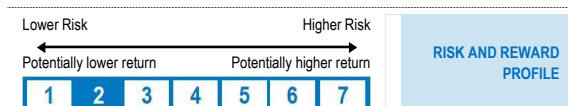




# CANDRIAM BONDS EURO SHORT TERM

REPORTING 30|04|2021

*Share Class: I (EUR)*



The risk level shown reflects the fund's historical volatility, completed where applicable by that of its reference framework. The volatility indicates the extent to which the value of the fund may fluctuate upwards or downwards.

- The indicated category may vary over time.
- The historical data give no indication of a future risk profile.
- The lowest category does not mean "risk-free".
- There is no guarantee or mechanism to protect the capital.





Philippe Dehoux  
Head of Global Bonds



Sylvain de Bus  
Deputy Head of Global Bonds



Pierre Boyer  
Head of Money Market and Short Term

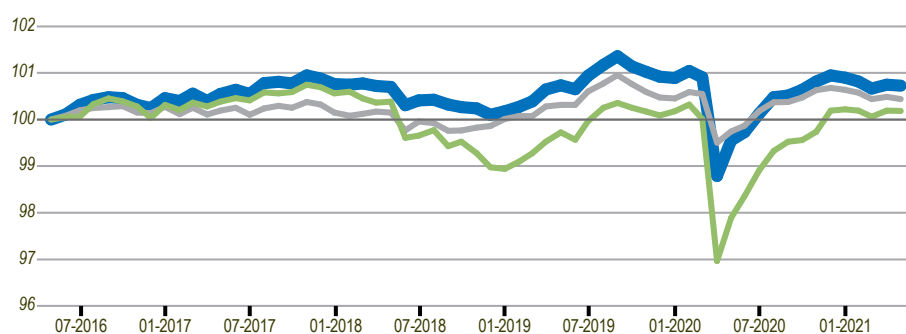
Years of experience

## INVESTMENT STRATEGY

Candriam Bonds Euro Short Term, a sub-fund of the Candriam Bonds Sicav, invests in bonds denominated in EUR and related securities, at fixed or variable rates, indexed, subordinated or asset-backed with a maximum duration of 3 years. Bonds are issued by governments, public and semi-public bodies, private companies, and have a minimum rating of BBB-/Baa3 from one of the 3 major rating agencies. The residual maturity of a bond may not exceed 5 years. The fund actively hedges currency risk against the EUR and may use derivatives to manage. The investment horizon is 2 years. The fund is managed actively, with reference to the index mentioned on the section "characteristics". For further information about this index and its use, please consult the fund's key investor information document (KIID).

## PERFORMANCE (1)

	1 month	3 months	YTD	1 year	3 years	5 years
<b>Fund</b>	<b>-0.0%</b>	<b>-0.1%</b>	<b>-0.2%</b>	<b>1.2%</b>	<b>0.0%</b>	<b>0.7%</b>
Benchmark	-0.0%	-0.1%	-0.2%	0.7%	0.3%	0.4%
	0.0%	0.0%	0.0%	0.5%	-0.3%	0.3%
	2020	2019	2018	2017	3 years annualized	5 years annualized
<b>Fund</b>	<b>0.0%</b>	<b>0.7%</b>	<b>-0.6%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.1%</b>
Benchmark	0.2%	0.4%	-0.1%	-0.1%	0.1%	0.1%
	-0.2%	0.3%	-0.4%	0.4%	-0.1%	0.1%



Fund Benchmark Morningstar Avg Category

(1) Past Performances shown on this page are not an indicator of future performances and are not constant over time. See important disclosures on performance under the section 'warning' in the 'Important Information' on page 4. NAVs are net of fees and are provided by the accounting department and the reference index by official providers.

## FUND CHARACTERISTICS

Inception Date	21/05/2003
Fund Domicile	Luxembourg
Fund Legal Form	SICAV
Benchmark	iBoxx Euro 1-3Y
Total net assets (M EUR)	1,514.87
NAV per share cap.(EUR) (C)	2,193.24
NAV per share dis.(EUR) (D)	1,500.97
Fund Reference Currency	EUR
NAV Calculation	Daily
Morningstar™ Category	EAA Fund EUR Diversified Bond - Short Term
ISIN Code (C)	LU0156671504
ISIN Code (D)	LU0594540485
Ticker Bloomberg (C)	DEXESTI LX Equity
Ticker Bloomberg (D)	DECBSI LX Equity
Latest Dividend Distributed	1.10 (2017-05-03)
Dealing Cut Off	D<12:00
Antidilution Mechanisms	Yes
Custodian Bank	CACEIS Bank, Luxembourg Branch
Management Company	Candriam Luxembourg

## STATISTICS

	Funds	Benchmark
Volatility	1.05%	0.67%
Tracking Error	0.56%	-
Sharpe Ratio	0.41	0.79
Number of Issues	287	1,269
Number of Issuers	177	565
Modified Duration to Worst	1.73	1.98
Yield to Worst	-0.26	-0.43
Average Rating	BBB	A-
Average Spread	12.48	0.44
Credit sensitivity	2.11	1.76
Net IG exposure	98.17%	99.98%
Net HY Exposure	0.44%	0.02%

## ESG ASSESSMENT

Exclusion	Norm based	Positive selection	Integration

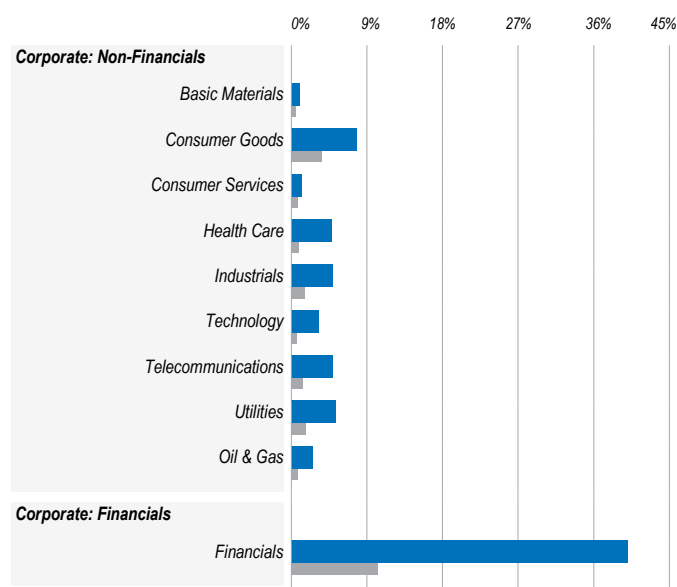
## FEES

C	0.20%	0.31%	20.00%
D	0.20%	0.31%	of perf > Objective
Real Management Fee	Ongoing Charges	Performance Fees	

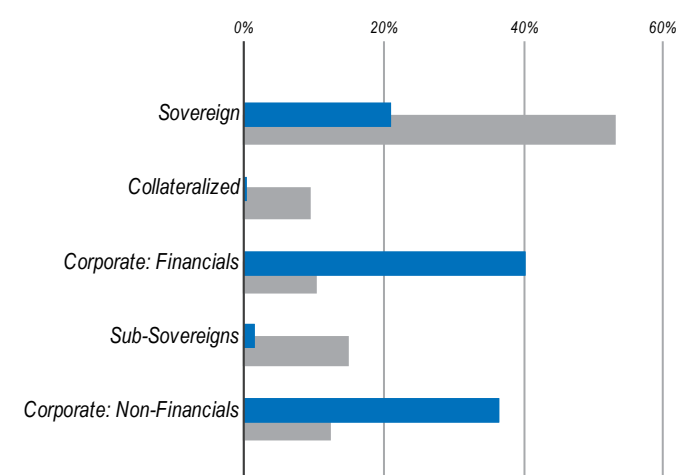
## TOP 10 ISSUERS

		% Fund	Sector	Country	% Active weight
1	ITALY BUONI POLIENNALI DEL TESORO	15.84	Sovereign	Italy	+12.43
2	SPAIN GOVERNMENT BOND	3.82	Sovereign	Spain	+2.06
3	BPCE SA	1.58	Financials	France	+1.51
4	BELFIUS BANK SA	1.49	Financials	Belgium	+1.44
5	MORGAN STANLEY	1.43	Financials	United States	+1.34
6	GOLDMAN SACHS GROUP INC/THE	1.42	Financials	United States	+1.34
7	BNP PARIBAS SA	1.39	Financials	France	+1.30
8	BANCO BILBAO VIZCAYA ARGENTARIA SA	1.25	Financials	Spain	+1.18
9	FRENCH REPUBLIC GOVERNMENT BOND OAT	1.19	Sovereign	France	+1.19
10	CREDIT AGRICOLE SA/LONDON	1.16	Financials	France	+1.11

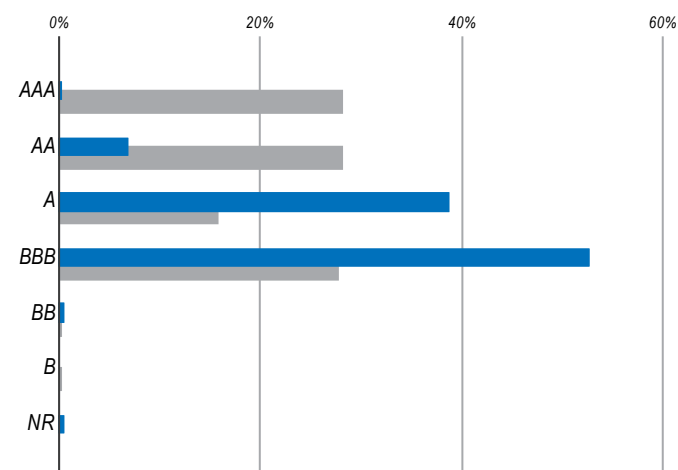
## SECTOR ALLOCATION



## PORTFOLIO COMPOSITION



## RATING ALLOCATION

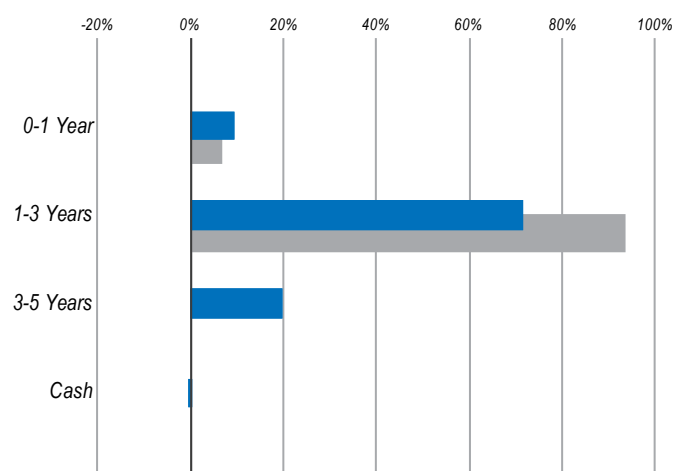


Legend

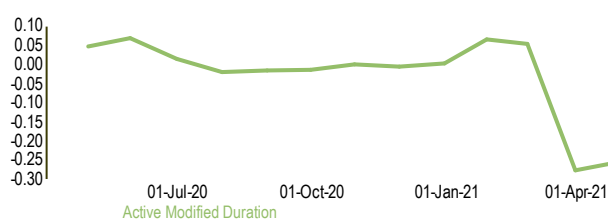
Fund

Benchmark

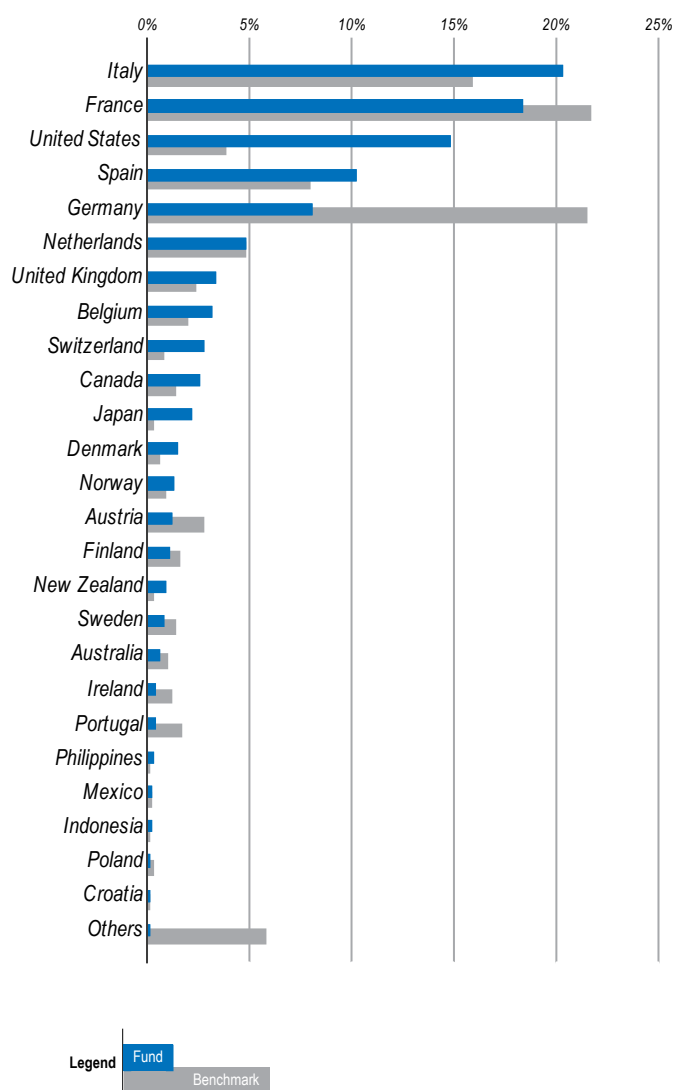
## MATURITY BREAKDOWN



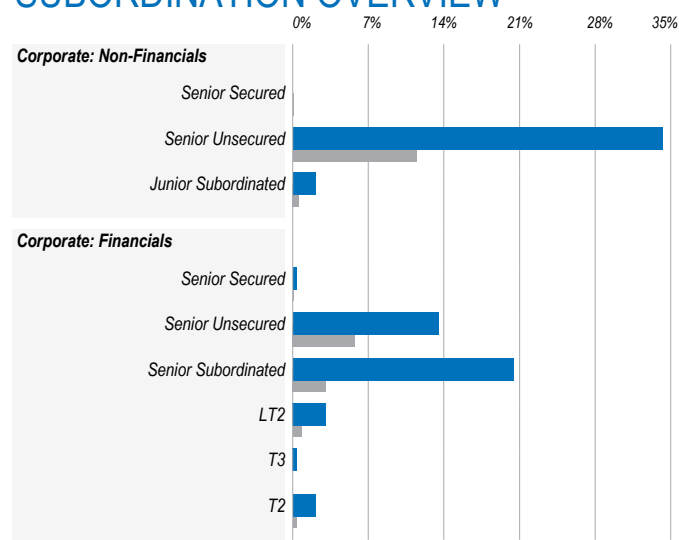
## EVOLUTION OF ACTIVE MODIFIED DURATION



## ALLOCATION BY COUNTRY



## CORPORATE SUBORDINATION OVERVIEW



## SCR

### SOLVENCY CAPITAL REQUIREMENT

-1.74%		-0.09%			
SCR Int Rates UP		SCR Int Rates DOWN			
-3.52%		-0.01%		-0.03%	
SCR Spread		SCR Currency		SCR Concentration	
3.57%		3.57%		3.80%	
Duration Liability 3Y		Duration Liability 7Y		Duration Liability 10Y	
-3.93%					
Market SCR					

## GLOSSARY

### EXPOSURE

The Exposure of a fund is expressed as a percentage of total portfolio holdings, taking into account the leverage of derivative instruments. It represents the amount an investor can lose from the risks unique to a particular investment.

### NET HY EXPOSURE

The Net High Yield Exposure is the percentage difference between a fund's long and short exposures to high yield fixed income instruments, including derivatives. An instrument is considered as a high yield instrument if its credit rating is below BBB-.

### NET IG EXPOSURE

The Net Investment Grade Exposure is the percentage difference between a fund's long and short exposures to investment grade fixed income instruments, including derivatives. An instrument is considered as an investment grade instrument if its credit rating is above or equal to BBB-.

### VOLATILITY\*

The Volatility is the statistical measure of dispersion of returns for a fund around the mean. A higher volatility means that a fund's value can potentially be spread out over a larger range of values and makes the fund a riskier investment.

### RISK AND REWARD PROFILE

The Risk and Reward Profile is defined by the Synthetic Risk Reward Indicator (SRRI), a number on a scale from 1 to 7 based on the fund's volatility (regulatory measure). A rating of 1 represents the lower end of the risk scale with potentially lower rewards available while a rating of 7 reflects higher risk but potentially higher rewards.

### TRACKING ERROR\*

The Tracking Error is a statistical measure of dispersion of the excess returns of the fund around the mean, making it the volatility of the difference between the fund's return and its reference index return. A higher tracking error indicates a higher deviation from the reference index.

### SHARPE RATIO\*

The Sharpe Ratio measures the level of compensation an investment in the fund offered for the risk taken. It is calculated by subtracting the risk-free rate from the return of the fund and dividing that result by the volatility. The higher the Sharpe ratio the better, a negative ratio has no significance other than that the fund underperformed the risk-free rate.

### AVERAGE RATING

The Average Rating is calculated using the Weighted Average Rating Factor (WARF) and is a measure to indicate the credit quality of the fund. The measure aggregates the credit ratings of the fund's holdings into a single rating.

\* based on weekly data over 3 Years (1 year if too little history)

### RISK-FREE RATE

The Risk-Free Rate is the market return on an asset that is considered to have no (or negligible) risk. It will be used for the calculation of risk adjusted returns (e.g. Sharpe Ratio) and it will always be a rate in the performance calculation currency. The most common used rates will be EONIA for EUR denominated performances and FED Fund Rate for USD denominated performances.

### MODIFIED DURATION TO WORST

The Modified Duration is a formula that expresses the measurable change in the value of a fixed income instrument in response to a change in interest rates. The Modified Duration to Worst is calculated taking into account the call date for callable bonds and the scenario that would provide the worst yield to the holders of fixed income instruments. The Modified Duration to Worst for the fund is calculated as the weighted average MDTW of all underlying fixed income instruments.

### YIELD TO WORST

The Yield To Worst (YTW) is the lowest potential yield that can be received on all fixed income instruments in a fund without the issuers actually defaulting. It represents the lowest of all yields computed at each call date for callable bonds. The YTW for the fund is calculated as the weighted average YTW of all underlying fixed income instruments.

### CREDIT SENSITIVITY

The Credit Sensitivity is a formula that expresses the measurable change in the value of a fixed income instrument in response to a change in credit spread. The credit sensitivity for the fund is calculated as the weighted average credit sensitivity of all underlying fixed income instruments.

### AVERAGE SPREAD

The Average Spread for the fund is the weighted average Option-Adjusted Spread (OAS) for all underlying fixed income instruments. The OAS refers to the difference or spread between the fixed income instrument's yield and the swap rate with the same maturity, using a dynamic pricing model that accounts for embedded options.

### RATING

A (credit) Rating is a quantified assessment of the creditworthiness of a borrower. Rating in this report refer to the 2nd best rating, a daily calculated, standardized rating. It is calculated on instrument level, using ratings from 3 worldwide renowned rating agencies. It is the 2nd best rating, unless no more than one rating from one agency exists. NR indicated that none of the rating agencies issued a rating on the instrument.

### NUMBER OF ISSUERS

The Number of Issuers represents the total number of companies in position.

### NUMBER OF ISSUES

The Number of Issues represents the total number of instruments in position.

### REAL MANAGEMENT FEES

The Real Management Fee is the actual percentage charge deducted from the fund's average net assets.

### OCF

The Ongoing Charges Figure (OCF) informs the investor on the total annual cost of investing within the fund and is comprised of all annual charges & other payments.

### PERFORMANCE FEE

The Performance Fee refers to a charge on any returns that the Fund achieves above the reference index. Please refer to the Prospectus for further information.

### ESG ASSESSMENT – EXCLUSION

The Exclusion filter refers to the exclusion of companies involved in harmful or controversial activities. Involvement is assessed using activity-specific revenue-based threshold levels.

### ESG ASSESSMENT – NORMS-BASED

The Norms-Based analysis excludes companies which are in violation of the 10 principles of the United Nations Global Compact (UNGC). These principles cover 4 main categories: Human Rights, Labour Rights, Environment and Anti-Corruption.

### ESG ASSESSMENT – POSITIVE SELECTION

The Positive selection analysis is inclusive, not exclusive. It includes only the companies with the best ESG score, obtained by evaluating their ability to manage the sustainable development issues based on a combination of specific factors material to each sector.

### ESG ASSESSMENT – INTEGRATION

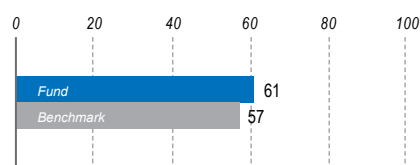
The Integration of ESG factors into investment decisions consists of integrating specific extra-financial factors into the financial valuation or credit assessment of securities. The factors used are selected based on their materiality in the given asset class.

## EXTRA-FINANCIAL REPORTING

Hereinafter Candriam presents a series of sustainability indicators related to the fund and benchmark holdings in companies (equity holdings and/or corporate bond holdings).

### OVERALL SUSTAINABILITY SCORE

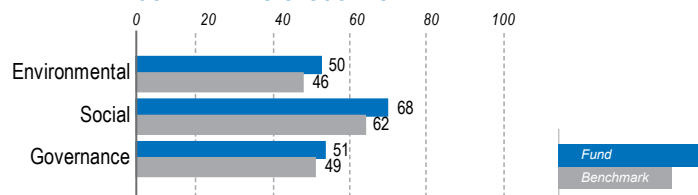
#### OVERALL COMPANY ESG SCORE



Score goes from 0 (worst) to 100 (best).

Coverage Rate (Fund/Benchmark): 80.5% / 76.2%

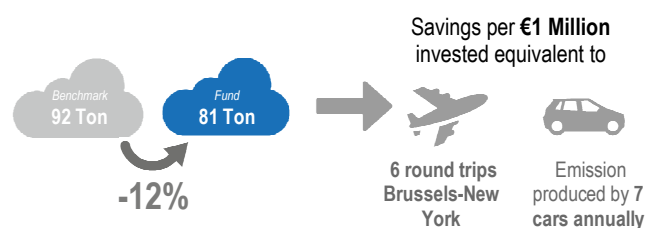
#### COMPANY E-S-G SCORES



### COMPANY IMPACT INDICATORS



#### CARBON EMISSIONS



(tons CO2eq per million € invested in fund/benchmark)

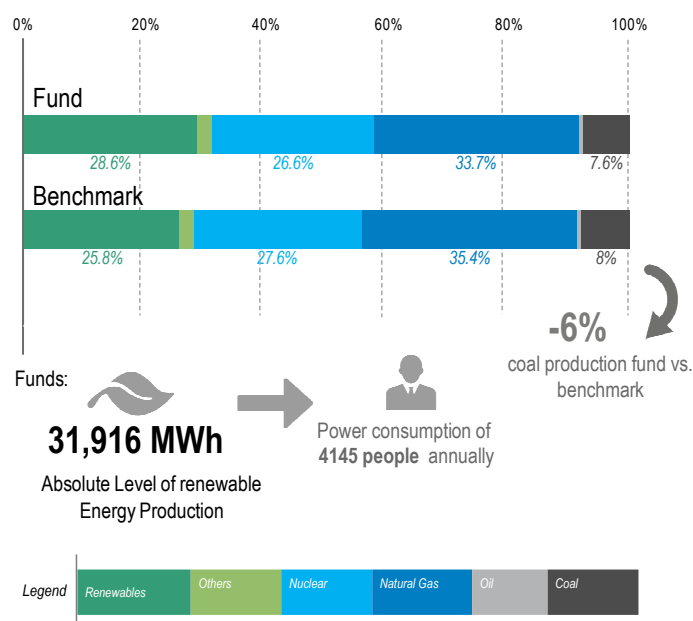
Source: Candriam, Trucost

Coverage Rate (Fund/Benchmark): 88.5% / 78.0%



#### 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 power generation companies within a portfolio.

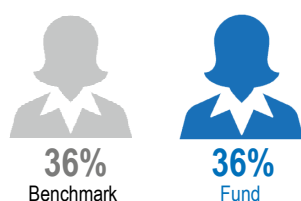


Source: Candriam, Trucost

Coverage Rate (Fund/Benchmark): 5.9% / 4.7%



#### PERCENTAGE OF WOMEN ON THE BOARD

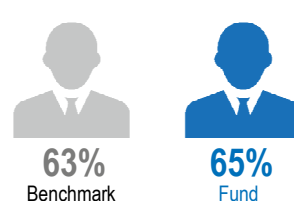


Source: Candriam, ISS-Oekom

Coverage Rate (Fund/Benchmark): 87.8% / 76.7%



#### PERCENTAGE OF INDEPENDENT BOARD MEMBERS



Source: Candriam, ISS-Oekom

Coverage Rate (Fund/Benchmark): 87.8% / 76.5%

## SUMMARY COMPANY ESG DATA

<i>Indicator</i>	<i>Metric</i>	<i>Source</i>	<i>Fund</i>	<i>Benchmark</i>
Carbon Intensity	Ton CO2eq/million € revenues	Candriam, Trucost	83	92
Carbon emissions	Tons CO2eq/million € invested	Candriam, Trucost	81	92
Weighted Average Carbon Intensity (WACI)	Ton CO2eq/million € revenues	Candriam, Trucost	120	139
Renewable energy production	Total Mwatt/h	Candriam, Trucost	31916	10270
Women on the board	Percentage female Board members	Candriam, ISS-Oekom	36%	36%
Board Independence	Percentage independent Board members	Candriam, ISS-Oekom	65%	63%
Collective bargaining agreements	Score from 0 to 100 (100 is best)	Candriam, Sustainalytics	58.30	59.30



## GLOSSARY

### COMPANY CARBON FOOTPRINT METRICS

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.

tCO<sub>2</sub>-eq: Carbon dioxide (CO<sub>2</sub>) is the most common GHG emitted by human activities, in terms of the quantity released and the total impact on global warming. As a result the term "CO<sub>2</sub>" is sometimes used as a shorthand expression for all greenhouse gases. A portfolio's carbon footprint is measured in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>-eq) which allows to bundle the various greenhouse gas emissions in a single number. For any quantity and type of greenhouse gas, CO<sub>2</sub>-eq signifies the amount of CO<sub>2</sub> which would have the equivalent global warming impact.

Scope 1, 2 and 3: The international GHG Protocol classifies a company's GHG emissions into three 'scopes':

- Scope 1 emissions are direct emissions from owned or controlled sources
- Scope 2 emissions are indirect emissions from the generation of purchased energy
- Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions

All Carbon Footprint Metrics analysed in this report are based on both Scope 1 and Scope 2 data sourced from the specialist data-provider "Trucost". Good quality Scope 3 data currently does not exist because of the complexity to measure and control upstream and downstream value chain data. That also entails that so-called 'avoided emissions' are excluded from the Carbon Footprinting analytics.

Carbon Footprint Metrics: One can distinguish between four Carbon Footprint Metrics:

- (1) Total Carbon Emissions
- (2) (Normalized) Carbon Emissions
- (3) (Normalized) Carbon Intensity
- (4) Weighted Average Carbon Intensity (WACI)

(1) Total Carbon Emissions: measures the total GHG emissions of a portfolio in the most literal sense by summing all the GHG emissions of the underlying holdings, proportional to the share of ownership. The dependence of this measure to a portfolio's specific size makes this metric of limited usefulness for benchmarking and comparison purposes.

(2) (Normalized) Carbon Emissions: measures the asset weighted carbon emissions of a portfolio normalized per million \$ invested (expressed in tCO<sub>2</sub>-eq / million \$ invested).

(3) (Normalized) Carbon Intensity: measures the asset weighted carbon emissions of a portfolio normalized per million \$ of revenue (expressed in tCO<sub>2</sub>-eq / million \$ revenues). This metric provides an indication of the amount of GHG emitted by the holdings in a portfolio to generate 1 million \$ of revenue.

(4) The Weighted Average Carbon Intensity (WACI) is the sum product of the portfolio's holdings weights and Carbon Intensities, where holdings' Carbon Intensities are calculated as the company's total carbon emissions divided by the company's total revenues.

### CARBON 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).

### ABSOLUTE LEVEL OF RENEWABLE ENERGY PRODUCTION

Measures the absolute level (i.e. not asset-weighted) of Renewable Energy Production within the Fund, expressed in MWh.

### COLLECTIVE BARGAINING AGREEMENTS

This indicator provides an assessment of the extent that company's employees are covered by collective bargaining agreements within the underlying companies of a portfolio.

### PERCENTAGE OF WOMEN ON THE BOARD

Asset weighted Percentage of Female Board Members at the companies held in portfolio.

### BOARD INDEPENDENCE

Asset weighted Percentage of Independent Board Members at the companies held in portfolio.

### COVERAGE RATE (FUND/INDEX)

The coverage rate indicates the percentage of holdings within the Fund or within the Reference Index for which the relevant ESG data is available.



## IMPORTANT DISCLOSURES

This reporting is issued by the relevant Management Company of the group Candriam explicitly mentioned above.

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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. These documents are available either in English or in local languages for each country where the fund's marketing is approved.



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### Important information in relation to the extra-financial part of this reporting:

MSCI ESG Research LLC's ("MSCI ESG") Fund Metrics products (the "Information") provide environmental, social and governance data with respect to underlying securities within more than 23,000 multi-asset class Mutual Funds and ETFs globally. MSCI ESG is a Registered Investment Adviser under the Investment Advisers Act of 1940. MSCI ESG materials have not been submitted to, nor received approval from, the US SEC or any other regulatory body. None of the Information constitutes an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided "as is" and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information."

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### ESG investment risk

The extra financial objectives presented in this document are based on the realization of assumptions made by Candriam.

Implementing Candriam's ESG rating models does require access to various quantitative as well as qualitative data, depending on the sector and the exact activities of a given company. In some areas, such as board composition and background of the directors, data is usually available and subject to quality and accuracy checks by company auditors or regulators. In many other areas however, our ESG analysts cannot rely on the same degree of systematic availability and data reliability. Yet, the quality of the data is of the essence of the assessment of a company. These limitations do affect Candriam's ESG ratings.