and following the integration of ESG factors, the objective to improve the global ESG score in our portfolio construction overweight key actors of the energy transition. The ESG analysis takes into account forward looking factors and the risk optimization forces to sell the worst scores and highest carbon emitting companies and buy the highest ranked/ Low carbon emitting companies. For example, in the Utilities sector, renewable electricity producers are overweighted and large fossil fuelled electricity producer are underweighted/not held in all passive strategies.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 8	PLUS	OO 19, OO 21	N/A	PUBLIC	Passive investments	1

How does your organisation select the ESG index(es) or benchmark(s) for your passive listed equity assets?

☒ (A) We commission customised indexes

Explain:

For Indexed ETF (all sustainable marketed products), we track in-house multi-beta strategy indexes. The indexes use our Best-in-Universe analysis/ Controversial activities exclusions and Belgian "Towards Sustainability label" criteria during their construction. The funds passively replicate the index using a full replication methodology.

☐ (B) We compare the methodology amongst the index providers available

☐ (C) We compare the costs of different options available in the market

☒ (D) Other

Specify and explain:

For the main of our passive funds, we do not select ESG benchmarks. The main idea is to replicate indexes by integrating ESG factors using our own methodology. We can maximize the integration of ESG factors by dynamically modify the weights relative to a broad index as soon as a new ESG analysis is done, or a new controversy is discovered. There is no misalignment between our ESG methodology and our investments. We can tilt our portfolios by overweighting our highest conviction stocks and not be constrained by an external ESG provider.

POST-INVESTMENT

ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 17.1 LE, OO 21	N/A	PUBLIC	ESG risk management	1

What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?

- ☒ (A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks
- ☐ (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- ☒ (C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- ☐ (D) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 10	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

For the majority of your listed equity assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?

(1) Active - quantitative

(2) Active - fundamental

(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual listed equity holdings



(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other listed equity holdings exposed to similar risks and/or incidents



(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities



(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents



(E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their discretion



(F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process



PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 11	PLUS	OO 21	N/A	PUBLIC	Performance monitoring	1

Provide an example of how the incorporation of ESG factors in your listed equity valuation or portfolio construction affected the realised returns of those assets.

As an example from the active fundamental European equities strategies, we present the case of a European company from the Luxury sector excluded for ESG reasons.

In December 2023, the company was no longer eligible for our sustainable marketed strategies due to inconsistencies in its code of conduct and a lack of transparency about supplier locations. Indeed, the company only discloses the continent of operation of its suppliers, not the specific countries. With 10% of its suppliers located in Asia, there is a potential risk of human rights violations in identified high-risk countries. The disposal of the position (that was previously overweight) at the end of 2023 was positive for the financial performance of our European sustainable referenced fund. Indeed, the share price of the company declined by 11.8% in 2024 (underperforming the benchmark by 20.4%) and by 23.6% over the first five months of 2025 (underperforming the benchmark by 33.6%). This led to a positive contribution of this position to the portfolio performance of +44 bp in 2024 and +59 bp over the first five months of 2025.

DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 12	CORE	OO 17 LE, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

For all your listed equity assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?

- ☒ (A) We share a list of ESG screens
- ☒ (B) We share any changes in ESG screens
- ☒ (C) We explain any implications of ESG screens, such as their deviation from a benchmark or impact on sector weightings
- ☐ (D) We do not share the above information for all our listed equity assets subject to ESG screens

FIXED INCOME (FI)

OVERALL APPROACH

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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FI 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1
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Does your organisation have a formal investment process to identify and incorporate material ESG factors across your fixed income assets?

	(1) SSA	(2) Corporate	(3) Securitised
(A) Yes, our investment process incorporates material governance factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors depending on different investment time horizons	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion	○	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○	○

MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your fixed income assets?

	(1) SSA	(2) Corporate	(3) Securitised
(A) Yes, we have a formal process that includes scenario analyses	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a formal process, but does it not include scenario analyses			
(C) We do not have a formal process for our fixed income assets; our investment professionals monitor how ESG trends vary over time at their discretion	○	○	○
(D) We do not monitor and review the implications of changing ESG trends on our fixed income assets	○	○	○

(A) Yes, we have a formal process that includes scenario analyses - Specify: (Voluntary)

The monitoring and review of the ESG trends implications are included in our Best-in-Universe corporate and sovereign approaches, as well as in our ESG integration frameworks within the Fixed Income investment processes. As part of the ESG score calculation, the team analyses companies' business activities. We have identified five key ESG trends that may impact companies' long-term growth: Climate change, Resource Depletion, Digitalisation, Health & Wellness and Demographic shifts. We group companies based on the industry or sector in which each company operates, its geographic location, business model. We determine the degree to which each industry group is exposed to the five ESG trends and score them based on relevance and materiality. We assess a company exposure, through its revenue generation, assets, CAPEX etc., to the five key trends. Based on the sector Business Activities Analysis conclusions, all the company's exposures to the major sustainable trends specific to its sector are evaluated and scored.

The latest ESG trends and specifically regulations that have an impact on issuers and segments (different sectors or regions) are also source of revision of our exclusion policy. Furthermore, when assessing a particular sector like Autos, we consider the compliance around the 2-degree scenario that each company will be subjected to while trying to understand how they are positioned for the future.

For sovereigns, our investable universe consists of countries which perform best across our categories of sustainable development criteria: Human, Social, Economic and Natural capital which act as a multiplier for the 3 other capital. This is coupled with an exclusion rule relating to high-risk regimes and minimum standards of democracy. These elements enable us to understand how a sovereign would react under different scenarios. The 2-degree scenario, or a net-zero scenario for each country is something that is included in our sovereign sustainability analysis.

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

For the majority of your fixed income investments, does your organisation incorporate material ESG factors when assessing their credit quality?

	(1) SSA	(2) Corporate	(3) Securitised
(A) We incorporate material environmental and social factors	☒	☒	☒
(B) We incorporate material governance-related factors	☒	☒	☒
(C) We do not incorporate material ESG factors for the majority of our fixed income investments	☐	☐	☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

Does your organisation have a framework that differentiates ESG risks by issuer country, region and/or sector?

	(1) SSA	(2) Corporate	(3) Securitised
(A) Yes, we have a framework that differentiates ESG risks by country and/or region (e.g. local governance and labour practices)	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a framework that differentiates ESG risks by sector	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) No, we do not have a framework that differentiates ESG risks by issuer country, region and/or sector	☐	☐	☐

(D) Not applicable; we are not able to differentiate ESG risks by issuer country, region and/or sector due to the limited universe of our issuers

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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How do you incorporate significant changes in material ESG factors over time into your fixed income asset valuation process?

(1) SSA

(2) Corporate

(A) We incorporate it into the forecast of financial metrics or other quantitative assessments

(1) for all of our AUM

(1) for all of our AUM

(B) We make a qualitative assessment of how material ESG factors may evolve

(1) for all of our AUM

(1) for all of our AUM

(C) We do not incorporate significant changes in material ESG factors

○

○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 7	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

At what level do you incorporate material ESG factors into the risks and/or returns of your securitised products?

○ (A) At both key counterparties' and at the underlying collateral pool's levels

● **(B) At key counterparties' level only**

Explain: (Voluntary)

In the scope of securitized assets we only invest in covered bonds. Within our investment approach, we assess the fundamentals and valuations of covered bonds within the same framework as traditional corporate debt. Hence we incorporate ESG factors into covered bonds in the same manner as we do for the rest of our corporate issuers

○ (C) At the underlying collateral pool's level only

ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 8	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

How do material ESG factors contribute to your security selection, portfolio construction and/or benchmark selection process?

	(1) SSA	(2) Corporate	(3) Securitised
(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Material ESG factors contribute to determining the holding period of individual assets within our portfolio construction and/or benchmark selection process		(1) for all of our AUM	(1) for all of our AUM
(C) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(D) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(E) Material ESG factors contribute to our portfolio construction and/or benchmark selection process in other ways		(1) for all of our AUM	(1) for all of our AUM
(F) Our security selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors	○	○	○

(E) Material ESG factors contribute to our portfolio construction and/or benchmark selection process in other ways - Specify:

ESG factors are fully integrated in our investment process, through ESG exclusion filters as well as integration analysis, in alignment with the SFDR classification of the funds/mandates. This integration includes the implementation of at least our company-wide ESG exclusion policy, and approaches such as ESG integration or ESG Best-in-Universe strategy. As a result, issuers that do not meet our sustainability criteria, based on our methodology, are excluded from the investable universe. Before considering an investment in a security, portfolio managers first assess whether the issuer qualifies within the investable universe from an ESG perspective. Once this is determined, they evaluate how the potential investment may impact the portfolio's ESG metrics and ensure compliance with predefined ESG limits and objectives. In the case of ESG integration, the issuer still receives an internal credit recommendation, which incorporates ESG analysis as a component. This analysis indirectly influences the weighting of the issuer, alongside other key criteria. ESG factors are also integral to the credit assessment process at the initial stage of investment, as outlined below:

- Research & Analysis: ESG is incorporated into the fundamental analysis, including the business profile assessment.
- Market Assessment
- Portfolio Construction
- Portfolio Monitoring Given their significance, ESG factors are embedded at the very start of the investment process.

To highlight the importance of ESG in the issuer assessment, it is important to note that if an issuer's ESG rating, based on our internal methodology, is considered "weak," it is unlikely that the issuer will receive a "strong" evaluation in the business profile analysis. Conversely, it is rare for a "weak" result to arise from the business profile analysis when the ESG rating is "strong." Therefore, ESG factors have a direct and meaningful impact on portfolio construction

PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 9	PLUS	OO 5.3 FI, OO 21	N/A	PUBLIC	Passive investments	1

Provide an example of how material ESG factors influenced weightings and tilts in the design of your passively managed funds.

ESG factors weigh and tilts in our passively managed funds in the same way as described for our active managed funds, and with regards to the SFDR classification of the funds. This comprises the exclusion of controversial activities according to the level of our Candriam Exclusion Policy applied to the fund, and either the ESG integration or ESG Best-in-Universe approach. Same as for our actively managed funds, and given the significance of ESG factors, these are embedded at the very start of the investment process. To highlight the importance of ESG in the issuer assessment, it is important to note that if an issuer's ESG rating, based on our internal methodology, is considered "weak," it is unlikely that the issuer will receive a "strong" evaluation in the business profile analysis. Conversely, it is rare for a "weak" result to arise from the business profile analysis when the ESG rating is "strong." Therefore, ESG factors have a direct and meaningful impact on portfolio construction. An example is the cement sector, which although not explicitly excluded, is significantly underweighted given its high carbon footprint. At all times, this is done in a strictly risk-controlled manner so as not to exceed the Funds' overall ex-ante tracking error budgets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 10	PLUS	OO 19, OO 21	N/A	PUBLIC	Passive investments	1

How does your organisation select the ESG index(es) or benchmark(s) for your passive fixed income assets?

☒ (A) We commission customised indexes

Explain:

Our SRI ETF range of funds utilise custom reference indices calculated by a dedicated index provider, respecting the Candriam Sustainable Universe and utilising custom weighting approaches, different to typical market-weight indices.

☐ (B) We compare the methodology amongst the index providers available

☐ (C) We compare the costs of different options available in the market

☐ (D) Other

POST-INVESTMENT

ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 11	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

How are material ESG factors incorporated into your portfolio risk management process?

	(1) SSA	(2) Corporate	(3) Securitised
(A) Investment committee members, or the equivalent function or group, can veto investment decisions based on ESG considerations	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Companies, sectors, countries and/or currencies are monitored for changes in exposure to material ESG factors and any breaches of risk limits	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) Overall exposure to specific material ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on the individual issuer or issue sensitivity to these factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(D) We use another method of incorporating material ESG factors into our portfolio's risk management process			
(E) We do not have a process to incorporate material ESG factors into our portfolio's risk management process	○	○	○

Additional context to your response(s): (Voluntary)

ESG factors are integrated into the risk management process across all our fixed income products. However, the level of restrictions may vary depending on the SFDR classification. Products classified under Article 9 are subject to more stringent requirements compared to those under Article 8. As a result, the eligibility of an issuer, sector, country, or currency may vary depending on the specific investment strategy and the product's SFDR classification

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 12	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

For the majority of your fixed income assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?

	(1) SSA	(2) Corporate	(3) Securitised
(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual fixed income holdings	☒	☒	☒
(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for other fixed income holdings exposed to similar risks and/or incidents	☒	☒	☒
(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for our stewardship activities	☒	☒	☒
(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents	☒	☒	☒
(E) We do not have a formal process to identify and incorporate ESG risks and ESG incidents; our investment professionals identify and incorporate ESG risks and ESG incidents at their discretion	☐	☐	☐

(F) We do not have a formal process to identify and incorporate ESG risks and ESG incidents into our risk management process

○

○

○

PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 14	PLUS	OO 5.3 FI, OO 21	N/A	PUBLIC	Performance monitoring	1

Provide an example of how the incorporation of environmental and/or social factors in your fixed income valuation or portfolio construction affected the realised returns of those assets.

Case of a divestment related to the ESG sovereign integration process

Our Sovereign Debt management team incorporates ESG factors into sovereign creditworthiness analysis using Candriam's proprietary sovereign model, which is structured around the four pillars of the ESG framework: Natural Capital, Economic Capital, Social Capital, and Human Capital.

These pillars are first systematically embedded within both the Economic Profile analysis level, focusing on Economic, Social, and Environmental imbalances and the Debt Profile analyses as per the below: Economic Profile: ○ Economic imbalances: the Economic Capital pillar scrutinizes a country's economic fundamentals, with a focus on and its long-term ability to finance growth and sustainable policies. ○ Social imbalances: the Human Capital pillar assesses a country's productive potential by analysing economic and creative productivity by evaluating factors such as education, skill levels, innovation, healthcare quality, labor market access, and employment practices. ○ Environmental imbalances: the Natural Capital pillar examines how a country's sustainably manages natural resources, addressing key challenges such as climate change, resource consumption, biodiversity protection and waste management.

Debt Profile: ○ Institutional Framework: the Social Capital pillar evaluates the quality of civil society and state institutional governance, focusing on transparency, rule of law, anti-corruption measures, and the strength of democratic institutions.

The impact on Portfolio construction is based on the issuer credit rating (CR1 to 5 , 1 being the highest) :

- If Credit Rating is CR4/CR5, the issuer cannot be included.

- If Credit Rating is between CR1 and CR3, portfolio weight is based on Credit score (ESG integrated), Macro assessment,, Relative value opportunities (yields, Spreads, Prices), Market assessment (high yield, IG, EMD etc)

Based on our ESG Sovereign Methodology, for Sustainable strategies (SFDR art 9 products) we exclude the 25% bottom scored countries and apply a normative filter that also exclude countries that are : (1) on the Candriam's Oppressive Regime List, (2) classified "Not Free" by Freedom House, and (3) classified "Call to Action" by Financial Action Task Force.

Venezuela is part of the JP Morgan EMBI Global Diversified index to the tune of 0.4%, both through sovereign debt and quasi-sovereign debt (PDVSA, an oil company).

Venezuela has been excluded for several years from our Sustainable Country universe due to a combination of structural and governance-related shortcomings. While its classification as an autocratic regime is a key factor, the country also ranks among the bottom 10 of the 124 countries assessed in our scoring model, reflecting persistently weak performance across all four capital dimensions - natural, human, social, and economic. Relative to both Emerging Market and Latin American peers, Venezuela significantly underperforms across the board, with the most acute deficiencies observed in the social and economic pillars. These include critical issues related to human rights, democratic governance, and macroeconomic stability. We continue to monitor developments in the country, although current trends suggest a further deterioration in its overall sustainability profile.

As a result of the exclusion, our article 9 strategy was able to generate positive returns as Venezuela suffered over the course of 2024, as its reliance on oil price, which suffered over the course of the second half. While overall, oil prices saw gains over the course of 2024, it was a volatile period to say the least. Indeed, the WTI index spiked to close to \$80/barrel before plummeting to below 70 on two occasions in Q2 & Q3 of 2024. Such volatility had a significant impact on the Venezuelan sovereign debt asset base. Indeed, in Q2 , and Q3, the 2034 bond (VENZ 9 3/8 01/13/2034 Corp, US922646BL74), saw significant movement, as price moved from 23 to 16 (a drop of 30%), which was substantial in the context of market that was not showing signs of material declines. As a result of this volatility, the Bond delivered -4.8% return over the course of the year, while for example the Emerging market hard currency index (JPM EMBI Global Diversified index) posted a performance of +6.5%. Commodity markets certainly weren't the only driver of performance. Hence, while, broader EM sovereign spreads tightened to near historic lows by mid-2024 as markets regained risk appetite, Venezuela was largely excluded from that rally due to idiosyncratic (and indeed ESG) risks

THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 15	PLUS	OO 20, OO 21	N/A	PUBLIC	Thematic bonds	3

What percentage of environmental, social and/or other labelled thematic bonds held by your organisation has been verified?

As a percentage of your total labelled bonds:

(A) Third-party assurance (5) >75%

(B) Second-party opinion (5) >75%

(C) Approved verifiers or external reviewers (e.g. via CBI or ICMA) (5) >75%

Additional context to your response(s): (Voluntary)

At the Fixed Income investment level, we focus on investing in bonds that align with the ICMA Principles, which include: (1) Use of Proceeds (or 'Framework'), (2) Process for Project Evaluation & Research, (3) Management of Proceeds, and (4) Reporting. We also consider bonds that have third-party insurance or certifications from institutions such as the Climate Bonds Initiative. However, we recognize that such certifications may not always be available, particularly for Emerging Market Bonds. When possible, we collaborate with our Engagement team to contact issuers (both corporate and sovereign) to obtain qualitative information. Additionally, we place significant emphasis on post-issuance reporting, particularly in terms of how proceeds are allocated to specific projects and the level of detail provided in these reports. The more the market mature the more issuers align to the ICMA Principles and best practice in industry, improving market standards and enlarging the investment spectrum. In addition to considering various certifications and principles, we also closely monitor the issuer's progress in implementing a sustainable strategy, as we believe this is a critically important aspect of responsible investing. _____

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 16	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Thematic bonds	1

What pre-determined criteria does your organisation use to identify which non-labelled thematic bonds to invest in?

- ☒ (A) The bond's use of proceeds
- ☒ (B) The issuers' targets
- ☒ (C) The issuers' progress towards achieving their targets
- ☒ (D) The issuer profile and how it contributes to their targets
- ☐ (E) We do not use pre-determined criteria to identify which non-labelled thematic bonds to invest in
- ☐ (F) Not applicable; we do not invest in non-labelled thematic bonds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 17	CORE	Multiple, see guidance	N/A	PUBLIC	Thematic bonds	1, 2, 6

During the reporting year, what action did you take in the majority of cases when you felt that the proceeds of a thematic bond were not allocated appropriately or in accordance with the terms of the bond deal or prospectus?

- ☒ (A) We engaged with the issuer
- ☐ (B) We alerted thematic bond certification agencies
- ☒ (C) We sold the security
- ☒ (D) We blacklisted the issuer
- ☒ (E) Other action

Specify:

We informed portfolio managers. While waiting for additional information from the issuer to take a decision on whether to sold or not, our portfolio manager are usually forbidden to increase their position on the issuer. Should there be a significant deterioration in sustainability performance, we may blacklist the issuer. However, if our ESG team observes substantial improvement, the issuer may become eligible for reconsideration.

- (F) We did not take any specific actions when the proceeds of a thematic bond were not allocated according to the terms of the bond deal during the reporting year
- (G) Not applicable; in the majority of cases, the proceeds of thematic bonds were allocated according to the terms of the bond deal during the reporting year

DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 18	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

For all your fixed income assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?

- ☒ (A) We share a list of ESG screens
- ☒ (B) We share any changes in ESG screens
- ☒ (C) We explain any implications of ESG screens, such as any deviation from a benchmark or impact on sector weightings
- (D) We do not share the above information for all our fixed income assets subject to ESG screens

SUSTAINABILITY OUTCOMES (SO)

SETTING TARGETS AND TRACKING PROGRESS

SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

What specific sustainability outcomes connected to its investment activities has your organisation taken action on?

☒ **(A) Sustainability outcome #1**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

☐ (1) The UN Sustainable Development Goals (SDGs) and targets

☒ **(2) The UNFCCC Paris Agreement**

☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)

☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

☐ (5) The EU Taxonomy

☐ (6) Other relevant taxonomies

☐ (7) The International Bill of Human Rights

☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

☐ (9) The Convention on Biological Diversity

☐ (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

☒ **(1) Environmental**

☐ (2) Social

☐ (3) Governance-related

☐ (4) Other

(3) Sustainability outcome name

NZAM AUM commitment

(4) Number of targets set for this outcome

☐ (1) No target

☒ **(2) One target**

☐ (3) Two or more targets

☒ **(B) Sustainability outcome #2**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

☐ (1) The UN Sustainable Development Goals (SDGs) and targets

☒ **(2) The UNFCCC Paris Agreement**

☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)

☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

☐ (5) The EU Taxonomy

☐ (6) Other relevant taxonomies

☐ (7) The International Bill of Human Rights

☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

☐ (9) The Convention on Biological Diversity

☐ (10) Other international, regional, sector-based or issue-specific framework(s)

- (2) Classification of sustainability outcome
- ☒ (1) **Environmental**
 - ☐ (2) Social
 - ☐ (3) Governance-related
 - ☐ (4) Other
- (3) Sustainability outcome name
- NZAM portfolio emissions
- (4) Number of targets set for this outcome
- ☐ (1) No target
 - ☒ (2) **One target**
 - ☐ (3) Two or more targets
- ☒ (C) **Sustainability outcome #3**
- (1) Widely recognised frameworks used to guide action on this sustainability outcome
- ☐ (1) The UN Sustainable Development Goals (SDGs) and targets
 - ☒ (2) **The UNFCCC Paris Agreement**
 - ☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
 - ☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
 - ☐ (5) The EU Taxonomy
 - ☐ (6) Other relevant taxonomies
 - ☐ (7) The International Bill of Human Rights
 - ☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
 - ☐ (9) The Convention on Biological Diversity
 - ☐ (10) Other international, regional, sector-based or issue-specific framework(s)
- (2) Classification of sustainability outcome
- ☒ (1) **Environmental**
 - ☐ (2) Social
 - ☐ (3) Governance-related
 - ☐ (4) Other
- (3) Sustainability outcome name
- NZAM climate engagement
- (4) Number of targets set for this outcome
- ☐ (1) No target
 - ☐ (2) One target
 - ☒ (3) **Two or more targets**
- ☒ (D) **Sustainability outcome #4**
- (1) Widely recognised frameworks used to guide action on this sustainability outcome
- ☐ (1) The UN Sustainable Development Goals (SDGs) and targets
 - ☐ (2) The UNFCCC Paris Agreement
 - ☒ (3) **The UN Guiding Principles on Business and Human Rights (UNGPs)**
 - ☒ (4) **OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors**
 - ☐ (5) The EU Taxonomy
 - ☐ (6) Other relevant taxonomies
 - ☒ (7) **The International Bill of Human Rights**
 - ☒ (8) **The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions**
 - ☒ (9) **The Convention on Biological Diversity**
 - ☐ (10) Other international, regional, sector-based or issue-specific framework(s)
- (2) Classification of sustainability outcome
- ☒ (1) **Environmental**
 - ☒ (2) **Social**
 - ☒ (3) **Governance-related**
 - ☐ (4) Other

(3) Sustainability outcome name

UN Global Compact monitoring

(4) Number of targets set for this outcome

- (1) No target
- (2) One target
- (3) Two or more targets

☑ (E) Sustainability outcome #5

(1) Widely recognised frameworks used to guide action on this sustainability outcome

- ☑ (1) The UN Sustainable Development Goals (SDGs) and targets
- ☑ (2) The UNFCCC Paris Agreement
- ☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- ☐ (5) The EU Taxonomy
- ☐ (6) Other relevant taxonomies
- ☐ (7) The International Bill of Human Rights
- ☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- ☐ (9) The Convention on Biological Diversity
- ☐ (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- ☑ (1) Environmental
- ☐ (2) Social
- ☐ (3) Governance-related
- ☐ (4) Other

(3) Sustainability outcome name

Allocation of green bonds in corporate sustainable funds

(4) Number of targets set for this outcome

- (1) No target
- (2) One target
- (3) Two or more targets

☑ (F) Sustainability outcome #6

(1) Widely recognised frameworks used to guide action on this sustainability outcome

- ☐ (1) The UN Sustainable Development Goals (SDGs) and targets
- ☑ (2) The UNFCCC Paris Agreement
- ☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- ☐ (5) The EU Taxonomy
- ☐ (6) Other relevant taxonomies
- ☐ (7) The International Bill of Human Rights
- ☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- ☐ (9) The Convention on Biological Diversity
- ☐ (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- ☑ (1) Environmental
- ☐ (2) Social
- ☐ (3) Governance-related
- ☐ (4) Other

(3) Sustainability outcome name

NZAM - aligning our investments with Net Zero

(4) Number of targets set for this outcome

- (1) No target
- (2) One target
- (3) Two or more targets

- ☐ (G) Sustainability outcome #7
- ☐ (H) Sustainability outcome #8
- ☐ (I) Sustainability outcome #9
- ☐ (J) Sustainability outcome #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 2.1, SO 4, SO 5	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your nearest-term targets.

(A1) Sustainability Outcome #1: Target details

(A1) Sustainability Outcome #1:	NZAM AUM commitment					
(1) Target name	NZAM AUM commitment					
(2) Baseline year	2019					
(3) Target to be met by	2030					
(4) Methodology	NZIF					
(5) Metric used (if relevant)	% AuM in line with Net Zero					
(6) Absolute or intensity-based (if relevant)						
(7) Baseline level or amount (if relevant):	2019 USD 23,2 billion (17% AuM)					
(8) Target level or amount (if relevant)	The objective is to increase AuM covered every year. We have not defined a specific quantified targets, as we consider funds as a whole, and not individual assets in our calculation of AuM. It thus depends a lot on our commercial growth (very dependent on our clients' demands, if the mandates share grows a lot (as mandates are not covered by net zero currently), some asset classes are easier to integrate than others)					
(9) Percentage of total AUM covered in your baseline year for target setting	17%					
(10) Do you also have a longer-term target for this?	(1) Yes					

(B1) Sustainability Outcome #2: Target details

(B1) Sustainability Outcome #2:	NZAM portfolio emissions
(1) Target name	NZAM portfolio emissions
(2) Baseline year	2019
(3) Target to be met by	2030
(4) Methodology	NZIF
(5) Metric used (if relevant)	tCO2e (scope 1&2)/Mn USD revenues
(6) Absolute or intensity-based (if relevant)	(2) Intensity-based
(7) Baseline level or amount (if relevant):	109 t CO2 / Mn USD revenues
(8) Target level or amount (if relevant)	54,5 t CO2 / Mn USD revenues
(9) Percentage of total AUM covered in your baseline year for target setting	17%
(10) Do you also have a longer-term target for this?	(1) Yes

(C1) Sustainability Outcome #3: Target details

(C1) Sustainability Outcome #3:	NZAM climate engagement
(1) Target name	NZ Top Contributor Engagement
(2) Baseline year	2019
(3) Target to be met by	2025
(4) Methodology	NZIF and own/other methodology , p17-22 of our Engagement and Voting Annual Review, under https://www.candriam.com/siteassets/medias/publications/brochure/commercial-brochures/sri-brochure/voting-and-engagement-report-2024.pdf
(5) Metric used (if relevant)	Number of actively engaged top corporate contributors to our NZ perimeter WACI

(6) Absolute or intensity-based (if relevant)

(7) Baseline level or amount (if relevant):

(8) Target level or amount (if relevant) 40

(9) Percentage of total AUM covered in your baseline year for target setting 17%

(10) Do you also have a longer-term target for this? (2) No

(C2) Sustainability Outcome #3: Target details

(C2) Sustainability Outcome #3: NZAM climate engagement

(1) Target name NZ emissions covered by engagement

(2) Baseline year 2019

(3) Target to be met by 2030

(4) Methodology NZIF and own/other methodology , p17-22 of our Engagement and Voting Annual Review, under <https://www.candriam.com/siteassets/medias/publications/brochure/commercial-brochures/sri-brochure/voting-and-engagement-report-2024.pdf>

(5) Metric used (if relevant) % of financed emissions that will have been successfully engaged ("net zero" status) or will be under engagement, either direct or collaborative.

(6) Absolute or intensity-based (if relevant)

(7) Baseline level or amount (if relevant):

(8) Target level or amount (if relevant) 70%

(9) Percentage of total AUM covered in your baseline year for target setting 17%

(10) Do you also have a longer-term target for this?

(2) No

(D1) Sustainability Outcome #4: Target details

(D1) Sustainability Outcome #4: UN Global Compact monitoring

(1) Target name Absence of severe UNGC breach

(2) Baseline year 2021

(3) Target to be met by 2025

(4) Methodology

Candriam developed a due diligence process to identify UNGC breach for corporates investees. This process is based on information regarding current, suspected and/or related incidents or breaches of international standards are collected through external research combined with internal analyses performed by our ESG analysts.

Subsequent to the identification of any breaches of the Global Compact principles, the analysis uses several parameters to evaluate the severity and magnitude of the breaches:

- Temporal proximity: when did the incident happen and how long did it last?
- Magnitude: what financial costs and environmental damage are related to the incident?
- Credibility: does the incident involve allegations, legal proceedings, etc?
- Recurrence: is this a one-off incident or is there proof of repeated incidents over a given period?

Emphasis is also placed on a company's response when an incident occurs.

A company that takes positive, responsible measures to ensure that future breaches do not occur is considered more favorably than a company that does not acknowledge its responsibility and/or does not take any corrective measures. The result of this assessment delivers two exclusion lists : 1/ Red Flag, the broader level of norms-based exclusions, aiming to identify companies with severe to very severe controversies in terms of impact, duration, frequency and/or lack of response from the management of the company.

Since this list focuses on the degree of controversy irrespective of the domain of controversy, it goes beyond the ten UN Global Compact Principles and encompasses any material adverse corporate practices. 2/ Out List, a narrower list of excluded companies, focusing on a stricter interpretation of UN Global Compact violations, as assessed by Candriam's ESG analysts.

(5) Metric used (if relevant) all AUM covered by our company-wide exclusion policy

(6) Absolute or intensity-based (if relevant)

(7) Baseline level or amount (if relevant): 100 % of AUM covered by the company-wide exclusion policy

(8) Target level or amount (if relevant)	100 % of AUM covered by the company-wide exclusion policy
(9) Percentage of total AUM covered in your baseline year for target setting	100%
(10) Do you also have a longer-term target for this?	(2) No

(E1) Sustainability Outcome #5: Target details

(E1) Sustainability Outcome #5:	Allocation of green bonds in corporate sustainable funds
(1) Target name	increase allocation green bonds in A9 SFDR funds
(2) Baseline year	2020
(3) Target to be met by	2025
(4) Methodology	EU Green Bond Standards, Green Bond Principles, defining guidelines and transparency principles to ensure that green bonds are issued to finance green projects or activities with proper KPIs and monitoring
(5) Metric used (if relevant)	% of the fund
(6) Absolute or intensity-based (if relevant)	(1) Absolute
(7) Baseline level or amount (if relevant):	5 %
(8) Target level or amount (if relevant)	20 %
(9) Percentage of total AUM covered in your baseline year for target setting	2.1%
(10) Do you also have a longer-term target for this?	(2) No

(F1) Sustainability Outcome #6: Target details

(F1) Sustainability Outcome #6:	NZAM - aligning our investments with Net Zero
(1) Target name	NZAM - aligning our investments with Net Zero

(2) Baseline year	2019	
(3) Target to be met by	2030	
(4) Methodology	Candriam's proprietary Net Zero Assessment framework, page 17 – 21 https://www.candriam.com/siteassets/_assets/02-publications/research-paper/2024/07/net-zero-progress-zero/net_zero_report_gb.pdf?v=4a274f	
(5) Metric used (if relevant)	% of financed emissions in companies that are either "Achieving Net Zero" or "Aligned to Net Zero Pathway by 2030"	
(6) Absolute or intensity-based (if relevant)		(1) Absolute
(7) Baseline level or amount (if relevant):		
(8) Target level or amount (if relevant)	50%	
(9) Percentage of total AUM covered in your baseline year for target setting	17%	
(10) Do you also have a longer-term target for this?		(2) No

Additional context to your response(s): (Voluntary)

(6) absolute and intensity based (8) having at least 50% of our financed emissions coming from companies assessed as « Net zero » or « Aligned to net zero pathways

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2.1	PLUS	SO 1, SO 2	N/A	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your long-term targets.

	(1) Target name	(2) Long-term target to be met by	(3) Long-term target level or amount (if relevant)
(A1) Sustainability Outcome #1: NZAM AUM commitment	NZAM AUM commitment	2050	100%
(B1) Sustainability Outcome #2: NZAM portfolio emissions	NZAM portfolio emissions	2050	(net) 0 t CO2/Mn USD revenues

FOCUS: SETTING NET-ZERO TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3	PLUS	SO 1	Multiple, see guidance	PUBLIC	Focus: Setting net-zero targets	General

If relevant to your organisation, you can opt-in to provide further details on your net-zero targets.

- ☒ (A) Yes, we would like to provide further details on our organisation's asset class-specific net-zero targets
- ☒ (B) Yes, we would like to provide further details on our organisation's net-zero targets for high-emitting sectors
- ☒ (C) Yes, we would like to provide further details on our organisation's mandate or fund-specific net-zero targets
- ☐ (D) No, we would not like to provide further details on our organisation's asset class, high-emitting sectors or mandate or fund-specific net-zero targets
- ☐ (E) No, our organisation does not have any asset class, high-emitting sectors or mandate or fund-specific net-zero targets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
NZAM 1	PLUS	NZAM, SO 3	SO 3.1, SO 3.2	PUBLIC	Focus: Setting net-zero targets	General

Select the relevant asset class breakdown for your organisation to report on your net-zero targets.

- ☒ (A) PRI's standard asset class breakdown
- ☐ (B) Asset class breakdown as per the NZAOA's Target Setting Protocol

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3.1	PLUS	SO 3	N/A	PUBLIC	Focus: Setting net-zero targets	General

Provide details of your nearest-term net zero targets per asset class.

(A) PRI asset class breakdown

☒ **Listed equity**

Target details

(A) PRI asset class breakdown: Listed equity

(1) Baseline year	2019	
(2) Target to be met by	2030	
(3) Emissions included in target		(1) Scope 1 (2) Scope 2
(4) Methodology	NZIF	
(5) Metric used		(7) Intensity-based: tCO2e/Mn USD Revenue
(6) Baseline amount	95.6t CO2e /Mn USD revenues (this number has been retreated for AuM evolution as some funds in the NZ perimeter did not exist in 2019, so we recreated the theoretical WACI in 2019. Without retreating for AuM evolution, this number was 82.8 t CO2e/ Mn USD revenues)	
(7) Current amount (if different from baseline amount)	58.9 t CO2e /Mn USD revenues	
(8) Targeted reduction with respect to baseline	50%	
(9) Percentage of total AUM covered in your baseline year for target setting	25.8%	
(10) If coverage is below 100% for this asset class, explain why	We started with SFDR art 9 and 8 strategies that were Candriam-branded mutual funds (i.e. on which we had a direct influence).	

☒ **Fixed income**

Target details

(A) PRI asset class breakdown: Fixed income

(1) Baseline year	2019	
(2) Target to be met by	2030	
(3) Emissions included in target		(1) Scope 1 (2) Scope 2
(4) Methodology	NZIF	
(5) Metric used		(7) Intensity-based: tCO2e/Mn USD Revenue
(6) Baseline amount	158.8 t CO2e / Mn USD revenues (this number has been retreated for AuM evolution as some funds in the NZ perimeter did not exist in 2019, so we recreated the theoretical WACI in 2019. Without retreating for AuM evolution, this number was 152.0 t CO2e/ Mn USD revenues)	
(7) Current amount (if different from baseline amount)	107.9 t CO2e / Mn USD revenues	
(8) Targeted reduction with respect to baseline	50%	
(9) Percentage of total AUM covered in your baseline year for target setting	6%	
(10) If coverage is below 100% for this asset class, explain why	We started with SFDR art 9 and 8 strategies that were Candriam-branded mutual funds (i.e. on which we had a direct influence).	
☐ Private equity ☐ Real estate ☐ Infrastructure ☐ Hedge funds ☐ Forestry ☐ Farmland ☐ Other		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3.2	PLUS	SO 3	N/A	PUBLIC	Focus: Setting net-zero targets	General

Provide details of your nearest-term net-zero targets for high-emitting sectors.

Fossil Fuels

- ☐ (A) Coal
☐ (B) Gas
☐ (C) Oil
☐ (D) Combined oil and gas

Methane

- ☐ (E) Gas
☐ (F) Oil

Utilities

- ☒ (G) Utilities

Target details

Utilities: (G) Utilities

(1) Our organisation has not set any target for this sector

o

(2) Baseline year 2019

(3) Target to be met by 2025

(4) Emissions included in target

- (1) Scope 1
 (2) Scope 2
 (3) Scope 3

(5) Methodology

exclusion of utilities whose carbon intensity is not in line with a Paris aligned trajectory, the carbon intensity exclusion threshold evolves in line with what is required in a Paris aligned scenario

(6) Metric used

(9) Other

(7) Baseline amount 429 gCO2/kWh

(8) Current amount (if different from baseline amount) 279 gCO2/kWh

(9) Targeted reduction with respect to baseline 35%

(10) Asset classes covered

Listed equity
Fixed income

Materials

- ☐ (H) Cement
- ☐ (I) Steel
- ☐ (J) Aluminium

Transportation

- ☐ (K) Aviation
- ☐ (L) Heavy duty road
- ☐ (M) Light duty road
- ☐ (N) Shipping
- ☐ (O) Combined transportation

Agriculture, forestry, and fishery

- ☐ (P) Agriculture, forestry, and fishery

Chemicals

- ☐ (Q) Chemicals

Construction and buildings

- ☐ (R) Construction and buildings

Textile and leather

- ☐ (S) Textile and leather

Water

- ☐ (T) Water

Additional context to your response(s): (Voluntary)

Utilities (6) Metric used : physical intensity g CO2 / kWh

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3.3	PLUS	SO 3	N/A	PUBLIC	Focus: Setting net-zero targets	General

Provide details of your net-zero targets for specific mandates or funds.

☒ **(A) Fund or mandate #1**

(1) Name of mandate or fund

Climate Action.

The Climate Action fund focuses on Climate change. Environmental factors are taken into account to identify the best positioned companies to provide solutions to climate change challenges through mitigation and adaption technologies, products and services as well as companies that will be able to leverage from the energy transition.

(2) Target details

The fund has to maintain its temperature below 2.5°C and reach < 2°C by 2025, using Carbon4Finance methodology. Fund AuM at end 2022: 1812.32 mio \$

☒ **(B) Fund or mandate #2**

(1) Name of mandate or fund

Circular Economy.

The Circular Economy fund framework targets the selection of enablers and transformers actors:

- "Enablers" are companies which provide new technologies, innovative product and service solutions to support other businesses and stakeholders to avoid or minimize resource use and waste generation and thus enabling circular economy transition.
- "Transformers" are companies in the process of transforming their business operations and value chain into circular ones, with the aim to provide products or services that help consumers reduce their environmental impact.

(2) Target details

The fund has to maintain its temperature below 2.5°C and reach < 2°C by 2025, using Carbon4Finance methodology. Fund AuM at end 2022: 705.52 mio \$

☒ (C) Fund or mandate #3

(1) Name of mandate or fund

Future of Mobility.

The Future of Mobility fund framework targets companies that actively contribute to a more responsible way of mobility. Companies eligible for this strategy will help preserve the environment by offering solutions that make mobility more environmentally friendly, more safe and more efficient.

(2) Target details

The fund has to maintain its temperature below 2.5°C and reach < 2°C by 2025, using Carbon4Finance methodology. Fund AuM at end 2022: 465.3 mio \$

☐ (D) Fund or mandate #4

☐ (E) Fund or mandate #5

☐ (F) Fund or mandate #6

☐ (G) Fund or mandate #7

☐ (H) Fund or mandate #8

☐ (I) Fund or mandate #9

☐ (J) Fund or mandate #10

TRACKING PROGRESS AGAINST TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 2	SO 4.1	PUBLIC	Tracking progress against targets	1

Does your organisation track progress against your nearest-term sustainability outcomes targets?

(A1) Sustainability outcome #1:

(A1) Sustainability outcome #1: NZAM AUM commitment

Target name: NZAM AUM commitment

Does your organisation track progress against your nearest-term sustainability outcome targets?

(1) Yes

(B1) Sustainability outcome #2:

(B1) Sustainability outcome #2:	NZAM portfolio emissions
Target name:	NZAM portfolio emissions
Does your organisation track progress against your nearest-term sustainability outcome targets?	(1) Yes

(C1) Sustainability outcome #3:

(C1) Sustainability outcome #3:	NZAM climate engagement
Target name:	NZ Top Contributor Engagement
Does your organisation track progress against your nearest-term sustainability outcome targets?	(1) Yes

(C2) Sustainability outcome #3:

(C2) Sustainability outcome #3:	NZAM climate engagement
Target name:	NZ emissions covered by engagement
Does your organisation track progress against your nearest-term sustainability outcome targets?	(1) Yes

(D1) Sustainability outcome #4:

(D1) Sustainability outcome #4:	UN Global Compact monitoring
Target name:	Absence of severe UNGC breach
Does your organisation track progress against your nearest-term sustainability outcome targets?	(1) Yes

(E1) Sustainability outcome #5:

(E1) Sustainability outcome #5:	Allocation of green bonds in corporate sustainable funds
Target name:	increase allocation green bonds in A9 SFDR funds

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

(F1) Sustainability outcome #6:

(F1) Sustainability outcome #6: NZAM - aligning our investments with Net Zero

Target name: NZAM - aligning our investments with Net Zero

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4.1	PLUS	SO 4	N/A	PUBLIC	Tracking progress against targets	1

During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?

(A1) Sustainability Outcome #1: Target details

(A1) Sustainability Outcome #1: NZAM AUM commitment

(1) Target name NZAM AUM commitment

(2) Target to be met by 2030

(3) Metric used (if relevant) % AuM in line with Net Zero

(4) Current level or amount (if relevant) 16%

(5) Other qualitative or quantitative progress

(6) Methodology for tracking progress We measure progress on our total AuM and on our AuM excluding mandates

(B1) Sustainability Outcome #2: Target details

(B1) Sustainability Outcome #2:	NZAM portfolio emissions
(1) Target name	NZAM portfolio emissions
(2) Target to be met by	2030
(3) Metric used (if relevant)	tCO2e (scope 1&2)/Mn USD revenues
(4) Current level or amount (if relevant)	58.86
(5) Other qualitative or quantitative progress	
(6) Methodology for tracking progress	Average carbon intensity of funds in the net zero perimeter. This is a 37.3% reduction taking the same fund perimeter (AuM 2024 and back-calculating 2019 levels for funds that did not exist in 2019) and a 44.8% reduction when not adjusting for AuM evolution (so taking 2019 AuM, without considering some funds that were created after)

(C1) Sustainability Outcome #3: Target details

(C1) Sustainability Outcome #3:	NZAM climate engagement
(1) Target name	NZ Top Contributor Engagement
(2) Target to be met by	2025
(3) Metric used (if relevant)	Number of actively engaged top corporate contributors to our NZ perimeter WACI
(4) Current level or amount (if relevant)	At end 2024, we had engaged with 56 companies accounting for 56% of our NZ scope Weighted Average Carbon Intensity.
(5) Other qualitative or quantitative progress	Amongst companies engaged, we clearly see that there is a wide range of different 1.5°C alignment levels. But what is really interesting is that when you look at leaders, in terms of disclosure and strategy, it is still critical that we continue to engage with them. Recent event such as droughts across Europe, the war in Ukraine, and geopolitical and political context have sometimes distracted even these leaders from their short-terms emission reduction targets.

(6) Methodology for tracking progress

Number of top WACI contributors actively engaged. For every company engaged, we have defined objectives and timeline and have chosen what appeared to us as the best approach to exercise our leverage. We regularly monitor where we stand compared to planned timeline and objectives, and eventually adjust them if needed. A proprietary database covering dialogue and voting records and connected to Candriam systems (including access to portfolios' positions, ESG analysis) enables us to track and monitor these engagements closely. This tool also allows us to see and set internal deadlines not to forget to remind issuers to answer us. Candriam's objective is to support our investee companies, and not to immediately divest if we determine that their progress is not 1.5°C aligned. We will have a 'route point' in 2025 to perform a global assessment of the progress, and to decide how we deal with the laggards, if there are any. An exception to this 'accompany rather than divest' principle may occur in cases where we have engaged with a company for years, expressing our discontent, and that company has nevertheless consistently refused to take action to adopt a 1.5°C pathway. Of course we have several intermediary escalation measures to show companies that we expect more:

- Filing shareholder resolutions.
- Launching or participating collaborative engagements
- Active Proxy Voting. We have a dedicated section in our Voting Policy on climate, where we detail how mismanagement of climate risks will impact our voting. Moreover, beginning in the 2023 AGM season, we start preannouncing our voting intentions ahead of selected AGMs to highlight and publicize our position on certain proposals.

(C2) Sustainability Outcome #3: Target details

(C2) Sustainability Outcome #3:	NZAM climate engagement
(1) Target name	NZ emissions covered by engagement
(2) Target to be met by	2030
(3) Metric used (if relevant)	% of financed emissions that will have been successfully engaged ("net zero" status) or will be under engagement, either direct or collaborative.
(4) Current level or amount (if relevant)	At end 2024, we had engaged with 56 issuers, accounting for 51% of our financed emissions (carbon footprint).
(5) Other qualitative or quantitative progress	Amongst companies engaged, we clearly see that there is a wide range of different 1.5°C alignment levels. But what is really interesting is that when you look at leaders, in terms of disclosure and strategy, it is still critical that we continue to engage with them. Recent event such as droughts across Europe, the war in Ukraine, and geopolitical and political context have sometimes distracted even these leaders from their short-terms emission reduction targets.

(6) Methodology for tracking progress

Percentage Carbon footprint (CF) net zero scope actively engaged. For every company engaged, we have defined objectives and timeline and have chosen what appeared to us as the best approach to exercise our leverage. We regularly monitor where we stand compared to planned timeline and objectives, and eventually adjust them if needed. The proprietary database we use to monitor our engagement activities is helpful but above all, Candriam systems and carbon data available in these systems as well as regular checks performed with our Investment teams and Risk Departments enable us to check we are on track regarding our commitment.

Candriam's objective is to support our investee companies, and not to immediately divest if we determine that their progress is not 1.5°C aligned. We will have a 'route point' in 2025 to perform a global assessment of the progress, and to decide how we deal with the laggards, if there are any. An exception to this 'accompany rather than divest' principle may occur in cases where we have engaged with a company for years, expressing our discontent, and that company has nevertheless consistently refused to take action to adopt a 1.5°C pathway.

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(D1) Sustainability Outcome #4: Target details

(D1) Sustainability Outcome #4: UN Global Compact monitoring

(1) Target name: Absence of severe UNGC breach

(2) Target to be met by: 2025

(3) Metric used (if relevant): all AUM covered by our company-wide exclusion policy

(4) Current level or amount (if relevant): 100 % AUM covered by our company-wide exclusion policy

(5) Other qualitative or quantitative progress: it's an ongoing due diligence process that is applied and at the moment a corporate issuer belongs to an exclusion list, new investment is forbidden and divestment is requested to the portfolio managers

(6) Methodology for tracking progress

The risk management tool detects the exposure to companies excluded for UNGC severe breach when portfolio managers try to buy new positions and those are blocked to avoid transaction execution. For existing positions in portfolios, the risk department delivers a report of the positions at the moment the exclusion of the issuer is decided. The standard rule is that portfolio managers have one month to divest. Exception can be given if there are market liquidity issues or if market conditions are not favorable but the waiver has to be approved by the Sustainability Risk Committee.

(E1) Sustainability Outcome #5: Target details

(E1) Sustainability Outcome #5:	Allocation of green bonds in corporate sustainable funds
(1) Target name	increase allocation green bonds in A9 SFDR funds
(2) Target to be met by	2025
(3) Metric used (if relevant)	% of the fund
(4) Current level or amount (if relevant)	
(5) Other qualitative or quantitative progress	
(6) Methodology for tracking progress	We measure the percentage allocated to green bonds in each fixed income portfolio. We have set our own proprietary green bond assessment to evaluate the quality, ESG and environmental credentials of each green bond issuances. We are much stricter than green bond indices and reference bodies such as ICMA.

(F1) Sustainability Outcome #6: Target details

(F1) Sustainability Outcome #6:	NZAM - aligning our investments with Net Zero
(1) Target name	NZAM - aligning our investments with Net Zero
(2) Target to be met by	2030
(3) Metric used (if relevant)	% of financed emissions in companies that are either "Achieving Net Zero" or "Aligned to Net Zero Pathway by 2030
(4) Current level or amount (if relevant)	8.2 %
(5) Other qualitative or quantitative progress	
(6) Methodology for tracking progress	Candriam's proprietary Net Zero Assessment framework. Through this framework we assess companies' progress toward net zero through key criteria such as ambition, targets, emissions performance, and governance. Companies are then categorized into five levels, from "Achieving net zero" to "Not aligned/incompatible," based on their emissions levels, decarbonization strategy, and implementation plan. For more information please refer to Candriam's NZ progress report https://www.candriam.com/siteassets/_assets/02-publications/research-paper/2024/07/net-zero-progress-zero/net_zero_report_gb.pdf?v=4a274f

INDIVIDUAL AND COLLABORATIVE INVESTOR ACTION ON OUTCOMES

LEVERS USED TO TAKE ACTION ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 2	Multiple	PUBLIC	Levers used to take action on sustainability outcomes	1, 2, 5

During the reporting year, which of the following levers did your organisation use to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

- ☒ (A) Stewardship with investees, including engagement, (proxy) voting, and direct influence with privately held assets
 - Select from drop down list:
 - ☒ (1) Individually
 - ☒ (2) With other investors or stakeholders
- ☐ (B) Stewardship: engagement with external investment managers
- ☒ (C) Stewardship: engagement with policy makers
 - Select from drop down list:
 - ☐ (1) Individually
 - ☒ (2) With other investors or stakeholders
- ☒ (D) Stewardship: engagement with other key stakeholders
 - Select from drop down list:
 - ☐ (1) Individually
 - ☒ (2) With other investors or stakeholders
- ☒ (E) Capital allocation
- ☐ (F) Our organisation did not use any of the above levers to take action on sustainability outcomes during the reporting year

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 6	PLUS	SO 5	N/A	PUBLIC	Capital allocation	1

During the reporting year, how did your organisation use capital allocation to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Capital allocation activities used	(1) Asset class allocation (2) Sector allocation (4) Divestment from assets or sectors
(2) Explain through an example	Through our ESG model/assessment, that puts the majority of the weighting on climate in high stake sectors, we have selected companies that have demonstrated sufficient to outstanding climate strategy, and that are contributing positively to the ecological transition. Indeed, part of our ESG proprietary model (business activity dimension) is based on an in-depth assessment of the positive or negative contribution of activities to key sustainability challenges, including climate change. We have about 1200 activities that are covered in our ESG model, allowing to conduct a very precise assessment of the positive or negative contribution of each issuer on climate change. In addition, we use climate data from C4F in order to assess to what extent each issuer is contributing positively or negatively to reaching the Paris goals. Issuer level data are available to all investment team and some SRI strategies have temperature limit as part of their climate objectives. This assessment is then used in ESG marketed strategies in order to avoid the most significant transition risks and maximize the share of our investments in companies that contribute positively to the transition.

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:	NZAM AUM commitment
(1) Capital allocation activities used	(1) Asset class allocation (2) Sector allocation (4) Divestment from assets or sectors (5) Other
(2) Explain through an example	We ensure that our SFDR Article 9 strategies adapt their asset allocation and sector exposure so it can be net zero compatible. The launch of new strategies, especially in SFDR Article 8 & 9, is always considered in the light of our Net Zero commitment. Article 9 funds are supposed to be Net Zero compatible, except for Socially themed strategies.

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2:	NZAM portfolio emissions	
(1) Capital allocation activities used	(2) Sector allocation	(3) Selection of and allocation to third-party funds
	(4) Divestment from assets or sectors	
(2) Explain through an example	Progress on WACI reduction was achieved combining different factors: - carbon reduction of investee companies : as climate change is an important factor in ESG eligibility, we tend to invest in companies that have robust climate strategies, especially in high stake sectors. Many investee companies had a decarbonization rate even higher than the required 7% p.a., thus helping in reaching our NZ objectives. - stock picking, by putting more weight on or adding companies with robust climate strategies. This is done using several tools: ESG scores, Net Zero Assessment, Transition Risk assessment, GHG emissions intensity, temperature alignment data, green share, brown share. Without naming issuers, companies with temperature ratings in line with 1.5°C or 2°C scenario that have lower WACI than peers were favoured. - excluding activities or applying stricter exclusion thresholds on climate harmful activities: For example, in 2024, Candriam has lowered the exclusion threshold for thermal coal across all financial products applying Candriam's "Level 2A and Level 3" exclusion policies, now excluding companies directly involved in coal extraction regardless of the level of revenues. Article 9 products that adhere to Candriam's Level 3 exclusions — also known as SRI strategies — apply the strictest exclusion criteria. Meanwhile, Candriam's Level 2A exclusion policy covers Candriam's financial products classified as Article 8, along with certain Article 6 products. Furthermore, in SRI strategies, for oil and gas, Candriam further reduced its exposure by excluding companies deriving more than 5% of their revenues from exploration, extraction, or refining of conventional or unconventional oil & gas and/or transportation of oil. Additionally, Candriam broadened its exclusions to companies generating over 25% of revenues from related activities such as supporting products/services, distribution, retail, petrochemicals and equipment.	

(D) Sustainability Outcome #3:

(D) Sustainability Outcome #3:	NZAM climate engagement	
(1) Capital allocation activities used	(5) Other	

In 2022, Candriam launched a net zero engagement campaign to support our NZAMI commitment to reach net zero GHG emissions by 2050 or earlier, aligned with efforts to limit global warming to 1.5°C.

Our multi-step engagement strategy aims to support companies in their decarbonization efforts. Targets were selected based on their contribution to our portfolio's Weighted Average Carbon Intensity (WACI), financed emissions, client priorities, and our view on engagement potential.

Since 2022, we have engaged 56 issuers—representing 51% of our financed emissions and 56% of WACI within our net zero scope. In 2024, we targeted 40 companies through one in-person meeting, 13 direct calls, and over 130 letters and emails.

We're on track to reach our goal of engaging with at least 70% of financed emissions. These engagements inform both our research and our voting on climate-related resolutions. Our campaign focuses on three core objectives:

1. Improve accuracy and timeliness of Net Zero Assessments.
2. Promote transparency in decarbonization targets and strategies.
3. Encourage better practices by addressing barriers to net zero.

Where progress is lacking, we apply escalation measures, up to and including divestment.

(2) Explain through an example

(E) Sustainability Outcome #4:

(E) Sustainability Outcome #4:

UN Global Compact monitoring

(1) Capital allocation activities used

(4) Divestment from assets or sectors

(2) Explain through an example

The monitoring of UNGC related incidents leads to the update of our "red flag" and "out list" exclusion lists and the divestment of positions in portfolios exposed to the excluded issuer. While no companies directly covered became ineligible within Candriam's "out list" for 2024. 12 companies lost their eligibility in 2024 across selected Article 8 products and all Article 9 products within Candriam's Red List. Within Candriam's Red List, we exclude companies with one or more Red Rating in areas covered by the relevant norms or conventions, including UNGC pillars and the OECD Guidelines for Multinational Enterprises. This list is aimed at identifying companies subject to serious and very serious controversies in terms of impact, duration, frequency or lack of response from company management. For example, a leading technology company faced significant governance and human rights concerns due to its involvement in controversial military and surveillance operations. The company's historical ties to intelligence and military agencies raised serious privacy issues, with no clear signs of addressing these concerns or adopting ethical frameworks. As a result, Candriam decided to exclude the company to mitigate risks and ensure alignment with global UNGC principles and guidelines

(F) Sustainability Outcome #5:

(F) Sustainability Outcome #5:

Allocation of green bonds in corporate sustainable funds

(1) Capital allocation activities used

(1) Asset class allocation

(2) Explain through an example

The increase in green bonds exposure will lead to reallocation of capital in the funds in favor of green bonds issuers and issuance that are eligible to our criteria (ESG eligible issuer and control of the use of proceeds)

(G) Sustainability Outcome #6:

(G) Sustainability Outcome #6: NZAM - aligning our investments with Net Zero

(1) Capital allocation activities used

- (2) Sector allocation
- (3) Selection of and allocation to third-party funds
- (4) Divestment from assets or sectors
- (5) Other

(2) Explain through an example

Our Net Zero Assessment framework categorizes companies based on their maturity in aligning with net zero goals. This rigorous, company-specific assessment follows the Sector Decarbonisation Approach (SDA), evaluating whether a company's climate targets align with its sector's decarbonisation pathway using key indicators (typically physical intensity). We also review the company's governance, strategy, capital allocation, lobbying efforts, integration of climate into accounting and risk systems, and management of social impacts during its transition. We make progress by assessing highest-emitting companies under this framework. By 2024, we have assessed 66 covering, all high-stake companies in our net zero perimeter. Unlike the SBTi, our assessment is stricter as it not only looks at the credibility of targets but also rigorously evaluates a company's ability to achieve them—requiring absolute reduction targets and full consideration of scope 3 emissions where relevant. We also use temperature metrics from Carbon4Finance, one of the most rigorous methodologies on the market, to monitor how our investments contribute to the energy transition. Through these assessment we feed our NZAMI engagement campaign, highlighting the need to accelerate our engagement efforts.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 7	PLUS	OO 17 FI, SO 1	N/A	PUBLIC	Capital allocation	1

During the reporting year, did you use thematic bonds to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

Thematic bond(s) label

(A) Sustainability Outcome #1:
NZAM AUM commitment

(A) Green/climate bonds

(B) Sustainability Outcome #2:
NZAM portfolio emissions

(A) Green/climate bonds

(C) Sustainability Outcome #3:
NZAM climate engagement

(F) Other
Specify: NA

(D) Sustainability Outcome #4: UN
Global Compact monitoring

(F) Other
Specify: NA

(E) Sustainability Outcome #5:
Allocation of green bonds in
corporate sustainable funds

(A) Green/climate bonds

(F) Sustainability Outcome #6:
NZAM - aligning our investments
with Net Zero

(A) Green/climate bonds

STEWARDSHIP WITH INVESTEEES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

During the reporting year, how did your organisation use stewardship with investees to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach

(2) Stewardship tools or activities
used

(3) Example

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:

NZAM AUM commitment

(1) Describe your approach

Engagement is one of the main tool that we used and are using to try to drive improvements within our investees. We believe the engagement tool is, as of today, the most efficient tool to make things change. Candriam uses two main forms of engagement for reaching its NZ targets : direct and collaborative engagement. Experience and research (Dimson & al. 2015, Barko & al. 2021) have shown that collaborative engagements are most efficient to drive progress. Still, direct engagement is very important as it enables us to be more reactive and more agile. Combination of both is therefore particularly important to us. In addition and part of this NZ engagement approach we have developed an ambitious and active voting policy. Coherence between our opinion on the company's climate strategy, dialogue and our effective votes is crucial. We do not hesitate either to co-file resolutions when we consider they will enable us to move the lines or when we need to escalate a previous unsuccessful engagement.

(2) Stewardship tools or activities used

- (1) Engagement
- (2) (Proxy) voting at shareholder meetings
- (3) Filing of shareholder resolutions or proposals
- (9) Other

(3) Example

note : "other" makes reference to exchanges with third-parties (auditors, proxy advisors, regulators) Candriam reaffirms its commitment to the Net Zero Asset Managers (NZAM) initiative by setting clear decarbonization targets and enhancing transparency across its investment processes. As of 2024, 69% of Candriam's in-scope listed equity and corporate bond AUM is managed in line with net-zero objectives, with the aim of reaching 100% by 2050. We have more specifically committed to: *2025 Engagement target: engage with 40 corporates that are top contributors to the Weighted Average Carbon Intensity (WACI) of our Net Zero perimeter by 2025.

At end 2024, we had engaged with 56 issuers, accounting for 56% of the WACI of our Net Zero perimeter.

*2030 Engagement Target: By 2030, over 70% of financed emissions will have been successfully engaged ('net zero' status) or will be under engagement, via either direct or collaborative approaches. The 100 largest contributors to our financed emissions will be either 'net zero' or will be under direct engagement.

We are currently engaging with companies responsible for 51% of our financed emissions (aka, 'carbon footprint'). Within our portfolios, 70 high contributors are currently under Net Zero Assessment, and 30 have already been engaged.

As a key levy of our net zero strategy, we have launched a multiyear net zero engagement campaign aiming to encourage investee companies to accelerate their transition and align with a +1.5°C pathway.

Our engagement strategy involves for each target a multi-step program focused on supporting companies in their decarbonisation journey. We have selected the targeted companies based on their contribution to Candriam's portfolio Weighted Average Carbon Intensity (WACI), financed emissions (carbon footprint), our clients' priorities and our estimated ability to engage successfully. (See SO 4) Candriam emphasizes a science-based approach, aligning its 2030 targets with the IPCC's 1.5°C trajectory, and integrating climate considerations into investment decisions, stewardship, and corporate engagement.

Candriam actively supports the Climate Action 100+ initiative, leads collaborative engagements through the IIGCC, and increasingly uses voting power to hold companies accountable. It also enhances climate-related disclosures and pushes for climate-aligned accounting, while continuously refining its Net Zero Assessment framework to ensure an ambitious and credible transition across portfolios.

At Candriam, since the emergence of the Say on Climate (SOC) trend—management-sponsored resolutions inviting shareholders to express their views on corporate climate strategies—we have implemented a comprehensive and demanding Net Zero Assessment framework to ensure an unbiased, consistent voting approach.

In 2024, we witnessed the first-ever rejection of a management-sponsored Say on Climate resolution.

This year also confirmed a loss of momentum for such resolutions globally, with a continued decline in their number since their peak in 2021–2022. Specifically, 49 SOC resolutions were proposed in 2022, falling to 27 in 2023 and 26 in 2024, with most still originating in Europe. This global slowdown is reflected in Candriam's own voting activity: while we reviewed and voted on 17 SOC resolutions in both 2023 and 2024, our support dropped significantly—from 44% in 2023 to just 17% in 2024.

This reflects growing dissatisfaction with companies' lack of ambition and underwhelming progress as the critical 2030 and 2050 climate targets approach. We also reanalyze internally every shareholder resolution, including all climate-related shareholder proposals, applying our internal assessment framework. In parallel, we have targeted Climate Action 100+ focus companies that fall behind in aligning their financial disclosures with climate objectives, as flagged by the CA100+ Climate Accounting and Audit Alignment Assessment from Carbon Tracker. Their latest report underscores a persistent gap: while companies increasingly disclose climate risks outside financial statements, many still fail to reflect these in the financials themselves. In response, in 2024 we predeclared votes against certain financial reports where companies failed to explain if and how climate-related issues—such as asset lifespans—were factored into their accounts. Since 2020, Candriam has been a member of the Institutional Investors Group on Climate Change (IIGCC). Under IIGCC's leadership, a coalition of global investors has established expectations for banks to adopt more robust net-zero targets, interim milestones, green finance development, and a withdrawal from activities incompatible with the Paris Agreement. Having participated in the IIGCC Banking Working Group since 2020. In 2024, Candriam acted as lead investor for engagements with Société Générale, and as a collaborating investor for other targeted institutions.

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2: NZAM portfolio emissions

(1) Describe your approach

Engagement is one of the main tool that we used and are using to try to drive improvements within our investees. We believe the engagement tool is, as of today, the most efficient tool to make things change. Candriam uses two main forms of engagement for reaching its NZ targets : direct and collaborative engagement. Experience and research (Dimson & al. 2015, Barko & al. 2021) have shown that collaborative engagements are most efficient to drive progress. Still, direct engagement is very important as it enables us to be more reactive and more agile. Combination of both is therefore particularly important to us. In addition and part of this NZ engagement approach we have developed an ambitious and active voting policy. Coherence between our opinion on the company's climate strategy, dialogue and our effective votes is crucial. We do not hesitate either to co-file resolutions when we consider they will enable us to move the lines or when we need to escalate a previous unsuccessful engagement.

(2) Stewardship tools or activities used

- (1) Engagement
- (2) (Proxy) voting at shareholder meetings
- (3) Filing of shareholder resolutions or proposals
- (9) Other

"other" makes reference to exchanges with third-parties (auditors, proxy advisors, regulators)

(3) Example

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*2030 Engagement Target: By 2030, over 70% of financed emissions will have been successfully engaged ('net zero' status) or will be under engagement, via either direct or collaborative approaches. The 100 largest contributors to our financed emissions will be either 'net zero' or will be under direct engagement. We are currently engaging with companies responsible for 51% of our financed emissions (aka, 'carbon footprint'). Within our portfolios, 70 high contributors are currently under Net Zero Assessment, and 30 have already been engaged.

As a key levy of our net zero strategy, we have launched a multiyear net zero engagement campaign aiming to encourage investee companies to accelerate their transition and align with a +1.5°C pathway. Our engagement strategy involves for each target a multi-step program focused on supporting companies in their decarbonisation journey. We have selected the targeted companies based on their contribution to Candriam's portfolio Weighted Average Carbon Intensity (WACI), financed emissions (carbon footprint), our clients' priorities and our estimated ability to engage successfully. (See SO 4) The firm emphasizes a science-based approach, aligning its 2030 targets with the IPCC's 1.5°C trajectory, and integrating climate considerations into investment decisions, stewardship, and corporate engagement. Candriam actively supports the Climate Action 100+ initiative, leads collaborative engagements through the IIGCC, and increasingly uses voting power to hold companies accountable. It also enhances climate-related disclosures and pushes for climate-aligned accounting, while continuously refining its Net Zero Assessment framework to ensure an ambitious and credible transition across portfolios.

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In parallel, we have targeted Climate Action 100+ focus companies that fall behind in aligning their financial disclosures with climate objectives, as flagged by the CA100+ Climate Accounting and Audit Alignment Assessment from Carbon Tracker. Their latest report underscores a persistent gap: while companies increasingly disclose climate risks outside financial statements, many still fail to reflect these in the financials themselves. In response, in 2024 we predeclared votes against certain financial reports where companies failed to explain if and how climate-related issues—such as asset lifespans—were factored into their accounts. Since 2020, Candriam has been a member of the Institutional Investors Group on Climate Change (IIGCC). Under IIGCC’s leadership, a coalition of global investors has established expectations for banks to adopt more robust net-zero targets, interim milestones, green finance development, and a withdrawal from activities incompatible with the Paris Agreement. Having participated in the IIGCC Banking Working Group since 2020. In 2024, Candriam acted as lead investor for engagements with Société Générale, and as a collaborating investor for other targeted institutions.

(D) Sustainability Outcome #3:

(D) Sustainability Outcome #3:	NZAM climate engagement
(1) Describe your approach	Engagement is one of the main tool that we used and are using to try to drive improvements within our investees. We believe the engagement tool is, as of today, the most efficient tool to make things change. Candriam uses two main forms of engagement for reaching its NZ targets : direct and collaborative engagement. Experience and research (Dimson & al. 2015, Barko & al. 2021) have shown that collaborative engagements are most efficient to drive progress. Still, direct engagement is very important as it enables us to be more reactive and more agile. Combination of both is therefore particularly important to us. In addition and part of this NZ engagement approach we have developed an ambitious and active voting policy. Coherence between our opinion on the company's climate strategy, dialogue and our effective votes is crucial. We do not hesitate either to cofile resolutions when we consider they will enable us to move the lines or when we need to escalate a previous unsuccessful engagement..
(2) Stewardship tools or activities used	(1) Engagement (2) (Proxy) voting at shareholder meetings (3) Filing of shareholder resolutions or proposals (9) Other

(3) Example

In 2022, Candriam launched a net zero engagement campaign to support our NZAMI commitment to reach net zero GHG emissions by 2050 or earlier, aligned with efforts to limit global warming to 1.5°C.

Our multi-step engagement strategy aims to support companies in their decarbonization efforts. Targets were selected based on their contribution to our portfolio's Weighted Average Carbon Intensity (WACI), financed emissions, client priorities, and our view on engagement potential.

Since 2022, we have engaged 56 issuers—representing 51% of our financed emissions and 56% of WACI within our net zero scope.

In 2024, we targeted 40 companies through one in-person meeting, 13 direct calls, and over 130 letters and emails.

We're on track to reach our goal of engaging with at least 70% of financed emissions. These engagements inform both our research and our voting on climate-related resolutions. Our campaign focuses on three core objectives:

1. Improve accuracy and timeliness of Net Zero Assessments.
2. Promote transparency in decarbonization targets and strategies.
3. Encourage better practices by addressing barriers to net zero.

Where progress is lacking, we apply escalation measures, up to and including divestment.

For examples, please refer to SO 1-3 above. Engaging on Climate is central to our Engagement policy. Regardless of the type of assets or issuer, risk management of investments means supporting effective, efficient and realistic energy transition, extreme weather adaptation strategies as well as alignment with credible 1.5°C trajectories at our investee companies and other issuers.

Our clients, including those who have undertaken Net Zero commitments, encourage our active engagement. The individuals who are the ultimate owners of our retail funds also confront us regularly via their bank advisors.

(E) Sustainability Outcome #4:

(E) Sustainability Outcome #4:

UN Global Compact monitoring

(1) Describe your approach

Through engagement, we support adoption of best practices but we also gain some insights on companies that will feed our ESG analysis. For some controversies, ESG analysis will conclude engagement cannot help improving the situation or that the case is too severe and directly leads to the inedibility of the company.

Candriam makes every effort to ensure that the exercise of voting rights is aligned with the protection of Human, Labour Rights and fundamental principles of the UNGC. We have had our own Voting Policy since 2003 and it includes the ESG performance of companies when analysing ballots and determining votes. Our Voting Analysts consider the following:

- o ESG performance scores
- o Past and present controversies.

Through our engagement with investee companies and countries, Candriam seeks to promote the protection of Fundamental Rights notably through the implementation of proper business due diligence. This field of engagement, and more specifically the Human Rights aspects, has become more prominent in recent years. Areas in which Human Rights risks are most salient include, but are not limited to, supply chain management, forced labour, and digital rights. For corporate issuers, as an example, Candriam clearly expresses through our engagements that issuers should demonstrate, amongst other elements:

- o The existence of a strong Human Rights policy
- o Strong Human Rights governance
- o Regular Human Rights impact assessments
- o Human Rights due diligence procedures covering operations and supply chains
- o Human Rights risk remediation procedures
- o A whistleblowing program
- o Regular Human Rights performance reporting.

When feasible, we attach great importance to exchanges we may have with companies' stakeholders such as unions' or civil society's representatives.

(2) Stewardship tools or activities used

- (1) Engagement
- (2) (Proxy) voting at shareholder meetings
- (5) Leveraging roles on the board or board committees (e.g. nomination committees)

(3) Example

As a matter of example, out of the 273 direct dialogues we had with corporates in 2024, 60% were related to potential violation of UN Global compact and OECD principles. On the collaborative side, not considering CDP surveys and out of 891 dialogues we supported either actively or passively, more than half was related to such potential breaches. On the voting side, in 2024, we supported 27 out of 36 shareholder resolutions in relation to human rights.

A lot of collaborative initiatives we support are also in relation to protection of human rights or labour rights : either they support increased transparency on this matter or try to influence practices. While we have been particularly active on risks posed by new technologies to human rights, we are also active within the investors engaging on Uyghurs controversies and coordinated by the Investor Alliance for Human Rights, but also in the engagement attached to the Corporate Human Right Benchmark. As detailed in our last Voting and Engagement annual review, we also led direct campaigns dealing with presence in regimes such as Myanmar or Russia considered as oppressive by our ESG sovereign analysis. Challenging companies on the way they conduct effective human rights due diligence, to identify potential adverse human rights impacts from their activities, integrate these findings into operations, to monitor measures in place to address these risks and finally report on the whole process and outcomes.

After unsatisfactory engagement, we may take escalation measures please see our latest annual report on 2024 stewardship activities here: [voting-and-engagement-report-2024.pdf](#)

One example of our escalation process is our engagement with a large German automaker. The company has faced allegations of forced labour within its Chinese supply chain.

In 2022, one of our ESG data provider issued a Global Compact red flag due to this company's reported involvement in forced labour at its Xinjiang plant. We engaged with the company three times—once directly and twice through collaborative efforts. In December 2024, after management repeatedly refused to engage with us, we escalated our approach by sending two letters, co-signed by 10 investors.

In our correspondence to management, we outlined our concerns regarding the company's inadequate human rights risk management and highlighted best practices demonstrated by peer firms. We also addressed the board of management, raising concerns about the lack of independence and expertise in human rights risk management. As both the board and management declined to engage, we are now proposing to a broader coalition of investors that we issue a public investor statement to the company.

(F) Sustainability Outcome #5:

(F) Sustainability Outcome #5: Allocation of green bonds in corporate sustainable funds

(1) Describe your approach

(2) Stewardship tools or activities used

(3) Example

(G) Sustainability Outcome #6:

(G) Sustainability Outcome #6: NZAM - aligning our investments with Net Zero

(1) Describe your approach

Engagement is one of the main tool that we used and are using to try to drive improvements within our investees. We believe the engagement tool is, as of today, the most efficient tool to make things change. Candriam uses two main forms of engagement for reaching its NZ targets : direct and collaborative engagement. Experience and research (Dimson & al. 2015, Barko & al. 2021) have shown that collaborative engagements are most efficient to drive progress. Still, direct engagement is very important as it enables us to be more reactive and more agile. Combination of both is therefore particularly important to us. In addition and part of this NZ engagement approach we have developed an ambitious and active voting policy. Coherence between our opinion on the company's climate strategy, dialogue and our effective votes is crucial. We do not hesitate either to co-file resolutions when we consider they will enable us to move the lines or when we need to escalate a previous unsuccessful engagement.

(2) Stewardship tools or activities used

- (1) Engagement
- (2) (Proxy) voting at shareholder meetings
- (3) Filing of shareholder resolutions or proposals
- (9) Other

note : "other" makes reference to exchanges with third-parties (auditors, proxy advisors, regulators)

(3) Example

Candriam reaffirms its commitment to the Net Zero Asset Managers (NZAM) initiative by setting clear decarbonization targets and enhancing transparency across its investment processes. As of 2024, 69% of Candriam's in-scope listed equity and corporate bond AUM is managed in line with net-zero objectives, with the aim of reaching 100% by 2050.

As a key levy of our net zero strategy, we have launched a multiyear net zero engagement campaign aiming to encourage investee companies to accelerate their transition and align with a +1.5°C pathway. Our engagement strategy involves for each target a multi-step program focused on supporting companies in their decarbonisation journey. We have selected the targeted companies based on their contribution to Candriam's portfolio Weighted Average Carbon Intensity (WACI), financed emissions (carbon footprint), our clients' priorities and our estimated ability to engage successfully. (See SO 4) Candriam emphasizes a science-based approach, aligning its 2030 targets with the IPCC's 1.5°C trajectory, and integrating climate considerations into investment decisions, stewardship, and corporate engagement. Candriam actively supports the Climate Action 100+ initiative, leads collaborative engagements through the IIGCC, and increasingly uses voting power to hold companies accountable. It also enhances climate-related disclosures and pushes for climate-aligned accounting, while continuously refining its Net Zero Assessment framework to ensure an ambitious and credible transition across portfolios.

At Candriam, since the emergence of the Say on Climate (SOC) trend—management-sponsored resolutions inviting shareholders to express their views on corporate climate strategies—we have implemented a comprehensive and demanding Net Zero Assessment framework to ensure an unbiased, consistent voting approach.

In 2024, we witnessed the first-ever rejection of a management-sponsored Say on Climate resolution. This year also confirmed a loss of momentum for such resolutions globally, with a continued decline in their number since their peak in 2021–2022. Specifically, 49 SOC resolutions were proposed in 2022, falling to 27 in 2023 and 26 in 2024, with most still originating in Europe. This global slowdown is reflected in Candriam's own voting activity: while we reviewed and voted on 17 SOC resolutions in both 2023 and 2024, our support dropped significantly—from 44% in 2023 to just 17% in 2024. This reflects growing dissatisfaction with companies' lack of ambition and underwhelming progress as the critical 2030 and 2050 climate targets approach. We also reanalyze internally every shareholder resolution, including all climate-related shareholder proposals, applying our internal assessment framework.

In parallel, we have targeted Climate Action 100+ focus companies that fall behind in aligning their financial disclosures with climate objectives, as flagged by the CA100+ Climate Accounting and Audit Alignment Assessment from Carbon Tracker. Their latest report underscores a persistent gap: while companies increasingly disclose climate risks outside financial statements, many still fail to reflect these in the financials themselves. In response, in 2024 we predeclared votes against certain financial reports where companies failed to explain if and how climate-related issues—such as asset lifespans—were factored into their accounts. Since 2020, Candriam has been a member of the Institutional Investors Group on Climate Change (IIGCC). Under IIGCC's leadership, a coalition of global investors has established expectations for banks to adopt more robust net-zero targets, interim milestones, green finance development, and a withdrawal from activities incompatible with the Paris Agreement. Having participated in the IIGCC Banking Working Group since 2020. In 2024, Candriam acted as lead investor for engagements with Société Générale, and as a collaborating investor for other targeted institutions.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 9	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

How does your organisation prioritise the investees you conduct stewardship with to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

☒ **(A) We prioritise the most strategically important companies in our portfolio.**

Describe how you do this:

This is not the main criteria we will take into account. But in the end, the target that have been selected based on their importance in Candriam portfolio and their impact on the sustainability outcome, will ultimately be companies with huge influence over their peers, their supply chain, professional associations & political organization. That is why, amongst the criteria we are looking at when assessing the transition strategy of a company, we give high importance to suppliers engagement, client engagement and lobbying activities aligned with the goals of the Paris Agreement.

Select from the list:

☒ **4**

☒ **(B) We prioritise the companies in our portfolio most significantly connected to sustainability outcomes.**

Describe how you do this:

That is for sure one of the main driver we take into consideration. Our objective is to have the most positive impact possible. Therefore, we need to target companies that have the most negative impact. For example, for Candriam's net zero engagement, we follow closely the WACI metric which takes into account both the emissions of the company, and the weight it represents within our portfolio.

Select from the list:

☒ **2**

☒ **(C) We prioritise the companies in our portfolio to ensure that we cover a certain proportion of the sustainability outcomes we are taking action on.**

Describe how you do this:

As a responsible asset manager with a fiduciary duty to protect our clients' interest, the first criteria we are going to take into account will be the materiality of the ESG problematic for Candriam's and its clients' assets. For example, for Candriam's net zero engagement, we follow closely the WACI metric which takes into account both the emissions of the company, and the weight it represents within our portfolio. For choosing target, we based ourselves first foremost on the percentage of WACI the company represented out of the total Candriam's net zero scope WACI.

Select from the list:

☒ **1**

☒ **(D) Other**

Describe:

Various. We also take into consideration engagement history, institutional clients (NZAO) specific requests, as well as sector representation and value chain approach. This explains why we have today in our target engagement scope, representatives of the financial sector for instance.

Select from the list:

☒ **3**

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 11	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, how did your organisation use engagement with policy makers to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1: NZAM AUM commitment

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2: NZAM portfolio emissions

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(D) Sustainability Outcome #3:

(D) Sustainability Outcome #3:	NZAM climate engagement
(1) Describe your approach	Sometimes, obstacles to sustainability outcome cannot be waived by engaging at corporate level, they need to be addressed directly towards regulators, politics and policy makers. These engagements are often highly uncertain, and with lower likelihood to succeed, but if so, the results have an effect over entire industries, if not the whole market.
(2) Engagement tools or activities used	(1) We participated in 'sign-on' letters (3) We provided technical input via government- or regulator-backed working groups
(3) Example(s) of policies engaged on	Filing a shareholder resolution in France is a difficult right to implement as the legal framework is restrictive. The minimum share threshold to file is 0.5%, which for large caps severely limits the number of shareholders who can file resolutions or makes it extremely difficult to coordinate the co-filing process as many investors need to be involved. In addition, the deadlines are very restrictive, and a management opposed to the filing of a resolution can deny the right of shareholders without any justification or consequence. Shareholder dialogue on climate issues suffers from an efficiency problem in France. The transition plans published by companies are still incomplete. Thus, we took part to an initiative aiming to improve the quality of the Say-on-Climate resolutions of French companies. The investor group seeks information and reporting which are required for investors to assess alignment of their portfolios to 1.5°C scenarios (NZAMi), with the goals of the Paris Agreement, and the IEA Net Zero Emissions 2050 Scenarios. We also supported the French Sustainable Investment Forum, which calls on companies to present ambitious climate plans and to put these plans every 3 years to shareholders vote, and to put the report of the progress against this plan every year at the agenda. Since then, we continued to support by signing the 2023 and 2025 French SIF's tribunes promoting investor expectations of say-on-climates.

(E) Sustainability Outcome #4:

(E) Sustainability Outcome #4:	UN Global Compact monitoring
(1) Describe your approach	
(2) Engagement tools or activities used	
(3) Example(s) of policies engaged on	

(F) Sustainability Outcome #5:

(F) Sustainability Outcome #5:	Allocation of green bonds in corporate sustainable funds
(1) Describe your approach	

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(G) Sustainability Outcome #6:

(G) Sustainability Outcome #6: NZAM - aligning our investments with Net Zero

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

STEWARDSHIP: ENGAGEMENT WITH OTHER KEY STAKEHOLDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 12	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with other key stakeholders	2, 5

Does your organisation engage with other key stakeholders to support the development of financial products, services, research, and/or data aligned with global sustainability goals and thresholds?

(A) Across all sustainability outcomes

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1: NZAM AUM commitment

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2:	NZAM portfolio emissions
(1) Key stakeholders engaged	
(2) Provide further detail on your engagement	

(D) Sustainability Outcome #3:

(D) Sustainability Outcome #3:	NZAM climate engagement
(1) Key stakeholders engaged	(1) Standard setters (5) Auditors (6) External service providers (e.g. proxy advisers, investment consultants, data providers) (7) Academia (8) NGOs (9) Other key stakeholders

(2) Provide further detail on your engagement

In its commitment to the PRI principles, Candriam promotes best practices in the field of Responsible Investments and is pleased to contribute in various ways to help the financial industry and investee companies to progress in the transparency, measuring and reporting standards related to UNSDG. Among the recent actions and participations from Candriam's ESG experts, we can mention the following examples:

- As part of the IIGCC engagement on Paris-aligned accounting practices, Candriam has led an engagement towards the French big 4 auditing firm in order to encourage them to audit climate disclosure when climate is material for the audited issuer.

During pre-AGM engagement on climate-related matters, notably when we co-filed a shareholder resolution we engaged also towards proxy advisers to explain our approach and objectives by submitting such an item, as well as the fundamental criteria required to properly assess a Say on Climate resolution and a Net Zero Transition plan, according to us.

In parallel in 2024, we also predeclared that we would vote against a company's financial report because they failed to provide information about whether and how it had incorporated relevant climate-related factors that should be reflected in the accounting for relevant financial statement items, such as remaining useful lives of relevant assets.

-During 2024, as member of AFG, we supported an AFG workgroup working on energy transition for investment. In the context of the EU Omnibus CSRD-CS3D-Taxonomy related to the ESRS simplification, the Global Head of Corporate Sustainability takes part to working groups and discussion with EFRAG (EU standards setter) and the EU Commission representatives with the objective to highlight the importance of ESG data and transition plan disclosed by investee companies to inform investment processes.

(E) Sustainability Outcome #4:

(E) Sustainability Outcome #4:	UN Global Compact monitoring
(1) Key stakeholders engaged	(3) Stock exchanges (4) Credit rating agencies (6) External service providers (e.g. proxy advisers, investment consultants, data providers) (7) Academia (8) NGOs
(2) Provide further detail on your engagement	Thanks to the collaborative initiatives we are part of (like UNI Care, Investor Alliance for Human Rights and the RDR / Uyghurs / CHRB working groups) and also thanks to the network of stakeholders we have been introduced to when preparing and launching our collaborative initiative on Facial Recognition, we have regular contact with unions, academic experts and representatives of NGOs. We also regularly meet our proxy advisors and discuss how to better integrate UNGC-related aspects into voting decisions. The lack of consistent, decision-useful human rights data -- beyond high-risk sectors -- hinders investors' ability to assess and manage risks and opportunities, differentiate corporate performance, conduct effective stewardship, and comply with evolving regulatory requirements. To address this gap, the Investor Initiative on Human Rights Data (II-HRD) was launched as a collaborative effort among institutional investors to enhance the corporate human rights data landscape. The initiative targets 6 ESG data providers and calls on ESG data providers and proxy voting advisors to strengthen their human rights analysis and reporting, providing sufficient data to investors so that they can develop actionable insights. Candriam is part of this initiative.

(F) Sustainability Outcome #5:

(F) Sustainability Outcome #5:	Allocation of green bonds in corporate sustainable funds
(1) Key stakeholders engaged	
(2) Provide further detail on your engagement	

(G) Sustainability Outcome #6:

(G) Sustainability Outcome #6:	NZAM - aligning our investments with Net Zero
(1) Key stakeholders engaged	
(2) Provide further detail on your engagement	

STEWARDSHIP: COLLABORATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 13	PLUS	SO 5	N/A	PUBLIC	Stewardship: Collaboration	2

During the reporting year, to which collaborative initiatives did your organisation contribute to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Initiative #1

(1) Name of the initiative	IGCC Banks
(2) Indicate how your organisation contributed to this collaborative initiative	(A) We were a lead investor in one or more focus entities (e.g. investee companies) (B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies) (C) We publicly endorsed the initiative
(3) Provide further detail on your participation in this collaborative initiative	We are member of the Institutional Investors Group on Climate Change (IIGCC) since 2020. Under the direction of the IIGCC, a group of leading global investors has defined a list of expectations for the banking sector, calling on banks to set improved net-zero targets for 2050 along with interim targets, to step up the development of green finance, and to withdraw from projects that do not meet the goals of the 2015 Paris Agreement and treaty. Having taken part in the IIGCC Working Group on banking since 2020, we decided to play a more active role, taking an active role in the associated engagements beginning in 2022. This collaborative engagement aims to guide banks toward a net zero emissions path. The academic partner for this project is the Transition Pathway Initiative (TPI), whose Assessment framework is the starting piece to discuss the strategy and performance of banks regarding their transition to Net Zero. In 2024 we were lead investor for Société Générale, and acted as a collaborating investor for the other entities targeted through this engagement. We do publicly endorse this initiative, since we publicly mention our membership in our 2024 Engagement report. Candriam will continue to play an active role in this initiative, and we hope to help this group secure its first improvements during 2025.

(B) Initiative #2

(1) Name of the initiative	Investor Policy Dialogue on Deforestation (IPDD)
(2) Indicate how your organisation contributed to this collaborative initiative	(B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies) (C) We publicly endorsed the initiative (E) We supported the coordination of the initiative (e.g. facilitating group meetings) or provided other administrative support

(3) Provide further detail on your participation in this collaborative initiative

Addressing deforestation is critical to supporting global efforts to limit temperature rise. Now entering in its third year, IPDD is a very active initiative, with 67 Investors from 19 countries representing over \$10 trillion in AUM. This collective investor engagement undertaking dialogue with governments and related stakeholders on the issue of deforestation. In 2022, initiatives mainly exchanges with Brazil and Indonesia governments and regional representatives or government agencies. Present in both Brazil and Indonesia working groups, Candriam was more specifically active in the second one, with one member of our ESG team, from Indonesian nationality, playing the role of facilitator during our initial exchanges with government members. In 2024 we continued our active participation in both countries working groups, engaging with numerous ministries, agencies, civil society organisation to advance the initiative's agenda of forest protection.

(C) Initiative #3

(1) Name of the initiative

Energy transition strategy and governance at Shell Plc

(2) Indicate how your organisation contributed to this collaborative initiative

(B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies)
(C) We publicly endorsed the initiative

(3) Provide further detail on your participation in this collaborative initiative

We have been member of CA100+ since launch in 2017. Shell Plc has been a company we have been active on within CA100+ working group. We have been engaging with Shell plc, the British multinational oil and gas company, for some years, expressing our concerns regarding their energy transition strategy. We have engaged directly, collaboratively, by supporting shareholder resolutions, and by voting Against the company's Say on Climate resolutions, as they failed to meet our expectations. In spite of several contacts with the company, situation has not evolved as expected.

Candriam believes that the transition strategy of Shell Energy transition strategy is not aligned with achieving the Paris goals of containing global temperature rise to <+1.5°C. The company even scaled back last year its climate ambition, by reducing its 2030 carbon intensity reduction objective from 20% to 15-20%, which does not show a sufficient pace of transition. The 2035 target of reducing carbon intensity by 45% has been scrapped. The company has not set any absolute scope 3 emissions target on its full scope of activity, and its significant growth in LNG should offset, from a carbon point of view, the reduction of emissions envisaged for oil related products

Escalating our concerns, we have voted Against the company's Say on Climate resolution and co-filed and supported the shareholder climate resolution advising Shell to align its medium-term emissions reduction targets covering the Greenhouse Gas (GHG) emissions of the use of its energy products (Scope 3) with the goal of the Paris Climate Agreement at the 2024 AGM. We also voted Against the CEO and Chairman, as well as those members of the Sustainability Committee who were standing for re-election.

The resolution received 18,6% of support.

(D) Initiative #4

(1) Name of the initiative	Collective Impact Coalition on Ethical AI
(2) Indicate how your organisation contributed to this collaborative initiative	(A) We were a lead investor in one or more focus entities (e.g. investee companies) (B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies) (C) We publicly endorsed the initiative (D) We provided pro bono advice, research or training (E) We supported the coordination of the initiative (e.g. facilitating group meetings) or provided other administrative support (G) We were part of an advisory committee or similar (H) We contributed to the development of the initiative's materials and/or resources (e.g. co-authored a report) (I) Other
(3) Provide further detail on your participation in this collaborative initiative	Candriam is co-leading the World Benchmarking Alliance's (WBA) Ethical AI Collective Impact Coalition, a group of 75 asset managers managing over \$8.5 trillion of investors' assets who are promoting a safe use of Artificial Intelligence. We are broadly encouraging all companies to do and share more on ethical AI in order to promote a more trustworthy digital economy and sustainable society. The Investor Statement provides an overview of the issue. https://www.worldbenchmarkingalliance.org/impact/investor-statement-for-ethical-ai-2024/ In practice, we engage with some of the largest tech companies in the world the principles, governance, and practices in place around AI topics. We endeavour to highlight challenges and promote the leading practices that we observe through our engagements. We have already met with over 30 large tech companies including internet platforms, telecom companies, semiconductor designers, and manufacturers. We are learning about the challenges that companies are facing and are collecting examples of best practices to share and promote. It is interesting to note that we are seeing a growing number of shareholder resolutions - 7 in total in 2024 - addressing the risk of AI, we backed every single one of them.

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

- ☒ (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- ☐ (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- ☒ (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- ☐ (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- ☒ (E) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
- ☐ (F) We did not verify the information submitted in our PRI report this reporting year

THIRD-PARTY EXTERNAL ASSURANCE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 2	CORE	OO 21, CBM 1	N/A	PUBLIC	Third-party external assurance	6

For which responsible investment processes and/or data did your organisation conduct third-party external assurance?

- ☒ (A) Policy, governance and strategy
Select from dropdown list:
 - ☐ (1) Data assured
 - ☐ (2) Processes assured
 - ☒ (3) Processes and data assured
- ☒ (C) Listed equity
Select from dropdown list:
 - ☐ (1) Data assured
 - ☐ (2) Processes assured
 - ☒ (3) Processes and data assured
- ☒ (D) Fixed income
Select from dropdown list:
 - ☐ (1) Data assured
 - ☐ (2) Processes assured
 - ☒ (3) Processes and data assured

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 3	PLUS	CBM 1	N/A	PUBLIC	Third-party external assurance	6

Provide details of the third-party external assurance process regarding the information submitted in your PRI report.

(1) Description of the third-party external assurance process

The external assurance is conducted by auditors recognized by the SRI label in France and Towards Sustainability label in Belgium. In France, AFNOR conducts the audit each year in the autumn. In Belgium, the audit is conducted yearly by a consortium of auditors that are expert in ESG. The scope of the audit covers: the ESG policy and ESG governance in place and all related documentations, the data sources used for ESG criteria applied and for ESG reporting (ex. Impact indicators like Portfolio carbon footprint), the internal resources and the process from ESG analysis and selection to portfolio construction and internal controls. Stewardship activities are part of the audit process. Reports to clients, disclosure on internet and internal/external education program on ESG are also part of the audit as well as commercial activities. The auditors ask a global report on all those elements, a presentation of those is foreseen with representatives of all levels of the company and interview with staff members are conducted for the different activities. The auditor also test internal process (investment committee reports, flow of information, risk controls,...) and portfolio compliance to the described approach and mandatory ESG criteria (incl. integration of ESG criteria in process and stewardship activities). This type of audit covers all our SRI strategies (which are art 9 SFDR classified products and some art 8 SFDR ones) and by this way also all our ESG integration process and ESG exclusion policy applied to Equity and Fixed income assets.

(2) Assurance standard(s) used by the third-party assurance provider

- ☐ (A) PAS 7341:2020
- ☐ (B) ISAE 3000 and national standards based on this
- ☐ (C) Dutch Standard 3810N (Assurance engagements regarding sustainability reports)
- ☐ (D) RevR6 (Assurance of Sustainability)
- ☐ (E) IDW AsS 821 (Assurance Standard for the Audit or Review of Reports on Sustainability Issues)
- ☐ (F) Accountability AA1000 Assurance Standard (AA1000AS)
- ☐ (G) IFC performance standards
- ☐ (H) SSAE 18 and SOC 1
- ☒ **(I) Other national auditing/assurance standard with guidance on sustainability; specify:**

The audit conducted for the SRI labels (French national SRI label, BE Towards Sustainability label) covers the application of requested ESG criteria as well as the control of the governance, policies, data used and reporting/communication. Those audit cover our ESG integration approach applied to all Equity and Fixed income AUM.

- ☐ (J) Invest Europe Handbook of Professional Standards
- ☐ (K) ISAE 3402 Assurance Reports on Controls at a Service Organisation
- ☐ (L) AAF 01/20
- ☐ (M) AAF 01/06 Stewardship Supplement
- ☐ (N) ISO 26000 Social Responsibility
- ☐ (O) ISO 14065:2020 General principles and requirements for bodies validating and verifying environmental information
- ☐ (P) ASAE 3410 Assurance Engagements on Greenhouse Gas Statements
- ☐ (Q) PCAF
- ☐ (R) NGER audit framework (National Greenhouse and Energy Reporting)
- ☒ **(S) Auditor's proprietary assurance framework for assuring RI-related information**
- ☐ (T) Other greenhouse gas emissions assurance standard; specify:

(3) Third-party external assurance provider's report that contains the assurance conclusion

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INTERNAL AUDIT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 4	CORE	OO 21, CBM 1	N/A	PUBLIC	Internal audit	6

What responsible investment processes and/or data were audited through your internal audit function?

- ☒ **(A) Policy, governance and strategy**
Select from dropdown list:
 - ☐ (1) Data internally audited
 - ☐ (2) Processes internally audited
 - ☒ **(3) Processes and data internally audited**
- ☒ **(C) Listed equity**
Select from dropdown list:
 - ☐ (1) Data internally audited
 - ☐ (2) Processes internally audited
 - ☒ **(3) Processes and data internally audited**
- ☒ **(D) Fixed income**
Select from dropdown list:
 - ☐ (1) Data internally audited
 - ☐ (2) Processes internally audited
 - ☒ **(3) Processes and data internally audited**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 5	PLUS	CBM 1	N/A	PUBLIC	Internal audit	6

Provide details of the internal audit process regarding the information submitted in your PRI report.

Internal Audit team compiles a three-year internal audit plan based on an independent evaluation of the risks to which the company is exposed. Given the importance of ESG factors in all Candriam processes, there are systematically reviewed during audits. Internal audit has the total independence to determine the scope. Audit reviews are based on interviews, review of documents, verifying data and testing. They are performed in accordance with the audit methodology defined by international internal auditing standards. Audit conclusions are reported to the CEO and to the Board of Directors. The most recent concerned an ESG maturity assessment of the ESG investing process (It was finalized in March 2024 and presented to the Board of Directors in June 2024).

INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

Who in your organisation reviewed the responses submitted in your PRI report this year?

☒ **(A) Board, trustees, or equivalent**

Sections of PRI report reviewed

○ (1) the entire report

● **(2) selected sections of the report**

☒ **(B) Senior executive-level staff, investment committee, head of department, or equivalent**

Sections of PRI report reviewed

● **(1) the entire report**

○ (2) selected sections of the report

○ (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year