

Responsible Operations & Supply Chain.

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Reducing greenhouse gas emissions from our operations and supply chain is a crucial element of our drive for operational sustainability, but this is only part of a wider programme to build sustainability into every aspect of our operations, from cutting waste and improving recycling to using new technology to make more efficient use of our offices and reduce business travel.

Minimise Operational Carbon Emissions.

Our sustainable value chain incorporates three objectives:

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

We are 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:

- Increasing our 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.

Thanks to our energy efficiency programme, the vast majority of our existing buildings have received Building Research Establishment Environmental Assessment Methodology (BREEAM) energy certifications, which validate the sustainability of infrastructure.

- Supporting home and remote working options for employees.
- Cultivating a more sustainable work environment, such as by efficiently managing the temperature in our buildings, reducing paper, recycling old equipment and working toward a zero-plastic environment.

Thanks to our energy efficiency programme, the vast majority of our existing buildings have received Building Research Establishment Environmental Assessment Methodology (BREEAM) energy certifications, which validate the sustainability of infrastructure. As we expand, we adhere to our clear energy efficiency guidelines when selecting new buildings or infrastructure for our offices.





Local building certification

In 2023, 94.87% of all our office spaces had received an energy efficiency certification.

Country	Label certification or energy certificate	Score grid
Belgium	BREEAM Very Good ⁽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

In 2023, the Candriam UK office was awarded the Silver Green Apple Environment **Award** by The Green Organisation, an independent non-profit that recognises, rewards and promotes environmental best practice internationally.

(1) [How BREEAM Works - BRE Group](#)

(2) [HQE Building in Operation - Certivea](#)

(3) [LEED rating system | U.S. Green Building Council \(usgbc.org\)](#)

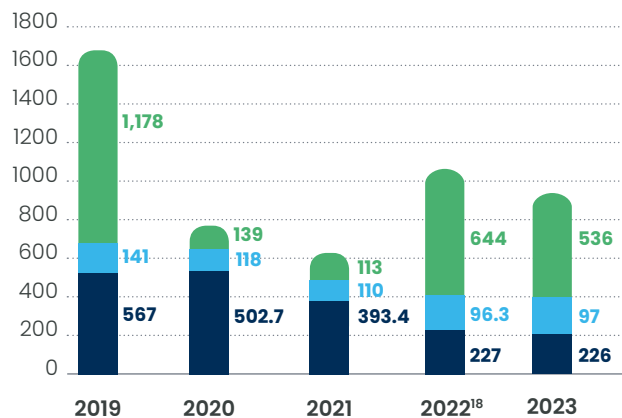
(4) [Minergie International - Sustainable buildings](#)

Candriam Operational Footprint.

We are constantly looking for ways to reduce the emissions arising from our operations, including both Scope 1 and 2 emissions created by our own operations and Scope 3 emissions created by suppliers' and business travel.

In 2023, our Scope 1 direct footprint has reduced by 18% compared to the previous year while our Scope 2 energy footprint has remained consistent. Regarding our Scope 3, we witnessed a decrease of 13% compared to 2022, which is due to a reduction of emissions for our business travel (-17 %), reduced emissions from suppliers (-25%) and overall improved sector emissions for fuel, transport and waste (-20%).

Candriam operational footprint (year-on-year)



- **Scope 1:** Candriam direct footprint (mobile combustion & gas)
- **Scope 2:** Candriam energy footprint (electricity location based)
- **Scope 3:** Candriam business travel footprint only

Overall our carbon footprint Scope 1, 2 and 3 business travel has declined by 16% compared to the previous year (and by 54% against our 2019 benchmark year). Increases in electrification of our car park (from 53% to 79%) contributed to the -18 % decrease of the Scope 1 emissions. Business travel emission reduction benefitted from more detailed data used in the Trucost factor model, which resulted in more qualitative output and lower emissions. The results also show a decrease in air travel and an increase in rail travel, which is explained by an effective business travel policy.

Candriam decided to focus on offsetting the portion of our operational footprint that we control (Scope 1, 2 and business travel). In 2023 Candriam’s operational footprint was 859 tons of CO₂e. We selected the Vichada project, a gold standard certified project, to offset 1 177 tons of CO₂e.

The Vichada Climate Reforestation Project¹⁹ is in the Vichada Department, situated within the Orinoco River basin in Colombia.

The project aims to transform fragile savannah lands into biodiverse forests as part of the effort to combat climate change.

In 2023, in addition to keeping up with our action plan to further reduce our operational footprint, we further offset our carbon footprint by purchasing carbon credits.

⁽¹⁸⁾ 2022 data have been reviewed following data correction by Sustainable 1 for Scopes 1-2.
⁽¹⁹⁾ We selected the Vichada project, a gold standard certified project for the offsetting.



Optimise Waste Management.

During 2023, we focused on a number of measures to help reduce waste while minimising our operational carbon emissions. Key initiatives during the year included:

- Piloting a flex-office tool to optimise use of office space. The system combines communications and resource management in parking, desk reservation and office space management.
- Continuing to recycle mobile devices.
- Investing in digitalisation to optimise waste management such as artificial intelligence, Office 365, Teams and Power Platform.
- Ensuring merchandise given to clients and at events are sustainable. In 2023, almost 100% of merchandise was sustainable.

All our events are now managed with sustainability and social impact in mind. Our events are designed to:

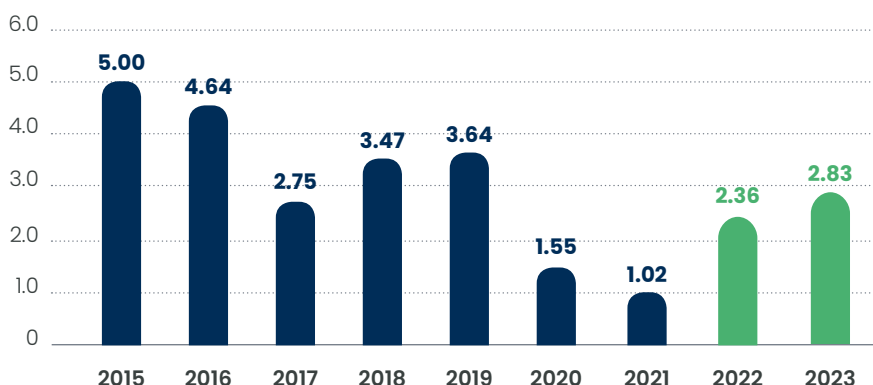
- Minimise their environmental footprints by examining venues, event activities and transport options. This strategy includes developing an ESG charter for events.
- Ensure 30% vegetarian food in event catering, including having some meals that are entirely plant-based.
- Strive for greater diversity of speakers to ensure balanced gender representation.

Wastepaper

In 2023, paper use has slightly increased but remains lower compared to pre-Covid-19 levels (-22%). While business activities are returning to normal, we are committed to reducing paper waste in our operations

and have implemented programmes to minimise waste such as awareness campaigns, procurement of paper with **EU** and **FSC** ecolabels and use of recycled paper.

Candriam emissions from wastepaper consumption (tCO₂e, year-on-year)*



* All figures calculated by Sustainable I/ Trucost

Making ESG Part of the Procurement Process.

We aim to work with vendors who share our ESG values and to encourage the adoption of those values through engagement with and outreach to all our Tier 1 vendors.²⁰

Our approach is based on three pillars:

- Adoption of the Candriam supplier code of conduct to promote ethical, legal, environmental and responsible behaviours.
- Applying an ESG questionnaire during vendor selection.
- Vendor ESG scoring.

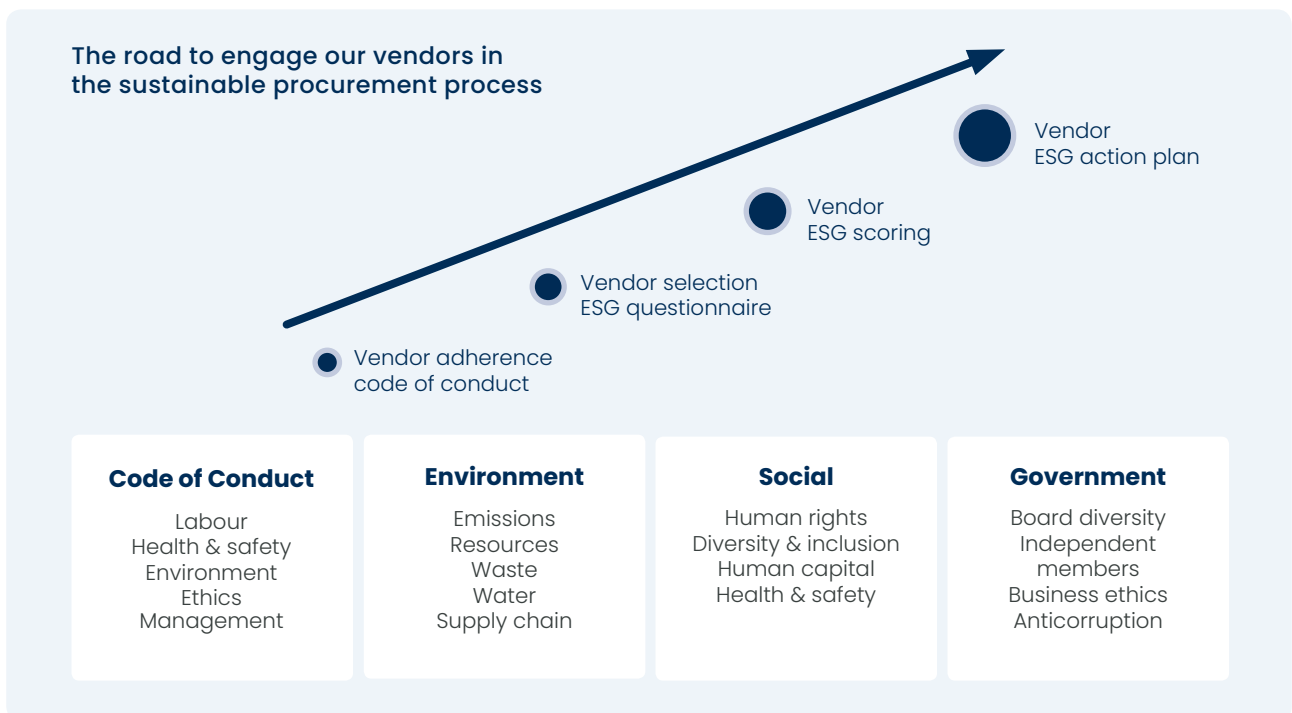
Combined with our vendor engagement we aim to help and encourage our suppliers to develop their own ESG strategies and action plans.

During 2023 we enhanced these processes further. We reviewed our supplier code of conduct and made it public to all possible Candriam vendors. We introduced guidelines for contingent workers aligned with our own human rights policy.

Our actions resulted in 30% of our Tier 1 vendors committing to our supplier code of conduct principles in 2023.

We also applied an ESG questionnaire and assessment in 100% of our new requests for proposal (RFPs).

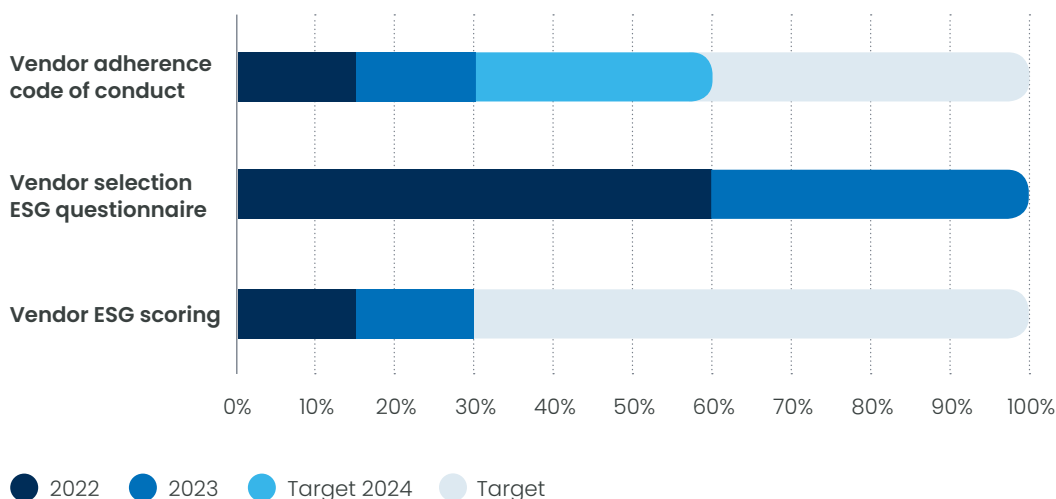
Candriam sustainable procurement milestone



(20) A Tier 1 vendor is defined as a vendor with >€100,000 yearly spend



Sustainable procurement (KPI)



KPI	KPI description	Realised 2023
Vendor adherence code of conduct	Percentage of Tier 1 vendors that (i) signed a code of conduct adherence based on the standard Responsible Business Alliance ²¹ (ii) communicated or has a publication of a proper code of conduct (iii) subscribed via contract clause the new Candriam Supplier Code of Conduct or (iv) shared or published a Modern Slavery Statement Act.	30% of Candriam’s top Tier 1 vendors signed Candriam’s code of conduct, or a version thereof.
Vendor selection ESG questionnaire	Percentage of RFP processes ran by procurement that incorporated a ESG questionnaire and assessment.	100% of Candriam’s new RFPs for vendors include a specific ESG questionnaire and assessment.
Vendor ESG scoring	Percentage of Tier 1 vendors who completed an ESG questionnaire and assessment, including (i) vendors that answered the questionnaires or (ii) vendors that have sent documentations that represent answers to questionnaires.	15% of Candriam’s top Tier 1 vendors answered its ESG assessment questionnaire.

(21) <https://www.responsiblebusiness.org/>