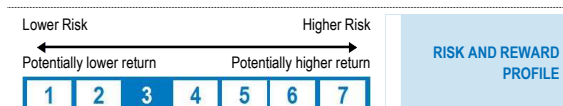


# CANDRIAM BONDS INTERNATIONAL

REPORTING 28|02|2022

*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.



**THINK**  
BEFORE PRINTING

**CANDRIAM**   
A NEW YORK LIFE INVESTMENTS COMPANY



Gilles Lejeune  
Senior Fund Manager

Years of experience



Philippe Dehoux  
Head of Global Bonds



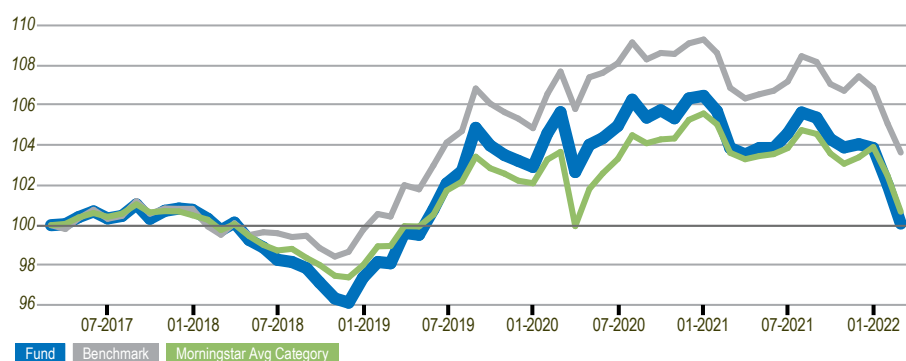
Nicolas Forest  
Global Head of Fixed Income &  
Money Market

## INVESTMENT STRATEGY

Candriam Bonds International, a sub-fund of the Candriam Bonds sicav, invests in bonds & related securities at fixed or variable rates, indexed, subordinated or backed by assets. The selected bonds are issued by governments, public & semi-public sector entities, and private companies, with a minimum rating of BBB-/Baa3 by one of the 3 main ratings agencies at the time of their acquisition. The bonds are denominated in currencies from developed and emerging countries. The fund carries out an active currency hedging policy versus the EUR, and may use derivatives for efficient portfolio management purposes. The investment horizon is 3 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>-1.9%</b>	<b>-3.8%</b>	<b>-3.6%</b>	<b>-3.6%</b>	<b>2.0%</b>	<b>0.1%</b>
<b>Benchmark</b>	<b>-1.4%</b>	<b>-3.5%</b>	<b>-3.0%</b>	<b>-3.0%</b>	<b>3.2%</b>	<b>3.6%</b>
	-0.5%	-0.3%	-0.6%	-0.6%	-1.2%	-3.5%
	2021	2020	2019	2018	3 years annualized	5 years annualized
<b>Fund</b>	<b>-2.4%</b>	<b>3.5%</b>	<b>5.7%</b>	<b>-3.4%</b>	<b>0.7%</b>	<b>0.0%</b>
<b>Benchmark</b>	<b>-2.2%</b>	<b>4.2%</b>	<b>5.1%</b>	<b>-1.0%</b>	<b>1.0%</b>	<b>0.7%</b>
	-0.2%	-0.8%	0.6%	-2.3%	-0.4%	-0.7%



(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	26/09/2002
Fund Domicile	Luxembourg
Fund Legal Form	SICAV
Benchmark	BC Global Aggregate Hedged EUR
Total net assets (M EUR)	101.21
NAV per share cap.(EUR) (C)	1,067.82
Fund Reference Currency	EUR
NAV Calculation	Daily
Morningstar™ Category	EAA Fund Global Bond - EUR Hedged
ISIN Code (C)	LU0144746335
ISIN Code (D)	LU1258428876
Ticker Bloomberg (C)	DEINTEI LX Equity
Ticker Bloomberg (D)	CABDINI LX Equity
Latest Dividend Distributed	-
Dealing Cut Off	D<12:00
Antidilution Mechanisms	Yes
Custodian Bank	CACEIS Bank, Luxembourg Branch
Management Company	Candriam Luxembourg

## STATISTICS

	Funds	Benchmark
Volatility	3.52%	3.27%
Tracking Error	0.90%	-
Sharpe Ratio	0.31	0.44
Number of Issues	181	27,295
Number of Issuers	115	4,235
Modified Duration to Worst	7.35	7.25
Yield to Worst	1.57	1.76
Average Rating	BB	BB-
Average Spread	58.30	31.07
Credit sensitivity	3.31	3.16
Net IG exposure	75.10%	84.00%
Net HY Exposure	5.39%	0.03%

## ESG ASSESSMENT

Exclusion	Norm based	Positive selection	Integration

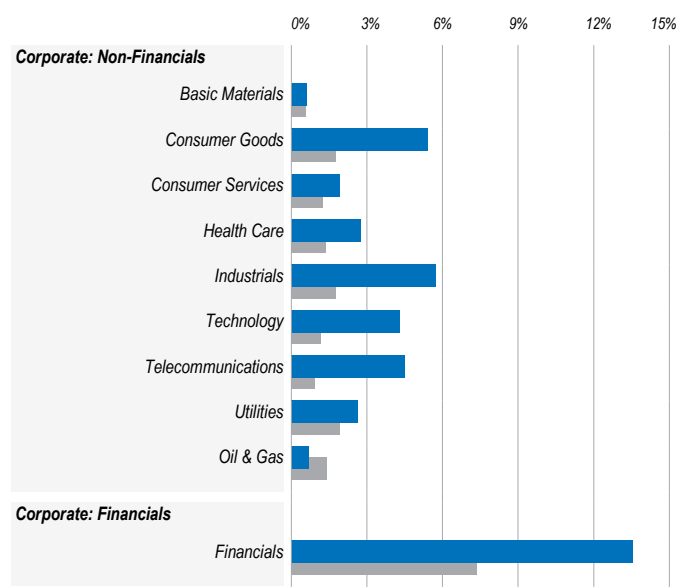
## FEES

<b>C</b>	0.30%	0.42%	20.00%
<b>D</b>	0.30%	0.42%	of perf > Objective
Real Management Fee	Ongoing Charges	Performance Fees	

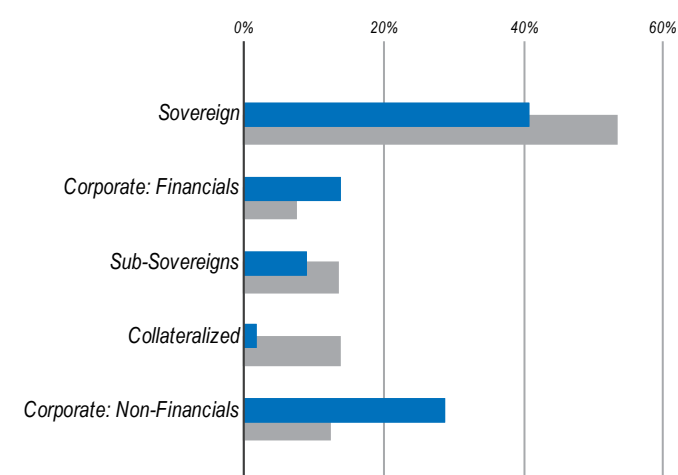
## TOP 10 ISSUERS

		% Fund	Sector	Country	% Active weight
1	ISHARES CHINA CNY BOND UCITS ETF	8.36	Sovereign	China	+8.36
2	UNITED STATES TREASURY NOTE/BOND	7.22	Sovereign	United States	+6.01
3	UNITED KINGDOM GILT	3.79	Sovereign	United Kingdom	+2.91
4	JAPAN GOVERNMENT TEN YEAR BOND	3.16	Sovereign	Japan	+2.40
5	JAPAN GOVERNMENT TWENTY YEAR BOND	3.08	Sovereign	Japan	+2.62
6	FRENCH REPUBLIC GOVERNMENT BOND OAT	3.06	Sovereign	France	+2.41
7	COOPERATIEVE RABOBANK UA	2.15	Financials	Netherlands	+2.14
8	JAPAN GOVERNMENT THIRTY YEAR BOND	1.92	Sovereign	Japan	+1.75
9	AT&T INC	1.89	Communication Services	United States	+1.86
10	BNP PARIBAS SA	1.69	Financials	France	+1.67

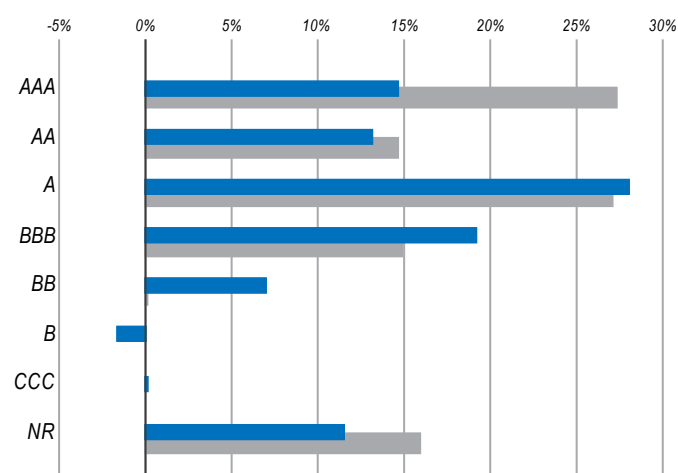
## SECTOR ALLOCATION



## PORTFOLIO COMPOSITION



## RATING ALLOCATION

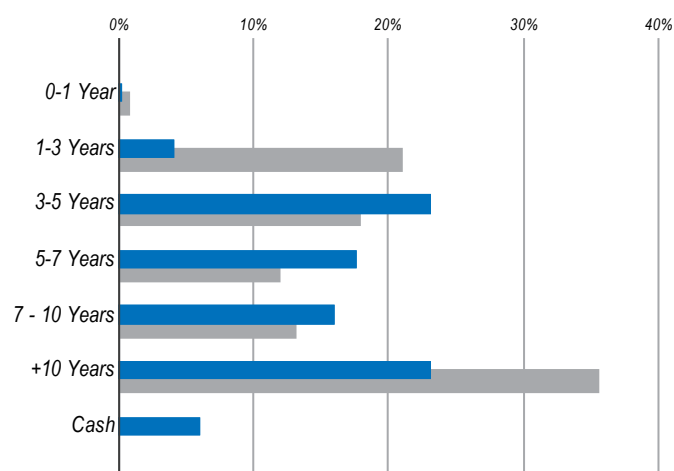


Legend

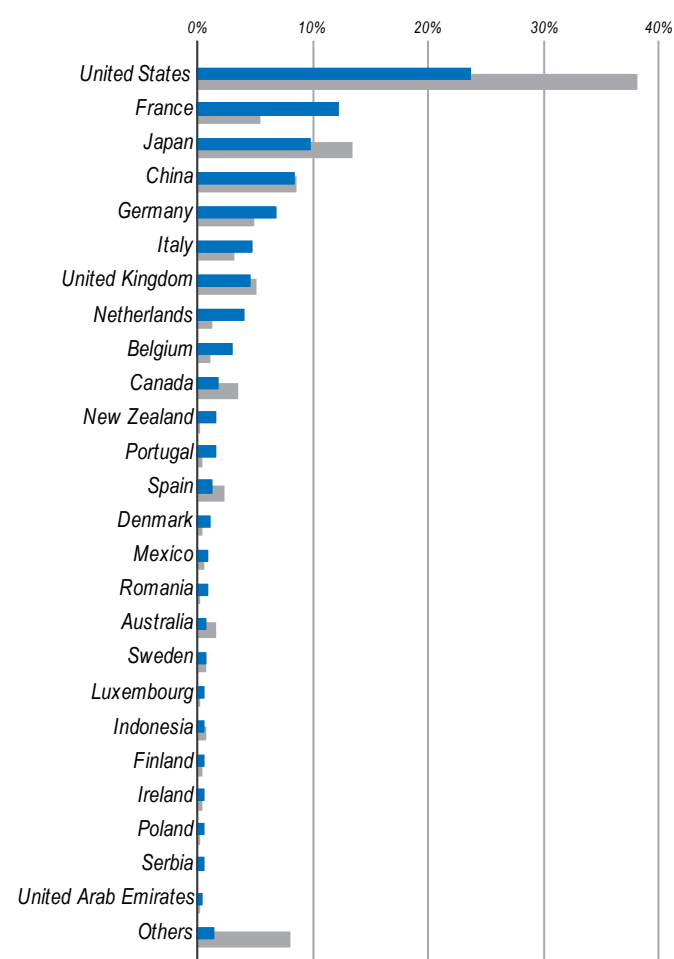
Fund

Benchmark

## MATURITY BREAKDOWN

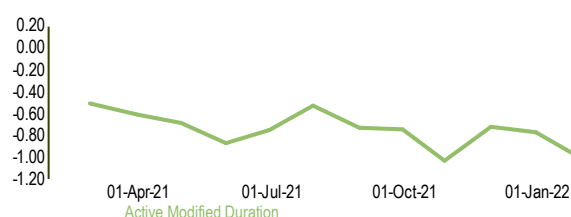


## ALLOCATION BY COUNTRY

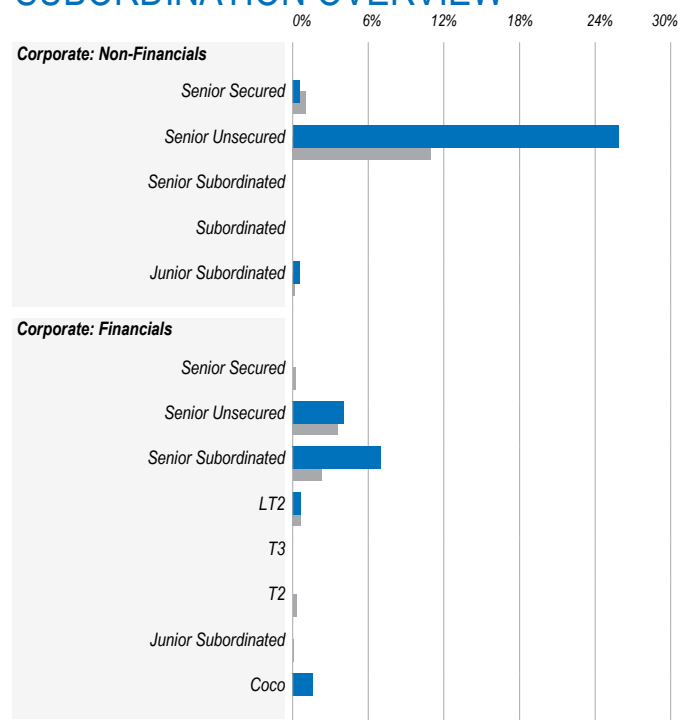


Legend Fund Benchmark

## EVOLUTION OF ACTIVE MODIFIED DURATION



## CORPORATE SUBORDINATION OVERVIEW



## SCR

### SOLVENCY CAPITAL REQUIREMENT

-6.79%		3.41%	
SCR Int Rates UP		SCR Int Rates DOWN	
-6.82%	-4.94%	-1.10%	
SCR Spread	SCR Currency	SCR Concentration	
13.29%	12.35%	11.88%	
Duration Liability 3Y	Duration Liability 7Y	Duration Liability 10Y	
-14.67%			
Market SCR			

## GLOSSARY

### ESTER 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 ESTER 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

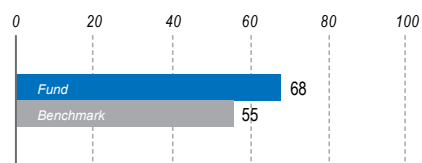
The Integration of ESG factors into investment decisions consists of integrating specific extra-financial factors into the financial valuation or credit assessment of securities. The factors used are selected based on their materiality in the given asset class.

## 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

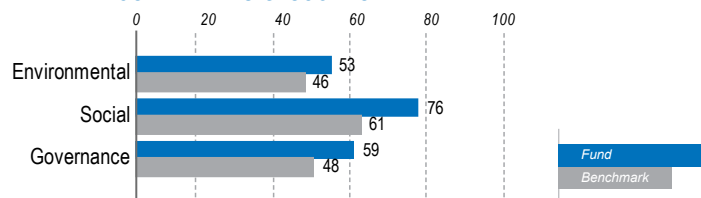
#### OVERALL COMPANY ESG SCORE



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

Coverage Rate (Fund/Benchmark): 96.0% / 55.0%

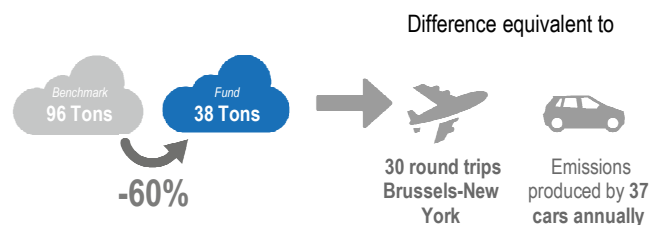
#### COMPANY E-S-G SCORES



### COMPANY IMPACT INDICATORS



#### CARBON FOOTPRINT



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

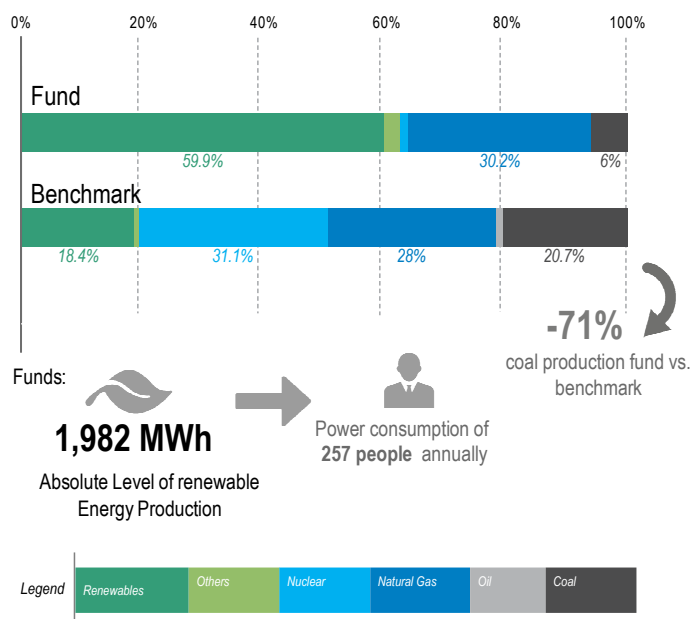
Source: Candriam, Trucost

Coverage Rate (Fund/Benchmark): 94.7% / 53.7%



#### 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.

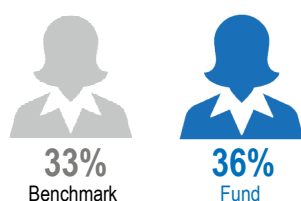


Source: Candriam, Trucost

Coverage Rate (Fund/Benchmark): 5.5% / 4.3%



#### PERCENTAGE OF WOMEN ON THE BOARD

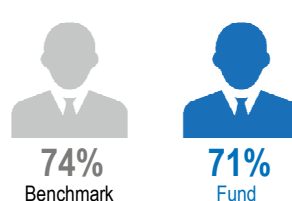


Source: Candriam, MSCI

Coverage Rate (Fund/Benchmark): 89.2% / 51.3%



#### PERCENTAGE OF INDEPENDENT BOARD MEMBERS



Source: Candriam, ISS-Oekom

Coverage Rate (Fund/Benchmark): 89.2% / 51.2%

## SUMMARY COMPANY ESG DATA

<i>Indicator</i>	<i>Metric</i>	<i>Source</i>	<i>Fund</i>	<i>Benchmark</i>
Carbon Footprint	Tons CO2eq/million € invested	Candriam, Trucost	38	96
Carbon Intensity	Tons CO2eq/million € revenues	Candriam, Trucost	88	211
Weighted Average Carbon Intensity	Tons CO2eq/million € revenues	Candriam, Trucost	76	236
Renewable energy production	Total Mwatt/h	Candriam, Trucost	1982	368
Board gender diversity	Board Gender Diversity	Candriam, MSCI	58%	51%
Board Independence	Percentage independent Board members	Candriam, ISS-Oekom	71%	74%
Collective bargaining agreements	Score from 0 to 100 (100 is best)	Candriam, Sustainalytics	52.10	38.84



## GLOSSARY

### COMPANY CARBONFOOTPRINT 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 "difference equivalent to" compares 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 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.

The "difference equivalent to" compares 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.

### WATER INTENSITY (M3/MIO USD REVENUES)

Measures the asset weighted water consumption of a portfolio normalized per million \$ of revenue (expressed in cubic meters water / million \$ revenues). This metric provides an indication of the amount of water consumed by the companies in a portfolio to generate 1 million \$ of revenue. Data sourced from "Trucost", does not include the supply of drinkable water and the wastewater that enter in the company's facility to be treated.

### WASTE GENERATION

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.

### 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.

### TOP 10 SDG CONTRIBUTORS

Top 10 companies held in the Fund with the highest net contribution to a single SDG, independent from the size of the position in the Fund.

### BIODIVERSITY PROGRAMS

This indicator provides an assessment of the quality of biodiversity protection programmes within the underlying companies of a portfolio.

### MONEY LAUNDERING POLICY

This indicator provides an assessment of the quality of anti-money laundering policies within the underlying companies of a portfolio.

### BRIBERY CORRUPTION POLICY

This indicator provides an assessment of the quality of anti-bribery and -corruption policies within the underlying companies of a portfolio.

### 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.

### EMPLOYEE FATALITY RATE

This indicator provides an assessment of the company's fatality rate in the last three years within the underlying companies of a portfolio.

### NORMS-BASED ANALYSIS

Candriam's Norms-Based Analysis excludes companies which are violation of the ten principals of the United Nations Global Compact.

### CONTROVERSIAL ACTIVITIES

Candriam's Controversial Activities Analysis excludes companies involved in harmful or controversial activities. Involvement is assessed using activity-specific revenue-based threshold levels.

### 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 and analysed.



## IMPORTANT DISCLOSURES

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

This document is provided for information purposes only, it does not constitute an offer to buy or sell financial instruments, nor does it represent an investment recommendation, or confirm any kind of transaction, except where expressly agreed otherwise. Although Candriam selects carefully the data and sources within this document, errors or omissions cannot be excluded a priori. References to particular industries, sectors or companies are for general information and are not necessarily indicative of a fund's holding at any one time. Negative weightings may result from specific circumstances (including timing differences between trade and settlement dates of securities purchased by the funds) and/or the use of certain financial instruments, including derivatives, which may be used to gain or reduce market exposure and/or risk management. Allocations are subject to change. Total are not always equals to 100% due to derivatives, cash or rounding. The investor is invited to **review the description of significant risks** that are set forth in the fund's prospectus and the Key Investor Information Document. The value of investment may decline due in particular to the fund's exposure to such main risks. Such risks are not necessarily adequately taken into account in the SRRI.

Candriam cannot be held liable for any direct or indirect losses as a result of the use of this document. The intellectual property rights of Candriam must be respected all times; contents of this document may not be reproduced without prior written approval.

**Warning :** Past performances of a given financial instrument or index or an investment service, or simulations of past performances, or forecasts of future performances are not reliable indicators of future performances. Gross performances may be impacted by commissions, fees and other expenses. Performances expressed in a currency other than that of the investor's country of residence are subject to exchange rate fluctuations, with a negative or positive impact on gains. If the present document refers to a specific tax treatment, such information depends on the individual situation of each investor and may change.

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.



© 2019 Morningstar, Inc. All rights reserved. Some of the information contained in this document is the property of Morningstar, Inc. and/or its information providers. It is given without any guarantee as to its accuracy, exhaustiveness or topicality. Its reproduction or redistribution is strictly forbidden.

### 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."

©2019 S&P Trucost Limited ("Trucost"), an affiliate of S&P Global Market Intelligence. All rights reserved.

© 2019 | Institutional Shareholder Services and/or its Affiliates. This document contains information that is the property of Institutional Shareholder Services Inc. ("ISS") or its subsidiaries. The Information may not be reproduced or disseminated in whole or in part without prior written permission of ISS. ISS MAKES NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION.

© 2019 Sustainalytics. All rights reserved. The ownership and all intellectual property rights to some of the information contained herein are vested exclusively in Sustainalytics and/or its suppliers. No part of this website may be reproduced, disseminated, compiled, used to create derivative works, furnished in any manner, made available to third parties or published, parts hereof, or the information contained herein in any form or in any manner, be it electronically, mechanically, through photocopies or recordings without the express written consent of Sustainalytics.

### 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.