

Responsible operation & supply chain



The United Nations Sustainable Development Goals (UN SDG) impacted



1.55 metric tonnes

(57% decrease compared to 2019) paper consumption

To the environment

How do you manage supplier relationships in line with CANDRIAM's sustainability philosophy?

As an asset manager, CANDRIAM is reliant on suppliers for data, market flows, IT infrastructure and other essential services. Associated indirect CO₂ emissions account for roughly 80% of CANDRIAM's footprint, so it is very important we monitor and control our suppliers. We have a comprehensive code of conduct that addresses carbon emissions, governance, diversity, social aspects, respect for human rights, the labour environment, and broader environmental issues. We have also included specific questions in our purchasing policy with regard to CSR behaviour. By reviewing the responses to these questions and monitoring progress, we try to raise CSR awareness amongst our suppliers.

How is CANDRIAM embracing the technological and digital transformation?

Technological and digital transformation is core to our corporate strategy and embraced across all our activities. For clients, this means we can enhance their client journey. Our fund managers can generate alpha through enhanced trading technology and better integrate ESG analysis in their investment processes thanks to improved data tools and platforms. Employees meanwhile are provided with state-of-the-art equipment that improves the working environment. This enhanced working environment facilitates flexible working and mobility, while reducing transportation needs and costs.

New digital solutions are being deployed to enhance efficiency. These include DocuSign's eSignature offer for signing electronically, as well as collaborative tools to reduce paper consumption and printing. We are also targeting reductions in our data storage needs.

* CANDRIAM data

“Our Purchasing policy and code of conduct try to ensure that the suppliers on our operational value chain take sustainability into consideration.”



Fabrice Cuchet

Chief Operating Officer

What will be your main challenge in coming years?

Our focus will be on further controlling our direct emissions from owned or controlled sources (known as scope 1 emissions under the GHG protocol), and indirect emissions from the generation of purchased energy (scope 2 emissions).

In addition, we will seek to control the consequences of an increased usage of data and computing capabilities, working together with our providers on a sustainable approach. It is easy to think digital has no environmental cost yet this is simply not the case. As such, it is important to consider and limit the impact of all our activities.

To the environment

Ever-more sustainable and responsible workplace

In 2020, CANDRIAM put in place new programs, tools and approaches to reinforce the sustainability of its value chain. These aim to minimise operational carbon emissions, implement a sustainable procurement approach, optimise waste management, and improve the working environment. For the fourth year, Trucost, a leading carbon and environment risk analyst evaluated CANDRIAM's operational footprint and supplier impacts within the value chain.

In 2020, the total footprint of the operational value chain (excluding investments) decreased to 12,065 tCO₂e*. The total operational carbon footprint for 100% of CANDRIAM's activities over 2020 was 613 tCO₂e**, a decrease from 1,730 tCO₂e in 2019, largely attributable to reduced business travel and reduced on-site energy consumption due to Covid-19 protocols. Post-Covid-19, CANDRIAM will continue its focus on reducing energy and optimising business travel. A fleet policy review has prioritised and incentivised the adoption of plug-in hybrid and electric vehicles, with usage already increasing from 5% in 2019 to 15% in 2020. Leasing contracts expiring are replaced by contract with Plug-in Hybrid and electric vehicles.



Sustainable procurement

Yet controlling the carbon footprint should be only one aspect of any company's comprehensive ESG approach, and CANDRIAM is no exception. In 2020, CANDRIAM formalised 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.

Eco-friendly working environments

Staff in Paris and Switzerland completed moves to new workspaces that reflect CANDRIAM's eco-responsible identity and ethical values. The new working environments are equipped with motion-sensing LED lights, energy-efficient air conditioning, and drinking fountains to reduce plastic bottles and cups. Both sites have replaced traditional meeting rooms with an enlarged video-conference area to encourage remote and hybrid meetings. As always, obsolete equipment was donated or upcycled with help from valued partners.

Commitments in CANDRIAM's suppliers charter

- Reduce the risks of mutual dependence between contractors and suppliers
- Incorporate environmental concerns
- Guarantee fair financial treatment for suppliers

Digitally transforming the work environment

Embracing the technological and digital transformation taking place across the industry, CANDRIAM has put in place three measures to enhance efficiency and collaboration across the firm. First, to improve corporate efficiency, the introduction of DocuSign electronic signature software has reduced the paper burden while decreasing the administrative workload. Second, a firm-wide project launched in 2020 to upgrade the workplace environment with a new operating system (Windows 10) and software (Office 2019, Microsoft 365). The phased rollout of Microsoft Teams across the firm will create a more efficient working environment while improving remote communication and collaboration, making working life more efficient and collaborative. And third, we have developed in-house tools to improve ESG analysis by our investment managers.



Emmanuel Callebaut

Head of Procurement and Projects

Calculating the carbon footprint of a company is a complex process. Since 2015, we've partnered with the leading carbon and environment risk analyst Trucost, to calculate CANDRIAM's footprint using the standard GHG emission protocol. Our ESG and investment management teams also use Trucost as one of their key data providers.

Use of plug-in hybrid and electric vehicles has increased from 5% in 2019 to



* GHG emissions for the full operational value chain (Scope 1, 2 and 3 Upstream only).
** GHG emissions Scope 1 and 2 emissions.

Key figures

- In 2021, CANDRIAM will offset the 2020-related 12,065 tonnes of CO₂
- In total, CANDRIAM will have offset more than than 34K tonnes CO₂e from its own operational value chain over three years

