

Candriam Sustainable

Prospectus

A SICAV (open-ended investment fund) constituted under Belgian law, with a variable number of units, opting for investments meeting the conditions stipulated by the UCITS Directive.

The prospectus contains the following items: (i) Information regarding the SICAV and the sub-funds, (ii) articles of incorporation, (iii) periodic reports.

August 2017

Preamble

The Fund units are not and will not be registered in the United States in accordance with the US Securities Act of 1933, as amended ("1933 Securities Act") and are not and will not be eligible under any law of the United States. These units may not be offered, sold or transferred to the United States (including its territories and possessions) or directly or indirectly benefit any US Person (as defined in Regulation S of the 1933 Securities Act and similar). However, notwithstanding the foregoing, the fund reserves the right to make a private placement of its shares to a limited number of U.S. Persons to the extent permitted under applicable U.S. law. In addition, financial institutions which do not comply with the FATCA programme ("FATCA" which stands for the U.S. "Foreign Account Tax Compliance Act"), as included in the "Hiring Incentives to Restore Employment Act" ("HIRE Act"), and its application measures, including the identical provisions adopted by partner countries which have signed an "Intergovernmental Agreement" with the United States, must expect to be forced to have their units redeemed when the programme is put in place.

The fund units may not be offered, sold or transferred to a U.S. employee benefit plan subject to the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA") or any other U.S. employee benefit plan or U.S. individual retirement account or arrangement ("IRA") and may not be offered, sold or transferred to a fiduciary or any other person or entity acting on behalf of the assets of a U.S. employee benefit plan or IRA (collectively, a "U.S. benefit plan investor"). Subscribers for fund units may be required to certify in writing that they are not a U.S. benefit plan investor. Investors are required to notify the fund immediately in the event that they are or become a U.S. benefit plan investor and will be required to dispose of their units to non-U.S. benefit plan investors. The fund reserves the right to repurchase any units which are or become owned, directly or indirectly, by a U.S. benefit plan investor. However, notwithstanding the foregoing, the fund reserves the right to make a private placement of its units to a limited number of U.S. benefit plan investors, to the extent permitted under applicable U.S. law.

Presentation

Name: Candriam Sustainable (also called "the fund" in this document)

Legal form: Société Anonyme (Public Limited Company)

Registered office: Avenue des Arts 58, 1000 Brussels, Belgium

Date of creation: 02/03/2000

Term: Unlimited term

Status:

Umbrella SICAV that has opted for investments that meet the requirements of Directive 2009/65/EC and is governed, with regard to its operation and investments, by the law of 03 August 2012 relating to certain forms of collective management of investment portfolios.

Sub-funds:

Euro Bonds, Euro Corporate Bonds, Euro Short Term Bonds, Europe, High, Low, Medium, North America, Pacific, World Bonds, World.

Share classes:

- **C class:** basic class, with no distinguishing features. It is offered to individuals and legal entities.
- **N class** is characterised by the country in which the shares are offered. The N class is reserved for foreign distributors approved by the Management Company and has a lower initial marketing fee and a higher management fee than that for the C class. The objective criteria that are applied in allowing certain individuals to subscribe the shares of this class, which are permanently checked, are the country in which they are sold and the distribution channel.
- **I class** is characterised by the status of its investors. The I class is reserved for the institutional investors referred to in article 5, § 3 of the Law of 3 August 2012 relating to certain forms of collective management of investment portfolios, whose minimum initial

subscription is EUR 250,000. The recurring fees and charges of the sub-fund that it incurs are lower those of the C class.

The objective criteria that are applied in allowing certain individuals to subscribe the shares of this class, which are checked continuously, are their status as institutional investor and the minimum initial subscription amount.

- **The LOCK class (also known as the "L class")** is characterised by the identity of the brokers that sell the shares.

The LOCK class is a share class which is associated with a mechanism intended to limit the capital risk. This mechanism is offered by Belfius Banque, the sole distributor authorised to market these shares. By investing in this class, investors accept that the shares are sold automatically when the net asset value reaches a set amount (activation price). Accordingly, whenever Belfius determines that the net asset value is equal to or less than the activation price, a redemption order is automatically generated and executed as soon as possible^(*).

All sales orders are executed at an unknown price. The mechanism therefore does not provide any guarantee as to the net asset value used for execution.

Given the specific nature of this class, potential investors are advised to seek advice from their financial adviser at Belfius Banque before subscribing in order to obtain information about the technical and operational imperatives associated with this mechanism.

(*) The sales order will be globalised at the first cut-off (closing date for reception or orders) after the day of calculation of the net asset value that led to automatic generation of the redemption order, and in accordance with the arrangements for the redemption of units in the case of the automatic triggering of the sales order for the LOCK class.

- **Y class** is characterised by the identity of the intermediaries marketing the equities.

The Y class is reserved for Belfius Insurance.

- **R class** is characterised by the identity of the intermediaries marketing the equities.

The R class is restricted to certain distributors and intermediaries approved by the Management Company who will not receive any form of remuneration from the Management Company.

- **R2 class** is characterised by the identity of the intermediaries marketing the equities and/or their status as an institutional investor.

The R2 class is restricted to:

- Distributors and/or intermediaries approved by the Management Company who will not receive any form of remuneration for investments in this class from an entity of the Candriam group, if the final investments in the shares are made in the context of a mandate.
- UCIs approved by the Management Company.
- **Z class** is characterised by the absence of an investment portfolio management fee. The Z class is restricted to:
 - Institutional investors which have entered into a discretionary management contract with an entity of the Candriam group. The portfolio management activity for this class is directly remunerated through the contract concluded with the investor, so no portfolio management fee is payable for the assets of this class.
 - UCIs approved by the Management Company and managed by an entity of the Candriam group.

If it appears that an investor no longer meets the conditions for accessing the class in question, the Board of Directors may take all the necessary measures and, if necessary, convert the shares into another appropriate class.

In the cases concerned by the regulation, the Board of Directors asks the transfer agent and/or the institutions providing the financial service to establish a procedure whereby it is possible to permanently check that the individuals who have subscribed the shares of a given class, benefiting, in one or more ways, from more advantageous conditions, or who have purchased these shares, still meet the criteria.

The Board of Directors may also decide, in the interests of the shareholders, to convert shares from one class into shares in another class but without, however, charging the conversion costs to the shareholders. A notice will be published in the press.

Board of Directors:

Chairman:

- Mr Jan Vergote, Head of Investment Strategy, Belfius Banque S.A.

Directors:

- Mr Tanguy De Villenfagne, Member of the Group Strategic Committee, Candriam.

- Mr Tomas Catrysse, Investment Research, Belfius Investment Partners.
- Mr Vincent Hamelink, Member of the Group Strategic Committee, Candriam.
- Mr Gunter WUYTS, independent director
- Ms Isabelle CABIE, Global Head of Sustainable and Responsible Investment, Candriam Belgium.

Management Company:

Candriam Belgium, with its registered office at Avenue des Arts 58, 1000 Brussels, has been appointed as the UCITS management company.

Legal form: société anonyme

Candriam Belgium was incorporated on 30 January 1998 for an unspecified term. Its subscribed capital amounts to EUR 3,248,402.87. Its paid-up capital amounts to EUR 2,628,669.06.

Candriam Belgium has been appointed as the Management Company for the following UCIs:

- AIFs: Candriam Clickinvest B, DMM, Paricor, Cordius B.
- Undertakings for collective investment in transferable securities (UCITS): Candriam Allocation, Candriam Business Equities, Candriam Institutional, Candriam Sustainable.

Board of Directors:

Chairman:

- Ms Yie-Hsin Hung, Chairman and Chief Executive Officer, New York Life Investment Management LLC

Passive directors:

- Mr Naïm Abou-Jaoudé, President of the Group Strategic Committee, Candriam Investors Group, President of New York Life Investment Management International
- Mr Christopher O. Blunt, Executive Vice President and President of the Investments Group, New York Life Insurance Company
- Mr John M. Grady, Senior Managing Director, New York Life Investment Management
- Mr John T. Fleurant, Executive Vice President and Chief Financial Officer of New York Life Insurance Company
- Mr David Bedard, Senior Vice President, New York Life Insurance Company and Senior Managing Director and Chief Financial Officer, New York Life Investment Management
- Mr Jeffrey Phlegar, Senior Vice President, New York Life Insurance Company and Chairman and Chief Executive Officer of MacKay Shields LLC and Chief Executive Officer, MacKay Shields UK LLP
- Mr Daniel Gillet, independent director

Active directors:

- Mr Tanguy de Villenfagne, Member of the Group Strategic Committee, Candriam. He also carries out the following activities:
 - ✱ Chairman of the Management Committee of Candriam Belgium
 - ✱ Director in various UCIs
- Mr Vincent Hamelink, Member of the Group Strategic Committee, Candriam. He also carries out the following activities:
 - ✱ Member of the Management Committee of Candriam Belgium
 - ✱ Director in various UCIs
- Mrs Myriam Vanneste, Global Head of Product Management. She also carries out the following activities:
 - ✱ Member of the Management Committee of Candriam Belgium
 - ✱ Director in various UCIs

Management Committee:

Its Management Committee is made up of the active directors mentioned above, namely:

- Mr Tanguy de Villenfagne, Chairman
- Mr Vincent Hamelink, Member
- Ms Myriam Vanneste, Member

The firm of auditors of the Management Company is PricewaterhouseCoopers Corporate Auditors / Bedrijfsrevisoren, having its registered office at 18 Woluwedal, 1932 Woluwe-Saint-Etienne, and whose permanent representative is Mr Roland Jeanquart.

Remuneration policy

The Management Company has established a general framework concerning remuneration of its staff, in particular a remuneration policy (the "Remuneration Policy") in compliance with the applicable regulations and the following principles in particular:

The Remuneration Policy is compatible with sound and effective risk management and discourages any risk-taking that is inconsistent with the risk profile and the articles of incorporation of the fund,

The Remuneration Policy is compatible with the financial strategy, objectives, values and interests of the Management Company, the fund and the investors, and includes measures to avoid conflicts of interest. The evaluation of performance is set in a multi-year framework appropriate to the holding period recommended to shareholders of the fund, in order to ensure that the performance evaluation process is based on the long term performance of the fund and that the effective payment of the performance-based remuneration elements is spread over the same period,

The Remuneration Policy ensures that the fixed and variable components of total remuneration are appropriately balanced; that the fixed component of total remuneration is high enough; that the policy concerning variable remuneration elements is sufficiently flexible including the possibility to pay no variable remuneration component.

The details of the updated Remuneration Policy, including the composition of the remuneration committee and a description of how remuneration and benefits are calculated, are available from the Management Company's web site via this link. https://www.candriam.com/siteassets/legal-and-disclaimer/external_disclosure_remuneration_policy.pdf

A printed copy is available free of charge on request.

Delegation of implementation of the management of the investment portfolio:

For the Low, Medium and High sub-funds:

Candriam Luxembourg, SERENITY - Bloc B, 19-21 route d'Arlon, L-8009 Strassen (Luxembourg).

Management strategy: Candriam Belgium, Avenue des Arts 58, 1000 Brussels.

Delegation of implementation of lending and borrowing operations associated with the asset management function:

Candriam France, Washington Plaza, 40 rue Washington, 75409 Paris Cedex 08, France.

Individuals responsible for effective management:

- Mme Myriam Vanneste, Candriam Belgium, Global Head of Product Management, director of various UCIs.
- Mr Vincent Hamelink, Member of the Group Strategic Committee, Candriam, director of various UCIs.

Administration duties delegated to:

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

For certain administrative duties linked to the transfer agent activity: Belfius Banque S.A., 44 boulevard Pachéco, 1000 Brussels.

The administrative duties linked to the structuring activity are carried out by the Management Company.

Financial service(s):

Belfius Banque S.A., 44 boulevard Pachéco, 1000 Brussels.

Distributor(s):

Belfius Banque S.A., 44 boulevard Pachéco, 1000 Brussels.

Depository:

The fund has appointed Belfius Banque S.A., whose registered office is at 1000 Brussels, Boulevard Pachéco 44, company number 0403.201.185, as depositary bank and principal paying agent (the "Depository") with responsibility for:

- safekeeping of the assets,
- supervisory activities,
- monitoring of cash flows, and
- principal paying agent functions

in accordance with the applicable law, the regulations in force and the depositary bank agreement concluded for an unlimited term. Belfius Banque S.A. is a credit institution subject to the Law of 25 April 2014 on the legal status and supervision of credit institutions.

*** Description of activities**

Under its oversight duties, the Depository will:

- ensure that the sale, issue, repurchase, redemption and cancellation of fund units are carried out in accordance with the applicable law, the articles of incorporation and the fund prospectus,
- ensure that the value of fund units is calculated in accordance with the applicable law, the articles of incorporation and the fund prospectus,

- execute the instructions of the Management Company unless they contravene the applicable law, the articles of incorporation and the fund prospectus,
- ensure that, in transactions concerning the assets of the fund, the consideration is remitted to it within the usual time limits,
- ensure that the income of the fund is applied in accordance with the applicable law, the articles of incorporation and the fund prospectus.

The Depositary will perform its activities and meet its obligations in accordance with the law and the agreement between the fund and Belfius Banque S.A., and will act honestly, fairly, professionally and independently, and solely in the interests of the fund and its shareholders.

✖ **Delegation:**

The Depositary is permitted to delegate its safekeeping duties under the applicable law to delegates and to sub-custodians, and to open accounts with these sub-custodians.

The Depositary keeps its securities with BONY, Euroclear, KBC Securities, BIL and BNB and their sub-custodians, depending on the characteristics of the underlying assets of the funds in question.

An up-to-date list of delegates (depositaries) and sub-custodians is available from the Depositary on request.

The Depositary also uses these depositaries and sub-custodians to keep securities for third parties, but meets its legal obligations regarding segregation of assets.

✖ **Depositary's conflicts of interest**

On an ongoing basis, the Depositary analyses, based on applicable laws and regulations, any potential conflicts of interest that may arise while carrying out its functions. Once identified, any conflict of interest is handled in accordance with the Depositary's conflicts of interest policy.

In addition, potential conflicts of interest may arise from the provision by the Depositary and/or its affiliates of other services to the fund, to Belfius Investment Partners and/or to other parties. For example, the Depositary and/or its affiliates may act as the depositary bank, distributor, management company, etc. for the fund and for other funds.

The Depositary has implemented and maintains a conflicts of interest policy designed to:

- identify and analyse potential conflicts of interest,
- record, manage and monitor conflicts of interest.

Up-to-date information about the above conflicts of interest policy may be obtained on request from the Depositary.

Auditor:

Deloitte Reviseurs d'Entreprises / Bedrijfsrevisoren S.C. s.f.d. S.C.R.L., with its registered office at Gateway Building, Luchthaven Nationaal 1 J, 1930 Zaventem, Belgium, whose permanent representative is Mr Maurice Vrolix.

Promoter(s):

Candriam Belgium, Avenue des Arts 58, 1000 Brussels.

Person(s) bearing the costs in the situations described in articles 115, § 3, paragraph 3, 149, 152, 156, 157, § 1, 3, 165, 179 and 180, paragraph 3 of the Royal Decree of 12 November 2012 on certain public undertakings for collective investment:

In general: Belfius Banque and/or Candriam Belgium.

In the situations described in Articles 156 and 165 of the Royal Decree of November 12th, 2012: The persons meeting the criteria set down in the aforementioned articles, in accordance with the methods defined therein.

Capital:

The share capital is always equal to the net asset value. It cannot fall below EUR 1,200,000.

Asset valuation rules:

See article 12 of the articles of incorporation.

Balance sheet date:

31 March.

Rules relating to the allocation of net income:

The Ordinary Meeting of Shareholders will each year decide, at the proposal of the Board of Directors, upon the allocation of the annual net income obtained on the basis of the accounts closed in accordance with the legislation in force.

Where appropriate, the Ordinary Meeting of Shareholders may decide to distribute to distribution shareholders their share in the income arising from investments and from realised or unrealised capital gains, after deducting any realised or unrealised capital losses, and to capitalise the corresponding amounts pertaining to capitalisation shareholders.

In principle, and unless decided otherwise by the Board of Directors, dividends are distributed in the six weeks following the annual general meeting. The institutions providing the financial service are responsible for paying dividends.

Tax regime applicable to the investor:

✖ **Dividend tax regime:**

Withholding tax of 30% for individuals.

✖ **Capital gains tax regime, only applicable to investors who are liable for income tax:**

Taxation of the capital gains received if sold for due consideration, the redemption of units by the fund or in the event of the full or partial distribution of the assets of the fund during the period of one year starting on the 1st day of the 5th month following the financial year end:

Over the reference financial year, the sub-funds World, Europe, North America and Pacific a/ directly or indirectly invested less than 25% of their assets in debt securities as referred to in article 19bis of the Income Tax Code (CIR). Consequently, in the event of sale for due consideration, the redemption of its units by the UCI or in the event of the full or partial distribution of the assets of the UCI, the income realised by the investor will not be subject to the withholding tax. Furthermore, the capital gains realised on the UCI units are not subject to income tax if the investor is acting within the framework of the normal management of his private assets.

Over the reference financial year, the sub-funds Euro Bonds, Low, Medium, Euro Short Term Bonds, World Bonds and Euro Corporate Bonds and High directly or indirectly invested more than 25% of their assets in debt securities as referred to in Article 19bis of the Income Tax Code. Investors will therefore be subject to a withholding tax of 30% on the portion of capital gains considered as interest for tax purposes in application of article 19bis of the Income Tax Code. If the investor is unable to prove the date on which he acquired his units or if he acquired them before 1 July 2005, he will be deemed to have held them since 1 July 2005 for the purpose of determining the taxable amount.

If the calculation cannot be made due to a lack of information on the net asset value on the acquisition date or on 1 July 2005, the investor must expect to be taxed on the basis of the total amount received at the time of the sale, redemption or distribution.

It is recommended that investors check whether the status of the sub-fund has changed on the date of sale for due consideration, or redemption of the units or of distribution of the assets of the fund.

✖ **Taxation of the capital gains realised by non-profit organisations and other entities subject to corporate tax pursuant to article 220 of the Income Tax Code:** Currently, capital gains received in the event of the sale for due consideration, the redemption of units by the fund or in the event of full or partial distribution of the registered capital of the fund are not subject to the withholding tax.

The tax regime described above is subject to change.

The taxation of revenue and capital gains obtained by an investor depends on the laws applicable to the latter's specific status in the country of collection.

In the event of any doubt as to the applicable tax regime, it falls to the investor to clarify his situation with the relevant professionals or advisors.

Tax regime applicable to the fund:

- ✖ Annual tax on undertakings for collective investment, on credit institutions and on insurance companies. The tax rate is set out in the "Fees and Expenses" section below.
- ✖ Reduction of amounts withheld at source on foreign revenues collected by the fund (in accordance with double taxation prevention agreements).

Information sources:

- Units may be redeemed or repurchased from the offices of the institutions providing the financial service. Information regarding the fund is published in the specialist financial press or by other means.
- On request, the prospectus, the key investor information, the articles of incorporation, the annual and semi-annual reports and full information on other sub-funds can be obtained, free of charge, before or after the subscription to the units, from the institutions providing the financial service.
- In order to meet regulatory and/or tax requirements, the Management Company may, over and above the legal publications, communicate to

investors requesting it the fund's portfolio composition and all information relating to it.

- The turnover rate of the portfolio is shown in the last annual report. The portfolio turnover rate shows (as a percentage) the annual average number of transactions on the fund's portfolio, based on subscriptions and redemptions for the period concerned. The formula used is that published in the Royal Decree of 12 November 2012 on certain public undertakings for collective investment in schedule B, section II. The portfolio turnover rate calculated in this manner can be considered as an additional indicator of the scale of any transaction costs.
- The ongoing charges, as calculated in accordance with Commission Regulation (EU) No 583/2010 of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards key investor information and conditions to be met when providing key investor information or the prospectus in a durable medium other than paper or by means of a website (hereinafter "Regulation 583/2010"), are shown in the key investor information.

Ongoing charges consist of all payments deducted from the fund's assets where such deduction is required or permitted by law, the articles of incorporation or the prospectus. They do not, however, include any performance fees or portfolio transaction costs, except those charged by the depositary bank, although this does not apply in cases where the entry/exit costs are paid by the fund at the time of purchase/sale of shares of another fund.

They take the form of a single digit percentage and are based on the costs for the previous financial year. 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.
- Past performance figures are available in the latest annual report. Investors' attention is drawn to the fact that this data is by no means an indicator of the fund's future performance.
- The following documents and information can be consulted on the Management Company's website www.candriam.com: the prospectus, the key investor information and the latest annual and semi-annual reports.

Contact point from which additional information can be obtained if necessary:

Additional information can be obtained from Candriam Belgium on 0032 (0)2 509 62 61, accessible on bank business days between 9 a.m. and 5 p.m. and at the following e-mail address [http://contact.candriam.com](mailto:contact.candriam.com).

Annual General Meeting of Shareholders:

Held on the third Friday in June at 3 p.m. at the registered office or at any other place in Belgium, as specified in the meeting notice. If this day is a public holiday or bank holiday in Belgium, the Annual General Meeting of Shareholders will be held on the next bank business day.

Competent authority:

Autorité des Services et Marchés Financiers (FSMA), 12-14 rue du Congrès, 1000 Brussels.

The prospectus is published after approval from the FSMA, in accordance with Article 60 § 1 of the Act of 3 August 2012 relating to certain forms of collective management of investment portfolios. This approval does not serve as an appraisal of the appropriateness or quality of the offer, or of the offeror's position. The official text of the articles of incorporation has been filed with the clerk's office of the commercial court.

Persons responsible for the content of the prospectus:

The Board of Directors. To its knowledge, the information contained in the prospectus is correct and there are no omissions that may alter their scope.

Persons responsible for the content of the key investor information:

The Management Company is only liable for the statements contained in the key information for the investor which would be deceitful, inaccurate or inconsistent with the corresponding parts of the prospectus. To its knowledge, the information contained in the key investor information is correct and there are no omissions that may alter its scope.

Shareholders' voting rights:

Where not otherwise specified by the law or by the articles of incorporation, the decisions taken during a duly convened General Meeting of Shareholders are taken by a simple majority of the shareholders who are present or represented and who are voting. Decisions regarding the sub-fund will also be taken, where not otherwise specified by the law, by a simple majority of the shareholders in the sub-fund concerned, who are present or represented and voting.

Generally speaking, General Meetings of Shareholders may be held for each sub-fund, under the same conditions as for other general meetings.

If the units have an equal value, any full unit will carry the right to one vote. If the units have an unequal value, a full unit will automatically carry the right to the number of votes proportionate to the part of the capital it represents, by counting the unit that represents the lowest amount as one vote. Fractions of votes are not taken into consideration.

Liquidation of a sub-fund:

The Board of Directors may decide to wind up and liquidate a sub-fund as a result, among other things, of substantial and unfavourable changes in the economic, political and social situation in the countries in which investments are made or in which the sub-fund's units, or if the sub-fund's assets become too low and it becomes too onerous and costly to manage the sub-fund. Any such decision will be submitted to the General Meeting of Shareholders of the sub-fund in question.

The liquidation operations will be carried out by one or more liquidators who may be individuals or legal entities and who will be appointed by the General Meeting of Shareholders, which will determine their powers and remuneration.

The net liquidation proceeds of the sub-fund will be distributed to the sub-fund's shareholders proportionally to their investment in the sub-fund.

Suspension of the calculation of the net asset value and the issue, redemption and conversion of the units:

Notwithstanding the legal reasons for suspension, the calculation of the net asset value, the issue, redemption and conversion may be suspended in the following cases:

1. if one or more markets on which more than 20% of the assets are traded, or one or more significant foreign exchange markets on which the currencies in which the net asset value is expressed are traded, are closed for a reason other than legal holidays, or if transactions thereon are suspended or restricted.

The Board of Directors determines the situations in which an official net asset value is calculated on the basis of which no issue, redemption or conversion applications will be received,
2. if the situation is so serious that the assets and/or liabilities cannot be correctly valued or are unavailable except without seriously damaging the interests of the shareholders,
3. if it is not possible to transfer cash or carry out transactions at a normal price or exchange rate, or if restrictions are imposed on foreign exchange markets or financial markets,
4. in the event of IT failure making it impossible to calculate the net asset value,
5. as from the publication of the notice of the General Meeting of Shareholders called to deliberate on the liquidation of the company or of a sub-fund of the company, where the sole purpose of this liquidation is not to change the legal form;
6. during a merger or other restructuring, at the latest the day before the day when the exchange ratio and, where applicable, the balancing adjustment or the compensation assigned to the transfer or the sale are calculated.

Existence of fee-sharing agreements:

Fee-sharing agreements may exist.

At the time of drawing up a fee-sharing agreement, the Management Company intends to do everything in its power to avoid any conflicts of interest. If, however, conflicts of interest do emerge, the Management Company will act in the exclusive interests of the unitholders of the fund it manages.

Transactions in OTC derivatives and efficient portfolio management techniques

A. Over-the-counter derivative financial instruments

In over-the-counter operations, the counterparties to these operations, when the transactions are initiated have a minimum rating of BBB- /Baa3 or equivalent from at least one recognised ratings agency or are considered to be of equivalent quality by the risk management department of the Management Company and/or its delegates. The counterparties are located in an OECD member state.

Additional information on the one or more counterparties to the transactions is shown in the annual report.

B. Efficient portfolio management techniques

In order to increase its yield and/or reduce its risks, each sub-fund is authorised to make use of efficient portfolio management techniques covering transferable securities and money market instruments:

I. Reverse repurchase transactions

Each fund may enter into reverse repurchase transactions for which on maturity the seller (counterparty) is required to take back the asset contained in the repurchase agreement and the fund is required to return the asset contained in the reverse repurchase agreement.

Such transactions may relate to 50% of the net assets of the fund. The proportion is normally expected to vary between 0% and 25%.

The type of securities contained in the reverse repurchase agreement and the counterparties must meet the regulatory requirements.

Securities contained in reverse repurchase agreements must comply with the relevant fund's investment policy and must, along with the other securities the fund has in its portfolio, globally meet the investment restrictions.

For the term of the reverse repurchase agreement, the fund may not sell or use the securities which are contained in this agreement as a pledge/collateral unless the fund has other means of coverage.

II. Repurchase transactions

Each fund may enter into repurchase agreements for which on maturity the fund is required to reacquire the asset contained in the repurchase agreement and the seller (counterparty) is required to return the asset contained in the reverse repurchase agreement.

To meet temporary liquidity needs, such transactions may relate to a maximum of 10% of the net assets of the fund. The proportion is normally expected to vary between 0% and 10%.

The type of securities contained in the repurchase agreement and the counterparties must meet the regulatory requirements.

The fund must, on expiration of the term of the repurchase agreement, have the necessary assets to pay the agreed return price to the fund.

The usage of these transactions must not produce a change in the investment objectives or the taking of additional higher risks.

III. Associated risks and mitigation measures

The risks associated with efficient portfolio management techniques (including collateral management) are identified, managed and restricted by the risk management process. The principal risks are counterparty risk, delivery risk, operational risk, legal risk, custody risk and conflict of interest risk (as defined in the **Risk profile information** section), and such risks are

mitigated by the organisation and the procedures defined by the Management Company and/or its delegates as follows:

1. Selection of counterparties and legal framework

Counterparties to these transactions are approved by the risk management department of the Management Company and/or its delegates and, when the transactions are initiated, have a minimum rating of BBB-/Baa3 from at least one recognised ratings agency or are considered to be of equivalent quality by the Management Company and/or its delegates. These counterparties are entities which are subject to prudential supervision. The counterparties are located in an OECD member state. Each counterparty is bound by a contract the clauses of which have been validated by the legal department/risk management department of the Management Company and/or its delegates.

2. Financial collateral

See the point entitled *Management of financial collateral for OTC derivative products and efficient portfolio management techniques* below.

3. Restrictions on reinvestment of financial collateral received

See the point entitled *Management of financial collateral for OTC derivative products and efficient portfolio management techniques* below.

4. Measures taken to reduce the risk of conflicts of interest

To mitigate the risk of a conflict of interest, the Management Company and/or its delegates have established a process for selecting and monitoring counterparties through committees organised by the risk management department of the Management Company and/or its delegates. In addition, the remuneration of these transactions is in line with market practices in order to avoid any conflict of interest.

5. Remuneration policy for reverse repurchase agreements

Income from reverse repurchase agreements is paid in full to the fund.

6. Remuneration policy for repurchase agreements

This activity does not generate income.

IV. Periodic investor information

Further information on the conditions of application of these efficient portfolio management techniques is contained in the annual and semi-annual reports.

C. Management of financial collateral for OTC derivative products and efficient portfolio management techniques

I. General criteria

All collateral to reduce exposure to counterparty risk must at all times satisfy the following criteria:

- Liquidity: any collateral received in a form other than cash must have a strong level of liquidity and be traded on a regulated market or within the framework of a multilateral trading system making use of transparent price setting methods such that it can be quickly sold at a price close to the valuation prior to the sale.
- Valuation: the collateral received must be valued at least on a daily basis and assets with highly volatile prices will only be accepted as collateral if sufficiently prudent security margins are in place.
- Credit quality of issuers: the financial collateral received must be of excellent quality.
- Correlation: the financial collateral received must be issued by an entity which is independent of the counterparty and does not have a strong correlation with the counterparty's performance.
- Diversification: the financial collateral must be sufficiently diversified in terms of the countries, markets and issuers. As regards issuer diversity, the maximum exposure to an issuer through the collateral received must not exceed 20% of the net assets of the respective fund.
- The management risks connected with collateral, such as operational and legal risks, must be identified, managed and restricted by the risk management process.
- The collateral received may be fully mobilised at any time without reference thereto to the counterparty or the need to obtain its agreement.

II. Types of authorised collateral

The permitted types of financial collateral are as follows:

- cash denominated in the reference currency of the respective fund,

- highly rated debt securities (rated at least BBB-/Baa3 or equivalent by one of the ratings agencies) issued by public sector issuers from an OECD country (governments, supranational bodies, etc.) and of a minimum issue size of EUR 250 million, and a maximum residual maturity of 25 years,
- highly rated debt securities (rated at least BBB-/Baa3 or equivalent by one of the ratings agencies) issued by private sector issuers from an OECD country and of a minimum issue size of EUR 250 million, and a maximum residual maturity of 10 years,
- shares listed or traded on a regulated market of a Member State of the European Union or on a stock exchange of a state which is a member of the OECD provided the shares are included in a significant index,
- shares or units in undertakings for collective investment offering adequate liquidity and investing in money market instruments, highly rated bonds or shares that meet the conditions stated above.

The Risk Management department of the Management Company may impose more strict criteria and thereby exclude certain types of instruments, certain countries, certain issuers or even certain securities.

In the event of materialisation of the counterparty risk, the fund could end up owning the financial collateral received. If the fund may dispose of such collateral at a value corresponding to the value of the loan/assets transferred, it would not bear negative financial consequences. Otherwise (if the value of assets received as collateral fell below the value of the assets loaned/transferred before they could be sold), it would incur a loss equal to the difference between the value of the assets loaned/transferred and the value of the collateral once it is liquidated.

III. Level of the financial collateral

The Management Company has put in place a policy which requires a level of financial collateral based respectively on the type of transactions as follows:

- repurchase and reverse repurchase: 100% of the value of the assets transferred,
- OTC derivatives: a system of margin calls/maintenance in cash in the currency of the fund.

IV. Discounting policy

The Management Company has put in place a discounting policy suited to each category of assets received as financial collateral. This policy can be obtained by investors free of charge from the Management Company's registered office.

V. Restrictions on reinvestment of financial collateral received

Financial collateral in cash can only be placed with entities of good quality, invested in high quality government loans, used for the purpose of repurchase transactions that can be recalled at any time and/or invested in short-term collective investment funds, in accordance with applicable diversification criteria.

Although invested in assets with a low degree of risk, investments may, nevertheless, contain some limited financial risk.

Non-cash financial collateral may not be sold or reinvested or pledged.

VI. Safekeeping of collateral

In the event of transfer of ownership, the collateral received will be held by the Depositary or a sub-custodian. Other types of agreements giving rise to collateral may be held by an external depositary subject to prudential supervision which is not connected to the supplier of the financial collateral. The collateral received may be fully mobilised at any time without reference thereto to the counterparty or the need to obtain its agreement.

VII. Financial collateral in favour of the counterparty.

Certain derivatives may initially require collateral to be lodged in favour of the counterparty (cash and/or securities).

VIII. Periodic investor information

Further information on the use of these efficient portfolio management techniques is contained in the annual and semi-annual reports.

D. Valuation

I. Reverse repurchase and repurchase agreements

Reverse repurchase and repurchase agreements are valued at cost plus interest. For contracts exceeding three months, the credit spread of the counterparty may be revalued.

II. Collateral

Collateral received is valued daily by the Management Company and/or its delegates and/or the collateral agent. This valuation follows the valuation principles defined in this prospectus, applying the discounts applicable to the instrument type.

Collateral provided is valued daily by the Management Company and/or its delegates and/or the collateral agent.

Risk profile information

Investors are invited to familiarise themselves with the specific risk factors shown hereafter, as well as in the technical fact sheets for each fund and with the "risk and return profile" section in the key investor information document.

The list of the risks described is not expected to be exhaustive. Investors are also recommended to consult their specialist financial advisors before subscribing.

List of risks:

- Equity risk:** some funds may be exposed to equity market risk through direct investment (through transferable securities and/or derivative products). These investments, which generate long or short exposure, may entail a risk of substantial losses. A variation in the equities market in the reverse direction to the positions can lead to the risk of losses and may cause the net asset value of the fund to fall.
- Interest rate risk:** change in interest rates, resulting notably from inflation, may cause a risk of losses and reduce the net asset value of the fund (particularly in the event of a rate increase if the fund has a positive rate sensitivity and in the event of a rate decline if the fund has a negative rate sensitivity). Long term bonds (and related derivatives) are more sensitive to interest rate variations.
- Commodities risk:** trends for commodities may differ significantly from those of traditional transferable securities markets (equities, bonds). Climatic and geo-political factors can also affect the supply and demand levels of the respective underlying product, in other words altering the expected scarcity of the product on the market. Commodities, however, namely energy, metals and agricultural products, could have more closely correlated trends. Unfavourable trends on these markets may cause the net asset value of a fund to fall.
- Credit risk:** risk that an issuer or a counterparty will default. This risk includes the risk of changes in credit spreads and default risk. Some funds may be exposed to the credit market and/or specific issuers in particular whose prices will change based on the expectations of the market as regards their ability to repay their debt. These funds may also be exposed the risk that a selected issuer will default, i.e. will be unable to honour its debt repayment, in the form of coupons and/or principal. Depending on whether the fund is positively or negatively positioned on the credit market and/or some issuers in particular, an upward or downward movement respectively of the credit spreads, or a default, may negatively impact the net asset value. Certain funds may use OTC derivative products. Transactions on these may cause a counterparty risk similar to a credit risk, i.e. losses incurred in connection with commitments contracted with a defaulting counterparty. A fund which invests in poor quality debt instruments is more sensitive to these problems and its value may be more volatile.
- Settlement risk:** the risk that settlement with a payment system does not take place as planned, because the payment or delivery by a counterparty does not occur or is not made in accordance with the initial conditions. This risk exists to the extent that some funds invest in

regions where financial markets are not well developed. In regions where the financial markets are well developed, this risk is low.

- F. **Liquidity** risk: liquidity risk is defined as that of a position in the fund's portfolio that cannot be sold, liquidated or closed at a limited cost and within a sufficiently short time, thus jeopardizing the fund's ability to comply at any with its obligations to redeem the shares of investors at their request. On certain markets (in particular emerging and high-yield bonds, equities with low market capitalisation, etc.), the quotation spreads may widen under less favourable market conditions, which could impact on the net asset value when assets are purchased or sold. Furthermore, in the event of a crisis on these markets, the securities could also become difficult to trade.
- G. **Foreign exchange** risk: foreign exchange risk derives from the Fund's direct investments and its investments in forward financial instruments, resulting in exposure to a currency other than its valuation currency. Changes in the exchange rate of this currency in relation to that of the fund may negatively affect the value of assets in the portfolio.
- H. **Custody risk**: the risk of loss of assets held by a depositary as a result of insolvency, negligence or fraudulent action by the Depositary or a sub-custodian. This risk is mitigated by the regulatory requirements governing custodial services.
- I. **Concentration** risk: risk related to a significant concentration of investments in a specific asset class or certain markets. This means that changes in these assets or these markets have a significant impact on the fund's portfolio value. The greater the diversification of the fund's portfolio, the lesser the risk of concentration. This risk is also greater for instance on more specific markets (certain regions, sectors or themes) than on broadly diversified markets (worldwide distribution).
- J. **Performance** risk: this risk arises from the level of exposure to other risks, the type of management (more or less active) and the presence or absence of a protection or guarantee mechanism. Volatility is one of the indicators of performance risk.
- K. Risk relating to **capital**: investors are advised that any capital they invest is not guaranteed and that they may therefore not receive back the full amount invested. They may thus suffer a loss.
- L. **Emerging countries** risk: market movements can be stronger and faster on these markets than on the developed markets, which could cause the net asset value to fall in the event of adverse movements in relation to the positions taken. Volatility may be caused by a global market risk or may be triggered by the vicissitudes of a single security. Sectoral concentration risks may also be prevalent on some emerging markets. These risks may also heighten the volatility. Emerging countries can experience serious political, legal and fiscal uncertainties or other events that could impact negatively on the funds investing in them. In addition, local custodial and sub-custodial services remain underdeveloped in non-OECD countries and emerging countries, and transactions carried out in these markets are subject to transaction risk and custody risk. In some cases, the fund may be unable to recover all or part of its assets or may be exposed to delays in delivery when recovering its assets.
- M. **Flexibility** risk: lack of flexibility due to the fund's investment portfolio and/or restrictions on the transfer to other offerors, including the risk of premature redemption. This risk may have the effect of preventing the fund at certain times from taking the desired actions. It may be greater for funds or investments subject to restrictive regulations.
- N. **Inflation** risk: inflation risk is mainly due to sudden changes in supply and demand of goods and products in the economy, increases in the cost of raw materials as well as excessive wage increases. This is the risk of being repaid in a depreciated currency, getting a rate of return below the rate of inflation. This risk concerns, for example, long-term and fixed income bonds.
- O. Risk associated with **external** factor: uncertainty about the sustainability of some external environmental factors (such as tax regime or regulatory changes) that may have an impact on the operation of the fund. The fund may be subject to a number of legal and regulatory risks, in particular contradictory, incomplete, ambiguous and unpredictable interpretations or applications of laws, restricted public access to the regulations, practices and customs, ignorance or violations of laws by counterparties or other market participants, incomplete or incorrect transaction documents, the absence of amendments established or applied consistently in order to obtain redress, inadequate protection of investors or a failure to apply existing laws. Difficulties in asserting, protecting and enforcing rights may have a significant negative effect on the fund and its transactions. In particular, tax rules may be changed regularly or interpreted differently, increasing the amount of tax payable by the investor or the fund on its assets, income, capital gains, financial transactions or fees paid or received by service providers.
- P. **Model** risk: the management process of some funds relies on establishing a model which is used to identify signals based on past statistical results. There is a risk that the model is inefficient and that the strategies used will produce a poor performance. There is no guarantee that past market situations will be reproduced in the future.
- Q. Risk arising from **derivative financial instruments**: derivatives are instruments whose value depends on (or is derived from) one or more underlying financial assets (equities, interest rates, bonds, currencies, etc.). The use of derivatives therefore involves the risk associated with the underlying instruments. They may be used for purposes of exposure or hedging against the underlying assets. Depending on the strategies employed, the use of derivatives can also entail leverage risks (amplifying downward market movements). In cases of a hedging strategy, the derivatives may, under certain market conditions, not be perfectly correlated to the assets to be hedged. For options, due to an unfavourable fluctuation in price of the underlying assets, the fund could lose all of the premiums paid. OTC derivatives also entail a counterparty risk (though this may be attenuated by the assets received as collateral) and may involve a valuation risk or a liquidity risk (difficulty to sell or close open positions).
- R. **Volatility** risk: a fund may be exposed (taking directional positions or using arbitrage strategies for example) to market volatility risk and could therefore, based on its exposure, suffer losses in the event of changes in the volatility level of these markets.
- S. **Arbitrage** risk: Arbitrage is a technique which consists in benefiting from the differences in prices recorded (or anticipated) between markets and/or sectors and/or securities and/or currencies and/or instruments. If such arbitrage transactions perform unfavourably (a rise in sell transactions and/or fall in buy transactions), the net asset value may fall.
- T. **Counterparty** risk: the fund may use OTC derivative products and/or efficient portfolio management techniques. These transactions may cause a counterparty risk i.e. losses incurred in connection with commitments contracted with a defaulting counterparty.
- U. **Delivery** risk: the fund may want to liquidate assets which at that time are subject to a transaction with a counterparty. In this case, the fund would recall these assets from the counterparty. Delivery risk is the risk that the counterparty, although contractually obliged, may not be able in operational terms to return the assets quickly enough to allow the fund to honour the sale of these instruments on the market.
- V. **Operational** risk: the operational risk is the risk of direct or indirect losses associated with a number of factors (such as human error, fraud and malice, IT system failures and external events, etc.) which may have an impact upon the fund and/or the investors. The Management Company and/or its delegates aim to reduce these risks by putting in place controls and procedures.
- W. **Legal** risk: the risk of litigation of all kinds with a counterparty or a third party. The Management Company and/or its delegates aim to reduce these risks by putting in place controls and procedures.
- X. Risk of **conflicts of interest**: selection of a counterparty based on reasons other than the sole interest of the fund and/or unequal treatment in the management of similar portfolios could be the main sources of conflicts of interest.
- Y. **Risk associated with investing in contingent convertible bonds ("CoCos")**:
CoCos – or subordinated contingent capital securities – are instruments issued by banking institutions to increase their equity capital buffers in order to comply with new banking regulations which require them to increase their capital margins.
 - **Trigger threshold risk**: these debt securities are automatically converted into shares or depreciated (loss of interest and/or capital)

when predefined trigger thresholds are reached, as, for example, in the case of non-compliance with the minimum level of capital required for the issuer.

- Capital structure inversion risk: contrary to the classic capital hierarchy, CoCos investment may be exposed to the risk of loss of capital while equity holders may not.
- Discretionary coupon cancellation: coupon payments are entirely discretionary and may be cancelled by the issuer at any point.
- Risk associated with the innovative structure of CoCos: given the lack of past experience with these instruments, it is uncertain how they will perform under certain market conditions (for example, a general problem with the asset class).
- Deferred redemption risk: while CoCos are perpetual instruments, they may, however, be redeemed on a determined date ("date of call") and at a predetermined level with the approval of the competent authority. There is, however, no guarantee that CoCos will be repaid on the scheduled date or that they will ever be repaid. Consequently, the sub-fund may never recover its investment.
- Investment are often made in these types of instruments because of their attractive return, owing to the complexity involved, which only a well-informed investor may be in a position to understand.

Synthetic risk and return indicator:

The risk and return indicator reflects the fund's positioning in terms of risk and return. This indicator is calculated in accordance with Regulation 583/2010 and is available, in its latest version, in the key investor information.

It classifies the fund on a scale from 1 to 7 and reflects the historical volatility of the fund, possibly augmented by that of its own frame of reference. Volatility indicates the extent to which the fund's value may fluctuate upwards or downwards.

The higher up the fund is on the scale, the greater the possible return but also the greater the risk of loss. Although the lowest figure does not mean that the fund involves no risk at all, compared to higher figures, in theory this product offers a return that is lower but also more predictable.

The indicator can be calculated using simulated historical performance data, which is not necessarily a reliable indicator of the risk profile and future performance of the fund, however. As a result, the degree of risk may change over time.

Information on the units and trading of units

<i>Sub-fund</i>	<i>Class</i>	<i>Type</i>	<i>Currency</i>	<i>ISIN code</i>	<i>Initial subscription price</i>	<i>Initial subscription period/date</i>	<i>Payment date of the initial subscription price</i>	<i>Minimum initial amount</i>
Euro Bonds	C	Cap	EUR	BE0943336116	250	from 01/07/2004 to 08/07/2004 (12:00 p.m.)	09/07/2004	-
Euro Bonds	C	Dis	EUR	BE0943335100	250	from 01/07/2004 to 08/07/2004 (12:00 p.m.)	09/07/2004	-
Euro Bonds	N	Cap	EUR	BE0945309442	Price of C Cap. unit on the 1st subscription day	06/10/2005	-	-
Euro Bonds	I	Cap	EUR	BE6226281457	Price of C Cap. unit on the 1st subscription day	26/10/2011	-	250,000
Euro Bonds	I	Dis	EUR	BE6226279436	Price of C Cap. unit on the 1st subscription day	26/10/2011	-	250,000
Euro Bonds	Y	Cap	EUR	BE6226278420	Price of C Cap. unit on the 1st subscription day	26/10/2011	-	-
Euro Bonds	R	Cap	EUR	BE6253583908	100	16/08/2013	-	-
Euro Bonds	R2	Cap	EUR	BE6286553803	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Euro Bonds	R2	Dis	EUR	BE6286554819	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Euro Bonds	Z	Cap	EUR	BE6286555824	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Euro Bonds	Z	Dis	EUR	BE6286556830	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Euro Corporate Bonds	C	Cap	EUR	BE0945493345	-	Transfer of assets as of 14/12/2005	-	-
Euro Corporate Bonds	C	Dis	EUR	BE0945492339				
Euro Corporate Bonds	N	Cap	EUR	BE0945494350	Price of C Cap. unit on the 1st subscription day	14/12/2005	-	-
Euro Corporate Bonds	I	Cap	EUR	BE0948755955	Price of C Cap. unit on the 1st subscription day	01/07/2009	-	250,000
Euro Corporate Bonds	I	Dis	EUR	BE6226282463	Price of C Cap. unit on the 1st subscription day	26/10/2011	-	250,000
Euro Corporate Bonds	L	Cap	EUR	BE6226283479	Price of C Cap. unit on the 1st subscription day	26/10/2011	-	-
Euro Corporate Bonds	R	Cap	EUR	BE6253584914	100	16/08/2013	-	-
Euro Corporate Bonds	R2	Cap	EUR	BE6286557846	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Euro Corporate Bonds	R2	Dis	EUR	BE6286558851	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Euro Corporate Bonds	Z	Cap	EUR	BE6286559867	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Euro Corporate Bonds	Z	Dis	EUR	BE6286560873	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Euro Short Term Bonds	C	Cap	EUR	BE0945490317	-	Transfer of assets as of 14/12/2005	-	-

Euro Short Term Bonds	C	Dis	EUR	BE0945489301				
Euro Short Term Bonds	N	Cap	EUR	BE0945491323	Price of C Cap. unit on the 1st subscription day	14/12/2005	-	-
Euro Short Term Bonds	I	Cap	EUR	BE0948754941	Price of C Cap. unit on the 1st subscription day	01/07/2009	-	250,000
Euro Short Term Bonds	R	Cap	EUR	BE6253597072	100	16/08/2013	-	-
Euro Short Term Bonds	R2	Cap	EUR	BE6286561889	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Euro Short Term Bonds	R2	Dis	EUR	BE6286562895	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Euro Short Term Bonds	Z	Cap	EUR	BE6286563901	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Euro Short Term Bonds	Z	Dis	EUR	BE6286564917	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Europe	C	Cap	EUR	BE0173540072	25	from 09/03/2000 to 31/03/2000	03/04/2000	-
Europe	C	Dis	EUR	BE0945310457	-	25/08/2005	-	-
Europe	N	Cap	EUR	BE0945311463	Price of C Cap. unit on the 1st subscription day	06/10/2005	-	-
Europe	I	Cap	EUR	BE6226284485	Price of C Cap. unit on the 1st subscription day	26/10/2011	-	250,000
Europe	I	Dis	EUR	BE6226285490	Price of C Cap. unit on the 1st subscription day	26/10/2011	-	250,000
Europe	R	Cap	EUR	BE6253598088	100	16/08/2013	-	-
Europe	R2	Cap	EUR	BE6286565922	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Europe	R2	Dis	EUR	BE6286567944	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Europe	Z	Cap	EUR	BE6286568959	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Europe	Z	Dis	EUR	BE6286569965	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
High	C	Cap	EUR	BE0169199313	-	Transfer of assets as of 01/07/2000	-	-
High	C	Dis	EUR	BE0945312479				
High	N	Cap	EUR	BE0945313485	Price of C Cap. unit on the 1st subscription day	06/10/2005	-	-
High	Y	Cap	EUR	BE6226289534	Price of C Cap. unit on the 1st subscription day	26/10/2011	-	-
Low	C	Cap	EUR	BE0159412411	-	Transfer of assets as of 01/07/2000	-	-
Low	C	Dis	EUR	BE0945314491				
Low	N	Cap	EUR	BE0945315506	Price of C Cap. unit on the 1st subscription day	06/10/2005	-	-
Low	Y	Cap	EUR	BE6226290540	Price of C Cap. unit on the 1st subscription day	26/10/2011	-	-
Medium	C	Cap	EUR	BE0159411405	-	Transfer of assets as of 01/07/2000	-	-
Medium	C	Dis	EUR	BE0945316512				
Medium	N	Cap	EUR	BE0945317528	Price of C Cap. unit on the 1st subscription day	06/10/2005	-	-
Medium	Y	Cap	EUR	BE6226291555	Price of C Cap. unit on the 1st subscription day	26/10/2011	-	-
North America	C	Cap	USD	BE0173901779	25	from 17/04/2000 to 12/05/2000	15/05/2000	-
North America	C	Dis	USD	BE0945318534	25	11/10/2005	-	-

North America	N	Cap	USD	BE0945319540	Price of C Cap. unit on the 1st subscription day	06/10/2005	-	-
North America	I	Cap	USD	BE0948753935	Price of C Cap. unit on the 1st subscription day	01/07/2009	-	250,000
North America	I	Dis	USD	BE6274046869	Price of I Cap. unit on the 1st subscription day	10/12/2014	-	250,000
North America	R	Cap	USD	BE6253606162	100	16/08/2013	-	-
North America	R	Cap	EUR	BE6260800329	150	18/02/2014	21/02/2014	-
North America	R2	Cap	USD	BE6286570971	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
North America	R2	Dis	USD	BE6286571011	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
North America	Z	Cap	USD	BE6286572027	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
North America	Z	Dis	USD	BE6286574049	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Pacific	C	Cap	JPY	BE0174191768	2,500	from 16/08/2000 to 15/09/2000	18/09/2000	-
Pacific	C	Dis	JPY	BE0945054808	Price of C Cap. unit on the 1st subscription day	07/07/2005	-	-
Pacific	N	Cap	JPY	BE0945320555	Price of C Cap. unit on the 1st subscription day	06/10/2005	-	-
Pacific	I	Cap	JPY	BE0948756961	Price of C Cap. unit on the 1st subscription day	01/07/2009	-	250,000
Pacific	R	Cap	JPY	BE6253607178	2,500	16/08/2013	-	-
Pacific	R	Cap	EUR	BE6260792245	150	18/02/2014	21/02/2014	-
Pacific	R2	Cap	JPY	BE6286575053	12,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Pacific	R2	Dis	JPY	BE6286576069	12,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Pacific	Z	Cap	JPY	BE6286577075	125,000	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
Pacific	Z	Dis	JPY	BE6286578081	125,000	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
World Bonds	C	Cap	EUR	BE0945478197	-	Transfer of assets as of 14/12/2005	-	-
World Bonds	C	Dis	EUR	BE0945477181				
World Bonds	N	Cap	EUR	BE0945479203	Price of C Cap. unit on the 1st subscription day	14/12/2005	-	-
World Bonds	I	Cap	EUR	BE0948752929	Price of C Cap. unit on the 1st subscription day	01/07/2009	-	250,000
World Bonds	R	Cap	EUR	BE6253608184	100	16/08/2013	-	-
World Bonds	R2	Cap	EUR	BE6286583131	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
World Bonds	R2	Dis	EUR	BE6286584147	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
World Bonds	Z	Cap	EUR	BE6286585151	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
World Bonds	Z	Dis	EUR	BE6286586167	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
World	C	Cap	EUR	BE0946893766	-	Transfer of assets as of 01/07/2000	-	-
World	C	Dis	EUR	BE0946892750				
World	N	Cap	EUR	BE0946894772	Price of C Cap. unit on the 1st subscription day	06/10/2005	-	-
World	I	Cap	EUR	BE6226272365	Price of C Cap. unit on the 1st subscription day	26/10/2011	-	250,000
World	I	Dis	EUR	BE6226276408	Price of C Cap. unit on the 1st subscription day	26/10/2011	-	250,000
World	R2	Cap	EUR	BE6286579097	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
World	R2	Dis	EUR	BE6286580103	150	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
World	Z	Cap	EUR	BE6286581119	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-

World	Z	Dis	EUR	BE6286582125	1,500	01/09/2016 (before 12:00 p.m.)	06/09/2016	-
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Form of the units

The units are registered or paperless, except units of the LOCK class which can only be issued in paperless form.

Calculation of the net asset value, arrangements for subscription of units, redemption of units and conversion between types of units

For sub-funds Euro Bonds, Euro Corporate Bonds Euro Short Term Bonds, Europe, North America, Pacific, World Bonds World:

D	=	Cut-off date for receiving orders (each bank business date in Belgium at noon) and date of the published net asset value. The cut-off time for receiving orders specified above only applies to the institutions providing the financial services and the distributors listed in the prospectus. For all other distributors, investors are asked to enquire about the cut-off time for receiving orders set by these distributors.
D + 1	=	Date on which the net asset value is calculated (NAV date = D)
D + 3	=	Date on which applications are paid or redeemed

For the high, medium and low sub-funds:

D (4 p.m.)	=	<ul style="list-style-type: none"> - Cut-off date for receiving orders, or: <ul style="list-style-type: none"> • each bank business day in Belgium at 4 p.m. • provided that D + 1 is also a bank business day in Luxembourg. Otherwise the first day thereafter which meets the conditions. - Date of published net asset value (NAV). <p>The cut-off time for receiving orders specified here only applies to the institution providing the financial service and the distributors listed in the prospectus. For all other distributors, investors are asked to enquire about the cut-off time for receiving orders set by these distributors.</p>
D + 1	=	Acquisition date of the underlying UCIs
D + 2	=	Date of calculation of the net asset value of the underlying UCIs (NAV dated D + 1).
D + 3	=	Date of calculation of the net asset value (NAV date = D) based on the price of the underlying UCIs (NAV dated D + 1, calculated on D + 2)
D + 4	=	Date on which applications are paid or redeemed

Unit redemption arrangements in case of automatic triggering of a sales order in the LOCK class

D	=	Date of the net asset value that triggers an automatic sales order (each bank business day in Belgium)
D + 1	=	Date of calculation of the net asset value that triggers an automatic sales order (NAV date = D)
D + 2	=	Cut-off date for receiving automatic sales orders (each bank business day in Belgium at noon) and date of the automatic sales order
D + 3	=	Date of calculation of the net asset value applying to the automatic sales order (NAV date = D + 2)
D + 5	=	Unit redemption date

Publication of the net asset value:

The net asset value is published on the BeAMA website (www.beama.be/vni) and is also available at the offices of the institution providing the financial service.

Commissions and fees

Recurring fees and charges payable by the fund (in EUR or as a percentage of the net asset value):

- Investment portfolio management fee
- Performance fee
- Administrative fee
- Costs linked to the Lock mechanism
- Sales fee
- Financial service fee
- Depositary fee
- Annual tax
- Auditors' fee (VAT excluded)
- Fees for the individuals responsible for actual management
- Other costs (estimate) including the fees payable to the auditors, directors and individuals responsible for effective management

Sub-fund	Class	A (i)	B	C (i)	D (i)	E (i)	F	G (i)	H (ii)	I (iii)	D	K (iii)
Euro Bonds	C	Max. 0.60%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%	3,500	-	0.10%
Euro Bonds	N	Max. 1.00%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
Euro Bonds	I	Max. 0.20%	-	Max. 0.07%	-	-	-	Max. 0.02%	0.01%		-	0.10%
Euro Bonds	Y	Max. 0.35%	-	Max. 0.13%	-	Max. 0.81%	-	Max. 0.06%	0.0925%		-	0.10%
Euro Bonds	R	Max. 0.40%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
Euro Bonds	R2	Max. 0.15%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
Euro Bonds	Z	-	-	Max. 0.07%	-	-	-	Max. 0.02%	0.01%		-	0.10%
Euro Corporate Bonds	C	Max. 0.60%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%	3,500	-	0.10%
Euro Corporate Bonds	I	Max. 0.30%	-	Max. 0.07%	-	-	-	Max. 0.02%	0.01%		-	0.10%
Euro Corporate Bonds	N	Max. 1.00%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
Euro Corporate Bonds	L	Max. 0.60%	-	Max. 0.13%	Max. 0.05%	-	-	Max. 0.06%	0.0925%		-	0.10%
Euro Corporate Bonds	R	Max. 0.40%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%		-	0.10%

Euro Corporate Bonds	R2	Max. 0.15%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%			0.10%
Euro Corporate Bonds	Z	-	-	Max. 0.07%	-	-	-	Max. 0.02%	0.01%			0.10%
Euro Short Term Bonds	C	Max. 0.40%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%	3,500	-	0.10%
Euro Short Term Bonds	I	Max. 0.20%	-	Max. 0.07%	-	-	-	Max. 0.02%	0.01%		-	0.10%
Euro Short Term Bonds	N	Max. 0.80%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
Euro Short Term Bonds	R	Max. 0.30%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
Euro Short Term Bonds	R2	Max. 0.10%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%			0.10%
Euro Short Term Bonds	Z	-	-	Max. 0.07%	-	-	-	Max. 0.02%	0.01%			0.10%
Europe	C	Max. 1.50%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%	3,500	-	0.10%
Europe	N	Max. 2.00%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
Europe	I	Max. 0.55%	-	Max. 0.11%	-	-	-	Max. 0.03%	0.01%		-	0.10%
Europe	R	Max. 0.90%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
Europe	R2	Max. 0.38%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%			0.10%
Europe	Z	-	-	Max. 0.11%	-	-	-	Max. 0.03%	0.01%			0.10%
High	C	-	-	Max. 0.27%	-	Max. 0.90%	-	Max. 0.03%	0.0925%	3,500	-	0.10%
High	N	-	-	Max. 0.85%	-	Max. 1.25%	-	Max. 0.03%	0.0925%		-	0.10%
High	Y	-	-	Max. 0.43%	-	Max. 0.99%	-	Max. 0.03%	0.0925%		-	0.10%
Low	C	-	-	Max. 0.21%	-	Max. 0.70%	-	Max. 0.03%	0.0925%	3,500	-	0.10%
Low	N	-	-	Max. 0.65%	-	Max. 1.05%	-	Max. 0.03%	0.0925%		-	0.10%
Low	Y	-	-	Max. 0.33%	-	Max. 0.85%	-	Max. 0.03%	0.0925%		-	0.10%
Medium	C	-	-	Max. 0.25%	-	Max. 0.80%	-	Max. 0.03%	0.0925%	3,500	-	0.10%
Medium	N	-	-	Max. 0.75%	-	Max. 1.15%	-	Max. 0.03%	0.0925%		-	0.10%
Medium	Y	-	-	Max. 0.38%	-	Max. 0.90%	-	Max. 0.03%	0.0925%		-	0.10%
North America	C	Max. 1.50%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%	3,500	-	0.10%
North America	I	Max. 0.55%	-	Max. 0.11%	-	-	-	Max. 0.03%	0.01%		-	0.10%
North America	N	Max. 2.00%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
North America	R	Max. 0.90%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
North America	R2	Max. 0.38%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%			0.10%
North America	Z	-	-	Max. 0.11%	-	-	-	Max. 0.03%	0.01%			0.10%
Pacific	C	Max. 1.50%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%	3,500	-	0.10%
Pacific	I	Max. 0.55%	-	Max. 0.11%	-	-	-	Max. 0.03%	0.01%		-	0.10%
Pacific	N	Max. 2.00%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
Pacific	R	Max. 0.90%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
Pacific	R2	Max. 0.38%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%			0.10%
Pacific	Z	-	-	Max. 0.11%	-	-	-	Max. 0.03%	0.01%			0.10%
World Bonds	C	Max. 0.60%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%	3,500	-	0.10%
World Bonds	I	Max. 0.20%	-	Max. 0.07%	-	-	-	Max. 0.02%	0.01%		-	0.10%
World Bonds	N	Max. 1.00%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
World Bonds	R	Max. 0.40%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
World Bonds	R2	Max. 0.15%	-	Max. 0.13%	-	-	-	Max. 0.06%	0.0925%			0.10%
World Bonds	Z	-	-	Max. 0.07%	-	-	-	Max. 0.02%	0.01%			0.10%
World	C	Max. 1.50%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%	3,500	-	0.10%
World	N	Max. 2.00%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%		-	0.10%
World	I	Max. 0.55%	-	Max. 0.11%	-	-	-	Max. 0.03%	0.01%		-	0.10%
World	R2	Max. 0.38%	-	Max. 0.15%	-	-	-	Max. 0.06%	0.0925%			0.10%
World	Z	-	-	Max. 0.11%	-	-	-	Max. 0.03%	0.01%			0.10%

- (i) Per annum of the average net assets, calculated and payable monthly.
(ii) Of the net amounts invested in Belgium as at 31 December of the previous year. The amounts that have already been included in the tax base of the underlying funds (where applicable) are not included in the taxable fund.
(iii) Per annum

The underlying funds bear, where applicable, their own fees and charges.

Recurring fees and charges payable by the fund (in EUR or as a percentage of the net asset value):

Directors' fee: Directors are not paid for their services except for the independent director who is paid EUR 3,000 per annum.

Non-recurring fees and charges payable by the investor (in EUR or as a percentage of the net asset value per unit):

- A. Marketing fee
A-1: on entry
A-2: on exit
A-3: on conversion
B. Administrative expenses
B-1: on entry
B-2: on exit
B-3: on conversion

- C. Amount to cover the cost of acquiring assets
- D. Amount to cover the cost of realising assets
- E. Amount to discourage exits during the month following entry

Sub-fund	Class	A			B			C	D	E
		A-1	A-2	A- 3 (i)	B-1	B-2	B-3 (i)			
Euro Bonds	C, R, R2	Max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-
Euro Bonds	N, I, Y, Z	0%	-	(ii)	-	-	(ii)	-	-	-
Euro Corporate Bonds	C, L, R, R2	Max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-
Euro Corporate Bonds	N, I, Z	0%	-	(ii)	-	-	(ii)	-	-	-
Euro Short Term Bonds	C, R, R2	Max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-
Euro Short Term Bonds	N, I, Z	0%	-	(ii)	-	-	(ii)	-	-	-
Europe	C, R, R2	Max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-
Europe	N, I, Z	0%	-	(ii)	-	-	(ii)	-	-	-
High	C	Max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-
High	N, Y	0%	-	(ii)	-	-	(ii)	-	-	-
Low	C	Max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-
Low	N, Y	0%	-	(ii)	-	-	(ii)	-	-	-
Medium	C	Max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-
Medium	N, Y	0%	-	(ii)	-	-	(ii)	-	-	-
North America	C, R, R2	Max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-
North America	N, I, Z	0%	-	(ii)	-	-	(ii)	-	-	-
Pacific	C, R, R2	Max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-
Pacific	N, I, Z	0%	-	(ii)	-	-	(ii)	-	-	-
World Bonds	C, R, R2	Max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-
World Bonds	N, I, Z	0%	-	(ii)	-	-	(ii)	-	-	-
World	C, R2	Max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-
World	N, I, Z	0%	-	(ii)	-	-	(ii)	-	-	-

- (i) Change of sub-fund/share class/type of units. Except for taxes, no costs will be charged for conversions from a Lock class to a C class.
- (ii) In case of conversion from one sub-fund to another sub-fund of the same fund, conversion fees (such as a marketing fee) may be charged. Furthermore, as part of the conversion process, the institutions providing the financial service will be entitled to deduct an amount for each transaction to cover these administrative expenses. The institutions providing the financial service will provide unitholders with their schedule of fees.
- (iii) This rate corresponds to the highest rate applied by all Belgian and European distributors. The institutions providing the financial service will provide shareholders with their schedule of fees.

When marketing units in Italy, Italian paying agents may charge investors fees for the services they offer in Italy.

Tax on Stock Market Transactions sustained by the investor:

1.32% (max. EUR 4,000) in case of sale or conversion of capitalisation shares (Cap. => Cap./Dis.).

Candriam Sustainable Euro Bonds

Date of creation: 24/06/2004

Term: Unlimited term

Objectives of the sub-fund:

The objective of the sub-fund is to enable shareholders to benefit from trends in euro-denominated bonds by investing in stocks whose issuers are selected by the asset manager on the basis of their expected return and according to socially responsible or sustainable criteria.

Sub-fund's investment policy:

Authorised asset classes:

The assets of this sub-fund will be primarily invested in debt instruments (including bonds, notes, tickets and other similar negotiable instruments) denominated in euros, which may specifically be at fixed or variable rates, indexed, subordinate to or guaranteed by assets, issued or guaranteed by Governments, international and supranational organisations, collective investment undertakings in public law and private or semi-public issuers. These issuers will be highly rated (rated at least BBB-/Baa3 by one of the ratings agencies) at the time of purchase.

The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of incorporation appended to this document. Therefore these assets could be invested in shares or debt instruments other than those described above; in other shares and participation rights (maximum 10%) and/or in cash and cash equivalents.

Any investments in units of undertakings for collective investment must represent no more than 10% of the sub-fund's assets.

Investments made in transferable securities denominated in a currency other than the euro will be hedged adequately against exchange risks.

Specific strategy:

The assets of this sub-fund will be invested primarily in fixed or variable-interest securities or in equivalent securities denominated in euros.

Securities are selected on the basis of economic/financial analyses as well as social, environmental and ethical considerations.

Authorised transactions involving financial derivatives:

The sub-fund may also, provided the legal rules in force are observed, use derivative products such as options, futures, interest rate swaps (fixed and variable rates, inflation etc.), credit and currency swaps and forward exchange transactions **for both investment and hedging purposes. Investors should be aware that these types of derivative products are more volatile than the underlying products.**

- Although the composition of the portfolio must observe the general rules and restrictions imposed by the law or the articles of incorporation, the fact remains that a concentration of risks may occur in asset classes and/or in economic sectors or geographical areas that are more restricted.

Characteristics of bonds and debt securities:

In principle, the issuers of fixed or variable-income securities will have a good rating (investment grade: at least BBB- and/or Baa3). Investments will be made primarily in securities issued by governments, the public sector, the private sector and/or supranational institutions.

The asset manager may change the overall duration of the fund within a range of 2 to 10 years according to the manager's expectations regarding interest rate trends.

Description of the general exchange risk hedging strategy:

Investments denominated in a currency other than the euro will be hedged adequately against exchange risks.

Social, ethical and environmental aspects:

The strategy factors in environmental, social and governance criteria using a form of analysis developed by the Management Company. This consists of selecting companies:

- which have the best positioning to meet the sustainable development challenges specific to their sector using the best-in-class approach,

- and which conform to the principles of the United Nations Global Compact (human rights, labour rights, environment and anti-corruption), and
- which exclude controversial activities (weapons (the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons), tobacco, pornography, etc.),

and also countries:

- which manage their human, natural and social capital as well as possible (best-in-class approach), and
- which comply with the principal international treaties and conventions (International Labour Organisation, etc.).

For more information, please see the Management Company's website and/or the annual report.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be high volatility in its price.**

- The sub-fund may invest no more than 10% of its assets in UCITS or other open-ended UCIs. The sub-fund may invest in the units of another securities fund or of another fund managed directly or indirectly by the Management Company or by a company with which the Management Company is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fee for target funds nor any management fee may be deducted from the assets of the SICAV on account of such investments.

Specific risks:

The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

List of risks:	Level
Risk relating to capital	3
Interest rate risk	3
Credit risk	3
Inflation risk	3
Performance risk	3
Liquidity risk	2
Risk arising from derivative products	2
Counterparty risk	2
Investment in CoCos risk	1
Emerging countries risk	1
Risk related to external factors	1
Settlement risk	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:

This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risk in bond markets, who understands the type of risk entailed in the sub-fund and who accepts this on the basis of their investor profile.

Investment holding period:

The fund may not be suitable for investors intending to withdraw their investment within two years.

Candriam Sustainable Euro Corporate Bonds

Date of creation: 11/10/2005

Term: Unlimited term

Objectives of the sub-fund:

The objective of the sub-fund is to enable shareholders to benefit from trends in corporate bonds by investing in the stocks whose issuers are selected by the manager on the basis of their expected return and according to socially responsible or sustainable criteria.

Sub-fund's investment policy:

- **Authorised asset classes:**
The assets of this sub-fund will be invested primarily in fixed or variable-interest securities or in equivalent securities.

The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of incorporations attached to this document, in particular money market instruments, deposits and/or cash. Any investments in units of undertakings for collective investment must represent no more than 10% of the sub-fund's assets.

- **Specific strategy:**
The assets of this sub-fund will be invested primarily in fixed or variable-interest securities or in equivalent securities, issued essentially by the private sector. Any assets denominated in currencies other than the euro will be adequately covered by means of the usual market techniques, such as forward exchange transactions. Securities are selected on the basis of economic/financial analyses as well as social, environmental and ethical considerations.

- **Authorised transactions involving financial derivatives:**
The sub-fund may also, provided the legal rules in force are observed, use derivative products such as options, futures, interest rate swaps (fixed and variable rates, inflation etc.), credit and currency swaps and forward exchange transactions for both investment and hedging purposes. Investors should be aware that these types of derivative products are more volatile than the underlying products.

- Although the composition of the portfolio must observe the general rules and restrictions imposed by the law or the articles of incorporation, the fact remains that a concentration of risks may occur in asset classes and/or in geographical areas that are more restricted.

- **Characteristics of bonds and debt securities:**
In principle, the issuers of fixed or variable-income securities will have a good rating (investment grade: at least BBB- and/or Baa3). Investments will primarily be made in securities issued by the private sector. The asset manager may change the overall duration of the fund within a range of 2 to 10 years according to the manager's expectations regarding interest rate trends.

- **Description of the general exchange risk hedging strategy:**
Any assets in currencies other than the euro will be adequately covered by means of the usual market techniques, such as forward exchange transactions.

- **Social, ethical and environmental aspects:**
The strategy factors in environmental, social and governance criteria using a form of analysis developed by the Management Company. This consists of selecting companies:
 - which have the best positioning to meet the sustainable development challenges specific to their sector using the best-in-class approach,
 - and which conform to the principles of the United Nations Global Compact (human rights, labour rights, environment and anti-corruption), and
 - which exclude controversial activities (weapons (the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons), tobacco, pornography, etc.)

This analysis is accompanied by active shareholder involvement (voting at meetings, etc.) For more information, please see the Management Company's website and/or the annual report.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be high volatility in its price.**
- The sub-fund may invest no more than 10% of its assets in UCITS or other open-ended UCIs. The sub-fund may invest in the units of another securities fund or of another fund managed directly or indirectly by the Management Company or by a company with which the Management Company is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fee for target funds nor any management fee may be deducted from the assets of the SICAV on account of such investments.

Specific risks:

The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

List of risks:	Level
Risk relating to capital	3
Interest rate risk	3
Credit risk	3
Inflation risk	3
Performance risk	3
Liquidity risk	2
Risk arising from derivative products	2
Counterparty risk	2
Concentration risk	1
Investment in CoCos risk	1
Emerging countries risk	1
Risk related to external factors	1
Settlement risk	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:

This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risk in bond markets, who understands the type of risk entailed in the sub-fund and who accepts this on the basis of their investor profile.

Investment holding period:

The fund may not be suitable for investors intending to withdraw their investment within three years.

Candriam Sustainable Euro Short Term Bonds

Date of creation: 11/10/2005

Term: Unlimited term

Objectives of the sub-fund:

The objective of the sub-fund is to enable shareholders to benefit from trends in euro-denominated bonds, in particular from the short-term-maturity segment, by investing in stocks whose issuers are selected by the asset manager on the basis of their expected return and according to socially responsible or sustainable criteria.

Sub-fund's investment policy:

- **Authorised asset classes:**
The assets of this sub-fund will be invested primarily in fixed or variable-interest securities or in equivalent securities.
The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of incorporations attached to this document, in particular money market instruments, deposits and/or cash. Any investments in units of undertakings for collective investment must represent no more than 10% of the sub-fund's assets.
- **Specific strategy:**
The assets of this sub-fund will be invested primarily in fixed or variable-income securities or in equivalent securities denominated in EUR. The investment policy will focus on a relatively short average term. Any assets denominated in currencies other than the euro will be adequately covered by means of the usual market techniques, such as forward exchange transactions.
Securities are selected on the basis of economic/financial analyses as well as social, environmental and ethical considerations.
- **Authorised transactions involving financial derivatives:**
The sub-fund may also, provided the legal rules in force are observed, use derivative products such as options, futures, interest rate swaps (fixed and variable rates, inflation etc.), credit and currency swaps and forward exchange transactions for both investment and hedging purposes. **Investors should be aware that these types of derivative products are more volatile than the underlying products.**
- Although the composition of the portfolio must observe the general rules and restrictions imposed by the law or the articles of incorporation, the fact remains that a concentration of risks may occur in asset classes and/or in geographical areas that are more restricted.
- **Characteristics of bonds and debt securities:**
In principle, the issuers of fixed or variable-income securities will have a good rating (investment grade: at least BBB- and/or Baa3). Investments will be made primarily in securities issued by governments, the public sector, the private sector and/or supranational institutions.
The asset manager may change the overall duration of the fund within a range of 0 to 6 years according to the manager's expectations regarding interest rate trends.
- **Description of the general exchange risk hedging strategy:**
Any assets in currencies other than the euro will be adequately covered by means of the usual market techniques, such as forward exchange transactions.
- **Social, ethical and environmental aspects:**
The strategy factors in environmental, social and governance criteria using a form of analysis developed by the Management Company. This consists of selecting companies:
 - which have the best positioning to meet the sustainable development challenges specific to their sector using the best-in-class approach,
 - and which conform to the principles of the United Nations Global Compact (human rights, labour rights, environment and anti-corruption), and

- which exclude controversial activities (weapons (the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons), tobacco, pornography, etc.),
- and also countries:
- which manage their human, natural and social capital as well as possible (best-in-class approach), and
 - which comply with the principal international treaties and conventions (International Labour Organisation, etc.).

For more information, please see the Management Company's website and/or the annual report.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be high volatility in its price.**
- **The sub-fund has obtained dispensation authorising it to invest up to 100% of its assets in various transferable securities issued or guaranteed by a member state of the European Economic Area, by its local authorities, by a non-member state of the European Economic Area or by public international bodies to which one or more member states of the European Economic Area belong. If necessary, in view of expected trends on the financial markets, the sub-fund may be prompted to make use of this dispensation.**
- The sub-fund may invest no more than 10% of its assets in UCITS or other open-ended UCIs. The sub-fund may invest in the units of another securities fund or of another fund managed directly or indirectly by the Management Company or by a company with which the Management Company is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fee for target funds nor any management fee may be deducted from the assets of the SICAV on account of such investments.

Specific risks:

The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

List of risks:	Level
Risk relating to capital	3
Credit risk	3
Interest rate risk	2
Liquidity risk	2
Risk arising from derivative products	2
Inflation risk	2
Performance risk	2
Counterparty risk	2
Concentration risk	1
Emerging countries risk	1
Risk related to external factors	1
Settlement risk	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:

This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risk in bond markets, who understands the type of risk entailed in the sub-fund and who accepts this on the basis of their investor profile.

Investment holding period:

The fund may not be suitable for investors intending to withdraw their investment within two years.

Candriam Sustainable Europe

Date of creation: 02/03/2000

Term: Unlimited term

Objectives of the sub-fund:

The aim of the sub-fund is to enable shareholders to benefit from European equity market trends by investing in the stocks of companies selected by the manager on the basis of their expected return and according to socially responsible or sustainable criteria.

Sub-fund's investment policy:

Authorised asset classes:

The assets of this sub-fund will be invested primarily in shares and/or transferable securities equivalent to shares such as, for example, investment certificates and warrants.

The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of incorporation appended to this document. Thus, on an ancillary basis, the sub-fund's assets may also be invested in money market instruments, deposits and/or cash. Any investments in units of undertakings for collective investment must represent no more than 10% of the sub-fund's assets.

Specific strategy:

The assets of this sub-fund will be invested primarily in shares and/or transferable securities equivalent to shares issued by companies whose registered office is situated or whose primary economic activity is carried out in Europe. Here Europe refers to the Member States of the European Union and Norway.

The assets of this sub-fund will be invested on an ancillary basis in shares and/or transferable securities equivalent to shares issued by companies whose registered office is situated or whose primary economic activity is carried out in Switzerland.

Securities are selected on the basis of economic/financial analyses as well as social, environmental and ethical considerations.

Authorised transactions involving financial derivatives:

Provided that the legal rules in force are observed, the sub-fund may also use derivative products such as options, futures and foreign exchange transactions **both for investment and hedging purposes. Investors should be aware that these types of derivative products are more volatile than the underlying instruments.**

- Although the composition of the portfolio must observe the general rules and restrictions imposed by the law or the articles of incorporation, the fact remains that a concentration of risks may occur in asset classes and/or in geographical areas that are more restricted.

Description of the general exchange risk hedging strategy:

The sub-fund does not intend to systematically hedge against exchange risk exposure.

Social, ethical and environmental aspects:

The strategy factors in environmental, social and governance criteria using a form of analysis developed by the Management Company. This consists of selecting companies:

- which have the best positioning to meet the sustainable development challenges specific to their sector using the best-in-class approach,
- and which conform to the principles of the United Nations Global Compact (human rights, labour rights, environment and anti-corruption), and
- which exclude controversial activities (weapons (the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons), tobacco, pornography, etc.)

This analysis is accompanied by active shareholder involvement (voting at meetings, etc.) For more information, please see the Management Company's website and/or the annual report.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be high volatility in its price.**
- The sub-fund may invest no more than 10% of its assets in UCITS or other open-ended UCIs. The sub-fund may invest in the units of another securities fund or of another fund managed directly or indirectly by the Management Company or by a company with which the Management Company is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fee for target funds nor any management fee may be deducted from the assets of the SICAV on account of such investments.

Specific risks:

The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

List of risks:	Level
Risk relating to capital	3
Equity risk	3
Foreign exchange risk	3
Performance risk	3
Liquidity risk	1
Risk arising from derivative products	1
Risk related to external factors	1
Settlement risk	1
Counterparty risk	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:

This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risk in equity markets, that understands the type of risk entailed in the sub-fund and that accepts this on the basis of its investor profile.

Investment holding period:

The fund may not be suitable for investors intending to withdraw their investment within six years.

Candriam Sustainable High

Date of creation: 20/03/2000

Term: Unlimited term

Objectives of the sub-fund:

The objective of the sub-fund is to enable shareholders to benefit from trends on the financial markets 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.

Sub-fund's investment policy:

Authorised asset classes:

The assets of this sub-fund will be invested principally in units in UCIs of the open-ended type.

The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of incorporation appended to this document. Thus, for example, on an ancillary basis, the assets may be invested in equities, bonds, money market instruments, deposits and/or cash.

Specific strategy:

The sub-fund will invest principally in units in Belgian or foreign UCIs, which themselves invest essentially in:

- bonds and/or equivalent securities, such as investment grade bonds, high-yield bonds, inflation indexed bonds, etc.,
- equities and/or securities equivalent to equities,
- and/or cash and money market instruments.

The sub-fund focuses on investments in equity UCIs. However, they could be a minority proportion or be very low (potentially representing very much a minority share of the assets) according to the manager's expectations of the trend 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 follow specific strategies (such as, for instance, commodities or other opportunities). Nevertheless, these investments will always be a minority. Both the UCIs held and their constituent financial instruments may be denominated in any currency and may or may not be hedged against foreign exchange risk, depending on the asset manager's expectations in terms of market trends. The financial instruments of these UCIs may be issued by issuers in different regions of the world, including the emerging countries.

Securities are selected on the basis of economic/financial analyses as well as social, environmental and ethical considerations.

Authorised transactions involving financial derivatives:

The sub-fund may also, provided the legal rules in force are observed, use derivative products such as options, futures, interest rate swaps (fixed and variable rates, inflation etc.), credit and currency swaps and forward exchange transactions **for both investment and hedging purposes. Investors should be aware that these types of derivative products are more volatile than the underlying products.**

- Although the composition of the portfolio must observe the general rules and restrictions imposed by the law or the articles of incorporation, the fact remains that a concentration of risks may occur in geographical areas that are more restricted.

Characteristics of bonds and debt securities:

The fixed or variable income securities of the UCIs in position will be issued principally by reputedly good quality issuers (investment grade: minimum BBB- and/or Baa3 at purchase) principally those of governments, supranational institutions, the public sector and/or the private sector. The sub-fund may, however, hold UCIs investing in speculative bonds (rated below BBB- and/or Baa3 on purchase) on an ancillary basis.

The manager may change the overall duration of the sub-fund within a range of 0 to 10 years according to the manager's expectations regarding interest rate trends.

Description of the general exchange risk hedging strategy:

The sub-fund does not intend to systematically hedge against exchange risk exposure.

Social, ethical and environmental aspects:

The strategy factors in environmental, social and governance criteria using a form of analysis developed by the Management Company. This consists of selecting companies:

- which have the best positioning to meet the sustainable development challenges specific to their sector using the best-in-class approach,
- and which conform to the principles of the United Nations Global Compact (human rights, labour rights, environment and anti-corruption), and
- which exclude controversial activities (weapons (the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons), tobacco, pornography, etc.),

and also countries:

- which manage their human, natural and social capital as well as possible (best-in-class approach), and
- which comply with the principal international treaties and conventions (International Labour Organisation, etc.).

For more information, please see the Management Company's website and/or the annual report.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be high volatility in its price.**

Specific risks:

The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

List of risks:	Level
Risk relating to capital	3
Equity risk	3
Interest rate risk	3
Credit risk	3
Foreign exchange risk	3
Risk arising from derivative products	3
Emerging countries risk	3
Performance risk	3
Inflation risk	2
Counterparty risk	2
Commodities risk	1
Liquidity risk	1
Volatility risk	1
Risk related to external factors	1
Settlement risk	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:

This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risk in equity and bond markets, who understands the type of risk entailed in the sub-fund and who accepts this on the basis of their investor profile.

Investment holding period:

The fund may not be suitable for investors intending to withdraw their investment within five years.

Candriam Sustainable

Low

Date of incorporation: 20/03/2000

Term: Unlimited term

Objectives of the sub-fund:

The objective of the sub-fund is to enable shareholders to benefit from trends on the financial markets 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.

Sub-fund's investment policy:

■ Authorised asset classes:

The assets of this sub-fund will be invested principally in units in UCIs of the open-ended type.

The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of incorporation appended to this document. Thus, for example, on an ancillary basis, the assets may be invested in equities, bonds, money market instruments, deposits and/or cash.

■ Specific strategy:

The sub-fund will invest principally in units in Belgian or foreign UCIs, which themselves invest essentially in:

- bonds and/or equivalent securities, such as investment grade bonds, inflation indexed bonds, etc.,
- equities and/or securities equivalent to equities,
- and/or cash and money market instruments.

The quota of assets invested in equity UCIs is always a minority and it could be very low, according to the asset manager's expectations of the trend 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 follow specific strategies (such as, for instance, commodities or other opportunities). Nevertheless, these investments will always be a minority. Both the UCIs held and their constituent financial instruments may be denominated in any currency and may or may not be hedged against foreign exchange risk, depending on the asset manager's expectations in terms of market trends. The financial instruments of these UCIs may be issued by issuers in different regions of the world, including the emerging countries.

Securities are selected on the basis of economic/financial analyses as well as social, environmental and ethical considerations.

■ Authorised transactions involving financial derivatives:

The sub-fund may also, provided the legal rules in force are observed, use derivative products such as options, futures, interest rate swaps (fixed and variable rates, inflation etc.), credit and currency swaps and forward exchange transactions **for both investment and hedging purposes. Investors should be aware that these types of derivative products are more volatile than the underlying products.**

- Although the composition of the portfolio must observe the general rules and restrictions imposed by the law or the articles of incorporation, the fact remains that a concentration of risks may occur in geographical areas that are more restricted.

■ Characteristics of bonds and debt securities:

The fixed or variable income securities of the UCIs in position will be issued principally by reputedly good quality issuers (investment grade: minimum BBB- and/or Baa3 at purchase) principally those of governments, supranational institutions, the public sector and/or the private sector. The sub-fund may, however, hold UCIs investing in speculative bonds (rated below BBB- and/or Baa3 on purchase) on an ancillary basis.

The manager may change the overall duration of the sub-fund within a range of 0 to 10 years according to the manager's expectations regarding interest rate trends.

■ Description of the general exchange risk hedging strategy:

The sub-fund does not intend to systematically hedge against exchange risk exposure.

■ Social, ethical and environmental aspects:

The strategy factors in environmental, social and governance criteria using a form of analysis developed by the Management Company. This consists of selecting companies:

- which have the best positioning to meet the sustainable development challenges specific to their sector using the best-in-class approach,
- and which conform to the principles of the United Nations Global Compact (human rights, labour rights, environment and anti-corruption), and
- which exclude controversial activities (weapons (the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons), tobacco, pornography, etc.),

and also countries:

- which manage their human, natural and social capital as well as possible (best-in-class approach), and
- which comply with the principal international treaties and conventions (International Labour Organisation, etc.).

For more information, please see the Management Company's website and/or the annual report.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be high volatility in its price.**

Specific risks:

The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

<i>List of risks:</i>	<i>Level</i>
Risk relating to capital	3
Equity risk	3
Interest rate risk	3
Credit risk	3
Foreign exchange risk	3
Risk arising from derivative products	3
Emerging countries risk	3
Performance risk	3
Inflation risk	2
Counterparty risk	2
Commodities risk	1
Liquidity risk	1
Volatility risk	1
Risk related to external factors	1
Settlement risk	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:

This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risk in equity and bond markets, who understands the type of risk entailed in the sub-fund and who accepts this on the basis of their investor profile.

Investment holding period:

The fund may not be suitable for investors intending to withdraw their investment within three years.

Candriam Sustainable

Medium

Date of incorporation: 20/03/2000

Term: Unlimited term

Objectives of the sub-fund:

The objective of the sub-fund is to enable shareholders to benefit from trends on the financial markets 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 UCI and investments in equity UCI.

Sub-fund's investment policy:

■ Authorised asset classes:

The assets of this sub-fund will be invested principally in units in UCIs of the open-ended type.

The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of incorporation appended to this document. Thus, for example, on an ancillary basis, the assets may be invested in equities, bonds, money market instruments, deposits and/or cash.

■ Specific strategy:

The sub-fund will invest principally in units in Belgian or foreign UCIs, which themselves invest essentially in:

- bonds and/or equivalent securities, such as investment grade bonds, inflation indexed bonds, etc.,
- equities and/or securities equivalent to equities,
- and/or cash and money market instruments.

The quota of assets invested in equity UCIs may be the majority, or the minority and it could be very low, according to the manager's expectations of the trend 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 follow specific strategies (such as, for instance, commodities or other opportunities). Nevertheless, these investments will always be a minority. Both the UCIs held and their constituent financial instruments may be denominated in any currency and may or may not be hedged against foreign exchange risk, depending on the asset manager's expectations in terms of market trends. The financial instruments of these UCIs may be issued by issuers in different regions of the world, including the emerging countries.

Securities are selected on the basis of economic/financial analyses as well as social, environmental and ethical considerations.

■ Authorised transactions involving financial derivatives:

The sub-fund may also, provided the legal rules in force are observed, use derivative products such as options, futures, interest rate swaps (fixed and variable rates, inflation etc.), credit and currency swaps and forward exchange transactions **for both investment and hedging purposes. Investors should be aware that these types of derivative products are more volatile than the underlying products.**

- Although the composition of the portfolio must observe the general rules and restrictions imposed by the law or the articles of incorporation, the fact remains that a concentration of risks may occur in geographical areas that are more restricted.

■ Characteristics of bonds and debt securities:

The fixed or variable income securities of the UCIs in position will be issued principally by reputedly good quality issuers (investment grade: minimum BBB- and/or Baa3 at purchase) principally those of governments, supranational institutions, the public sector and/or the private sector. The sub-fund may, however, hold UCIs investing in speculative bonds (rated below BBB- and/or Baa3 on purchase) on an ancillary basis.

The manager may change the overall duration of the sub-fund within a range of 0 to 10 years according to the manager's expectations regarding interest rate trends.

■ Description of the general exchange risk hedging strategy:

The sub-fund does not intend to systematically hedge against exchange risk exposure.

■ Social, ethical and environmental aspects:

The strategy factors in environmental, social and governance criteria using a form of analysis developed by the Management Company. This consists of selecting companies:

- which have the best positioning to meet the sustainable development challenges specific to their sector using the best-in-class approach,
- and which conform to the principles of the United Nations Global Compact (human rights, labour rights, environment and anti-corruption), and
- which exclude controversial activities (weapons (the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons), tobacco, pornography, etc.),

and also countries:

- which manage their human, natural and social capital as well as possible (best-in-class approach), and
- which comply with the principal international treaties and conventions (International Labour Organisation, etc.).

For more information, please see the Management Company's website and/or the annual report.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be high volatility in its price.**

Specific risks:

The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

<i>List of risks:</i>	<i>Level</i>
Risk relating to capital	3
Equity risk	3
Interest rate risk	3
Credit risk	3
Foreign exchange risk	3
Risk arising from derivative products	3
Emerging countries risk	3
Performance risk	3
Inflation risk	2
Counterparty risk	2
Commodities risk	1
Liquidity risk	1
Volatility risk	1
Risk related to external factors	1
Settlement risk	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:

This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risk in equity and bond markets, who understands the type of risk entailed in the sub-fund and who accepts this on the basis of their investor profile.

Investment holding period:

The fund may not be suitable for investors intending to withdraw their investment within four years.

Candriam Sustainable North America

Date of incorporation: 02/03/2000

Term: Unlimited term

Objectives of the sub-fund:

The aim of the sub-fund is to enable shareholders to benefit from equity market trends in North America by investing in the stocks of companies selected by the asset manager on the basis of their expected return and according to socially responsible or sustainable criteria.

Sub-fund's investment policy:

Authorised asset classes:

The assets of this sub-fund will be invested primarily in shares and/or transferable securities equivalent to shares such as, for example, investment certificates and warrants.

The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of incorporation appended to this document. Thus, on an ancillary basis, the sub-fund's assets may also be invested in money market instruments, deposits and/or cash. Any investments in units of undertakings for collective investment must represent no more than 10% of the sub-fund's assets.

Specific strategy:

The assets of this sub-fund will be invested primarily in shares and/or transferable securities equivalent to shares issued by companies whose registered office is situated or whose primary economic activity is carried out in the United States or Canada.

Securities are selected on the basis of economic/financial analyses as well as social, environmental and ethical considerations.

Authorised transactions involving financial derivatives:

Provided that the legal rules in force are observed, the sub-fund may also use derivative products such as options, futures and foreign exchange transactions **both for investment and hedging purposes. Investors should be aware that these types of derivative products are more volatile than the underlying instruments.**

- Although the composition of the portfolio must observe the general rules and restrictions imposed by the law or the articles of incorporation, the fact remains that a concentration of risks may occur in asset classes and/or in geographical areas that are more restricted.

Description of the general exchange risk hedging strategy:

The sub-fund does not intend to systematically hedge against exchange risk exposure.

Social, ethical and environmental aspects:

The strategy factors in environmental, social and governance criteria using a form of analysis developed by the Management Company. This consists of selecting companies:

- which have the best positioning to meet the sustainable development challenges specific to their sector using the best-in-class approach,
- and which conform to the principles of the United Nations Global Compact (human rights, labour rights, environment and anti-corruption), and
- which exclude controversial activities (weapons (the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons), tobacco, pornography, etc.)

This analysis is accompanied by active shareholder involvement (voting at meetings, etc.) For more information, please see the Management Company's website and/or the annual report.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be high volatility in its price.**

- The sub-fund may invest no more than 10% of its assets in UCITS or other open-ended UCIs. The sub-fund may invest in the units of another securities fund or of another fund managed directly or indirectly by the Management Company or by a company with which the Management Company is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fee for target funds nor any management fee may be deducted from the assets of the SICAV on account of such investments.

Specific risks:

The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

List of risks:	Level
Risk relating to capital	3
Equity risk	3
Foreign exchange risk	3
Model risk	3
Performance risk	3
Liquidity risk	1
Concentration risk	1
Risk arising from derivative products	1
Risk related to external factors	1
Settlement risk	1
Counterparty risk	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:

This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risk in equity markets, that understands the type of risk entailed in the sub-fund and that accepts this on the basis of its investor profile. Investors should also be aware that the sub-fund is denominated in USD.

Investment holding period:

The fund may not be suitable for investors intending to withdraw their investment within six years.

Candriam Sustainable Pacific

Date of incorporation: 02/03/2000

Term: Unlimited term

Objectives of the sub-fund:

The objective of the sub-fund is to enable shareholders to benefit from equity market trends in the "Pacific" zone by investing in stocks of companies selected by the manager on the basis of their expected return and according to socially responsible or sustainable criteria.

Sub-fund's investment policy:

Authorized asset classes:

The assets of this sub-fund will be invested primarily in shares and/or transferable securities equivalent to shares such as, for example, investment certificates and warrants.

The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of incorporation appended to this document. Thus, on an ancillary basis, the sub-fund's assets may also be invested in money market instruments, deposits and/or cash. Any investments in units of undertakings for collective investment must represent no more than 10% of the sub-fund's assets.

Specific strategy:

The assets of this sub-fund will be invested primarily in shares and/or transferable securities equivalent to shares issued by companies that have their registered office or carry out a predominant portion of their economic activity in Japan, Singapore, Hong Kong, New Zealand or Australia.

Securities are selected on the basis of economic/financial analyses as well as social, environmental and ethical considerations.

Authorized transactions involving financial derivatives:

Provided that the legal rules in force are observed, the sub-fund may also use derivative products such as options, futures and foreign exchange transactions **both for investment and hedging purposes. Investors should be aware that these types of derivative products are more volatile than the underlying instruments.**

- Although the composition of the portfolio must observe the general rules and restrictions imposed by the law or the articles of incorporation, the fact remains that a concentration of risks may occur in asset classes and/or in geographical areas that are more restricted.

Description of the general exchange risk hedging strategy:

The sub-fund does not intend to systematically hedge against exchange risk exposure.

Social, ethical and environmental aspects:

The strategy factors in environmental, social and governance criteria using a form of analysis developed by the Management Company. This consists of selecting companies:

- which have the best positioning to meet the sustainable development challenges specific to their sector using the best-in-class approach,
- and which conform to the principles of the United Nations Global Compact (human rights, labour rights, environment and anti-corruption), and
- which exclude controversial activities (weapons (the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons), tobacco, pornography, etc.)

This analysis is accompanied by active shareholder involvement (voting at meetings, etc.) For more information, please see the Management Company's website and/or the annual report.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be high volatility in its price.**

- The sub-fund may invest no more than 10% of its assets in UCITS or other open-ended UCIs. The sub-fund may invest in the units of another securities fund or of another fund managed directly or indirectly by the Management Company or by a company with which the Management Company is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fee for target funds nor any management fee may be deducted from the assets of the SICAV on account of such investments.

Specific risks:

The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

List of risks:	Level
Risk relating to capital	3
Equity risk	3
Foreign exchange risk	3
Model risk	3
Emerging countries risk	3
Performance risk	3
Liquidity risk	2
Concentration risk	1
Risk arising from derivative products	1
Risk related to external factors	1
Settlement risk	1
Counterparty risk	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:

This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risk in equity markets, who understands the type of risk entailed in the sub-fund as defined above as well as information concerning the sub-fund risk profile and who accepts this on the basis of their investor profile. Investors should be aware that the sub-fund is denominated in JPY.

Investment holding period:

The fund may not be suitable for investors intending to withdraw their investment within six years.

Candriam Sustainable World Bonds

Date of incorporation: 11/10/2005

Term: Unlimited term

Objectives of the sub-fund:

The aim of the sub-fund is to enable shareholders to benefit from trends in global bond markets by investing in the stocks whose issuers are selected by the asset manager on the basis of their expected return and according to socially responsible or sustainable criteria.

Sub-fund's investment policy:

Authorised asset classes:

The assets of this sub-fund will be primarily* invested in debt instruments (including bonds, notes, tickets and other similar negotiable instruments), which may specifically be at fixed or variable rates, indexed, subordinate to or guaranteed by assets, issued or guaranteed by Governments, international and supranational organisations, collective investment undertakings in public law and private or semi-public issuers. These issuers will be highly rated (rated at least BBB-/Baa3 by one of the ratings agencies) at the time of purchase.

The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of incorporation appended to this document. Therefore these assets could be invested in shares or debt instruments other than those described above; in other shares and participation rights (maximum 10%) and/or in cash and cash equivalents. Any investments in units of undertakings for collective investment must represent no more than 10% of the sub-fund's assets.

Specific strategy:

The assets of this sub-fund will be invested primarily in fixed or variable-interest securities or in equivalent securities, denominated in various currencies and issued by highly rated issuers. Securities are selected on the basis of economic/financial analyses as well as social, environmental and ethical considerations.

Authorised transactions involving financial derivatives:

The sub-fund may also, provided the legal rules in force are observed, use derivative products such as options, futures, interest rate swaps (fixed and variable rates, inflation etc.), credit and currency swaps and forward exchange transactions **for both investment and hedging purposes. Investors should be aware that these types of derivative products are more volatile than the underlying products.**

- Although the composition of the portfolio must observe the general rules and restrictions imposed by the law or the articles of incorporation, the fact remains that a concentration of risks may occur in asset classes and/or in geographical areas that are more restricted.

Characteristics of bonds and debt securities:

In principle, the issuers of fixed or variable-income securities will have a good rating (investment grade: at least BBB- and/or Baa3). Investments will be made primarily in securities issued by governments, the public sector, the private sector and/or supranational institutions. The asset manager may change the overall duration of the fund within a range of 2 to 10 years according to the manager's expectations regarding interest rate trends.

Description of the general exchange risk hedging strategy:

The sub-fund does not intend to systematically hedge against exchange risk exposure.

Social, ethical and environmental aspects:

The strategy factors in environmental, social and governance criteria using a form of analysis developed by the Management Company. This consists of selecting companies:

- which have the best positioning to meet the sustainable development challenges specific to their sector using the best-in-class approach,

- and which conform to the principles of the United Nations Global Compact (human rights, labour rights, environment and anti-corruption), and
- which exclude controversial activities (weapons (the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons), tobacco, pornography, etc.),

and also countries:

- which manage their human, natural and social capital as well as possible (best-in-class approach), and
- which comply with the principal international treaties and conventions (International Labour Organisation, etc.).

For more information, please see the Management Company's website and/or the annual report.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be high volatility in its price.**
- **The sub-fund has obtained dispensation authorising it to invest up to 100% of its assets in various transferable securities issued or guaranteed by a member state of the European Economic Area, by its local authorities, by a non-member state of the European Economic Area or by public international bodies to which one or more member states of the European Economic Area belong. If necessary, in view of expected trends on the financial markets, the sub-fund may be prompted to make use of this dispensation.**
- The sub-fund may invest no more than 10% of its assets in UCITS or other open-ended UCIs. The sub-fund may invest in the units of another securities fund or of another fund managed directly or indirectly by the Management Company or by a company with which the Management Company is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fee for target funds nor any management fee may be deducted from the assets of the SICAV on account of such investments.

Specific risks:

The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

List of risks:	Level
Risk relating to capital	3
Interest rate risk	3
Credit risk	3
Foreign exchange risk	3
Inflation risk	3
Performance risk	3
Liquidity risk	2
Risk arising from derivative products	2
Counterparty risk	2
Investment in CoCos risk	1
Emerging countries risk	1
Risk related to external factors	1
Settlement risk	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:

This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risk in bond markets, who understands the type of risk entailed in the sub-fund and who accepts this on the basis of their investor profile.

Investment holding period:

The fund may not be suitable for investors intending to withdraw their investment within three years.

Candriam Sustainable World

Name: World (formerly Accent Social)

Date of incorporation: 20/03/2000

Term: Unlimited term

Objectives of the sub-fund:

The aim of the sub-fund is to enable shareholders to benefit from global equity market trends by investing in the stocks of companies selected by the asset manager on the basis of their expected return and according to socially responsible or sustainable criteria, with special attention given to social criteria.

Sub-fund's investment policy:

■ Authorised asset classes:

The assets of this sub-fund will be invested primarily in shares and/or transferable securities equivalent to shares such as, for example, investment certificates and warrants.

The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of incorporation appended to this document. Thus, on an ancillary basis, the sub-fund's assets may also be invested in money market instruments, deposits and/or cash. Any investments in units of undertakings for collective investment must represent no more than 10% of the sub-fund's assets.

■ Specific strategy:

The assets of this sub-fund will be invested primarily in shares and/or transferable securities equivalent to shares issued by companies whose registered office is situated or whose primary economic activity is carried out in a country of the Organisation for Economic Co-operation and Development (OECD).

Securities are selected on the basis of economic/financial analyses as well as social, environmental and ethical considerations.

■ Authorised transactions involving financial derivatives:

Provided that the legal rules in force are observed, the sub-fund may also use derivative products such as options, futures and foreign exchange transactions **both for investment and hedging purposes. Investors should be aware that these types of derivative products are more volatile than the underlying instruments.**

- Although the composition of the portfolio must observe the general rules and restrictions imposed by the law or the articles of incorporation, the fact remains that a concentration of risks may occur in asset classes and/or in geographical areas that are more restricted.

■ Description of the general exchange risk hedging strategy:

The sub-fund does not intend to systematically hedge against exchange risk exposure.

■ Social, ethical and environmental aspects:

The strategy factors in environmental, social and governance criteria using a form of analysis developed by the Management Company. This consists of selecting companies:

- which have the best positioning to meet the sustainable development challenges specific to their sector using the best-in-class approach,
- and which conform to the principles of the United Nations Global Compact (human rights, labour rights, environment and anti-corruption), and
- which exclude controversial activities (weapons (the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons), tobacco, pornography, etc.)

This analysis is accompanied by active shareholder involvement (voting at meetings, etc.) For more information, please see the Management Company's website and/or the annual report.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be high volatility in its price.**
- The sub-fund may invest no more than 10% of its assets in UCITS or other open-ended UCIs. The sub-fund may invest in the units of another securities fund or of another fund managed directly or indirectly by the Management Company or by a company with which the Management Company is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fee for target funds nor any management fee may be deducted from the assets of the SICAV on account of such investments.

Specific risks:

The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

List of risks:	Level
Risk relating to capital	3
Equity risk	3
Foreign exchange risk	3
Model risk	3
Performance risk	3
Risk arising from derivative products	1
Risk related to external factors	1
Settlement risk	1
Counterparty risk	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:

This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risk in equity markets, that understands the type of risk entailed in the sub-fund and that accepts this on the basis of its investor profile.

Investment holding period:

The fund may not be suitable for investors intending to withdraw their investment within six years.

UK SUPPLEMENT

relating to the issue of units of Candriam Sustainable

This UK Supplement should be read in conjunction with and forms part of the latest version of Prospectus as amended or supplemented from time to time (the “Prospectus”). References to the Prospectus are to be taken as references to that document as supplemented or amended hereby. In addition, words and expressions defined in the Prospectus, unless otherwise defined below, shall bear the same meaning when used herein.

Candriam Sustainable (the “**Fund**”) (a Belgian investment company with variable capital- SICAV) is an investment company for the purposes of section 264 of the Financial Services and Markets Act 2000 (“**FSMA**”) of the United Kingdom.

The Fund has appointed Candriam Belgium, whose registered office is Avenue des Arts, 58, B-1000 Brussels, Belgium (the “**Management Company**”), to take care of the investment management and promotional services related to the Fund. The Management Company is EEA authorised and is regulated by the *Financial and Services Markets Authority* in Belgium and the Financial Conduct Authority (the “**FCA**”) in the United Kingdom.

The Prospectus is being distributed in the United Kingdom by the Management Company. Other persons distributing the Prospectus in, from, or into the United Kingdom must satisfy themselves it is lawful to do so.

In making an investment decision, prospective investors must rely on their own examination of the legal, taxation, financial and other consequences of an investment in the Fund and the terms of the offering including the merits and risks involved. Prospective investors should not treat the contents of this document as advice relating to legal, taxation or investment matters and are advised to consult their own professional advisers concerning the acquisition, holding or disposal of units.

Dealing Arrangements and Information

Duff & Phelps Ltd (the “**Facilities Agent**”) has been appointed, pursuant to an agreement with the Management Company to act as the facilities agent for the Fund in the United Kingdom and it has agreed to provide certain facilities at its offices at 14th Floor, The Shard, 32 London Bridge Street, London SE1 9SG, United Kingdom, in respect of the Fund.

The attention of investors is drawn to the subscription and repurchase procedures contained in the Prospectus in particular with regard to the deadlines for the Fund. Requests for the repurchase of units (a “**Redemption Request**”) may be sent to either the Facilities Agent at the abovementioned offices or the Transfer Agent of the Fund at the offices mentioned in the Prospectus.

Units are issued and repurchased at the net asset value per unit as determined on the relevant valuation day as set out in the Prospectus. Details of the determination of the net asset value per unit are set out in the section entitled “Commercial information” in the Prospectus. Information on the most recently published net asset value per unit may be obtained from either the Facility Agent at the abovementioned offices or the Management Company.

Documents Available for Inspection

The following documents of the Fund may be obtained free of charge during usual business hours from the offices of the Facilities Agent:

- (a) The Articles of Association of the Fund and any amendments thereto;
- (b) the prospectus most recently issued by the Management Company together with any supplements;
- (c) the key investor information documents most recently issued by the Management Company, and
- (d) the most recently produced annual and half yearly reports relating to the Fund.

Complaints about the operation of the Fund may be submitted to the Management Company directly or through the Facilities Agent at the following address:

Duff & Phelps Ltd
14th Floor, The Shard, 32 London Bridge Street,
London SE1 9SG, United Kingdom

The date of this UK Supplement is September 1st, 2016.