



# Responsible Operations and Supply Chain.

## Minimise Operational Carbon Emissions.

**Our sustainable value chain  
incorporates three objectives:**

- Continue to minimise operational carbon emissions
- Optimise waste management and continue recycling management, especially of electronic devices
- Implement sustainable procurement







We aim to reduce the carbon footprint of our operational value chain, with targets to reduce emissions further in 2025. Our efforts are ongoing in several areas, including:

- Increasing our use of electric vehicles, having reached 89% of company cars being electric or hybrid in 2024 with a target of 90%
- Prioritising necessary travel only and opting for lower-carbon transport options when possible, including for staff events
- 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 use, recycling old and/or broken equipment and working toward a low-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 clean energy efficiency guidelines when selecting new buildings and infrastructure. In 2024, we transitioned to LED lighting in our UK office, reducing our energy consumption.



Local building certifications

Candriam’s total floor space with at least one label or energy certification was 94.66% in 2024.

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

<sup>1</sup> How BREEAM Works - BRE Group

<sup>2</sup> HQE Building in Operation - Certivea

<sup>3</sup> LEED rating system - U.S. Green Building Council

<sup>4</sup> Standards - Minergie



In 2024, Candriam defined a Green IT roadmap to reduce our digital carbon footprint based on three axes:

- 1. IT efficiency:** A two-year plan to decrease our carbon footprint by limiting the number of applications and servers we use and implementing more efficient IT systems
- 2. Cloud migration:** Progressively shifting our information system to cloud solutions powered by energy-efficient data centres, to reduce our IT and energy waste and carbon footprint
- 3. Working closely with main service provider:** Monitoring our main IT service provider’s sustainability roadmap and efforts to reduce its carbon footprint



## Candriam’s Operational Footprint.

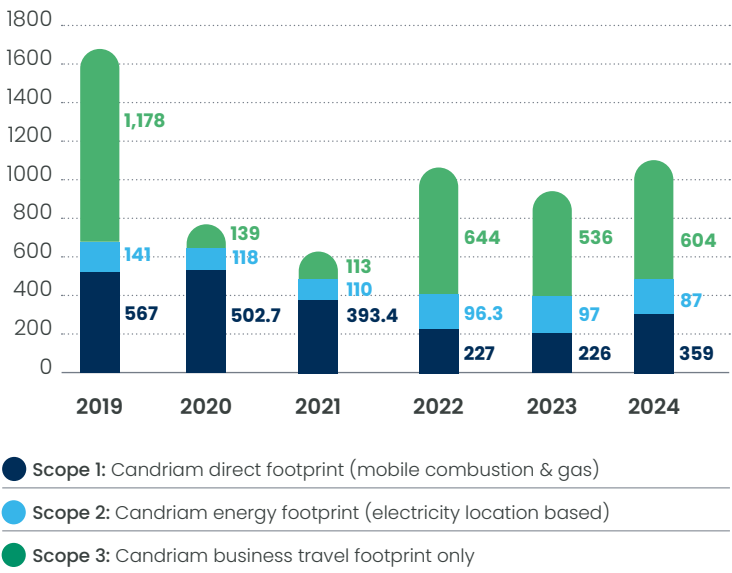
We are actively seeking ways to reduce emissions from our operations, including both Scope 1 and 2 emissions (generated by our own activities) and Scope 3 emissions (resulting from our suppliers’ operations and business travel).

In 2024, our Scope 1 emissions increased by 59%, reaching 359 tCO<sub>2</sub>eq, compared to the previous year. However, this figure remains 37% lower than our 2019 baseline of 567 tCO<sub>2</sub>eq.

This year’s increase is primarily due to our decision to further electrify our vehicle fleet with hybrids, 89% of our car park now consisting of hybrid (59%) and electric (29%) vehicles. The rise in emissions is also partly attributed to changes in market methodology, which now assigns a lower emissions reduction value to hybrid vehicles, thereby negatively impacting our overall emissions calculation.

Our Scope 2 emissions continued to decline, dropping from 97 tCO<sub>2</sub>eq in 2023 to 87 tCO<sub>2</sub>eq in 2024, reflecting reduced indirect greenhouse gas consumption<sup>1</sup>. For Scope 3 emissions (Categories 1 to 5), following a change in the methodology applied by our data service provider<sup>2</sup>, historical comparisons are no more possible for fuel and energy related activities (category 3), upstream transportation and distribution (category 4) and waste generation operations (category 5). Regarding Scope 3 Category 6 (Business Travel) which is part of our 2025 emissions target, emissions in 2024 were 604 tCO<sub>2</sub>eq, slightly higher than the 536 tCO<sub>2</sub>eq recorded in 2023. This increase occurred despite substantial reductions in air travel (-43%) and hotel stays (-20%). The rise is solely due to the increased weighting assigned to air travel emissions in the current methodology.

Candriam operational footprint (year-on-year tCO<sub>2</sub>eq)



1. This data is related to location-based emissions. Following the greenhouse gas protocol, two data are computed for the scope 2 emissions (location-based and market-based). When calculated using the market-based approach, Scope 2 emissions amount to 123 tCO<sub>2</sub>e, consistent with the previous year. This higher figure compared to the location-based approach is due to the fact that many countries have residual emission factors that exceed the average grid mix, as renewable energy under contractual agreements is excluded from residual calculations.  
2. The change is related to a switch from revenue-based data to activity-based data.





# Overall Emissions Performance.

Our combined Scope 1, 2, and 3 (business travel only) emissions increased by 22% compared to the previous year. However, they remain 44% lower than our 2019 benchmark year (1,050 tCO2eq in 2024 vs 1,886 tCO2eq in 2019).

The main contributing factors are:

- **Electrification of our vehicle fleet:** While we have made significant progress transitioning to hybrid and electric vehicles, further efforts are needed to shift fully to electric in the coming years to maximise emissions reductions
- **Fuel and energy-related activities:** Although net consumption has decreased in absolute terms, our overall emissions have been impacted by a 25% increase in the emission intensity factor, which offsets some of the gains
- **Business travel:** Despite strengthened policies and notable reductions in air travel and hotel stays, the emission intensity factor for air travel has increased significantly, limiting the effectiveness of our efforts

In 2024, in addition to our continued aim of reducing our operational footprint, we further offset our carbon footprint by purchasing carbon credits.



Candriam decided to focus on offsetting the portion of our operational footprint that we control (Scopes 1 and 2 and business travel). In 2024, our operational footprint was 1,050 tonnes of carbon dioxide equivalent (CO2eq). We selected the Vichada Climate Reforestation Project, a gold-standard certified project in Colombia's Orinoco Basin, to offset 1,000 tCO2eq.<sup>3</sup> The project aims to transform savannah lands into biodiverse forests as part of the effort to combat climate change.

3. We reserve carbon credits before finalising our footprint, which may lead to slight over- or under-offsetting.

# Optimise Waste Management.

In 2024, we focused on several measures to help reduce waste. Key initiatives during the year included:

- Continuing to recycle mobile devices
- Further renovating the Belgium office, consolidating multiple coffee corners into one to reduce resource consumption, with similar renovation projects set to be deployed in 2025 in our London and Luxembourg offices
- Investing in digitalisation such as artificial intelligence, Office 365, Teams and Power Platform, to reduce paper waste and gain efficiencies, focusing these where they bring the most value. We remain mindful of the adverse negative impacts of digitalisation on the environment and aim to use technology responsibly while minimising its footprint
- Ensuring our merchandise is sustainable, such as choosing products made in Europe, with sustainable materials and/or with a sufficiently long lifespan, with almost 100% of merchandise meeting our sustainability expectations in 2024



All our events are now managed with sustainability in mind, especially by applying the following principles:

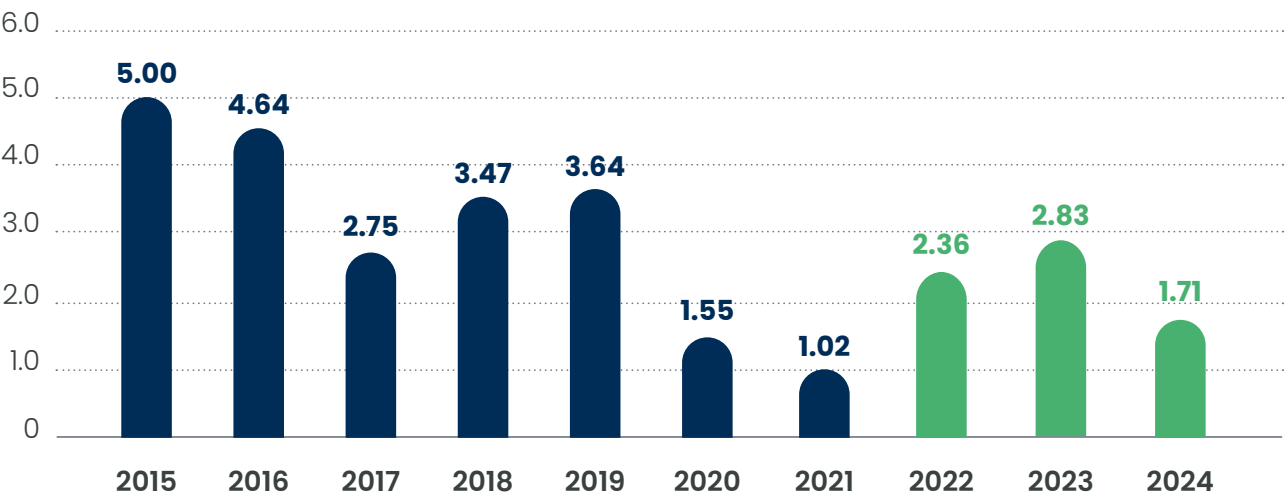
- Minimise the environmental footprints of events by examining venues, activities and transport options, and opting for local sourcing where possible
- Ensure 30% vegetarian food in event catering, including having some meals that are entirely plant-based



Paper Waste.

In 2024, paper use decreased by 40% compared to the previous year and remains far lower than pre-Covid-19 levels (~53% compared to 2019).<sup>4</sup> While business activities are returning to normal, we are committed to reducing paper waste in our operations and have implemented programmes to do so, such as awareness campaigns, procuring paper with EU and/or Forest Stewardship Council ecolabels and using recycled paper where possible.

Candriam emissions from wastepaper consumption (tCO2eq, year-on-year)\*



\* All figures calculated by Sustainable I/ Trucost

4. Despite our efforts to reduce the use of paper and consider alternative digital solutions, the 2025 target of reducing our consumption by 90% compared to 2019 will probably have to be rolled out within our 2030-related roadmap.

Sustainable Procurement Process.

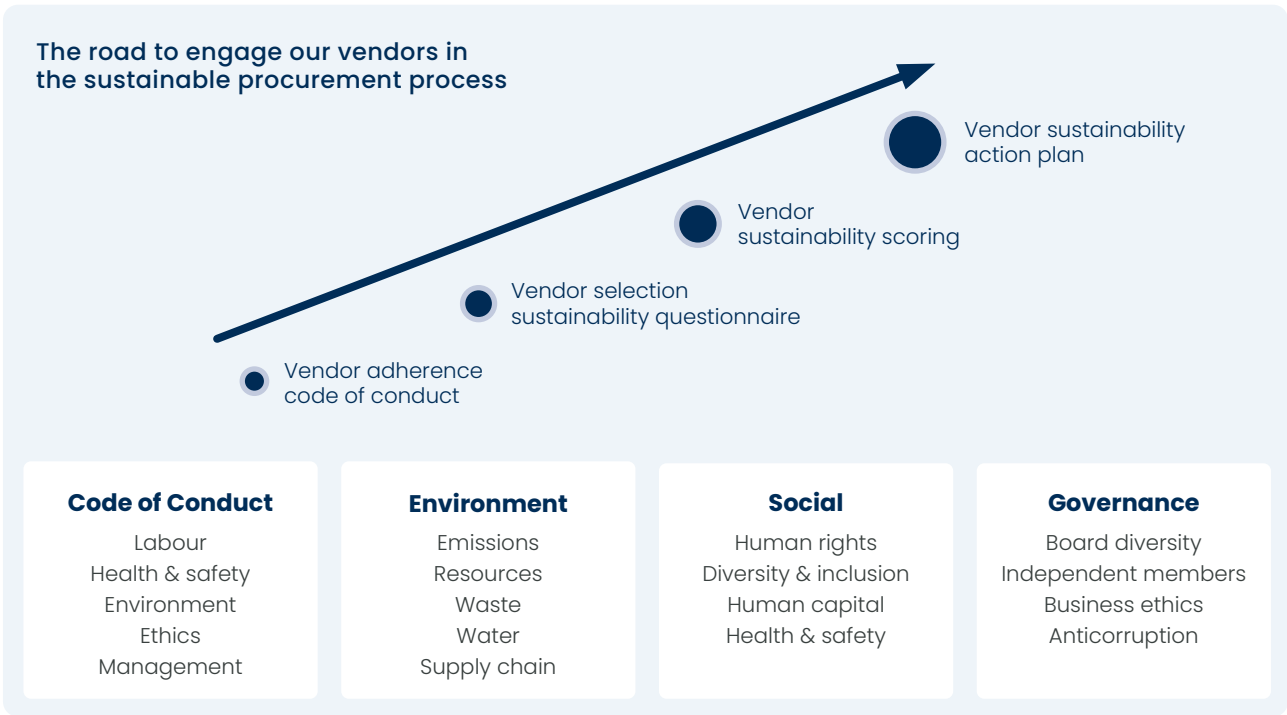
We aim to work with vendors that share our sustainable outlook and seek to encourage sustainable practices through engagement with our Tier 1 vendors.<sup>5</sup> Our approach is based on three pillars:

- Adopting the Candriam supplier code of conduct to promote ethical, legal, environmental and responsible behaviours
- Applying a sustainability questionnaire during vendor selection
- Applying a vendor sustainability scoring framework

In addition to our Supplier Code of Conduct, in 2024 Candriam further formalised our Sustainable Procurement Policy. We also further enhanced and broadened the use of our supplier due diligence questionnaire, including a scoring and risk classification with particular attention to human rights.

Our overall efforts during 2024 resulted in 60% of our vendors adhering to our Supplier Code of Conduct (doubled compared to 2023) and 40% being assessed based on our sustainability scoring framework (compared to 15% in 2023). We also applied a sustainability questionnaire and assessment in 100% of our new requests for proposal (RFPs).

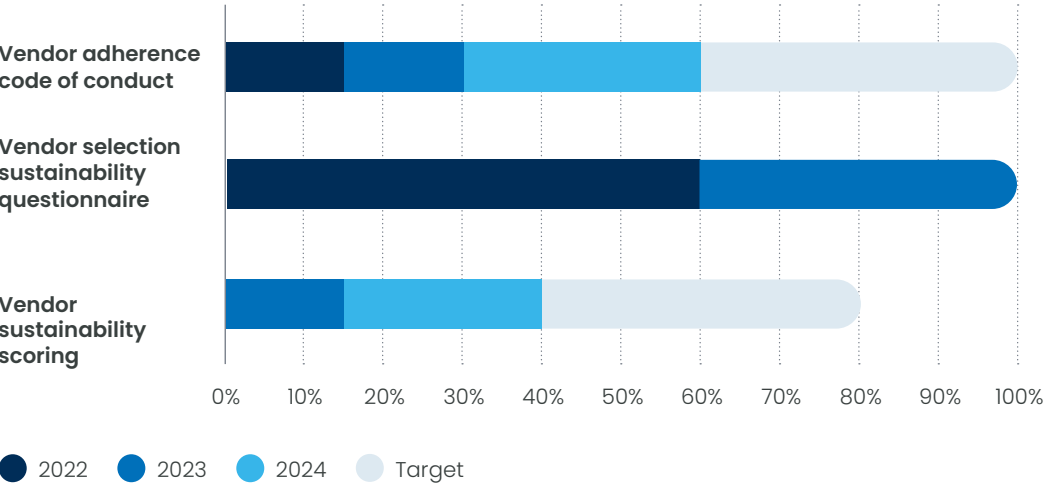
Candriam sustainable procurement milestone



5. A Tier 1 vendor is defined as a vendor with a yearly spend of more than €100,000



Sustainable procurement (KPI)



KPI	KPI description	Realised 2024
Vendor adherence to code of conduct	Percentage of Tier 1 vendors that have either (i) signed a code of conduct adherence based on the standard <a href="#">Responsible Business Alliance</a> (ii) communicated or have a publication of a proper code of conduct (iii) subscribed via contract clause the new Candriam Supplier Code of Conduct (iv) shared or published a statement in line with the UK’s Modern Slavery Act. <sup>6</sup>	60% of Candriam’s Tier 1 vendors <sup>7</sup> signed Candriam’s code of conduct or have their own code of conduct that applies the same principles.
Vendor selection sustainability questionnaire and assessment	Percentage of RFP processes ran by procurement that incorporated a sustainability questionnaire and assessment.	100% of Candriam’s new RFPs for vendors included a specific sustainability questionnaire and assessment.
Vendor sustainability scoring	Percentage of Tier 1 vendors that completed a sustainability questionnaire and received a score. This includes (i) vendors that answered the questionnaire or (ii) vendors that sent documents that represent answers to the questionnaire.	40% of Candriam’s Tier 1 vendors answered our sustainability questionnaire or provided documents to do so.

Candriam Value Chain policies

[Candriam Supplier Code of Conduct](#)

[Candriam Human rights policy](#)

6. The Modern Slavery Act applies only to UK suppliers  
7. A Tier 1 vendor is defined as a vendor with a yearly spend exceeding €100,000

