

# BELFIUS SUSTAINABLE

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SICAV

Audited annual report as at 31 March 2023

Investment company with variable capital with multiple subfunds under Belgian law

Public Limited company

Catégorie Investments complying with the stipulation of Directive 2009/65/CE



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# **Belfius Sustainable**

SICAV

Audited annual report as at 31  
March 2023

Belfius Sustainable

## 1. INFORMATION ABOUT THE INVESTMENT COMPANY

### 1.1. Organisation of the undertaking for collective investment

#### Registered Office

Place Rogier 11  
1210 Brussels

#### Date of incorporation of the Fund

2 March 2000

#### Board of Directors of the Fund

##### Chairman

Tomas Catrysse  
Head of Private & Wealth - Wealth Management  
Belfius Banque S.A.

##### Directors

Maud Reinalter  
Chief Investment Officer and Member of the Executive Committee  
Belfius Investment Partners

Bruno Claus until 31-12-2022  
Head of Strategic Development & Fund Structuring  
Belfius Investment Partners

Kristel Cools from 01-01-2023  
Chief Business Development and Member of the Executive Committee  
Belfius Investment Partners S.A.

Christoph Finck from 13-02-2023  
Independent director  
Member of the Luxembourg Institute of Directors

Anne Heldenbergh from 13-02-2023  
Independent Director  
Ordinary Professor at the Warocqué Faculty of Economics and Management of the University of Mons

Gunther Wuyts  
Independent Director  
Professor of Finance, KU Leuven

Koen Van De Maele  
Member of the Executive Committee & Global Head of Investment Solutions  
Candriam

Wim Van Hyfte  
Global Head of ESG Investments & Research  
Candriam

#### Individuals responsible for effective management

Maud Reinalter  
Chief Investment Officer and Member of the Executive Committee  
Belfius Investment Partners

Bruno Claus until 31/12/2022  
Head of Strategic Development & Fund Structuring  
Belfius Investment Partners S.A.

## 1.1 Organisation of the undertaking for collective investment (continued)

Kristel Cools from 01-01-2023  
Chief Business Development and Member of the Executive Committee  
Belfius Investment Partners S.A.

### **Management Type**

Management company appointed by an Investment company.

### **Management Company**

Belfius Investment Partners  
Place Rogier 11  
1210 Brussels  
Legal form : Public Limited company

### **Board of Directors of management company**

#### **Chairman**

Johan Vankelecom  
Chief Investment Officer and Member of the Executif Committee  
Belfius Banque S.A.

#### **Non-executive directors**

Frédéric Van Der Schueren until 15/12/2022  
Chief Financial Officer and Member of the Executif Committee  
Belfius Insurance

Christophe Demain  
Chief Investment Officer  
Belfius Insurance

Christoph Finck from 13-02-2023  
Independent director  
Member of the Luxembourg Institute of Directors

Anne Heldenbergh from 13-02-2023  
Independent Director  
Ordinary Professor at the Warocqué Faculty of Economics and Management of the University of Mons

Georges Hübner  
Professor of Finance, University of Liege

Olivier Goerens  
Head of Marketing & Sales Private & Wealth  
Belfius Banque S.A.

#### **Executive directors**

Koen Maes from 01/04/2022 until 07/10/2022  
Chief Executive Officer and Member of the Executive Committee  
Belfius Investment Partners S.A.

Olivier Banneux from 01/04/2022  
Head of Private Portfolio Management and Member of the Executive Committee  
Belfius Investment Partner

Maud Reinalter  
Chief Investment Officer and Member of the Executive Committee  
Belfius Investment Partners

## 1.1 Organisation of the undertaking for collective investment (continued)

Kristel Cools  
Chief Business Development and Member of the Executive Committee  
Belfius Investment Partners S.A.

Cédric September  
Chief Risk Officer and Member of the Executive Committee  
Belfius Investment Partners S.A.

François-Valéry Lecomte from 8/10/2022  
Chief Executive Officer and Member of the Executive Committee  
Belfius Investment Partners S.A.

### **Auditor of the management company**

KPMG Réviseurs d'Entreprises, Permanent representative Mr. Olivier Macq  
Luchthavenlaan, 1K, Gateway building B-1930 Zaventem

### **Auditor**

Deloitte Réviseurs d'entreprises / Bedrijfsrevisoren S.R.L., Permanent representative Sir Maurice Vrolix  
Gateway building, Luchthaven Brussel Nationaal 1 J - 1930 Zaventem

### **Promoter**

Belfius Banque S.A.  
Place Rogier 11 - 1210 Brussels

Belfius Investment Partners  
Place Rogier 11 - 1210 Brussels

### **Custodian**

Belfius Banque S.A.  
Place Rogier 11 - 1210 Brussels

### **Financial management of the portfolio**

Belfius Investment Partners  
Place Rogier 11 - 1210 Brussels

### **Delegation of investment portfolio management**

Candriam  
SERENITY - Bloc B, 19-21 route d'Arlon, L-8009 Strassen  
Grand Duchy of Luxembourg

### **Administrative and accounting management**

RBC Investor Services Belgium S.A.  
Boulevard du Roi Albert II 37 - 1030 Brussels

For some functions in the administration linked with the activity of Transfer Agent  
Belfius Banque S.A.  
Place Rogier 11 - 1210 Brussels

The functions of the administration related to the structuring activity are carried out by Candriam  
SERENITY - Bloc B, 19-21 route d'Arlon, L-8009 Strassen  
Grand Duché du Luxembourg

### **Financial service**

Belfius Banque S.A.  
Place Rogier 11 - 1210 Brussels

## 1.1 Organisation of the undertaking for collective investment (continued)

### **Distributor**

Belfius Banque S.A.  
Place Rogier 11 - 1210 Brussels

### **List of subfunds and share classes**

#### **Belfius Sustainable Medium**

classe C (DIS - CAP), expressed in EUR

#### **Belfius Sustainable Low**

classe C (CAP - DIS) expressed in EUR

#### **Belfius Sustainable High**

classe C (DIS - CAP), expressed in EUR

**Class C:** basic class, with no distinguishing features. It is offered to individuals and legal entities.

The objectives of each of these compartments are fully described in this report.

## 1.2. Management report of the undertaking for collective investment

Ladies and Gentlemen

We are pleased to present the annual financial statements on 31st March 2023 SICAV of the Belgian Investment Trust BELFIUS SUSTAINABLE.

### 1.2.1. Information for shareholders

Candriam Sustainable is a Variable Capital Investment Trust (SICAV) that has opted for investments meeting the requirements of Directive 2009/65/EC and is governed, with regard to its operation and investments, by the law of 3rd August 2012 relating to certain forms of collective investment undertakings meeting the requirements of Directive 2009/65/EC and undertakings investing in debt securities.

The Company has opted for the category of investments mentioned in article 7, paragraph 1, 1° of the Act of three August two thousand and twelve on certain forms of collective management of investment portfolios.

The company was incorporated on 2nd March 2000 under the name "Stimulus Invest". On 1st October 2002, the General Meeting of Shareholders decided to change the company's name to Dexia Sustainable. On 2 February 2014 the company changed its name to Candriam Sustainable.

The extraordinary general meeting of 19 January 2022 decides to change the management company from Candriam to Belfius Investment Partners and the name of the sicav changes to Belfius Sustainable.

The name of the sicav is changed to Belfius Sustainable and the classes N, I, Y, Lock, R, R2 and Z are deleted.

The decisions will come into force on 1 February 2022.

### 1.2.2. Overview of the markets

In the United States in the second quarter 2022, bottlenecks in supply chains were accentuated by the zero-Covid policy practised on a very large scale in China. Despite the collateral effects of the conflict in Ukraine on commodity prices and oil (around \$110 per barrel on average in the second quarter), economic activity indicators remained buoyant and the labour market remained tense. These developments pushed the ten-year rate to almost 3.5% in mid-June. In response to rising prices, the Federal Reserve raised its benchmark rate twice: first in early May by 50 basis points and then in mid-June by 75 basis points. In this new environment with credit becoming more expensive and household purchasing power coming under pressure, consumer confidence weakened sharply. The end result was that growth was again very slightly negative (-0.1% quarter over quarter after -0.4% in the first quarter). Over the quarter, the ten-year rate rose by 65 basis points to 2.97%. The stock market fell 16.4%. In July, the ten-year rate hovered around 3%. Indeed, the ISM survey of the manufacturing sector and monthly job creations were slightly lower than in previous months, while in mid-July inflation exceeded 9%. However, at the end of July, the 75 basis point rate increase in the Federal Reserve's benchmark rate up to 2.5% and the tension created by Nancy Pelosi's visit to Taiwan weighed down on rates. Despite an initial fall in inflation month-on-month since May 2020, at the end of August, the Federal reserve Chairman recalled that a return to price stability – inflation was still 8.3% year-on-year – would require a restrictive monetary policy and this for a certain period of time. Indeed, despite a slowdown in the manufacturing sector due in part to the strong increase in the dollar, the economy continued to create more than one million jobs every three months, the unemployment rate approached 3.5%, and wage growth was significant. In this environment, on 21 September, the members of the FOMC (Federal reserve) raised the benchmark rate again by 75 basis points to 3.25%, and drastically revised their forecasts for the federal funds rate upwards for the years to come. For 2023, FOMC members expect this rate to be around 4.65%, compared to an estimate of only 3.85% in June. The ten-year rate closed out the third quarter at 3.8% up 83 basis points over the end of June. The latest developments as well as the impact on the real estate sector of significantly higher mortgage rates weighed negatively on the stock market, which fell by 5.3% over the quarter. In the fourth quarter, like the global manufacturing sector, the ISM Manufacturing Survey fell below the 50 mark in response to the rising dollar and the global economic slowdown. Although the pace of monthly job creations slowed somewhat, yet still above 250,000, core inflation remained at 6% and the service sector continued to be buoyant. Given this, and to get inflation back to 2% in the medium-term, the Federal Reserve raised its benchmark rate twice: the first time in early November by 75 basis points and then in mid-December by 50 basis points (up to 4.5%). All in all, 2022 was the year of the unexpected with a conflict at Europe's doorstep, much higher than expected inflation, the most stringent monetary tightening since 1980 and, despite everything, growth of 2.1% in 2022 after 5.9% in 2021. However, developments in 2022 weighed on the S&P500 index, which closed out the year down 19.4% to 3840, despite a rebound of more than 7% in the last quarter. As for the ten-year rate, it changed little during the last quarter. This rate closed out the year at 3.83%, up 233 basis points over the year. In January and February 2023, apart from residential real estate (-10.6% in 2022 compared to 2021), most indicators seemed to rule out a sharp downturn, despite past rate increases by the Federal reserve. Indeed, about 800,000 new jobs were still created. The ISM services index was at 55 in February. Total inflation (6% in February 2023) has been steadily declining since its peak in mid-2022 (thanks to reduced supply chain tensions and lower energy and industrial metal prices), but core inflation is still falling very slowly. This is why the Federal Reserve increased its benchmark rate by 25 basis points to 4.75% on 1 February. Indeed, although goods inflation is slowing, the "real estate" component of inflation (over 30% of the CPI index) and that of non-real estate services are not slowing down. Moreover, although wage growth is slowing, it is still significant and is an important factor in the price of services. All these elements pushed the ten-year rate beyond 4% at the beginning of March. However, the closures by the authorities of the 16th largest American bank (Silicon Valley Bank (SVB)) on March 10, following excessively large deposit withdrawals in the previous days, and, a few days later, Signature Bank, raised fears of a risk of contagion to other medium-sized banks. In response, the FDIC, in

## 1.2 Management report of the undertaking for collective investment (continued)

consultation with the Federal reserve and the US Treasury, invoked a “Systemic Risk Exception” which enabled the FDIC to insure all the deposits of these two banks (both insured deposits (< \$250,000) and uninsured deposits). To avoid a liquidity problem, the Fed opened a new Bank Term Funding Program (BTFP), the specificity of which is that government bonds serving as collateral are valued at par and not at market prices. With the risk of contagion seemingly nipped in the bud and the stress on financial markets declining, the economic context and the level of core inflation pushed the Federal reserve to increase its benchmark rate by 25 bps to 5% on March 22. In all, at the end of March, the ten-year rate fell by 35 basis points to 3.48%. The stock market rose by 7.0% over the quarter. Indeed, the latest developments led to downward revisions of what the Fed’s terminal rate, and thus the potential brake on the economy, would be.

In the euro area, the second quarter 2022 was marked by high energy, industrial metals and agricultural produce prices due to Russia cutting off gas supplies to those countries refusing to pay for them in roubles and by the reduction in gas supplies to Germany. In all, from May on, inflation stood at over 8%. In this environment, markets anticipated several European Central Bank (ECB) rate increases, pushing all European rates up. The German ten-year rate exceeded 1.7%, whereas the Italian ten-year rate passed the 4% mark. The importance of the rate spread led the ECB to meet urgently on 15 June, and announce a new “anti-fragmentation” instrument for the euro area. From mid-June, however, the possibility of going into recession became a somewhat more likely scenario for markets, pushing the German ten-year rate down. Over the quarter, the German ten-year rate rose by 86 basis points to 1.37%. The stock market fell 12%. Despite the above-mentioned developments, GDP rose by 0.9% quarter-on-quarter in the second quarter and the unemployment rate was historically low (6.7%). In July, however, household and business confidence fell further. Indeed, despite the fall in the prices of many commodities, the extremely high level of gas prices and supply shortage risks weighed down on confidence. In this environment, despite an expected slowdown in growth, but with inflation continuing to rise, on July 21, for the first time in eleven years, the ECB raised its benchmark rate by 50 basis points to 0.5% and set the deposit facility rate at 0%. This put a temporary stop to the depreciation of the euro against the dollar which was now at parity. However, the outlook for growth and inflation continued to deteriorate over the summer. At the end of August, gas prices in Europe reached astronomical levels. PMI activity indicators all fell below the fifty mark (meaning a contraction in activity) and, simultaneously, inflation reached close to ten percent in September. In addition to this, the euro continued to fall against the dollar (below parity) fuelling inflation through imports, leading the ECB to decide to increase its benchmark rate by another 75 basis points up to 1.25% on 8 September. At the end of September, the German ten-year closed out the third quarter at 2.11% , i.e. up 74 basis points compared to June. The stock market fell by 4.7% over the same period. However, despite these developments, growth remained positive each quarter up to the third quarter, thanks in particular to the labour market, which remained well oriented. At the beginning of the fourth quarter, OPEC+ decided to reduce production by 2 mbd from November to counteract the expected decline in oil prices as a result of the slowdown in global growth – the IMF forecast global growth of 2.7% in 2023 compared to 3.2% in 2022. Given this, and to ensure inflation expectations remain anchored, especially as European governments announced more or less significant economic stimulus packages, the ECB raised its benchmark rate twice: the first time, at the end of October, by 75 basis points and then in mid-December by 50 basis points (up to 2.5%). At the end of October, Germany announced a two hundred billion EUR stimulus plan. The fall in gas prices in the fourth quarter reduced tensions somewhat enabling the growth outlook for 2023 to be slightly less negative. This perspective drove a strong increase in the stock market in the fourth quarter (+12.5%). Despite this, developments in 2022 weighed on the stock market, which fell by 14.5% over the year. As for the German ten-year rate, it ended the month of December higher, in the wake of the ECB’s announcements in mid -December (continued monetary tightening and a reduction in the Asset Purchase Programme). This rate closed out the year at 2.56%, up 274 basis points over the year. At the start of 2023, while total inflation (8.5% in February) had been steadily declining since its peak in October 2022, core inflation continued to increase (5.6% in February) in a context of a tense labour market. The unemployment rate was 6.6 per cent and wage growth was significant. This, combined with the on-going fall in gas prices, led to an upwards revision of growth forecasts along with the expected ECB terminal rate. The ECB increased its key rate by 50 basis points to 3% on 2 February. Following the developments in the American banking system, Credit Suisse came under attack on the stock market during the week of 13 March. This did not prevent the ECB from raising its benchmark interest rate by 50 basis points to 3.5% at its monetary policy meeting on 16 March. Indeed, as Christine Lagarde pointed out, the European banking sector is resilient, well-capitalized and has no liquidity problems. The other reason for this rise was the ECB’s latest macroeconomic forecasts, which showed that inflation was expected to remain too high for too long. Over the weekend of 18 and 19 March, in order to avoid a catastrophic last-minute intervention, the Swiss National Bank and the Swiss Financial Market Supervisory Authority organised the takeover of Credit Suisse by UBS. In all, over the quarter, the German ten-year rate fell by 27 basis points to 2.3%. The stock market rose by 11.9%.

### 1.2.3. Description of the main risks facing the company

The risks facing the company differ depending on each subfund’s investment policy. Please find below a table setting out the main risks by subfund. The assessment of the risk profile of each subfund is based on a recommendation by the Belgian Association of Asset Managers (Association belge des Asset Managers), which can be consulted on the website [www.beama.be](http://www.beama.be).

Belfius Sustainable Medium

Type of risk	None	Low	Medium	High
Capital risk				X
Closing-out risk		X		
Commodity risk		X		
Counterparty risk			X	
Credit risk				X
Derivative risk				X



# Belfius Sustainable

## 1.2 Management report of the undertaking for collective investment (continued)

Duration risk		X		
Emerging markets risk				X
Equity risk				X
Foreign exchange risk				X
Inflation risk			X	
Liquidity risk		X		
Liquidity risk		X		
Performance risk				X
Rate risk				X
Risk of change in the benchmark		X		
Volatility risk		X		

### Belfius Sustainable Low

Type of risk	None	Low	Medium	High
Capital risk				X
Closing-out risk		X		
Commodity risk		X		
Counterparty risk			X	
Credit risk				X
Derivative risk				X
Duration risk		X		
Emerging markets risk				X
Equity risk				X
Foreign exchange risk				X
Inflation risk			X	
Liquidity risk		X		
Performance risk				X
Rate risk				X
Risk of change in the benchmark		X		
Risks relating to external factors		X		
Volatility risk		X		

### Belfius Sustainable High

Type of risk	None	Low	Medium	High
Capital risk				X
Closing-out risk		X		
Commodity risk		X		
Counterparty risk			X	
Credit risk				X
Derivative risk				X
Duration risk		X		
Emerging markets risk				X
Equity risk				X
Foreign exchange risk				X
Inflation risk			X	
Liquidity risk		X		
Performance risk				X
Rate risk				X
Risk of change in the benchmark		X		
Risks relating to external factors		X		
Volatility risk		X		

Investor is warned that their capital is not guaranteed and not subject to protection. It may therefore not be fully returned. It is therefore likely to suffer a loss.

## 1.2 Management report of the undertaking for collective investment (continued)

### 1.2.4. Information relating to circumstances that may have a significant impact on the company's development without being likely to seriously harm the company

No specific event has occurred since the end of the financial year

### 1.2.5. Information relating to circumstances that may have a significant impact on the company's development without being likely to seriously harm the company

No specific circumstances were recorded which may have a significant impact on the company's development.

### 1.2.6. Information to be added to the annual report in accordance with the Company Code and Associations

This annual report includes all information that must be stated in accordance with the Code of Companies and Associations.

### 1.2.7. As regards the company's use of financial instruments and where this is relevant for the assessment of its assets, liabilities, financial position and loss or profit

Information regarding the company's objectives and policies relating to the management of financial risks

In this respect, please refer to the chapters relating to each subfund.

Information relating to the company's exposure to price risks credit risks liquidity risks and cash flow risks

In this respect, please refer to the summary tables of risks.

### 1.2.8. Vote by proxy

At its meeting on 28th January 2004, the company's Board of Directors decided to grant Candriam, the manager of the Investment Trust, authority to exercise the voting rights attaching to the underlying assets held by the Trust.

Candriam has drawn up and implemented a voting policy founded on four principles of corporate governance on which it bases its voting decisions:

1. Protection of all shareholders' rights according to the rule: "one share - one vote - one dividend".
2. Guarantee of equal treatment of shareholders, including minority and foreign shareholders.
3. Accurate and transparent reporting of financial information.
4. Responsibility and independence of the Board of Directors and external auditors.

When deciding to vote, Candriam ensures that it has obtained all the information necessary to enable it to reach its decision. Candriam's financial analysts study the resolutions presented to the shareholders, taking into account the voting recommendations given by outside corporate governance advisors. Candriam nevertheless retains its total independence when casting its votes.

Candriam has decided actively to exercise the voting rights attaching to shares in leading European companies. This decision is testimony to Candriam's willingness to assume its responsibilities in relation to corporate governance and to exercise fully the voting rights in the companies in which it invests on behalf of its customers.

That being the case, the Manager of Belfius Sustainable attended the Annual General Meetings of the following companies:

Company's name	Country	AGM 2022/2023
Air Liquide SA	FR	04/05/2022
Air Products and Chemicals, Inc.	US	26/01/2023
Allianz SE	DE	04/05/2022
Amgen Inc.	US	17/05/2022
Apple Inc.	US	10/03/2023
ASML Holding NV	NL	29/04/2022
AstraZeneca Plc	GB	29/04/2022
Atlas Copco AB	SE	26/04/2022
Autodesk, Inc.	US	16/06/2022
AXA SA	FR	28/04/2022
Banco Bilbao Vizcaya Argentaria SA	ES	16/03/2023
Cisco Systems, Inc.	US	08/12/2022

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## 1.2 Management report of the undertaking for collective investment (continued)

Colgate-Palmolive Company	US	06/05/2022
Coloplast A/S	DK	01/12/2022
Edwards Lifesciences Corporation	US	03/05/2022
Equinix, Inc.	US	25/05/2022
EssilorLuxottica SA	FR	25/05/2022
Iberdrola SA	ES	16/06/2022
Intesa Sanpaolo SpA	IT	29/04/2022
KBC Group SA/NV	BE	05/05/2022
Kering SA	FR	28/04/2022
Kone Oyj	FI	28/02/2023
Koninklijke DSM NV	NL	10/05/2022
Lonza Group AG	CH	05/05/2022
Merck & Co., Inc.	US	24/05/2022
Microsoft Corporation	US	13/12/2022
Morgan Stanley	US	26/05/2022
Neste Corp.	FI	28/03/2023
Nestle SA	CH	07/04/2022
NIDEC Corp.	JP	17/06/2022
NIKE, Inc.	US	09/09/2022
Orsted A/S	DK	07/03/2023
PayPal Holdings, Inc.	US	02/06/2022
Reckitt Benckiser Group Plc	GB	20/05/2022
RELX Plc	GB	21/04/2022
Rentokil Initial Plc	GB	11/05/2022
Rockwell Automation, Inc.	US	07/02/2023
Sanofi	FR	03/05/2022
Schneider Electric SE	FR	05/05/2022
TE Connectivity Ltd.	CH	15/03/2023
The Home Depot, Inc.	US	19/05/2022
The Procter & Gamble Company	US	11/10/2022
Unicharm Corp.	JP	24/03/2023
UniCredit SpA	IT	31/03/2023
Unilever Plc	GB	04/05/2022
VINCI SA	FR	12/04/2022
Visa Inc.	US	24/01/2023
Waste Connections, Inc.	CH	13/05/2022
Xylem Inc.	US	12/05/2022

In addition, a Proxy Voting Committee has been set up within Candriam with the task of monitoring and, where appropriate, of updating the voting policy.

This Committee is made up of Candriam representatives and persons outside the Company. Its members are:

Isabelle Cabie (Chairman)  
 Sophie-Deleuze ( Member )  
 Tanguy De Villenfagne ( Member )  
 Lucia Meloni ( Member )  
 David Drappier ( Member )

### 1.2.9. Commissions and recurring fees borne by the SICAV (in EUR)

#### Remuneration of directors :

Remuneration of directors: Directors are appointed free of charge, with the exception of the following directors, who are remunerated as follows:

- Gunther Wuyts: EUR 1,000 per year
- Anne Heldenbergh: EUR 1,000 per year
- Christoph Finck: EUR 1,000 per year

### 1.2 Management report of the undertaking for collective investment (continued)

#### 1.2.10. Remuneration policy

Belfius Investment Partners has adopted a remuneration policy that complies with Belgian and European legislation applicable to management companies. As a subsidiary of the Belfius Group, BIP also complies with the principles applicable to Belfius Bank and its subsidiaries.

The objective of BIP's remuneration policy is to promote sound and efficient risk management, discouraging excessive risk-taking or risk-taking that is incompatible with the risk profiles of the funds under management. It is designed to ensure that the interests of the funds under management are always paramount and that conflicts of interest do not arise.

Its main features are as follows:

- **Scope:** The functions to which this remuneration policy applies have been carefully identified in the light of qualitative and quantitative criteria. In general, the policy covers all functions that have a significant influence on the risk incurred by a fund under management or by the management company itself, as well as the functions that control these risks.
- **Principles:** The remuneration policy balances fixed and variable components. If variable remuneration is paid, it is conditional on the achievement of objectives defined over the long term and linked to the performance and risk control of the funds under management. The remuneration policy also provides for variable remuneration to be paid partly in the form of shares in the funds under management and for its payment to be spread over several years, as well as for its eventual reimbursement, thus ensuring that the investor's interests continue to converge between the funds under management and their manager.
- **Governance and control:** In accordance with Esma's Guidelines on remuneration policies for UCITS/CPF managers, BIP reports to the parent company's remuneration committee, which is responsible for preparing remuneration decisions.

Further information on how these considerations are taken into account in the remuneration policy of Belfius Investment Partners, including a description of the method of calculation of the remuneration and the rules of payment, the identity of the persons responsible for granting the remuneration and its payment, can be found on the website of Belfius Investment Partners (<https://www.belfiusip.be/fr/politique/index.aspx>) and in printed form on request and free of charge.

The consideration of the sustainability risk and its impacts can also be consulted and updated on a regular basis.

## 1.2 Management report of the undertaking for collective investment (continued)

### 1.2.11. Information communicated to investors pursuant to Chapter II, Part 1, Section 3 of the Annex to the Royal Decree of 10 November 2006 (introduced by the Royal Decree of 25 February 2017, effective 27 March 2017)

**Belfius Investment Partners** has a dual licence, namely on the one hand as a management company in accordance with the law of 3 August 2012 relating to undertakings for collective investment which comply with the conditions of Directive 2009/65/EC and undertakings for collective investment in debt securities and on the other hand as an alternative investment fund manager in accordance with the law of 19 April 2014 relating to undertakings for collective investment and their managers.

The responsibilities of Belfius Investment Partners under these two laws are similar and Belfius Investment Partners believes that its staff is remunerated in the same way for tasks relating to the administration of UCITS or UCITS.

Candriam paid its staff the following amounts for its financial year ending 31 December 2022:

#### **Candriam Luxembourg branch :**

1/Total gross amount of fixed remuneration paid (excluding payments or benefits that can be considered as part of a general and non-discretionary policy and having no incentive effect on risk management):

EUR 16 496 391

2/Total gross amount of variable remuneration paid :

EUR 7 603 281.

3/Number of beneficiaries: 147

Aggregate amount of remuneration, broken down between senior management and staff of the manager whose activities have a significant impact on the risk profile of the fund. Candriam's systems do not allow such identification by fund under management. Therefore, the figures below present the aggregate amount of remuneration at the overall Candriam level.

4/Aggregated amount of senior management remuneration:

EUR 4 123 181.

5/Aggregated amount of remuneration of Candriam staff whose activities have a significant impact on the risk profile of the funds it manages (excluding senior management):

EUR 2,274,454.

The remuneration policy was last reviewed by Candriam's Remuneration Committee on 29 January 2021 and was adopted by Candriam's Board of Directors.

#### **Candriam Belgian branch :**

1/Total gross amount of fixed remuneration paid (excluding payments or benefits that can be considered as part of a general, non-discretionary policy and having no incentive effect on risk management):

EUR 24 652 347

2/Total gross amount of variable remuneration paid :

EUR 10 435 950.

3/Number of beneficiaries: 256

Aggregate amount of remuneration, broken down between senior management and staff of the manager whose activities have a significant impact on the risk profile of the fund. Candriam's systems do not allow such identification by fund under management. Therefore, the figures below present the aggregate amount of remuneration at the overall Candriam level.

4/Aggregated amount of senior management remuneration :

EUR 5 059 679.

5/Aggregated amount of remuneration of Candriam staff whose activities have a significant impact on the risk profile of the funds it manages (excluding senior management):

EUR 4,582,833.

The remuneration policy was last reviewed by Candriam's remuneration committee on 29 January 2021 and was adopted by Candriam's board of directors.

### 1.2 Management report of the undertaking for collective investment (continued)

**Belfius Investment Partners** paid the following amounts to its staff in its financial year ending 31 December 2022:

1/Total gross amount of fixed remuneration paid (excluding payments or benefits that can be considered as part of a general and non-discretionary: EUR 5,933,070

2/Total gross amount of variable compensation paid: EUR 452,500

3/Number of beneficiaries: 27

4/ Aggregate amount of remuneration broken down between senior management and staff of the fund manager whose activities have a significant impact on the risk profile of the OPCA: The systems of Belfius Investment Partners do not allow such identification per managed OPCA. Therefore, the figures below present the aggregate amount of remuneration at the global level of Belfius Investment Partners.

5/Aggregated amount of senior management remuneration:  
EUR 1 295 476

6/Aggregated amount of remuneration of Belfius Investment Partners staff whose activities have a significant impact on the risk profile of the OPCAs it manages (excluding senior management): EUR 4 233 694

#### 1.2.12. Swing Pricing

##### Anti-Dilution Mechanism

- **Application**  
A protection mechanism intended to avoid performance dilution (“Anti-Dilution Mechanism”) has been put in place on all sub-funds.
- **Description of the Anti-Dilution Mechanism and applicable thresholds**  
The Anti-Dilution Mechanism put in place is intended to save existing investors from having to bear expenses incurred for transactions on portfolio assets performed in the wake of significant subscriptions to or redemptions from the sub-fund by investors. Indeed, when there are significant subscriptions to or redemptions from the sub-fund, the asset manager must invest/disinvest the corresponding amounts, thus generating large transactions which may entail variable transaction fees depending on the asset types concerned.  
These fees are mainly taxes on certain markets and execution fees billed by brokers. These fees can be fixed amounts or variable in proportion to the volumes traded and/or take the form of the difference between the bid or ask prices for a financial instrument on the one hand and the valuation or average price on the other (typical situation in bond trading for example).  
The goal of the anti-dilution mechanism is therefore to have these costs borne by the investors at the origin of the subscription/redemption transactions concerned and to protect existing investors.

In practice, on valuation dates on which the difference between the amount of subscriptions and the amount of redemptions in a sub-fund (i.e. net transactions) exceeds a threshold established in advance by the Board of Directors, the latter orders the administrative agent to determine the net asset value by adding to the assets (for net subscriptions) or deducting from the assets (for net redemptions)

- a fixed percentage of fees and costs corresponding to market practices in buying or selling securities (when the sub-fund carries out transactions on equities, ETFs and/or funds),
- and/or a factor representing half the spread between the bid and ask prices of the bonds and taking account of market conditions at the time (when the sub-fund carries out transactions on bonds).

This is the Swing Pricing mechanism.

- **Impacts of activating the Anti-Dilution Mechanism and the applicable Factor**
  - in case of net subscriptions: increase in the net asset value on that date (this increase will apply to both subscribing and redeeming investors),
  - in case of net redemptions: reduction in the net asset value on that date (this reduction will apply to both subscribing and redeeming investors).

This increase or reduction in the net asset value is called the “Factor” of the Anti-Dilution Mechanism.

The scope of this variation depends on the estimate made by the Management Company of the transaction fees applied to the types of assets concerned.

The adjustment to the valuation method will not exceed 2% of the net asset value

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# Belfius Sustainable

## 1.2 Management report of the undertaking for collective investment (continued)

- Process by which it is decided to apply the Anti-Dilution Mechanism

The Board of Directors has entrusted implementation of the Anti-Dilution Mechanism to the Management Company.

The Management Company has drawn up a policy detailing how the Anti-Dilution Mechanism works and has implemented operational processes and procedures in order to oversee application of the Anti-Dilution Mechanism by the Administrative Agent and the Transfer Agent.

The policy detailing the Management Company's Anti-Dilution Mechanism has been duly validated by the Board of Directors.

- Methodology to be applied in case of performance fees

If performance fees must be calculated, these fees are calculated before any application of the Anti-Dilution Mechanism, making these fees immune to the impact of the Anti-Dilution Mechanism.

Subfund	Upward adjustment factor at 31/03/2023	Downward adjustment factor at 31/03/2023
<b>Belfius Sustainable Low</b>	<b>0.06</b>	<b>0.06</b>
<b>Belfius Sustainable Medium</b>	<b>0.07</b>	<b>0.06</b>
<b>Belfius Sustainable High</b>	<b>0.07</b>	<b>0.06</b>

No swing pricing was applied during the period from 01/04/2022 to 31/03/2023.

Upward adjustment factor: the coefficient by which the net asset value is increased on net inflows.

Downward adjustment factor: the coefficient by which the net asset value is reduced on net outflows.

### 1.2.13. Dividend proposal

The Board of Directors of Belfius Sustainable, which met on 23 May 2023, approved the dividend proposal set out below. This proposal was submitted for approval to the Ordinary General Meeting held on 16 June 2023.

Compartment	Isin code	Gross amount per distribution share	Net amount per distribution share (*)	Coupon
<b>Belfius Sustainable Low, classe C</b>	BE0945314491	<b>0,02 EUR</b>	<b>0,014 EUR</b>	<b>N° 18</b>
<b>Belfius Sustainable Medium, classe C</b>	BE0945316512	<b>0,06 EUR</b>	<b>0,042 EUR</b>	<b>N° 18</b>
<b>Belfius Sustainable High, classe C</b>	BE0945312479	<b>4,70 EUR</b>	<b>3,29 EUR</b>	<b>N° 18</b>

\*Dividends are subject to 30% withholding tax in Belgium.

The dividends will be payable from 17 July 2023.

**THE BOARD OF DIRECTORS**

1.3. Auditor's Report

**Deloitte.**



Belfius Sustainable NV  
Bevek under Belgian law, category UCITS

Statutory auditor's report to the shareholders' meeting for the year ended  
31 March 2023 - Annual accounts

The original text of this report is in Dutch



## 1.3 Auditor's Report (continued)

Belfius Sustainable NV  
Beveik under Belgian law, category UCITS | 31 March 2023

### Statutory auditor's report to the shareholders' meeting of Belfius Sustainable NV for the year ended 31 March 2023 - Annual accounts

In the context of the statutory audit of the annual accounts of Belfius Sustainable NV (the "company"), we hereby submit our statutory audit report. This report includes our report on the annual accounts and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 18 June 2021, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration"). Our mandate will expire on the date of the shareholders' meeting deliberating on the annual accounts for the year ending 31 March 2024. We have performed the statutory audit of the annual accounts of Belfius Sustainable for 24 consecutive periods.

#### Report on the annual accounts

##### Unqualified opinion

We have audited the annual accounts of the company, which comprises the balance sheet as at 31 March 2023 and the income statement for the year then ended, as well as the explanatory notes. The annual accounts show total assets of 2 946 413 261,59 EUR and the income statement shows a loss for the year ended of 255 672 345,44 EUR.

In our opinion, the annual accounts give a true and fair view of the company's net equity and financial position as of 31 March 2023 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

Name	Currency	Net asset value	Result
Low	EUR	124 676 514,61	-12 180 497,05
Medium	EUR	2 550 677 145,85	-225 007 439,74
High	EUR	271 059 601,13	-18 484 408,65

##### Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the annual accounts" section of our report. We have complied with all ethical requirements relevant to the statutory audit of the annual accounts in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

##### Other matters

The model for periodic information for financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and in the first paragraph of Article 6 of Regulation (EU) 2020/ 852, included in the appendix to the annual report is not subject to legal control.

##### Responsibilities of the board of directors for the preparation of the annual accounts

The board of directors is responsible for the preparation and fair presentation of the annual accounts in accordance with the financial reporting framework applicable in Belgium and for such internal control as the

## 1.3 Auditor's Report (continued)

Belfius Sustainable NV  
Beveik under Belgian law, category UCITS | 31 March 2023

board of directors determines is necessary to enable the preparation of the annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

### **Responsibilities of the statutory auditor for the audit of the annual accounts**

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of annual accounts in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the annual accounts, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## 1.3 Auditor's Report (continued)

Belfius Sustainable NV  
Beveik under Belgian law, category UCITS | 31 March 2023

### Other legal and regulatory requirements

#### Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the annual accounts, for maintaining the company's accounting records in compliance with the legal and regulatory requirements applicable in Belgium, as well as for the company's compliance with the Code of companies and associations and the company's articles of association.

#### Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the annual accounts and compliance with certain obligations referred to in the Code of companies and associations and the articles of association, as well as to report on these matters.

#### Aspects regarding the directors' report

In our opinion, after performing the specific procedures on the directors' report on the annual accounts, the directors' report on the annual accounts is consistent with the annual accounts for that same year and has been established in accordance with the requirements of articles 3:5 and 3:6 of the Code of companies and associations.

In the context of our statutory audit of the annual accounts we are also responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the annual accounts is free of material misstatement, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such material misstatement.

#### Statements regarding independence

Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the company during the performance of our mandate.

## 1.3 Auditor's Report (continued)

Belfius Sustainable NV  
Beveik under Belgian law, category UCITS | 31 March 2023

### Other statements

- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting is in accordance with the relevant legal and regulatory requirements.
- We do not have to report any transactions undertaken or decisions taken which may be in violation of the company's articles of association or the Code of companies and associations.

Signed at Zaventem.

The statutory auditor

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Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL  
Represented by Maurice Vrolix

**Deloitte.**

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL  
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Member of Deloitte Touche Tohmatsu Limited

#### 1.4. Globalised statement

		31/03/2023	31/03/2022
		EUR	EUR
	<b>TOTAL NET ASSETS</b>	<b>2 946 413 261,59</b>	<b>3 112 962 501,17</b>
<b>I.</b>	<b>Fixed Assets</b>	<b>0,00</b>	<b>0,00</b>
A.	Start-up costs	0,00	0,00
B.	Intangible assets	0,00	0,00
C.	Tangible assets	0,00	0,00
<b>II.</b>	<b>Transferable securities, negotiable and other financial instruments</b>	<b>2 903 687 958,03</b>	<b>3 060 166 785,67</b>
A.	Bonds and other debt securities	171 369 819,97	162 967 588,00
a.	Bonds	171 369 819,97	162 967 588,00
a.1.	Bonds	171 369 819,97	162 967 588,00
B.	On money market instruments	0,00	0,00
C.	Shares and similar securities	441 959 001,08	375 867 895,37
a.	Shares	441 959 001,08	375 867 895,37
a.1.	Shares	441 959 001,08	375 867 895,37
D.	Other transferable securities	0,00	0,00
E.	UCI with variable number of shares	2 289 538 891,07	2 523 955 139,30
F.	Financial derivatives	820 245,91	(2 623 837,00)
a.	On bonds	721 556,05	6 304 920,46
ii.	Futures contracts (+/-)	721 556,05	6 304 920,46
j.	On foreign currencies	98 689,86	(5 839 382,42)
ii.	Futures contracts (+/-)	98 689,86	(5 839 382,42)
m.	On financial indexes	0,00	(3 089 375,04)
ii.	Futures contracts (+/-)	0,00	(3 089 375,04)
<b>III.</b>	<b>Long-term receivables and payables (i.e. more than one year)</b>	<b>0,00</b>	<b>0,00</b>
A.	Receivables	0,00	0,00
B.	Payables	0,00	0,00
<b>IV.</b>	<b>Short-term receivables and payables (i.e. less than one year)</b>	<b>(3 321 818,00)</b>	<b>37 507 006,73</b>
A.	Receivables	40 311 242,97	85 469 801,39
a.	Amounts receivable	39 081 871,87	79 359 805,34
b.	Tax credits	119 370,88	29 996,05
c.	Collateral	1 110 000,00	6 080 000,00
d.	Others	0,22	0,00
B.	Payables	(43 633 060,97)	(47 962 794,66)
a.	Amounts payable (-)	(42 265 566,05)	(42 768 461,40)
b.	Taxes payable (-)	(660 898,34)	0,00
d.	Collateral (-)	(200 000,00)	(2 280 000,00)
e.	Others (-)	(506 596,58)	(2 914 333,26)
<b>V.</b>	<b>Deposits and liquid assets</b>	<b>48 947 794,49</b>	<b>19 271 980,16</b>
A.	Sight bank deposits	48 947 794,49	19 271 980,16
B.	Term bank deposits	0,00	0,00
C.	Others	0,00	0,00
<b>VI.</b>	<b>Adjustment accounts</b>	<b>(2 900 672,93)</b>	<b>(3 983 271,39)</b>
A.	Expenses carried forward	205 595,00	0,00
B.	Accrued income	1 327 643,41	703 466,76
C.	Chargeable expenses (-)	(4 433 911,34)	(4 686 738,15)
D.	Income carried forward (-)	0,00	0,00
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>2 946 413 261,59</b>	<b>3 112 962 501,17</b>
<b>A.</b>	<b>Capital</b>	<b>2 734 148 310,42</b>	<b>2 630 493 707,81</b>
<b>B.</b>	<b>Profit-sharing/dividends</b>	<b>(49 227,63)</b>	<b>24 641 946,47</b>
<b>C.</b>	<b>Retained earnings</b>	<b>467 986 524,24</b>	<b>488 491 012,20</b>
<b>D.</b>	<b>Result for the financial year (the half year)</b>	<b>(255 672 345,44)</b>	<b>(30 664 165,31)</b>

### 1.5. Globalised off balance sheet items

		31/03/2023	31/03/2022
		EUR	EUR
<b>I.</b>	<b>Real sureties (+/-)</b>	<b>2 511 113,80</b>	<b>7 271 376,83</b>
A.	Collateral (+/-)	2 511 113,80	7 271 376,83
b.	Liquid assets/Deposits	2 511 113,80	7 271 376,83
B.	Other real sureties	0,00	0,00
<b>II.</b>	<b>Securities underlying option contracts and warrants (+)</b>	<b>0,00</b>	<b>0,00</b>
A.	Option contracts and warrants purchased	0,00	0,00
B.	Option contracts and warrants sold	0,00	0,00
<b>III.</b>	<b>Notional amounts of futures contracts (+)</b>	<b>1 197 568 775,14</b>	<b>2 018 852 193,53</b>
A.	Futures contracts purchased	617 714 713,67	789 433 514,44
B.	Futures contracts sold	579 854 061,47	1 229 418 679,09
<b>IV.</b>	<b>Notional amounts of swap contracts (+)</b>	<b>0,00</b>	<b>0,00</b>
A.	Swap contracts purchased	0,00	0,00
B.	Swap contracts sold	0,00	0,00
<b>V.</b>	<b>Notional amounts of other financial derivatives(+)</b>	<b>0,00</b>	<b>0,00</b>
A.	Contracts purchased	0,00	0,00
B.	Contracts sold	0,00	0,00
<b>VI.</b>	<b>Uncalled amounts on shares</b>	<b>0,00</b>	<b>0,00</b>
<b>VII.</b>	<b>Commitments to call resulting from transfers/disposals</b>	<b>0,00</b>	<b>0,00</b>
<b>VIII.</b>	<b>Commitments to buy resulting from transfers/disposals</b>	<b>0,00</b>	<b>0,00</b>
<b>IX.</b>	<b>Financial instruments loaned</b>	<b>0,00</b>	<b>0,00</b>
A.	Shares	0,00	0,00
B.	Bonds	0,00	0,00

1.6. Globalised result statements

		31/03/2023	31/03/2022
		EUR	EUR
<b>I.</b>	<b>Depreciation, capital loss and capital gain</b>	<b>(219 237 226,27)</b>	<b>6 523 093,62</b>
A.	Bonds and other debt securities	(20 158 355,63)	(11 245 476,90)
a.	Bonds	(20 158 355,63)	(11 245 476,90)
a.1.	Realized result	(6 200 292,56)	(1 437 923,87)
a.2.	Non realized result	(13 958 063,07)	(9 807 553,03)
B.	Money market instruments	0,00	0,00
C.	Shares and similar securities	(3 066 353,65)	(19 547 957,91)
a.	Shares	(3 066 353,65)	(19 547 957,91)
a.1.	Realized result	(8 423 562,10)	(10 903 004,07)
a.2.	Non realized result	5 357 208,45	(8 644 953,84)
D.	Other transferable securities	155 794,57	0,00
a.	Realized result	155 794,57	0,00
E.	UCI with variable number of shares	(174 341 980,43)	39 501 369,20
a.	Realized result	(25 416 482,33)	141 526 908,76
b.	Non realized result	(148 925 498,10)	(102 025 539,56)
F.	Financial derivatives	5 039 812,60	12 616 564,80
a.	On bonds	7 146 246,02	18 954 217,73
ii.	Futures contracts	7 146 246,02	18 954 217,73
ii.1.	Realized result	12 729 610,43	13 667 454,40
ii.2.	Non realized result	(5 583 364,41)	5 286 763,33
i.	On financial indexes	(627 398,75)	(6 337 652,93)
ii.	Futures contracts	(627 398,75)	(6 337 652,93)
ii.1.	Realized result	(3 716 773,79)	(3 248 277,89)
ii.2.	Non realized result	3 089 375,04	(3 089 375,04)
m.	On financial derivatives	(1 479 034,67)	0,00
i.	Option contracts	(1 479 034,67)	0,00
i.1.	Realized result	(1 479 034,67)	0,00
G.	Amounts receivable, deposits, liquid assets and amounts payable	0,00	0,00
H.	Foreign exchange positions and transactions	(26 866 143,73)	(14 801 405,57)
b.	Other exchange positions and transactions	(26 866 143,73)	(14 801 405,57)
b.1.	Realized result	(32 804 216,01)	(12 192 716,80)
b.2.	Non realized result	5 938 072,28	(2 608 688,77)
<b>II.</b>	<b>Investment income and expenses</b>	<b>12 253 301,74</b>	<b>2 796 227,13</b>
A.	Dividends	9 540 516,65	2 503 815,03
B.	Interest (+/-)	4 064 359,68	592 891,21
a.	Transferable securities and money market instruments	3 717 603,92	593 085,11
b.	Deposits and liquid assets	343 745,37	2 373,95
c.	Collateral (+/-)	3 010,39	(2 567,85)
C.	Interest expenses (-)	(94 101,47)	(167 074,09)
D.	Swap Contracts (+/-)	0,00	0,00
E.	Withholding tax (-)	(1 257 473,12)	(133 405,02)
a.	Belgian	(321 035,76)	0,00
b.	Foreign	(936 437,36)	(133 405,02)
F.	Other income from investments	0,00	0,00
<b>III.</b>	<b>Other income</b>	<b>0,51</b>	<b>0,09</b>
A.	Allowance to cover costs of asset acquisition and realisation, discourage withdrawal and cover delivery costs	0,00	0,00
B.	Others	0,51	0,09
<b>IV.</b>	<b>Operating expenses</b>	<b>(47 848 602,46)</b>	<b>(39 983 486,15)</b>
A.	Transaction and delivery expenses on investments (-)	(1 152 286,46)	(704 093,47)
B.	Interest and other finance expenses (-)	(7 989,48)	(588,88)
C.	Depository fees payable (-)	(2 253 317,65)	(1 982 204,58)
C.1.	Remuneration due to the depository - general	(1 080 526,50)	(1 209 350,48)
C.1.	Remuneration due to the depository - class C	(1 172 791,15)	(772 854,10)
D.	Management fees payable (-)	(41 253 605,04)	(14 547 495,37)
a.	Financial management	(39 308 234,45)	(6 192 353,91)
a.2.	Financial management - Class C	(39 308 234,45)	(6 192 353,91)
b.	Administrative and accounting management	(1 945 370,59)	(8 355 141,46)
b.1.	Administrative and accounting management - General	(16 200,00)	(16 200,00)
b.2.	Administrative and accounting management - Class C	(1 929 170,59)	(8 338 941,46)
E.	Administrative expenses (-)	(192 376,73)	(93 345,84)
F.	Start-up costs (-)	(60 907,79)	(200 016,14)

## 1.6 Globalised Result Statements (Continued)

G.	Salaries and wages, social security charges and pensions (-)	(3 000,00)	(818,19)
H.	Various services and goods (-)	(681 657,36)	(19 355 490,51)
I.	Depreciation allowances and contingency and loss provisions (-)	0,00	0,00
J.	Taxes	(2 444 472,08)	(2 515 369,17)
K.	Other expenses (-)	201 010,13	(584 064,00)
	<b>Income and expenses for the financial year (half year)</b>	<b>(35 595 300,21)</b>	<b>(37 187 258,93)</b>
	<b>Sub total II+III+IV</b>		
V.	<b>Current profit (loss) before income tax</b>	<b>(254 832 526,48)</b>	<b>(30 664 165,31)</b>
VI.	<b>Income tax</b>	<b>(839 818,96)</b>	<b>0,00</b>
VII.	<b>Result for the financial year (the half year)</b>	<b>(255 672 345,44)</b>	<b>(30 664 165,31)</b>



## 1.7. Summary of booking and valuation rules

### 1.7.1. Summary of rules

The assets of the SICAV (the mutual fund) are evaluated as indicated below, in compliance with the rules drawn up by the royal decree of 10 November 2006 concerning accounting procedures, the annual accounts and the periodic reports of given public collective investment undertakings with a variable number of units:

#### 1. Securities, money market instruments and financial derivative instruments:

Securities, money market instruments and financial derivative instruments held by the SICAV are measured at their fair value. In order to determine said fair value, the following procedure must be respected :

a) If reference is being made to parts of the assets for which there is an active market operating through the participation of third party financial institutions, the current bid price and current ask price set on this market will be applied.

If reference is being made to parts of the assets negotiated on an active market that excludes the participation of third party financial institutions, the closing price will be applied.

b) If the rates indicated in item a) are not available, the price of the most recent transaction will be applied.

c) If, for any part of the given assets, there is an organised market or an OTC market, but this market is not active and the rates applicable are not representative of the fair value, or if, for any given part of an asset, there is neither an organised market nor an OTC market, the fair value is measured on the basis of the current fair value of similar parts of the assets for which there is an active market.

d) If, for any part of the given assets, the fair value – as mentioned in item c) – of similar parts of the assets does not exist, the fair value of the part in question is determined by recourse to other means of valuation, respecting certain conditions; their validity, in particular, has to be regularly tested.

If, in exceptional cases, there is, in the case of equities, no organised market or OTC market, and the fair value of these equities cannot be determined reliably in compliance with the procedure outlined above, the equities in question will be evaluated at cost.

Depending on the underlying instrument, the financial derivative instruments (swap contract, forward contract and option contract) measured at their fair value are posted to sub items on the balance sheet and/or off the balance sheet.

The underlying values of the option contracts and the warrants are posted to off balance items in section "II. Underlying values of option contracts and warrants".

The notional amounts of the forward contracts and the swap contracts are posted to off balance-sheet items in "III. Notional amounts of forward contracts" and "IV. Notional amounts of swap contracts" respectively.

#### 2. Collective Investment Undertaking units

Collective Investment Undertaking units with a variable number of units held by the SICAV are measured at their fair value in compliance with the procedure outlined in item 1.

Collective Investment Undertaking units with a variable number of units held by the SICAV and for which there is no organised market or OTC market are measured on the basis of the net asset value of these units.

#### 3. Expenditure and income

The SICAV provides for known expenditure and income or for expenditure and income likely to be subject to a sufficiently accurate evaluation whenever units are issued or redeemed. Recurring expenditure and income is indicated prorata temporis in the value of the units.

## 1.7. Summary of booking and valuation rules (continued)

### 4. Receivables and debts

Forward claims that are not represented by securities or negotiable money market instruments are measured at their fair value, in compliance with the procedure outlined in item 1.

Sight assets on credit institutions, current account commitments to credit institutions, short term amounts receivable and payable other than those concerning credit institutions, tax credits and tax debts as well as any other debts will be measured at their nominal value.

Should the investment policy not be mainly focused on the investment of resources in deposits, liquidities or money market instruments, the board of directors can, taking into account the relatively low importance of the forward claims, opt to have these measured at their nominal value.

### 5. Assets expressed in another currency

Assets expressed in a currency other than the reference currency of the subfund in question will be converted into the currency of said subfund on the basis of the average spot price between the representative bid and ask rates. Any positive and negative discrepancies resulting from the conversion will be posted to the P&L account.

#### 1.7.2. Exchange rates

		03/04/2023	04/04/2022	
EUR	=	1,605381	1,473400	AUD
		1,464884	1,379838	CAD
		0,993848	1,022145	CHF
		7,450834	7,438097	DKK
		0,878317	0,841999	GBP
		144,092963	135,588868	JPY
		11,222018	9,662409	NOK
		11,306501	10,330513	SEK
		1,088850	1,103650	USD

## 2. INFORMATION ABOUT THE SUBFUND

### 2.1. Management report of the sub-fund

#### 2.1.1. Launch date of the sub-fund and subscription price of the shares

The Medium sub-fund (formerly known as Dexia Sustainable European Balanced Medium) was launched on 1 April 1996 (the Medium sub-fund has been activated since 1 July 2000 through the contribution of the assets of the BACOB Stimulus Dynamic sub-fund, a sub-fund of BACOB Investments) with a fixed net asset value per share of EUR 2.48.

The shares of the Y CAP and DIS class are marketed as from 26 October 2011.

The shares of the class R CAP and DIS are marketed as from 1 October 2018.

On 30/04/2020 (NAV date), investors in class N shares will become class C investors and class N shares will cease to exist permanently.

The meeting decided to abolish the share classes N, I, Y, Lock, R, R2 and Z as of 01/02/2022.

#### 2.1.2. Financial management of the portfolio

Belfius Investment Partners  
Place Rogier 11 - 1210 Brussels

#### 2.1.3. Delegation of the implementation of the management of the investment portfolio

Candriam  
SERENITY - Bloc B, 19-21 route d'Arlon, L-8009 Strassen  
Grand Duchy of Luxembourg

#### 2.1.4. Distributor

Belfius Banque S.A.  
Place Rogier 11, 1210 Brussels

#### 2.1.5. Stock exchange listing

Non applicable.

#### 2.1.6. Aim and main outlines of the investment policy

##### Subfund objectives

The objective of the sub-fund is to enable shareholders to benefit from trends on the financial markets and to outperform the benchmark through a portfolio principally made up of Undertakings for Collective Investment (UCIs) selected by the Management Company on the basis of their expected return and socially responsible or sustainability criteria, which aim to offer a broad diversification (notably via equities and bonds of different countries and sectors). The sub-fund will focus on a balance between investments in bond UCIs and investments in equity UCIs. The sub-fund aims to have a positive environmental and social impact in the long term by investing at least 85% of net assets in UCIs which have a sustainable investment objective and/or in direct sustainable investment lines.

##### Fund policy

###### Permitted asset classes:

The assets of this sub-fund will be invested mainly in units of open-end UCIs.

The assets of the sub-fund may also be invested on an ancillary basis in the other asset categories mentioned in the Articles of Association attached to this document. For example, on an ancillary basis, the assets may be invested in shares, bonds, money market instruments, deposits and/or cash.

###### Special strategy:

The sub-fund will invest mainly in units of Belgian or foreign UCIs managed by Candriam, which themselves invest mainly in:

- bonds and/or similar transferable securities - such as investment grade bonds, inflation-linked bonds, etc.
- equities and/or equity-linked securities,
- and/or cash and money market instruments.

The proportion of assets invested in equity UCIs may be either a majority or a minority and may be reduced significantly depending on the manager's expectations regarding the development of the financial markets and in order to reduce the risk for the investor.

### 2. INFORMATION ABOUT THE SUBFUND

#### 2.1. Management report of the sub-fund (continued)

In addition, the sub-fund may invest part of its net assets in UCIs which themselves follow specific strategies (such as commodities or other opportunities). However, these investments will always be a minority.

Both the UCIs held and the financial instruments of which they are composed may be denominated in any currency and may or may not be hedged against currency risk, depending on the manager's expectations regarding market trends. The financial instruments of these UCIs may be issued by issuers from different regions of the world, including emerging countries.

#### Information on the sustainability of investments:

This sub-fund is classified under Article 9 of the SFDR Regulation, i.e. it has a sustainable investment objective.

ESG analysis is integrated in the selection and allocation of the underlying assets and covers the entire portfolio, excluding deposits, cash and index derivatives. Derivative counterparties may not be covered by ESG analysis.

#### ESG analysis

In order to achieve its objective, the sub-fund invests at least 85% of the portfolio in UCIs with a sustainable investment objective and/or in direct sustainable investments

ESG analysis for the investments of the underlying UCIs managed by Candriam with a sustainable investment objective and/or for the sustainable investments held in direct lines

#### Private issuers:

Companies are assessed from two distinct but related angles:

-analysis of the activities (products and services) of each company in order to assess how these activities respond to the major long-term challenges in terms of sustainable development, including in particular climate change through the impact of carbon emissions from products/services, resource and waste management, such as the use of water resources, the generation of waste and its degree of toxicity, and its recycling potential; and

-analysis of each company's key stakeholder management, assessing how companies integrate the interests of their stakeholders (customers, employees, suppliers, investors, society and the environment) into their strategies, operations and strategy setting. Thus, for example, the evaluation of relations with employees covers, among other things, their working conditions, training, retention and diversity policies in place. The assessment of investor relations evaluates the quality of the governance bodies in place, the company's practices in this area, but also its business ethics.

Companies apply good governance practices.

Based on this ESG analysis, a score is assigned to each company.

UCIs with a sustainable investment objective can have several types of ESG objectives, such as climate change, gender diversity, circular economy, ... or - for countries - the promotion of democratic change and sustainable environmental practices, ....

In particular, a mutual fund sub-fund or a mutual fund may aim to achieve a carbon footprint at least 30% lower than the benchmark.

#### Sovereign issuers:

Countries are assessed on how they manage 4 key dimensions of sustainability: human capital, natural capital, social capital, economic capital.

Based on this ESG analysis, a score is assigned to each country.

The objective of having a positive long-term impact on the environment and society is evaluated through an ESG score calculated by Candriam. To achieve this sustainable objective, the weighted average ESG score of the sub-fund, including private and sovereign issuers, aims to be higher than the weighted average ESG score of the benchmark.

Based on the ESG approach adopted, the investment universe analysed is reduced by at least 20%, starting by eliminating from the investment universe analysed issuers with significant ESG risks.

UCIs not managed by Candriam, or whose management is delegated to third party managers, may have different ESG policies. The management company takes into account certain criteria in the selection of these funds in order to respect the ESG aspects described at the global level of each sub-fund.

For more information on the SFDR policy and the Taxonomy of the sub-fund please refer to the appendices attached to this report.

### 2. INFORMATION ABOUT THE SUBFUND

#### 2.1. Management report of the sub-fund (continued)

##### **Permitted transactions in derivatives:**

The sub-fund may also use derivatives, such as options, futures, swaps, both on interest rates (fixed and variable rates, inflation, etc.) and on credit and currencies, and forward exchange transactions, in compliance with the legal rules in force, both for investment purposes and for hedging purposes. The investor should be aware that these types of derivatives are more volatile than the underlying products.

While the composition of the portfolio must comply with general rules and limits prescribed by law or the Articles of Association, a concentration of risk may occur in narrower geographical areas.

##### **Characteristics of the bonds and debt securities:**

The fixed or floating rate securities of the UCIs in position will be issued mainly by issuers deemed to be of good quality (investment grade: minimum BBB- and/or Baa3 at the time of acquisition) including governments, supranational institutions, the public sector and/or the private sector. Nevertheless, the sub-fund may hold, on an ancillary basis, UCIs investing in speculative bonds (rated below BBB- and/or Baa3 at acquisition).

The manager may vary the overall duration of the sub-fund within a range of 0 to 10 years depending on his expectations regarding the evolution of interest rates.

##### **Description of the general strategy to hedge the currency risk:**

The sub-fund does not intend to systematically hedge the currency risk exposure.

The investment policy ensures that the portfolio's risks are diversified. However, the evolution of the net asset value is uncertain as it is subject to the different types of risk mentioned below. This may result in a high volatility of its price

## 2. INFORMATION ABOUT THE SUBFUND

### 2.1. Management report of the sub-fund (continued)

#### 2.1.7. Index(es) and Benchmark(s)

##### Index name

50% Bloomberg Euro-Aggregate 1-10 Year Index (Total Return - including interest payments) + 20% MSCI Europe (Net Return - net dividends reinvested) + 20% MSCI USA (Net Return - net dividends reinvested) + 7.5% MSCI Emerging Markets (Net Return - net dividends reinvested) + 2.5% MSCI Japan (Net Return - net dividends disinvested)

##### Index definition

Bloomberg Euro-Aggregate 1-10 Year Index: measures the performance of investment grade bonds (minimum BBB- and/or Baa3) denominated in EUR, with a maturity between 1 and 10 years.

MSCI Europe: measures the performance of the mid and large cap segment in developed markets in Europe.

MSCI USA: measures the performance of the mid and large cap segment of the US market.

MSCI Emerging Markets: measures the performance of the mid- and large-cap segment of the emerging market countries.

MSCI Japan: measures the performance of the mid and large cap segment of the Japanese market.

##### Use of the index

- in determining risk levels/parameters;
- for performance comparison purposes.

##### Level of deviation of the portfolio composition from the index

As the Fund is actively managed, it does not aim to invest in all constituents of the index, nor to invest in the same proportions as the constituents of the index.

Under normal market conditions, the expected tracking error of the sub-fund will be limited to moderate, namely between 0.5% and 3%. This measure is an estimate of the deviation of the sub-fund's performance from the performance of its index. The higher the tracking error, the greater the deviations from the index. The tracking error achieved depends in particular on market conditions (volatility and correlations between financial instruments) and may therefore deviate from the expected tracking error.

##### Index provider

Bloomberg, MSCI Limited

Each provider is, since Brexit, an entity benefiting from the transitional provision of Article 51, §5 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks for financial instruments and contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.

The Management Company and/or its delegates has/have in place robust written plans that cover the assumptions in which the benchmark is no longer published or in the event of substantial changes in its composition. The Board of Directors of the Fund will, on the basis of such plans and if deemed appropriate, select an alternative benchmark. Any change in the benchmark will be reflected in the Prospectus which will be amended accordingly. These plans are available, on request, at the registered office of the Management Company and/or its delegates.

#### 2.1.8. Policy followed during the year

During the year, the policy followed can be broken down into a few major trends, starting with the cautious positioning at the beginning of the period when the war in Ukraine had just broken out. The portfolio was then equity neutral and underweight in terms of duration. From a regional point of view, the strongest defensive position was on Europe, since this area was the most exposed to the energy and geopolitical shocks. Moreover, emerging equities were strong tactical convictions. Unfortunately, the emerging index suffered as a combined result of China's decision to maintain the "Zero-Covid" strategy, a reopening that initially benefited the domestic economy and geopolitical tensions with the United States at the end of the period. We have maintained our positive opinion with a view to a more homogeneous catch-up later which should benefit the whole region.

Our long-term convictions, such as healthcare and consumer goods, with their defensive bias, as well as the energy transition and circular economy, were also reflected in the portfolio. The portfolio benefited from the performance of such stocks as Merck, Xylem and Iberdrola. On the other hand, certain more cyclical consumer sector stocks had a negative impact, including LVMH.

In October, our analysis of investor sentiment, market psychology and technical conditions clearly showed signs of exaggerated and widespread pessimism. We saw this extreme configuration as a signal of a forthcoming market turnaround. As a result investment strategy became more constructive and we increased the allocation to risk-on assets within the portfolio, notably via equities and high yield bonds.

### 2. INFORMATION ABOUT THE SUBFUND

#### 2.1. Management report of the sub-fund (continued)

In terms of bonds, we were negative (underweight, short duration) as we anticipated a rise in interest rates. This underweight position partly protected our portfolios from the very rapid rate increase. With accelerated monetary tightening, yields increased during 2022. As a result, expected yields on bonds have become positive again, strongly contrasting with the previous situation. We therefore gradually increased the duration of the portfolio and were neutral at the end of the year.

We gradually took profits from our equity exposure at the end of the year in a context marked by slower growth on both sides of the Atlantic. While the US Federal reserve and the Swiss government were doing everything possible to avoid a contagion of stress spreading throughout their respective banking sectors, we focused our bond exposure on premium bonds and emerging debt while maintaining a neutral position on equities.

We inform you that no exceedance of the investment policy was recorded during the financial year.

##### 2.1.9. Future policy

Future policy will take account of financial tensions that are symptomatic of monetary tightening cycles. The temporarily high uncertainty surrounding the banking sector reflects the difficult trade-off to be made to achieve at once financial stability and price stability, and central banks will adjust their policies in reaction to developments in this area.

In the case of complacent financial markets, we would be willing to reduce risk further. Moreover, a more severe market correction would likely open up new investment opportunities in the medium term. In the longer term, the portfolio will continue to invest in themes that are in line with future energy challenges and new consumption patterns.

##### 2.1.10. Risk Class

The synthetic risk indicator makes it possible to assess the level of risk of this fund in comparison with others. The level of risk is presented via a synthetic risk indicator on a scale from 1 (lowest risk) to 7 (highest risk). It is obtained by combining the market risk measure and the credit risk measure according to a methodology defined in Annex II of Commission Regulation 2017/653 of 8 March 2017 and is available, in its most recent version, in the Key Information Document.

The main limitations of the indicator are as follows: the risk indicator is calculated on the basis of historical data, which does not prejudge future developments. Consequently, the degree of risk may change over time. Even if the fund is in the lowest risk category, the investor may suffer losses as no category is completely risk free.

The compartment falls under class 3

# Belfius Sustainable Medium

## 2.2. Balance Sheet

		31/03/2023	31/03/2022
		EUR	EUR
	<b>TOTAL NET ASSETS</b>	<b>2 550 677 145,85</b>	<b>2 737 324 387,51</b>
<b>I.</b>	<b>Fixed Assets</b>	<b>0,00</b>	<b>0,00</b>
A.	Start-up costs	0,00	0,00
B.	Intangible assets	0,00	0,00
C.	Tangible assets	0,00	0,00
<b>II.</b>	<b>Transferable securities, negotiable and other financial instruments</b>	<b>2 513 284 431,50</b>	<b>2 690 616 078,97</b>
A.	Bonds and other debt securities	157 293 235,10	145 491 785,00
a.	Bonds	157 293 235,10	145 491 785,00
a.1.	Bonds	157 293 235,10	145 491 785,00
B.	On money market instruments	0,00	0,00
C.	Shares and similar securities	377 316 276,08	326 625 312,04
a.	Shares	377 316 276,08	326 625 312,04
a.1.	Shares	377 316 276,08	326 625 312,04
D.	Other transferable securities	0,00	0,00
E.	UCI with variable number of shares	1 977 848 435,42	2 220 798 003,08
F.	Financial derivatives	826 484,90	(2 299 021,15)
a.	On bonds	605 437,94	5 571 585,58
ii.	Futures contracts (+/-)	605 437,94	5 571 585,58
j.	On foreign currencies	221 046,96	(5 178 323,61)
ii.	Futures contracts (+/-)	221 046,96	(5 178 323,61)
m.	On financial indexes	0,00	(2 692 283,12)
ii.	Futures contracts (+/-)	0,00	(2 692 283,12)
<b>III.</b>	<b>Long-term receivables and payables (i.e. more than one year)</b>	<b>0,00</b>	<b>0,00</b>
A.	Receivables	0,00	0,00
B.	Payables	0,00	0,00
<b>IV.</b>	<b>Short-term receivables and payables (i.e. less than one year)</b>	<b>(3 425 087,60)</b>	<b>34 722 979,76</b>
A.	Receivables	33 712 931,93	74 012 587,21
a.	Amounts receivable	32 840 155,87	68 696 395,03
b.	Tax credits	102 775,87	26 192,18
c.	Collateral	770 000,00	5 290 000,00
d.	Others	0,19	0,00
B.	Payables	(37 138 019,53)	(39 289 607,45)
a.	Amounts payable (-)	(35 920 712,81)	(34 406 191,26)
b.	Taxes payable (-)	(581 711,63)	0,00
d.	Collateral (-)	(200 000,00)	(2 280 000,00)
e.	Others (-)	(435 595,09)	(2 603 416,19)
<b>V.</b>	<b>Deposits and liquid assets</b>	<b>43 212 988,52</b>	<b>15 431 803,70</b>
A.	Sight bank deposits	43 212 988,52	15 431 803,70
B.	Term bank deposits	0,00	0,00
C.	Others	0,00	0,00
<b>VI.</b>	<b>Adjustment accounts</b>	<b>(2 395 186,57)</b>	<b>(3 446 474,92)</b>
A.	Expenses carried forward	179 586,50	0,00
B.	Accrued income	1 214 708,26	628 161,92
C.	Chargeable expenses (-)	(3 789 481,33)	(4 074 636,84)
D.	Income carried forward (-)	0,00	0,00
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>2 550 677 145,85</b>	<b>2 737 324 387,51</b>
A.	Capital	<b>2 415 686 035,57</b>	<b>2 368 743 889,18</b>
B.	Profit-sharing/dividends	<b>4 349 265,24</b>	<b>22 296 531,29</b>
C.	Retained earnings	<b>355 649 284,78</b>	<b>374 854 233,95</b>
D.	Result for the financial year (the half year)	<b>(225 007 439,74)</b>	<b>(28 570 266,91)</b>



### 2.3. Off balance sheet items

		31/03/2023	31/03/2022
		EUR	EUR
<b>I.</b>	<b>Real sureties (+/-)</b>	<b>1 918 695,80</b>	<b>6 450 865,03</b>
A.	Collateral (+/-)	1 918 695,80	6 450 865,03
b.	Liquid assets/Deposits	1 918 695,80	6 450 865,03
B.	Other real sureties	0,00	0,00
<b>II.</b>	<b>Securities underlying option contracts and warrants (+)</b>	<b>0,00</b>	<b>0,00</b>
A.	Option contracts and warrants purchased	0,00	0,00
B.	Option contracts and warrants sold	0,00	0,00
<b>III.</b>	<b>Notional amounts of futures contracts (+)</b>	<b>1 047 429 641,17</b>	<b>1 781 157 504,26</b>
A.	Futures contracts purchased	538 690 604,70	694 651 002,34
B.	Futures contracts sold	508 739 036,47	1 086 506 501,92
<b>IV.</b>	<b>Notional amounts of swap contracts (+)</b>	<b>0,00</b>	<b>0,00</b>
A.	Swap contracts purchased	0,00	0,00
B.	Swap contracts sold	0,00	0,00
<b>V.</b>	<b>Notional amounts of other financial derivatives(+)</b>	<b>0,00</b>	<b>0,00</b>
A.	Contracts purchased	0,00	0,00
B.	Contracts sold	0,00	0,00
<b>VI.</b>	<b>Uncalled amounts on shares</b>	<b>0,00</b>	<b>0,00</b>
<b>VII.</b>	<b>Commitments to call resulting from transfers/disposals</b>	<b>0,00</b>	<b>0,00</b>
<b>VIII.</b>	<b>Commitments to buy resulting from transfers/disposals</b>	<b>0,00</b>	<b>0,00</b>
<b>IX.</b>	<b>Financial instruments loaned</b>	<b>0,00</b>	<b>0,00</b>
A.	Shares	0,00	0,00
B.	Bonds	0,00	0,00

2.4. Income statement

		31/03/2023	31/03/2022
		EUR	EUR
<b>I.</b>	<b>Depreciation, capital loss and capital gain</b>	<b>(193 526 015,06)</b>	<b>4 076 246,34</b>
A.	Bonds and other debt securities	(18 446 262,21)	(10 071 307,16)
a.	Bonds	(18 446 262,21)	(10 071 307,16)
a.1.	Realized result	(5 448 193,10)	(1 153 585,22)
a.2.	Non realized result	(12 998 069,11)	(8 917 721,94)
B.	Money market instruments	0,00	0,00
C.	Shares and similar securities	(2 839 982,23)	(17 235 816,87)
a.	Shares	(2 839 982,23)	(17 235 816,87)
a.1.	Realized result	(7 434 224,82)	(9 599 839,72)
a.2.	Non realized result	4 594 242,59	(7 635 977,15)
D.	Other transferable securities	133 579,72	0,00
a.	Realized result	133 579,72	0,00
E.	UCI with variable number of shares	(153 387 762,15)	32 890 905,95
a.	Realized result	(22 905 694,39)	121 999 552,03
b.	Non realized result	(130 482 067,76)	(89 108 646,08)
F.	Financial derivatives	4 589 734,23	11 754 784,93
a.	On bonds	6 458 559,62	17 361 104,35
ii.	Futures contracts	6 458 559,62	17 361 104,35
	Realized result	11 424 707,26	12 618 628,21
	Non realized result	(4 966 147,64)	4 742 476,14
i.	On financial indexes	(567 139,47)	(5 606 319,42)
ii.	Futures contracts	(567 139,47)	(5 606 319,42)
	Realized result	(3 259 422,59)	(2 914 036,30)
	Non realized result	2 692 283,12	(2 692 283,12)
m.	On financial derivatives	(1 301 685,92)	0,00
i.	Option contracts	(1 301 685,92)	0,00
	Realized result	(1 301 685,92)	0,00
G.	Amounts receivable, deposits, liquid assets and amounts payable	0,00	0,00
H.	Foreign exchange positions and transactions	(23 575 322,42)	(13 262 320,51)
b.	Other exchange positions and transactions	(23 575 322,42)	(13 262 320,51)
b.1.	Realized result	(28 974 692,99)	(10 897 805,80)
b.2.	Non realized result	5 399 370,57	(2 364 514,71)
<b>II.</b>	<b>Investment income and expenses</b>	<b>10 791 905,90</b>	<b>2 482 423,40</b>
A.	Dividends	8 266 802,29	2 214 934,49
B.	Interest (+/-)	3 694 663,37	531 009,29
a.	Transferable securities and money market instruments	3 392 192,61	530 912,70
b.	Deposits and liquid assets	300 504,20	2 221,20
c.	Collateral (+/-)	1 966,56	(2 124,61)
C.	Interest expenses (-)	(81 260,62)	(146 588,71)
D.	Swap Contracts (+/-)	0,00	0,00
E.	Withholding tax (-)	(1 088 299,14)	(116 931,67)
a.	Belgian	(278 040,12)	0,00
b.	Foreign	(810 259,02)	(116 931,67)
F.	Other income from investments	0,00	0,00
<b>III.</b>	<b>Other income</b>	<b>0,19</b>	<b>0,01</b>
A.	Allowance to cover costs of asset acquisition and realisation, discourage withdrawal and cover delivery costs	0,00	0,00
B.	Others	0,19	0,01
<b>IV.</b>	<b>Operating expenses</b>	<b>(41 536 734,86)</b>	<b>(35 128 936,66)</b>
A.	Transaction and delivery expenses on investments (-)	(1 001 924,42)	(616 140,26)
B.	Interest and other finance expenses (-)	(4 712,82)	(388,16)
C.	Depositary fees payable (-)	(1 956 753,17)	(1 737 593,91)
	Remuneration due to the depositary - general	(925 878,98)	(1 052 873,49)
	Remuneration due to the depositary - class C	(1 030 874,19)	(684 720,42)
D.	Management fees payable (-)	(35 858 540,49)	(12 801 420,17)
a.	Financial management	(34 203 450,75)	(5 434 081,99)
a.2.	Financial management - Class C	(34 203 450,75)	(5 434 081,99)
b.	Administrative and accounting management	(1 655 089,74)	(7 367 338,18)
b.1.	Administrative and accounting management - General	(5 400,00)	(5 400,00)
b.2.	Administrative and accounting management - Class C	(1 649 689,74)	(7 361 938,18)
E.	Administrative expenses (-)	(156 377,99)	(73 834,59)
F.	Start-up costs (-)	(42 500,01)	(158 980,12)
G.	Salaries and wages, social security charges and pensions (-)	(1 000,00)	(272,73)
H.	Various services and goods (-)	(576 422,22)	(17 012 197,81)
I.	Depreciation allowances and contingency and loss provisions (-)	0,00	0,00
J.	Taxes	(2 144 169,68)	(2 235 568,89)

**2.4. Income statement (continued)**

K.	Other expenses (-)	205 665,94	(492 540,02)
	Income and expenses for the financial year (half year)	(30 744 828,77)	(32 646 513,25)
	Sub total II+III+IV		
V.	Current profit (loss) before income tax	(224 270 843,83)	(28 570 266,91)
VI.	Income tax	(736 595,91)	0,00
VII.	Result for the financial year (the half year)	(225 007 439,74)	(28 570 266,91)

## 2.5. Allocation of the result

		31/03/2023	31/03/2022
		EUR	EUR
I.	Profit (loss) for the financial year	134 991 110,28	368 580 498,33
a.	Profit (loss) carried forward from the previous financial year	355 649 284,78	374 854 233,95
b.	Profit (loss) for the financial year to be distributed	(225 007 439,74)	(28 570 266,91)
c.	Share in profits received (paid)	4 349 265,24	22 296 531,29
II.	(Allocation to capital) Deduction from capital	0,00	0,00
III.	(Profit) loss carried forward	(119 337 015,72)	(355 649 284,78)
IV.	(Dividends distributed)	(15 654 094,56)	(12 931 213,55)

# Belfius Sustainable Medium

## 2.6. Composition of the assets and key figures

### 2.6.1. Assets composition as at 31 March 2023 (expressed in EUR)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
<b>I. Transferable securities, negotiable and other financial instruments</b>								
<b>Shares and similar securities</b>								
<b>Transferable securities admitted to an official stock exchange listing</b>								
<b>Austria</b>								
ERSTE GROUP BANK AG		124 948,00	EUR	30,54	3 815 911,92		0,15%	0,15%
<b>Total: Austria</b>					<b>3 815 911,92</b>		<b>0,15%</b>	<b>0,15%</b>
<b>Belgium</b>								
KBC GROUPE SA		97 088,00	EUR	63,62	6 176 738,56		0,25%	0,24%
SOLVAY SA		70 045,00	EUR	105,25	7 372 236,25		0,29%	0,29%
<b>Total: Belgium</b>					<b>13 548 974,81</b>		<b>0,54%</b>	<b>0,53%</b>
<b>Canada</b>								
ROYAL BANK OF CANADA		29 865,00	CAD	130,94	2 669 509,79		0,11%	0,10%
WASTE CONNECTIONS INC		35 990,00	USD	139,46	4 609 602,24		0,18%	0,18%
<b>Total: Canada</b>					<b>7 279 112,03</b>		<b>0,29%</b>	<b>0,29%</b>
<b>Switzerland</b>								
LONZA GROUP AG /NOM.		8 730,00	CHF	544,80	4 785 544,36		0,19%	0,19%
NESTLE / ACT NOM		93 343,00	CHF	112,10	10 528 521,09		0,42%	0,41%
TE CONNECTIVITY /REG SHS		37 178,00	USD	130,89	4 469 144,90		0,18%	0,18%
<b>Total: Switzerland</b>					<b>19 783 210,35</b>		<b>0,79%</b>	<b>0,78%</b>
<b>Germany (Federal Republic)</b>								
ALLIANZ SE/NAM.VINKULIERT		22 176,00	EUR	212,95	4 722 379,20		0,19%	0,19%
BEIERSDORF A.G.		26 484,00	EUR	121,30	3 212 509,20		0,13%	0,13%
<b>Total: Germany (Federal Republic)</b>					<b>7 934 888,40</b>		<b>0,32%</b>	<b>0,31%</b>
<b>Denmark</b>								
COLOPLAST -B-		44 921,00	DKK	891,60	5 375 446,94		0,21%	0,21%
ORSTED		62 162,00	DKK	583,20	4 865 613,39		0,19%	0,19%
<b>Total: Denmark</b>					<b>10 241 060,33</b>		<b>0,41%</b>	<b>0,40%</b>
<b>Spain</b>								
BCO BILBAO VIZ.ARGENTARIA/NAM.		605 491,00	EUR	6,28	3 800 061,52		0,15%	0,15%
EDP RENOVAVEIS SA		261 617,00	EUR	20,68	5 410 239,56		0,22%	0,21%
IBERDROLA SA		1 176 362,00	EUR	11,36	13 363 472,32		0,53%	0,52%
<b>Total: Spain</b>					<b>22 573 773,40</b>		<b>0,90%</b>	<b>0,89%</b>
<b>Finland</b>								
KONE OYJ -B-		112 661,00	EUR	48,02	5 409 981,22		0,22%	0,21%
NESTE OYJ		108 596,00	EUR	45,17	4 905 281,32		0,20%	0,19%
<b>Total: Finland</b>					<b>10 315 262,54</b>		<b>0,41%</b>	<b>0,40%</b>
<b>France</b>								
AXA		173 216,00	EUR	28,22	4 888 155,52		0,19%	0,19%
DANONE.		55 461,00	EUR	57,94	3 213 410,34		0,13%	0,13%
ESSILORLUXOTT --- ACT.		32 851,00	EUR	163,26	5 363 254,26		0,21%	0,21%
L OREAL		22 755,00	EUR	415,45	9 453 564,75		0,38%	0,37%
LVMH ACT.		5 954,00	EUR	844,10	5 025 771,40		0,20%	0,20%
MICHELIN SA SHS		152 922,00	EUR	28,23	4 316 988,06		0,17%	0,17%
SANOFI		65 647,00	EUR	99,64	6 541 067,08		0,26%	0,26%
SCHNEIDER ELECTRIC SE		51 756,00	EUR	151,18	7 824 472,08		0,31%	0,31%

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### 2.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
VEOLIA ENVIRONNEMENT		183 636,00	EUR	28,39	5 213 426,04		0,21%	0,20%
Total: France					51 840 109,53		2,06%	2,03%
United Kingdom								
ASTRAZENECA PLC		50 867,00	GBP	112,70	6 526 924,46		0,26%	0,26%
RECKITT BENCKISER GROUP PLC		45 493,00	GBP	62,10	3 216 508,64		0,13%	0,13%
RELX PLC		175 796,00	GBP	26,01	5 205 924,76		0,21%	0,20%
RENTOKIL INITIAL PLC		856 229,00	GBP	5,92	5 767 221,66		0,23%	0,23%
UNILEVER PLC		175 874,00	GBP	42,33	8 475 145,32		0,34%	0,33%
Total: United Kingdom					29 191 724,84		1,16%	1,14%
Ireland								
CRH PLC		125 799,00	EUR	46,16	5 806 881,84		0,23%	0,23%
KERRY GROUP -A-		34 516,00	EUR	91,26	3 149 930,16		0,13%	0,12%
SMURFIT KAPPA GROUP PLC		181 236,00	EUR	33,15	6 007 973,40		0,24%	0,24%
Total: Ireland					14 964 785,40		0,60%	0,59%
Italy								
ENEL		975 586,00	EUR	5,60	5 465 232,77		0,22%	0,21%
INTESA SANPAOLO SPA		4 500 369,00	EUR	2,37	10 643 372,69		0,42%	0,42%
UNICREDIT SPA		219 242,00	EUR	17,93	3 931 009,06		0,16%	0,15%
Total: Italy					20 039 614,52		0,80%	0,79%
Jersey								
APTIV PLC		40 649,00	USD	110,49	4 124 817,94		0,16%	0,16%
Total: Jersey					4 124 817,94		0,16%	0,16%
Japan								
OLYMPUS CORP		174 000,00	JPY	2 370,00	2 861 902,43		0,11%	0,11%
UNICHARM CORP		81 900,00	JPY	5 374,00	3 054 490,60		0,12%	0,12%
Total: Japan					5 916 393,03		0,24%	0,23%
Netherlands								
AKZO NOBEL		92 564,00	EUR	73,50	6 803 454,00		0,27%	0,27%
ASML HOLDING NV		7 868,00	EUR	617,70	4 860 063,60		0,19%	0,19%
ING GROUP NV		347 826,00	EUR	11,14	3 875 477,29		0,15%	0,15%
KONINKLIJKE DSM NV		38 998,00	EUR	109,00	4 250 782,00		0,17%	0,17%
Total: Netherlands					19 789 776,89		0,79%	0,78%
United States of America								
ADOBE INC		13 439,00	USD	380,08	4 691 091,63		0,19%	0,18%
AIR PRODUCTS & CHEMICALS		17 481,00	USD	289,04	4 640 407,99		0,18%	0,18%
ALLSTATE CORP		33 558,00	USD	114,25	3 521 147,54		0,14%	0,14%
ALPHABET INC -C-		80 059,00	USD	104,91	7 713 633,37		0,31%	0,30%
AMGEN INC		23 572,00	USD	244,44	5 291 766,25		0,21%	0,21%
APPLE INC		19 955,00	USD	166,17	3 045 343,57		0,12%	0,12%
AUTODESK INC.		13 808,00	USD	207,58	2 632 377,87		0,10%	0,10%
BANK OF AMERICA CORP		98 789,00	USD	28,59	2 593 908,72		0,10%	0,10%
CHURCH & DWIGHT CO INC		62 982,00	USD	88,87	5 140 478,80		0,20%	0,20%
CISCO SYSTEMS INC.		120 307,00	USD	52,31	5 779 730,15		0,23%	0,23%
EDWARDS LIFESCIENCES		63 504,00	USD	82,17	4 792 325,55		0,19%	0,19%
ENPHASE ENERGY INC SHS		10 587,00	USD	202,60	1 969 900,54		0,08%	0,08%
EQUINIX INC /REIT		6 795,00	USD	709,95	4 430 463,56		0,18%	0,17%
HOME DEPOT INC.		16 232,00	USD	297,73	4 438 401,40		0,18%	0,17%
IQVIA HOLDINGS INC		21 909,00	USD	199,93	4 022 837,28		0,16%	0,16%
MERCK & CO INC NEW COMMON		57 595,00	USD	108,87	5 758 706,57		0,23%	0,23%
MICROSOFT CORP.		43 291,00	USD	287,23	11 419 822,68		0,45%	0,45%
MORGAN STANLEY		46 207,00	USD	87,16	3 698 766,70		0,15%	0,15%
NIKE INC -B-		41 922,00	USD	121,67	4 684 437,47		0,19%	0,18%
OTIS WORLDWIDE CORPORATION		58 710,00	USD	84,20	4 540 002,76		0,18%	0,18%
PAYPAL HOLDINGS INC		63 959,00	USD	75,29	4 422 531,21		0,18%	0,17%
PROCTER & GAMBLE CO.		51 441,00	USD	149,51	7 063 364,02		0,28%	0,28%

## Belfius Sustainable Medium

### 2.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
ROCKWELL AUTOMATION		20 733,00	USD	291,29	5 546 508,31		0,22%	0,22%
SYNOPSYS INC.		13 643,00	USD	388,94	4 873 314,43		0,19%	0,19%
TEXAS INSTRUMENTS INC		27 871,00	USD	184,16	4 713 893,89		0,19%	0,18%
UNITEDHEALTH GROUP INC		12 587,00	USD	494,19	5 712 788,29		0,23%	0,22%
VISA INC -A		21 731,00	USD	229,00	4 570 325,57		0,18%	0,18%
WALT DISNEY COMPANY		46 372,00	USD	99,76	4 248 584,03		0,17%	0,17%
Total: United States of America					135 956 860,15		5,41%	5,33%
Total: Transferable securities admitted to an official stock exchange listing					377 316 276,08		15,01%	14,79%
Total: Shares and similar securities					377 316 276,08		15,01%	14,79%
Bonds and other debt securities								
State								
France								
CADES 0.375% 21-27.05.24		12 400 000,00	USD	95,27	10 849 387,89		0,43%	0,43%
Total: France					10 849 387,89		0,43%	0,43%
Total: State					10 849 387,89		0,43%	0,43%
International institution								
Finland								
NIB 2.25% 19-21.05.24		3 400 000,00	USD	97,58	3 046 900,86		0,12%	0,12%
Total: Finland					3 046 900,86		0,12%	0,12%
Luxembourg (Grand Duchy)								
EIB 0.375% 21-24.07.24		12 500 000,00	USD	95,05	10 911 397,35		0,43%	0,43%
Total: Luxembourg (Grand Duchy)					10 911 397,35		0,43%	0,43%
Total: International institution					13 958 298,21		0,56%	0,55%
Financial institution								
Belgium								
KBC 0.375% 20-16.06.27		15 200 000,00	EUR	89,49	13 602 480,00		0,54%	0,53%
Total: Belgium					13 602 480,00		0,54%	0,53%
Spain								
BCO SAB 0.875% 21-16.06.28		15 200 000,00	EUR	81,84	12 439 072,00		0,49%	0,49%
Total: Spain					12 439 072,00		0,49%	0,49%
Italy								
ISP 0.75% 19-04.12.24 REGS		14 300 000,00	EUR	95,09	13 597 441,00		0,54%	0,53%
Total: Italy					13 597 441,00		0,54%	0,53%
Netherlands								
ABN AMRO BA 2.375% 22-01.06.27		13 700 000,00	EUR	94,02	12 880 055,00		0,51%	0,50%
BNP PAR 0.50% 19-04.06.26		14 800 000,00	EUR	92,98	13 761 484,00		0,55%	0,54%
TENNET 2.374% 20-PERP		13 500 000,00	EUR	93,09	12 567 015,00		0,50%	0,49%
Total: Netherlands					39 208 554,00		1,56%	1,54%
Total: Financial institution					78 847 547,00		3,14%	3,09%
Private corporation								
Germany (Federal Republic)								
VONOVIA 0.625% 21-24.03.31		19 200 000,00	EUR	69,27	13 298 880,00		0,53%	0,52%
Total: Germany (Federal Republic)					13 298 880,00		0,53%	0,52%
France								
AXA 1.375% 21-07.10.41		17 900 000,00	EUR	75,49	13 513 247,00		0,54%	0,53%
GECINA 1.625% 19-29.05.34		17 100 000,00	EUR	77,17	13 196 925,00		0,53%	0,52%
Total: France					26 710 172,00		1,06%	1,05%

## Belfius Sustainable Medium

### 2.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
<b>Netherlands</b>								
IBERDROLA I 2.625% 18-PERP		13 900 000,00	EUR	98,05	13 628 950,00		0,54%	0,53%
<b>Total: Netherlands</b>					<b>13 628 950,00</b>		<b>0,54%</b>	<b>0,53%</b>
<b>Total: Private corporation</b>					<b>53 638 002,00</b>		<b>2,13%</b>	<b>2,10%</b>
<b>Total: Bonds and other debt securities</b>					<b>157 293 235,10</b>		<b>6,26%</b>	<b>6,17%</b>
<b>UCI with variable number of shares</b>								
<b>Shares</b>								
<b>Luxembourg (Grand Duchy)</b>								
CANDRIAM EQUITIES L ONCOLOGY IMPACT -Z-	3	5 744,00	USD	2 434,87	12 844 646,44	0,65%	0,51%	0,50%
CANDRIAM FUND SUSTAINABLE EUROPEAN EQUITIES FOSSIL FREE -Z-	3	16 846,00	EUR	2 313,41	38 971 704,86	22,00%	1,55%	1,53%
CANDRIAM SUSTAINABLE - EQUITY CIRCULAR ECONOMY -Z-	3	9 924,00	USD	1 394,63	12 710 941,01	2,70%	0,51%	0,50%
CANDRIAM SUSTAINABLE - EQUITY CLIMATE ACTION -Z-	3	8 283,00	USD	1 669,12	12 697 176,80	1,08%	0,51%	0,50%
CANDRIAM SUSTAINABLE - EQUITY EMERGING MARKETS -Z-	3	96 495,00	EUR	2 124,94	205 046 085,30	7,46%	8,16%	8,04%
CANDRIAM SUSTAINABLE-EQUITY EUROPE SMALL & MID CAPS -Z-	3	4 556,00	EUR	2 762,17	12 584 446,52	6,14%	0,50%	0,49%
CANDRIAM SUSTAINABLE - EQUITY EUROPE -Z-	3	38 305,00	EUR	1 694,63	64 912 802,15	4,26%	2,58%	2,54%
CANDRIAM SUSTAINABLE EQUITY FUTURE MOBILITY Z USD CAPÁ Ā	3	29 628,00	USD	958,85	26 090 653,26	8,65%	1,04%	1,02%
CANDRIAM SUSTAINABLE EQUITY JAPAN -Z-	3	25 098,00	JPY	184 819,00	32 191 629,46	0,05%	1,28%	1,26%
CANDRIAM SUSTAINABLE-EQUITY QUANT EUROPE -Z-	3	20 291,00	EUR	4 353,73	88 341 535,43	19,66%	3,51%	3,46%
CANDRIAM SUSTAINABLE-EQUITY US -Z-	2	176 424,77	USD	974,76	157 938 931,79	9,89%	6,28%	6,19%
CANDRIAM SUSTAINABLE - EQUITY WORLD -Z-	3	731 418,00	EUR	296,88	217 143 375,84	16,76%	8,64%	8,51%
<b>Total: Luxembourg (Grand Duchy)</b>					<b>881 473 928,86</b>		<b>35,07%</b>	<b>34,56%</b>
<b>Total: Shares</b>					<b>881 473 928,86</b>		<b>35,07%</b>	<b>34,56%</b>
<b>Bonds and other debt securities</b>								
<b>Luxembourg (Grand Duchy)</b>								
CANDRIAM FUND SUSTAINABLE EURO CORPORATE BONDS FOSSIL FREE -Z-	3	8 901,00	EUR	1 394,67	12 413 957,67	23,14%	0,49%	0,49%
CANDRIAM SUSTAINABLE - BOND EMERGING MARKETS -Z-	3	50 850,00	USD	1 087,75	50 798 629,29	3,97%	2,02%	1,99%
CANDRIAM SUSTAINABLE - BOND EURO CORPORATE -Z-	3	155 798,00	EUR	965,69	150 452 570,62	9,34%	5,99%	5,90%
CANDRIAM SUSTAINABLE - BOND EURO SHORT TERM -Z-	3	283 347,00	EUR	978,38	277 221 037,86	19,18%	11,03%	10,87%
CANDRIAM SUSTAINABLE BOND EURO -Z-	3	301 601,00	EUR	900,50	271 591 700,50	31,41%	10,81%	10,65%
CANDRIAM SUSTAINABLE - BOND GLOBAL HIGH YIELD -Z-	3	68 585,00	EUR	1 126,10	77 233 568,50	4,70%	3,07%	3,03%
CANDRIAM SUSTAINABLE - BOND GLOBAL -Z-	3	154 111,00	EUR	980,32	151 078 095,52	44,25%	6,01%	5,92%
INDEXIQ-FACTORS SUSTAINABLE SOVEREIGN EURO BOND	3	1 556 977,00	EUR	22,20	34 564 889,40	27,26%	1,38%	1,36%
<b>Total: Luxembourg (Grand Duchy)</b>					<b>1 025 354 449,36</b>		<b>40,80%</b>	<b>40,20%</b>
<b>Total: Bonds and other debt securities</b>					<b>1 025 354 449,36</b>		<b>40,80%</b>	<b>40,20%</b>
<b>Monetary</b>								
<b>Luxembourg (Grand Duchy)</b>								
CANDRIAM SUSTAINABLE - MONEY MARKET EURO -Z-	3	67 038,00	EUR	1 059,40	71 020 057,20	7,58%	2,83%	2,78%
<b>Total: Luxembourg (Grand Duchy)</b>					<b>71 020 057,20</b>		<b>2,83%</b>	<b>2,78%</b>
<b>Total: Monetary</b>					<b>71 020 057,20</b>		<b>2,83%</b>	<b>2,78%</b>



# Belfius Sustainable Medium

## 2.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
Total: UCI with variable number of shares					1 977 848 435,42		78,70%	77,54%
Financial derivatives								
Foreign exchange								
Vente - Verkoop	15/06/2023	8 453 288,80	EUR	0,00	(118 652,81)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	8 255 000,00	CHF	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	20 156 760,74	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	29 302 000,00	CAD	0,00	215 222,40		0,01%	0,01%
Vente - Verkoop	15/06/2023	11 819 000,00	AUD	0,00	202 386,26		0,01%	0,01%
Achat - Aankoop	15/06/2023	7 553 134,60	EUR	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	76 826 000,00	SEK	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	7 032 046,40	EUR	0,00	(240 079,11)		(0,01%)	(0,01%)
Achat - Aankoop	15/06/2023	15 667 574,53	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	2 218 877 000,00	JPY	0,00	161 766,86		0,01%	0,01%
Achat - Aankoop	15/06/2023	173 275 000,00	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	185 052 501,75	USD	0,00	4 086 925,24		0,16%	0,16%
Achat - Aankoop	15/06/2023	563 529 000,00	NOK	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	53 453 070,90	EUR	0,00	(3 268 542,04)		(0,13%)	(0,13%)
Vente - Verkoop	15/06/2023	3 924 000,00	EUR	0,00	(29 349,61)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	5 722 592,87	CAD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	2 616 000,00	EUR	0,00	(32 567,84)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	2 825 375,75	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	4 343 000,00	EUR	0,00	16 498,25		0,00%	0,00%
Achat - Aankoop	15/06/2023	3 840 006,77	GBP	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	32 526 000,00	EUR	0,00	(817 929,33)		(0,03%)	(0,03%)
Achat - Aankoop	15/06/2023	34 677 594,90	USD	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	7 808 000,00	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	8 519 774,16	USD	0,00	17 872,67		0,00%	0,00%
Achat - Aankoop	15/06/2023	1 295 564,42	CHF	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	1 304 000,00	EUR	0,00	4 062,73		0,00%	0,00%
Vente - Verkoop	15/06/2023	2 256 000,00	USD	0,00	(78 658,47)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	284 001 748,00	JPY	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	5 662 674,27	CHF	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	6 233 000,00	USD	0,00	18 125,77		0,00%	0,00%
Vente - Verkoop	15/06/2023	10 516 655,62	USD	0,00	(2 512,75)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	8 468 000,00	GBP	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	16 963 000,00	EUR	0,00	51 868,39		0,00%	0,00%
Achat - Aankoop	15/06/2023	18 608 344,84	USD	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	31 362 220,27	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	28 607 000,00	EUR	0,00	69 599,38		0,00%	0,00%
Vente - Verkoop	15/06/2023	7 632 000,00	USD	0,00	(13 152,67)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	6 898 809,02	CHF	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	11 060 875,30	USD	0,00	51 857,30		0,00%	0,00%
Achat - Aankoop	15/06/2023	8 954 000,00	GBP	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	31 060 569,61	NOK	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	3 159 000,00	USD	0,00	(122 961,73)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	15 021 956,68	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	13 556 000,00	EUR	0,00	179 591,10		0,01%	0,01%
Achat - Aankoop	15/06/2023	64 438 000,00	SEK	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	6 165 636,68	USD	0,00	59 402,33		0,00%	0,00%
Achat - Aankoop	15/06/2023	2 241 719,32	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	22 976 000,00	NOK	0,00	3 655,02		0,00%	0,00%
Achat - Aankoop	15/06/2023	11 244 334,94	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	10 486 000,00	EUR	0,00	(204 543,98)		(0,01%)	(0,01%)
Vente - Verkoop	15/06/2023	10 923 798,46	USD	0,00	314 010,92		0,01%	0,01%
Achat - Aankoop	15/06/2023	10 301 000,00	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	10 272 000,00	EUR	0,00	(302 671,47)		(0,01%)	(0,01%)
Achat - Aankoop	15/06/2023	10 902 976,09	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	8 168 618,58	USD	0,00	113 377,31		0,00%	0,00%
Achat - Aankoop	15/06/2023	7 582 000,00	EUR	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	5 825 000,00	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	5 129 262,00	GBP	0,00	1 836,17		0,00%	0,00%
Achat - Aankoop	15/06/2023	6 914 172,25	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	6 315 000,00	EUR	0,00	7 095,37		0,00%	0,00%
Vente - Verkoop	15/06/2023	19 740 000,00	EUR	0,00	(122 484,70)		(0,00%)	(0,00%)

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### 2.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
Achat - Aankoop	15/06/2023	21 454 734,84	USD	0,00	0,00		0,00%	0,00%
Total: Foreign exchange					221 046,96		0,01%	0,01%
<b>Futures</b>								
<b>Bonds</b>								
EURO BUND		225,00	EUR	136,58	605 437,94		0,02%	0,02%
Total: Bonds					605 437,94		0,02%	0,02%
Total: Futures					605 437,94		0,02%	0,02%
Total: Financial derivatives					826 484,90		0,03%	0,03%
Total: Transferable securities, negotiable and other financial instruments					2 513 284 431,50		100,00%	98,53%
<b>II. Deposits and liquid assets</b>								
deposit and liquid assets								
BELFIUS BANK		DKK			297 365,26			0,01%
BELFIUS BANK		CAD			777 629,49			0,03%
BELFIUS BANK		GBP			1 516 357,66			0,06%
BELFIUS BANK		CHF			2 127 212,49			0,08%
BELFIUS BANK		EUR			24 571 270,06			0,96%
JP MORGAN		EUR			948 695,80			0,04%
BELFIUS BANK		NOK			52 632,52			0,00%
BELFIUS BANK		JPY			1 155 886,75			0,05%
BELFIUS BANK		SEK			196 778,41			0,01%
BELFIUS BANK		AUD			1 624,85			0,00%
BELFIUS BANK		USD			11 567 535,23			0,45%
Total - deposit and liquid assets					43 212 988,52			1,69%
Deposits and liquid assets					43 212 988,52			1,69%
<b>III. Other receivables and other payables</b>					(3 425 087,60)			(0,13%)
<b>IV. Others</b>					(2 395 186,57)			(0,09%)
<b>V. Total net assets</b>					2 550 677 145,85			100,00%

(2) UCI's registered on the Financial Services and Markets Authority's list of Undertakings for Collective Investment/UCI's which meets the conditions of the Directive 2009/65/EC.

(3) UCI's not registered on the Financial Services and Markets Authority's list of Undertakings for Collective Investment/UCI's which meets the conditions of the Directive 2009/65/EC.

*The changes in portfolios may be obtained on simple request and without charge at Belfius Banque S.A. with its registered office at Place Rogier 11 - 1210 Brussels provides the financial services.*

#### Economic breakdown of investments as at 31/03/2023 (percentage of portfolio)

Finance	18,60%
Technology	17,73%
Pharma	14,72%
Industry	11,58%
Consumer discretionary	10,80%
Consumer Staples	8,33%
Telecom	5,83%
Basic materials	5,39%
Utilities	4,12%
Real estate	2,44%
Energy	0,46%
<b>Total:</b>	<b>100,00%</b>

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### 2.6. Composition of the assets and key figures (continued)

#### Geographic breakdown of investments as at 31/03/2023 (percentage of portfolio)

United States of America	27,36%
France	13,63%
Germany (Federal Republic)	7,05%
Italy	6,02%
Spain	6,01%
United Kingdom	4,93%
Netherlands	4,62%
Japan	3,23%
Belgium	2,76%
China ( People's Republic)	2,54%
Others	2,25%
Switzerland	2,01%
Canada	1,65%
Denmark	1,40%
Taiwan	1,31%
India	1,12%
Ireland	1,12%
Finland	1,10%
Austria	1,06%
Sweden	0,86%
South Korea (Republic)	0,78%
Portugal	0,70%
Australia	0,68%
Brazil	0,66%
Mexico	0,55%
Romania	0,43%
Indonesia	0,37%
Norway	0,35%
Poland (Republic)	0,35%
New Zealand	0,31%
Thailand	0,30%
Chile	0,24%
South Africa (Republic)	0,22%
Hongkong	0,22%
Luxembourg (Grand Duchy)	0,16%
Peru	0,15%
Hungary (Republic)	0,15%
Malaysia	0,14%
Panama	0,13%
Dominican Republic	0,12%
Croatia (Republic)	0,12%
Colombia	0,12%
Guatemala	0,07%
Serbia (Republic)	0,07%
Turkey	0,06%
Uruguay	0,06%
Cyprus	0,05%
Bermuda	0,05%
Czechia (Czech Republic)	0,05%
Côte-d'Ivoire	0,05%
Senegal	0,05%
Slovenia (Republic)	0,05%
Costa Rica	0,05%
Philippines	0,04%
Jamaica	0,04%
Bulgaria	0,03%
<b>Total:</b>	<b>100,00%</b>

#### Currency breakdown of investments as at 31/03/2023 (percentage of portfolio)

EUR	56,22%
USD	21,99%
GBP	4,28%
CHF	2,88%
JPY	2,47%
NOK	2,07%
HKD	1,76%
TWD	1,26%
CNY	1,21%
INR	1,13%
DKK	1,00%
KRW	0,87%
SEK	0,74%
BRL	0,55%
MXN	0,35%
THB	0,33%

## Belfius Sustainable Medium

### 2.6. Composition of the assets and key figures (continued)

IDR	0,30%
ZAR	0,18%
MYR	0,14%
PLN	0,07%
TRY	0,06%
CZK	0,05%
CAD	0,05%
SGD	0,02%
ILS	0,01%
NZD	0,01%
<b>Total:</b>	<b>100,00%</b>

The economic, geographical and currency allocations of the securities portfolio are based on the underlying securities (look through principle).

#### 2.6.2. Change in the composition of assets of the subfund

(in the currency of the subfund)

	1st semester	2nd semester	Period
Purchases	940 868 839,63	853 986 593,79	1 794 855 433,42
Sales	828 803 233,89	973 400 665,01	1 802 203 898,90
<b>Total 1</b>	<b>1 769 672 073,52</b>	<b>1 827 387 258,80</b>	<b>3 597 059 332,32</b>
Subscriptions	288 168 029,22	122 317 522,80	410 485 552,02
Redemptions	156 234 064,08	202 242 228,25	358 476 292,33
<b>Total 2</b>	<b>444 402 093,30</b>	<b>324 559 751,05</b>	<b>768 961 844,35</b>
Reference average of the total net asset	2 684 281 282,84	2 574 836 684,40	2 629 558 983,62
<b>Rotation Percentage</b>	<b>49,37%</b>	<b>58,37%</b>	<b>107,55%</b>
<b>Corrected Rotation Percentage</b>	<b>49,36%</b>	<b>57,69%</b>	<b>106,39%</b>

A figure close to 0 % shows that transactions relating to securities or assets, excluding deposits and cash reserves, as applicable, have been carried out over a specific period, relating only to subscriptions and reimbursements. A negative percentage indicates a detailed list of the transactions which were made during the year can be consulted free of charge at Belfius Banque S.A. with its registered office at Place Rogier 11 - 1210 Brussels provides the financial services.

#### 2.6.3. Increased rotation

The context of war which prevailed throughout the entire period, led to a sharp rise in volatility on financial markets as well as strong movements in equities in terms of style or sectors. This increased volatility has led us to significantly change the portfolio allocation in order to keep it in line with our market views. We also made some portfolio adjustments related to SFDR regulations, especially in 2023. These two factors resulted in a higher portfolio turnover rate.

#### 2.6.4. Table of liabilities relating to the positions on financial derivatives as at 31/03/2023

(in the currency of the subfund)

Description	Currency	In currency	in EUR	Lot-size
<b>Futures</b>				
EURO BUND 08/06/2023	EUR	30 125 062,06	30 125 062,12	1 000

Description	Nominal value	Value date	Due date	Currency	Liabilities in the currency of the instrument	Liabilities in the currency of the subfund
<b>Foreign exchange</b>						
Achat - Aankoop	15 667 574,53	09/12/2022	15/06/2023	EUR	15 667 574,53	15 667 574,53
Vente - Verkoop	2 218 877 000,00	09/12/2022	15/06/2023	JPY	2 218 877 000,00	15 398 926,90
Achat - Aankoop	173 275 000,00	09/12/2022	15/06/2023	EUR	173 275 000,00	173 275 000,00
Vente - Verkoop	185 052 501,75	09/12/2022	15/06/2023	USD	185 052 501,75	169 952 244,80
Achat - Aankoop	563 529 000,00	09/12/2022	15/06/2023	NOK	563 529 000,00	50 216 367,55
Vente - Verkoop	53 453 070,90	09/12/2022	15/06/2023	EUR	53 453 070,90	53 453 070,90
Achat - Aankoop	5 722 592,87	14/12/2022	15/06/2023	CAD	5 722 592,87	3 906 515,13
Vente - Verkoop	3 924 000,00	14/12/2022	15/06/2023	EUR	3 924 000,00	3 924 000,00
Achat - Aankoop	2 825 375,75	14/12/2022	15/06/2023	USD	2 825 375,75	2 594 825,50
Vente - Verkoop	2 616 000,00	14/12/2022	15/06/2023	EUR	2 616 000,00	2 616 000,00

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### 2.6. Composition of the assets and key figures (continued)

Achat - Aankoop	8 255 000,00	09/12/2022	15/06/2023	CHF	8 255 000,00	8 306 098,59
Achat - Aankoop	3 840 006,77	22/12/2022	15/06/2023	GBP	3 840 006,77	4 372 003,85
Vente - Verkoop	4 343 000,00	22/12/2022	15/06/2023	EUR	4 343 000,00	4 343 000,00
Achat - Aankoop	34 677 594,90	03/01/2023	15/06/2023	USD	34 677 594,90	31 847 908,25
Vente - Verkoop	32 526 000,00	03/01/2023	15/06/2023	EUR	32 526 000,00	32 526 000,00
Achat - Aankoop	7 808 000,00	16/01/2023	15/06/2023	EUR	7 808 000,00	7 808 000,00
Vente - Verkoop	8 519 774,16	16/01/2023	15/06/2023	USD	8 519 774,16	7 824 561,84
Achat - Aankoop	1 295 564,42	17/01/2023	15/06/2023	CHF	1 295 564,42	1 303 583,99
Vente - Verkoop	1 304 000,00	17/01/2023	15/06/2023	EUR	1 304 000,00	1 304 000,00
Achat - Aankoop	284 001 748,00	17/01/2023	15/06/2023	JPY	284 001 748,00	1 970 961,96
Vente - Verkoop	2 256 000,00	17/01/2023	15/06/2023	USD	2 256 000,00	2 071 910,73
Vente - Verkoop	8 453 288,80	09/12/2022	15/06/2023	EUR	8 453 288,80	8 453 288,80
Achat - Aankoop	5 662 674,27	30/01/2023	15/06/2023	CHF	5 662 674,27	5 697 726,32
Vente - Verkoop	6 233 000,00	30/01/2023	15/06/2023	USD	6 233 000,00	5 724 388,12
Achat - Aankoop	8 468 000,00	30/01/2023	15/06/2023	GBP	8 468 000,00	9 641 162,33
Vente - Verkoop	10 516 655,62	30/01/2023	15/06/2023	USD	10 516 655,62	9 658 498,06
Achat - Aankoop	18 608 344,84	30/01/2023	15/06/2023	USD	18 608 344,84	17 089 906,64
Vente - Verkoop	16 963 000,00	30/01/2023	15/06/2023	EUR	16 963 000,00	16 963 000,00
Achat - Aankoop	31 362 220,27	01/02/2023	15/06/2023	USD	31 362 220,27	28 803 067,70
Vente - Verkoop	28 607 000,00	01/02/2023	15/06/2023	EUR	28 607 000,00	28 607 000,00
Achat - Aankoop	6 898 809,02	01/02/2023	15/06/2023	CHF	6 898 809,02	6 941 512,77
Vente - Verkoop	7 632 000,00	01/02/2023	15/06/2023	USD	7 632 000,00	7 009 229,93
Achat - Aankoop	20 156 760,74	09/12/2022	15/06/2023	EUR	20 156 760,74	20 156 760,74
Achat - Aankoop	8 954 000,00	01/02/2023	15/06/2023	GBP	8 954 000,00	10 194 493,09
Vente - Verkoop	11 060 875,30	01/02/2023	15/06/2023	USD	11 060 875,30	10 158 309,50
Achat - Aankoop	31 060 569,61	02/02/2023	15/06/2023	NOK	31 060 569,61	2 767 823,80
Vente - Verkoop	3 159 000,00	02/02/2023	15/06/2023	USD	3 159 000,00	2 901 226,06
Achat - Aankoop	15 021 956,68	02/02/2023	15/06/2023	USD	15 021 956,68	13 796 167,22
Vente - Verkoop	13 556 000,00	02/02/2023	15/06/2023	EUR	13 556 000,00	13 556 000,00
Achat - Aankoop	64 438 000,00	17/02/2023	15/06/2023	SEK	64 438 000,00	5 699 198,89
Vente - Verkoop	6 165 636,68	17/02/2023	15/06/2023	USD	6 165 636,68	5 662 521,64
Achat - Aankoop	2 241 719,32	17/02/2023	15/06/2023	USD	2 241 719,32	2 058 795,35
Vente - Verkoop	22 976 000,00	17/02/2023	15/06/2023	NOK	22 976 000,00	2 047 403,52
Vente - Verkoop	29 302 000,00	09/12/2022	15/06/2023	CAD	29 302 000,00	20 002 944,30
Achat - Aankoop	11 244 334,94	17/02/2023	15/06/2023	USD	11 244 334,94	10 326 798,86
Vente - Verkoop	10 486 000,00	17/02/2023	15/06/2023	EUR	10 486 000,00	10 486 000,00
Achat - Aankoop	10 301 000,00	08/03/2023	15/06/2023	EUR	10 301 000,00	10 301 000,00
Vente - Verkoop	10 923 798,46	08/03/2023	15/06/2023	USD	10 923 798,46	10 032 418,11
Achat - Aankoop	10 902 976,09	09/03/2023	15/06/2023	USD	10 902 976,09	10 013 294,84
Vente - Verkoop	10 272 000,00	09/03/2023	15/06/2023	EUR	10 272 000,00	10 272 000,00
Achat - Aankoop	7 582 000,00	14/03/2023	15/06/2023	EUR	7 582 000,00	7 582 000,00
Vente - Verkoop	8 168 618,58	14/03/2023	15/06/2023	USD	8 168 618,58	7 502 060,50
Achat - Aankoop	5 825 000,00	17/03/2023	15/06/2023	EUR	5 825 000,00	5 825 000,00
Vente - Verkoop	5 129 262,00	17/03/2023	15/06/2023	GBP	5 129 262,00	5 839 873,35
Achat - Aankoop	7 553 134,60	09/12/2022	15/06/2023	EUR	7 553 134,60	7 553 134,60
Achat - Aankoop	6 914 172,25	23/03/2023	15/06/2023	USD	6 914 172,25	6 349 976,81
Vente - Verkoop	6 315 000,00	23/03/2023	15/06/2023	EUR	6 315 000,00	6 315 000,00
Achat - Aankoop	21 454 734,84	28/03/2023	15/06/2023	USD	21 454 734,84	19 704 031,63
Vente - Verkoop	19 740 000,00	28/03/2023	15/06/2023	EUR	19 740 000,00	19 740 000,00
Vente - Verkoop	11 819 000,00	09/12/2022	15/06/2023	AUD	11 819 000,00	7 362 113,00
Achat - Aankoop	76 826 000,00	09/12/2022	15/06/2023	SEK	76 826 000,00	6 794 851,70
Vente - Verkoop	7 032 046,40	09/12/2022	15/06/2023	EUR	7 032 046,40	7 032 046,40

#### 2.6.5. Evolution of subscriptions, redemptions and the net asset value

##### Evolution of the number of shares outstanding as at 31/03/2023

Period			Subscriptions	Redemptions	End of Period
31/03/2021	Class C	Capitalisation	44 245 524,47	4 786 082,75	87 182 923,68
		Distribution	92 805 510,43	11 130 333,87	134 937 505,77
	Class Y	Capitalisation	14 434,44	295 196,28	95 061,14
		<b>Total</b>			<b>222 215 490,60</b>
31/03/2022	Class C	Capitalisation	49 325 363,41	8 969 521,23	127 538 765,86
		Distribution	151 050 112,54	27 363 347,36	258 624 270,95
	Class Y	Capitalisation	0,00	95 061,14	0,00
		<b>Total</b>			<b>386 163 036,80</b>
31/03/2023	Class C	Capitalisation	15 467 984,16	11 569 077,67	131 437 672,35
		Distribution	47 491 049,41	45 213 744,29	260 901 576,07
		<b>Total</b>			<b>392 339 248,41</b>

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### 2.6. Composition of the assets and key figures (continued)

Payable and receivable amounts for the UCI  
(in the currency of the subfund)

Period			Subscriptions	Redemptions
31/03/2021	Class C	Capitalisation	344 355 852,64	37 219 090,17
		Distribution	580 999 339,59	68 805 865,10
31/03/2022	Class Y	Capitalisation	624 993,26	13 824 103,59
	Class C	Capitalisation	417 138 410,96	75 973 501,03
31/03/2023		Distribution	1 006 828 593,92	182 544 686,09
	Class Y	Capitalisation	0,00	4 578 896,51
31/03/2023	Class C	Capitalisation	120 199 694,33	88 411 828,06
		Distribution	290 285 857,69	270 064 464,27

Net asset value at the end of the period  
(in the currency of the subfund)

Period			for one share	
31/03/2021	1 617 926 504,38	Class C	Capitalisation	8,29
			Distribution	6,60
31/03/2022	2 737 324 387,51	Class Y	Capitalisation	48,16
		Class C	Capitalisation	8,27
31/03/2023	2 550 677 145,85		Distribution	6,51
		Class Y	Capitalisation	-
31/03/2023		Class C	Capitalisation	7,61
			Distribution	5,94

#### 2.6.6. Performances

(expressed in percent)

Class	CAP	1 year	3 year	5 year	10 year	Since the start
C	CAP	(7,93%)	4,51%	1,89%	2,73%	2,07%

## Belfius Sustainable Medium

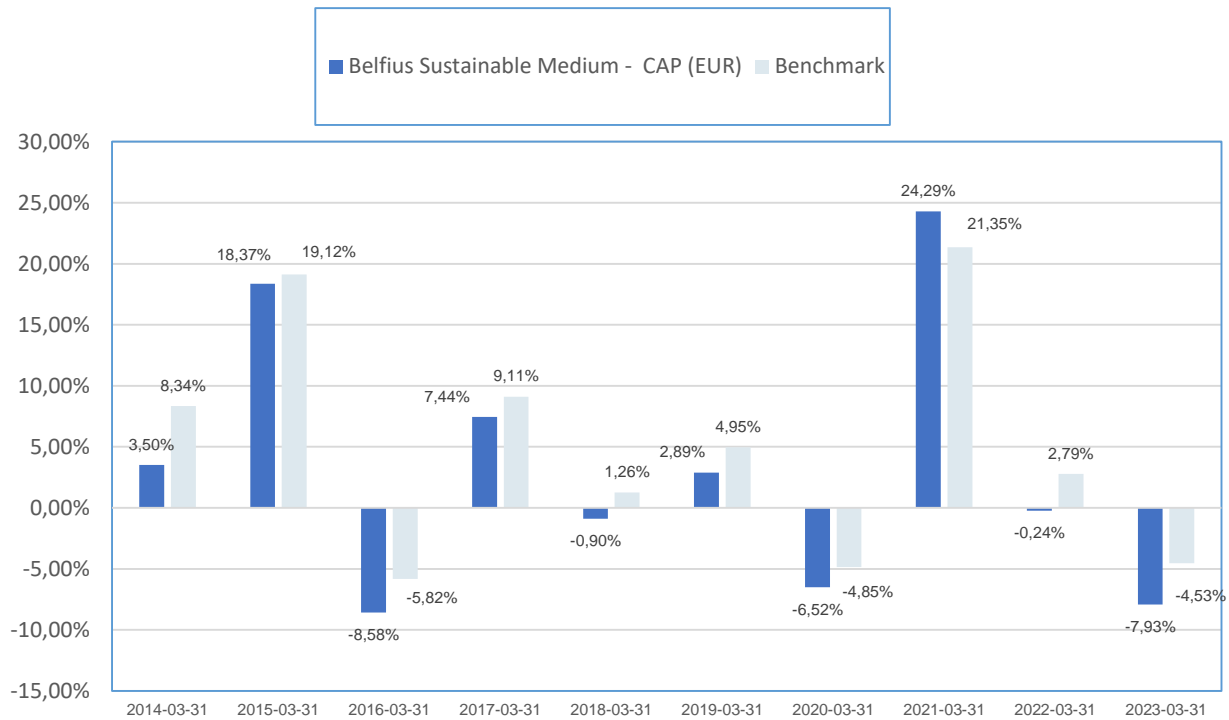
### 2.6. Composition of the assets and key figures (continued)

#### Diagram in sticks

#### Class C (CAP)

Year of creation : 2000

#### Annual Performance 31 March 2023



Details of the benchmark are available under "Index(es) and Benchmark(s)".

#### 2.6.7. Ongoing charges

(expressed in percent)

Ongoing charges		
Class C	BE0159411405	1,69%
Class C	BE0945316512	1,69%
Ongoing charges - impact on underlying funds		
Classe C / Klasse C	BE0159411405	0,12%
Classe C / Klasse C	BE0945316512	0,12%

The ongoing charges, as calculated in accordance with Regulation no. 583/2010 of the Commission of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the European Council, as regards key investor information and conditions to fulfil when providing key investor information or a prospectus on a durable medium other than paper or by means of a website (hereinafter « Regulation 583/2010 »), are shown in the key investor information. The concept of « ongoing charges » includes all payments deducted from the fund's assets where such deduction is required or permitted by the regulations, the articles of association or the prospectus. However, they do not include any performance fees, entry or exit charges directly paid by the investor, transaction fees, except those which would be charged by the custodian bank, the management company, the administrative agent, the SICAV's managers or any other investment advisor. Fees linked to the subscription or redemption of underlying UCI units are also included into the ongoing charges. Moreover, they do not include interest on loans and charges linked to holding derivative products (e.g. the margin calls). They are based on the costs for the previous financial year and are a percentage of the average net assets for the period concerned. In some cases, they may be expressed as a maximum amount to be charged or calculated on the basis of another one-year

### 2.6. Composition of the assets and key figures (continued)

period, or they may be based on an estimate.

#### Existence of fee sharing agreements :

Fee sharing does not affect the amount of the management fee paid by the Fund to the management company.

This management fee is subject to the limitations defined in the Articles of Association. These limitations can only be modified after approval by the General Meeting.

For the financial year under review, Belfius Investment Partners passed on 88% of the management fee.



## 2.7. Notes to the financial statements as at 31 March 2023

### 2.7.1. Fees commissions and recurring costs borne by the subfund

Fees, commissions and recurring costs borne by the subfund (Class C)

The fees:

- Management Fees at a maximum annual rate of 1.30%
- of the Administration provision at an annual rate of 0.10%
- of the Custody agent at a maximum annual rate of 0.04%
- other expenses (estimation) including the payment for Auditors, Directors and Individuals responsible for effective management at the annual rate of 0.10%

They are calculated and payable monthly on the basis of the average net asset value (excluding fees, commissions and costs accrued but not due) of the subfund's assets at the end of the month in question.

### 2.7.2. Accrued liabilities (Balance VI C)

- The Management fee (Class C)  
2 800 158,70 EUR
- The Administrative fee (Class C)  
154 901,60 EUR
- The Administrative fee (general)  
1 466,67 EUR
- The Custody agent fee (Class C)  
64 619,06 EUR
- interest payable on current accounts and loans  
2 129,84 EUR
- a provision for other annual overheads (supervisory authority's fee, auditor's fees, report costs, publication costs, etc.)  
766 205,46 EUR

For a total of  
3 789 481,33 EUR

### 2.7.3. Payment for auditors

Pursuant to article 3:65 §§ 2 and 4 of the Code of Companies and Associations : mention of the commissioner's emoluments. Amount of the emoluments (in EUR) Exclusive of VAT : 4 200

## 2.7. Notes to the financial statements as at 31 March 2023 ((continued))

### 2.7.4. Maximum management fee of the underlying assets

Isin Code	Security Name	% Max
LU1603795292	IND FSUS SOV-UCITS ETF DIS-EUR/DIS	0.15
LU1434528839	CAND SRI EQ W SHS -Z- EUR/CAP	0
LU1434529993	CAN SUS MM EUR -Z- EUR /CAP	0
LU1434521230	CAN SUS BD EUR-Z- DIS	0
LU1434525066	CAN SUS EQ EM -Z-CAP-EUR	0
LU1434523798	CAN SUS BD GL -Z- CAP	0
LU1434522808	CAND SUS BD EST-Z- CAP	0
LU2258566053	CAN SUS EQ SMC ZC	0
LU1644441989	CAN SUS BDG HY -Z- CAP	0
LU2378105204	CAN EQ QUT ER ZC	0
LU1829309621	CA SU E C B F F -SHS -Z- CAP	0
LU1829310124	CA SU EU EQ F F-Z- CAPITAL	0
LU1313771005	CAND SUS BD EC -Z- EUR/CAP	0
LU1313772318	CAN SUS EQ EUR -Z- CAP/EUR	0
LU1434527278	CAN SUS EQ JAP --- SHS -Z-CAP	0
LU1932635185	CAN SUS EQTY CL -Z- USD/CAP	0
LU1434520422	CAND SUS BD EM-Z-USD/CAP	0
LU2227859522	CAN SUS EQ US ZC	0
LU1864483919	CAN EQ L ON IM -Z- CAP	0
LU2109442736	CAND EQ CIR ECO-Z-CAP	0
LU2258564603	CAND EQ FU MOB ZC	0

## 3. INFORMATION ABOUT THE SUBFUND

### 3.1. Management report of the sub-fund

#### 3.1.1. Launch date of the sub-fund and subscription price of the shares

The Low sub-fund (formerly known as Dexia Sustainable European Balanced Low) was launched on 1 April 1996 (the Low sub-fund has been activated since 1 July 2000 through the contribution of the assets of the BACOB Stimulus Defensive sub-fund, a sub-fund of BACOB Investments) with a fixed net asset value per share of EUR 2.48.

The shares of the Y CAP and DIS class are marketed as from 26 October 2011.

The shares of the class R CAP and DIS are marketed as from 1 October 2018.

On 30/04/2020 (NAV date), investors in class N shares will become class C investors and class N shares will cease to exist permanently.

The meeting decided to abolish the share classes N, I, Y, Lock, R, R2 and Z as of 01/02/2022.

#### 3.1.2. Financial management of the portfolio

Belfius Investment Partners S.A.  
Place Rogier 11 - 1210 Bruxelles

#### 3.1.3. Delegation of the implementation of the management of the investment portfolio

Candriam  
SERENITY - Bloc B, 19-21 route d'Arlon, L-8009 Strassen  
Grand Duchy of Luxembourg

#### 3.1.4. Distributor

Belfius Banque S.A.  
Place Rogier 11, 1210 Brussels

#### 3.1.5. Stock exchange listing

Non applicable.

#### 3.1.6. Aim and main outlines of the investment policy

Subfund objectives

The objective of the sub-fund is to enable shareholders to benefit from trends on the financial markets and to outperform the benchmark through a portfolio principally made up of Undertakings for Collective Investment (UCIs) selected by the Management Company on the basis of their expected return and socially responsible or sustainability criteria, which aim to offer a broad diversification (notably via equities and bonds of different countries and sectors). The sub-fund will focus on investments in bond UCIs.

The sub-fund aims to have a positive environmental and social impact in the long term by investing at least 85% of net assets in UCIs which have a sustainable investment objective and/or in direct sustainable investment lines.

#### Fund policy

##### Permitted asset classes:

The assets of this sub-fund will be invested mainly in units of open-end UCIs.

The assets of the sub-fund may also be invested on an ancillary basis in the other asset categories mentioned in the Articles of Association attached to this document. For example, on an ancillary basis, the assets may be invested in shares, bonds, money market instruments, deposits and/or cash.

##### Special strategy:

The sub-fund will invest mainly in units of Belgian or foreign UCIs managed by Candriam, which themselves invest mainly in:

- bonds and/or similar securities - such as investment grade bonds, inflation-linked bonds, etc.
- equities and/or equity-linked securities,
- and/or cash and money market instruments.

### 3. INFORMATION ABOUT THE SUBFUND

#### 3.1. Management report of the sub-fund (continued)

The proportion of assets invested in equity UCIs is always a minority and may be reduced according to the manager's expectations regarding the development of the financial markets and in order to reduce the risk for the investor.

In addition, the sub-fund may invest part of its net assets in UCIs which themselves follow specific strategies (such as commodities or other opportunities). However, these investments will always be a minority.

Both the UCIs held and the financial instruments of which they are composed may be denominated in any currency and may or may not be hedged against currency risk, depending on the manager's expectations regarding market trends. The financial instruments of these UCIs may be issued by issuers from different regions of the world, including emerging countries.

#### **Information on the sustainability of investments:**

This sub-fund is classified under Article 9 of the SFDR Regulation, i.e. it has a sustainable investment objective.

ESG analysis is integrated in the selection and allocation of the underlying assets and covers the entire portfolio, excluding deposits, cash and index derivatives. Derivative counterparties may not be covered by ESG analysis.

#### **ESG analysis**

In order to achieve its objective, the sub-fund invests at least 85% of the portfolio in UCIs with a sustainable investment objective and/or in direct sustainable investments.

ESG analysis for the investments of the underlying UCIs managed by Candriam with a sustainable investment objective and/or for the sustainable investments held in direct lines

#### **Private issuers:**

Companies are assessed from two distinct but related angles:

- analysis of the activities (products and services) of each company in order to assess how these activities respond to the major long-term challenges in terms of sustainable development, including in particular climate change through the impact of carbon emissions from products/services, resource and waste management, such as the use of water resources, the generation of waste and its degree of toxicity, and its recycling potential; and

- analysis of each company's key stakeholder management, assessing how companies integrate the interests of their stakeholders (customers, employees, suppliers, investors, society and the environment) into their strategies, operations and strategy setting. Thus, for example, the evaluation of relations with employees covers, among other things, their working conditions, training, retention and diversity policies in place. The assessment of investor relations evaluates the quality of the governance bodies in place, the company's practices in this area, but also its business ethics.

Companies apply good governance practices.

Based on this ESG analysis, a score is assigned to each company.

UCIs with a sustainable investment objective can have several types of ESG objectives, such as climate change, gender diversity, circular economy, ... or - for countries - the promotion of democratic change and sustainable environmental practices, ....

In particular, a mutual fund sub-fund or a mutual fund may aim to achieve a carbon footprint at least 30% lower than the benchmark.

#### **Sovereign issuers:**

Countries are assessed on how they manage 4 key dimensions of sustainability: human capital, natural capital, social capital, economic capital.

Based on this ESG analysis, a score is assigned to each country.

The objective of having a positive long-term impact on the environment and society is evaluated through an ESG score calculated by Candriam. To achieve this sustainable objective, the weighted average ESG score of the sub-fund, including private and sovereign issuers, aims to be higher than the weighted average ESG score of the benchmark.

Based on the ESG approach adopted, the investment universe analysed is reduced by at least 20%, starting by eliminating from the investment universe analysed issuers with significant ESG risks.

UCIs not managed by Candriam, or whose management is delegated to third party managers, may have different ESG policies. The management company takes into account certain criteria in the selection of these funds in order to respect the ESG aspects described at the global level of each sub-fund.

### 3. INFORMATION ABOUT THE SUBFUND

#### 3.1. Management report of the sub-fund (continued)

For more information on the SFDR policy and the Taxonomy of the sub-fund please refer to the appendices attached to this report.

##### **Permitted transactions in derivatives:**

The sub-fund may also use derivatives, such as options, futures, swaps, both on interest rates (fixed and variable rates, inflation, etc.) and on credit and currencies, and forward exchange transactions, in compliance with the legal rules in force, both for investment purposes and for hedging purposes. The investor should be aware that these types of derivatives are more volatile than the underlying products.

While the composition of the portfolio must comply with general rules and limits prescribed by law or the Articles of Association, a concentration of risk may occur in narrower geographical areas.

##### **Characteristics of the bonds and debt securities:**

The fixed or floating rate securities of the UCIs in position will be issued mainly by issuers deemed to be of good quality (investment grade: minimum BBB- and/or Baa3 at the time of acquisition) including governments, supranational institutions, the public sector and/or the private sector. Nevertheless, the sub-fund may hold, on an ancillary basis, UCIs investing in speculative bonds (rated below BBB- and/or Baa3 at acquisition).

The manager may vary the overall duration of the sub-fund within a range of 0 to 10 years depending on his expectations regarding the evolution of interest rates.

##### **Description of the general strategy to hedge the currency risk:**

The sub-fund does not intend to systematically hedge the currency risk exposure.

The investment policy ensures that the portfolio's risks are diversified. However, the evolution of the net asset value is uncertain as it is subject to the various types of risk mentioned below. This may result in a high volatility of its price.

## 3. INFORMATION ABOUT THE SUBFUND

### 3.1. Management report of the sub-fund (continued)

#### 3.1.7. Index(es) and Benchmark(s)

##### Index name

70% Bloomberg Euro-Aggregate 1-10 Year Index (Total Return - including interest payments) + 12% MSCI Europe (Net Return - net dividends reinvested) + 12% MSCI USA (Net Return - net dividends reinvested) + 4.5% MSCI Emerging Markets (Net Return - net dividends reinvested) + 1.5% MSCI Japan (Net Return - net dividends disinvested)

##### Index definition

Bloomberg Euro-Aggregate 1-10 Year Index: measures the performance of investment grade bonds (minimum BBB- and/or Baa3) denominated in EUR, with a maturity between 1 and 10 years.

MSCI Europe: measures the performance of the mid and large cap segment in developed markets in Europe.

MSCI USA: measures the performance of the mid and large cap segment of the US market.

MSCI Emerging Markets: measures the performance of the mid and large cap segment of the emerging markets.

MSCI Japan: measures the performance of the mid and large cap segment of the Japanese market.

##### Use of the index

- in determining risk levels/parameters;
- for performance comparison purposes.

##### Level of deviation of the portfolio composition from the index

As the Fund is actively managed, it does not aim to invest in all constituents of the index, nor to invest in the same proportions as the constituents of the index.

Under normal market conditions, the expected tracking error of the sub-fund will be limited to moderate, namely between 0.5% and 3%. This measure is an estimate of the deviation of the sub-fund's performance from the performance of its index. The higher the tracking error, the greater the deviations from the index. The tracking error achieved depends in particular on market conditions (volatility and correlations between financial instruments) and may therefore deviate from the expected tracking error.

##### Index provider

Bloomberg, MSCI Limited

Each provider is, since Brexit, an entity benefiting from the transitional provision of Article 51, §5 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks for financial instruments and contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014

The Management Company and/or its delegates has/have in place robust written plans that cover the assumptions in which the benchmark is no longer published or in the event of substantial changes in its composition. The Board of Directors of the Fund will, on the basis of such plans and if deemed appropriate, select an alternative benchmark. Any change in the benchmark will be reflected in the Prospectus which will be amended accordingly. These plans are available, on request, at the registered office of the Management Company and/or its delegates.

#### 3.1.8. Policy followed during the year

During the year, the policy followed can be broken down into a few major trends, starting with the cautious positioning at the beginning of the period when the war in Ukraine had just broken out. The portfolio was then equity neutral and underweight in terms of duration. From a regional point of view, the strongest defensive position was on Europe, since this area was the most exposed to the energy and geopolitical shocks. Moreover, emerging equities were strong tactical convictions. Unfortunately, the emerging index suffered as a combined result of China's decision to maintain the "Zero-Covid" strategy, a reopening that initially benefited the domestic economy and geopolitical tensions with the United States at the end of the period. We have maintained our positive opinion with a view to a more homogeneous catch-up later which should benefit the whole region.

Our long-term convictions, such as healthcare and consumer goods, with their defensive bias, as well as the energy transition and circular economy, were also reflected in the portfolio. The portfolio benefited from the performance of such stocks as Merck, Xylem and Iberdrola. On the other hand, certain more cyclical consumer sector stocks had a negative impact, including LVMH.

In October, our analysis of investor sentiment, market psychology and technical conditions clearly showed signs of exaggerated and widespread pessimism. We saw this extreme configuration as a signal of a forthcoming market turnaround. As a result investment strategy became more constructive and we increased the allocation to risk-on assets within the portfolio, notably via equities and high

### 3. INFORMATION ABOUT THE SUBFUND

#### 3.1. Management report of the sub-fund (continued)

yield bonds.

In terms of bonds, we were negative (underweight, short duration) as we anticipated a rise in interest rates. This underweight position partly protected our portfolios from the very rapid rate increase. With accelerated monetary tightening, yields increased during 2022. As a result, expected yields on bonds have become positive again, strongly contrasting with the previous situation. We therefore gradually increased the duration of the portfolio and were neutral at the end of the year.

We gradually took profits from our equity exposure at the end of the year in a context marked by slower growth on both sides of the Atlantic. While the US Federal reserve and the Swiss government were doing everything possible to avoid a contagion of stress spreading throughout their respective banking sectors, we focused our bond exposure on premium bonds and emerging debt while maintaining a neutral position on equities.

We inform you that no exceedance of the investment policy was recorded during the financial year.

##### 3.1.9. Future policy

Future policy will take account of financial tensions that are symptomatic of monetary tightening cycles. The temporarily high uncertainty surrounding the banking sector reflects the difficult trade-off to be made to achieve at once financial stability and price stability, and central banks will adjust their policies in reaction to developments in this area.

In the case of complacent financial markets, we would be willing to reduce risk further. Moreover, a more severe market correction would likely open up new investment opportunities in the medium term. In the longer term, the portfolio will continue to invest in themes that are in line with future energy challenges and new consumption patterns.

##### 3.1.10. Risk Class

The synthetic risk indicator makes it possible to assess the level of risk of this fund in comparison with others. The level of risk is presented via a synthetic risk indicator on a scale from 1 (lowest risk) to 7 (highest risk). It is obtained by combining the market risk measure and the credit risk measure according to a methodology defined in Annex II of Commission Regulation 2017/653 of 8 March 2017 and is available, in its most recent version, in the Key Information Document.

The main limitations of the indicator are as follows: the risk indicator is calculated on the basis of historical data, which does not prejudice future developments. Consequently, the degree of risk may change over time. Even if the fund is in the lowest risk category, the investor may suffer losses as no category is completely risk free.

The compartment falls under class 3

### 3.2. Balance Sheet

		31/03/2023	31/03/2022
		EUR	EUR
	<b>TOTAL NET ASSETS</b>	<b>124 676 514,61</b>	<b>162 987 001,93</b>
<b>I.</b>	<b>Fixed Assets</b>	<b>0,00</b>	<b>0,00</b>
A.	Start-up costs	0,00	0,00
B.	Intangible assets	0,00	0,00
C.	Tangible assets	0,00	0,00
<b>II.</b>	<b>Transferable securities, negotiable and other financial instruments</b>	<b>122 734 892,67</b>	<b>160 411 297,63</b>
A.	Bonds and other debt securities	12 761 346,78	15 669 312,00
a.	Bonds	12 761 346,78	15 669 312,00
a.1.	Bonds	12 761 346,78	15 669 312,00
B.	On money market instruments	0,00	0,00
C.	Shares and similar securities	10 549 235,60	11 942 176,64
a.	Shares	10 549 235,60	11 942 176,64
a.1.	Shares	10 549 235,60	11 942 176,64
D.	Other transferable securities	0,00	0,00
E.	UCI with variable number of shares	99 247 466,21	132 927 991,32
F.	Financial derivatives	176 844,08	(128 182,33)
a.	On bonds	70 373,91	379 865,76
ii.	Futures contracts (+/-)	70 373,91	379 865,76
j.	On foreign currencies	106 470,17	(343 916,76)
ii.	Futures contracts (+/-)	106 470,17	(343 916,76)
m.	On financial indexes	0,00	(164 131,33)
ii.	Futures contracts (+/-)	0,00	(164 131,33)
<b>III.</b>	<b>Long-term receivables and payables (i.e. more than one year)</b>	<b>0,00</b>	<b>0,00</b>
A.	Receivables	0,00	0,00
B.	Payables	0,00	0,00
<b>IV.</b>	<b>Short-term receivables and payables (i.e. less than one year)</b>	<b>(109 264,67)</b>	<b>911 332,39</b>
A.	Receivables	1 978 585,66	3 659 417,22
a.	Amounts receivable	1 975 529,81	3 268 483,82
b.	Tax credits	3 055,84	933,40
c.	Collateral	0,00	390 000,00
d.	Others	0,01	0,00
B.	Payables	(2 087 850,33)	(2 748 084,83)
a.	Amounts payable (-)	(2 022 659,16)	(2 551 373,87)
b.	Taxes payable (-)	(27 039,20)	0,00
e.	Others (-)	(38 151,97)	(196 710,96)
<b>V.</b>	<b>Deposits and liquid assets</b>	<b>2 121 652,25</b>	<b>1 842 747,74</b>
A.	Sight bank deposits	2 121 652,25	1 842 747,74
B.	Term bank deposits	0,00	0,00
C.	Others	0,00	0,00
<b>VI.</b>	<b>Adjustment accounts</b>	<b>(70 765,64)</b>	<b>(178 375,83)</b>
A.	Expenses carried forward	5 870,25	0,00
B.	Accrued income	100 556,56	67 236,46
C.	Chargeable expenses (-)	(177 192,45)	(245 612,29)
D.	Income carried forward (-)	0,00	0,00
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>124 676 514,61</b>	<b>162 987 001,93</b>
<b>A.</b>	<b>Capital</b>	<b>87 949 011,61</b>	<b>115 149 626,08</b>
<b>B.</b>	<b>Profit-sharing/dividends</b>	<b>1 396 697,89</b>	<b>185 421,06</b>
<b>C.</b>	<b>Retained earnings</b>	<b>47 511 302,16</b>	<b>52 290 419,57</b>
<b>D.</b>	<b>Result for the financial year (the half year)</b>	<b>(12 180 497,05)</b>	<b>(4 638 464,78)</b>



### 3.3. Off balance sheet items

		31/03/2023	31/03/2022
		EUR	EUR
<b>I.</b>	<b>Real sureties (+/-)</b>	<b>180 915,40</b>	<b>420 978,96</b>
A.	Collateral (+/-)	180 915,40	420 978,96
b.	Liquid assets/Deposits	180 915,40	420 978,96
B.	Other real sureties	0,00	0,00
<b>II.</b>	<b>Securities underlying option contracts and warrants (+)</b>	<b>0,00</b>	<b>0,00</b>
A.	Option contracts and warrants purchased	0,00	0,00
B.	Option contracts and warrants sold	0,00	0,00
<b>III.</b>	<b>Notional amounts of futures contracts (+)</b>	<b>59 605 044,43</b>	<b>113 050 966,22</b>
A.	Futures contracts purchased	32 742 228,27	43 927 935,99
B.	Futures contracts sold	26 862 816,16	69 123 030,23
<b>IV.</b>	<b>Notional amounts of swap contracts (+)</b>	<b>0,00</b>	<b>0,00</b>
A.	Swap contracts purchased	0,00	0,00
B.	Swap contracts sold	0,00	0,00
<b>V.</b>	<b>Notional amounts of other financial derivatives(+)</b>	<b>0,00</b>	<b>0,00</b>
A.	Contracts purchased	0,00	0,00
B.	Contracts sold	0,00	0,00
<b>VI.</b>	<b>Uncalled amounts on shares</b>	<b>0,00</b>	<b>0,00</b>
<b>VII.</b>	<b>Commitments to call resulting from transfers/disposals</b>	<b>0,00</b>	<b>0,00</b>
<b>VIII.</b>	<b>Commitments to buy resulting from transfers/disposals</b>	<b>0,00</b>	<b>0,00</b>
<b>IX.</b>	<b>Financial instruments loaned</b>	<b>0,00</b>	<b>0,00</b>
A.	Shares	0,00	0,00
B.	Bonds	0,00	0,00

### 3.4. Income statement

		31/03/2023	31/03/2022
		EUR	EUR
<b>I.</b>	<b>Depreciation, capital loss and capital gain</b>	<b>(10 806 970,86)</b>	<b>(2 947 718,77)</b>
A.	Bonds and other debt securities	(1 582 248,10)	(824 549,01)
a.	Bonds	(1 582 248,10)	(824 549,01)
a.1.	Realized result	(631 588,62)	0,00
a.2.	Non realized result	(950 659,48)	(824 549,01)
B.	Money market instruments	0,00	0,00
C.	Shares and similar securities	(229 464,58)	(608 022,20)
a.	Shares	(229 464,58)	(608 022,20)
a.1.	Realized result	(332 467,03)	(347 501,92)
a.2.	Non realized result	103 002,45	(260 520,28)
D.	Other transferable securities	3 813,99	0,00
a.	Realized result	3 813,99	0,00
E.	UCI with variable number of shares	(7 936 935,58)	(1 273 122,96)
a.	Realized result	(1 943 406,29)	4 909 154,43
b.	Non realized result	(5 993 529,29)	(6 182 277,39)
F.	Financial derivatives	473 799,46	705 338,54
a.	On bonds	553 182,44	966 788,59
ii.	Futures contracts	553 182,44	966 788,59
	Realized result	862 674,29	706 958,51
	Non realized result	(309 491,85)	259 830,08
i.	On financial indexes	(16 126,97)	(261 450,05)
ii.	Futures contracts	(16 126,97)	(261 450,05)
	Realized result	(180 258,30)	(97 318,72)
	Non realized result	164 131,33	(164 131,33)
m.	On financial derivatives	(63 256,01)	0,00
i.	Option contracts	(63 256,01)	0,00
	Realized result	(63 256,01)	0,00
G.	Amounts receivable, deposits, liquid assets and amounts payable	0,00	0,00
H.	Foreign exchange positions and transactions	(1 535 936,05)	(947 363,14)
b.	Other exchange positions and transactions	(1 535 936,05)	(947 363,14)
b.1.	Realized result	(1 986 322,98)	(900 801,40)
b.2.	Non realized result	450 386,93	(46 561,74)
<b>II.</b>	<b>Investment income and expenses</b>	<b>534 834,55</b>	<b>177 684,25</b>
A.	Dividends	280 055,49	148 623,02
B.	Interest (+/-)	294 697,23	43 483,11
a.	Transferable securities and money market instruments	274 050,11	43 889,49
b.	Deposits and liquid assets	20 202,65	36,86
c.	Collateral (+/-)	444,47	(443,24)
C.	Interest expenses (-)	(5 288,53)	(10 279,77)
D.	Swap Contracts (+/-)	0,00	0,00
E.	Withholding tax (-)	(34 629,64)	(4 142,11)
a.	Belgian	(9 408,06)	0,00
b.	Foreign	(25 221,58)	(4 142,11)
F.	Other income from investments	0,00	0,00
<b>III.</b>	<b>Other income</b>	<b>0,05</b>	<b>0,02</b>
A.	Allowance to cover costs of asset acquisition and realisation, discourage withdrawal and cover delivery costs	0,00	0,00
B.	Others	0,05	0,02
<b>IV.</b>	<b>Operating expenses</b>	<b>(1 873 755,35)</b>	<b>(1 868 430,28)</b>
A.	Transaction and delivery expenses on investments (-)	(37 889,48)	(23 668,26)
B.	Interest and other finance expenses (-)	(744,17)	(50,00)
C.	Depositary fees payable (-)	(93 822,55)	(85 410,11)
	Remuneration due to the depositary - general	(42 738,51)	(46 244,57)
	Remuneration due to the depositary - class C	(51 084,04)	(39 165,54)
D.	Management fees payable (-)	(1 603 962,39)	(668 694,40)
a.	Financial management	(1 498 245,08)	(284 071,26)
a.2.	Financial management - Class C	(1 498 245,08)	(284 071,26)
b.	Administrative and accounting management	(105 717,31)	(384 623,14)
b.1.	Administrative and accounting management - General	(5 400,00)	(5 400,00)
b.2.	Administrative and accounting management - Class C	(100 317,31)	(379 223,14)
E.	Administrative expenses (-)	(16 317,94)	(13 907,88)
F.	Start-up costs (-)	(8 847,74)	(19 309,90)
G.	Salaries and wages, social security charges and pensions (-)	(1 000,00)	(272,73)
H.	Various services and goods (-)	(37 944,51)	(876 695,80)
I.	Depreciation allowances and contingency and loss provisions (-)	0,00	0,00
J.	Taxes	(92 707,40)	(134 382,32)

**3.4. Income statement (continued)**

K.	Other expenses (-)	19 480,83	(46 038,88)
	Income and expenses for the financial year (half year)	(1 338 920,75)	(1 690 746,01)
	Sub total II+III+IV		
V.	Current profit (loss) before income tax	(12 145 891,61)	(4 638 464,78)
VI.	Income tax	(34 605,44)	0,00
VII.	Result for the financial year (the half year)	(12 180 497,05)	(4 638 464,78)

3.5. Allocation of the result

		31/03/2023	31/03/2022
		EUR	EUR
I.	Profit (loss) for the financial year	36 727 503,00	47 837 375,85
a.	Profit (loss) carried forward from the previous financial year	47 511 302,16	52 290 419,57
b.	Profit (loss) for the financial year to be distributed	(12 180 497,05)	(4 638 464,78)
c.	Share in profits received (paid)	1 396 697,89	185 421,06
II.	(Allocation to capital) Deduction from capital	0,00	0,00
III.	(Profit) loss carried forward	(36 213 904,88)	(47 511 302,16)
IV.	(Dividends distributed)	(513 598,12)	(326 073,69)

### 3.6. Composition of the assets and key figures

#### 3.6.1. Assets composition as at 31 March 2023 (expressed in EUR)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
<b>I. Transferable securities, negotiable and other financial instruments</b>								
<b>Shares and similar securities</b>								
<b>Transferable securities admitted to an official stock exchange listing</b>								
<b>Austria</b>								
ERSTE GROUP BANK AG		4 065,00	EUR	30,54	124 145,10		0,10%	0,10%
<b>Total: Austria</b>					<b>124 145,10</b>		<b>0,10%</b>	<b>0,10%</b>
<b>Belgium</b>								
KBC GROUPE SA		2 759,00	EUR	63,62	175 527,58		0,14%	0,14%
SOLVAY SA		1 885,00	EUR	105,25	198 396,25		0,16%	0,16%
<b>Total: Belgium</b>					<b>373 923,83</b>		<b>0,30%</b>	<b>0,30%</b>
<b>Canada</b>								
ROYAL BANK OF CANADA		833,00	CAD	130,94	74 458,45		0,06%	0,06%
WASTE CONNECTIONS INC		1 004,00	USD	139,46	128 592,40		0,10%	0,10%
<b>Total: Canada</b>					<b>203 050,85</b>		<b>0,17%</b>	<b>0,16%</b>
<b>Switzerland</b>								
LONZA GROUP AG /NOM.		244,00	CHF	544,80	133 754,05		0,11%	0,11%
NESTLE / ACT NOM		2 825,00	CHF	112,10	318 642,77		0,26%	0,26%
TE CONNECTIVITY /REG SHS		1 037,00	USD	130,89	124 657,14		0,10%	0,10%
<b>Total: Switzerland</b>					<b>577 053,96</b>		<b>0,47%</b>	<b>0,46%</b>
<b>Germany (Federal Republic)</b>								
ALLIANZ SE/NAM.VINKULIERT		619,00	EUR	212,95	131 816,05		0,11%	0,11%
BEIERSDORF A.G.		862,00	EUR	121,30	104 560,60		0,09%	0,08%
<b>Total: Germany (Federal Republic)</b>					<b>236 376,65</b>		<b>0,19%</b>	<b>0,19%</b>
<b>Denmark</b>								
COLOPLAST -B-		1 253,00	DKK	891,60	149 939,56		0,12%	0,12%
ORSTED		1 445,00	DKK	583,20	113 104,65		0,09%	0,09%
<b>Total: Denmark</b>					<b>263 044,21</b>		<b>0,21%</b>	<b>0,21%</b>
<b>Spain</b>								
BCO BILBAO VIZ.ARGENTARIA/NAM.		19 697,00	EUR	6,28	123 618,37		0,10%	0,10%
EDP RENOVAVEIS SA		6 160,00	EUR	20,68	127 388,80		0,10%	0,10%
IBERDROLA SA		30 564,00	EUR	11,36	347 207,04		0,28%	0,28%
<b>Total: Spain</b>					<b>598 214,21</b>		<b>0,49%</b>	<b>0,48%</b>
<b>Finland</b>								
KONE OYJ -B-		3 200,00	EUR	48,02	153 664,00		0,13%	0,12%
NESTE OYJ		3 029,00	EUR	45,17	136 819,93		0,11%	0,11%
<b>Total: Finland</b>					<b>290 483,93</b>		<b>0,24%</b>	<b>0,23%</b>
<b>France</b>								
AXA		4 832,00	EUR	28,22	136 359,04		0,11%	0,11%
DANONE.		1 804,00	EUR	57,94	104 523,76		0,09%	0,08%
ESSILORLUXOTT --- ACT.		916,00	EUR	163,26	149 546,16		0,12%	0,12%
L OREAL		691,00	EUR	415,45	287 075,95		0,23%	0,23%
LVMH ACT.		166,00	EUR	844,10	140 120,60		0,11%	0,11%
MICHELIN SA SHS		4 266,00	EUR	28,23	120 429,18		0,10%	0,10%
SANOFI		1 831,00	EUR	99,64	182 440,84		0,15%	0,15%
SCHNEIDER ELECTRIC SE		1 444,00	EUR	151,18	218 303,92		0,18%	0,18%

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### 3.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
VEOLIA ENVIRONNEMENT		4 281,00	EUR	28,39	121 537,59		0,10%	0,10%
Total: France					1 460 337,04		1,19%	1,17%
United Kingdom								
ASTRAZENECA PLC		1 419,00	GBP	112,70	182 076,90		0,15%	0,15%
RECKITT BENCKISER GROUP PLC		1 480,00	GBP	62,10	104 641,00		0,09%	0,08%
RELX PLC		4 904,00	GBP	26,01	145 224,32		0,12%	0,12%
RENTOKIL INITIAL PLC		23 884,00	GBP	5,92	160 873,22		0,13%	0,13%
UNILEVER PLC		5 116,00	GBP	42,33	246 533,56		0,20%	0,20%
Total: United Kingdom					839 349,00		0,68%	0,67%
Ireland								
CRH PLC		2 901,00	EUR	46,16	133 910,16		0,11%	0,11%
KERRY GROUP -A-		1 123,00	EUR	91,26	102 484,98		0,08%	0,08%
SMURFIT KAPPA GROUP PLC		4 213,00	EUR	33,15	139 660,95		0,11%	0,11%
Total: Ireland					376 056,09		0,31%	0,30%
Italy								
ENEL		22 641,00	EUR	5,60	126 834,88		0,10%	0,10%
INTESA SANPAOLO SPA		136 992,00	EUR	2,37	323 986,08		0,26%	0,26%
UNICREDIT SPA		7 132,00	EUR	17,93	127 876,76		0,10%	0,10%
Total: Italy					578 697,72		0,47%	0,46%
Jersey								
APTIV PLC		1 134,00	USD	110,49	115 071,55		0,09%	0,09%
Total: Jersey					115 071,55		0,09%	0,09%
Japan								
OLYMPUS CORP		5 300,00	JPY	2 370,00	87 172,89		0,07%	0,07%
UNICHARM CORP		2 300,00	JPY	5 374,00	85 779,35		0,07%	0,07%
Total: Japan					172 952,24		0,14%	0,14%
Netherlands								
AKZO NOBEL		2 152,00	EUR	73,50	158 172,00		0,13%	0,13%
ASML HOLDING NV		219,00	EUR	617,70	135 276,30		0,11%	0,11%
ING GROUP NV		11 315,00	EUR	11,14	126 071,73		0,10%	0,10%
KONINKLIJKE DSM NV		1 088,00	EUR	109,00	118 592,00		0,10%	0,10%
Total: Netherlands					538 112,03		0,44%	0,43%
United States of America								
ADOBE INC		375,00	USD	380,08	130 899,57		0,11%	0,10%
AIR PRODUCTS & CHEMICALS		495,00	USD	289,04	131 399,92		0,11%	0,11%
ALLSTATE CORP		936,00	USD	114,25	98 211,87		0,08%	0,08%
ALPHABET INC -C-		2 233,00	USD	104,91	215 148,12		0,18%	0,17%
AMGEN INC		658,00	USD	244,44	147 716,88		0,12%	0,12%
APPLE INC		557,00	USD	166,17	85 004,08		0,07%	0,07%
AUTODESK INC.		385,00	USD	207,58	73 396,98		0,06%	0,06%
BANK OF AMERICA CORP		3 050,00	USD	28,59	80 084,03		0,07%	0,06%
CHURCH & DWIGHT CO INC		1 757,00	USD	88,87	143 403,21		0,12%	0,12%
CISCO SYSTEMS INC.		3 356,00	USD	52,31	161 227,31		0,13%	0,13%
EDWARDS LIFESCIENCES		1 771,00	USD	82,17	133 648,41		0,11%	0,11%
ENPHASE ENERGY INC SHS		295,00	USD	202,60	54 890,02		0,04%	0,04%
EQUINIX INC /REIT		190,00	USD	709,95	123 883,46		0,10%	0,10%
HOME DEPOT INC.		453,00	USD	297,73	123 866,18		0,10%	0,10%
IQVIA HOLDINGS INC		611,00	USD	199,93	112 189,22		0,09%	0,09%
MERCK & CO INC NEW COMMON		1 607,00	USD	108,87	160 677,86		0,13%	0,13%
MICROSOFT CORP.		1 206,00	USD	287,23	318 133,24		0,26%	0,26%
MORGAN STANLEY		1 289,00	USD	87,16	103 181,56		0,08%	0,08%
NIKE INC -B-		1 169,00	USD	121,67	130 626,10		0,11%	0,10%
OTIS WORLDWIDE CORPORATION		1 638,00	USD	84,20	126 665,38		0,10%	0,10%
PAYPAL HOLDINGS INC		1 784,00	USD	75,29	123 357,08		0,10%	0,10%
PROCTER & GAMBLE CO.		1 435,00	USD	149,51	197 039,86		0,16%	0,16%

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### 3.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
ROCKWELL AUTOMATION		579,00	USD	291,29	154 894,53		0,13%	0,12%
SYNOPSYS INC.		381,00	USD	388,94	136 094,17		0,11%	0,11%
TEXAS INSTRUMENTS INC		777,00	USD	184,16	131 416,01		0,11%	0,11%
UNITEDHEALTH GROUP INC		351,00	USD	494,19	159 306,32		0,13%	0,13%
VISA INC -A		606,00	USD	229,00	127 450,06		0,10%	0,10%
WALT DISNEY COMPANY		1 294,00	USD	99,76	118 555,76		0,10%	0,10%
Total: United States of America					3 802 367,19		3,10%	3,05%
Total: Transferable securities admitted to an official stock exchange listing					10 549 235,60		8,60%	8,46%
Total: Shares and similar securities					10 549 235,60		8,60%	8,46%
Bonds and other debt securities								
State								
France								
CADES 0.375% 21-27.05.24		800 000,00	USD	95,27	699 960,51		0,57%	0,56%
Total: France					699 960,51		0,57%	0,56%
Total: State					699 960,51		0,57%	0,56%
International institution								
Finland								
NIB 2.25% 19-21.05.24		200 000,00	USD	97,58	179 229,46		0,15%	0,14%
Total: Finland					179 229,46		0,15%	0,14%
Luxembourg (Grand Duchy)								
EIB 0.375% 21-24.07.24		900 000,00	USD	95,05	785 620,61		0,64%	0,63%
Total: Luxembourg (Grand Duchy)					785 620,61		0,64%	0,63%
Total: International institution					964 850,07		0,79%	0,77%
Financial institution								
Belgium								
KBC 0.375% 20-16.06.27		1 300 000,00	EUR	89,49	1 163 370,00		0,95%	0,93%
Total: Belgium					1 163 370,00		0,95%	0,93%
Spain								
BCO SAB 0.875% 21-16.06.28		1 300 000,00	EUR	81,84	1 063 868,00		0,87%	0,85%
Total: Spain					1 063 868,00		0,87%	0,85%
Italy								
ISP 0.75% 19-04.12.24 REGS		1 200 000,00	EUR	95,09	1 141 044,00		0,93%	0,92%
Total: Italy					1 141 044,00		0,93%	0,92%
Netherlands								
ABN AMRO BA 2.375% 22-01.06.27		1 200 000,00	EUR	94,02	1 128 180,00		0,92%	0,90%
BNP PAR 0.50% 19-04.06.26		1 200 000,00	EUR	92,98	1 115 796,00		0,91%	0,89%
TENNET 2.374% 20-PERP		1 100 000,00	EUR	93,09	1 023 979,00		0,83%	0,82%
Total: Netherlands					3 267 955,00		2,66%	2,62%
Total: Financial institution					6 636 237,00		5,41%	5,32%
Private corporation								
Germany (Federal Republic)								
VONOVIA 0.625% 21-24.03.31		1 500 000,00	EUR	69,27	1 038 975,00		0,85%	0,83%
Total: Germany (Federal Republic)					1 038 975,00		0,85%	0,83%
France								
AXA 1.375% 21-07.10.41		1 440 000,00	EUR	75,49	1 087 099,20		0,89%	0,87%
GECINA 1.625% 19-29.05.34		1 500 000,00	EUR	77,17	1 157 625,00		0,94%	0,93%
Total: France					2 244 724,20		1,83%	1,80%

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### 3.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
<b>Netherlands</b>								
IBERDROLA I 2.625% 18-PERP		1 200 000,00	EUR	98,05	1 176 600,00		0,96%	0,94%
<b>Total: Netherlands</b>					<b>1 176 600,00</b>		<b>0,96%</b>	<b>0,94%</b>
<b>Total: Private corporation</b>					<b>4 460 299,20</b>		<b>3,63%</b>	<b>3,58%</b>
<b>Total: Bonds and other debt securities</b>					<b>12 761 346,78</b>		<b>10,40%</b>	<b>10,24%</b>
<b>UCI with variable number of shares</b>								
<b>Shares</b>								
<b>Luxembourg (Grand Duchy)</b>								
CANDRIAM EQUITIES L ONCOLOGY IMPACT -Z-	3	168,00	USD	2 434,87	375 679,07	0,02%	0,31%	0,30%
CANDRIAM FUND SUSTAINABLE EUROPEAN EQUITIES FOSSIL FREE -Z-	3	486,00	EUR	2 313,41	1 124 317,26	0,63%	0,92%	0,90%
CANDRIAM SUSTAINABLE - EQUITY CIRCULAR ECONOMY -Z-	3	296,00	USD	1 394,63	379 125,21	0,08%	0,31%	0,30%
CANDRIAM SUSTAINABLE - EQUITY CLIMATE ACTION -Z-	3	248,00	USD	1 669,12	380 164,17	0,03%	0,31%	0,30%
CANDRIAM SUSTAINABLE - EQUITY EMERGING MARKETS -Z-	3	3 004,00	EUR	2 124,94	6 383 319,76	0,23%	5,20%	5,12%
CANDRIAM SUSTAINABLE-EQUITY EUROPE SMALL & MID CAPS -Z-	3	131,00	EUR	2 762,17	361 844,27	0,18%	0,29%	0,29%
CANDRIAM SUSTAINABLE - EQUITY EUROPE -Z-	3	1 063,00	EUR	1 694,63	1 801 391,69	0,12%	1,47%	1,44%
CANDRIAM SUSTAINABLE EQUITY FUTURE MOBILITY Z USD CAPÁ Ā	3	870,00	USD	958,85	766 128,94	0,25%	0,62%	0,61%
CANDRIAM SUSTAINABLE EQUITY JAPAN -Z-	3	728,00	JPY	184 819,00	933 759,91	0,00%	0,76%	0,75%
CANDRIAM SUSTAINABLE-EQUITY QUANT EUROPE -Z-	3	557,00	EUR	4 353,73	2 425 027,61	0,54%	1,98%	1,95%
CANDRIAM SUSTAINABLE-EQUITY US -Z-	2	5 293,22	USD	974,76	4 738 590,49	0,30%	3,86%	3,80%
CANDRIAM SUSTAINABLE - EQUITY WORLD -Z-	3	21 382,00	EUR	296,88	6 347 888,16	0,49%	5,17%	5,09%
<b>Total: Luxembourg (Grand Duchy)</b>					<b>26 017 236,54</b>		<b>21,20%</b>	<b>20,87%</b>
<b>Total: Shares</b>					<b>26 017 236,54</b>		<b>21,20%</b>	<b>20,87%</b>
<b>Bonds and other debt securities</b>								
<b>Luxembourg (Grand Duchy)</b>								
CANDRIAM FUND SUSTAINABLE EURO CORPORATE BONDS FOSSIL FREE -Z-	3	643,00	EUR	1 394,67	896 772,81	1,67%	0,73%	0,72%
CANDRIAM SUSTAINABLE - BOND EMERGING MARKETS -Z-	3	3 739,00	USD	1 087,75	3 735 222,71	0,29%	3,04%	3,00%
CANDRIAM SUSTAINABLE - BOND EURO CORPORATE -Z-	3	8 533,00	EUR	965,69	8 240 232,77	0,51%	6,71%	6,61%
CANDRIAM SUSTAINABLE - BOND EURO SHORT TERM -Z-	3	19 426,00	EUR	978,38	19 006 009,88	1,31%	15,49%	15,24%
CANDRIAM SUSTAINABLE BOND EURO -Z-	3	20 645,00	EUR	900,50	18 590 822,50	2,15%	15,15%	14,91%
CANDRIAM SUSTAINABLE - BOND GLOBAL HIGH YIELD -Z-	3	4 678,00	EUR	1 126,10	5 267 895,80	0,32%	4,29%	4,23%
CANDRIAM SUSTAINABLE - BOND GLOBAL -Z-	3	10 460,00	EUR	980,32	10 254 147,20	3,00%	8,35%	8,22%
INDEXIQ-FACTORS SUSTAINABLE SOVEREIGN EURO BOND	3	106 476,00	EUR	22,20	2 363 767,20	1,86%	1,93%	1,90%
<b>Total: Luxembourg (Grand Duchy)</b>					<b>68 354 870,87</b>		<b>55,69%</b>	<b>54,83%</b>
<b>Total: Bonds and other debt securities</b>					<b>68 354 870,87</b>		<b>55,69%</b>	<b>54,83%</b>
<b>Monetary</b>								
<b>Luxembourg (Grand Duchy)</b>								
CANDRIAM SUSTAINABLE - MONEY MARKET EURO -Z-	3	4 602,00	EUR	1 059,40	4 875 358,80	0,52%	3,97%	3,91%
<b>Total: Luxembourg (Grand Duchy)</b>					<b>4 875 358,80</b>		<b>3,97%</b>	<b>3,91%</b>
<b>Total: Monetary</b>					<b>4 875 358,80</b>		<b>3,97%</b>	<b>3,91%</b>



# Belfius Sustainable Low

## 3.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
Total: UCI with variable number of shares					99 247 466,21		80,86%	79,60%
Financial derivatives								
Foreign exchange								
Achat - Aankoop	15/06/2023	38 081,43	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	33 000,00	GBP	0,00	618,83		0,00%	0,00%
Vente - Verkoop	15/06/2023	340 998,81	EUR	0,00	(4 786,36)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	333 000,00	CHF	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	286 302,08	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	448 000,00	AUD	0,00	7 671,47		0,01%	0,01%
Achat - Aankoop	15/06/2023	727 795,13	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	1 058 000,00	CAD	0,00	7 770,98		0,01%	0,01%
Achat - Aankoop	15/06/2023	1 444 688,35	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	204 600 000,00	JPY	0,00	14 916,33		0,01%	0,01%
Vente - Verkoop	15/06/2023	223 796,03	EUR	0,00	(7 640,56)		(0,01%)	(0,01%)
Achat - Aankoop	15/06/2023	2 445 000,00	SEK	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	11 412 000,00	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	12 187 673,64	USD	0,00	269 167,45		0,22%	0,22%
Vente - Verkoop	15/06/2023	2 526 061,18	EUR	0,00	(154 463,29)		(0,13%)	(0,12%)
Achat - Aankoop	15/06/2023	26 631 000,00	NOK	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	113 000,00	EUR	0,00	(845,19)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	164 794,34	CAD	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	135 004,57	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	125 000,00	EUR	0,00	(1 556,19)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	131 197,01	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	122 000,00	EUR	0,00	(2 037,70)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	1 106 663,70	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	1 038 000,00	EUR	0,00	(26 102,52)		(0,02%)	(0,02%)
Achat - Aankoop	15/06/2023	55 000,00	GBP	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	67 435,96	USD	0,00	782,82		0,00%	0,00%
Achat - Aankoop	15/06/2023	1 111 000,00	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	1 213 776,72	USD	0,00	1 166,97		0,00%	0,00%
Vente - Verkoop	15/06/2023	107 000,00	USD	0,00	(3 730,70)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	13 469 941,00	JPY	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	124 000,00	EUR	0,00	791,97		0,00%	0,00%
Achat - Aankoop	15/06/2023	123 599,60	CHF	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	146 268,34	CHF	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	161 000,00	USD	0,00	468,19		0,00%	0,00%
Achat - Aankoop	15/06/2023	336 000,00	GBP	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	417 288,18	USD	0,00	(99,70)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	677 943,59	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	618 000,00	EUR	0,00	1 889,68		0,00%	0,00%
Vente - Verkoop	15/06/2023	521 296,56	USD	0,00	2 444,02		0,00%	0,00%
Achat - Aankoop	15/06/2023	422 000,00	GBP	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	833 000,00	EUR	0,00	2 026,64		0,00%	0,00%
Achat - Aankoop	15/06/2023	913 228,56	USD	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	312 760,47	CHF	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	346 000,00	USD	0,00	(596,28)		(0,00%)	(0,00%)
Vente - Verkoop	15/06/2023	737 000,00	EUR	0,00	9 763,84		0,01%	0,01%
Achat - Aankoop	15/06/2023	816 699,77	USD	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	866 400,93	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	801 000,00	EUR	0,00	(8 791,02)		(0,01%)	(0,01%)
Vente - Verkoop	15/06/2023	229 000,00	CHF	0,00	982,73		0,00%	0,00%
Achat - Aankoop	15/06/2023	232 195,26	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	156 442,10	USD	0,00	1 507,23		0,00%	0,00%
Achat - Aankoop	15/06/2023	1 635 000,00	SEK	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	283 000,00	GBP	0,00	(11 535,66)		(0,01%)	(0,01%)
Achat - Aankoop	15/06/2023	338 794,58	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	382 826,06	USD	0,00	11 004,56		0,01%	0,01%
Achat - Aankoop	15/06/2023	361 000,00	EUR	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	1 807 823,16	NOK	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	159 000,00	EUR	0,00	1 993,94		0,00%	0,00%
Vente - Verkoop	15/06/2023	192 842,64	GBP	0,00	69,03		0,00%	0,00%
Achat - Aankoop	15/06/2023	219 000,00	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	467 000,00	EUR	0,00	524,71		0,00%	0,00%

## Belfius Sustainable Low

### 3.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
Achat - Aankoop	15/06/2023	511 309,33	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	1 113 000,00	EUR	0,00	(6 906,05)		(0,01%)	(0,01%)
Achat - Aankoop	15/06/2023	1 209 681,86	USD	0,00	0,00		0,00%	0,00%
<b>Total: Foreign exchange</b>					<b>106 470,17</b>		<b>0,09%</b>	<b>0,09%</b>
<b>Futures</b>								
<b>Bonds</b>								
EURO BUND		43,00	EUR	136,58	70 373,91		0,06%	0,06%
<b>Total: Bonds</b>					<b>70 373,91</b>		<b>0,06%</b>	<b>0,06%</b>
<b>Total: Futures</b>					<b>70 373,91</b>		<b>0,06%</b>	<b>0,06%</b>
<b>Total: Financial derivatives</b>					<b>176 844,08</b>		<b>0,14%</b>	<b>0,14%</b>
<b>Total: Transferable securities, negotiable and other financial instruments</b>					<b>122 734 892,67</b>		<b>100,00%</b>	<b>98,44%</b>
<b>II. Deposits and liquid assets</b>								
<b>deposit and liquid assets</b>								
BELFIUS BANK		CHF			65 763,98			0,05%
BELFIUS BANK		AUD			979,97			0,00%
BELFIUS BANK		DKK			5 725,02			0,00%
BELFIUS BANK		SEK			4 143,01			0,00%
JP MORGAN		EUR			180 915,40			0,15%
BELFIUS BANK		EUR			967 053,30			0,78%
BELFIUS BANK		USD			733 531,09			0,59%
BELFIUS BANK		GBP			47 272,05			0,04%
BELFIUS BANK		JPY			85 344,29			0,07%
BELFIUS BANK		NOK			2 096,56			0,00%
BELFIUS BANK		CAD			28 827,58			0,02%
<b>Total - deposit and liquid assets</b>					<b>2 121 652,25</b>			<b>1,70%</b>
<b>Deposits and liquid assets</b>					<b>2 121 652,25</b>			<b>1,70%</b>
<b>III. Other receivables and other payables</b>					<b>(109 264,67)</b>			<b>(0,09%)</b>
<b>IV. Others</b>					<b>(70 765,64)</b>			<b>(0,06%)</b>
<b>V. Total net assets</b>					<b>124 676 514,61</b>			<b>100,00%</b>

(2) UCI's registered on the Financial Services and Markets Authority's list of Undertakings for Collective Investment/UCI's which meets the conditions of the Directive 2009/65/EC.

(3) UCI's not registered on the Financial Services and Markets Authority's list of Undertakings for Collective Investment/UCI's which meets the conditions of the Directive 2009/65/EC.

*The changes in portfolios may be obtained on simple request and without charge at Belfius Banque S.A. with its registered office at Place Rogier 11 - 1210 Brussels provides the financial services.*

#### Economic breakdown of investments as at 31/03/2023 (percentage of portfolio)

Finance	19,10%
Technology	17,94%
Pharma	14,62%
Industry	11,57%
Consumer discretionary	10,91%
Consumer Staples	8,32%
Telecom	5,93%
Basic materials	5,05%
Utilities	3,70%
Real estate	2,42%
Energy	0,44%
<b>Total:</b>	<b>100,00%</b>

## Belfius Sustainable Low

### 3.6. Composition of the assets and key figures (continued)

#### Geographic breakdown of investments as at 31/03/2023 (percentage of portfolio)

United States of America	22,00%
France	15,74%
Germany (Federal Republic)	8,27%
Spain	7,69%
Italy	7,23%
Netherlands	5,46%
United Kingdom	4,10%
Belgium	3,31%
Others	3,26%
Japan	2,67%
Canada	1,86%
China ( People's Republic)	1,65%
Switzerland	1,23%
Austria	1,19%
Denmark	1,13%
Finland	1,01%
Sweden	0,99%
Ireland	0,93%
Australia	0,89%
Taiwan	0,83%
Portugal	0,75%
India	0,74%
Romania	0,61%
Mexico	0,54%
Brazil	0,50%
South Korea (Republic)	0,50%
Poland (Republic)	0,46%
New Zealand	0,44%
Norway	0,41%
Indonesia	0,34%
Chile	0,33%
Peru	0,23%
Hungary (Republic)	0,21%
Panama	0,20%
Luxembourg (Grand Duchy)	0,20%
Thailand	0,19%
Colombia	0,18%
Dominican Republic	0,17%
Croatia (Republic)	0,17%
South Africa (Republic)	0,17%
Hongkong	0,14%
Guatemala	0,11%
Serbia (Republic)	0,10%
Malaysia	0,09%
Uruguay	0,08%
Costa Rica	0,08%
Bermuda	0,07%
Czechia (Czech Republic)	0,07%
Côte-d'Ivoire	0,07%
Senegal	0,07%
Slovenia (Republic)	0,07%
Cyprus	0,06%
Philippines	0,06%
Jamaica	0,06%
Namibia	0,05%
Turkey	0,04%
<b>Total:</b>	<b>100,00%</b>

#### Currency breakdown of investments as at 31/03/2023 (percentage of portfolio)

EUR	71,35%
USD	14,01%
GBP	2,55%
NOK	2,08%
CHF	1,74%
JPY	1,32%
CNY	1,16%
HKD	1,13%
TWD	0,81%
INR	0,72%
KRW	0,60%
DKK	0,57%
SEK	0,45%
BRL	0,35%
MXN	0,24%
IDR	0,24%

## 3.6. Composition of the assets and key figures (continued)

THB	0,21%
ZAR	0,11%
MYR	0,09%
CZK	0,06%
CAD	0,05%
PLN	0,05%
TRY	0,04%
SGD	0,02%
NZD	0,02%
ILS	0,01%
RON	0,01%
HUF	0,01%
<b>Total:</b>	<b>100,00%</b>

The economic, geographical and currency allocations of the securities portfolio are based on the underlying securities (look through principle).

### 3.6.2. Change in the composition of assets of the subfund

(in the currency of the subfund)

	1st semester	2nd semester	Period
Purchases	35 440 486,02	41 494 122,30	76 934 608,32
Sales	61 206 041,91	44 056 126,41	105 262 168,32
<b>Total 1</b>	<b>96 646 527,93</b>	<b>85 550 248,71</b>	<b>182 196 776,64</b>
Subscriptions	17 737 000,84	19 923 229,00	37 660 229,84
Redemptions	42 434 530,40	21 083 248,15	63 517 778,55
<b>Total 2</b>	<b>60 171 531,24</b>	<b>41 006 477,15</b>	<b>101 178 008,39</b>
Reference average of the total net asset	138 083 173,59	122 380 415,16	130 231 794,37
<b>Rotation Percentage</b>	<b>26,42%</b>	<b>36,40%</b>	<b>62,21%</b>
<b>Corrected Rotation Percentage</b>	<b>26,47%</b>	<b>36,34%</b>	<b>62,44%</b>

A figure close to 0 % shows that transactions relating to securities or assets, excluding deposits and cash reserves, as applicable, have been carried out over a specific period, relating only to subscriptions and reimbursements. A negative percentage indicates a detailed list of the transactions which were made during the year can be consulted free of charge at Belfius Banque S.A. with its registered office at Place Rogier 11 - 1210 Brussels provides the financial services.

### 3.6.3. Increased rotation

The context of war which prevailed throughout the entire period, led to a sharp rise in volatility on financial markets as well as strong movements in equities in terms of style or sectors. This increased volatility has led us to significantly change the portfolio allocation in order to keep it in line with our market views. We also made some portfolio adjustments related to SFDR regulations, especially in 2023. These two factors resulted in a higher portfolio turnover rate.

### 3.6.4. Table of liabilities relating to the positions on financial derivatives as at 31/03/2023

(in the currency of the subfund)

Description	Currency	In currency	in EUR	Lot-size
<b>Futures</b>				
EURO BUND 08/06/2023	EUR	5 802 566,09	5 802 566,07	1 000

Description	Nominal value	Value date	Due date	Currency	Liabilities in the currency of the instrument	Liabilities in the currency of the subfund
<b>Foreign exchange</b>						
Achat - Aankoop	1 444 688,35	09/12/2022	15/06/2023	EUR	1 444 688,35	1 444 688,35
Vente - Verkoop	204 600 000,00	09/12/2022	15/06/2023	JPY	204 600 000,00	1 419 916,67
Achat - Aankoop	2 445 000,00	09/12/2022	15/06/2023	SEK	2 445 000,00	216 247,27
Vente - Verkoop	223 796,03	09/12/2022	15/06/2023	EUR	223 796,03	223 796,03
Achat - Aankoop	11 412 000,00	09/12/2022	15/06/2023	EUR	11 412 000,00	11 412 000,00
Vente - Verkoop	12 187 673,64	09/12/2022	15/06/2023	USD	12 187 673,64	11 193 161,26
Achat - Aankoop	26 631 000,00	09/12/2022	15/06/2023	NOK	26 631 000,00	2 373 102,51

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### 3.6. Composition of the assets and key figures (continued)

Vente - Verkoop	2 526 061,18	09/12/2022	15/06/2023	EUR	2 526 061,18	2 526 061,18
Achat - Aankoop	164 794,34	14/12/2022	15/06/2023	CAD	164 794,34	112 496,49
Vente - Verkoop	113 000,00	14/12/2022	15/06/2023	EUR	113 000,00	113 000,00
Achat - Aankoop	38 081,43	09/12/2022	15/06/2023	EUR	38 081,43	38 081,43
Achat - Aankoop	135 004,57	14/12/2022	15/06/2023	USD	135 004,57	123 988,22
Vente - Verkoop	125 000,00	14/12/2022	15/06/2023	EUR	125 000,00	125 000,00
Achat - Aankoop	131 197,01	22/12/2022	15/06/2023	USD	131 197,01	120 491,35
Vente - Verkoop	122 000,00	22/12/2022	15/06/2023	EUR	122 000,00	122 000,00
Achat - Aankoop	1 106 663,70	03/01/2023	15/06/2023	USD	1 106 663,70	1 016 360,10
Vente - Verkoop	1 038 000,00	03/01/2023	15/06/2023	EUR	1 038 000,00	1 038 000,00
Achat - Aankoop	55 000,00	17/01/2023	15/06/2023	GBP	55 000,00	62 619,74
Vente - Verkoop	67 435,96	17/01/2023	15/06/2023	USD	67 435,96	61 933,19
Achat - Aankoop	1 111 000,00	17/01/2023	15/06/2023	EUR	1 111 000,00	1 111 000,00
Vente - Verkoop	1 213 776,72	17/01/2023	15/06/2023	USD	1 213 776,72	1 114 732,71
Vente - Verkoop	33 000,00	09/12/2022	15/06/2023	GBP	33 000,00	37 571,84
Achat - Aankoop	13 469 941,00	17/01/2023	15/06/2023	JPY	13 469 941,00	93 480,91
Vente - Verkoop	107 000,00	17/01/2023	15/06/2023	USD	107 000,00	98 268,82
Achat - Aankoop	123 599,60	30/01/2023	15/06/2023	CHF	123 599,60	124 364,68
Vente - Verkoop	124 000,00	30/01/2023	15/06/2023	EUR	124 000,00	124 000,00
Achat - Aankoop	146 268,34	30/01/2023	15/06/2023	CHF	146 268,34	147 173,74
Vente - Verkoop	161 000,00	30/01/2023	15/06/2023	USD	161 000,00	147 862,42
Achat - Aankoop	336 000,00	30/01/2023	15/06/2023	GBP	336 000,00	382 549,66
Vente - Verkoop	417 288,18	30/01/2023	15/06/2023	USD	417 288,18	383 237,52
Achat - Aankoop	677 943,59	30/01/2023	15/06/2023	USD	677 943,59	622 623,49
Vente - Verkoop	618 000,00	30/01/2023	15/06/2023	EUR	618 000,00	618 000,00
Achat - Aankoop	333 000,00	09/12/2022	15/06/2023	CHF	333 000,00	335 061,28
Achat - Aankoop	422 000,00	01/02/2023	15/06/2023	GBP	422 000,00	480 464,16
Vente - Verkoop	521 296,56	01/02/2023	15/06/2023	USD	521 296,56	478 758,84
Achat - Aankoop	913 228,56	01/02/2023	15/06/2023	USD	913 228,56	838 709,24
Vente - Verkoop	833 000,00	01/02/2023	15/06/2023	EUR	833 000,00	833 000,00
Achat - Aankoop	312 760,47	01/02/2023	15/06/2023	CHF	312 760,47	314 696,46
Vente - Verkoop	346 000,00	01/02/2023	15/06/2023	USD	346 000,00	317 766,45
Achat - Aankoop	816 699,77	02/02/2023	15/06/2023	USD	816 699,77	750 057,19
Vente - Verkoop	737 000,00	02/02/2023	15/06/2023	EUR	737 000,00	737 000,00
Achat - Aankoop	866 400,93	10/02/2023	15/06/2023	USD	866 400,93	795 702,74
Vente - Verkoop	801 000,00	10/02/2023	15/06/2023	EUR	801 000,00	801 000,00
Vente - Verkoop	340 998,81	09/12/2022	15/06/2023	EUR	340 998,81	340 998,81
Achat - Aankoop	232 195,26	17/02/2023	15/06/2023	EUR	232 195,26	232 195,26
Vente - Verkoop	229 000,00	17/02/2023	15/06/2023	CHF	229 000,00	230 417,51
Achat - Aankoop	1 635 000,00	17/02/2023	15/06/2023	SEK	1 635 000,00	144 607,07
Vente - Verkoop	156 442,10	17/02/2023	15/06/2023	USD	156 442,10	143 676,45
Achat - Aankoop	338 794,58	17/02/2023	15/06/2023	USD	338 794,58	311 148,99
Vente - Verkoop	283 000,00	17/02/2023	15/06/2023	GBP	283 000,00	322 207,01
Achat - Aankoop	361 000,00	08/03/2023	15/06/2023	EUR	361 000,00	361 000,00
Vente - Verkoop	382 826,06	08/03/2023	15/06/2023	USD	382 826,06	351 587,51
Achat - Aankoop	1 807 823,16	17/03/2023	15/06/2023	NOK	1 807 823,16	161 096,08
Vente - Verkoop	159 000,00	17/03/2023	15/06/2023	EUR	159 000,00	159 000,00
Achat - Aankoop	286 302,08	09/12/2022	15/06/2023	EUR	286 302,08	286 302,08
Achat - Aankoop	219 000,00	17/03/2023	15/06/2023	EUR	219 000,00	219 000,00
Vente - Verkoop	192 842,64	17/03/2023	15/06/2023	GBP	192 842,64	219 559,19
Achat - Aankoop	511 309,33	23/03/2023	15/06/2023	USD	511 309,33	469 586,56
Vente - Verkoop	467 000,00	23/03/2023	15/06/2023	EUR	467 000,00	467 000,00
Achat - Aankoop	1 209 681,86	28/03/2023	15/06/2023	USD	1 209 681,86	1 110 972,00
Vente - Verkoop	1 113 000,00	28/03/2023	15/06/2023	EUR	1 113 000,00	1 113 000,00
Vente - Verkoop	448 000,00	09/12/2022	15/06/2023	AUD	448 000,00	279 061,39
Achat - Aankoop	727 795,13	09/12/2022	15/06/2023	EUR	727 795,13	727 795,13
Vente - Verkoop	1 058 000,00	09/12/2022	15/06/2023	CAD	1 058 000,00	722 241,32

#### 3.6.5. Evolution of subscriptions, redemptions and the net asset value

##### Evolution of the number of shares outstanding as at 31/03/2023

Period			Subscriptions	Redemptions	End of Period
31/03/2021	Class C	Distribution	16 002 612,53	5 679 106,95	16 885 809,48
		Capitalisation	1 510 954,21	861 094,39	5 997 121,60
	Class Y		178.91	281604.60	153417.63
		<b>Total</b>			<b>23 036 348,70</b>
31/03/2022	Class C	Distribution	30 150 062,95	14 428 503,38	32 607 369,04
		Capitalisation	1 991 434,11	873 508,06	7 115 047,66
	Class Y		0,00	153417.65	0,00
		<b>Total</b>			<b>39 722 416,70</b>

## Belfius Sustainable Low

### 3.6. Composition of the assets and key figures (continued)

31/03/2023	Class C	Distribution	9 171 855,20	16 099 318,05	25 679 906,19
	Class Y	Capitalisation	923 999,08	962 950,41	7 076 096,33
<b>Total</b>			<b>32 756 002,53</b>		

Payable and receivable amounts for the UCI  
(in the currency of the subfund)

Period			Subscriptions	Redemptions
31/03/2021	Class C	Distribution	62 774 061,48	22 392 012,88
		Capitalisation	7 383 718,77	4 267 786,48
	Class Y		7 321,71	12 065 091,33
31/03/2022	Class C	Distribution	121 209 572,89	57 922 134,96
		Capitalisation	10 252 232,75	4 477 240,79
	Class Y		0,00	6 697 322,43
31/03/2023	Class C	Distribution	33 233 291,77	59 029 882,86
		Capitalisation	4 426 938,07	4 487 895,69

Net asset value at the end of the period  
(in the currency of the subfund)

Period				for one share	
31/03/2021	105 780 470,97	Class C	Distribution	4,05	
			Capitalisation	5,13	
		Class Y	Capitalisation	43,64	
31/03/2022	162 987 001,93	Class C	Distribution	3,91	
			Capitalisation	5,00	
		Class Y	Capitalisation	-	
31/03/2023	124 676 514,61	Class C	Distribution	3,59	
			Capitalisation	4,60	

#### 3.6.6. Performances

(expressed in percent)

Class	CAP	1 year	3 year	5 year	10 year	Since the start
C	CAP	(7,95%)	1,14%	(0,00%)	1,35%	2,21%

## Belfius Sustainable Low

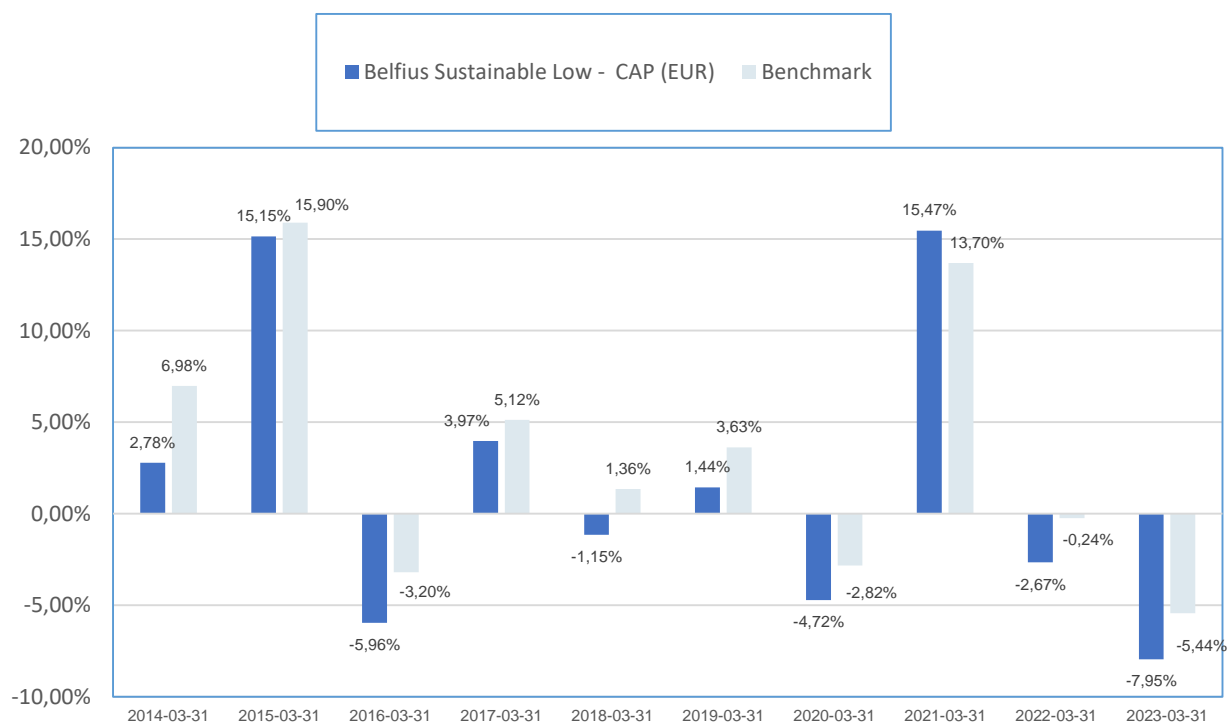
### 3.6. Composition of the assets and key figures (continued)

#### Diagram in sticks

#### Class C (CAP)

Year of creation : 2000

#### Annual Performance 31 March 2023



Details of the benchmark are available under "Index(es) and Benchmark(s)".

These figures are historical yield data, which cannot provide any guarantee as to future yield and which do not take account of restructurings, nor of commissions and costs related to issues and redemptions of shares.

#### 3.6.7. Ongoing charges

(expressed in percent)

Ongoing charges		
Class C	BE0945314491	1,55%
Class C	BE0159412411	1,55%

Ongoing charges - impact on underlying funds		
Classe C / Klasse C	BE0945314491	0,11%
Classe C / Klasse C	BE0159412411	0,11%

The ongoing charges, as calculated in accordance with Regulation no. 583/2010 of the Commission of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the European Council, as regards key investor information and conditions to fulfil

when providing key investor information or a prospectus on a durable medium other than paper or by means of a website (hereinafter « Regulation 583/2010 »), are shown in the key investor information. The concept of « ongoing charges » includes all payments deducted

from the fund's assets where such deduction is required or permitted by the regulations, the articles of association or the prospectus. However, they do not include any performance fees, entry or exit charges directly paid by the investor, transaction fees, except those which

would be charged by the custodian bank, the management company, the administrative agent, the SICAV's managers or any other investment advisor. Fees linked to the subscription or redemption of underlying UCI units are also included into the ongoing charges.

### 3.6. Composition of the assets and key figures (continued)

Moreover, they do not include interest on loans and charges linked to holding derivative products (e.g. the margin calls). They are based on the costs for the previous financial year and are a percentage of the average net assets for the period concerned. In some cases, they may be expressed as a maximum amount to be charged or calculated on the basis of another one-year period, or they may be based on an estimate.

#### Existence of fee sharing agreements :

Fee sharing does not affect the amount of the management fee paid by the Fund to the management company.

This management fee is subject to the limitations defined in the Articles of Association. These limitations can only be modified after approval by the General Meeting.

For the financial year under review, Belfius Investment Partners passed on 88% of the management fee.



## 3.7. Notes to the financial statements as at 31 March 2023

### 3.7.1. Fees commissions and recurring costs borne by the subfund

Fees, commissions and recurring costs borne by the subfund (Class C)

The fees:

- Management Fees at a maximum annual rate of 1.15%
- of the Administration provision at an annual rate of 0.10%
- of the Custody agent at a maximum annual rate of 0.04%
- other expenses (estimation) including the payment for Auditors, Directors and Individuals responsible for effective management at the annual rate of 0.10%

They are calculated and payable monthly on the basis of the average net asset value (excluding fees, commissions and costs accrued but not due) of the subfund's assets at the end of the month in question.

### 3.7.2. Accrued liabilities (Balance VI C)

- The Management fee (Class C)  
118 319,69 EUR
  - The Administrative fee (Class C)  
8 848,25 EUR
  - The Administrative fee (general)  
1 466,67 EUR
  - The Custody agent fee (Class C)  
3 086,61 EUR
  - a provision for other annual overheads (supervisory authority's fee, auditor's fees, report costs, publication costs, etc.)  
45 471,23 EUR
- For a total of  
177 192,45 EUR

### 3.7.3. Payment for auditors

Pursuant to article 3:65 §§ 2 and 4 of the Code of Companies and Associations : mention of the commissioner's emoluments. Amount of the emoluments (in EUR) Exclusive of VAT : 4 200

### 3.7.4. Maximum management fee of the underlying assets

Isin Code	Security Name	% Max
LU1603795292	IND FSUS SOV-UCITS ETF DIS-EUR/DIS	0.15
LU1434528839	CAND SRI EQ W SHS -Z- EUR/CAP	0
LU1434529993	CAN SUS MM EUR -Z- EUR /CAP	0
LU1434521230	CAN SUS BD EUR-Z- DIS	0
LU1434525066	CAN SUS EQ EM -Z-CAP-EUR	0
LU1434523798	CAN SUS BD GL -Z- CAP	0
LU1434522808	CAND SUS BD EST-Z- CAP	0
LU2258566053	CAN SUS EQ SMC ZC	0
LU1644441989	CAN SUS BDG HY -Z- CAP	0
LU2378105204	CAN EQ QUT ER ZC	0
LU1829309621	CA SU E C B F F -SHS -Z- CAP	0
LU1829310124	CA SU EU EQ F F-Z- CAPITAL	0
LU1313771005	CAND SUS BD EC -Z- EUR/CAP	0
LU1313772318	CAN SUS EQ EUR -Z- CAP/EUR	0
LU1434527278	CAN SUS EQ JAP --- SHS -Z-CAP	0
LU1932635185	CAN SUS EQTY CL -Z- USD/CAP	0
LU1434520422	CAND SUS BD EM-Z-USD/CAP	0
LU2227859522	CAN SUS EQ US ZC	0
LU1864483919	CAN EQ L ON IM -Z- CAP	0
LU2109442736	CAND EQ CIR ECO-Z-CAP	0
LU2258564603	CAND EQ FU MOB ZC	0

## 4. INFORMATION ABOUT THE SUBFUND

### 4.1. Management report of the sub-fund

#### 4.1.1. Launch date of the sub-fund and subscription price of the shares

The High sub-fund (formerly called Dexia Sustainable European Balanced High) was launched on 3 November 1998 (the High sub-fund has been activated since 1 July 2000 by transferring the assets of the BACOB Stimulus Ethipar sub-fund, a sub-fund of BACOB Investments) with a fixed net asset value per share of EUR 247.89.

Class Y shares are marketed from 26 October 2011.

Class R shares are marketed from 1 October 2018.

On 30/04/2020 (NAV date), investors in class N shares will become class C investors and class N shares will cease to exist permanently.

The meeting decided to abolish the share classes N, I, Y, Lock, R, R2 and Z as of 01/02/2022.

#### 4.1.2. Financial management of the portfolio

Belfius Banque S.A.  
Place Rogier 11, 1210 Brussels

#### 4.1.3. Delegation of the implementation of the management of the investment portfolio

Candriam  
SERENITY - Bloc B, 19-21 route d'Arlon, L-8009 Strassen  
Grand Duchy of Luxembourg

#### 4.1.4. Distributor

Belfius Banque S.A.  
Place Rogier 11, 1210 Brussels

#### 4.1.5. Stock exchange listing

Non applicable.

#### 4.1.6. Aim and main outlines of the investment policy

Subfund objectives

The objective of the sub-fund is to enable shareholders to benefit from trends on the financial markets and to outperform the benchmark through a portfolio principally made up of Undertakings for Collective Investment (UCIs) selected by the Management Company on the basis of their expected return and socially responsible or sustainability criteria, which aim to offer a broad diversification (notably via equities and bonds of different countries and sectors). The sub-fund will focus on investments in equity UCIs.

The sub-fund aims to have a positive environmental and social impact in the long term by investing at least 85% of net assets in UCIs which have a sustainable investment objective and/or directly in sustainable investments.

#### Fund policy

##### Permitted asset classes:

The assets of this sub-fund will be invested mainly in units of open-end UCIs.

The assets of the sub-fund may also be invested on an ancillary basis in the other asset categories mentioned in the Articles of Association attached to this document. For example, on an ancillary basis, the assets may be invested in shares, bonds, money market instruments, deposits and/or cash.

##### Special strategy:

The sub-fund will invest mainly in units of Belgian or foreign UCIs managed by Candriam, which themselves invest mainly in:

- bonds and/or similar transferable securities - such as investment grade bonds, inflation-linked bonds, etc.
- equities and/or equity-linked securities,
- and/or cash and money market instruments.

## 4. INFORMATION ABOUT THE SUBFUND

### 4.1. Management report of the sub-fund (continued)

#### Information on the sustainability of investments:

This sub-fund is classified under Article 9 of the SFDR Regulation, i.e. it has a sustainable investment objective.

ESG analysis is integrated in the selection and allocation of the underlying assets and covers the entire portfolio, excluding deposits, cash and index derivatives. Derivative counterparties may not be covered by ESG analysis.

#### ESG analysis

In order to achieve its objective, the sub-fund invests at least 85% of the portfolio in UCIs with a sustainable investment objective and/or in direct sustainable investments.

ESG analysis for the investments of the underlying UCIs managed by Candriam with a sustainable investment objective and/or for the sustainable investments held in direct lines

#### Private issuers:

Companies are assessed from two distinct but related angles:

- analysis of the activities (products and services) of each company in order to assess how these activities respond to the major long-term challenges in terms of sustainable development, including in particular climate change through the impact of carbon emissions from products/services, resource and waste management, such as the use of water resources, the generation of waste and its degree of toxicity, and its recycling potential; and

- analysis of each company's key stakeholder management, assessing how companies integrate the interests of their stakeholders (customers, employees, suppliers, investors, society and the environment) into their strategies, operations and strategy setting. Thus, for example, the evaluation of relations with employees covers, among other things, their working conditions, training, retention and diversity policies in place. The assessment of investor relations evaluates the quality of the governance bodies in place, the company's practices in this area, but also its business ethics.

Companies apply good governance practices.

Based on this ESG analysis, a score is assigned to each company.

UCIs with a sustainable investment objective can have several types of ESG objectives, such as climate change, gender diversity, circular economy, ... or - for countries - the promotion of democratic change and sustainable environmental practices, ...

In particular, a mutual fund sub-fund or a mutual fund may aim to achieve a carbon footprint at least 30% lower than the benchmark.

The sub-fund focuses on investments in equity UCIs. However, their proportion may be a minority or be greatly reduced (potentially to a very small proportion of the assets) depending on the manager's expectations regarding the development of the financial markets and in order to reduce the risk for the investor.

In addition, the sub-fund may invest part of its net assets in UCIs which themselves follow specific strategies (such as commodities or other opportunities). However, these investments will always be a minority.

Both the UCIs held and the financial instruments of which they are composed may be denominated in any currency and may or may not be hedged against currency risk, depending on the manager's expectations regarding market trends. The financial instruments of these UCIs may be issued by issuers from different regions of the world, including emerging countries.

#### Sovereign issuers:

Countries are assessed on how they manage 4 key dimensions of sustainability: human capital, natural capital, social capital, economic capital.

Based on this ESG analysis, a score is assigned to each country.

The objective of having a positive long-term impact on the environment and society is evaluated through an ESG score calculated by Candriam. To achieve this sustainable objective, the weighted average ESG score of the sub-fund, including private and sovereign issuers, aims to be higher than the weighted average ESG score of the benchmark.

Based on the ESG approach adopted, the investment universe analysed is reduced by at least 20%, starting by eliminating from the investment universe analysed issuers with significant ESG risks.

UCIs not managed by Candriam, or whose management is delegated to third party managers, may have different ESG policies. The management company takes into account certain criteria in the selection of these funds in order to respect the ESG aspects described at the global level of each sub-fund.

## 4. INFORMATION ABOUT THE SUBFUND

### 4.1. Management report of the sub-fund (continued)

For more information on the SFDR policy and the Taxonomy of the sub-fund please refer to the appendices attached to this report.

#### **Permitted transactions in derivatives:**

The sub-fund may also use derivatives, such as options, futures, swaps, both on interest rates (fixed and variable rates, inflation, etc.) and on credit and currencies, and forward exchange transactions, in compliance with the legal rules in force, both for investment purposes and for hedging purposes. The investor should be aware that these types of derivatives are more volatile than the underlying products.

While the composition of the portfolio must comply with general rules and limits prescribed by law or the Articles of Association, a concentration of risk may occur in narrower geographical areas.

#### **Characteristics of the bonds and debt securities:**

The fixed or floating rate securities of the UCIs in position will be issued mainly by issuers deemed to be of good quality (investment grade: minimum BBB- and/or Baa3 at the time of acquisition) including governments, supranational institutions, the public sector and/or the private sector. Nevertheless, the sub-fund may hold, on an ancillary basis, UCIs investing in speculative bonds (rated below BBB- and/or Baa3 at acquisition).

The manager may vary the overall duration of the sub-fund within a range of 0 to 10 years depending on his expectations regarding the evolution of interest rates.

#### **Description of the general strategy to hedge the currency risk:**

The sub-fund does not intend to systematically hedge the currency risk exposure.

The investment policy ensures that the portfolio's risks are diversified. However, the evolution of the net asset value is uncertain as it is subject to the various types of risk mentioned below. This may result in a high volatility of its price.

## 4. INFORMATION ABOUT THE SUBFUND

### 4.1. Management report of the sub-fund (continued)

#### 4.1.7. Index(es) and Benchmark(s)

##### Index name

25% Bloomberg Euro-Aggregate 1-10 Year Index (Total Return - including interest payments) + 30% MSCI Europe (Net Return - net dividends reinvested) + 30% MSCI USA (Net Return - net dividends reinvested) + 11.25% MSCI Emerging Markets (Net Return - net dividends reinvested) + 3.75% MSCI Japan (Net Return - net dividends disinvested)

##### Index definition

Bloomberg Euro-Aggregate 1-10 Year Index: measures the performance of investment grade bonds (minimum BBB- and/or Baa3) denominated in EUR, with a maturity between 1 and 10 years.

MSCI Europe: measures the performance of the mid and large cap segment in developed markets in Europe.

MSCI USA: measures the performance of the mid and large cap segment of the US market.

MSCI Emerging Markets: measures the performance of the mid and large cap segment of the emerging markets.

MSCI Japan: measures the performance of the mid and large cap segment of the Japanese market.

##### Use of the index

- in determining risk levels/parameters;
- for performance comparison purposes.

Level of deviation of the portfolio composition from the index

As the Fund is actively managed, it does not aim to invest in all constituents of the index, nor to invest in the same proportions as the constituents of the index.

Under normal market conditions, the expected tracking error of the sub-fund will be limited to moderate, namely between 0.5% and 3%. This measure is an estimate of the deviation of the sub-fund's performance from the performance of its index. The higher the tracking error, the greater the deviations from the index. The tracking error achieved depends in particular on market conditions (volatility and correlations between financial instruments) and may therefore deviate from the expected tracking error.

#### 4.1.8. Policy followed during the year

During the year, the policy followed can be broken down into a few major trends, starting with the cautious positioning at the beginning of the period when the war in Ukraine had just broken out. The portfolio was then equity neutral and underweight in terms of duration. From a regional point of view, the strongest defensive position was on Europe, since this area was the most exposed to the energy and geopolitical shocks. Moreover, emerging equities were strong tactical convictions. Unfortunately, the emerging index suffered as a combined result of China's decision to maintain the "Zero-Covid" strategy, a reopening that initially benefited the domestic economy and geopolitical tensions with the United States at the end of the period. We have maintained our positive opinion with a view to a more homogeneous catch-up later which should benefit the whole region.

Our long-term convictions, such as healthcare and consumer goods, with their defensive bias, as well as the energy transition and circular economy, were also reflected in the portfolio. The portfolio benefited from the performance of such stocks as Merck, Xylem and Iberdrola. On the other hand, certain more cyclical consumer sector stocks had a negative impact, including LVMH.

In October, our analysis of investor sentiment, market psychology and technical conditions clearly showed signs of exaggerated and widespread pessimism. We saw this extreme configuration as a signal of a forthcoming market turnaround. As a result investment strategy became more constructive and we increased the allocation to risk-on assets within the portfolio, notably via equities and high yield bonds.

In terms of bonds, we were negative (underweight, short duration) as we anticipated a rise in interest rates. This underweight position partly protected our portfolios from the very rapid rate increase. With accelerated monetary tightening, yields increased during 2022. As a result, expected yields on bonds have become positive again, strongly contrasting with the previous situation. We therefore gradually increased the duration of the portfolio and were neutral at the end of the year.

We gradually took profits from our equity exposure at the end of the year in a context marked by slower growth on both sides of the Atlantic. While the US Federal reserve and the Swiss government were doing everything possible to avoid a contagion of stress spreading throughout their respective banking sectors, we focused our bond exposure on premium bonds and emerging debt while maintaining a neutral position on equities.

We inform you that no exceedance of the investment policy was recorded during the financial year.

### 4. INFORMATION ABOUT THE SUBFUND

#### 4.1. Management report of the sub-fund (continued)

##### 4.1.9. Future policy

Future policy will take account of financial tensions that are symptomatic of monetary tightening cycles. The temporarily high uncertainty surrounding the banking sector reflects the difficult trade-off to be made to achieve at once financial stability and price stability, and central banks will adjust their policies in reaction to developments in this area.

In the case of complacent financial markets, we would be willing to reduce risk further. Moreover, a more severe market correction would likely open up new investment opportunities in the medium term. In the longer term, the portfolio will continue to invest in themes that are in line with future energy challenges and new consumption patterns.

##### 4.1.10. Risk Class

L'indicateur synthétique de risque permet d'apprécier le niveau de risque de ce fonds par rapport à d'autres. Le niveau de risque est présenté via un indicateur synthétique de risque sur une échelle allant de 1 (risque le plus faible) à 7 (risque le plus élevé). Il est obtenu en combinant la mesure du risque de marché et la mesure du risque de crédit selon une méthodologie définie dans l'annexe II du Règlement 2017/653 de la Commission du 8 mars 2017 et est disponible, dans sa version la plus récente, dans le document d'informations clés.

Les principales limites de l'indicateur sont les suivantes : l'indicateur de risque est calculé à partir des données historiques, qui ne préjugent en rien de l'évolution future. En conséquence, le degré de risque pourra évoluer dans le temps. Même si le fonds se situe dans la catégorie de risque la plus basse, l'investisseur peut subir des pertes car aucune catégorie n'est totalement exempte de risque.

The compartment falls under class 3

## Belfius Sustainable High

### 4.2. Balance Sheet

		31/03/2023	31/03/2022
		EUR	EUR
	<b>TOTAL NET ASSETS</b>	<b>271 059 601,13</b>	<b>212 651 111,73</b>
<b>I.</b>	<b>Fixed Assets</b>	<b>0,00</b>	<b>0,00</b>
A.	Start-up costs	0,00	0,00
B.	Intangible assets	0,00	0,00
C.	Tangible assets	0,00	0,00
<b>II.</b>	<b>Transferable securities, negotiable and other financial instruments</b>	<b>267 668 633,86</b>	<b>209 139 409,07</b>
A.	Bonds and other debt securities	1 315 238,09	1 806 491,00
a.	Bonds	1 315 238,09	1 806 491,00
a.1.	Bonds	1 315 238,09	1 806 491,00
B.	On money market instruments	0,00	0,00
C.	Shares and similar securities	54 093 489,40	37 300 406,69
a.	Shares	54 093 489,40	37 300 406,69
a.1.	Shares	54 093 489,40	37 300 406,69
D.	Other transferable securities	0,00	0,00
E.	UCI with variable number of shares	212 442 989,44	170 229 144,90
F.	Financial derivatives	(183 083,07)	(196 633,52)
a.	On bonds	45 744,20	353 469,12
ii.	Futures contracts (+/-)	45 744,20	353 469,12
j.	On foreign currencies	(228 827,27)	(317 142,05)
ii.	Futures contracts (+/-)	(228 827,27)	(317 142,05)
m.	On financial indexes	0,00	(232 960,59)
ii.	Futures contracts (+/-)	0,00	(232 960,59)
<b>III.</b>	<b>Long-term receivables and payables (i.e. more than one year)</b>	<b>0,00</b>	<b>0,00</b>
A.	Receivables	0,00	0,00
B.	Payables	0,00	0,00
<b>IV.</b>	<b>Short-term receivables and payables (i.e. less than one year)</b>	<b>212 534,27</b>	<b>1 872 694,58</b>
A.	Receivables	4 619 725,38	7 797 796,96
a.	Amounts receivable	4 266 186,19	7 394 926,49
b.	Tax credits	13 539,17	2 870,47
c.	Collateral	340 000,00	400 000,00
d.	Others	0,02	0,00
B.	Payables	(4 407 191,11)	(5 925 102,38)
a.	Amounts payable (-)	(4 322 194,08)	(5 810 896,27)
b.	Taxes payable (-)	(52 147,51)	0,00
e.	Others (-)	(32 849,52)	(114 206,11)
<b>V.</b>	<b>Deposits and liquid assets</b>	<b>3 613 153,72</b>	<b>1 997 428,72</b>
A.	Sight bank deposits	3 613 153,72	1 997 428,72
B.	Term bank deposits	0,00	0,00
C.	Others	0,00	0,00
<b>VI.</b>	<b>Adjustment accounts</b>	<b>(434 720,72)</b>	<b>(358 420,64)</b>
A.	Expenses carried forward	20 138,25	0,00
B.	Accrued income	12 378,59	8 068,38
C.	Chargeable expenses (-)	(467 237,56)	(366 489,02)
D.	Income carried forward (-)	0,00	0,00
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>271 059 601,13</b>	<b>212 651 111,73</b>
<b>A.</b>	<b>Capital</b>	<b>230 513 263,24</b>	<b>146 600 192,55</b>
<b>B.</b>	<b>Profit-sharing/dividends</b>	<b>(5 795 190,76)</b>	<b>2 159 994,12</b>
<b>C.</b>	<b>Retained earnings</b>	<b>64 825 937,30</b>	<b>61 346 358,68</b>
<b>D.</b>	<b>Result for the financial year (the half year)</b>	<b>(18 484 408,65)</b>	<b>2 544 566,38</b>

#### 4.3. Off balance sheet items

		31/03/2023	31/03/2022
		EUR	EUR
<b>I.</b>	<b>Real sureties (+/-)</b>	<b>411 502,60</b>	<b>399 532,84</b>
A.	Collateral (+/-)	411 502,60	399 532,84
b.	Liquid assets/Deposits	411 502,60	399 532,84
B.	Other real sureties	0,00	0,00
<b>II.</b>	<b>Securities underlying option contracts and warrants (+)</b>	<b>0,00</b>	<b>0,00</b>
A.	Option contracts and warrants purchased	0,00	0,00
B.	Option contracts and warrants sold	0,00	0,00
<b>III.</b>	<b>Notional amounts of futures contracts (+)</b>	<b>90 534 089,54</b>	<b>124 643 723,05</b>
A.	Futures contracts purchased	46 281 880,70	50 854 576,11
B.	Futures contracts sold	44 252 208,84	73 789 146,94
<b>IV.</b>	<b>Notional amounts of swap contracts (+)</b>	<b>0,00</b>	<b>0,00</b>
A.	Swap contracts purchased	0,00	0,00
B.	Swap contracts sold	0,00	0,00
<b>V.</b>	<b>Notional amounts of other financial derivatives(+)</b>	<b>0,00</b>	<b>0,00</b>
A.	Contracts purchased	0,00	0,00
B.	Contracts sold	0,00	0,00
<b>VI.</b>	<b>Uncalled amounts on shares</b>	<b>0,00</b>	<b>0,00</b>
<b>VII.</b>	<b>Commitments to call resulting from transfers/disposals</b>	<b>0,00</b>	<b>0,00</b>
<b>VIII.</b>	<b>Commitments to buy resulting from transfers/disposals</b>	<b>0,00</b>	<b>0,00</b>
<b>IX.</b>	<b>Financial instruments loaned</b>	<b>0,00</b>	<b>0,00</b>
A.	Shares	0,00	0,00
B.	Bonds	0,00	0,00



#### 4.4. Income statement

		31/03/2023	31/03/2022
		EUR	EUR
<b>I.</b>	<b>Depreciation, capital loss and capital gain</b>	<b>(14 904 240,35)</b>	<b>5 394 566,05</b>
A.	Bonds and other debt securities	(129 845,32)	(349 620,73)
a.	Bonds	(129 845,32)	(349 620,73)
a.1.	Realized result	(120 510,84)	(284 338,65)
a.2.	Non realized result	(9 334,48)	(65 282,08)
B.	Money market instruments	0,00	0,00
C.	Shares and similar securities	3 093,16	(1 704 118,84)
a.	Shares	3 093,16	(1 704 118,84)
a.1.	Realized result	(656 870,25)	(955 662,43)
a.2.	Non realized result	659 963,41	(748 456,41)
D.	Other transferable securities	18 400,86	0,00
a.	Realized result	18 400,86	0,00
E.	UCI with variable number of shares	(13 017 282,70)	7 883 586,21
a.	Realized result	(567 381,65)	14 618 202,30
b.	Non realized result	(12 449 901,05)	(6 734 616,09)
F.	Financial derivatives	(23 721,09)	156 441,33
a.	On bonds	134 503,96	626 324,79
ii.	Futures contracts	134 503,96	626 324,79
	Realized result	442 228,88	341 867,68
	Non realized result	(307 724,92)	284 457,11
i.	On financial indexes	(44 132,31)	(469 883,46)
ii.	Futures contracts	(44 132,31)	(469 883,46)
	Realized result	(277 092,90)	(236 922,87)
	Non realized result	232 960,59	(232 960,59)
m.	On financial derivatives	(114 092,74)	0,00
i.	Option contracts	(114 092,74)	0,00
	Realized result	(114 092,74)	0,00
G.	Amounts receivable, deposits, liquid assets and amounts payable	0,00	0,00
H.	Foreign exchange positions and transactions	(1 754 885,26)	(591 721,92)
b.	Other exchange positions and transactions	(1 754 885,26)	(591 721,92)
b.1.	Realized result	(1 843 200,04)	(394 109,60)
b.2.	Non realized result	88 314,78	(197 612,32)
<b>II.</b>	<b>Investment income and expenses</b>	<b>926 561,29</b>	<b>136 119,48</b>
A.	Dividends	993 658,87	140 257,52
B.	Interest (+/-)	74 999,08	18 398,81
a.	Transferable securities and money market instruments	51 361,20	18 282,92
b.	Deposits and liquid assets	23 038,52	115,89
c.	Collateral (+/-)	599,36	0,00
C.	Interest expenses (-)	(7 552,32)	(10 205,61)
D.	Swap Contracts (+/-)	0,00	0,00
E.	Withholding tax (-)	(134 544,34)	(12 331,24)
a.	Belgian	(33 587,58)	0,00
b.	Foreign	(100 956,76)	(12 331,24)
F.	Other income from investments	0,00	0,00
<b>III.</b>	<b>Other income</b>	<b>0,27</b>	<b>0,06</b>
A.	Allowance to cover costs of asset acquisition and realisation, discourage withdrawal and cover delivery costs	0,00	0,00
B.	Others	0,27	0,06
<b>IV.</b>	<b>Operating expenses</b>	<b>(4 438 112,25)</b>	<b>(2 986 119,21)</b>
A.	Transaction and delivery expenses on investments (-)	(112 472,56)	(64 284,95)
B.	Interest and other finance expenses (-)	(2 532,49)	(150,72)
C.	Depositary fees payable (-)	(202 741,93)	(159 200,56)
	Remuneration due to the depositary - general	(111 909,01)	(110 232,42)
	Remuneration due to the depositary - class C	(90 832,92)	(48 968,14)
D.	Management fees payable (-)	(3 791 102,16)	(1 077 380,80)
a.	Financial management	(3 606 538,62)	(474 200,66)
a.2.	Financial management - Class C	(3 606 538,62)	(474 200,66)
b.	Administrative and accounting management	(184 563,54)	(603 180,14)
b.1.	Administrative and accounting management - General	(5 400,00)	(5 400,00)
b.2.	Administrative and accounting management - Class C	(179 163,54)	(597 780,14)
E.	Administrative expenses (-)	(19 680,80)	(5 603,37)
F.	Start-up costs (-)	(9 560,04)	(21 726,12)
G.	Salaries and wages, social security charges and pensions (-)	(1 000,00)	(272,73)
H.	Various services and goods (-)	(67 290,63)	(1 466 596,90)
I.	Depreciation allowances and contingency and loss provisions (-)	0,00	0,00
J.	Taxes	(207 595,00)	(145 417,96)

## 4.4. Income statement (continued)

K.	Other expenses (-)	(24 136,64)	(45 485,10)
	Income and expenses for the financial year (half year)	(3 511 550,69)	(2 849 999,67)
	Sub total II+III+IV		
V.	Current profit (loss) before income tax	(18 415 791,04)	2 544 566,38
VI.	Income tax	(68 617,61)	0,00
VII.	Result for the financial year (the half year)	(18 484 408,65)	2 544 566,38

## 4.5. Allocation of the result

		31/03/2023	31/03/2022
		EUR	EUR
I.	Profit (loss) for the financial year	40 546 337,89	66 050 919,18
a.	Profit (loss) carried forward from the previous financial year	64 825 937,30	61 346 358,68
b.	Profit (loss) for the financial year to be distributed	(18 484 408,65)	2 544 566,38
c.	Share in profits received (paid)	(5 795 190,76)	2 159 994,12
II.	(Allocation to capital) Deduction from capital	0,00	0,00
III.	(Profit) loss carried forward	(38 574 062,93)	(64 825 937,30)
IV.	(Dividends distributed)	(1 972 274,96)	(1 224 981,88)

## 4.6. Composition of the assets and key figures

### 4.6.1. Assets composition as at 31 March 2023 (expressed in EUR)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
<b>I. Transferable securities, negotiable and other financial instruments</b>								
<b>Shares and similar securities</b>								
<b>Transferable securities admitted to an official stock exchange listing</b>								
<b>Austria</b>								
ERSTE GROUP BANK AG		26 001,00	EUR	30,54	794 070,54		0,30%	0,29%
<b>Total: Austria</b>					<b>794 070,54</b>		<b>0,30%</b>	<b>0,29%</b>
<b>Belgium</b>								
KBC GROUPE SA		14 921,00	EUR	63,62	949 274,02		0,35%	0,35%
SOLVAY SA		7 374,00	EUR	105,25	776 113,50		0,29%	0,29%
<b>Total: Belgium</b>					<b>1 725 387,52</b>		<b>0,64%</b>	<b>0,64%</b>
<b>Canada</b>								
ROYAL BANK OF CANADA		4 504,00	CAD	130,94	402 594,08		0,15%	0,15%
WASTE CONNECTIONS INC		5 427,00	USD	139,46	695 090,62		0,26%	0,26%
<b>Total: Canada</b>					<b>1 097 684,70</b>		<b>0,41%</b>	<b>0,40%</b>
<b>Switzerland</b>								
LONZA GROUP AG /NOM.		1 317,00	CHF	544,80	721 942,95		0,27%	0,27%
NESTLE / ACT NOM		13 384,00	CHF	112,10	1 509 633,57		0,56%	0,56%
TE CONNECTIVITY /REG SHS		5 606,00	USD	130,89	673 893,87		0,25%	0,25%
<b>Total: Switzerland</b>					<b>2 905 470,39</b>		<b>1,09%</b>	<b>1,07%</b>
<b>Germany (Federal Republic)</b>								
ALLIANZ SE/NAM.VINKULIERT		3 344,00	EUR	212,95	712 104,80		0,27%	0,26%
BEIERSDORF A.G.		2 817,00	EUR	121,30	341 702,10		0,13%	0,13%
<b>Total: Germany (Federal Republic)</b>					<b>1 053 806,90</b>		<b>0,39%</b>	<b>0,39%</b>
<b>Denmark</b>								
COLOPLAST -B-		6 774,00	DKK	891,60	810 607,01		0,30%	0,30%
ORSTED		6 249,00	DKK	583,20	489 128,70		0,18%	0,18%
<b>Total: Denmark</b>					<b>1 299 735,71</b>		<b>0,49%</b>	<b>0,48%</b>
<b>Spain</b>								
BCO BILBAO VIZ.ARGENTARIA/NAM.		64 411,00	EUR	6,28	404 243,44		0,15%	0,15%
EDP RENOVAVEIS SA		26 301,00	EUR	20,68	543 904,68		0,20%	0,20%
IBERDROLA SA		153 058,00	EUR	11,36	1 738 738,88		0,65%	0,64%
<b>Total: Spain</b>					<b>2 686 887,00</b>		<b>1,00%</b>	<b>0,99%</b>
<b>Finland</b>								
KONE OYJ -B-		16 989,00	EUR	48,02	815 811,78		0,30%	0,30%
NESTE OYJ		18 250,00	EUR	45,17	824 352,50		0,31%	0,30%
<b>Total: Finland</b>					<b>1 640 164,28</b>		<b>0,61%</b>	<b>0,61%</b>
<b>France</b>								
AXA		26 120,00	EUR	28,22	737 106,40		0,28%	0,27%
DANONE.		5 900,00	EUR	57,94	341 846,00		0,13%	0,13%
ESSILORLUXOTT --- ACT.		5 454,00	EUR	163,26	890 420,04		0,33%	0,33%
L OREAL		3 219,00	EUR	415,45	1 337 333,55		0,50%	0,49%
LVMH ACT.		898,00	EUR	844,10	758 001,80		0,28%	0,28%
MICHELIN SA SHS		24 997,00	EUR	28,23	705 665,31		0,26%	0,26%
SANOFI		9 899,00	EUR	99,64	986 336,36		0,37%	0,36%
SCHNEIDER ELECTRIC SE		7 805,00	EUR	151,18	1 179 959,90		0,44%	0,44%

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### 4.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
VEOLIA ENVIRONNEMENT		18 461,00	EUR	28,39	524 107,79		0,20%	0,19%
Total: France					7 460 777,15		2,79%	2,75%
United Kingdom								
ASTRAZENECA PLC		7 671,00	GBP	112,70	984 293,11		0,37%	0,36%
RECKITT BENCKISER GROUP PLC		4 839,00	GBP	62,10	342 133,63		0,13%	0,13%
RELX PLC		26 509,00	GBP	26,01	785 022,75		0,29%	0,29%
RENTOKIL INITIAL PLC		129 117,00	GBP	5,92	869 681,31		0,32%	0,32%
UNILEVER PLC		27 104,00	GBP	42,33	1 306 107,43		0,49%	0,48%
Total: United Kingdom					4 287 238,23		1,60%	1,58%
Ireland								
CRH PLC		13 129,00	EUR	46,16	606 034,64		0,23%	0,22%
KERRY GROUP -A-		3 672,00	EUR	91,26	335 106,72		0,13%	0,12%
SMURFIT KAPPA GROUP PLC		19 825,00	EUR	33,15	657 198,75		0,25%	0,24%
Total: Ireland					1 598 340,11		0,60%	0,59%
Italy								
ENEL		98 077,00	EUR	5,60	549 427,35		0,21%	0,20%
INTESA SANPAOLO SPA		632 516,00	EUR	2,37	1 495 900,34		0,56%	0,55%
UNICREDIT SPA		23 322,00	EUR	17,93	418 163,46		0,16%	0,15%
Total: Italy					2 463 491,15		0,92%	0,91%
Jersey								
APTIV PLC		6 130,00	USD	110,49	622 035,82		0,23%	0,23%
Total: Jersey					622 035,82		0,23%	0,23%
Japan								
OLYMPUS CORP		28 000,00	JPY	2 370,00	460 536,02		0,17%	0,17%
UNICHARM CORP		12 300,00	JPY	5 374,00	458 733,02		0,17%	0,17%
Total: Japan					919 269,04		0,34%	0,34%
Netherlands								
AKZO NOBEL		9 279,00	EUR	73,50	682 006,50		0,25%	0,25%
ASML HOLDING NV		1 187,00	EUR	617,70	733 209,90		0,27%	0,27%
ING GROUP NV		37 001,00	EUR	11,14	412 265,14		0,15%	0,15%
KONINKLIJKE DSM NV		6 576,00	EUR	109,00	716 784,00		0,27%	0,26%
Total: Netherlands					2 544 265,54		0,95%	0,94%
United States of America								
ADOBE INC		2 027,00	USD	380,08	707 555,83		0,26%	0,26%
AIR PRODUCTS & CHEMICALS		2 636,00	USD	289,04	699 737,74		0,26%	0,26%
ALLSTATE CORP		6 317,00	USD	114,25	662 825,23		0,25%	0,24%
ALPHABET INC -C-		12 073,00	USD	104,91	1 163 225,82		0,43%	0,43%
AMGEN INC		3 555,00	USD	244,44	798 075,22		0,30%	0,29%
APPLE INC		3 009,00	USD	166,17	459 205,15		0,17%	0,17%
AUTODESK INC.		2 082,00	USD	207,58	396 915,61		0,15%	0,15%
BANK OF AMERICA CORP		16 461,00	USD	28,59	432 217,47		0,16%	0,16%
CHURCH & DWIGHT CO INC		9 497,00	USD	88,87	775 128,25		0,29%	0,29%
CISCO SYSTEMS INC.		18 142,00	USD	52,31	871 569,11		0,33%	0,32%
EDWARDS LIFESCIENCES		9 576,00	USD	82,17	722 652,27		0,27%	0,27%
ENPHASE ENERGY INC SHS		1 596,00	USD	202,60	296 964,32		0,11%	0,11%
EQUINIX INC /REIT		1 025,00	USD	709,95	668 318,64		0,25%	0,25%
HOME DEPOT INC.		2 738,00	USD	297,73	748 665,79		0,28%	0,28%
IQVIA HOLDINGS INC		3 731,00	USD	199,93	685 070,33		0,26%	0,25%
MERCK & CO INC NEW COMMON		8 685,00	USD	108,87	868 380,36		0,32%	0,32%
MICROSOFT CORP.		6 528,00	USD	287,23	1 722 034,66		0,64%	0,64%
MORGAN STANLEY		7 945,00	USD	87,16	635 979,43		0,24%	0,23%
NIKE INC -B-		6 322,00	USD	121,67	706 431,32		0,26%	0,26%
OTIS WORLDWIDE CORPORATION		8 853,00	USD	84,20	684 596,23		0,26%	0,25%
PAYPAL HOLDINGS INC		9 645,00	USD	75,29	666 916,52		0,25%	0,25%
PROCTER & GAMBLE CO.		7 757,00	USD	149,51	1 065 113,72		0,40%	0,39%

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## 4.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
ROCKWELL AUTOMATION		3 126,00	USD	291,29	836 269,95		0,31%	0,31%
SYNOPSYS INC.		2 057,00	USD	388,94	734 765,65		0,27%	0,27%
TEXAS INSTRUMENTS INC		4 220,00	USD	184,16	713 739,45		0,27%	0,26%
UNITEDHEALTH GROUP INC		1 896,00	USD	494,19	860 526,46		0,32%	0,32%
VISA INC -A		3 277,00	USD	229,00	689 197,78		0,26%	0,25%
WALT DISNEY COMPANY		7 889,00	USD	99,76	722 787,01		0,27%	0,27%
Total: United States of America					20 994 865,32		7,84%	7,75%
Total: Transferable securities admitted to an official stock exchange listing					54 093 489,40		20,21%	19,96%
Total: Shares and similar securities					54 093 489,40		20,21%	19,96%
Bonds and other debt securities								
State								
France								
CADES 0.375% 21-27.05.24		600 000,00	USD	95,27	524 970,38		0,20%	0,19%
Total: France					524 970,38		0,20%	0,19%
Total: State					524 970,38		0,20%	0,19%
International institution								
Finland								
NIB 2.25% 19-21.05.24		200 000,00	USD	97,58	179 229,46		0,07%	0,07%
Total: Finland					179 229,46		0,07%	0,07%
Luxembourg (Grand Duchy)								
EIB 0.375% 21-24.07.24		700 000,00	USD	95,05	611 038,25		0,23%	0,23%
Total: Luxembourg (Grand Duchy)					611 038,25		0,23%	0,23%
Total: International institution					790 267,71		0,30%	0,29%
Total: Bonds and other debt securities					1 315 238,09		0,49%	0,49%
UCI with variable number of shares								
Shares								
Luxembourg (Grand Duchy)								
CANDRIAM EQUITIES L ONCOLOGY IMPACT -Z-	3	884,00	USD	2 434,87	1 976 787,51	0,10%	0,74%	0,73%
CANDRIAM FUND SUSTAINABLE EUROPEAN EQUITIES FOSSIL FREE -Z-	3	2 586,00	EUR	2 313,41	5 982 478,26	3,38%	2,24%	2,21%
CANDRIAM SUSTAINABLE - EQUITY CIRCULAR ECONOMY -Z-	3	1 608,00	USD	1 394,63	2 059 572,06	0,44%	0,77%	0,76%
CANDRIAM SUSTAINABLE - EQUITY CLIMATE ACTION -Z-	3	1 335,00	USD	1 669,12	2 046 448,27	0,17%	0,76%	0,75%
CANDRIAM SUSTAINABLE - EQUITY EMERGING MARKETS -Z-	3	14 968,00	EUR	2 124,94	31 806 101,92	1,16%	11,88%	11,73%
CANDRIAM SUSTAINABLE-EQUITY EUROPE SMALL & MID CAPS -Z-	3	687,00	EUR	2 762,17	1 897 610,79	0,93%	0,71%	0,70%
CANDRIAM SUSTAINABLE - EQUITY EUROPE -Z-	3	8 457,00	EUR	1 694,63	14 331 485,91	0,94%	5,35%	5,29%
CANDRIAM SUSTAINABLE EQUITY FUTURE MOBILITY Z USD CAPÀ À	3	4 685,00	USD	958,85	4 125 648,39	1,37%	1,54%	1,52%
CANDRIAM SUSTAINABLE EQUITY JAPAN -Z-	3	3 885,00	JPY	184 819,00	4 983 045,68	0,01%	1,86%	1,84%
CANDRIAM SUSTAINABLE-EQUITY QUANT EUROPE -Z-	3	4 073,00	EUR	4 353,73	17 732 742,29	3,95%	6,62%	6,54%
CANDRIAM SUSTAINABLE-EQUITY US -Z-	2	29 876,70	USD	974,76	26 746 210,33	1,67%	9,99%	9,87%
CANDRIAM SUSTAINABLE - EQUITY WORLD -Z-	3	115 972,00	EUR	296,88	34 429 767,36	2,66%	12,86%	12,70%
Total: Luxembourg (Grand Duchy)					148 117 898,77		55,34%	54,64%
Total: Shares					148 117 898,77		55,34%	54,64%
Bonds and other debt securities								
Luxembourg (Grand Duchy)								

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## 4.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
CANDRIAM FUND SUSTAINABLE EURO CORPORATE BONDS FOSSIL FREE -Z-	3	423,00	EUR	1 394,67	589 945,41	1,10%	0,22%	0,22%
CANDRIAM SUSTAINABLE - BOND EMERGING MARKETS -Z-	3	2 731,00	USD	1 087,75	2 728 241,03	0,21%	1,02%	1,01%
CANDRIAM SUSTAINABLE - BOND EURO CORPORATE -Z-	3	14 317,00	EUR	965,69	13 825 783,73	0,86%	5,17%	5,10%
CANDRIAM SUSTAINABLE - BOND EURO SHORT TERM -Z-	3	14 930,00	EUR	978,38	14 607 213,40	1,01%	5,46%	5,39%
CANDRIAM SUSTAINABLE BOND EURO -Z-	3	15 877,00	EUR	900,50	14 297 238,50	1,65%	5,34%	5,27%
CANDRIAM SUSTAINABLE - BOND GLOBAL HIGH YIELD -Z-	3	3 568,00	EUR	1 126,10	4 017 924,80	0,24%	1,50%	1,48%
CANDRIAM SUSTAINABLE - BOND GLOBAL -Z-	3	8 055,00	EUR	980,32	7 896 477,60	2,31%	2,95%	2,91%
INDEXIQ-FACTORS SUSTAINABLE SOVEREIGN EURO BOND	3	82 153,00	EUR	22,20	1 823 796,60	1,44%	0,68%	0,67%
Total: Luxembourg (Grand Duchy)					59 786 621,07		22,34%	22,06%
Total: Bonds and other debt securities					59 786 621,07		22,34%	22,06%
Monetary								
Luxembourg (Grand Duchy)								
CANDRIAM SUSTAINABLE - MONEY MARKET EURO -Z-	3	4 284,00	EUR	1 059,40	4 538 469,60	0,48%	1,70%	1,67%
Total: Luxembourg (Grand Duchy)					4 538 469,60		1,70%	1,67%
Total: Monetary					4 538 469,60		1,70%	1,67%
Total: UCI with variable number of shares					212 442 989,44		79,37%	78,38%
Financial derivatives								
Foreign exchange								
Vente - Verkoop	15/06/2023	785 908,58	EUR	0,00	(12 780,18)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	681 000,00	GBP	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	1 156 000,00	CHF	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	1 183 767,64	EUR	0,00	(16 615,71)		(0,01%)	(0,01%)
Achat - Aankoop	15/06/2023	2 409 703,53	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	3 503 000,00	CAD	0,00	25 729,44		0,01%	0,01%
Achat - Aankoop	15/06/2023	881 273,59	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	1 379 000,00	AUD	0,00	23 613,72		0,01%	0,01%
Achat - Aankoop	15/06/2023	9 885 000,00	SEK	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	904 794,97	EUR	0,00	(30 890,35)		(0,01%)	(0,01%)
Vente - Verkoop	15/06/2023	8 293 855,02	USD	0,00	183 171,61		0,07%	0,07%
Achat - Aankoop	15/06/2023	7 766 000,00	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	4 934 503,20	EUR	0,00	(301 734,42)		(0,11%)	(0,11%)
Achat - Aankoop	15/06/2023	52 022 000,00	NOK	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	162 474,85	CHF	0,00	(369,10)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	179 000,00	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	186 000,00	GBP	0,00	512,16		0,00%	0,00%
Achat - Aankoop	15/06/2023	231 497,24	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	481 000,00	EUR	0,00	(3 597,64)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	701 469,72	CAD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	241 000,00	EUR	0,00	(3 000,33)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	260 288,82	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	251 584,87	USD	0,00	3 976,40		0,00%	0,00%
Achat - Aankoop	15/06/2023	234 000,00	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	352 000,00	EUR	0,00	(5 879,27)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	378 535,63	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	399 000,00	EUR	0,00	1 515,73		0,00%	0,00%
Achat - Aankoop	15/06/2023	352 789,02	GBP	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	2 493 724,85	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	2 339 000,00	EUR	0,00	(58 818,69)		(0,02%)	(0,02%)
Vente - Verkoop	15/06/2023	673 455,99	USD	0,00	5 236,63		0,00%	0,00%
Achat - Aankoop	15/06/2023	621 000,00	EUR	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	532 084,56	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	487 000,00	EUR	0,00	(479,10)		(0,00%)	(0,00%)
Vente - Verkoop	15/06/2023	343 000,00	EUR	0,00	(2 130,11)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	337 612,94	CHF	0,00	0,00		0,00%	0,00%

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## 4.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
Vente - Verkoop	15/06/2023	368 000,00	EUR	0,00	(649,99)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	401 753,07	USD	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	787 000,00	GBP	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	977 398,20	USD	0,00	(233,53)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	447 550,18	CHF	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	449 000,00	EUR	0,00	2 867,70		0,00%	0,00%
Vente - Verkoop	15/06/2023	1 146 000,00	EUR	0,00	3 504,17		0,00%	0,00%
Achat - Aankoop	15/06/2023	1 257 157,53	USD	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	4 388 540,14	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	4 003 000,00	EUR	0,00	9 739,10		0,00%	0,00%
Achat - Aankoop	15/06/2023	762 014,68	CHF	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	843 000,00	USD	0,00	(1 452,79)		(0,00%)	(0,00%)
Vente - Verkoop	15/06/2023	1 227 888,10	USD	0,00	5 756,77		0,00%	0,00%
Achat - Aankoop	15/06/2023	994 000,00	GBP	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	554 000,00	EUR	0,00	(16 269,68)		(0,01%)	(0,01%)
Achat - Aankoop	15/06/2023	6 038 247,99	NOK	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	527 000,00	USD	0,00	(4 926,99)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	5 395 091,88	SEK	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	3 176 000,00	NOK	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	310 000,13	USD	0,00	(621,56)		(0,00%)	(0,00%)
Vente - Verkoop	15/06/2023	422 671,15	USD	0,00	14 341,53		0,01%	0,01%
Achat - Aankoop	15/06/2023	353 000,00	GBP	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	1 582 000,00	EUR	0,00	(30 859,11)		(0,01%)	(0,01%)
Achat - Aankoop	15/06/2023	1 696 408,34	USD	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	286 000,00	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	389 203,39	CAD	0,00	(3 382,80)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	785 000,00	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	845 735,37	USD	0,00	11 738,49		0,00%	0,00%
Vente - Verkoop	15/06/2023	859 426,56	GBP	0,00	307,66		0,00%	0,00%
Achat - Aankoop	15/06/2023	976 000,00	EUR	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	1 551 845,54	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	1 450 000,00	EUR	0,00	(31 042,65)		(0,01%)	(0,01%)
Vente - Verkoop	15/06/2023	317 000,00	EUR	0,00	318,72		0,00%	0,00%
Achat - Aankoop	15/06/2023	314 286,80	CHF	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	448 000,00	EUR	0,00	(7 005,31)		(0,00%)	(0,00%)
Achat - Aankoop	15/06/2023	63 110 746,00	JPY	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	662 000,00	EUR	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	584 804,84	GBP	0,00	(1 925,08)		(0,00%)	(0,00%)
Vente - Verkoop	15/06/2023	1 147 728,32	USD	0,00	9 596,50		0,00%	0,00%
Achat - Aankoop	15/06/2023	1 059 000,00	EUR	0,00	0,00		0,00%	0,00%
Achat - Aankoop	15/06/2023	701 000,00	GBP	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	859 993,18	USD	0,00	9 526,22		0,00%	0,00%
Achat - Aankoop	15/06/2023	983 613,73	USD	0,00	0,00		0,00%	0,00%
Vente - Verkoop	15/06/2023	905 000,00	EUR	0,00	(5 615,43)		(0,00%)	(0,00%)
Total: Foreign exchange					(228 827,27)		(0,09%)	(0,08%)
Futures								
Bonds								
EURO BUND		17,00	EUR	136,58	45 744,20		0,02%	0,02%
Total: Bonds					45 744,20		0,02%	0,02%
Total: Futures					45 744,20		0,02%	0,02%
Total: Financial derivatives					(183 083,07)		(0,07%)	(0,07%)
Total: Transferable securities, negotiable and other financial instruments					267 668 633,86		100,00%	98,75%
II. Deposits and liquid assets								
deposit and liquid assets								
BELFIUS BANK		DKK			43 525,50			0,02%
BELFIUS BANK		CHF			224 336,78			0,08%
JP MORGAN		EUR			71 502,60			0,03%
BELFIUS BANK		AUD			924,45			0,00%
BELFIUS BANK		NOK			19 473,65			0,01%



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### 4.6. Composition of the assets and key figures (continued)

Description	Status UCI	Quantity	Currency	Price in currency	Evaluation	% by the UCI	% portfolio	% net assets
BELFIUS BANK		SEK			132 590,86			0,05%
BELFIUS BANK		EUR			1 330 321,16			0,49%
BELFIUS BANK		GBP			29 638,09			0,01%
BELFIUS BANK		CAD			79 210,48			0,03%
BELFIUS BANK		JPY			172 792,23			0,06%
BELFIUS BANK		USD			1 508 837,92			0,56%
Total - deposit and liquid assets					3 613 153,72			1,33%
Deposits and liquid assets					3 613 153,72			1,33%
III. Other receivables and other payables					212 534,27			0,08%
IV. Others					(434 720,72)			(0,16%)
V. Total net assets					271 059 601,13			100,00%

(2) UCI's registered on the Financial Services and Markets Authority's list of Undertakings for Collective Investment/UCI's which meets the conditions of the Directive 2009/65/EC.

(3) UCI's not registered on the Financial Services and Markets Authority's list of Undertakings for Collective Investment/UCI's which meets the conditions of the Directive 2009/65/EC.

*The changes in portfolios may be obtained on simple request and without charge at Belfius Banque S.A. with its registered office at Place Rogier 11 - 1210 Brussels provides the financial services.*

#### Economic breakdown of investments as at 31/03/2023 (percentage of portfolio)

Finance	17,95%
Technology	17,83%
Pharma	15,22%
Industry	11,91%
Consumer discretionary	11,20%
Consumer Staples	8,63%
Telecom	5,92%
Basic materials	4,88%
Utilities	3,39%
Real estate	2,58%
Energy	0,49%
<b>Total:</b>	<b>100,00%</b>

#### Geographic breakdown of investments as at 31/03/2023 (percentage of portfolio)

United States of America	34,18%
France	11,01%
United Kingdom	6,39%
Germany (Federal Republic)	5,74%
Italy	4,15%
Japan	3,87%
China ( People's Republic)	3,66%
Spain	3,62%
Switzerland	3,30%
Netherlands	3,28%
Belgium	1,92%
Taiwan	1,91%
Denmark	1,68%
India	1,57%
Canada	1,39%
Finland	1,22%
Others	1,16%
South Korea (Republic)	1,14%
Ireland	1,10%
Brazil	0,86%
Sweden	0,82%
Austria	0,77%
Mexico	0,59%
Portugal	0,51%
Australia	0,45%
Thailand	0,43%
Indonesia	0,42%

## Belfius Sustainable High

### 4.6. Composition of the assets and key figures (continued)

Hongkong	0,32%
Norway	0,30%
South Africa (Republic)	0,27%
Poland (Republic)	0,24%
Romania	0,22%
Malaysia	0,20%
Chile	0,17%
New Zealand	0,16%
Luxembourg (Grand Duchy)	0,12%
Turkey	0,10%
Peru	0,08%
Hungary (Republic)	0,08%
Panama	0,07%
Dominican Republic	0,06%
Croatia (Republic)	0,06%
Colombia	0,06%
Guatemala	0,04%
Bermuda	0,03%
Czechia (Czech Republic)	0,03%
Serbia (Republic)	0,03%
Uruguay	0,03%
Slovenia (Republic)	0,03%
Costa Rica	0,03%
Bulgaria	0,02%
Cyprus	0,02%
Philippines	0,02%
Côte-d'Ivoire	0,02%
Senegal	0,02%
Jamaica	0,02%
Singapore	0,01%
<b>Total:</b>	<b>100,00%</b>

### Currency breakdown of investments as at 31/03/2023 (percentage of portfolio)

EUR	36,95%
USD	32,36%
GBP	6,43%
CHF	4,35%
JPY	3,86%
HKD	2,58%
NOK	2,16%
TWD	1,85%
INR	1,65%
DKK	1,48%
CNY	1,27%
KRW	1,20%
SEK	0,98%
BRL	0,80%
MXN	0,50%
THB	0,48%
IDR	0,38%
ZAR	0,26%
MYR	0,21%
TRY	0,09%
PLN	0,09%
CAD	0,03%
CZK	0,02%
SGD	0,01%
NZD	0,01%
<b>Total:</b>	<b>100,00%</b>

The economic, geographical and currency allocations of the securities portfolio are based on the underlying securities (look through principle).

### 4.6.2. Change in the composition of assets of the subfund (in the currency of the subfund)

	1st semester	2nd semester	Period
Purchases	112 018 534,45	125 477 548,19	237 496 082,64
Sales	76 976 526,34	88 945 379,42	165 921 905,76
<b>Total 1</b>	<b>188 995 060,79</b>	<b>214 422 927,61</b>	<b>403 417 988,40</b>
Subscriptions	50 841 418,47	53 366 050,46	104 207 468,93
Redemptions	12 135 382,28	13 751 315,42	25 886 697,70

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### 4.6. Composition of the assets and key figures (continued)

<b>Total 2</b>	<b>62 976 800,75</b>	<b>67 117 365,88</b>	<b>130 094 166,63</b>
Reference average of the total net asset	221 712 838,83	243 512 548,17	232 612 693,50
<b>Rotation Percentage</b>	<b>56,84%</b>	<b>60,49%</b>	<b>117,50%</b>
<b>Corrected Rotation Percentage</b>	<b>56,63%</b>	<b>60,10%</b>	<b>116,78%</b>

A figure close to 0 % shows that transactions relating to securities or assets, excluding deposits and cash reserves, as applicable, have been carried out over a specific period, relating only to subscriptions and reimbursements. A negative percentage indicates a detailed list of the transactions which were made during the year can be consulted free of charge at Belfius Banque S.A. with its registered office at Place Rogier 11 - 1210 Brussels provides the financial services.

#### 4.6.3. Increased rotation

The context of war which prevailed throughout the entire period, led to a sharp rise in volatility on financial markets as well as strong movements in equities in terms of style or sectors. This increased volatility has led us to significantly change the portfolio allocation in order to keep it in line with our market views. We also made some portfolio adjustments related to SFDR regulations, especially in 2023. These two factors resulted in a higher portfolio turnover rate.

#### 4.6.4. Table of liabilities relating to the positions on financial derivatives as at 31/03/2023 (in the currency of the subfund)

Description	Currency	In currency	in EUR	Lot-size
<b>Futures</b>				
EURO BUND 08/06/2023	EUR	2 276 115,80	2 276 115,81	1 000

Description	Nominal value	Value date	Due date	Currency	Liabilities in the currency of the instrument	Liabilities in the currency of the subfund
<b>Foreign exchange</b>						
Achat - Aankoop	9 885 000,00	09/12/2022	15/06/2023	SEK	9 885 000,00	874 275,75
Vente - Verkoop	904 794,97	09/12/2022	15/06/2023	EUR	904 794,97	904 794,97
Achat - Aankoop	7 766 000,00	09/12/2022	15/06/2023	EUR	7 766 000,00	7 766 000,00
Vente - Verkoop	8 293 855,02	09/12/2022	15/06/2023	USD	8 293 855,02	7 617 077,67
Achat - Aankoop	52 022 000,00	09/12/2022	15/06/2023	NOK	52 022 000,00	4 635 707,96
Vente - Verkoop	4 934 503,20	09/12/2022	15/06/2023	EUR	4 934 503,20	4 934 503,20
Achat - Aankoop	179 000,00	14/12/2022	15/06/2023	USD	179 000,00	164 393,63
Vente - Verkoop	162 474,85	14/12/2022	15/06/2023	CHF	162 474,85	163 480,57
Achat - Aankoop	231 497,24	14/12/2022	15/06/2023	USD	231 497,24	212 607,10
Vente - Verkoop	186 000,00	14/12/2022	15/06/2023	GBP	186 000,00	211 768,56
Achat - Aankoop	681 000,00	09/12/2022	15/06/2023	GBP	681 000,00	775 346,19
Achat - Aankoop	701 469,72	14/12/2022	15/06/2023	CAD	701 469,72	478 856,72
Vente - Verkoop	481 000,00	14/12/2022	15/06/2023	EUR	481 000,00	481 000,00
Achat - Aankoop	260 288,82	14/12/2022	15/06/2023	USD	260 288,82	239 049,29
Vente - Verkoop	241 000,00	14/12/2022	15/06/2023	EUR	241 000,00	241 000,00
Achat - Aankoop	234 000,00	21/12/2022	15/06/2023	EUR	234 000,00	234 000,00
Vente - Verkoop	251 584,87	21/12/2022	15/06/2023	USD	251 584,87	231 055,58
Achat - Aankoop	378 535,63	22/12/2022	15/06/2023	USD	378 535,63	347 647,18
Vente - Verkoop	352 000,00	22/12/2022	15/06/2023	EUR	352 000,00	352 000,00
Achat - Aankoop	352 789,02	22/12/2022	15/06/2023	GBP	352 789,02	401 664,64
Vente - Verkoop	399 000,00	22/12/2022	15/06/2023	EUR	399 000,00	399 000,00
Vente - Verkoop	785 908,58	09/12/2022	15/06/2023	EUR	785 908,58	785 908,58
Achat - Aankoop	2 493 724,85	03/01/2023	15/06/2023	USD	2 493 724,85	2 290 237,27
Vente - Verkoop	2 339 000,00	03/01/2023	15/06/2023	EUR	2 339 000,00	2 339 000,00
Achat - Aankoop	621 000,00	11/01/2023	15/06/2023	EUR	621 000,00	621 000,00
Vente - Verkoop	673 455,99	11/01/2023	15/06/2023	USD	673 455,99	618 502,08
Achat - Aankoop	532 084,56	17/01/2023	15/06/2023	USD	532 084,56	488 666,54
Vente - Verkoop	487 000,00	17/01/2023	15/06/2023	EUR	487 000,00	487 000,00
Achat - Aankoop	337 612,94	19/01/2023	15/06/2023	CHF	337 612,94	339 702,77
Vente - Verkoop	343 000,00	19/01/2023	15/06/2023	EUR	343 000,00	343 000,00
Achat - Aankoop	401 753,07	19/01/2023	15/06/2023	USD	401 753,07	368 970,08
Vente - Verkoop	368 000,00	19/01/2023	15/06/2023	EUR	368 000,00	368 000,00
Achat - Aankoop	1 156 000,00	09/12/2022	15/06/2023	CHF	1 156 000,00	1 163 155,66
Achat - Aankoop	787 000,00	30/01/2023	15/06/2023	GBP	787 000,00	896 031,50
Vente - Verkoop	977 398,20	30/01/2023	15/06/2023	USD	977 398,20	897 642,65
Achat - Aankoop	447 550,18	30/01/2023	15/06/2023	CHF	447 550,18	450 320,52
Vente - Verkoop	449 000,00	30/01/2023	15/06/2023	EUR	449 000,00	449 000,00

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### 4.6. Composition of the assets and key figures (continued)

Achat - Aankoop	1 257 157,53	30/01/2023	15/06/2023	USD	1 257 157,53	1 154 573,66
Vente - Verkoop	1 146 000,00	30/01/2023	15/06/2023	EUR	1 146 000,00	1 146 000,00
Achat - Aankoop	4 388 540,14	01/02/2023	15/06/2023	USD	4 388 540,14	4 030 435,91
Vente - Verkoop	4 003 000,00	01/02/2023	15/06/2023	EUR	4 003 000,00	4 003 000,00
Achat - Aankoop	762 014,68	01/02/2023	15/06/2023	CHF	762 014,68	766 731,56
Vente - Verkoop	843 000,00	01/02/2023	15/06/2023	USD	843 000,00	774 211,32
Vente - Verkoop	1 183 767,64	09/12/2022	15/06/2023	EUR	1 183 767,64	1 183 767,64
Achat - Aankoop	994 000,00	01/02/2023	15/06/2023	GBP	994 000,00	1 131 709,42
Vente - Verkoop	1 227 888,10	01/02/2023	15/06/2023	USD	1 227 888,10	1 127 692,61
Achat - Aankoop	6 038 247,99	02/02/2023	15/06/2023	NOK	6 038 247,99	538 071,48
Vente - Verkoop	554 000,00	02/02/2023	15/06/2023	EUR	554 000,00	554 000,00
Achat - Aankoop	5 395 091,88	02/02/2023	15/06/2023	SEK	5 395 091,88	477 167,23
Vente - Verkoop	527 000,00	02/02/2023	15/06/2023	USD	527 000,00	483 996,88
Achat - Aankoop	3 176 000,00	17/02/2023	15/06/2023	NOK	3 176 000,00	283 015,04
Vente - Verkoop	310 000,13	17/02/2023	15/06/2023	USD	310 000,13	284 704,16
Achat - Aankoop	353 000,00	17/02/2023	15/06/2023	GBP	353 000,00	401 904,85
Vente - Verkoop	422 671,15	17/02/2023	15/06/2023	USD	422 671,15	388 181,24
Achat - Aankoop	2 409 703,53	09/12/2022	15/06/2023	EUR	2 409 703,53	2 409 703,53
Achat - Aankoop	1 696 408,34	17/02/2023	15/06/2023	USD	1 696 408,34	1 557 981,67
Vente - Verkoop	1 582 000,00	17/02/2023	15/06/2023	EUR	1 582 000,00	1 582 000,00
Achat - Aankoop	286 000,00	07/03/2023	15/06/2023	USD	286 000,00	262 662,44
Vente - Verkoop	389 203,39	07/03/2023	15/06/2023	CAD	389 203,39	265 688,82
Achat - Aankoop	785 000,00	14/03/2023	15/06/2023	EUR	785 000,00	785 000,00
Vente - Verkoop	845 735,37	14/03/2023	15/06/2023	USD	845 735,37	776 723,48
Achat - Aankoop	976 000,00	17/03/2023	15/06/2023	EUR	976 000,00	976 000,00
Vente - Verkoop	859 426,56	17/03/2023	15/06/2023	GBP	859 426,56	978 492,08
Achat - Aankoop	1 551 845,54	17/03/2023	15/06/2023	USD	1 551 845,54	1 425 215,17
Vente - Verkoop	1 450 000,00	17/03/2023	15/06/2023	EUR	1 450 000,00	1 450 000,00
Vente - Verkoop	3 503 000,00	09/12/2022	15/06/2023	CAD	3 503 000,00	2 391 315,06
Achat - Aankoop	314 286,80	21/03/2023	15/06/2023	CHF	314 286,80	316 232,24
Vente - Verkoop	317 000,00	21/03/2023	15/06/2023	EUR	317 000,00	317 000,00
Achat - Aankoop	63 110 746,00	21/03/2023	15/06/2023	JPY	63 110 746,00	437 986,32
Vente - Verkoop	448 000,00	21/03/2023	15/06/2023	EUR	448 000,00	448 000,00
Achat - Aankoop	662 000,00	24/03/2023	15/06/2023	EUR	662 000,00	662 000,00
Vente - Verkoop	584 804,84	24/03/2023	15/06/2023	GBP	584 804,84	665 824,09
Achat - Aankoop	1 059 000,00	24/03/2023	15/06/2023	EUR	1 059 000,00	1 059 000,00
Vente - Verkoop	1 147 728,32	24/03/2023	15/06/2023	USD	1 147 728,32	1 054 073,86
Achat - Aankoop	701 000,00	27/03/2023	15/06/2023	GBP	701 000,00	798 117,00
Vente - Verkoop	859 993,18	27/03/2023	15/06/2023	USD	859 993,18	789 817,87
Achat - Aankoop	881 273,59	09/12/2022	15/06/2023	EUR	881 273,59	881 273,59
Achat - Aankoop	983 613,73	28/03/2023	15/06/2023	USD	983 613,73	903 350,99
Vente - Verkoop	905 000,00	28/03/2023	15/06/2023	EUR	905 000,00	905 000,00
Vente - Verkoop	1 379 000,00	09/12/2022	15/06/2023	AUD	1 379 000,00	858 985,86

### 4.6.5. Evolution of subscriptions, redemptions and the net asset value

#### Evolution of the number of shares outstanding as at 31/03/2023

Period			Subscriptions	Redemptions	End of Period
31/03/2021	Class C	Distribution	112 354,91	35 741,94	120 082,04
		Capitalisation	55 996,23	12 668,76	138 649,48
	Class Y	Capitalisation	2 109,57	127 028,86	60 118,20
		<b>Total</b>			<b>318 849,72</b>
31/03/2022	Class C	Distribution	192 068,52	51 516,12	260 634,44
		Capitalisation	85 803,81	16 767,70	207 685,59
	Class Y	Capitalisation	0,00	60 118,20	0,00
		<b>Total</b>			<b>468 320,03</b>
31/03/2023	Class C	Distribution	211 299,31	52 300,79	419 632,97
		Capitalisation	57 019,71	14 789,16	249 916,14
		<b>Total</b>			<b>669 549,11</b>

Payable and receivable amounts for the UCI  
(in the currency of the subfund)

Period			Subscriptions	Redemptions
31/03/2021	Class C	Distribution	39 843 497,20	12 635 689,08
		Capitalisation	26 534 465,60	5 981 105,77

## Belfius Sustainable High

### 4.6. Composition of the assets and key figures (continued)

	Class Y	Capitalisation	89 326,79	6 266 248,08
31/03/2022	Class C	Distribution	75 758 012,66	20 611 100,02
		Capitalisation	46 096 488,39	9 182 065,98
	Class Y	Capitalisation	0,00	3 092 848,28
31/03/2023	Class C	Distribution	75 790 126,79	18 621 183,31
		Capitalisation	28 417 342,14	7 265 514,39

Net asset value at the end of the period  
(in the currency of the subfund)

Period		for one share		
31/03/2021	122 040 034,05	Class C	Distribution	388,00
			Capitalisation	521,87
			Capitalisation	51,43
31/03/2022	212 651 111,73	Class C	Distribution	390,75
			Capitalisation	533,54
			Capitalisation	-
31/03/2023	271 059 601,13	Class C	Distribution	354,15
			Capitalisation	489,96
			Capitalisation	

### 4.6.6. Performances

(expressed in percent)

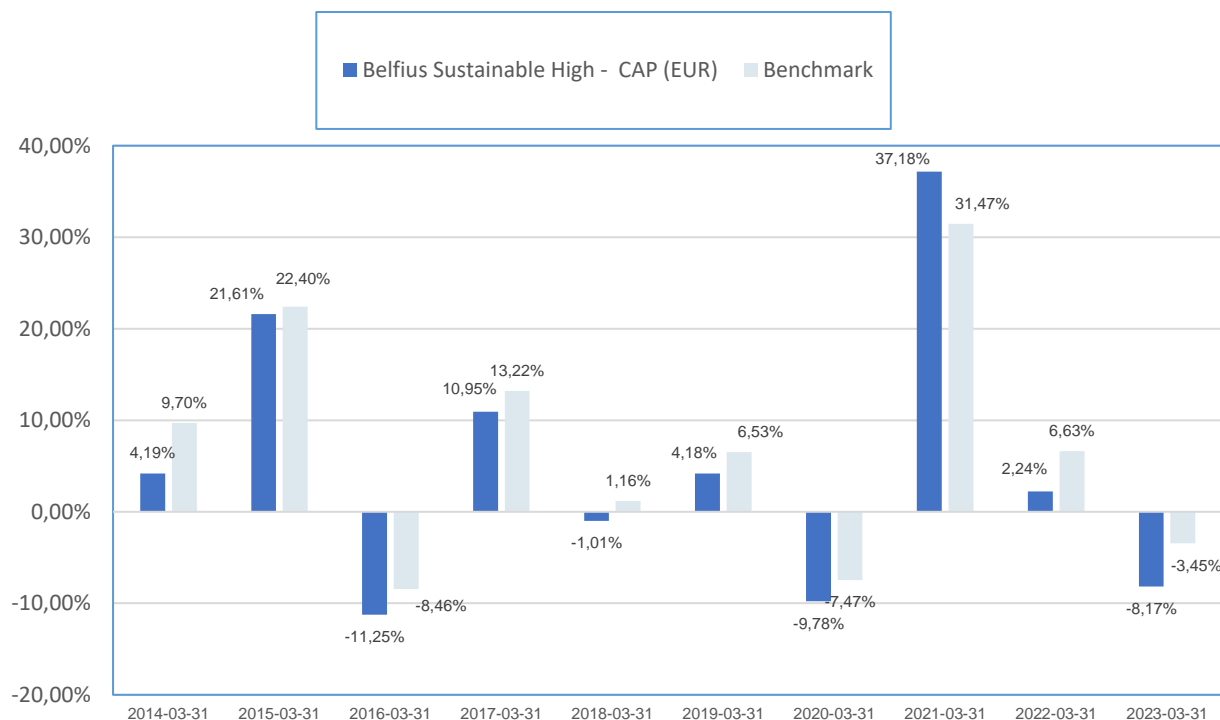
Class	CAP	1 year	3 year	5 year	10 year	Since the start
C	CAP	(8,17%)	8,80%	3,89%	4,10%	2,07%

#### Diagram in sticks

#### Class C (CAP)

Year of creation : 2000

#### Annual Performance 31 March 2023



Details of the benchmark are available under "Index(es) and Benchmark(s)".

## 4.6. Composition of the assets and key figures (continued)

### 4.6.7. Ongoing charges (expressed in percent)

Ongoing charges		
Class C	BE0945312479	2,02%
Class C	BE0169199313	2,02%
Ongoing charges - impact on underlying funds		
Classe C / Klasse C	BE0945312479	0,14%
Classe C / Klasse C	BE0169199313	0,14%

The ongoing charges, as calculated in accordance with Regulation no. 583/2010 of the Commission of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the European Council, as regards key investor information and conditions to fulfil when providing key investor information or a prospectus on a durable medium other than paper or by means of a website (hereinafter « Regulation 583/2010 »), are shown in the key investor information. The concept of « ongoing charges » includes all payments deducted from the fund's assets where such deduction is required or permitted by the regulations, the articles of association or the prospectus. However, they do not include any performance fees, entry or exit charges directly paid by the investor, transaction fees, except those which would be charged by the custodian bank, the management company, the administrative agent, the SICAV's managers or any other investment advisor. Fees linked to the subscription or redemption of underlying UCI units are also included into the ongoing charges. Moreover, they do not include interest on loans and charges linked to holding derivative products (e.g. the margin calls). They are based on the costs for the previous financial year and are a percentage of the average net assets for the period concerned. In some cases, they may be expressed as a maximum amount to be charged or calculated on the basis of another one-year period, or they may be based on an estimate.

#### Existence of fee sharing agreements :

Fee sharing does not affect the amount of the management fee paid by the Fund to the management company.

This management fee is subject to the limitations defined in the Articles of Association. These limitations can only be modified after approval by the General Meeting.

For the financial year under review, Belfius Investment Partners passed on 88% of the management fee.

### 4.7. Notes to the financial statements as at 31 March 2023

#### 4.7.1. Fees commissions and recurring costs borne by the subfund

Fees, commissions and recurring costs borne by the subfund (Class C)

The fees:

- Management Fees at a maximum annual rate of 1.55%
- of the Administration provision at an annual rate of 0.10%
- of the Custody agent at a maximum annual rate of 0.04%
- other expenses (estimation) including the payment for Auditors, Directors and Individuals responsible for effective management at the annual rate of 0.10%

They are calculated and payable monthly on the basis of the average net asset value (excluding fees, commissions and costs accrued but not due) of the subfund's assets at the end of the month in question.

#### 4.7.2. Accrued liabilities (Balance VI C)

- The Management fee (Class C)  
347 055,61 EUR
  - The Administrative fee (Class C)  
19 255,96 EUR
  - The Administrative fee (general)  
1 466,67 EUR
  - The Custody agent fee (Class C)  
6 717,20 EUR
  - a provision for other annual overheads (supervisory authority's fee, auditor's fees, report costs, publication costs, etc.)  
92 742,12 EUR
- For a total of  
467 237,56 EUR

#### 4.7.3. Payment for auditors

Pursuant to article 3:65 §§ 2 and 4 of the Code of Companies and Associations : mention of the commissioner's emoluments.

Amount of the emoluments (in EUR) Exclusive of VAT : 4 200

### 4.7.4. Frais de gestion maximum des sous-jacents

Isin Code	Security Name	% Max
LU1603795292	IND FSUS SOV-UCITS ETF DIS-EUR/DIS	0.15
LU1434528839	CAND SRI EQ W SHS -Z- EUR/CAP	0
LU1434529993	CAN SUS MM EUR -Z- EUR /CAP	0
LU1434521230	CAN SUS BD EUR-Z- DIS	0
LU1434525066	CAN SUS EQ EM -Z-CAP-EUR	0
LU1434523798	CAN SUS BD GL -Z- CAP	0
LU1434522808	CAND SUS BD EST-Z- CAP	0
LU2258566053	CAN SUS EQ SMC ZC	0
LU1644441989	CAN SUS BDG HY -Z- CAP	0
LU2378105204	CAN EQ QUT ER ZC	0
LU1829309621	CA SU E C B F F -SHS -Z- CAP	0
LU1829310124	CA SU EU EQ F F -Z- CAPITAL	0
LU1313771005	CAND SUS BD EC -Z- EUR/CAP	0
LU1313772318	CAN SUS EQ EUR -Z- CAP/EUR	0
LU1434527278	CAN SUS EQ JAP --- SHS -Z-CAP	0
LU1932635185	CAN SUS EQTY CL -Z- USD/CAP	0
LU1434520422	CAND SUS BD EM-Z-USD/CAP	0
LU2227859522	CAN SUS EQ US ZC	0
LU1864483919	CAN EQ L ON IM -Z- CAP	0
LU2109442736	CAND EQ CIR ECO-Z-CAP	0
LU2258564603	CAND EQ FU MOB ZC	0



UNAUDITED SFDR ANNEXES  
&  
TRANSPARENCY CODE

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

**Product name:** Belfius Sustainable - Medium

**Legal entity identifier:** 549300Y4LRSY24UPWM33

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## Sustainable investment objective

### Does this financial product have a sustainable investment objective?

☒ ☒ **X** Yes

☒ It made **sustainable investments with an environmental objective**: 46.15%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☒ It made **sustainable investments with a social objective**: 46.86%

☐ ☐ ☐ No

☐ It **promoted Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent was the sustainable investment objective of this financial product met?

Achievement of the Sustainable Investing Goals was measured using the following sustainability indicator:

- Carbon footprint: the Sub-Fund aimed to have a carbon footprint at least 25% lower than the carbon footprint of the fund's benchmark index.

The Sub-Fund is actively managed and the investment approach involves a reference to a benchmark index. The selected benchmark did not explicitly take sustainability objectives into account. There is no EU benchmark on climate transition or any index aligned with the Paris Agreement or any other sustainable benchmark that takes full account of the sustainability objectives and investment strategy as described in the prospectus.

Nevertheless, the benchmark was used in the comparison of sustainability indicators. The Sub-Fund aims to have a carbon footprint that is at least 25% lower than the carbon footprint of the Sub-Fund's benchmark index.

The Sub-Fund's objective of reducing greenhouse gas emissions relative to its benchmark is a first step towards the objectives of the Paris Agreement. Other measures will be taken later to reduce CO2 emissions in order to reach the Paris Agreement.

In addition, the following indicator was monitored either directly for investments in direct lines, or indirectly in the underlying UCITS/UCIs managed by Candriam in order to:

- ensure that there are no investments in issuers that violate the OECD Guidelines for Multinational Enterprises or the United Nations Global Compact,
- ensure that there are no investments in companies that appear on Candriam's SRI exclusion list due to the application of Candriam's Exclusion Policy;
- ensure that there are no sovereign investments in countries on Candriam's list of oppressive regimes;
- ensure that there are no sovereign investments in countries considered "unfree" by Freedom House.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained

### ● ***How did the sustainability indicators perform?***

The Sub-Fund has been managed in accordance with its sustainability indicators as defined below.

For the selection of sustainable investments, the portfolio manager took into account the ESG assessments of issuers, produced by Candriam's team of ESG analysts.

For companies, these assessments are based on the analysis of the company's interactions with its main stakeholders and on the analysis of its business activities and their impact, positive or negative, on the main challenges of sustainable development such as climate change and resource depletion. Additionally, Candriam's ESG analysis includes exclusion filters based on compliance with international standards and involvement in controversial activities.

Candriam's ESG research and analysis for sustainable investing also assesses investments for compliance with the 'do no harm' principle, a sustainable investment objective and good governance practices.

This integration of Candriam's ESG research methodology has enabled the Fund to achieve the minimum proportion of sustainable investments defined in the prospectus (minimum 85%). The proportion of sustainable investments in the Fund was therefore above this minimum threshold, as detailed in the section "What was the proportion of sustainability-related investments?"

### ● ***...and compared to previous periods?***

Not applicable as no data is available for previous periods.

### ● ***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

Candriam ensured that its sustainable investments did not cause significant harm to any environmental and/or social sustainable investment objective by means of its ESG research and analysis of corporate and sovereign issuers. Based on its proprietary ESG Ratings and Scorings, Candriam's ESG methodology set clear requirements and minimum thresholds to identify those issuers that qualify as 'sustainable investment' and, in particular, do not cause significant harm to any environmental and/or social sustainable investment objective.

The 'Do no significant harm' principle, in particular, was assessed for corporates through:

- the consideration of "principal adverse impacts"
- the alignment with the OECD Guidelines for Multinational Enterprises and the UN Global Compact to ensure minimum environmental & social safeguards.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.

## ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The consideration of adverse impacts is central to Candriam's sustainable investment approach. Principal adverse impacts were taken into account throughout the entire ESG research and analysis process and through a wide range of methods:

For the analysis of corporate issuers, these methods include:

1. ESG rating of corporates: the ESG research and screening methodology considers and assesses the principal adverse impact on sustainability from two distinct, but interlinked, angles:
  - the company's issuers' business activities and how they impact, either positively or negatively, key sustainable challenges such as climate change and resource depletion;
  - company's interactions with key stakeholders.
2. Negative screening of companies, which includes a norms-based exclusion and an exclusion of companies involved in controversial activities.
3. Engagement activities with companies, through dialogue and voting activities, which contribute to avoiding or reducing the extent of the adverse impacts. The ESG analysis framework and its results feed our engagement process, and vice versa.

For the analysis of sovereign issuers, these methods include:

1. Country ESG Scores: the ESG research and screening methodology considers and assesses key negative sustainability impacts around four sustainability dimensions: Natural capital, Human capital, Social capital, and Economic capital.
2. Negative Country Screening, which includes the following:
  - Candriam's list of highly oppressive regimes -States with serious human rights violations;
  - Freedom House's World Freedom Index - states considered "not free".

The integration of the principal adverse impacts on sustainability factors has been based on the materiality or likely materiality of each indicator for each specific industry / sector/ to which the company belongs and for each country to ensure that a country's score adequately reflects the short, medium and long-term problems, challenges and/or opportunities that matter for that country's future development. This materiality depends on several elements, such as the type of information, quality and extent of data, applicability, relevance and geographical coverage.

## ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

The Sub-fund's investments were subject to a norms-based controversy analysis that considered the compliance with the international social, human, environmental and anti-corruption standards, as defined by the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises. The International Labour Organisation and International Bill of Human Rights are part of the many international references integrated into our norms-based analysis and ESG model.

This analysis aimed to exclude companies that have significantly and repeatedly breached any of these principles.



## How did this financial product consider principal adverse impacts on sustainability factors?

At Sub-Fund level, the main negative impacts (PAI) on sustainability factors have been taken into account by one or more means (<https://www.candriam.com/fr-be/private/sfdr---belfius/> > SFDR declarations – Funds > Policy on the main negative impacts at product level):

- Engagement & Voting: in order to avoid and/or reduce the negative impact on the sustainable objectives, the Sub-Fund has also taken into account the negative impacts in its interactions with companies, through dialogue and voting. Candriam has prioritized its engagement and voting activities based on an assessment of the most material and relevant ESG challenges facing industries and issuers, considering both financial and societal impacts/ stakeholders. Therefore, the level of engagement with each company within a single product may vary and is subject to Candriam's prioritization methodology.

- Dialog:

The climate (PAI1 to PAI6) is obviously central in our exchanges with companies. Priorities for climate engagement on the business side are identified taking into account:

- issuers with a low transition profile (proprietary transition risk model), and/or still very carbon-intensive (Scope 1-2) or with significant Scope 3 emissions,
- issuers in the financial sectors still largely exposed to fossil fuels and playing a key role in financing the transition
- relative exposure of the managed portfolios to the above issuers.

Our objective is obviously to encourage companies to report publicly on their alignment on a 1.5° trajectory and to support such alignment. Beyond any Net Zero commitment and absolute disclosure of Scope1-2-3 emissions, we will therefore encourage them to provide information on how the short/medium term targets are aligned with the scientifically recognized 1.5° trajectory. In particular, we expect issuers to explain how their strategy and investment plan serve their decarbonization commitment. We generally combine individual dialogue and collaborative dialogue. As in the previous year, we continue to support and actively participate in several collaborative initiatives such as Climate Action 100+. These initiatives not only contribute to increasing the level of transparency on greenhouse gas emissions and the associated strategy, but also to obtain a fundamental leverage effect to support strategic changes. The results of these engagements are detailed in our annual Engagement and Voting Report, available on our public website (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and the observed increase in inequalities, several commitments have also been carried out in terms of the protection of fundamental human rights at the level of the direct or indirect workforce (due diligence of the supply chain) (PAI10, PAI11). We also conducted a dedicated post-covid direct engagement campaign aimed at investigating the impact of stakeholder relations and the changes now embedded as the “new normal course” of business for Candriam beneficiary companies. In the same vein, human capital management is an aspect that we address in most of our discussions with companies. We continue to support Workforce Disclosure Initiative by advocating for better access to reliable, relevant and comparable data on the direct and indirect workforce of companies.

- Voting:

Candriam's approach to corporate governance is based on internationally recognized standards, in particular the principles laid down by the OECD and by the International Corporate Governance Network (ICGN).

In this regard, Candriam exercised its voting rights when they were available on the positions in the portfolio. Shareholder rights, shareholder equality, board accountability, transparency and integrity of financial statements are key pillars of our voting policy. Directors' compensation and election focus most of our votes against management. Indeed, we require companies to respect the principle of performance-based remuneration and will show our disagreement as soon as we deem the level of remuneration excessive or the conditions of allocation not transparent or demanding enough. Likewise, we expect companies to meet our minimum independence requirements: on boards that do not meet this requirement, we oppose the (re)election of any non-independent director, with the exception of the CEO. Diversity (PAI13) and the level of expertise of the Board are of course also taken into account in these votes.

In addition, Candriam always considers the relevance, consistency and feasibility of the measures sponsored by any ESG resolution before voting.

In the best interest of its clients, Candriam takes into account the internal ESG opinion on the companies held, but also any results of engagement with them, in its voting choices.

As part of Candriam's voting policy, specific guidelines are applied for a range of environmental (e.g. climate (PAI1 to PAI6), biodiversity (PAI7)), social (e.g. diversity, gender pay gap (PAI12), human rights (PAI10, PAI11)) and governance-related management-sponsored and shareholder resolutions. Specifically, Candriam welcomes the introduction of management-sponsored "Say-on-Climate" resolutions. Candriam has built a detailed framework to apply to each Say-on-Climate resolution, which assesses the rigor and alignment of the company's transition strategy with a net zero emissions 2050 trajectory. As a result, most of them did not get our support during the period.

- Exclusion: Candriam's negative screening of companies or countries was aimed at avoiding investments in harmful activities or practices and may lead to exclusions linked to the negative impact of companies or issuers.

- Monitoring: calculation and evaluation of the main negative impact indicators, including reporting at Sub-Fund level. Some of these indicators may have explicit objectives and may be used to measure the achievement of the sub-fund's sustainable investment objective. See below the results of the indicators of this Sub-fund:

Indicators	Results		Coverage ratio	
	Covered Portfolio Involved	Portfolio Involved	Portfolio Covered	Eligible Portfolio Covered
PAI 1. Greenhouse Gas (GHG) emissions - scope 1 (tons)	45260.6563759956			
PAI 1 scope 2	18851.3476334429			
PAI 1 M1 - Carbon Emissions Total	64112.0040094385			
PAI 2. Carbon footprint (tons per EURm)	37.3318153863514			
PAI 3. GHG intensity of investee companies (average)	98.0695195767271			
PAI 4. Exposure to companies active in the fossil fuel sector	2.2			
PAI 10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0			
PAI 13. Board gender diversity (average)	36.59			
PAI 14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons)	0			
PAI 15. GHG intensity	231.468689990535			
PAI 16. Investee countries subject to social violations	0			



## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:  
01/04/2022 - 31/03/2023

Largest Investments	Sector	% Assets	Country
CAND SUS BD EST-Z- CAP	Funds	10.87	LUXEMBURG
CAN SUS BD EUR-Z- DIS	Funds	10.65	LUXEMBURG
CAND SRI EQ W SHS -Z- EUR/CAP	Funds	8.51	LUXEMBURG
CAN SUS EQ EM -Z-CAP-EUR	Funds	8.04	LUXEMBURG
CAN SUS EQ US ZC	Funds	6.19	LUXEMBURG
CAN SUS BD GL -Z- CAP	Funds	5.92	LUXEMBURG
CAND SUS BD EC -Z- EUR/CAP	Funds	5.90	LUXEMBURG
CAN EQ QUT ER ZC	Funds	3.46	LUXEMBURG
CAN SUS BDG HY -Z- CAP	Funds	3.03	LUXEMBURG
CAN SUS MM EUR -Z- EUR /CAP	Funds	2.78	LUXEMBURG
CAN SUS EQ EUR -Z- CAP/EUR	Funds	2.54	LUXEMBURG
CAND SUS BD EM-Z- USD/CAP	Funds	1.99	LUXEMBURG
CA SU EU EQ F F-Z- CAPITAL	Funds	1.53	LUXEMBURG
IND FSUS SOV-UCITS ETF DIS-EUR/DIS	Funds	1.36	LUXEMBURG
CAN SUS EQ JAP --- SHS - Z-CAP	Funds	1.26	LUXEMBURG



## What was the proportion of sustainability-related investments?

### ● What was the asset allocation?

**Asset allocation** describes the share of investments in specific assets.



### ● In which economic sectors were the investments made?

Sector	% Assets
Financials	18.60
Technology	17.73
Health	14.72
Industrials	11.58
Cyclical Consumption	10.80
Non Cyclical	8.33

Telecom	5.83
Materials	5.39
Utilities	4.12
Real Estate	2.44
Energy	0.46



## To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

0% were sustainable investments with an environmental objective aligned with the EU taxonomy at the year-end date and representative of the reference period.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?<sup>1</sup>**

☐ Yes

☐ In fossil gas

☐ In nuclear energy

☒ No

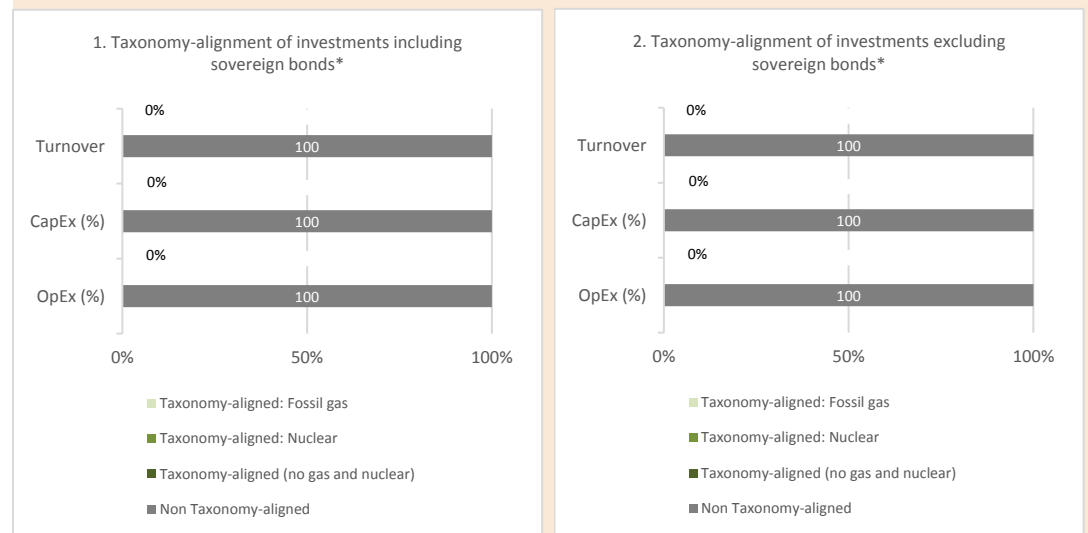
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



This graph represents 100.00% of the total investment.

\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



- **What was the share of investments made in transitional and enabling activities?**

The Sub-Fund is unable to publish a percentage of alignment with the Taxonomy, nor on transitional and enabling activities, because very few companies globally provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

- **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable as no data for the previous period is available.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



## **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The Sub-Fund held a 46.15% share in sustainable investments with an environmental objective not aligned with the EU taxonomy.

Indeed, to date, only two of the six objectives have entered into force in 2022 and very few companies at the global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.



## **What was the share of socially sustainable investments?**

The Sub-Fund had a share of investments with a social objective of 46.86%



## **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

The investments included in the "Non-sustainable" section are present in the Sub-Fund for 6.99% of the total net assets.

These investments include one or more of the following assets:

- Cash: Cash at sight, cash deposits, reverse repos necessary for the management of the Sub-Fund's liquidity following subscriptions/redemptions and/or resulting from the Sub-Fund's market exposure decision.
- Investments in issuers considered to be sustainable investments at the time of investment and which are no longer fully aligned with Candriam's sustainable investment criteria. These investments are intended to be sold.
- Non-single name derivatives used for efficient portfolio management purposes and/or for hedging purposes and/or temporarily following subscriptions/redemptions.



## **What actions have been taken to attain the sustainable investment objective during the reference period?**

The SICAV Belfius Sustainable has the sustainable investment objective of having a carbon footprint 25% lower than that of its benchmark index. The SICAV is made up of 3 sub-funds: Belfius Sustainable Low, Medium and High. It invests in underlying funds and direct lines. Underlying funds and direct lines have been selected in order to respect the sustainable investment objective of the portfolio as planned.

To materialize the consideration of this objective and of the issues related to climate change, the carbon footprint of the underlying has been measured.

As of 03/31/2023, the carbon footprint of the Belfius Sustainable Medium portfolio is 37.34 tCO<sub>2</sub>-eq / million euros invested, compared to 74.22 tCO<sub>2</sub>-eq / million euros invested for the portfolio's benchmark index. The overall Belfius Sustainable Medium ESG score is 56.6 compared to 53.7 for the portfolio's benchmark index.

In order to respect its sustainable investment objective, the SICAV invests in a majority of underlying article 9 funds and has initiated / strengthened positions in issuers with a positive ESG profile, based on Candriam's independent assessment at during the reference period.

These titles are chosen meticulously and mainly distributed according to several themes, including (1) Climate change and resource depletion, (2) Demographic evolution and consumption, (3) Digitalization and innovation, (4) Health care and (5) Real estate and infrastructure.

The thematic of climate change and resource depletion includes positions in the following names due to their focus on the energy transition to a low carbon environment: Iberdrola and Schneider Electric.

Schneider Electric's activity is strongly oriented towards the challenges of energy transition and Iberdrola is one of the most advanced community service players on the green energy production front.

In the real estate and infrastructure thematic basket, we hold positions in Kone Oyj, Otis Worldwide Corp and Equinix Inc. Equinix is the global leader in digital infrastructure and has an enduring goal to be the first datacenter to use only renewable energies. They are now at 92% of their goal.

The SICAV also sold securities whose issuers no longer met the required conditions, including Atlas Copco in April 2022 and Vinci in October 2022.

In March 2022, the ESG team issued an ESG alert on Atlas Copco due to its exposure to the Russian nuclear weapons program. Candriam's ESG team takes a zero-tolerance stance on weapons and related services, including dual-use components for military purposes in Russia. This company represented significantly high risks that we did not consider acceptable for our ESG/Article 9 funds.

In October 2022, we sold Vinci SA, whose ESG score slipped below the acceptable limit for the SICAV. Our analysts revealed a changing score from positive to negative for their stakeholder management. The title was thus transferred.



## How did this financial product perform compared to the reference sustainable benchmark?

No specific index is designated as a sustainable benchmark to meet sustainable investing objectives.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable objective.

- ***How does the reference benchmark differ from a broad market index?***  
Not applicable.
- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***  
Not applicable.
- ***How did this financial product perform compared with the reference benchmark?***  
Not applicable.
- ***How did this financial product perform compared with the broad market index?***  
Not applicable.

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

**Product name:** Belfius Sustainable - Low

**Legal entity identifier:** 5493005L3JHWHV3EXF77

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## Sustainable investment objective

### Does this financial product have a sustainable investment objective?

☒ ☒ **X** Yes

☒ It made **sustainable investments with an environmental objective**: 50.70%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☒ It made **sustainable investments with a social objective**: 41.06%

☐ ☐ ☐ No

☐ It **promoted Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent was the sustainable investment objective of this financial product met?

Achievement of the Sustainable Investing Goals was measured using the following sustainability indicator:

- Carbon footprint: the Sub-Fund aimed to have a carbon footprint at least 25% lower than the carbon footprint of the fund's benchmark index.

The Sub-Fund is actively managed and the investment approach involves a reference to a benchmark index. The selected benchmark did not explicitly take sustainability objectives into account. There is no EU benchmark on climate transition or any index aligned with the Paris Agreement or any other sustainable benchmark that takes full account of the sustainability objectives and investment strategy as described in the prospectus.

Nevertheless, the benchmark was used in the comparison of sustainability indicators. The Sub-Fund aims to have a carbon footprint that is at least 25% lower than the carbon footprint of the Sub-Fund's benchmark index.

The Sub-Fund's objective of reducing greenhouse gas emissions relative to its benchmark is a first step towards the objectives of the Paris Agreement. Other measures will be taken later to reduce CO2 emissions in order to reach the Paris Agreement.

In addition, the following indicator was monitored either directly for investments in direct lines, or indirectly in the underlying UCITS/UCIs managed by Candriam in order to:

- ensure that there are no investments in issuers that violate the OECD Guidelines for Multinational Enterprises or the United Nations Global Compact,
- ensure that there are no investments in companies that appear on Candriam's SRI exclusion list due to the application of Candriam's Exclusion Policy;
- ensure that there are no sovereign investments in countries on Candriam's list of oppressive regimes;
- ensure that there are no sovereign investments in countries considered "unfree" by Freedom House.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained

### ● ***How did the sustainability indicators perform?***

The Sub-Fund has been managed in accordance with its sustainability indicators as defined below.

For the selection of sustainable investments, the portfolio manager took into account the ESG assessments of issuers, produced by Candriam's team of ESG analysts.

For companies, these assessments are based on the analysis of the company's interactions with its main stakeholders and on the analysis of its business activities and their impact, positive or negative, on the main challenges of sustainable development such as climate change and resource depletion. Additionally, Candriam's ESG analysis includes exclusion filters based on compliance with international standards and involvement in controversial activities.

Candriam's ESG research and analysis for sustainable investing also assesses investments for compliance with the 'do no harm' principle, a sustainable investment objective and good governance practices.

This integration of Candriam's ESG research methodology has enabled the Fund to achieve the minimum proportion of sustainable investments defined in the prospectus (minimum 85%). The proportion of sustainable investments in the Fund was therefore above this minimum threshold, as detailed in the section "What was the proportion of sustainability-related investments?"

### ● ***...and compared to previous periods?***

Not applicable as no data is available for previous periods.

### ● ***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

Candriam ensured that its sustainable investments did not cause significant harm to any environmental and/or social sustainable investment objective by means of its ESG research and analysis of corporate and sovereign issuers. Based on its proprietary ESG Ratings and Scorings, Candriam's ESG methodology set clear requirements and minimum thresholds to identify those issuers that qualify as 'sustainable investment' and, in particular, do not cause significant harm to any environmental and/or social sustainable investment objective.

The 'Do no significant harm' principle, in particular, was assessed for corporates through:

- the consideration of "principal adverse impacts"
- the alignment with the OECD Guidelines for Multinational Enterprises and the UN Global Compact to ensure minimum environmental & social safeguards.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.

## ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The consideration of adverse impacts is central to Candriam's sustainable investment approach. Principal adverse impacts were taken into account throughout the entire ESG research and analysis process and through a wide range of methods:

For the analysis of corporate issuers, these methods include:

1. ESG rating of corporates: the ESG research and screening methodology considers and assesses the principal adverse impact on sustainability from two distinct, but interlinked, angles:

- the company's issuers' business activities and how they impact, either positively or negatively, key sustainable challenges such as climate change and resource depletion;
- company's interactions with key stakeholders.

2. Negative screening of companies, which includes a norms-based exclusion and an exclusion of companies involved in controversial activities.

3. Engagement activities with companies, through dialogue and voting activities, which contribute to avoiding or reducing the extent of the adverse impacts. The ESG analysis framework and its results feed our engagement process, and vice versa.

For the analysis of sovereign issuers, these methods include:

1. Country ESG Scores: the ESG research and screening methodology considers and assesses key negative sustainability impacts around four sustainability dimensions: Natural capital, Human capital, Social capital, and Economic capital.

2. Negative Country Screening, which includes the following:

- Candriam's list of highly oppressive regimes -States with serious human rights violations;
- Freedom House's World Freedom Index - states considered "not free".

The integration of the principal adverse impacts on sustainability factors has been based on the materiality or likely materiality of each indicator for each specific industry / sector/ to which the company belongs and for each country to ensure that a country's score adequately reflects the short, medium and long-term problems, challenges and/or opportunities that matter for that country's future development. This materiality depends on several elements, such as the type of information, quality and extent of data, applicability, relevance and geographical coverage.

## ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

The Sub-fund's investments were subject to a norms-based controversy analysis that considered the compliance with the international social, human, environmental and anti-corruption standards, as defined by the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises. The International Labour Organisation and International Bill of Human Rights are part of the many international references integrated into our norms-based analysis and ESG model.

This analysis aimed to exclude companies that have significantly and repeatedly breached any of these principles.



## How did this financial product consider principal adverse impacts on sustainability factors?

At Sub-Fund level, the main negative impacts (PAI) on sustainability factors have been taken into account by one or more means (<https://www.candriam.com/fr-be/private/sfdr---belfius/> > SFDR declarations – Funds > Policy on the main negative impacts at product level):

- Engagement & Voting: in order to avoid and/or reduce the negative impact on the sustainable objectives, the Sub-Fund has also taken into account the negative impacts in its interactions with companies, through dialogue and voting. Candriam has prioritized its engagement and voting activities based on an assessment of the most material and relevant ESG challenges facing industries and issuers, considering both financial and societal impacts/ stakeholders. Therefore, the level of engagement with each company within a single product may vary and is subject to Candriam's prioritization methodology.

- Dialog:

The climate (PAI1 to PAI6) is obviously central in our exchanges with companies. Priorities for climate engagement on the business side are identified taking into account:

- issuers with a low transition profile (proprietary transition risk model), and/or still very carbon-intensive (Scope 1-2) or with significant Scope 3 emissions,
- issuers in the financial sectors still largely exposed to fossil fuels and playing a key role in financing the transition
- relative exposure of the managed portfolios to the above issuers.

Our objective is obviously to encourage companies to report publicly on their alignment on a 1.5° trajectory and to support such alignment. Beyond any Net Zero commitment and absolute disclosure of Scope1-2-3 emissions, we will therefore encourage them to provide information on how the short/medium term targets are aligned with the scientifically recognized 1.5° trajectory. In particular, we expect issuers to explain how their strategy and investment plan serve their decarbonization commitment. We generally combine individual dialogue and collaborative dialogue. As in the previous year, we continue to support and actively participate in several collaborative initiatives such as Climate Action 100+. These initiatives not only contribute to increasing the level of transparency on greenhouse gas emissions and the associated strategy, but also to obtain a fundamental leverage effect to support strategic changes. The results of these engagements are detailed in our annual Engagement and Voting Report, available on our public website (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and the observed increase in inequalities, several commitments have also been carried out in terms of the protection of fundamental human rights at the level of the direct or indirect workforce (due diligence of the supply chain) (PAI10, PAI11). We also conducted a dedicated post-covid direct engagement campaign aimed at investigating the impact of stakeholder relations and the changes now embedded as the “new normal course” of business for Candriam beneficiary companies. In the same vein, human capital management is an aspect that we address in most of our discussions with companies. We continue to support Workforce Disclosure Initiative by advocating for better access to reliable, relevant and comparable data on the direct and indirect workforce of companies.

- Voting:

Candriam's approach to corporate governance is based on internationally recognized standards, in particular the principles laid down by the OECD and by the International Corporate Governance Network (ICGN).

In this regard, Candriam exercised its voting rights when they were available on the positions in the portfolio. Shareholder rights, shareholder equality, board accountability, transparency and integrity of financial statements are key pillars of our voting policy. Directors' compensation and election focus most of our votes against management. Indeed, we require companies to respect the principle of performance-based remuneration and will show our disagreement as soon as we deem the level of remuneration excessive or the conditions of allocation not transparent or demanding enough. Likewise, we expect companies to meet our minimum independence requirements: on boards that do not meet this requirement, we oppose the (re)election of any non-independent director, with the exception of the CEO. Diversity (PAI13) and the level of expertise of the Board are of course also taken into account in these votes.

In addition, Candriam always considers the relevance, consistency and feasibility of the measures sponsored by any ESG resolution before voting.

In the best interest of its clients, Candriam takes into account the internal ESG opinion on the companies held, but also any results of engagement with them, in its voting choices.

As part of Candriam's voting policy, specific guidelines are applied for a range of environmental (e.g. climate (PAI1 to PAI6), biodiversity (PAI7)), social (e.g. diversity, gender pay gap (PAI12), human rights (PAI10, PAI11)) and governance-related management and shareholder resolutions. Specifically, Candriam welcomes the introduction of management-sponsored "Say-on-Climate" resolutions. Candriam has built a detailed framework to apply to each Say-on-Climate resolution, which assesses the rigor and alignment of the company's transition strategy with a net zero emissions 2050 trajectory. As a result, most of them did not get our support during the period.

- Exclusion: Candriam's negative screening of companies or countries was aimed at avoiding investments in harmful activities or practices and may lead to exclusions linked to the negative impact of companies or issuers.

- Monitoring: calculation and evaluation of the main negative impact indicators, including reporting at Sub-Fund level. Some of these indicators may have explicit objectives and may be used to measure the achievement of the sub-fund's sustainable investment objective. See below the results of the indicators of this Sub-fund:

Indicators	Results		Coverage ratio	
	Covered Portfolio Involved	Portfolio Involved	Portfolio Covered	Eligible Portfolio Covered
PAI 1. Greenhouse Gas (GHG) emissions - scope 1 (tons)	1726.46047668704		90,42	96,23
PAI 1 scope 2	714.307093543332			
PAI 1 M1 - Carbon Emissions Total	2440.76757023037			
PAI 2. Carbon footprint (tons per EURm)	36.139009714239		90,42	96,23
PAI 3. GHG intensity of investee companies (average)	91.1709735181958		90,97	96,82
PAI 4. Exposure to companies active in the fossil fuel sector	1.5	4,56	92,86	98,83
PAI 10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0	0,00	92,86	98,83
PAI 13. Board gender diversity (average)	37.78		92,81	98,78
PAI 14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons)	0	0,00	92,86	98,83
PAI 15. GHG intensity	232.665275355255	0,00	92,86	98,83
PAI 16. Investee countries subject to social violations	0	0,00	92,86	98,83





## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:  
01/04/2022 - 31/03/2023

Largest Investments	Sector	% Assets	Country
CAND SUS BD EST-Z- CAP	Funds	15.24	LUXEMBURG
CAN SUS BD EUR-Z- DIS	Funds	14.91	LUXEMBURG
CAN SUS BD GL -Z- CAP	Funds	8.22	LUXEMBURG
CAND SUS BD EC -Z- EUR/CAP	Funds	6.61	LUXEMBURG
CAN SUS EQ EM -Z-CAP-EUR	Funds	5.12	LUXEMBURG
CAND SRI EQ W SHS -Z- EUR/CAP	Funds	5.09	LUXEMBURG
CAN SUS BDG HY -Z- CAP	Funds	4.23	LUXEMBURG
CAN SUS MM EUR -Z- EUR /CAP	Funds	3.91	LUXEMBURG
CAN SUS EQ US ZC	Funds	3.80	LUXEMBURG
CAND SUS BD EM-Z- USD/CAP	Funds	3.00	LUXEMBURG
CAN EQ QUT ER ZC	Funds	1.95	LUXEMBURG
IND FSUS SOV-UCITS ETF DIS-EUR/DIS	Funds	1.90	LUXEMBURG
CAN SUS EQ EUR -Z- CAP/EUR	Funds	1.44	LUXEMBURG
IBERDROLA I 2.625% 18-PERP	Electric Equipment	0.96	NETHERLANDS
GECINA 1.625% 19-29.05.34	Real Estate	0.93	FRANCE



## What was the proportion of sustainability-related investments?

### What was the asset allocation?

**Asset allocation** describes the share of investments in specific assets.



### In which economic sectors were the investments made?

Sector	% Assets
Financials	19.10
Technology	17.94
Health	14.62
Industrials	11.57
Cyclical Consumption	10.91
Non Cyclical	8.32



Telecom	5.93
Materials	5.05
Utilities	3.70
Real Estate	2.42
Others	0.44



## To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

0% were sustainable investments with an environmental objective aligned with the EU taxonomy at the year-end date and representative of the reference period.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?<sup>1</sup>**

☐ Yes

☐ In fossil gas

☐ In nuclear energy

☒ No

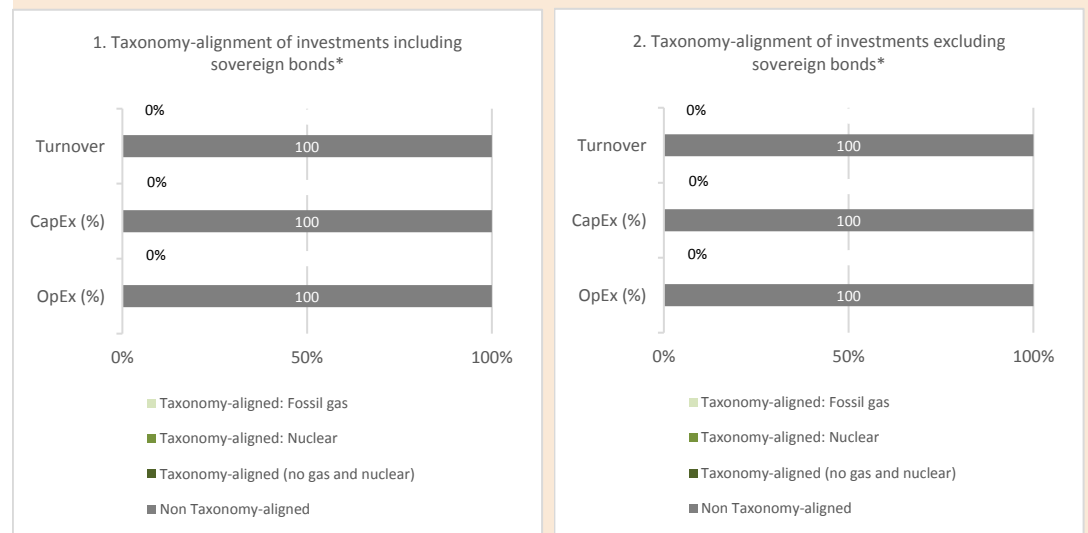
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



This graph represents 100.00% of the total investment.

\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- **What was the share of investments made in transitional and enabling activities?**

The Sub-Fund is unable to publish a percentage of alignment with the Taxonomy, nor on transitional and enabling activities, because very few companies globally provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

- **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable as no data for the previous period is available.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



- **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The Sub-Fund held a 50.70% share in sustainable investments with an environmental objective not aligned with the EU taxonomy.

Indeed, to date, only two of the six objectives have entered into force in 2022 and very few companies at the global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.



- **What was the share of socially sustainable investments?**

The Sub-Fund had a share of investments with a social objective of 41.06%



- **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

Investments included in the "Non-sustainable" section are present in the Sub-Fund for 8.24% of the total net assets.

These investments include one or more of the following assets:

- Cash: Cash at sight, cash deposits, reverse repos necessary for the management of the Sub-Fund's liquidity following subscriptions/redemptions and/or resulting from the Sub-Fund's market exposure decision.
- Investments in issuers considered to be sustainable investments at the time of investment and which are no longer fully aligned with Candriam's sustainable investment criteria. These investments are intended to be sold.
- Non-single name derivatives used for efficient portfolio management purposes and/or for hedging purposes and/or temporarily following subscriptions/redemptions.



- **What actions have been taken to attain the sustainable investment objective during the reference period?**

The SICAV Belfius Sustainable has the sustainable investment objective of having a carbon footprint 25% lower than that of its benchmark index. The SICAV is made up of 3 sub-funds: Belfius Sustainable Low, Medium and High. It invests in underlying funds and direct lines. Underlying funds and direct lines have been selected in order to respect the sustainable investment objective of the portfolio as planned.

To materialize the consideration of this objective and of the issues related to climate change, the carbon footprint of the underlying has been measured.

As of 03/31/2023, the carbon footprint of the Belfius Sustainable Low portfolio is 36.14 tCO<sub>2</sub>-eq / million euros invested, compared to 73.53 tCO<sub>2</sub>-eq / million euros invested for the portfolio's benchmark index. The overall ESG score of Belfius Sustainable Low is 56.9 compared to 54.5 for the portfolio's benchmark index.

In order to respect its sustainable investment objective, the SICAV invests in a majority of underlying article 9 funds and has initiated / strengthened positions in issuers with a positive ESG profile, based on Candriam's independent assessment at during the reference period.

These titles are chosen meticulously and mainly distributed according to several themes, including (1) Climate change and resource depletion, (2) Demographic evolution and consumption, (3) Digitalization and innovation, (4) Health care and (5) Real estate and infrastructure.

The thematic of climate change and resource depletion includes positions in the following names due to their focus on the energy transition to a low carbon environment: Iberdrola and Schneider Electric.

Schneider Electric's activity is strongly oriented towards the challenges of energy transition and Iberdrola is one of the most advanced community service players on the green energy production front.

In the real estate and infrastructure thematic basket, we hold positions in Kone Oyj, Otis Worldwide Corp and Equinix Inc. Equinix is the global leader in digital infrastructure and has an enduring goal to be the first datacenter to use only renewable energies. They are now at 92% of their goal.

The SICAV also sold securities whose issuers no longer met the required conditions, including Atlas Copco in April 2022 and Vinci in October 2022.

In March 2022, the ESG team issued an ESG alert on Atlas Copco due to its exposure to the Russian nuclear weapons program. Candriam's ESG team takes a zero-tolerance stance on weapons and related services, including dual-use components for military purposes in Russia. This company represented significantly high risks that we did not consider acceptable for our ESG/Article 9 funds.

In October 2022, we sold Vinci SA, whose ESG score slipped below the acceptable limit for the SICAV. Our analysts revealed a changing score from positive to negative for their stakeholder management. The title was thus transferred.



## How did this financial product perform compared to the reference sustainable benchmark?

No specific index is designated as a sustainable benchmark to meet sustainable investing objectives.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable objective.

- ***How does the reference benchmark differ from a broad market index?***  
Not applicable.
- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***  
Not applicable.
- ***How did this financial product perform compared with the reference benchmark?***  
Not applicable.
- ***How did this financial product perform compared with the broad market index?***  
Not applicable.

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

**Product name:** Belfius Sustainable - High

**Legal entity identifier:** 549300DP3OV8HOLQ5V57

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



## Sustainable investment objective

### Does this financial product have a sustainable investment objective?

☒ ☒ **X** Yes

☒ It made **sustainable investments with an environmental objective**: 39.48%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☒ It made **sustainable investments with a social objective**: 54.85%

☐ ☐ ☐ No

☐ It **promoted Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent was the sustainable investment objective of this financial product met?

Achievement of the Sustainable Investing Goals was measured using the following sustainability indicator:

- Carbon footprint: the Sub-Fund aimed to have a carbon footprint at least 25% lower than the carbon footprint of the fund's benchmark index.

The Sub-Fund is actively managed and the investment approach involves a reference to a benchmark index. The selected benchmark did not explicitly take sustainability objectives into account. There is no EU benchmark on climate transition or any index aligned with the Paris Agreement or any other sustainable benchmark that takes full account of the sustainability objectives and investment strategy as described in the prospectus.

Nevertheless, the benchmark was used in the comparison of sustainability indicators. The Sub-Fund aims to have a carbon footprint that is at least 25% lower than the carbon footprint of the Sub-Fund's benchmark index.

The Sub-Fund's objective of reducing greenhouse gas emissions relative to its benchmark is a first step towards the objectives of the Paris Agreement. Other measures will be taken later to reduce CO2 emissions in order to reach the Paris Agreement.

In addition, the following indicator was monitored either directly for investments in direct lines, or indirectly in the underlying UCITS/UCIs managed by Candriam in order to:

- ensure that there are no investments in issuers that violate the OECD Guidelines for Multinational Enterprises or the United Nations Global Compact,
- ensure that there are no investments in companies that appear on Candriam's SRI exclusion list due to the application of Candriam's Exclusion Policy;
- ensure that there are no sovereign investments in countries on Candriam's list of oppressive regimes;
- ensure that there are no sovereign investments in countries considered "unfree" by Freedom House.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained

### ● ***How did the sustainability indicators perform?***

The Sub-Fund has been managed in accordance with its sustainability indicators as defined below.

For the selection of sustainable investments, the portfolio manager took into account the ESG assessments of issuers, produced by Candriam's team of ESG analysts.

For companies, these assessments are based on the analysis of the company's interactions with its main stakeholders and on the analysis of its business activities and their impact, positive or negative, on the main challenges of sustainable development such as climate change and resource depletion. Additionally, Candriam's ESG analysis includes exclusion filters based on compliance with international standards and involvement in controversial activities.

Candriam's ESG research and analysis for sustainable investing also assesses investments for compliance with the 'do no harm' principle, a sustainable investment objective and good governance practices.

This integration of Candriam's ESG research methodology has enabled the Fund to achieve the minimum proportion of sustainable investments defined in the prospectus (minimum 85%). The proportion of sustainable investments in the Fund was therefore above this minimum threshold, as detailed in the section "What was the proportion of sustainability-related investments?"

### ● ***...and compared to previous periods?***

Not applicable as no data is available for previous periods.

### ● ***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

Candriam ensured that its sustainable investments did not cause significant harm to any environmental and/or social sustainable investment objective by means of its ESG research and analysis of corporate and sovereign issuers. Based on its proprietary ESG Ratings and Scorings, Candriam's ESG methodology set clear requirements and minimum thresholds to identify those issuers that qualify as 'sustainable investment' and, in particular, do not cause significant harm to any environmental and/or social sustainable investment objective.

The 'Do no significant harm' principle, in particular, was assessed for corporates through:

- the consideration of "principal adverse impacts"
- the alignment with the OECD Guidelines for Multinational Enterprises and the UN Global Compact to ensure minimum environmental & social safeguards.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.

## ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The consideration of adverse impacts is central to Candriam's sustainable investment approach. Principal adverse impacts were taken into account throughout the entire ESG research and analysis process and through a wide range of methods:

For the analysis of corporate issuers, these methods include:

1. ESG rating of corporates: the ESG research and screening methodology considers and assesses the principal adverse impact on sustainability from two distinct, but interlinked, angles:
  - the company's issuers' business activities and how they impact, either positively or negatively, key sustainable challenges such as climate change and resource depletion;
  - company's interactions with key stakeholders.
2. Negative screening of companies, which includes a norms-based exclusion and an exclusion of companies involved in controversial activities.
3. Engagement activities with companies, through dialogue and voting activities, which contribute to avoiding or reducing the extent of the adverse impacts. The ESG analysis framework and its results feed our engagement process, and vice versa.

For the analysis of sovereign issuers, these methods include:

1. Country ESG Scores: the ESG research and screening methodology considers and assesses key negative sustainability impacts around four sustainability dimensions: Natural capital, Human capital, Social capital, and Economic capital.
2. Negative Country Screening, which includes the following:
  - Candriam's list of highly oppressive regimes -States with serious human rights violations;
  - Freedom House's World Freedom Index - states considered "not free".

The integration of the principal adverse impacts on sustainability factors has been based on the materiality or likely materiality of each indicator for each specific industry / sector/ to which the company belongs and for each country to ensure that a country's score adequately reflects the short, medium and long-term problems, challenges and/or opportunities that matter for that country's future development. This materiality depends on several elements, such as the type of information, quality and extent of data, applicability, relevance and geographical coverage.

## ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

The Sub-fund's investments were subject to a norms-based controversy analysis that considered the compliance with the international social, human, environmental and anti-corruption standards, as defined by the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises. The International Labour Organisation and International Bill of Human Rights are part of the many international references integrated into our norms-based analysis and ESG model.

This analysis aimed to exclude companies that have significantly and repeatedly breached any of these principles.



## How did this financial product consider principal adverse impacts on sustainability factors?

At Sub-Fund level, the main negative impacts (PAI) on sustainability factors have been taken into account by one or more means (<https://www.candriam.com/fr-be/private/sfdr---belfius/> > SFDR declarations – Funds > Policy on the main negative impacts at product level):

- Engagement & Voting: in order to avoid and/or reduce the negative impact on the sustainable objectives, the Sub-Fund has also taken into account the negative impacts in its interactions with companies, through dialogue and voting. Candriam has prioritized its engagement and voting activities based on an assessment of the most material and relevant ESG challenges facing industries and issuers, considering both financial and societal impacts/ stakeholders. Therefore, the level of engagement with each company within a single product may vary and is subject to Candriam's prioritization methodology.

- Dialog:

The climate (PAI1 to PAI6) is obviously central in our exchanges with companies. Priorities for climate engagement on the business side are identified taking into account:

- issuers with a low transition profile (proprietary transition risk model), and/or still very carbon-intensive (Scope 1-2) or with significant Scope 3 emissions,
- issuers in the financial sectors still largely exposed to fossil fuels and playing a key role in financing the transition
- relative exposure of the managed portfolios to the above issuers.

Our objective is obviously to encourage companies to report publicly on their alignment on a 1.5° trajectory and to support such alignment. Beyond any Net Zero commitment and absolute disclosure of Scope1-2-3 emissions, we will therefore encourage them to provide information on how the short/medium term targets are aligned with the scientifically recognized 1.5° trajectory. In particular, we expect issuers to explain how their strategy and investment plan serve their decarbonization commitment. We generally combine individual dialogue and collaborative dialogue. As in the previous year, we continue to support and actively participate in several collaborative initiatives such as Climate Action 100+. These initiatives not only contribute to increasing the level of transparency on greenhouse gas emissions and the associated strategy, but also to obtain a fundamental leverage effect to support strategic changes. The results of these engagements are detailed in our annual Engagement and Voting Report, available on our public website (<https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications>) .

Given the geopolitical context and the observed increase in inequalities, several commitments have also been carried out in terms of the protection of fundamental human rights at the level of the direct or indirect workforce (due diligence of the supply chain) (PAI10, PAI11). We also conducted a dedicated post-covid direct engagement campaign aimed at investigating the impact of stakeholder relations and the changes now embedded as the “new normal course” of business for Candriam beneficiary companies. In the same vein, human capital management is an aspect that we address in most of our discussions with companies. We continue to support Workforce Disclosure Initiative by advocating for better access to reliable, relevant and comparable data on the direct and indirect workforce of companies.

- Voting:

Candriam's approach to corporate governance is based on internationally recognized standards, in particular the principles laid down by the OECD and by the International Corporate Governance Network (ICGN).

In this regard, Candriam exercised its voting rights when they were available on the positions in the portfolio. Shareholder rights, shareholder equality, board accountability, transparency and integrity of financial statements are key pillars of our voting policy. Directors' compensation and election focus most of our votes against management. Indeed, we require companies to respect the principle of performance-based remuneration and will show our disagreement as soon as we deem the level of remuneration excessive or the conditions of allocation not transparent or demanding enough. Likewise, we expect companies to meet our minimum independence requirements: on boards that do not meet this requirement, we oppose the (re)election of any non-independent director, with the exception of the CEO. Diversity (PAI13) and the level of expertise of the Board are of course also taken into account in these votes.



In addition, Candriam always considers the relevance, consistency and feasibility of the measures sponsored by any ESG resolution before voting.

In the best interest of its clients, Candriam takes into account the internal ESG opinion on the companies held, but also any results of engagement with them, in its voting choices.

As part of Candriam's voting policy, specific guidelines are applied for a range of environmental (e.g. climate (PAI1 to PAI6), biodiversity (PAI7)), social (e.g. diversity, gender pay gap (PAI12), human rights (PAI10, PAI11)) and governance-related management-sponsored and shareholder resolutions. Specifically, Candriam welcomes the introduction of management-sponsored "Say-on-Climate" resolutions. Candriam has built a detailed framework to apply to each Say-on-Climate resolution, which assesses the rigor and alignment of the company's transition strategy with a net zero emissions 2050 trajectory. As a result, most of them did not get our support during the period.

- Exclusion: Candriam's negative screening of companies or countries was aimed at avoiding investments in harmful activities or practices and may lead to exclusions linked to the negative impact of companies or issuers.

- Monitoring: calculation and evaluation of the main negative impact indicators, including reporting at Sub-Fund level. Some of these indicators may have explicit objectives and may be used to measure the achievement of the sub-fund's sustainable investment objective. See below the results of the indicators of this Sub-fund:

Indicators	Results		Coverage ratio	
	Covered Portfolio Involved	Portfolio Involved	Portfolio Covered	Eligible Portfolio Covered
PAI 1. Greenhouse Gas (GHG) emissions - scope 1 (tons)	5082.89990934627			
PAI 1 scope 2	2449.12570339875			
PAI 1 M1 - Carbon Emissions Total	7532.02561274502			
PAI 2. Carbon footprint (tons per EURm)	33.2782959270343			
PAI 3. GHG intensity of investee companies (average)	96.556172770229			
PAI 4. Exposure to companies active in the fossil fuel sector	2.67			
PAI 10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0			
PAI 13. Board gender diversity (average)	35.36			
PAI 14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons)	0			
PAI 15. GHG intensity	230.297506888454			
PAI 16. Investee countries subject to social violations	0			





## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:  
01/04/2022 - 31/03/2023

Largest Investments	Sector	% Assets	Country
CAND SRI EQ W SHS -Z- EUR/CAP	Funds	12.70	LUXEMBURG
CAN SUS EQ EM -Z-CAP- EUR	Funds	11.73	LUXEMBURG
CAN SUS EQ US ZC	Funds	9.87	LUXEMBURG
CAN EQ QUT ER ZC	Funds	6.54	LUXEMBURG
CAND SUS BD EST-Z- CAP	Funds	5.39	LUXEMBURG
CAN SUS EQ EUR -Z- CAP/EUR	Funds	5.29	LUXEMBURG
CAN SUS BD EUR-Z- DIS	Funds	5.27	LUXEMBURG
CAND SUS BD EC -Z- EUR/CAP	Funds	5.10	LUXEMBURG
CAN SUS BD GL -Z- CAP	Funds	2.91	LUXEMBURG
CA SU EU EQ F F-Z- CAPITAL	Funds	2.21	LUXEMBURG
CAN SUS EQ JAP --- SHS -Z-CAP	Funds	1.84	LUXEMBURG
CAN SUS MM EUR -Z- EUR /CAP	Funds	1.67	LUXEMBURG
CAND EQ FU MOB ZC	Funds	1.52	LUXEMBURG
CAN SUS BDG HY -Z- CAP	Funds	1.48	LUXEMBURG
CAND SUS BD EM-Z- USD/CAP	Funds	1.01	LUXEMBURG



## What was the proportion of sustainability-related investments?

### What was the asset allocation?

#### Asset allocation

describes the share of investments in specific assets.



### In which economic sectors were the investments made?

Sector	% Assets
Financials	17.95
Technology	17.83
Health	15.22
Industrials	11.91
Cyclical Consumption	11.20
Non Cyclical	8.63
Telecom	5.92

Materials	4.88
Utilities	3.39
Real Estate	2.58
Energy	0.49



## To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

0% were sustainable investments with an environmental objective aligned with the EU taxonomy at the year-end date and representative of the reference period.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?<sup>1</sup>**

☐ Yes

☐ In fossil gas

☐ In nuclear energy

☒ No

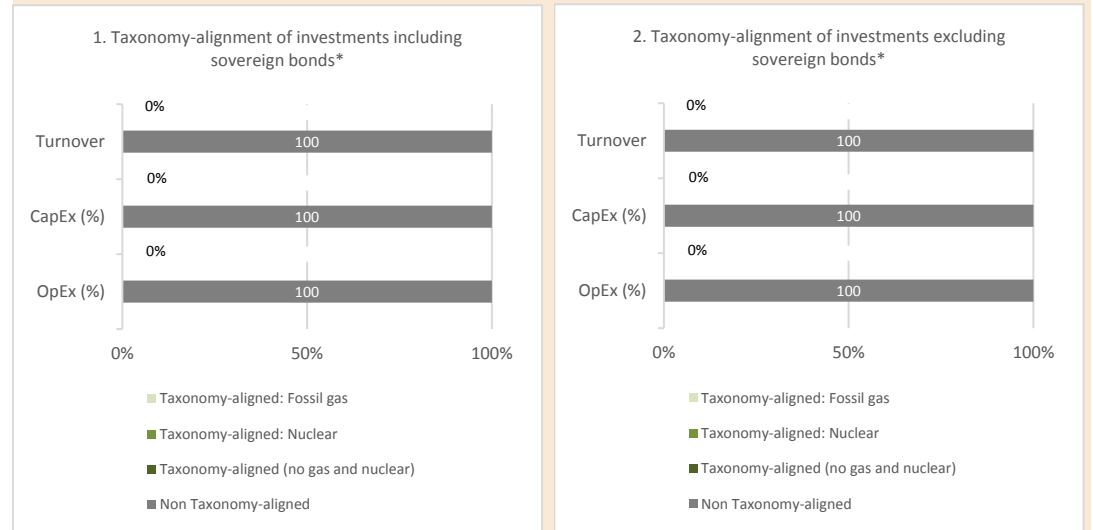
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



This graph represents 100.00% of the total investment.

\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- **What was the share of investments made in transitional and enabling activities?**

The Sub-Fund is unable to publish a percentage of alignment with the Taxonomy, nor on transitional and enabling activities, because very few companies globally provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.

- **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable as no data for the previous period is available.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The Sub-Fund held a 39.48% share in sustainable investments with an environmental objective not aligned with the EU taxonomy.

Indeed, to date, only two of the six objectives have entered into force in 2022 and very few companies at the global level provide the data necessary for a rigorous assessment of their alignment with the Taxonomy.



### **What was the share of socially sustainable investments?**

The Sub-Fund had a share of investments with a social objective of 54.85%



### **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

The investments included in the "Non-sustainable" section are present in the Sub-Fund for 5.67% of the total net assets.

These investments include one or more of the following assets:

- Cash: Cash at sight, cash deposits, reverse repos necessary for the management of the Sub-Fund's liquidity following subscriptions/redemptions and/or resulting from the Sub-Fund's market exposure decision.
- Investments in issuers considered to be sustainable investments at the time of investment and which are no longer fully aligned with Candriam's sustainable investment criteria. These investments are intended to be sold.
- Non-single name derivatives used for efficient portfolio management purposes and/or for hedging purposes and/or temporarily following subscriptions/redemptions.



### **What actions have been taken to attain the sustainable investment objective during the reference period?**

The SICAV Belfius Sustainable has the sustainable investment objective of having a carbon footprint 25% lower than that of its benchmark index. The SICAV is made up of 3 sub-funds: Belfius Sustainable Low, Medium and High. It invests in underlying funds and direct lines. The underlyings have been selected in order to respect the sustainable investment objective of the portfolio as planned.

To materialize the consideration of this objective and of the issues related to climate change, the carbon footprint of the underlyings has been measured.

As of 03/31/2023, the carbon footprint of the Belfius Sustainable High portfolio is 33.28 tCO<sub>2</sub>-eq / million euros invested, compared to 74.75 tCO<sub>2</sub>-eq / million euros invested for the portfolio's benchmark index. Belfius Sustainable High's overall ESG score is 56.2 compared to 52.7 for the portfolio's benchmark index.

In order to respect its sustainable investment objective, the SICAV invests in a majority of underlying article 9 funds and has initiated / strengthened positions in issuers with a positive ESG profile, based on Candriam's independent assessment at during the reference period.

These titles are chosen meticulously and mainly distributed according to several themes, including (1) Climate change and resource depletion, (2) Demographic evolution and consumption, (3) Digitalization and innovation, (4) Health care and (5) Real estate and infrastructure.

The thematic of climate change and resource depletion includes positions in the following names due to their focus on the energy transition to a low carbon environment: Iberdrola and Schneider Electric.

Schneider Electric's activity is strongly oriented towards the challenges of energy transition and Iberdrola is one of the most advanced community service players on the green energy production front.

In the real estate and infrastructure thematic basket, we hold positions in Kone Oyj, Otis Worldwide Corp and Equinix Inc. Equinix is the global leader in digital infrastructure and has an enduring goal to be the first datacenter to use only renewable energies. They are now at 92% of their goal.

The SICAV also sold securities whose issuers no longer met the required conditions, including Atlas Copco in April 2022 and Vinci in October 2022.

In March 2022, the ESG team issued an ESG alert on Atlas Copco due to its exposure to the Russian nuclear weapons program. Candriam's ESG team takes a zero-tolerance stance on weapons and related services, including dual-use components for military purposes in Russia. This company represented significantly high risks that we did not consider acceptable for our ESG/Article 9 funds.

In October 2022, we sold Vinci SA, whose ESG score slipped below the acceptable limit for the SICAV. Our analysts revealed a changing score from positive to negative for their stakeholder management. The title was thus transferred.



## How did this financial product perform compared to the reference sustainable benchmark?

No specific index is designated as a sustainable benchmark to meet sustainable investing objectives.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable objective.

- ***How does the reference benchmark differ from a broad market index?***  
Not applicable.
- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***  
Not applicable.
- ***How did this financial product perform compared with the reference benchmark?***  
Not applicable.
- ***How did this financial product perform compared with the broad market index?***  
Not applicable.



# **Belfius Article 9 Multi- Assets Strategies**

Transparency code



# Statement of Engagement

Sustainable & Responsible Investment is an essential part of the strategic positioning and behaviour of the Management Company, Belfius Investment Partners and the Investment Manager, Candriam. Belfius Investment Partners (Belfius IP) and Candriam have been involved in SRI since 2019 and 1996, respectively, and both welcome the European SRI Transparency Code.

This is the fourth transparency code for this strategy. This is part of Belfius Investment Partners and Candriam's third and thirteenth statement of commitment, respectively, and covers the period 2022-2023. Our full response to the European SRI Transparency Code can be accessed below and is available in the annual report of the retail funds and on our website.

The responses to the European SRI Transparency Codes are available on our respective corporate websites:

## **Belfius Investment Partners**

<https://www.belfiusip.be/fr/esg/index.aspx>

## **Candriam:**

[SFDR Belfius | Candriam](#)

## **Compliance with the Transparency Code**

Belfius Investment Partners<sup>1</sup> and Candriam are committed to transparency, and we believe that we are as transparent as possible given the regulatory and competitive environments that exist in the countries in which we operate. Belfius Investment Partners and Candriam meet the full recommendations of the European SRI Transparency Code.

*December 2022*

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<sup>1</sup> Although Belfius Investment Partners is not an official member of the Eurosif, it commits to the transparency required by this code.

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# 1. List of Funds Covered by the Code

Dominant/preferred SRI strategy (Please choose a maximum of 2 strategies)	Asset Class	Exclusions standards and norms	Labels
<input type="checkbox"/> <b>Best in universe Investment Section</b> <i>- Candriam's proprietary ESG framework comprises positive screening combined with a norms-based and controversial activities exclusion screening.</i> <input type="checkbox"/> Engagement & Voting <input checked="" type="checkbox"/> ESG Integration <input checked="" type="checkbox"/> <b>Exclusion</b> <input type="checkbox"/> Impact investing <input type="checkbox"/> Norms-based Screening <input type="checkbox"/> Sustainability Themed	<b>Passively managed</b> <input type="checkbox"/> Passive investing – core benchmark: specify the index tracking <input type="checkbox"/> Passive investing – ESG/SRI benchmark: specify the index tracking  <b>Actively managed</b> <input checked="" type="checkbox"/> <b>Shares in a euro area country</b> <input checked="" type="checkbox"/> <b>Shares in an EU country</b> <input checked="" type="checkbox"/> <b>International Shares</b> <input checked="" type="checkbox"/> <b>Bonds and other debt securities denominated in euro</b> <input checked="" type="checkbox"/> <b>International bonds and other debt securities</b> <input checked="" type="checkbox"/> <b>Monetary assets</b> <input checked="" type="checkbox"/> <b>Short-term assets</b> <input type="checkbox"/> Structured funds	<input checked="" type="checkbox"/> <b>Controversial weapons</b> <input type="checkbox"/> <b>Alcohol</b> <input checked="" type="checkbox"/> <b>Tobacco</b> <input type="checkbox"/> <b>Arms</b> <input type="checkbox"/> <b>Nuclear power</b> <input checked="" type="checkbox"/> <b>Human rights</b> <input checked="" type="checkbox"/> <b>Labour rights</b> <input type="checkbox"/> <b>Gambling</b> <input type="checkbox"/> <b>Pornography</b> <input type="checkbox"/> <b>Animal testing</b> <input type="checkbox"/> Conflict minerals <input type="checkbox"/> Biodiversity <input type="checkbox"/> Deforestation <input checked="" type="checkbox"/> <b>Thermal Coal</b> <input type="checkbox"/> <b>Genetic engineering</b> <input checked="" type="checkbox"/> <b>Global Compact</b>  <input checked="" type="checkbox"/> OECD Guidelines for MNCs  <input checked="" type="checkbox"/> ILO Conventions  <input type="checkbox"/> <b>Other (please specify)</b>	<input type="checkbox"/> <b>French SRI label</b> <input type="checkbox"/> French TEEC label <input type="checkbox"/> French CIES label <input type="checkbox"/> Luxflag Label <input type="checkbox"/> FNG Label <input type="checkbox"/> Austrian Ecolabel <input type="checkbox"/> <b>Other (please specify)</b>



## 2. General information about the fund management company

### 2.1. Name of the fund management company that manages the applicant fund(s)

**The Management Company of the fund is:**

*Belfius Investment Partners  
Place Rogier, 11  
1210 Bruxelles*

Belfius IP is the Asset Management competence center for Belfius Group.

**The Investment Management Company that manages the applicant fund is the following:**

*Candriam  
Serenity Bloc B  
L-8009 SRASSEN*

Please consult our website for further information: [www.candriam.com](http://www.candriam.com). This code applies to strategies classified as Article 9 [according to the “Sustainable Finance Disclosure Regulation” \(SFDR\)](#) and managed by Candriam.

Any question regarding sustainable and responsible investment (SRI) at Candriam can be e-mailed to the following address: [investor.support@candriam.com](mailto:investor.support@candriam.com).

### 2.2. What are the company’s track record and principles when it comes to integrating SRI into its processes?

#### Management Company - Belfius Investment Partners

Sustainable investment is an investment strategy and practice that incorporates Environmental, Social and Governance (ESG) factors in investment decisions and active ownership.

The awareness and demand of a constantly growing number of investors for long-term sustainable investing is a trend that is driving the investment process for all asset classes towards longer term investments and is there to stay. It allows to align their investment objectives with their fiduciary duties towards society as a whole.

Belfius IP has adopted an investment process in which fundamental analysis is combined with environmental, social responsibility and governance factors that are gradually further integrated. The integration of ESG factors is not yet applied to the whole range of investment products developed by Belfius IP. The focus is currently set on sustainable investment products.

The signature on 28th February 2019 of the UN Principles for Responsible Investment (UN PRI) is one of the first commitments taken by Belfius IP towards this progressive introduction of a specific and gradual attention to ESG in the development of (sustainable) investment solutions.

[SFDR Belfius | Candriam](#)

#### Investment Management Company – Candriam

Sustainability is rooted in Candriam's operating model and forms a key part of our corporate culture. Our sustainable development strategy leads us to incorporate the overall trends that will shape the world of tomorrow when defining our strategic operational choices. This strategy aims to establish and



maintain a balance between, on the one hand, responsible behaviour towards all stakeholders and, on the other, (a) the synergies between our SRI and traditional investment activities, and (b) the determination to run the company in consideration of the Environment and of Society.

Candriam has been managing Sustainable Investments since 1996. As a responsible asset manager for over two decades, we are committed to the continuous development of our long-standing and holistic Environmental, Social, and Governance analysis approaches, and to the on-going expansion of our ESG integration process towards our large range of investment products.

As a sustainable asset manager, Candriam recognizes the importance of taking into account sustainability risks and opportunities in the portfolios it manages and to duly consider sustainability impacts.



### Milestones in Candriam's Environmental, Social, and Governance Investing:

**1996 -- First Sustainable Equity Fund.** In 1996, Candriam's predecessor company, Cordius Asset Management, offered investors our first Sustainable Equity Fund.

**2003 -- Structured Proxy Voting System Established.** Candriam was a pioneer among Belgian investment managers in exercising the voting rights of its clients to improve investment returns. In 2003 we began a systematic and structured proxy voting effort.

**2005 -- Proprietary Environmental, Social, and Governance research.** In 2005, Candriam launched its in-house ESG analysis. Our ESG approach is based on a sophisticated set of ESG factors and performance indicators in six stakeholder domains, which is Investors, Employees, Environment, Suppliers, Customers, and Society, and are the core of Candriam's approach to Sustainable and Responsible investing.

**2005 -- Engagement Embedded in the Research Process.** Our Engagement activities began at the outset of our in-house ESG research in 2005. Engagement arose from our dialogues with companies to obtain additional information. Our direct engagement with companies has grown organically over the years; for Candriam, Dialogue is synonymous with ESG Research.

**2006 -- Founding Signatory of the UN Principles for Responsible Investing.** Candriam was present at the birth of the PRI. Candriam has been participating in industry working groups and sustainable investing organisations since 2003.

**2008 -- Emerging Markets ESG Investing.** We believe that analysing ESG issues in Emerging Markets requires a different approach to accommodate the lower levels of information and transparency, as well as lower levels of issuer and investor experience with ESG factors.

**2009 -- ESG country framework established.** Our analysis of sovereign and related issuers, based on the four pillars of Human Capital, Natural Capital, Social Capital, and Economic Capital.



**2010 – ESG Indexed Funds** – In 2010, following the controversial armaments exclusions firm-wide, Candriam decided to apply its SRI screening to its indexed fund range

**2016 --- Engagement: from Initiation to Influence.** In 2016, we significantly increased our commitment by dedicating a group of our experienced Sustainable Investing professionals to full-time coordination of our decade-long efforts. Currently, we are putting our Engagement efforts behind three ‘Conviction Topics’: Corruption, Energy Transition, and Well-Being at Work.

**2017 --- Responsible Investing in Emerging Market Debt and High Yield Debt.** In 2017, our expansion of our ESG included SRI Bond Emerging Markets, and SRI Bond Global High Yield. Five Candriam SRI funds were awarded AFNOR Certifications by the French-government-backed organization, making our High Yield fund the first to receive an SRI label.

**2017 – Helping to Train the Next Generation of Responsible Investors** – In October 2017, Candriam launched the Academy for Sustainable and Responsible Investing. The Candriam Academy aims to raise awareness, promote education, and improve knowledge of sustainable investing via an innovative and accredited online educational platform.

**2018 --- Launch of Fossil Free funds.** Launch in September 2018 of two Candriam Fossil Free funds to support investors moving towards carbon neutrality.

**2018 --- Exclusion of Thermal Coal and Tobacco from all investments.** In 2018, all Candriam strategies divested from companies with more than 10% of their activities in thermal coal, and from any companies which initiate new thermal coal projects, based both on stranded asset and sustainability considerations. Candriam also divested from any companies with more than 5% of their activities stemming from tobacco. These exclusions demonstrate our commitment to both investment performance and responsibility.

**2019 --- Launch of Climate Action strategy.** Launched in May 2019, the fund invests in companies providing tangible solutions in terms of mitigation and adaptation to Climate Change.

**2020 --- Launch of Circular Economy strategy.** Launched in April 2020, the strategy invests in companies providing solutions/services in the advancement of a more sustainable economic model.

**2020 and beyond – Holistic Integration of Sustainability in Finance.** In 2020 and beyond, we plan to continue to innovate and develop new sustainable investment solutions, as well as to increasingly integrate ESG risks and opportunities in all our investments, drawing on our more than two decades of experience in sustainable investing.

**2021 – Joining the Net Zero Asset Manager Initiative.** Candriam Announced on the 1<sup>st</sup> November 2021 advanced decarbonisation ambition and joins the Net Zero Asset Managers Initiative with the aim to secure a 50% reduction in greenhouse gas emissions across a significant share of its investment portfolio by 2030 and will pursue net zero emissions of its investment portfolio by 2050 or sooner.

## 2.3. How does the company formalise its sustainable investment process?

### Management Company – Belfius IP

We formalise our sustainable investment process by the formal publication of our Sustainable Policy on our website:

<https://www.belfiusip.be/fr/esg/index.aspx>

In addition, Belfius IP is also an active member of the “Steering Committee ESG”, an internal committee which intends to expand and streamline best ESG practices within the Belfius Group. For Belfius IP due to its current specificities, namely being a fund of funds manager, this is essentially translated in the specific attention granted to ESG criteria in the selection of the underlying instruments (funds, trackers) in which the portfolio managers or investment managers may invest.

Belfius IP continuously improves its policies and ESG criteria in its fund selection process or daily monitoring in line with the PRI requirements and future reporting's, as well as with the continuously evolving standards applicable to the sustainable product range.

### Investment Management Company - Candriam

**Responsible Investment Policy** – We have actively incorporated ESG analysis in our investing since 1996.

At Candriam, we believe that a company's long-term value is not purely measurable by purely financial metrics. By evaluating ESG criteria, investors can identify additional factors which affect a company's long-term value.

ESG considerations are central to Candriam's investment philosophy. To this end, Candriam's company-wide controversial activities policy integrates ESG factors including exclusions on controversial weapons, thermal coal and tobacco.

The policy is applicable to all funds for which Candriam has the full discretion as management company and investment manager. Except if otherwise agreed between the relevant parties, the following portfolios are therefore excluded from the scope of this policy:

- Funds for which Candriam is the Management Company but has delegated the investment management activity to another entity
- Funds for which Candriam is not the Management Company but has received the investment management activity through a delegation by another entity
- Fund of Funds managed by Candriam where the underlying funds are not managed by Candriam

For third-party discretionary portfolio mandates, company-wide exclusions are applied if parties so agree.

For additional information, please find Company-Wide Exclusion Policy published on our website:

[https://www.candriam.com/fr-be/private/SysSiteAssets/medias/insights/sfdr-publications/exclusion-policy-long-version\\_en.pdf](https://www.candriam.com/fr-be/private/SysSiteAssets/medias/insights/sfdr-publications/exclusion-policy-long-version_en.pdf)

In addition to publishing our Transparency Codes, Candriam formalises its responsible investment process through publishing its Sustainability Risk Policy, followed by its Engagement and Proxy Voting Policies:

[Sustainability Risk Management Policy \(candriam.com\)](#)

[Stewardship @ Candriam: Engagement policy](#)

[proxy\\_voting\\_policy\\_2023.pdf \(candriam.com\)](#)

**Responsible Practices at Candriam** - Sustainability is embedded in Candriam's business model and forms an essential part of our culture. We are committed to incorporating the global trends that will shape tomorrow's world in our strategic business choices and our daily life. We balance responsible behaviour towards our stakeholders with the synergies between our ESG and traditional financial investment activities, as well as with our role in environmental and societal stewardship.

We offer transparency through our annual review of our own internal Environmental, Social, and Governance practices, and the results are published in our annual Corporate Sustainability Report (CSR). Candriam's CSR lists our concrete achievements and our 'deliverables' in our commitment to develop our own company responsibly. The latest version is available on our corporate website at <https://www.candriam.com>.

Commitment at all levels is essential. Our Group Strategic Committee regularly assesses our relevant sustainability challenges to determine how Candriam should manage our stakeholder relations and how we should attune our business model and practices to all these long-term challenges.

In 2020, we further clarified the firm's sustainability governance:

- **A Strategic Sustainability Committee meet regularly:** the GSC, supported by Candriam's ESG and CSR experts, sets out the strategic orientations for both ESG investing (both product and commercial wise) and CSR.
  - A company-wide **Sustainability Risk Committee**, reporting into GSC, assesses corporate reputational & financial risks regarding sustainability including climate risks and defines a controversial Company and Country Watch list for all Candriam's activities
  - **The Proxy Voting Committee** furnishes strategic guidance on Proxy Voting best practices and monitor Candriam's voting policy



- **The Candriam Institute for Sustainable Development** oversees Candriam's Philanthropy and community-impact program, through the support of initiatives in ESG Research & Education and in the Social Impact domain.
- **The ESG Steering** coordinates the implementation of the strategic ESG Roadmap, relying on several agile investments, operational and IT workstreams.
- **The CSR Steering** oversees and coordinates the implementation of the CSR Roadmap across the axes of Staff, Clients, Operational Value Chain, Governance and Community.

As an investment manager, we strive to integrate ESG across all processes, offering the best services and products in ESG Investing. As a company, we commit to upholding the highest sustainability standards in every dimension of our business and we believe that our new ESG Governance Framework will allow us to do so in a more efficient manner.

## 2.4. How are ESG risks and opportunities – including those linked to climate change – understood/taken into account by company?

### Management Company – Belfius IP

The materiality of environmental, social and governance (ESG) issues differs substantially between industries. In each factor, some material issues should be assessed<sup>2</sup>.

Environment	Social	Governance
<ul style="list-style-type: none"> <li>• Climate Change &amp; Carbon Risk</li> <li>• Use of Raw Materials, Water &amp; Energy</li> <li>• Biodiversity &amp; Land-use</li> <li>• Generation of Wastes &amp; Noise</li> <li>• Supply chain management</li> </ul>	<ul style="list-style-type: none"> <li>• Human Rights</li> <li>• Labour Rights, Equal Opportunities</li> <li>• Occupational Health &amp; Safety</li> <li>• Government and Community Relations</li> <li>• Consumer Protection, Product Safety</li> <li>• Personal Data Safety &amp; Privacy</li> </ul>	<ul style="list-style-type: none"> <li>• Transparency, Reporting on Material Issues &amp; Audited Reports</li> <li>• Board Composition and Independence</li> <li>• Accounting risk, &amp; Audit Committee Structure</li> <li>• Bribery and Corruption</li> <li>• Aggressive Tax Planning</li> </ul>

This approach applies to investments in all asset classes, within practical limitations and in accordance with the fiduciary responsibility of Belfius IP towards its clients.

On top of this ESG analysis to be done in each security in which the sustainable funds will invest and in order to implement the investment strategy, the fund managers may reduce the investment universe by applying some of the following methodologies:

- Exclusion of companies (negative screening)
- Selection of best-in-class companies within the respective sectors (positive screening)
- Selection of companies based on sustainable investment themes
- Dialogue with companies (engagement)
- Exercising voting rights (voting on shareholder meetings)

The most important objectives for the integration of ESG criteria and processes are:

- The strategic and tactical asset allocation has to be in line with the clients' investment objectives
- The investments are broadly allocated within and across various asset classes, various instruments (equities, fixed income instruments, funds or trackers) and investment styles in order to maintain a sufficient diversification within the portfolios
- The sustainable investment policy will be executed by Belfius IP directly (through its own portfolio managers) or indirectly (through the selection of sub investment managers to which the daily management of the funds is delegated) through the selection of various, externally managed, investment funds or trackers

<sup>2</sup> The list of factors is not exhaustive & may evolve over time.



In addition **to address climate change**, we have also included limits and exclusions on high CO<sub>2</sub> emitting activities such as coal, conventional and non-conventional oil & gas as well as electricity generation. Special attention is also placed on nuclear power.

### Coal activities

Coal poses unacceptable environmental, climate and societal risks. Investments in these industries could retard investments in transitional and renewable energy sources and thus should not be part of a socially responsible financial product.

A socially responsible investment product shall not finance companies that derive 5% or more of their revenues from thermal coal activities if no credible alignment with the Paris Agreement has been demonstrated, specifically through a robust SBTi target or the allocation of a sufficient portion of capital expenditure to activities contributing positively.

### Conventional & Unconventional Oil & Gas activities

A socially responsible product shall not finance oil & gas companies deriving more than 5% of their revenues from all involvement in conventional or direct involvement in unconventional oil & gas and companies developing new unconventional projects. Companies having demonstrated a credible energy transition strategy that has been validated by the SBTi or that are allocating over 15% of their capital expenditures to activities that contribute positively to climate action can remain eligible.

The companies should have policies in place or have clear public statements confirming the aim of accelerating the transition to a low carbon business model and of supporting their R&D in sustainable energy technologies. Belfius IP & the asset managers will support companies accelerating the transition to a low carbon business model and will support their R&D in sustainable energy technologies.

### Electricity generation

A socially responsible product shall not finance electricity utilities with a carbon intensity that is not aligned with a below 2 degrees scenario<sup>3</sup>.

**This can be translated in the following max thresholds:**

	2019	2020	2021	2022	2023	2024	2025
Max.gCO <sub>2</sub> /kWh	429	408	393	374	354	335	315

In case no data on electricity power producers' carbon intensity is available, we will seek alternative sources of information and demonstration of good practice as follows:

The energy mix is a meaningful but not sufficient indicator. It is necessary that the use of thermal coal and nuclear power in electricity production does not increase, unlike the use of renewable energies, both in production and capacity.

In addition, the alignment with the Paris Agreement has to be demonstrated, and in particular through a robust SBTi target, a sufficient use of its capital expenditure for this purpose or deriving the main part of revenues from the use of renewable energies in electricity production.

Belfius IP & the asset managers will support companies accelerating the transition

### Nuclear Energy

The electricity generation & heat sector is the largest source of human-made CO<sub>2</sub> emissions. It is also the sector that can most readily be decarbonized.

The scale of the challenge requires growth of all available clean energy technologies.

As such, the production of energy through nuclear reactors can be seen as part of the solution, but raises many questions linked to for instance:

- The risks associated with the operation of nuclear power plants (Tchernobyl or Fukushima are recent examples), or

<sup>3</sup> Scenario provided by the International Energy Agency (2017)

- The storage – often very long term – of the radioactive waste that is generated and for which there is for the time being no real clean solution
- The dismantling of nuclear power stations and the proliferation of nuclear fuels

Belfius IP understands the exit process of this industry may be long. Belfius IP will assess and monitor closely the commitment and the transition progress of companies using the nuclear energy. Additionally, other material indicators like the average age of the nuclear fleet will be closely monitored in order to sufficiently mitigate additional risks and hence steer investment decisions.

**For further information, please refer to our Sustainable Policy on our website:**

<https://www.belfiusip.be/fr/esg/index.aspx>

### Investment Management Company - Candriam

Candriam considers that a company's long-term value is not solely influenced by financial criteria such as income or growth in the operating margin. By incorporating environmental, social and governance (ESG) criteria, we identify other factors liable to influence a company's value and competitiveness over the medium and long term. Within the analysis of Environmental factors, we consider a company's exposure and strategy in terms of Climate Change.

The inclusion of ESG factors rounds out the assessment of risks incurred by issuers. These risks can be broken down into four categories:

- **Operational risk:** risk of losses stemming from a failure or inadequacy in an institution's procedures, staff, internal systems or due to external events.
- **Reputational risk:** risk of loss in enterprise value stemming from the materialization of a risk, affecting the perception of the company held by its clients, shareholders, counterparties, regulators or investors.
- **Strategic risk:** risk of losses stemming from an actual or potential risk, affecting capital and profit, and resulting from changes in business model or adverse commercial decisions, a lack of responsiveness to a market development, or the inappropriate implementation of decisions.
- **Financial risk:** risks arising from banking and financial activities, predominantly including foreign exchange, interest rate and liquidity risks.

More specifically, climate change is a source of financial and reputational risk for investors. There are two types of climate risks: physical risks and risks associated with a transition to a low-carbon economy.

### Physical risks

Physical risks cover immediate material and financial aspects, as well as operational aspects (e.g. production halts, water scarcity) and reputational aspects (e.g. conflicts with local populations, major migratory flows).

### Transition risks

Searching for solutions to climate change issues can generate risks and opportunities for some sectors/companies. These risks cover:

- Changes in prices of energy resources and energy efficiency, with the added drawback of leaving companies with stranded assets:
  - Reduction of renewable energy costs, and increase in supply of renewable energies, have driven down demand for the highest-polluting energies (with coal in the lead)
  - Reserves of the highest-polluting energies may end up never being used, forcing the owners to write them off
- Changes in anti-pollution tax systems and more restrictive carbon markets, driving up prices of CO<sub>2</sub> per metric ton
- Financing risk for companies active in high-polluting sectors or involved with obsolete energy activities:

- This risk has arisen due to the growing preference of clients and other stakeholders for energy transition financing and associated risks

### Type of risks

Climate Risk	Risks	Operational	Reputational	Strategic	Financial
	Physical risks	✓	✓		
	Transition risks - asset value			✓	
	Transition risks - legal and market constraints	✓		✓	✓
	Transition risks - financing/funding		✓		✓

Candriam decided to exclude companies on a firm-wide level displaying more than 10% in thermal coal activities and those launching new projects in order to take into account potential stranded assets linked to climate change.

At Candriam, the inclusion of ESG criteria is the first step in the responsible investment process. The integration of ESG factors within investment processes ensures that short-, medium- and long-term ESG and financial risks and opportunities are taken into account and thus adds value to investment decisions.

Furthermore, as described previously, Candriam has implemented a firm-wide ESG governance structure to ensure proper oversight and information flow of ESG issues. Climate Risks are analysed by the Sustainability Risk Committee which assesses corporate reputational & financial risks. This committee reports directly into Candriam's Group Strategic Committee.

## 2.5. Which Teams are involved in the company's sustainable investment activity?

### Management Company – Belfius IP

In order to follow ESG topics within the management company, Belfius IP is organized around a dedicated transversal ESG workgroup, gathering different competencies in the different teams (Fund Selection, Portfolio Management, Risk, Compliance, IT, ...). The tasks of this active workgroup are diversified but focus on a long-term goal, being the progressive implementation of ESG within the processes & management or monitoring of portfolios.

### Investment Management Company - Candriam

Candriam launched its first SRI fund in 1996. For more than 25 years now, the company has developed expertise in ESG analysis thanks to its **dedicated ESG Team**. The team comprises analysts who specialise in specific sectors, sovereign analysis and active engagement activities. The team has developed its own ESG analysis methodology applied to governments, corporations and supranational agencies/organisations.

For the majority of our SRI strategies (i.e. strategies based on our proprietary industry-specific ESG materiality framework), the ESG analysts provide recommendations on issuers that determine the eligibility and, as a consequence, the ESG investment universe for the portfolio manager teams. The **portfolio managers** then apply their respective investment processes and select issuers from this ESG universe. For specific thematic strategies, the eligibility of issuers is determined in conjunction with the investment teams during dedicated committees.



Furthermore, in order to enhance synergies between the ESG Team and portfolio management teams, **one or more portfolio managers/analysts on each portfolio management team are designed as “ESG Ambassadors.”** The ESG analysts regularly take part in Portfolio Management Committees and on an ad hoc, monthly or quarterly basis the ESG ambassadors and ESG Team discuss ongoing projects and exchange ideas on ESG themes.

## **2.6. How many employees are directly involved in the company’s sustainable investment activity?**

### **Management Company – Belfius IP**

The ESG workgroup focusing on ESG topics is made of 5 employees.

### **Investment Management Company - Candriam**

Across our front office teams, there are approximately 60 employees that are major stakeholders and directly involved in the company’s sustainable investment activity.

For more than 25 years now, the company has developed expertise in ESG analysis thanks to its dedicated ESG Team. The team comprises analysts who specialise in specific sectors, sovereign analysis and active engagement activities. The team has developed its own ESG analysis methodology applied to governments, corporations and supranational agencies/organisations.

For the majority of our SRI strategies (i.e. strategies based on our proprietary industry-specific ESG materiality framework), the ESG analysts provide recommendations on issuers that determine the eligibility and, as a consequence, the ESG investment universe for the portfolio manager teams. The portfolio managers then apply their respective investment processes and select issuers from this ESG universe. For specific thematic strategies, the eligibility of issuers is determined in conjunction with the investment teams during dedicated committees.

Furthermore, an ESG Masterclass is organized on a regular basis to provide an extensive understanding of ESG related topics while educating our Portfolio Managers & Analysts to meet their sustainable investment objectives. This unique opportunity has been designed to provide not only training related to sustainability issues, but also information on new ESG developments and sector analysis developed by our dedicated ESG team.

## 2.7. Is the company involved in any RI initiatives?

### Management Company – Belfius IP

General Initiatives	Environmental/Climate Initiatives	Social Initiatives	Governance Initiatives
<input type="checkbox"/> ECCR – Ecumenical Council for Corporate Responsibility <input type="checkbox"/> EFAMA RI WG <input type="checkbox"/> European Commission's High-Level Expert Group on Sustainable Finance <input type="checkbox"/> ICCR – Interfaith Center on Corporate Responsibility <input checked="" type="checkbox"/> <b>National Asset Manager Association (RI Group)</b> <input checked="" type="checkbox"/> <b>PRI - Principles For Responsible Investment</b> <input type="checkbox"/> SIFs - Sustainable Investment Fora <input type="checkbox"/> Other	<input type="checkbox"/> CDP – Carbon Disclosure Project <input type="checkbox"/> Climate Bond Initiative <input type="checkbox"/> Green Bond Principles <input type="checkbox"/> IIGCC – Institutional Investors Group on Climate Change <input type="checkbox"/> Montreal Carbon pledge <input type="checkbox"/> Paris Pledge for Action <input type="checkbox"/> Portfolio Decarbonization Coalition <input type="checkbox"/> Other	<input checked="" type="checkbox"/> <b>Access to Medicine Foundation</b> <input type="checkbox"/> Access to Nutrition Foundation <input type="checkbox"/> Accord on Fire and Building Safety in Bangladesh <input type="checkbox"/> Other	<input type="checkbox"/> ICGN - International Corporate Governance Network <input type="checkbox"/> Other

### Investment Management Company - Candriam

General Initiatives	Environmental/Climate Initiatives	Social Initiatives	Governance Initiatives
<input type="checkbox"/> ECCR – Ecumenical Council for Corporate Responsibility <input checked="" type="checkbox"/> <b>EFAMA RI WG</b> <input type="checkbox"/> European Commission's High-Level Expert Group on Sustainable Finance <input type="checkbox"/> ICCR – Interfaith Center on Corporate Responsibility <input checked="" type="checkbox"/> <b>National Asset Manager Association (RI Group)</b> <input checked="" type="checkbox"/> <b>PRI - Principles For Responsible Investment</b> <input checked="" type="checkbox"/> <b>SIFs - Sustainable Investment Fora</b> <input checked="" type="checkbox"/> <b>Other</b> <i>-Please refer to the section below for further information</i>	<input checked="" type="checkbox"/> <b>CDP – Carbon Disclosure Project</b> <i>(including Climate Change, and Water and Forest programmes)</i> <input type="checkbox"/> Climate Bond Initiative <input checked="" type="checkbox"/> <b>Green Bond Principles</b> <input checked="" type="checkbox"/> <b>IIGCC – Institutional Investors Group on Climate Change</b> <input checked="" type="checkbox"/> <b>Montreal Carbon pledge</b> <input checked="" type="checkbox"/> <b>Paris Pledge for Action</b> <input type="checkbox"/> Portfolio Decarbonization Coalition <input checked="" type="checkbox"/> Other: TCFD <i>-Please refer to the section below for further information</i>	<input checked="" type="checkbox"/> <b>Access to Medicine Foundation</b> <input checked="" type="checkbox"/> <b>Access to Nutrition Foundation</b> <input checked="" type="checkbox"/> <b>Accord on Fire and Building Safety in Bangladesh</b> <input checked="" type="checkbox"/> <b>Other</b> <i>-Please refer to the section below for further information</i>	<input type="checkbox"/> ICGN - International Corporate Governance Network <input checked="" type="checkbox"/> <b>Other</b> <i>-Please refer to the section below for further information</i>

As a responsible asset manager, the United Nations Principles for Responsible Investment are an important initiative to support.



















We are proud to have been one of the first signatories to the UN-PRI. The PRIs are a voluntary initiative aimed at encouraging investors to include ESG (Environmental, Social & Governance) considerations in their investment decisions.

The most recent version of the PRI Report is available on the PRI website:

<https://www.unpri.org/signatory-directory/>

## Candriam's sustainable commitments

We commit ourselves, as an investor or as a company, to behave in a responsible way. Here below are the statements we have signed or the initiatives we have joined accordingly:

Commitments	ESG	Joined in/ Signed in	Conviction Topics
<b>PRI - Principles for Responsible Investment</b> 	ESG	2006	
<b>UNGC Call to Action on anti-corruption</b> 	G	2014	
<b>G20 Energy Efficiency Investor Statement</b> 	E	2015	
<b>Montreal Carbon Pledge</b> 	E	2015	
<b>Paris Pledge for Action</b> 	E	2015	
<b>Investor Statement on ESG credit ratings</b> 	ESG	2017	
<b>Adhesion to Green and Social Bond Principles</b> 	ES	2017	
<b>Tobacco-Free Finance Pledge</b> 	S	2018	
<b>The Investor Agenda</b> 	E	2018	
<b>Commitment to support a just transition on climate change</b> 	ESG	2018	
<b>TCFD supporter</b> 	E	2021	

## • Collaborative Initiatives





We join forces with other investors to secure greater leverage in calling on stakeholders to act responsibly. The table below shows collaborative initiatives active in 2019 but that Candriam had started to support in previous years, their impact and Candriam specific contributions:

Collaborative Initiatives Initiatives for a call to action	ESG	Joined/ Signed in	Candriam Contribution summary	Conviction Topics
<b>CDP - Carbon Disclosure Project (incl. Climate Change, Water and Forest programs)</b> 	E	2004	Lead investor on over 10 companies to encourage them to fill in the questionnaire (non disclosure campaign)	
<b>Sustainable Stock Exchanges</b> 	ESG	2010	Participation to update calls	
<b>Access to Medicine (AtM)</b> 	S	2010	<ul style="list-style-type: none"> <li>Letters' co-signer</li> <li>Lead for one target company</li> <li>Active supporting investor with others</li> </ul>	
<b>Access to Nutrition</b> 	S	2013	<ul style="list-style-type: none"> <li>Letters' co-signer &amp; Lead for one target company</li> <li>Active investor for several target companies</li> <li>Support renewed in 2020 (Investors' Expectation statement)</li> </ul>	
<b>Bangladesh Initiative on garment industry</b> 	S	2013	<ul style="list-style-type: none"> <li>Statements' &amp; Letters' co-signer to companies, OECD and authorities</li> <li>Active engagement with 15 companies to encourage them to join or support The Accord</li> </ul>	
<b>Labour practices in agricultural supply chain</b> 	S	2016 - 2020Q1 Now completed	Co-lead investor for two corporates, supporting investor for one	
<b>Fiduciary Duty in the 21st Century</b> 	ESG	2017 one off	Signatory	
<b>Engagement on antibiotics overuse in livestock supply chains</b> 	ES	2017	Letters co-signer	
<b>Sustainable Protein Engagement</b> 	E	2017	<ul style="list-style-type: none"> <li>Letters co-signer</li> <li>Co-lead investor for 2 corporates</li> </ul>	
<b>Workforce Disclosure Initiative</b> 	S	2017	<ul style="list-style-type: none"> <li>Letters co-signer</li> <li>Co-lead investor for 4 corporates</li> </ul>	
<b>Banking on a Low Carbon Future</b> 	E	2017 - 2020	<ul style="list-style-type: none"> <li>Letters co-signer</li> <li>Participation to group calls</li> </ul>	

Collaborative Initiatives Initiatives for a call to action	ESG	Joined / Signed in	Candriam Contribution summary	Conviction Topics
Engagement on Cybersecurity	SG	2017 - 2020 now completed	<ul style="list-style-type: none"> <li>Letters co-signer</li> <li>Lead investor on 1 corporate</li> <li>Participation to exchanges with several corporates</li> </ul>	
Expectations on Corporate Climate Lobbying 	E	2017 one-off	Signatory	
Decarbonisation Initiative (incl. RE100 & EP100 Engagement) 	E	2017	Letters co-signer	
Combating Child Labour in Cocoa Supply Chains 	S	2017 - 2019	<ul style="list-style-type: none"> <li>Statement co-signer to companies and related stakeholders</li> <li>Active investor for 1 company</li> </ul>	
Corporate Tax Responsibility 	G	2017 - 2020 now completed	<ul style="list-style-type: none"> <li>Letters co-signer.</li> <li>Lead investor on 2 corporates</li> <li>Participation to exchanges with several corporates</li> </ul>	
Climate Action 100+ 	E	2017	<ul style="list-style-type: none"> <li>Active supporting investor for 5 corporates</li> <li>Signature of 2019 letters to US companies on Climate lobbying</li> </ul>	
CA100+ related - Paris-aligned accounting and audit 	E	2019		
PRI - Climate change transition for oil and gas 	E	2018 - 2020 Merged with CA100+	<ul style="list-style-type: none"> <li>Supporting Investor</li> <li>Signature of 2019 statement sent to O&amp;G companies in relation to US Methane Deregulation</li> </ul>	
BBFAW Investor Collaboration on Farm Animal Welfare 	ES	2018	<ul style="list-style-type: none"> <li>Letters co-signer</li> <li>Active supporting investor with 1 corp.</li> </ul>	
PRI Water risks in agricultural supply chains 	E	2018 - 2020Q1 now completed	<ul style="list-style-type: none"> <li>Letters co-signer</li> <li>Lead investor on 1 corporate</li> </ul>	
Plastic Solutions Investor Alliance 	E	2018	<ul style="list-style-type: none"> <li>Statement co-signer</li> <li>Active supporting investor for 4 corporates</li> <li>In Lead for 2 retail corp since H2 2019</li> </ul>	
UK Living Wage Engagement Campaign 	S	2018	Letters co-signer	
PRI supported engagement on responsible sourcing of cobalt 	ES	2018	Co-Lead investor for 1 corporate	



Collaborative Initiatives Initiatives for a call to action	ESG	Joined / Signed in	Candriam Contribution summary	Conviction Topics
Corporate Accountability for Digital Rights 	SG	2018	. Letters' co-signer . Co-lead investor for one corporate . Member of Investor Alliance for Human Rights since 2021	
Investor Statement to EU Policymakers on the future of Corporate Reporting 	ESG	2018 one off	Statement co-signer	
Investors call on power companies to accelerate decarbonisation and support ambitious climate policy 	E	2018 one off	Statement co-signer	
Open Letter to index providers on controversial weapons exclusions 	SG	2018 one off	Statement co-signer	
Making Finance Work for People and Planet 	ESG	2019 one off	Statement co-signer	
PRI-coordinated Investor Working Group On Sustainable Palm Oil 	ES	2019	Supporting Investor for 6 corporates, Lead investor for one	
Investor Mining and Tailings Safety Initiative 	E	2019	. Letters co-signer . Participation to call	
Statement for mandatory human rights due diligence - Switzerland 	S	2019 - 2020	Statement co-signer	
2019 Global Investor Statement to Governments on Climate Change 	E	2019 one off	Statement co-signer	
Investor Statement On Turkmen Cotton (SourcingNetwork) 	S	2019 one off	Statement co-signer	
2019-2020 Initiative for Pesticide Use Reduction and Safer Chemicals Management - Grocery Retail 	ES	2019	. Letters' co-signer . Lead investor for one corporate	
Investor Statement On Deforestation & Forest Fires in the Amazon 	E	2019 one off	Statement co-signer	
Investor Statement to support Gender Equality in the workplace 	S	2019 - 2020 Now completed	Statement co-signer	

Collaborative Initiatives Initiatives for a call to action	ESG	Joined / Signed in	Candriam Contribution summary	Conviction Topics
Australian extractives sector, IGCC Public Sign On Letter 	E	2019 one off	Letter co-signer	
Open Letter in support to Amazon Soy Moratorium 	E	2019 one off	Open Letter co-signer	
PRI Investor statement on Climate change for Airlines & Aerospace companies 	E	End 2019/2020 one off	Statement co-signer	
PRI investors Letter to SEC 	ESG	End 2019/2020 one off	Open Letter co-signer	
CHRB - Investor statement calling on companies to improve Human Rights performance 	S	2020 one off	Statement co-signer	
Investor Statement on Coronavirus Response 	ESG	2020 one off	Statement co-signer	
The Investor Agenda   Open investor letter to EU leaders on a sustainable recovery from COVID-19 IIGCC   Open letter to EU leaders from investors on a sustainable recovery from COVID-19 	ESG	2020 one off	Open Letters co-signer	
Support brought to Joint-statement-on-the-NFRD-revision (7 recommendations) 	ESG	2020 one off	Candriam supported officially the recommendations, while not being part of the informal group itself	
Collaborative dialogue on Teleperformance 	S	2020	Dialogue - Co-Lead investor, in partnership with french AMs.	
Investors' Policy Dialogue on Deforestation in Brazil 	E	2020	Dialogue - Active investor	
Investor Engagement Group - Xinjiang Uyghur Autonomous Region (XUAR) 	S	2020	Dialogue - 6 Active investor positions	

Collaborative Initiatives Initiatives for a call to action	ESG	Joined / Signed in	Candriam Contribution summary	Conviction Topics
Micro Fibre Engagement 	E	2020	1 co-lead position	
Global Investor Statement in Support of an effective, fair and equitable Global Response to Covid-19 	S	2021 one off	Statement co-signer	
Cumbria Coking Coal Mine project, Letter to the UK Prime Minister 	E	2021 one off	Letter co-signer	
IIGCC   Investor Expectations for the banking sector 	E	2021	. Supporter of the Expectations Document . Member of related IIGCC Working group (Banks assesment framework)	
Barclays / Energy Policy engagement, led by ShareAction 	E	2021	Letter co-signer	
UN PRI letter to support full country by country reporting in EU 	G	2021	Letter co-signer	
2021 Global Investor Statement to Governments on the Climate Crisis 	E	2021 one off	Statement co-signer	
Investor Statement on Facial Recognition Technology 	SG	2021	Candriam initiated this statement that gather more than 50 investors with more than USD 4.5 trillion, as well as the associated engagement initiative targeting public & private corporates launched mid-2021 (cf below).	
CDP - Science Based Target Campaign 	E	2021	Letter(s) co-signatory	
Financing a Just Transition Alliance : letter to the UK Prime Minister on the importance of the Just Transition in the forthcoming Net Zero Strategy 	ES	2021 one off	. Initiative led by the Grantham Research Institute on Climate Change and the Environment, London School of Economics, and Convenor . Letter co-signer	
FAIRR led Investor Statement - Where's the Beef ? Need to reduce the level of GHG emitted by the global agricultural supply chain 	E	2021 one off	Statement targeting G20 nations ahead of COP26.	
Investor Engagement on Facial Recognition Technology 	SG	2021	Candriam initiated this statement that gather more than 50 investors with more than USD 4.5 trillion, as well as the associated engagement initiative targeting public & private corporates launched mid-2021.	
IIGCC investor position statement - voting on transition planning 	E	2021 one off	Statement co-signer	



Collaborative Initiatives Initiatives for a call to action	ESG	Joined / Signed in	Candriam Contribution summary	Conviction Topics
Investor letter to Global banks on Climate Change & Biodiversity (Shareaction-led) 	E	2021	Letter co-signer, active participation to calls with corporates	
UNICEF & Partners, Letter to GRI Standards Board	S	2021	Letter co-signer	
Investor Statement in Support of Mandated Human Rights and Environmental Due Diligence in the EU 	ESG	2021	Statement Signatory	
Net Zero Proxy Advice - IIGCC Investors Letter to Proxy Advisors 	EG	2021 one off	Letter co-signer	
Letter to Chevron & TotalEnergies relative to their presence in Myanmar 	SG	2021	Letter co-signer	
Investor Letter - Vaccine Equity & Executive Remuneration (Achmea Lead) 	SG	2021	Co signer of the letter targeting 4 companies: AstraZeneca, Johnson & Johnson, Moderna and Pfizer.	

## 2.8. What is the total number of SRI assets under the company's management?

### Management Company – Belfius IP

As of end of December 2021, the firm's SRI assets under management, based on article 8 and 9 funds, totaled €17.43 billion.

### Investment Management Company - Candriam

Our assets under management dedicated to ESG-related products have reached €105 billion as of December 2021.

## 2.9. What is the percentage of total SRI assets under the company's management?

### Management Company – Belfius IP

As of end of December 2021, the firm's SRI assets, based on article 8 and 9 funds, represented 77.81%.

### Investment Management Company - Candriam

Our assets under management dedicated to ESG-related products represent 67% of our total AUM, as of December 2021.

## 2.10. Which are the SRI funds publicly managed by the company?

### Management Company – Belfius IP

In accordance with legal requirements, please refer to our website to access information regarding our SRI fund range. The information can be found in <https://www.belfiusip.be/fr/fonds-investissements/index.aspx>.

As of end of December 2022, the Belfius IP SRI funds. i.e., Article 9 funds, are the following ones:

Belfius Sustainable High  
 Belfius Sustainable Low  
 Belfius Sustainable Medium

## 3. General information about the SRI fund(s) that comes under the scope of the Code

### 3.1. What is (are) the fund(s) aiming to achieve by integrating ESG factors?

Belfius Investment Partners has entrusted Candriam with the management of an asset allocation mandate. The mandate invests in corporate and sovereign issuers, across developed and emerging markets, as well as in large and small & mid-cap companies

Candriam considers that a company's long-term value is not solely influenced by financial criteria such as income or growth in the operating margin. By incorporating environmental, social and governance (ESG) criteria, we identify other factors liable to influence a company's value and competitiveness over the medium and long term, which are not always immediately obvious in traditional financial analyses.

**ESG integration** is imperative as some of the sustainability challenges we face could test the resilience of financial and economic systems, whilst offering opportunities to foster innovation through our investments. This goes beyond environment and includes the social and governance dimension of corporate behaviour. Fully integrating ESG reflects our conviction that specific environmental, social and governance issues are being and/or will be priced in by financial markets participants through policy and/or societal change.

In this regard, financial metrics and accounting statements published by company are inherently backward looking and tell only part of the story. ESG analysis adds essential layers of information that capture the “intangible” aspects of a business not fully captured by traditional financial analysis. A growing share of companies’ value is comprised of intangible risks and opportunities like brand, reputation, human capital and innovation. Sustainability affects those aspects directly and, as a consequence, makes it a relevant consideration within every investment strategy.

### 3.2. What internal or external resources are used for ESG evaluation of the issuers who makes up the investment universe of the fund(s)?

The ESG Investments & Research Team has developed its own ESG methodology applied to governments, corporations and supranational agencies/organisations. The portfolio managers then apply their respective investment processes and integrate ESG information in order to better assess the risks and opportunities that stem from the business activities and operations of companies. The ESG Analysts use internal and external research to feed their models.

The Team strives to source information from diverse sources as we consider information from different providers to be complementary. This is as a result of providers’ varying coverage, methodologies, as

well as culture which may ultimately lead to discrepancies in views and final ratings. These different assessments enable our ESG analysts to have a more holistic view of a company.



Please find below an overview of the external ESG data providers used by the Team:

Rating Agencies	Certification	Scope	Types of Screening	Link
Equileap	-	International Companies	Gender equality criteria	<a href="https://equileap.org/">https://equileap.org/</a>
Bloomberg	Gender-Equality Index	International Companies	International standardized reporting and disclosure method for workplace gender data.	<a href="http://www.bloomberg.com/GEI">www.bloomberg.com/GEI</a>
MSCI ESG Research	-	International Companies	ESG Criteria – Controversial Activities – Norms-based Criteria	<a href="https://www.msci.com/esg-integration">https://www.msci.com/esg-integration</a>
ISS-Ethix	-	Emerging Markets Companies International Companies	Norms-based Criteria  Screening criteria used to exclude the weapon industry	<a href="https://www.issgovernance.com/">https://www.issgovernance.com/</a>
S&P Trucost	-	International Companies	Environmental Data  Greenhouse gas emissions, energy mix, percentage of exposure to fossil fuels	<a href="https://www.trucost.com/">https://www.trucost.com/</a>
Sustainalytics	-	International Companies	ESG Criteria – Controversial Activities – Norms-based Criteria	<a href="https://www.sustainalytics.com/">https://www.sustainalytics.com/</a>
Wood Mackenzie	-	International Companies	Energy and mining sectors  screening used to exclude unconventional extractions and thermal coal	<a href="https://www.woodmac.com/">https://www.woodmac.com/</a>
ISS-Oekom	-	International Companies	Sustainable Development Goals measurements	<a href="https://www.issgovernance.com/esg/">https://www.issgovernance.com/esg/</a>
MapleCroft	-	Sovereign Issuers	Country risk metrics and analysis	<a href="https://www.maplecroft.com/">https://www.maplecroft.com/</a>
RepRisk	-	Sovereign Issuers	ESG Country risk metrics and analysis	<a href="https://www.reprisk.com/">https://www.reprisk.com/</a>
EIU	-	Sovereign Issuers	Country risk metrics and analysis  Country energy data	<a href="https://www.eiu.com/n/">https://www.eiu.com/n/</a>
PRS Group	-	Sovereign Issuers	Quantitative data, political risk and country risk ratings	<a href="https://www.prsgroup.com/">https://www.prsgroup.com/</a>

Beyond Ratings	-	Sovereign Issuers	ESG performance of economies - Sovereign Credit risk – Climate Objectives Alignment	<a href="https://www.beyond-ratings.com/">https://www.beyond-ratings.com/</a>
Carbon4 Finance	-	International Companies	Environemental Data based on energy transition & adaptation to climate change	<a href="http://www.carbon4finance.com/">http://www.carbon4finance.com/</a>

Furthermore, we also source information from academic experts, sector federations, the media, and NGOs. Examples of NGOs used in analysis include:

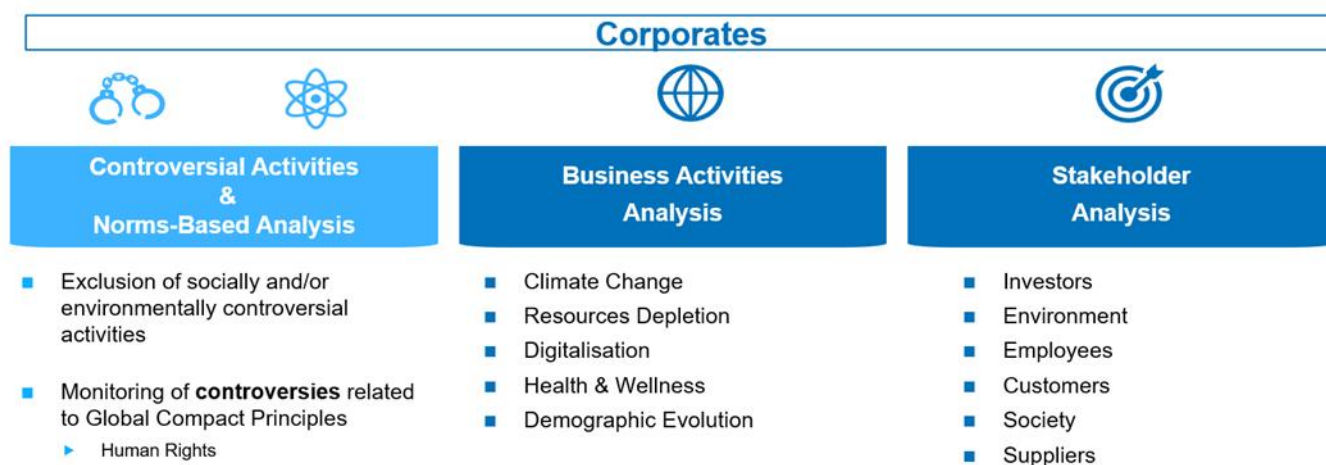
- **Freedom House:** measure of freedom and democracy, understood via electoral process, political pluralism, functioning government, rule of law etc. (<https://freedomhouse.org/>)
- **Fraser Institute:** measure of human freedom, understood as the absence of coercive constraint (<https://www.fraserinstitute.org/>)
- **Transparency International (CPI):** measure of public sector corruption. (<https://www.transparency.org/>)
- **Environmental Performance Index (EPI):** ranks countries which are best addressing the environmental challenges that every nation faces
- **Paris Equity Check:** asses how fair are countries' climate pledges under the Paris agreement
- **Ease of Doing Business Index:** ranks countries on their ease of doing business

Lastly, our ESG analysts obtain information from various International Organizations, which are either an integral part of the ESG Sovereign framework or serve as additional information in analysis. Examples of International organizations include: World Bank, IMF, World Health Organization, UN Programme for the Environment, International Labour Organisation, United Nations Development Programme, United Nations Organisation Food and Agriculture Organisation.

### 3.3. What ESG criteria are taken into account by the fund(s)?

We believe that all companies we invest in must display strong ESG practices. We exclude all companies that do not respect our company-wide exclusion policy and companies that have breached the principles of the United Nations Global Compact. This exclusion filter is coupled with an ESG assessment of companies by their ability to create value by integrating sustainability into their business activities and the interest of stakeholders within their operating and financial managerial processes.

Then, all portfolio managers monitor and take into account the sustainability information that they receive from the ESG team and **integrate them into their investment processes and decisions** in order to better assess the risks and opportunities for each issuer. This ESG integration approach will impact the fundamental and/or credit analysis of issuers, valuation and/or ultimately impact the final portfolio construction. For further information, please refer to question 4.1



For sovereign issuers, portfolio managers monitor and take into account the overall sustainability score of a country. The latter recognize how countries perform best across our four categories of sustainable development criteria: Natural, Human, Social and Economic Capital. These four capital domains incorporate a wide range of material ESG factors which the ESG team evaluate using our internally-defined Key Performance Indicators. This generates a dynamic capital-based analytical tree, which covers the sustainable development challenges and opportunities faced by each nation, a valuable source of information for portfolio managers.

### Countries



In addition, any country classified as Not Free by Freedom House is taken into account. Doing so, we aspire to set minimum standards of democracy, as well as avoiding countries that are involved in financing terrorism and money laundering.

For information regarding specific KPI's applicable to the funds, please refer to the table available under the respective link under Section 1 - Fund Covered by the Code.

### 3.4. What principles and criteria linked to climate change are scrutinized in the Fund(s)?

#### • Corporate Issuers

Candriam believes investment opportunities and risks cannot be fully evaluated using traditional financial metrics alone. We believe that taking into account ESG criteria is a source of long term value and risk mitigation that cannot be fully captured by traditional financial analysis. To this end, our ESG framework assesses the risks and opportunities to create value through integrating Business Activities and Stakeholder management sustainability factors within their operating and financial managerial processes.

The **Business Activities Analysis** evaluates the company's exposure (services/products, production areas, market segments, etc.) to the major sustainable development challenges. These challenges are long-term trends liable to considerably influence the economic environment in which companies operate and to determine the future challenges in the market as well as the long-term growth opportunities. Candriam has identified five major challenges including **Climate Change**.

The **Stakeholder Analysis** evaluates a company's ability to incorporate stakeholder interests in its long-term strategy, insofar as they are a source of risks and opportunities for the company. These six categories of stakeholders include Investors, Employees, Customers, Suppliers, Society, and the **Environment**.

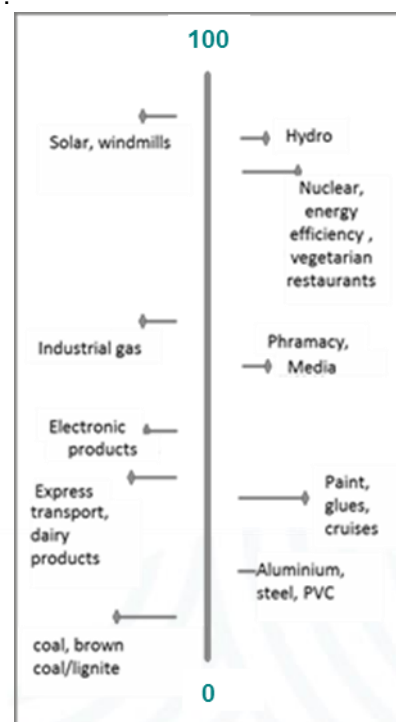
To this end, we assess climate change risk and opportunities in both of our Business Activities and Stakeholder. In this top-down approach, we assess a company's **business model** exposure to **climate change** through the Business Activities analysis. Conversely, in the Stakeholder Analysis approach, we assess the way an organization **operates to its natural surroundings** to conduct its activities.



Please find below further information on the **Climate Change** and **Environment** assessments in the **Business Activities Analysis** and **Stakeholder Analysis** respectively:

### Business Activities: Climate Change Challenge

Climate change is considered to be a major and substantial challenge in sustainable development. Accordingly, it is assessed in all sector models and is a major source of risk (thus attributed a lower score) for high-impact sectors such as energy, transport and materials. In the course of this assessment, the impact of various activities is estimated and factors in greenhouse gas emissions from the source to final consumption (i.e. Scopes 1, 2 and 3). Based on this estimate, the impacts for each activity are ranked, as described opposite, on a scale from 0 to 100. The measurement of the impact itself is based on the company's exposure, according to revenue earned by the activity, except for the energy and utilities sectors, where it is based on fossil fuel reserves and installed capacity, respectively.



### Stakeholder Analysis: Management of Environmental Relations

Exposure to environmental management risks and opportunities is especially significant for high-impact sectors such as energy, materials, utilities, automotive and real estate. In the course of analysing environmental management, other issues such as air pollution are also covered, including: energy use, biodiversity, soil use, waste and recycling, water consumption and the environmental impact of products.

Examples in the Energy sector:

- Strategies implemented
  - Environmental impact of new projects before launch;
  - Projects in renewable energy, energy efficiency;
  - Variable pay granted to executive managers based on environmental performances;
  - Technologies and measures used to prevent leaks in oil pipelines (fibre optic cables to detect leaks, pressure monitoring)
- Performances
  - Energy mix and CO2 emissions;
  - Oil leakage rate < sector average;
  - Gas flaring rate < sector average;
  - High % of OHSAS 14001-certified sites

Furthermore, we apply a norms-based and controversial activities filter to exclude companies which may represent high risk due to violation of international laws and non-sustainable activities. In the norms-based analysis, we determine whether companies respect the principles of the UN Global Compact, including the respect of Environmental norms.

Lastly, we believe that investing in companies significantly exposed to conventional and unconventional oil and gas activities is not compatible with the efforts towards an energy transition and represent financial risk in terms of stranded assets. To this end, we apply exclusion thresholds based on issuer revenues for these activities.

- **Sovereign Issuers**

Environmental considerations, including climate change, are naturally embedded in the framework through the Natural Capital.

Our framework puts climate change and environmental preservation at the forefront, as Natural Capital is not freely interchangeable with the human, social and economic capitals. Our Natural Capital pillar assesses how a country is conserving and sustainably employing its natural resources, managing its interaction with global environmental issues and challenges such as Climate change, its consumption of fossil fuels, its biodiversity stewardship and its handling of waste materials.

### 3.5. What is the ESG analysis and evaluation methodology of the fund manager/fund management company (how is the investment universe built, what rating scale is used etc.)?

Candriam's company-wide controversial activities policy integrates ESG factors including exclusions on controversial weapons, thermal coal, tobacco and for normative reasons.

We incorporate the results of the ESG Business Activities and Stakeholder analysis in the financial fundamental analysis.

The ESG Analysis is based on the following pillars:

- Controversial activity exclusions
  - Norms Based Analysis
  - Business Activities Analysis
  - Stakeholders Analysis
  - ESG score
- **Controversial activity exclusions**

Exclusion thresholds / criteria <sup>1</sup>	
<b>Controversial activity exclusions:</b>	
<b>Controversial Armaments</b>	<ul style="list-style-type: none"> <li>• Any involvement in: Anti-personnel landmines; Cluster bombs; Depleted uranium; Chemical weapons; Biological weapons</li> <li>• Any involvement in nuclear weapons and white phosphorus</li> </ul>
<b>Thermal Coal</b>	<ul style="list-style-type: none"> <li>• 5% revenue threshold</li> <li>• Companies developing new projects</li> </ul>
<b>Tobacco</b>	<ul style="list-style-type: none"> <li>• Production: Any involvement</li> <li>• Distribution: 5% revenue threshold</li> </ul>
<b>Conventional Armaments</b>	<ul style="list-style-type: none"> <li>• 10% revenue threshold</li> </ul>
<b>Electricity Generation</b>	<ul style="list-style-type: none"> <li>• Companies with new coal or nuclear-based projects</li> <li>• Carbon Intensity above 354gCO<sub>2</sub>/kWh</li> </ul> <p>If data is not available on Carbon Intensity:</p> <ul style="list-style-type: none"> <li>• No Paris-aligned commitment</li> <li>• Companies without new sustainable energy-based project</li> </ul>
<b>Oil &amp; Gas</b>	<b>Unconventional O&amp;G:</b> <ul style="list-style-type: none"> <li>• 5% revenue threshold</li> <li>• Companies developing new projects</li> </ul>
	<b>Conventional O&amp;G:</b> <ul style="list-style-type: none"> <li>• Less than 40% of revenues derived from natural gas and renewable energy</li> </ul>
<b>Gambling</b>	<ul style="list-style-type: none"> <li>• 10% revenue threshold</li> </ul>
<b>Nuclear Power</b>	<ul style="list-style-type: none"> <li>• 30% revenue threshold in developed markets<sup>3</sup></li> <li>• 5% revenue threshold in Emerging Markets</li> </ul>



Palm Oil	Producers/Distributors that: <ul style="list-style-type: none"> <li>are not RSPO members and derive between 0% and 5% of their revenues from palm oil with less than 20% of this oil being RSPO-certified palm oil, and that have no deforestation policy in place; or</li> <li>are not RSPO members and derive more than 5% of their revenues from palm oil with less than 50% of this oil being RSPO-certified palm oil, and that have no deforestation policy in place.</li> </ul>
	Buyers that: <ul style="list-style-type: none"> <li>are not RSPO members and whose revenues are dependent on palm oil for more than 5%, with less than 50% of this oil being RSPO-certified palm oil, and that have no deforestation policy.</li> </ul>
Mining	UNGP, OECD
<b>Norms-based exclusions:</b>	
Norms	Red Flag Companies: Companies with “Red” ratings in any of the four UNGC pillars

<sup>1</sup> Candriam's exclusion policies are subject to the constraints inherent to the availability of ESG data and to the underlying data methodologies. Therefore, thresholds are analyzed and implemented on a best-effort basis.

<sup>2</sup>Threshold applies regardless of carbon intensity.

For the Belfius Pension Fund strategies, the Belfius Sustainable strategies, the Belfius Equities Europe Conviction and Small & Mid Caps strategies, the Belfius Select Portfolio Sustainable Low and Medium strategies and the Belfius Portfolio Equities US Sustainable strategy, the Level 3 SRI Exclusion Policy applies, as detailed below.

Exclusion threshold / criteria <sup>1</sup>	
<u>Controversial activity exclusions</u>	
Controversial Armaments	<ul style="list-style-type: none"> <li>Any involvement in: Anti-personnel Landmines; Cluster Bombs; Depleted Uranium; Chemical Weapons; Biological Weapons</li> <li>Any involvement in nuclear weapons and white phosphorus</li> </ul>
Thermal Coal	<ul style="list-style-type: none"> <li>5% revenue threshold</li> <li>Companies developing new projects</li> </ul>
Tobacco	<ul style="list-style-type: none"> <li>Production: Any involvement</li> <li>Distribution: 5% revenue threshold</li> </ul>
Conventional Armaments	<ul style="list-style-type: none"> <li>3% revenue threshold</li> </ul>
Electricity Generation	<ul style="list-style-type: none"> <li>Companies with new coal or nuclear-based projects</li> <li>Carbon Intensity above 354gCO<sub>2</sub>/kWh</li> </ul> <p>If carbon intensity is not available:</p> <ul style="list-style-type: none"> <li>No Paris-aligned commitment</li> <li>Companies without new sustainable energy-based project</li> </ul>
Oil & Gas	<b>Unconventional Oil &amp; Gas:</b> <ul style="list-style-type: none"> <li>5% revenue threshold</li> <li>Companies developing new projects</li> </ul>
	<b>Conventional Oil &amp; Gas:</b> <ul style="list-style-type: none"> <li>5% revenue threshold</li> </ul>
Oppressive Regimes	<ul style="list-style-type: none"> <li>10% revenue threshold</li> <li>Engagement triggered between 5% and 10% revenue exposure</li> </ul>
Adult Content	<ul style="list-style-type: none"> <li>5% revenue threshold</li> </ul>
Alcohol	<ul style="list-style-type: none"> <li>10% revenue threshold</li> </ul>
Animal Testing	<ul style="list-style-type: none"> <li>No responsible policy and no legal requirement to test</li> </ul>
Gambling	<ul style="list-style-type: none"> <li>5% revenue threshold</li> </ul>
GMO	<ul style="list-style-type: none"> <li>10% and no responsible policy</li> </ul>

<b>Nuclear Power</b>	<ul style="list-style-type: none"> <li>• 30% revenue threshold in developed markets<sup>2</sup></li> <li>• 5% revenue threshold in Emerging Markets</li> </ul>
<b>Palm Oil</b>	<p>Producers/Distributors that:</p> <ul style="list-style-type: none"> <li>• are not RSPO members and derive between 0% and 5% of their revenues from palm oil with less than 20% of this oil being RSPO-certified palm oil, and that have no deforestation policy in place; or</li> <li>• are not RSPO members and derive more than 5% of their revenues from palm oil with less than 50% of this oil being RSPO-certified palm oil, and that have no deforestation policy in place.</li> </ul> <p>Buyers that:</p> <ul style="list-style-type: none"> <li>• are not RSPO members and whose revenues are dependent on palm oil for more than 5%, with less than 50% of this oil being RSPO-certified palm oil, and that have no deforestation policy.</li> </ul>
<b>Mining</b>	UNGP, OECD
<b>Norms-based</b>	Red Flag Companies: Companies with “Red” ratings in any of the four UNGC pillars

<sup>1</sup> Candriam's exclusion policies are subject to the constraints inherent to the availability of ESG data and to the underlying data methodologies. Therefore, thresholds are analyzed and implemented on a best-effort basis.

<sup>2</sup> Threshold applies regardless of carbon intensity

For more information, please refer to [these specific activities](#) in Candriam's Controversial Activities policy, which can be viewed on our website:

[https://www.candriam.com/fr-be/private/SysSiteAssets/medias/insights/sfdr-publications/exclusion-policy-long-version\\_en.pdf](https://www.candriam.com/fr-be/private/SysSiteAssets/medias/insights/sfdr-publications/exclusion-policy-long-version_en.pdf)

#### • **Norms-Based Analysis**

Candriam has defined a list of companies **presenting the most severe** violations of the 10 UN Global Compact Principles and excluded from all article 9 strategies. The final decision is **under the responsibility of the Sustainability Risk Committee which assesses and monitors sustainability risks for Candriam's investment activities**.

Information regarding actual, suspected and/or related incidents or breaches of international standards are collected through external research combined with internal analyses performed by our ESG .

After identifying any breaches of the Global Compact principles, the analysis uses several parameters to evaluate the severity and magnitude of the breaches:

- **Temporal proximity:** when did the incident happen and how long did it last?
- **Magnitude:** what financial costs and environmental damage are related to the incident?
- **Credibility:** does the incident involve allegations, legal proceedings, etc?
- **Recurrence:** is this a one-off incident or is there proof of repeated incidents over a given period?

Emphasis is also placed on a company's response when an incident occurs. A company that takes positive, responsible measures to ensure that such a breach does not happen again is considered more favourably than a company that does not acknowledge its responsibility and/or does not take any corrective measures.

#### • **Business Activities Analysis**

**Business Activities:** Companies are exposed to major long-term ESG trends that can strongly influence the environment in which they operate and that may shape their future market challenges and long-term growth. We have identified five key sustainability trends:



- **Decarbonise business activities** across the board, focusing on the most CO2 intensive sectors
- **Deploy renewable energy** as fossil energies are progressively phased out
- **Scale up waste recuperation and recycling** capabilities to reduce resource extraction
- Mitigate impact of business activities on ecosystems to **preserve biodiversity**
- Harness the opportunities to **drive higher industrial and resource efficiencies** through digital technologies
- **Protect data privacy**, build strong and resilient digital networks
- Invest in human capital through **job creation, gender equality and decent working conditions**
- **Foster R&D in fatal and chronic diseases** and support universal access to healthcare
- **Reduce impact of air pollution on human health** through improved air quality
- Prepare for the requirements arising from a Western aging society
- **Support the demographic boom in emerging countries** through investment in infrastructure and the food supply chain

We group companies based on the industry or sector in which each company operates, its geographic location, business model. We determine the degree to which each industry group is exposed to the five major development challenges, and score them from 0 to +100.

We assess a company exposure, through its revenue generation, assets, CAPEX etc., to five key sustainable challenges: Climate Change, Resource Depletion, Health & Wellness, Demographic Evolution and Digitalisation.

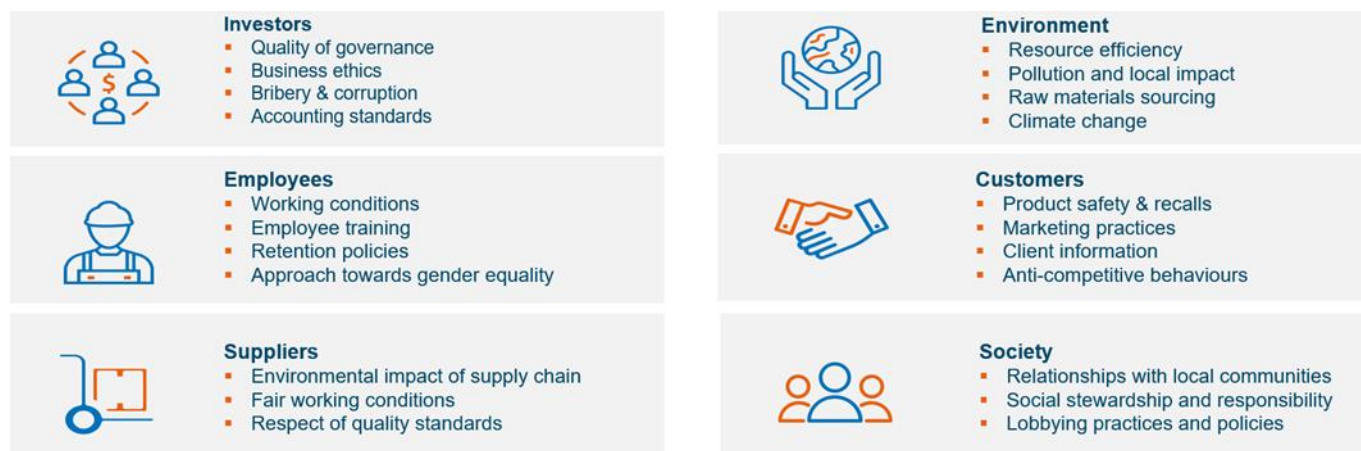
For example, within the Mining sector, steel receives a more negative score on “Resources Depletion” than do metals of the platinum group; while within the Food sector, companies producing healthy products receive a more positive score than junk food.



For each company, the score is the weighted average of the five key sustainable challenges, ranging from 0 to +100. A lower score reflects the company's lower exposure to these major challenges.

## • **Stakeholder Analysis**

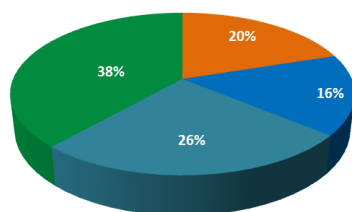
Relationships with stakeholders give rise to opportunities as well as risks, and are therefore determinants of long-term value. We evaluate the extent to which each company incorporates the interests of stakeholders in its long-term strategy. We have identified six categories of stakeholders:



We determine the relevance of each category based on qualitative and quantitative data. For instance, we may look at the degree of attention paid to shareholders; the frequency of certain events such as accidents and fines; the tangible or intangible financial impact of ESG issues, and the outlook and prospects for a company to improve or deteriorate in these measures. Based on the relevance, we determine weights for each category.

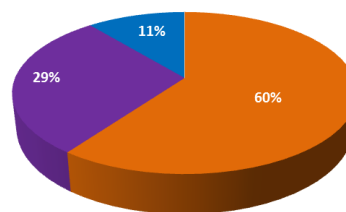
**Energy Sector - Stakeholder Weights**

Investors Employees Society Environment



**Financials (Banks) - Stakeholder Weights**

Investors Customers Employees



For example, in the energy sector, we place a strong weight on the Environment, in Financials for the banking sector; we place more emphasis on Investors. Within the broad categories, we also assign weight by materiality. For Energy, within the category of 'relations with employees', we stress health and safety; for Financials, within the category of 'relations for investors', we emphasize corporate governance.

For Financials we place special emphasis is given to governance in the stakeholder management analysis. Governance is one of the most important issues for financial institutions. We assess this aspect by analyzing the following:

- Board structure: Independence, expertise of directors, etc.
- Auditors' rotation (mitigates conflict of interest)
- Remuneration: is the remuneration aligned?
- Share capital (avoiding share dilution)

Furthermore, as part of our governance assessment, we incorporate the UNEP FI Principles. We verify if a bank is a signatory of the UNEP FI to assess its commitment towards the ESG issues. Although this is not a hard criterion for exclusion, we believe that banks that have committed to these principles are more prone to display stronger ESG practices.

A single category can be represented by different indicators, depending on their relevance to the sector in question. For example, the category "health and safety" of employees is primarily assessed by looking at safety conditions on oil platforms in the Energy sector, whereas, in the Software sector, it would be assessed by looking at workplace stress and ergonomics indicators.

For each theme addressed, the ESG analysis evaluates the strategies implemented by the company (relevance of the strategy developed, human and material resources allocated, pro-activity and follow-up) as well as the company's performances in each category relative to its competitors and the major trends in the sector.

The combination of this evaluation and the weightings for each category of stakeholder relations obtained from Stakeholder analysis give the overall Stakeholder score (weighted average of the six individual stakeholder relations scores) for each company. The company's score ranges from 0 to 100 and are calculated using a best-in-universe regional approach.

- **ESG Score**

Following the Business Activities and Stakeholder Analyses and respective scoring, we then combine both scores (out of 100) to form an ESG rating for each individual issuer. Both pillars take on a weighting, depending on their materiality for each sector & company and yield an ESG Rating from ESG 1 (Best) to ESG10 (Worst).

A more fundamental analysis, called "ESG Conviction", may supplement our ESG analysis which uses a more materiality-based approach. This analytical framework focuses on the most relevant ESG risks and opportunities to which issuers are exposed in order to select those best positioned in terms of sustainability. Issuers are scored against material KPIs to determine the final ESG score and eligibility. ESG Conviction analysis is applied as a complement to our current process to enrich certain fundamental and active ESG investment strategies.

Since the ESG Conviction framework uses a more in-depth building block to enrich our analysis, the resulting rating, from ESG1(best) to ESG10 (worst) will be the final ESG rating.

### **3.6. How often is the ESG evaluation of the issuers reviewed? How are any controversies managed?**

Our ESG universe is updated on a monthly basis taking into account the latest data from external providers.

Each sector and country is periodically analysed by assessing the evolution of sustainability trends, as well as the relevance and materiality of each model or framework used.

The goal is to ensure that the models used by the analysts optimally reflect the sustainable development risks and opportunities affecting the sector in question. Companies are continuously monitored and the sector is reviewed at least twice a year.

If there is a major event that may affect the rating assigned to a company (i.e. merger and acquisition, scandal, sustainability controversy etc.) or country (i.e. war, natural disaster, coup d'Etat, etc.), the ESG analyst will launch an alert on the issuer.

There are several types of alerts that can be considered:

- **SRI Monitoring Alert (for information only):** This alert explains how the ESG team assessed the incident or controversy, even if there is no immediate change in the decision about the company's eligibility.

**SRI Alert:** This alert means that the portfolio manager will no longer be able to add to his position in this issuer.

If an issuer is newly excluded due to the company-wide exclusion or norms-based filter, each portfolio manager has to sell the position within a period of one month. Depending on market conditions, rare exceptions may be granted by the CIO, RM & the Global Head of ESG Investments & Research in order to accommodate, for example, a potential liquidity issue.

For additional information, please refer to the Candriam Sustainability Risk Policy:

<https://www.candriam.com/492d3f/siteassets/medias/publications/sfdr/sustainability-risk-policy.pdf>





## 4. Investment Process

### 4.1. How are the results of the ESG research integrated into portfolio construction?

**ESG considerations are taken into account within each individual investment process.** Our ESG integration approach leverages on the frameworks and analysis conducted by the ESG Team. The consideration of ESG aspects in the financial/credit framework will impact the final issuer score/color and valuation for our equity strategies and credit recommendation for fixed income strategies. To this end, integrating ESG considerations will ultimately impact the construction of the final portfolio.

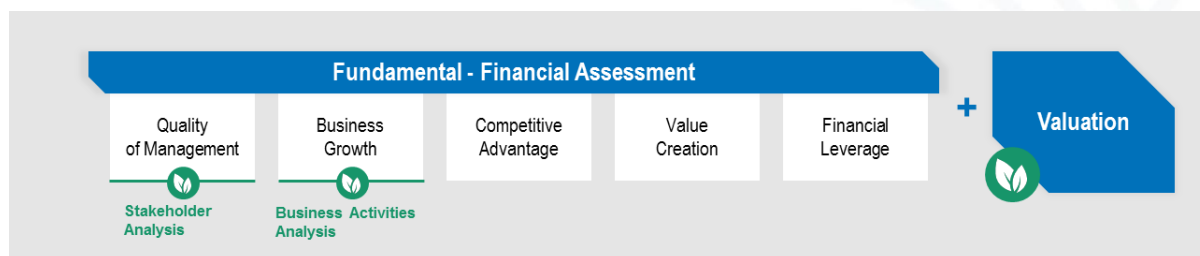
- **ESG Integration for Equity Strategies**

At Candriam, we integrate ESG information and analysis into equity investment decisions in order to better assess the risks and opportunities that stem from the business activities and operations of companies. Respecting and preserving the distinct nature of each philosophy and approach across our range of investment processes, Candriam's fundamental equity investment strategies are impacted at each of the following levels: *Fundamental Analysis, Valuation and Portfolio Construction*.

#### 1. Fundamental Analysis

Candriam's fundamental analysis is based on five pillars: *Quality of Management, Business Growth, Competitive Advantage, Value Creation* and *Financial Leverage*. Each of these pillars receives a colour/score that determines the final assessment of a company.

Candriam's fundamental equity strategies<sup>4</sup> take into account the "**Business Activities Analysis**" and "**Stakeholder Analysis**" scores in fundamental analysis and "**Company Valuation**" as follows:



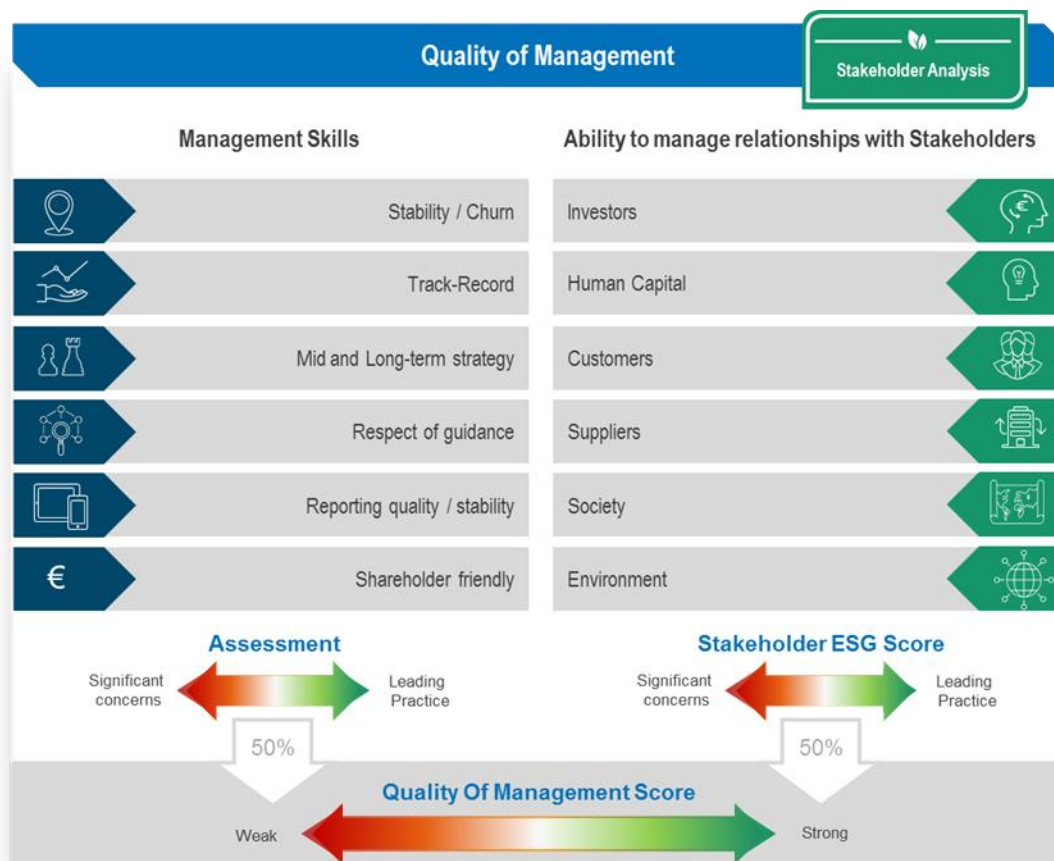
#### Quality of Management

In order to obtain a holistic view on the overall governance and soundness a company's management, we assess a company's relationships with several stakeholders by considering and integrating qualitative ESG information and quantitative ESG scores that result from the ESG stakeholder analysis. Further to the assessment of strategy, stability, track record, corporate communication and other financial criteria, we assess the Management team on its relationships with its stakeholders.

**The ESG Stakeholder analysis is taken into account in the Quality of Management assessment. If the company 'stakeholder' score belongs to the 3<sup>rd</sup> tertile of its universe<sup>5</sup>, the 'Quality of Management score' cannot be 'green'.**

<sup>4</sup> Applicable for developed markets (Emerging Markets get a specific analysis)

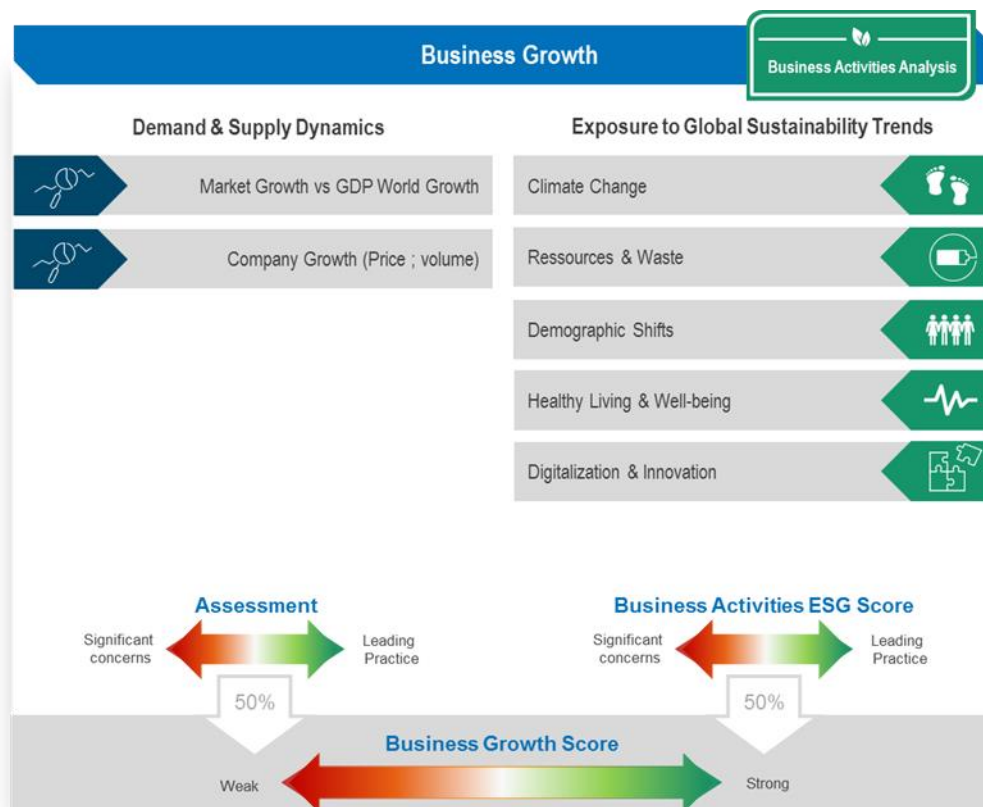
<sup>5</sup> Investment universe varies across strategies



### **Business Growth**

In the assessment of business growth, the ESG Business Activities analysis of issuers is taken into account. Candriam has identified key long-term sustainability trends which strongly influence the environment in which companies operate and which influence their future market challenges and long-term growth and prosperity.

The five defined key Sustainability Trends illustrated above are analysed in order to assess the growth potential in conjunction with other key market drivers and regulatory risk. More specifically, we consider the supply & demand dynamics as well as market drivers, the **score resulting from the ESG Business Activities analysis**, and potential regulation constraints to determine the overall score for the pillar.



### Competitive Advantage

We perform an intrinsic analysis of products and services, R&D, customer support, and other areas relevant to the company's business, including opportunities and risks resulting from sustainability regulation considerations.

We use the Porter concepts to analyse the competitive position of the company in its industry, such as the threat of new entrants, threat of substitutions, and the bargaining power of suppliers and customers.

We check potential constraints resulting from sustainability regulation and assess their impact on the competitive advantage of the company, as well as risks and opportunities including **barrier to entry**.

For instance, given the ambitious climate objectives of many countries across the globe, there has been a strong emergence of regulations and legislations pertaining to emissions, pollution, amongst other environmental considerations. To this end, we expect companies that have business activities that positively contribute to those environmental objectives to outperform in the long run.

This analysis leads to a qualitative view which is taken into account in our overall assessment in this pillar.

### Final Fundamental Assessment

For each criteria, companies receive one of the following scores or colors: 0/Red (weak), 1/Orange (medium) or 2 /Green (strong quality). All the five scores are then compiled in order to get a global score/colour grade of the companies which determine the "quality score" of a company: "High Quality" (Green), "Satisfying Quality" (Orange) and "Low Quality" (Red).

The **ESG assessment is a contributing factor to determine the final colour/score of a company, which in turn will determine the weighting of this position in the final equity portfolio.**



## 2. Company Valuation

We further evaluate the dynamics of their profitability and growth, the liquidity of the equity, and valuation. Our valuation is predominantly based on DCF models using at least five years of projected Free Cash Flow, based on our internal projections.

We adjust the discount rate based on the final score/colour of a company which **takes into account ESG criteria**. For example, for green companies, we reduce the discounting rate within our DCF. This modification has a significant impact on the DCF- valuation.

## 3. Portfolio Construction

Within the eligible universe, the process is mainly colour-based, bottom-up stock selection; **weightings in the portfolio are function of the global colours of the companies**. The sector weight deviations from the benchmark are not a strategic objective; they result from our convictions on individual stocks, with top-down sanity checks and other deviation boundaries.

**The weight is significantly impacted by the colour grade (including the ESG score), and the upside potential derived through our valuation analysis (that takes the ESG score into account as well).**

We favour companies that are 'green' in all aspects. An 'orange' company will have a lower weight and 'red' companies are in principle excluded, or extremely reduced, depending on the process.

- **ESG Integration for Fixed Income Strategies**

- **Corporate issuers:**

At Candriam, we believe that bond markets exhibit a asymmetric risk-return profile. The cornerstone of our investment philosophy is a high conviction approach based on rigorous bottom-up research in order to gain a deep and detailed understanding of the creditworthiness of every issuer. We believe that a complete assessment of the risks pertaining to issuers, and particularly downside risk, cannot be obtained without consideration of ESG factors. In line with this long-standing investment philosophy, our fundamental credit analysis has integrated ESG criteria over the past years while establishing our credit recommendations for every issuer in the investable universe.

Our credit analysis is based on a study of both the business profile analysis and financial profile analysis. During the business analysis step of our credit research process, we explicitly integrate ESG factors in order to evaluate the profile of a specific issuer. We believe a study of ESG factors is indispensable in order to get a complete understanding of the credit worthiness of an issuer. An entity's ability to fulfil its financial obligations includes both the willingness as well as the ability to reimburse its debt. A scrutiny and an evaluation of ESG factors provides us with vital extra-financial elements, enabling us to get a clear view of issuers profile. **This study is carried out by our credit analysts** who are specialised by sector and across investment grade, high yield market and emerging corporate bond markets. **This credit analyst team is supported by our independent ESG research unit** that includes **8 analysts that cover global credit markets and 3 analysts that are responsible for engagement** with companies.

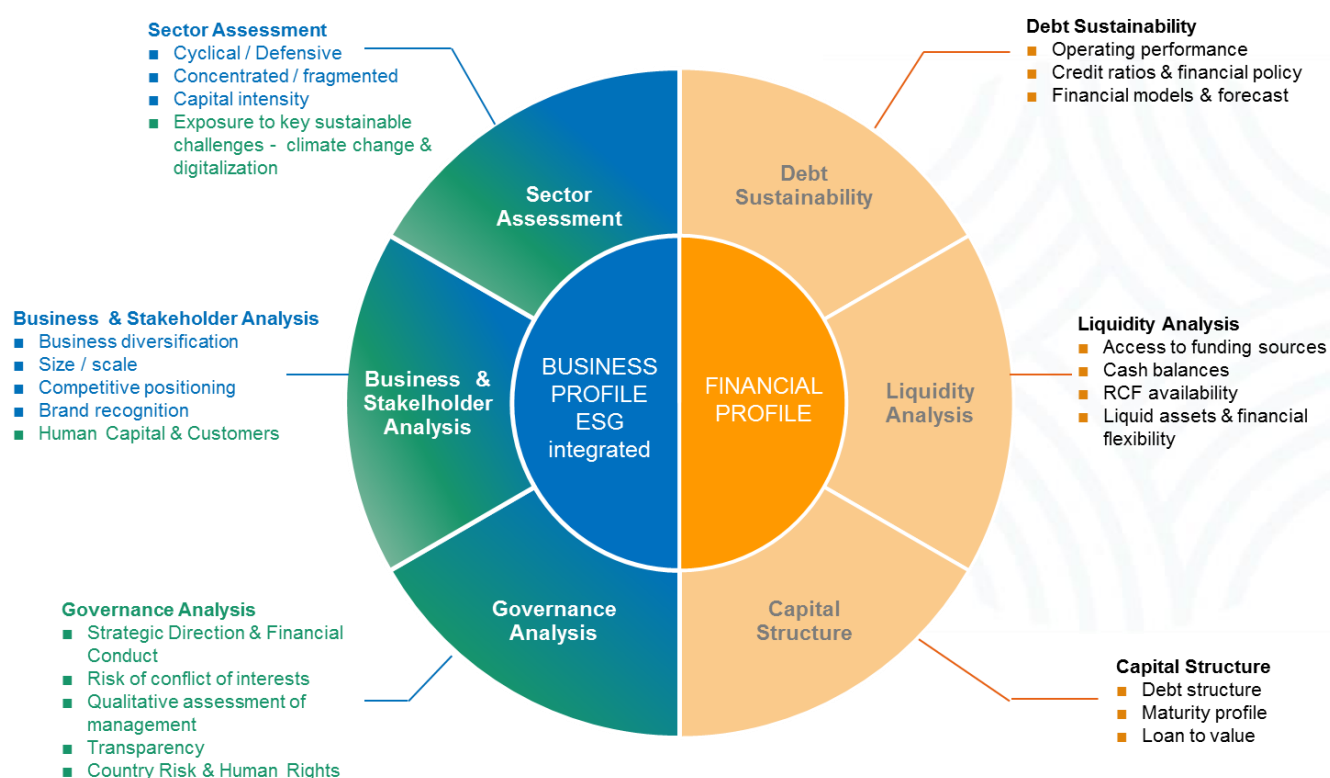
The **ESG analysts** provide a strong platform for our credit analysts as a negative ESG assessment on an issuer will provide a negative signal. Having done the ground work on all the issuers, the ESG analysts are a valuable source of information and are a strong complement to our credit analysts, with whom they enjoy close interaction and knowledge sharing.

**The ESG integration is carried out by our credit analysts** and is geared towards better evaluating risks presented by each issuer and does not aim to exclude issuers. Instead the aim is to identify strengths and weaknesses from an ESG perspective so as to unearth opportunities and identify threats. The ultimate result is an assessment of the business profile of each issuer integrating ESG factors.

The environmental, social and governance factors are evaluated **based on their relevance and materiality to a company's credit worthiness**. We aim to combine qualitative and quantitative assessments on each of the factors in order to gain a greater insight into the issuers future prospects. We use a sector-based approach to identify the aspects representing high-impact risks to enhance risk-adjusted performance. We do not limit our analysis to examining historic data as we use a forward looking approach, meaning that we will determine how these material factors may evolve in the future.

In addition to the **daily interaction between the ESG team and the credit analysts**, a **formalised monthly ESG committee** is also attended by credit analysts, portfolio managers and ESG teams, **chaired by the Global Head of Fixed Income** and the Head of ESG Investments and Research. During this meeting, both teams discuss their findings and results not only in terms of exclusions of issuers, but also in terms of the strengths and weaknesses of issuers based on ESG factors. Furthermore, trends and regulatory frameworks within different sectors are discussed and shared. Our ESG analysts also take part in our credit committees in order to gain a clear understanding of the overall credit recommendation for each issuer and the role that ESG integration has played.

Below we illustrate and detail how our analysts deal with the 3 factors for each issuer they analyse in order to build an ESG case and ultimately determine how it affects the business profile of a company.



## 1. Governance Analysis

Governance, defined as a system by which entities are directed and controlled, has always been an important element of our credit analysis. **Corporate governance is critical in helping companies achieve their goals and control risks through creating policy and monitoring its implementation.** The integration of the key metric is vital while assessing the future prospects of a company. Our credit analysts carry out regular meetings with management and benefit from their experience and long-term interactions with CEOs/CFOs in order to gather data and information on governance. Our framework allows us to establish a governance analysis for each company through a thorough understanding of **4 key themes (Strategic Direction & Financial Conduct; Risk of conflict of interests; Qualitative assessment of management; Transparency) both on a quantitative and qualitative level. These themes are analysed based on material factors** that have significant impact (both positive and negative) on the overall governance picture, based on the ESG analysis model.

## 2. Business & Stakeholder Analysis

The social factor in ESG integration examines the **degree to which a company manages its association with its workforce and with society at large**. This segment deals with identifying key themes that correspond to the social pillar and evaluating how best they have been addressed by the company. **Due to the rather specific nature of certain themes, they can only be applied to the relevant sectors**. Product safety for example does not always concerns the information technology sector, but will apply to automakers. Employee safety is more relevant to sectors like mining and construction rather than media and telcos. Other themes, such as training and career management, on the other hand can be applied to all the sectors. We aim to deliver the highest level of detail and granularity in our ESG integration and hence we differentiate between each social theme when we study them. **We also remain conscious of the fact that materiality differs amongst the different social themes**, and there is a demonstrate relevance of the sector specific issues.

### 3. Sector Assessment

The environmental angle is analyzed by primarily focusing on aspects such as climate change and resource depletion, while also paying close attention to pollution and biodiversity in certain cases. The aim is to gain a clear understanding of the risks that each issuer exhibits from an environmental perspective. This pillar is highly driven by regulation, which impacts all sectors though in a different manner. Certain sectors (Automobile, Energy) are more CO2 intensive and hence the transformations needed are likely to be more intensive as a result of far greater regulation. The framework hence differs between CO2 intensive sectors, though each one is subject to regulation and an understanding of how a company aligns itself to the various targets that have been set is key.

### 4. ESG integration in Business Profile Rating

After the ESG segments have been assessed, we integrate them in our analysis of the business profile, specifically within the 3 themes that have been mentioned above, which are Sector Assessment, Business Analysis and Governance. In doing so, on a qualitative basis, our analysts are able to incorporate the results of the ESG framework into the overall business profile evaluation. It is important to note that a weak ESG assessment can have a material impact on the business profile score, moving it from strong to satisfying or even to weak, depending on the amplitude of the results. Furthermore, in terms of the ESG framework, our credit analysts understand that structurally the ESG risks of an issuer are skewed towards the downside. A good ESG evaluation is likely to help the company over the longer term. However, a weak one is likely to have an immediate impact on the issuer. As a result, credit analysts pay special focus on weak ESG assessment, which will be more likely to bring about a change in our business profile rating.

Finally, we also pay a special attention to the afore mentioned ESG ranking, which is calculated by our ESG team as a part of the exclusion of the least credit worthy issuers within our investment universe. For every issuer, we do consult this ESG ranking in order to compare with the ESG assessment that is carried out by our credit team. This final step, before actually providing an final business profile score, allows our credit analysts to perform an overall check in terms of their ESG evaluation. Indeed, if an issuer is deemed weak by our ESG team, then it cannot have a strong business profile score.

- **Sovereign issuers:**

For sovereign issuers, Environmental, Social and Governance (ESG) factors are taken into account in our country and government bond selection process. The analysis and selection of government bonds consists of three steps: the sovereign credit recommendation, the country valuation and the government bond selection.

ESG factors are integrated in the process through the determination of our **sovereign credit recommendation**.

In the **country valuation**, we will then look at liquidity and compare the sovereign credit recommendation of each country against its market valuation. This gives us an indication of the relative and absolute value of the different countries in our universe and this on different curve segments. This provides an indication of both relative and absolute value.

In the third step, the **government bond selection**, we use internal tools to spot valuation opportunities among countries and by maturity bucket. We detect these opportunities through a systematic analysis

of the spreads, aided by an internal Relative Value Tool (carry & roll down) and statistical analysis of the trends of spreads for each instrument.

#### **4.2. How are criteria specific to climate change integrated into portfolio construction?**

ESG factors are embedded in the financial process in order to better assess risks and opportunities. The results of the Business Activities analysis, which includes assessing exposure of corporates to climate change, are integrated in our financial/credit framework. It will thus have an impact on the final issuer score/color and valuation for our equity strategies and the credit recommendation for fixed income strategies. Moreover, each investment strategy aspires to have a lower carbon emission in comparison to its relative benchmark or below an absolute threshold, depending on the investment strategy. Recall that all strategies may not invest in any company that derives more than 10% of its revenue coming from Thermal Coal.

For further information on ESG integration, please refer to question 4.1.

#### **4.3. Has the ESG evaluation or investment process changed in the last 12 months?**

Not applicable

#### **4.4. Is a part of the fund(s) invested in entities pursuing strong social goals/social enterprises?**

The fund covered by this Code seeks to invest does not actively seek to invest in entities pursuing strong social goals. However, as the fund applies an ESG approach across all asset classes, its investments are geared towards companies that display sound ESG practices and that do not harm society.

The funds covered by this Code seek to invest in entities positively contributing to society. Although the strategies do not apply an “impact” approach, they strive to exceed benchmark averages on the verifiable impact indicators. More specifically, these strategies aspire to obtain a lower carbon emission against their benchmarks or compare to an absolute threshold, depending on the investment strategy. We also aspire, for sovereign strategies, to obtain a better Freedom House and Environmental Performance indexes compare to their respective benchmarks.

#### **4.5. Does (do) the fund(s) engage in securities lending activities?**

The funds does not conduct securities lending/borrowing.

#### **4.6. Does (do) the fund(s) use derivative instruments?**

Depending on the investable asset classes and within the limits defined by the approved prospectus, SRI portfolios may use derivatives, as defined below. The general principle on the use of derivatives is that short positions via derivatives can only be used to cover long positions. No net short positions are authorized, except in exceptional cases where adequate hedging cannot be achieved due to lack of instrument coverage.

For all derivative transactions, the fund is required to use as counterparty, only those financial institutions that comply with the principles of the United Nations Global Compact, as described in Section 3.3 of this Code at the time of the transaction.

- **Interest rate futures:** management of the funds in question involves the regular use of interest-rate futures based on government bonds belonging to the SRI universe, in order to adjust the portfolio's duration (upward or downward) across the different segments of the yield curve. These transactions are limited by the legal rules applicable to funds subject to the European Directive, i.e., to 100% of

the fund's assets (including other derivatives). As the underlying is included in the SRI universe, there is no impact on the fund's ESG quality.

- **Interest-rate swaps:** management of the funds in question may involve the use of interest-rate swaps in order to trade a fixed rate for a variable rate, if the counterparty belongs to the SRI universe. These transactions are limited by the legal rules applicable to funds subject to the European Directive, i.e., to 100% of the fund's assets (including other derivatives). As the underlying is included in the SRI universe, there is no impact on the fund's ESG quality.
- **Equity swaps:** these transactions are permitted, provided that the index or basket of shares meets the criteria of the SRI universe.
- **Credit derivative indices & Equity index futures:** may be used temporarily for hedging purposes and in the event of large subscriptions or redemptions.
- **Credit Default Swaps (CDS):** the funds in question may use CDS on an SRI issuer in the portfolio if the counterparty to the transaction is a financial institution that also belongs to the SRI universe. As both the issuer subject to the CDS and the counterparty to the transaction belong to the SRI universe, these transactions have no impact on the fund's ESG quality.
- **Forwards:** forwards are exclusively used to quickly adjust the portfolio's exposure to foreign exchange risk in the event of strong market fluctuations or a major change in the portfolio's composition. These transactions, which have no impact on the fund's ESG quality, have to be done with a credit institution that is part of the SRI universe.
- **Listed options / OTCs** on individual equities or on bond issuers: these options are valid provided the issuers are in the SRI universe.

**Single underlying derivatives must be compliant with the company-wide exclusion policy.**

#### 4.7. Does (do) the fund(s) invest in mutual funds?

Depending on the investable asset classes and within the limits defined by the approved prospectus, the investment strategies may invest in mutual funds. External funds must have an exclusion policy relating to controversial weapons, thermal coal and tobacco.



## 5. ESG Controls

### 5.1. What internal and/or external control mechanisms are in place to ensure compliance of the portfolio with the ESG rules on managing the fund(s) as defined in section 4?

Several departments are in charge of internal control: risk management, internal audit and compliance.

Each department is independent of the Fund Management Department and is placed directly under the authority of Candriam's Group Strategic Committee.

The risk management department ensures that the securities making up the strategies, classified as Article 9 according to the SFDR, comply with the company-wide exclusion policy.

One of the tools used by this department is the constraints server, a tool that combines all the constraints and limits required to manage the investment funds. It contains regulatory and contractual constraints as well as internal limits and constraints used to prevent operational errors. Constraints are applied, for example, to the:

- ESG investment universe;
- list of 42 authorized investments;
- potential ratios (liquidity, dispersion) defined;
- main regulatory constraints applicable to the fund;
- "list of credit warnings" and "list of equity warnings".

Once the constraints have been configured in the constraints server, any order entered by the portfolio manager is immediately checked against them before the order is sent to the markets (**ex-ante control**). The portfolio manager is alerted in the event of a breach of constraint.

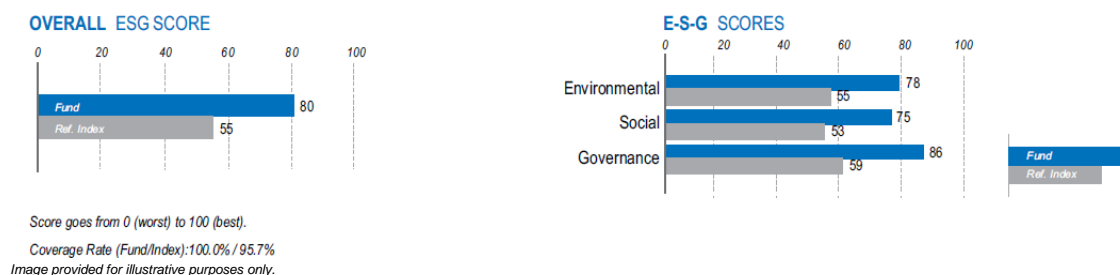
The Internal Audit Department carries out inspections and subsequently advises as necessary to ensure the performance and effective implementation of the internal control system in force. The inspection missions represent the lion's share of the audit department's work and aim to provide the Group Strategic Committee with an objective and independent assessment of a particular domain (function, process, system, ...).

## 6. Impact measures and ESG reporting

### 6.1. How is the ESG quality of the fund(s) assessed?

For developed markets corporate issuers, we can measure the ESG quality of the fund is assessed through internally developed ESG scores which can be measured against the fund's benchmark. We track the ESG quality using an overall ESG score as well as E, S and G scores, as illustrated below:

#### OVERALL SUSTAINABILITY SCORE

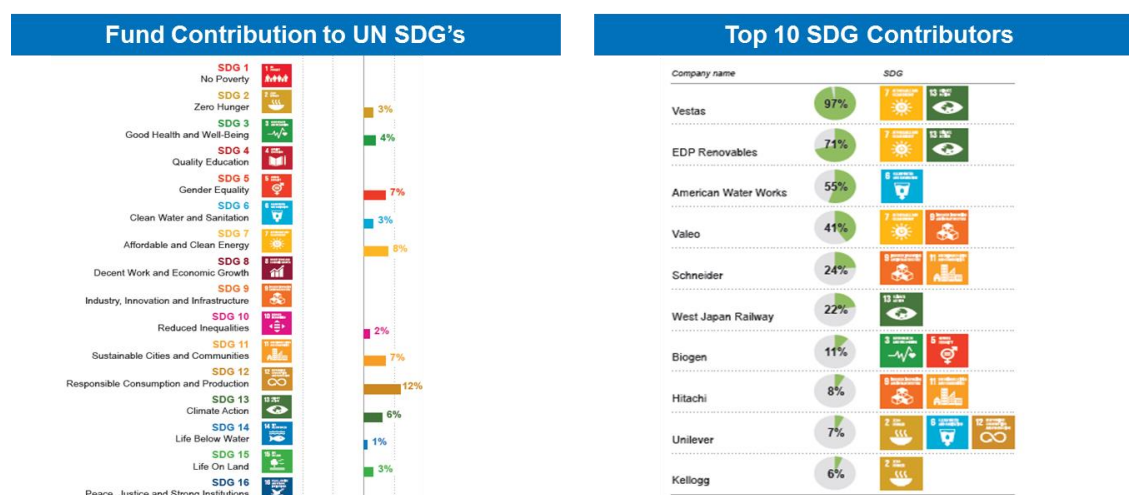


Please note that these scores are not disclosed publicly.

### 6.2. What ESG indicators are used by the fund(s)?

Please find below examples of ESG indicators available for developed market corporate issuers:

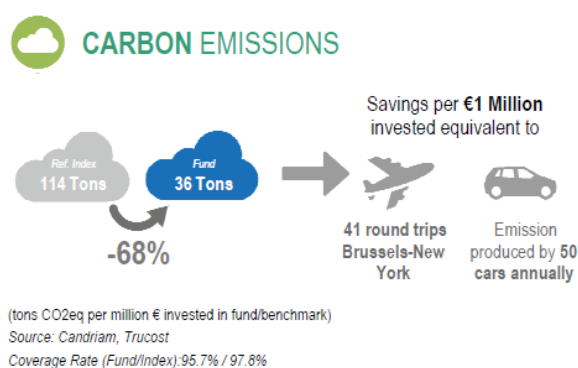
- **Carbon Footprint:** Carbon Footprint Metrics of an investment portfolio refers to measurement of greenhouse gas (GHG) emissions by summing the proportional GHG emissions of the underlying holdings, proportional to the share of ownership. For further information on the carbon footprint, please refer to the Appendix.
- **Water Consumption:** Measures the asset weighted water consumption of a portfolio normalized per million \$ invested (expressed in cubic meters water / million \$ invested). Data sourced from "Trucost", does not include the supply of drinkable water and the wastewater that enters in the company's facility to be treated.
- **Energy Mix:** The Energy Mix of a portfolio refers to the mix (percentage wise) of underlying energy sources used to generate electrical power by the underlying utility companies within a portfolio.
- **Waste Production:** Measures the asset weighted waste production of a portfolio normalized per million \$ invested (expressed in tons of waste / million \$ invested). Data sourced from "Trucost", waste production data includes landfill waste, incinerated waste and nuclear waste.
- **Women on Boards:** Asset weighted Percentage of Female Board Members at the companies held in portfolio.
- **Independent Board of Directors:** Asset weighted Percentage of Independent Board Members at the companies held in portfolio.
- **UN Sustainable Development Goals** -- The sustainability Development Goals (SDGs) are a collection of 17 global goals set by the United Nations General Assembly in 2015, to be achieved



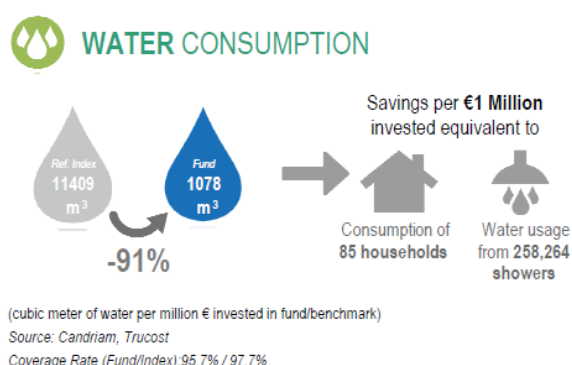
by year 2030. Through their activities, companies can directly contribute to the achievement of a number of these goals; by means of their employment policies, products and services, governance and by the way they integrate environmental and social goals into their operations

*Image provided for illustrative purposes only.*

- **Real Life Impacts** -- We aim to go beyond transparency by providing investors with a better understanding of impact indicators. We seek to bring these indicators to life in a more comprehensive manner for investors by providing real life examples of their contribution, as illustrated below:



- **Emissions savings:** The “Saving per 1 million € invested” indicator is based on the difference in Carbon Emissions between the Fund and the Reference Index. It compares this difference to the equivalent emissions from both commercial flights and family cars. For commercial flights, it is expressed in the number of return-flights from Brussels to New York in economy class. For family cars, it is expressed in the number of cars based on 13 000 km per year by cars emitting 120g CO<sub>2</sub> per km on average (Source: Eurostat).



- **Water savings:** The “Saving per 1 million € invested” indicator is based on the difference in Water Consumption between the Fund and the Reference Index. It compares this difference to the equivalent consumption from both the average household and number of showers. For households, it assumes an average daily consumption of 144 litres per person with 2.3 person per household. For showers, it assumes an average consumption of 40 litres per shower.

### 6.3. What communication resources are used to provide investors with information about the SRI management of the fund(s)?

#### Management Company - Belfius Investment Partners

The documents and information on this fund address the ESG quality of the portfolio via:

- the fund's investment strategy;
- the selection of the largest exposures in terms of securities in the portfolio, as described in the fund reports.

Details of the securities in the portfolio are also available in dedicated product sheets provided to investors.

More generally, the official documentation of the fund can be found on the Belfius IP website.

<https://www.belfiusip.be/fr/fonds-investissements/index.aspx>

#### Investment Management Company - Candriam

Publications regarding the product capabilities such as prospectus, factsheets, and details of the holdings are available on our corporate website, in dedicated product sheets, in the “Search for a Fund” section;



Candriam's funds are described on the corporate website via the fund-search engine

<https://www.candriam.com/en/professional/funds-search/#!/sri=true>

The Stewardship report incorporating Engagement and Proxy Voting reviews can be viewed on Candriam's website:

[SFDR Belfius | Candriam](#)

Candriam's Corporate Social Responsibility Report, can be viewed at the following link:

<https://csr.candriam.com/>

For any request on research available to investors/savers or the breakdown of the securities in the portfolios, please contact [Investor.support@candriam.com](mailto:Investor.support@candriam.com).

#### **6.4. Does the fund management company publish the results of its voting and engagement policies?**

Yes, the company publishes the results of its voting and engagement policies.

Please refer to question 6.3. for the links to our publications.

## 7. Appendix

### 1. ESG Sovereign Framework & UN Global Compact Principles Considerations

Candriam's framework is specifically structured towards identifying violations of the UNGC principles, and towards excluding countries that violate the 10 principles from the investment universe.

For instance, countries that are on Candriam's Oppressive Regimes list are automatically excluded from financing. Countries on the list are those that are in systemic breach of internationally recognised human rights, addressing **Principles 1 and 2**.

Countries are evaluated according to their scores on four equally-weighted domains, according to the four capitals approach - Human, Natural, and Social Capital, as well as Economic Capital, thus addressing the UNGC principles. Each of these domains contain subdomains as follows:

- **Human Capital (Addressing Principles 3, 4, and 5)** - Labour, Health, and Knowledge
- **Natural Capital (Addressing Principles 7, 8, and 9)** – Total Environmental Impact, Transportation Policy, Non-GHG emissions, Energy & Climate Change, Ecosystems & Biodiversity, Water consumption & Emissions, Raw Materials & Wastes, and Exposure to natural hazards & management of disasters
- **Social Capital (Addressing Principles 1, 2, 6, and 10)** - Democracy, Corruption & The Rule of Law, Governance, Fairness, and Peace
- **Economic Capital** – Indebtedness, Economic activity, Budget Deficit, Health of the Financial System, International Competitiveness & Balance of Payments, Economic Positioning, and Foreign Dependency

In addition to this, Candriam applies several exclusion filters, as follows:

- Freedom in the World Index, World Bank Control of Corruption, and World Bank Voice and Accountability – a country is required to achieve a minimum threshold for each of these metrics. Failing one or more of these thresholds results in the Social Capital score of a country being set at Zero, which severely impairs the overall score (up to 25% of the overall score), and results in a country being excluded from the investment universe in the vast majority of cases
- Financial Action Task Force – any country on the “call to action” list automatically receives an overall score of Zero, and is thus not eligible for inclusion in the investment universe
- Oppressive regimes list – any country that appears on Candriam's Oppressive Regimes list is automatically excluded from investment eligibility.



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Candriam consistently recommends investors to consult via our website [www.candriam.com](http://www.candriam.com) the key information document, prospectus, and all other relevant information prior to investing in one of our funds, including the net asset value ("NAV") of the funds. This information is available either in English or in local languages for each country where the fund's marketing is approved.

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