



PRESS RELEASE

## CANDRIAM expands thematic fund range by launching the Candriam SRI Equity Circular Economy Fund

- Global equity fund designed to promote zero waste economies by investing in companies that are adapting their operations towards a 'Circular Economy' and contributing to a more sustainable future.
- Provides retail and institutional investors with the opportunity to participate in the transformational growth story of global supply chains becoming more 'circular'.
- 10% of the Fund's net annual management fees will be donated to charities and organisations aligned to the circular economy. CANDRIAM has selected organisation "Close the Gap" as its first beneficiary.

**London, June 29, 2020** – CANDRIAM today announces the launch of the CANDRIAM SRI Equity Circular Economy Fund<sup>1</sup>. The circular economy concept provides an alternative to the current linear economic model ("take, make, dispose") by avoiding waste and reducing the need for virgin raw materials. It seeks to increase resource efficiencies through the re-use or recycling of materials. The newly created fund aims to outperform over the long-term by investing in companies that provide new technologies and innovations which enable the transition to a circular economy.

Resource depletion and inefficient waste management are key concerns due to their significant and costly effect on our economy, society and ecosystem. According to the [Circular Gap report 2020](#)<sup>2</sup>, the world is currently only 8.6% circular, demonstrating the breadth of opportunities available for investors.

Replacing the 'line' with a 'circle' has become an imperative towards ensuring a sustainable future. The current rate of consumption and production processes have become unsustainable as we are overconsuming our planet by 1.7 times<sup>3</sup>. In our current linear economy, resources are extracted, consumed and disposed. Instead, by considering the full life-cycle of materials and redesigning products and operations, a circular economy can help decrease pressure by reinjecting used resources back into our economy.

A transition towards circularity represents a huge potential for both economic growth and environmental sustainability. We see this as a multi-decade investment opportunity, with the circular market representing an estimated 4.5 trillion dollar economy by 2030<sup>ii2</sup>. Through our proprietary thematic approach and fundamental idea selection, we construct a diversified portfolio of circular economy enablers and rapid transformers. Enablers are companies that provide solutions enabling a circular economy transition including solutions in waste management, renewable resources, products life extension and resources optimization. Transformers are companies that are actively changing their business operations and value chain to become more circular.

The Fund, which is the latest addition to CANDRIAM's thematic equities range, will be managed by Koen Popleu, Thematic Equity Senior Fund Manager, and Monika Kumar, Thematic Equity Fund Manager .

**Koen Popleu, Lead Portfolio Manager of the Fund commented:** *"The backlash against single use plastic and the growing popularity of plastic-free goods has shown that regulators and consumers support the transition to a circular economy. In the face of reputational risk and consumer boycotting, companies have decided to drastically increase their use of recycled plastic packaging and transform their operational processes. **Monika Kumar, Co-Manager added:** This represents a significant opportunity for companies offering innovative technologies and solutions aligned to the circular economy."*

<sup>1</sup> CANDRIAM SRI EQUITY CIRCULAR ECONOMY is a new subfund within Candriam SRI, a UCITS SICAV managed by Candriam Luxembourg.

<sup>2</sup> Source: Circular Gap report 2020, Haas et al. (2015) and PACF (2019).

<sup>3</sup> Source: Global Footprint Network 2019 (see [www.footprintnetwork.org](http://www.footprintnetwork.org) )



**Vincent Hamelink, Chief Investment Officer, said:** *“Sustainable investing has been at the heart of our business for 25 years and we are proud to launch the CANDRIAM SRI Equity Circular Economy Fund. As we strive to promote a zero waste economy and deliver the United Nations Sustainable Development Goals, the move towards a circular economy will be an essential part of our transition towards a more sustainable future.”*

CANDRIAM will donate up to 10% of the sub-fund’s net annual management fees to charities and organisations providing solutions to promote the transition towards a circular economy. CANDRIAM has selected organisation “Close the Gap” as its first beneficiary. Close the Gap is an international social enterprise that aims to bridge the digital divide by offering high-quality, pre-owned computers donated by European and international companies to educational, medical and social projects in developing and emerging countries. Since 2004, Close the Gap has supported over 6,000 projects in more than 50 countries all around the world. All projects are demand and impact-driven oriented initiatives.

The CANDRIAM SRI EQUITY CIRCULAR ECONOMY is a sub-fund of CANDRIAM SRI, a SICAV (Société d’investissement à capital variable) domiciled in Luxemburg and it is managed by Candriam Luxembourg. CANDRIAM Circular Economy Fund is currently registered for marketing in Luxemburg, Austria, Belgium, Germany, Spain, the United Kingdom, Italy and the Netherlands.

*To fully understand the fund’s risk profile, we advise investors to carefully review the official prospectus and the description of the underlying risks. The value of investment may decline due in particular to the fund’s exposure to the risks linked to derivative financial instruments, emerging markets, liquidity and concentration. Investors must consult the Prospectus and the Key Investor Information Document (KIID) before subscribing to the fund. The Prospectus, the KIID, the latest annual report, the half-yearly report and other relative information concerning the fund are available in English or the local language for each country where the fund’s marketing is approved, on the website [www.candriam.com](http://www.candriam.com). The fund’s NAV will be published on Candriam’s website.*

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## **About CANDRIAM**

CANDRIAM is a global multi-expert asset manager and a recognized pioneer and leader in sustainable investing. CANDRIAM has approximately EUR 130 billion of assets under management<sup>4</sup> with a team of more than 600 professionals. It operates management offices in Luxemburg, Brussels, Paris, and London, serving clients in more than 20 countries on 4 continents. CANDRIAM offers innovative and diversified investment solutions in bonds, equities, absolute performance strategies and asset allocation.

CANDRIAM is a New York Life Company. New York Life Investments<sup>5</sup> ranks among the world's largest asset managers<sup>6</sup>.

For more information see: [www.candriam.com](http://www.candriam.com)

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<sup>4</sup> As of 30 December 2019. Assets under management (AUM) includes assets which do not fall within the U.S. Securities and Exchange Commission’s definition of ‘regulatory AUM’ in Form ADV, Part 1A.

<sup>5</sup> New York Life Investments is a service mark used by New York Life Investment Management Holdings LLC and its subsidiary New York Life Investment Management LLC. New York Life Investment Management LLC is a wholly-owned indirect subsidiary of New York Life Insurance Company

<sup>6</sup> Source: New York Life Investments ranked 34th among the world’s largest money managers within *Pensions & Investments*, June, 05, 2019. Rankings are based on total worldwide institutional assets under management for the year-end 2018. New York Life Investments assets include assets of affiliated investment advisors.



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