

Responsible operations & supply chain

ENVIRONMENT



Fabrice Cuchet
Chief Operating Officer

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Does Candriam have emissions targets for the next five years?

Candriam is steadily reducing the total footprint of its operational value chain and we have ambitious targets to further reduce emissions by 2025. We plan to do this in a number of ways, including: continuing with using electric and plug-in hybrid vehicles; encouraging travel only as necessary and using sustainable travel whenever possible; implementing homeworking; creating a more efficient work environment by using less paper and recycling old equipment; and working toward a zero-plastic environment.

How does reducing emissions translate into Candriam's day to day processes?

Candriam has implemented the INES project, which is a Candriam-wide initiative aimed at making employees' lives more efficient and collaborative by ensuring that IT hardware and software is used consistently and efficiently across the organization and optimising a digital working place hence reducing carbon emissions. We also offer incentives to employees to use low emission means of transport.

Controlling internal emissions is one thing but getting external suppliers to follow suit can be more difficult. Does Candriam have measures in place to spur suppliers to reduce their emissions?

Indeed, indirect emissions from our activities also need to be monitored and reducing emissions across supply chains is a challenge. We are keen to reduce the carbon footprint of the suppliers in our value chain which is why we have implemented a sustainable procurement program as a way to reduce supplier emissions. This includes regularly reviewing supplier emissions – and those of new suppliers – and the impact that they have on our organization.

Holding vendors to account on their own carbon footprint is a critical component for reducing emissions across our entire operational model. •

SUSTAINABLE VALUE CHAIN @ CANDRIAM – THREE CSR OBJECTIVES

Minimize operational **carbon emissions**

Optimize **waste management**

Implement sustainable **procurement**

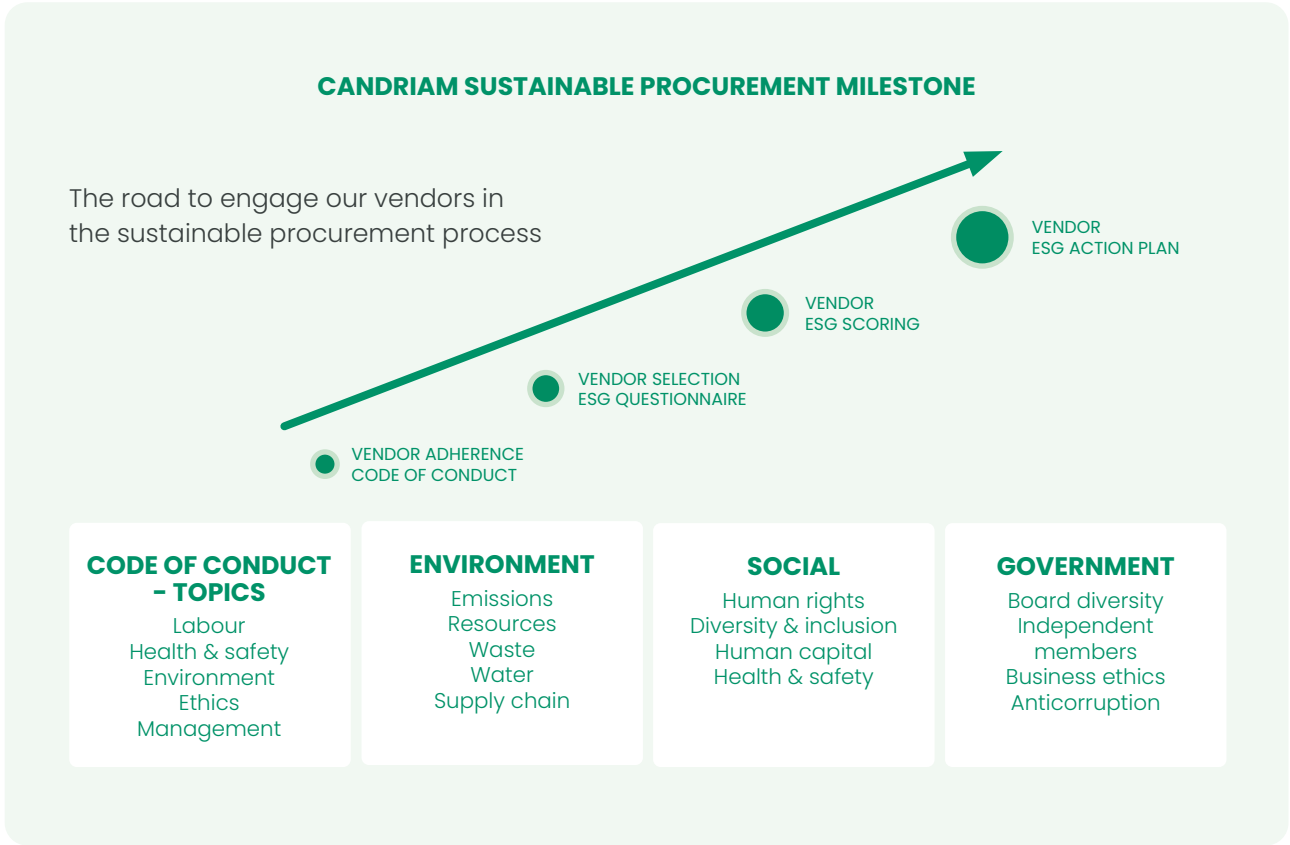


The move to net zero at company level

The role of procurement in reducing emissions

We define sustainable procurement as the adoption and integration of corporate social responsibility principles into a company’s procurement processes and decisions. It encompasses sustainability as it relates to products, materials and supplier practices, including implementing ESG scoring for vendors.

In 2020, Candriam formalized the basics of its sustainable procurement approach, with a Supplier Relationship Charter and Code of Conduct for all new Tier 1 and 2 vendors, and a preliminary ESG scorecard for vendors. The charter, which outlines 10 commitments for responsible purchasing, is promoted by the French National Purchase Council (Conseil National des Achats) and the French Ministry of Finance’s Credit Mediation Department.

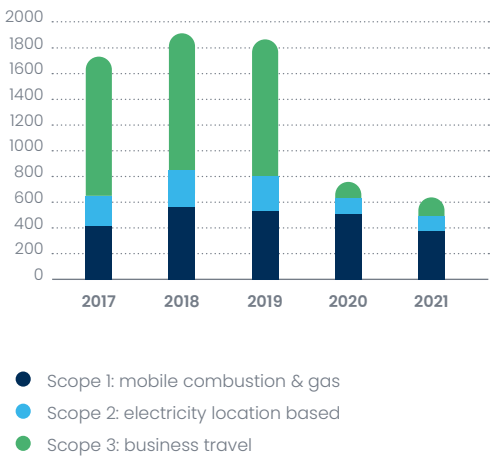


“Candriam incorporates sustainable criteria into the selection and monitoring of its external vendors to ensure that their sustainability commitments are aligned to our own and to encourage and foster sustainability principles into the supply chain.

Emmanuel Callebaut
Head of purchasing, facilities and logistics

A report by S&P Global Sustainable 1, looking at Candriam’s carbon emissions across its operations, found that our total operational footprint, defined by the GHG protocol as being the scope 1 and scope 2 and Business Travel (i.e. direct fuel use, electricity use and business travels) was 617 tCO₂e in 2021. It was 760tCO₂e in 2020, a year still largely impacted by the Covid crisis.⁽¹⁾

CANDRIAM OPERATIONAL FOOTPRINT⁽²⁾



Thanks to continuous efforts such as digitalization (Video/ Audio conferencing, digital tools such as DocuSign and more collaboration tools and sensibilisation) we intend to control this trend by focussing on 3 main pillars: Optimizing our fleet (part of scope 1), reducing our energy consumption (scope 2) and optimising our business travel (part of scope 3); air travel especially needs to be controlled by choosing for more call and video conferencing options.

Candriam’s objective is to continue reducing its operational emissions and commit to offset the main part of the residual emissions by purchasing credits from projects that support reforestation, renewable energy and energy efficiency worldwide.

Buildings use an enormous amount of energy so a big focus for Candriam is the use of more energy efficient buildings. We opt for BREEAM (Building Research Establishment Environmental Assessment Method) certified buildings, a widely used sustainability assessment method which guides and informs developers and architects to masterplan projects, infrastructure and buildings within the built environment and LEED (Leadership in Energy and Environmental Design), a green building rating system. Putting green energy contracts in place is helping us to meet our net zero goal.



⁽¹⁾ Does not take into account the full scope 3 emissions.
⁽²⁾ All data calculated by Trucost and Candriam unless otherwise mentioned. Additional information on Trucost and its methodology can be found here <https://www.spglobal.com/spdji/en/documents/additional-material/faq-trucost.pdf>