

Candriam's CSR Commitments.



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“**Candriam continues to assess its own CSR performance in order to further elevate our practices. We evaluate our relations with staff, clients and suppliers, as well as our governance and business activities, in order to identify opportunities for improvements.**”

Candriam's CSR Strategy.

Candriam's Corporate Social Responsibility (CSR) strategy is built upon five core pillars. Each of these pillars represents distinct sustainable objectives that guide our actions and decisions.



Sustainability at the Heart of our Company's Mission

As an asset manager, Candriam is dedicated to providing clients with a sustainable value proposition that meets their financial goals while managing both financial and non-financial risks (and contributing positively to the world's sustainable goals).

Our operational model has sustainability at its core. By identifying the trends shaping the future, we focus our strategic decisions on fulfilling investors' long-term needs. We aim to leverage opportunities arising from the global shift towards sustainable economic growth, while conscientiously considering our stakeholders.

Our commitment to the continuous development of our comprehensive Environmental, Social, and Governance (ESG) analysis is unwavering. Recognising the significance of sustainability risks and opportunities, we take a considered approach to managing our portfolios. We're conscious of the potential real-world impacts—both positive and negative—of our investments.

Upholding our commitment to being a responsible company, we consider the interests of all our stakeholders including employees, customers, and suppliers, striving to carefully minimise any potential negative impacts of our activities on environment and, societal well-being and the planet at large.

Our Commitments to Stakeholders and the Environment.

At Candriam, we pride ourselves on being a reliable and trustworthy partner dedicated to creating long-term, **sustainable value for clients** in an ever-evolving world. Our commitment spans across our diverse client base in Europe and selected international growth regions, offering a wide range of investment solutions across various asset classes.

We deeply value diversity and actively foster a fair, inclusive workplace with development opportunities for all, where every member of the Candriam family can fully unlock their potential. This same concern for **promoting fairness and upholding human rights** is present in our dealings with suppliers and in our holistic ESG research.

Recognising the importance of the climate challenge, Candriam has a **climate strategy** in place which covers both its investments and its operational value chain.

On the investments side, we have a company-wide exclusion policy in place for thermal coal and develop adapted investment solutions, such as low-carbon strategies and portfolios investing in companies contributing to a circular economy or to climate solutions.

At the corporate level, we're steadily minimising the footprint of our operational value chain, with ambitious targets to further reduce emissions by 2025.

The Candriam Institute for Sustainable Development further strengthens our commitments through **philanthropy**, supporting climate and circular projects, social inclusion and community initiatives, in addition to funding ESG research and a free-for all ESG educational platform—The Candriam Academy.





Sustainable Business Activities

Candriam believes that the financial sector can be a powerful force for helping to create a more sustainable world by ensuring that assets are allocated to initiatives that support the move to a low carbon world and socially inclusive programmes. As a responsible investor, we take pride in the unique approach of our in-house proprietary ESG screening, with 74% of our AUM being ESG-related at year-end 2022*.

Responsible Company Practices

Candriam is continually raising the bar not only in terms of its sustainability practices internally across all of its operations but also in terms of its interactions with external stakeholders. Our CSR committee sets and oversees a set of specific CSR objectives, actions and KPIs for all stakeholders to ensure that our CSR objectives are met. As further support our sustainability efforts, Candriam sets aside 10% of net management fees earned from several sustainable and thematic strategies to fund the Candriam Institute for Sustainable Development's multiyear philanthropic programmes**.

*31/12/22, scope 139 bn € incl. 19% out of SFDR scope. If rebased on the in SFDR scope, this represents 85.64% *Article 8 or 9*, according to the Sustainable Finance Disclosure Regulation. **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.

**Candriam donates 10% of its net fees on selected thematic strategies to initiatives related to the fund's theme and from 2023 onwards furthermore sets aside an additional discretionary amount from other sustainable strategies to allocate to its philanthropy budget. For 2023, the additional discretionary amount set aside by Candriam is €1mln amount, which can be revised in a subsequent year.

Candriam's Commitments to International Standards.

Candriam commits itself to international initiatives in favour of sustainable development, together with other responsible actors, on statements asking stakeholders to adopt better practices in the field.

Early in 2023, Candriam signed the UK Stewardship Code. Signatories are required to report annually on their stewardship policies, processes, activities and outcomes for a 12-month reporting period.

Candriam's ESG-related initiatives

Commitments	ESG	Joined in/ Signed in	Conviction Topics
PRI - Principles for Responsible Investment	ESG	2006	
UNGC Call to Action on anti-corruption	G	2014	
Febelfin Gender Diversity in Finance Charter – A pledge to foster more gender parity in the financial sector	S	2021	
G20 Energy Efficiency Investor Statement	E	2015	
Montreal Carbon Pledge	E	2015	
Paris Pledge for Action	E	2015	
Investor Statement on ESG credit ratings	ESG	2017	
Adhesion to Green and Social Bond Principles	ES	2017	
Tobacco-Free Finance Pledge	S	2018	
The Investor Agenda	E	2018	
Commitment to support a Just Transition on Climate Change	ESG	2018	
TCFD supporter	E	2021	
Net Zero Asset Managers initiative (NZAMI)	E	2021	
UK Stewardship Code 2020	ESG	2022 Application, approved in 2023	