

Responsible Operations & Supply Chain.



Fabrice Cuchet
Chief Operating Officer

“ It’s not enough for Candriam to reduce its own emissions, we must also ensure that our external vendors are committed to their own emissions reduction. Organisations need to reduce carbon emissions across supply chains in order to make real progress on climate action. ”

Candriam’s sustainable value chain incorporates three CSR objectives:

- Minimise operational carbon emissions
- Optimise waste management
- Implement sustainable procurement

Minimise Operational Carbon Emissions.

Candriam is dedicated to consistently reducing the carbon footprint of our operational value chain, with ambitious targets to further reduce emissions by 2025. Our efforts are ongoing in several areas including:

- Ongoing use of electric and plug-in hybrid vehicles
- Prioritising necessary travel only and opting for lower carbon transport options whenever possible including for staff events
- Supporting home-working and remote working options for employees

- Cultivating a more sustainable work environment by more efficiently managing the temperature in our buildings, reducing paper, recycling old equipment, and working toward a zero-plastic environment.

Our commitment to energy efficiency is evident in the fact that the vast majority of our existing buildings have received BREEAM energy certifications. As we expand, we adhere to our clear energy efficiency guidelines when selecting new buildings or infrastructure for our offices.



Local Building Certification

Candriam total floor space with at least one label or energy certification in 2022 is 95.48%.

Country	Label certification or energy certificate	Score grid
Belgium	BREEAM Excellent ⁽¹⁾	Outstanding (≥85 score) Excellent (≥70 score) Very Good (≥55 score) Good (≥45 score) Pass (≥30 score) Unclassified (<30 score)
France	HQE Excellent ⁽²⁾	Outstanding Excellent Very Good Good
	BREEAM Very Good ⁽¹⁾	Outstanding (≥85 score) Excellent (≥70 score) Very Good (≥55 score) Good (≥45 score) Pass (≥30 score) Unclassified (<30 score)
Luxembourg	LEED Gold ⁽³⁾	Platinum (80+ points) Gold (60-79 points) Silver (50-59 points) Certified (40-49 points)
	HQE Excellent ⁽²⁾	Outstanding Excellent Very Good Good
UK	BREEAM Very Good ⁽¹⁾	Outstanding (≥85 score) Excellent (≥70 score) Very Good (≥55 score) Good (≥45 score) Pass (≥30 score) Unclassified (<30 score)
Spain	LEED Gold ⁽³⁾	Platinum (80+ points) Gold (60-79 points) Silver (50-59 points) Certified (40-49 points)
Switzerland-Geneva	Minergie ⁽⁴⁾	N/A

⁽¹⁾ How BREEAM Works - BRE Group
⁽²⁾ HQE Building in Operation - Certivea
⁽³⁾ LEED rating system | U.S. Green Building Council (usgbc.org)
⁽⁴⁾ Minergie International - Sustainable buildings

Candriam Operational Footprint.

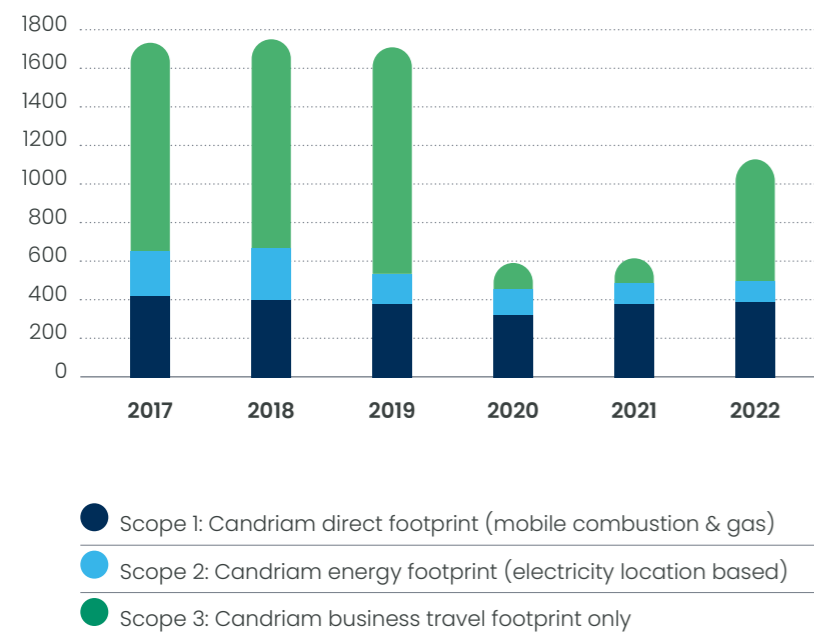
Candriam is always looking for ways to reduce or compensate emissions arising from its own operations—Scope 1 & 2 emissions, as well as Scope 3 emissions emitted by suppliers.

In 2022, our Scope 1 and 2 emissions output remained fairly consistent compared to the previous year; however, like most organisations, once Covid restrictions had eased, we did see an increase in emissions related to business travel as our teams looked to once again see clients in

person after a two-year hiatus. We are actively reviewing our business travel policy to ensure that travel is only done when deemed necessary.

Scope 3 total emissions (excl. investments) saw a decrease in 2022 compared to 2021, which was due to a reduction in the carbon footprint of our vendors (-13%). Candriam has strict guidelines in place around working with vendors whose climate change and emissions reduction strategies align to those of our own.

Candriam Operational Footprint (year-on-year)



In 2022, in addition to keeping up with our action plan to further reduce our operational footprint, Candriam further offset its carbon footprint by purchasing -1200 carbon credits.

Optimise Waste Management.

During 2022, Candriam has been focusing on a number of areas for minimising its operational carbon emissions.

Some of our initiatives are:

- Ensuring our teams have the necessary technology for hybrid working e.g. online conferencing, fully equipped laptops
- Reducing our overall paper usage
- Using sustainable giveaway items
- Increased use of digital marketing
- Sustainable approach in selected services—going paperless as much as possible
- 100% sustainable giveaways provided to our clients or in events

Looking ahead, we will continue to implement digitalisation across the entirety of the organisation, recycle laptops and screens, and fully implement flexible office working to maximise office space.

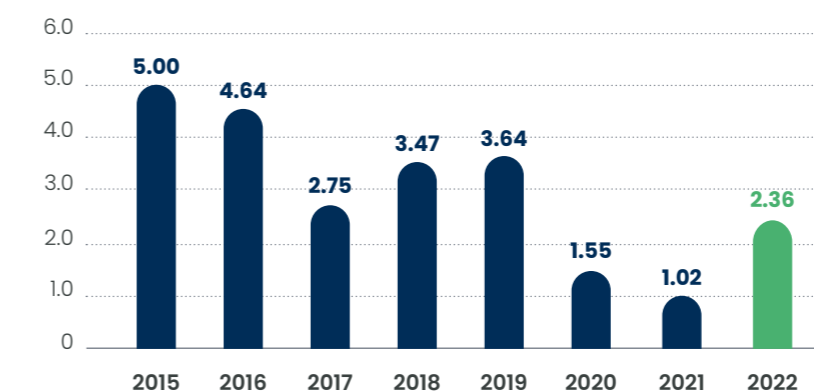
Particularly with regard to events, Candriam will:

- Continuing to minimise the environmental footprint of events, looking closely at venues, activities and lower carbon transport options. This strategy will include developing an ESG charter for events.
- Including 30% vegetarian food in our event catering, including having some meals that are entirely plant-based.
- Striving for greater diversity in our selection of speakers to ensure a balanced gender representation.

Wastepaper

The 2022 increase in paper use is related to the normalisation after the covid pandemic. However, it is worth noting that whereas 2022 usage was +131 % higher than 2021, it's a decrease of 35.2 % compared to pre-covid use.

Candriam Emissions from Wastepaper Consumption (tCO₂e, year-on-year)*



*All figures calculated by Sustainable I/ Trucost

Making ESG Part of the Procurement Process.

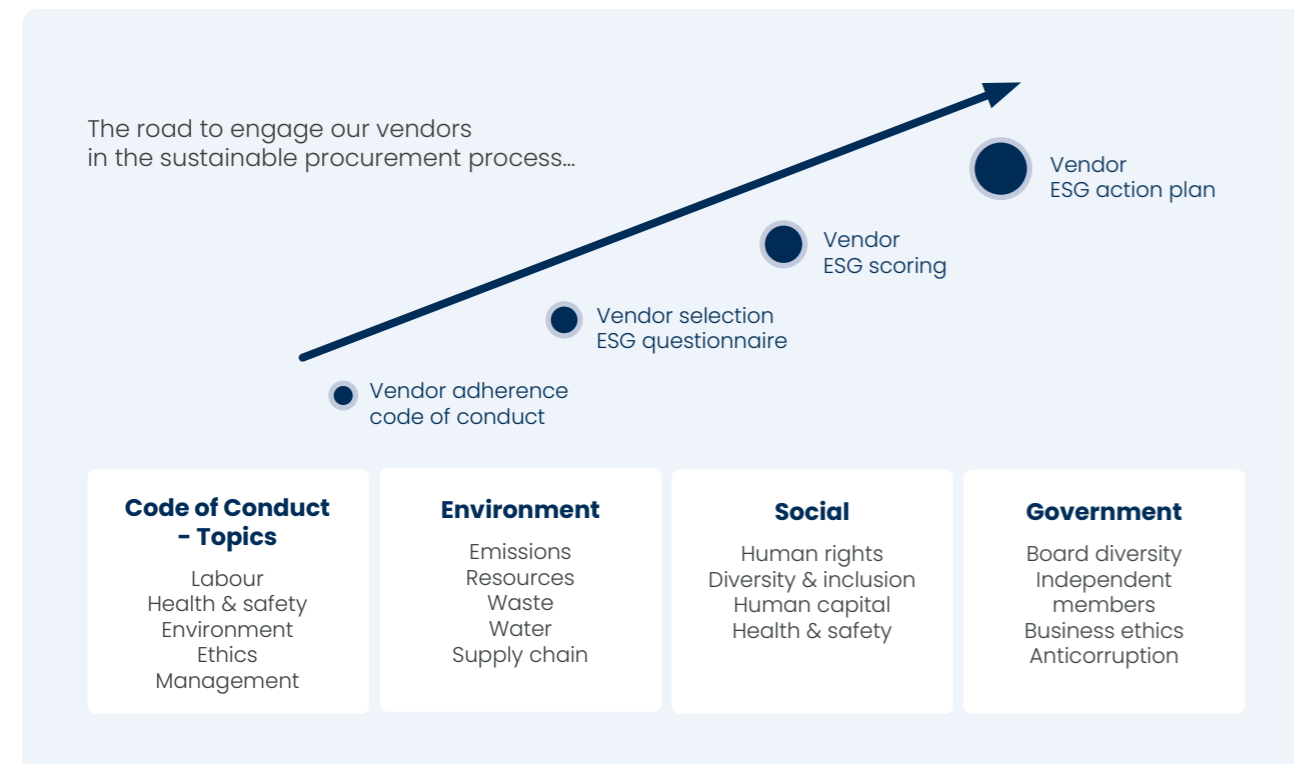
Candriam addresses emissions across its own operations and also those in its supply chain as it seeks to minimise the carbon footprint of its suppliers.

Candriam works to engage vendors in the sustainable procurement process and sets KPIs for this outreach with Tier 1 vendors*.

We are keen to work with vendors whose ESG ambitions match our own, which is why we have developed concrete steps for our procurement process. This helps us to identify vendors who have clear goals and strategies in place for reducing their own emissions and achieving other environmental, social and governance standards:

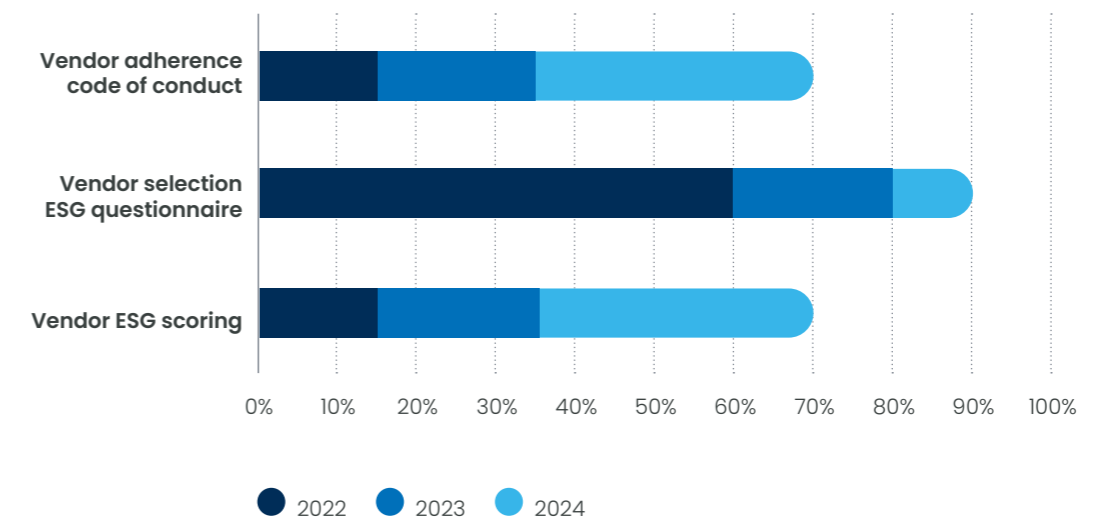
- Vendor adherence code of conduct
- Vendor selection ESG questionnaire
- Vendor ESG scoring

Candriam Sustainable Procurement Milestone



*Tier 1 Vendor is defined as a vendor with > 100K€ spend on a yearly basis

Sustainable Procurement Implementation



KPI	KPI description	Realised 2022
Vendor adherence code of conduct	% of Tier 1 vendors* that (i) signed a code of conduct adherence based on the standard <u>Responsible Business Alliance</u> ** or (ii) communicated or has a publication of a proper code of conduct	15 % of Candriam's top Tier 1 vendors signed Candriam's code of conduct, or a version thereof
Vendor selection ESG questionnaire	% of RFP processes ran by Procurement that incorporated a ESG questionnaire and assessment	75% of Candriam's new RFPs for vendors include a specific ESG questionnaire and assessment
Vendor ESG scoring	% of Tier 1 vendors that were questioned by means of an ESG questionnaire and assessed, including (i) vendors that answered the questionnaires or (ii) vendors that have sent documentations that represents answers to questionnaires	15 % of Candriam's top Tier 1 vendors answered its ESG assessment questionnaire

*Tier 1 vendor is defined as a vendor with >100K€ spend on a yearly basis.

** <https://www.responsiblebusiness.org/>