CANDRIAM SRI

An undertaking for collective investment
organized under the laws of the Grand Duchy of Luxembourg as a SICAV

PROSPECTUS

Subscriptions may only be accepted if made on the basis of this prospectus (hereafter the "Prospectus"),
which is only valid if accompanied by the last available annual report and the
last semi-annual report if published after the last annual report.
These documents are an integral part of the Prospectus.

October 20, 2016

INTRODUCTION

Candriam SRI (hereinafter the "SICAV") is registered on the official list of undertakings for collective investment (hereinafter "UCI") pursuant to Part I of the law of 17 December 2010 on UCI, as may be amended from time to time (hereinafter the "Law") and qualifies as an undertaking for collective investment in transferable securities (“UCITS”).

Such registration may not be interpreted as a positive appraisal by the supervisory authority as to the content of the present prospectus (hereinafter the “Prospectus”) or the quality of the securities offered or held by the SICAV. Any affirmation to the contrary is unauthorized and illegal.

This Prospectus cannot be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is not authorized.

Shares in this SICAV are not and will not be registered in the United States in accordance with the US Securities Act of 1933, as amended (hereinafter the “1933 Securities Act”) and are not and will not be eligible under any law of the United States. These shares must not be offered, sold or transferred in 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 equivalent). In addition, financial institutions which do not comply with the FATCA programme (FATCA stands for the US Foreign Account Tax Compliance Act), as included in the Hiring Incentives to Restore Employment Act (hereinafter the “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 shares redeemed when the programme is put in place.

The SICAV meets the conditions set down in part I of the Law and European Directive 2009/65/EC, as amended (hereafter the “Directive 2009/65/EC”).

The Board of Directors of the SICAV has taken reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts, the omission of which would make any statement contained herein misleading. The Board of Directors accepts responsibility accordingly.

The Prospectus may be translated into other languages provided that such translation shall be a direct translation of the English text and, in the event of a dispute, the English language version shall prevail. All disputes as to the terms thereof shall be governed by, and construed in accordance with the laws of the Grand Duchy of Luxembourg.

No person is authorized to give any information other than that contained in the Prospectus or in the documents referred to herein, which may be consulted by the general public.

This Prospectus will be updated in appropriate time in order to reflect significant changes. It is therefore recommended that potential subscribers contact the SICAV to enquire whether any updated Prospectus has been published.

Any reference made in this Prospectus:

- To the term “CHF” refers to the currency of Switzerland;
- to the term “EU” refers to the European Union;
- to the term “EUR” refers to the official single European currency adopted by a number of EU Member States participating in the Economic and Monetary Union;
- to the term “Member State” refers to a Member State of the European Union. States that are party to the Agreement on the European Economic Area, other than the Member States of the European Union, are treated as equivalent to Member States of the European Union, within the limits defined by said Agreement and its associated instruments;
- to the term “JPY” refers to the currency of Japan;
- to the term “GBP” refers to the currency of the United Kingdom;
- to the term “SEK” refers to the currency of Sweden;
- to the term “US” refers to the United States of America
- to the term “USD” refers to the currency of the United States of America;to the term “U.S. Person” has the same meaning as defined in Regulation S under the 1933 Securities Act.

Subscribers and potential investors are advised to seek advice on the possible tax consequences, the legal requirements and any restriction or exchange control provision under the laws of their countries of origin, residence or domicile, which could have an influence on the subscription, purchase, ownership or sale of the shares of the SICAV.

The SICAV draws the attention of investors to the fact that no investor may fully and directly exercise his/her rights as investor vis-à-vis the SICAV (particularly the right to take part in the general meetings of shareholders) unless this investor is listed, in his/her own name, in the register of shareholders of the SICAV. In the event that the investor invests in the SICAV through an intermediary, which invests in the SICAV in its own name but on behalf of the investor, shareholder rights may not necessarily be exercised by the investor directly in relation to the SICAV. Investors are recommended to obtain information on their rights.

The shares in the SICAV 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 shares in the SICAV may be required to certify in writing that they are not a U.S. benefit plan investor. Shareholders are required to notify the SICAV immediately in the event that they are or become a U.S. benefit plan investor and will be required to dispose of their shares to non-U.S. benefit plan investors. The SICAV reserves the right to repurchase any shares which are or become owned, directly or indirectly, by a U.S. benefit plan investor. However, notwithstanding the foregoing, the SICAV reserves the right to make a private placement of its shares to a limited number of U.S. benefit plan investors, to the extent permitted under applicable U.S. law. Any offers, sales, resales or transfers of shares in the SICAV to a U.S. benefit plan investor requires the prior consent of the Board of Directors of the SICAV.

Contents

1. Managing and administrative bodies for the SICAV

Board of Directors of the SICAV

- Chairman of the Board of Directors of the SICAV: Ms. Isabelle **Cabie**, Head of Sustainable and Responsible Investment, Candriam Belgium.
- Members of the Board of Directors of the SICAV:
  - Mr. Guillaume **Abel**, Global Head of Marketing, Member of the Executive Committee, Candriam France.
  - Mr. Renato **Guerriero**, Global Head of European Client Relations, Member of the Group Strategic Committee, Candriam Luxembourg - Succursale Italiana.
  - Mr. Tanguy **de Villenfagne**, Global Head of Risk Management, Member of the Group Strategic Committee, Candriam Belgium.
  - Ms. Nadège **Dufosse**, Head of Asset Allocation, Candriam Luxembourg.

Registered Office: 14, Porte de France – L-4360 Esch-sur-Alzette

Depositary and Principal Paying Agent: RBC Investor Services Bank S.A., 14, Porte de France, L-4360 Esch-sur-Alzette

Management Company: Candriam Luxembourg, SERENITY – Bloc B, 19-21, route d'Arlon, L - 8009 Strassen

- Chairman of the Board of Directors of the Management Company: Ms. Yie-Hsin Hung, Chairman and Chief Executive Officer, New York Life Investment Management LLC
- Members of the Board of Directors of the Management Company:
  - Mr. Christopher O. Blunt, Executive Vice President and President of the Investments Group, New York Life Insurance Company
  - Mr. John Fleurant, Executive Vice President and Chief Financial Officer, New York Life Insurance Company
  - Mr. John Grady, Senior Managing Director, New York Life Investment Management LLC
  - Mr. Naïm Abou-Jaoudé, Chief Executive Officer, Candriam Investors Group
  - Mr. Jean-Yves Maldague, Managing Director, Candriam Luxembourg
- Chairman of the Board of Management: Mr. Jean-Yves Maldague, Managing Director, Candriam Luxembourg
- Members of the Board of Management:
  - Mr. Naïm Abou-Jaoudé, Director & Manager
  - Mr. Michel Ory, Manager
  - Mr. Alain Peters, Manager

Portfolio Manager: Candriam Belgium, Avenue des Arts 58, B-1000 Bruxelles, Belgium

Administrative Agent and Domiciliary Agent: RBC Investor Services Bank S.A., 14, Porte de France, L-4360 Esch-sur-Alzette

Transfer Agent and Registrar: RBC Investor Services Bank S.A., 14, Porte de France, L-4360 Esch-sur-Alzette

Certified Auditors: PricewaterhouseCoopers, 2 rue Gerhard Mercator, BP1443, L – 1014 Luxembourg

2. General description of the SICAV

Candriam SRI (hereinafter the "SICAV") is incorporated under Luxembourg law as a public limited company ("*société anonyme*") qualifying as an investment company organized with variable share capital within the meaning of the Law.

The SICAV was incorporated on 21 December 2015 by way of a deed of Me Henri Hellinckx, notary residing in Luxembourg, published in the *Mémorial C, Recueil des Sociétés et Associations* (the "Mémorial") on 22 January 2016 and is established for an indefinite period of time from the date of incorporation. The SICAV is registered at the Luxembourg Trade and Companies Register under reference B-202950.

The capital of the SICAV shall at all times be equal to the value of the net assets of the SICAV. The minimum capital of the SICAV is the legal minimum provided by law (i.e. EUR 1,250,000) represented by fully paid-up Shares of no par value.

The initially subscribed and paid-up capital at the time of incorporation of the Company is EUR 31,500 divided into 21 shares of the "I" capitalization share class of the sub-fund "Bond Euro".

The SICAV is an umbrella fund, enabling investors to choose between one or more investment strategies by investing in one or more separate sub-funds offered by the SICAV with the possibility of moving from one sub-fund to another.

The SICAV is open-ended, which means that, upon their request, shareholders can redeem their shares at prices based on the applicable net asset value as described in the Prospectus.

The following sub-funds are currently available to investors:

- Bond Emerging Markets
- Bond Euro
- Bond Euro Corporate
- Bond Euro Short Term
- Bond Global
- Equity Emerging Markets [this sub-fund will be launched on board decision]
- Equity EMU
- Equity Europe
- Equity North America
- Equity Pacific
- Equity World [this sub-fund will be launched on board decision]
- Money Market Euro [this sub-fund will be launched on board decision]

The Board of Directors may decide to issue shares in different classes (each, a "share class"), the assets of which will be commonly invested as per the investment policy specific to the sub-fund in question. It may create share classes from time to time which may have different terms and characteristics such as a specific cost structure, distribution policy, hedging policy, reference currency, category of investors, marketing country or other specific features.

The share classes described below may be available as capitalization shares and/or as distribution shares, as detailed in the technical sheets accompanying this Prospectus (the "Fact Sheets") :

- The **C** share class is available to both individuals and legal entities.

- The **I** share class is reserved exclusively for institutional investors. Its minimum initial subscription is EUR 250,000 or the equivalent in currencies for share classes denominated in foreign currencies, or the equivalent in any other currency as decided by the Board of Directors (this minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same valuation date (in relation to a Sub-Fund's investments, the valuation date is a banking business day, other than a day on which any exchange or market on which a substantial portion of the relevant Sub-Fund's investments is traded, is closed ("Valuation Date")). The Valuation Date is detailed in each Fact Sheet.

- The **R** share class is available only to certain distributors and intermediaries approved by the Management Company. They will not receive any compensation whatsoever from the Management Company.

- The **R2** share class is reserved for:

  - 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.

- The **Y** share class is reserved exclusively for institutional investors specifically authorised by the Management Company.

- The **Z** share class is reserved for :

  - Institutional/professional investors approved by the Management Company. 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.

- The **V** share class is reserved exclusively for institutional investors. Its minimum initial subscription is EUR 15,000,000 or the equivalent in currencies for classes denominated in foreign currencies or the equivalent in any other currency as decided by the Board of Directors (this minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same valuation date).

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.

The assets of the various share classes are pooled within a single account.

Before subscribing, investors should refer to the Fact Sheets to obtain further details about each sub-fund.

The Board of Directors may, from time to time, decide to offer additional sub-funds and/or additional share classes in any existing sub-fund. The Prospectus will then be updated and amended so as to include detailed information on the new sub-fund and/or share class.

The Board of Directors of the SICAV is responsible for defining the investment policy of each sub-fund.

3. Management and administration

3.1. Board of Directors

The Board of Directors of the SICAV is responsible for managing the assets of each of the sub-funds of the SICAV.

It has overall responsibility for the management of the SICAV including making general policy decisions and reviewing the actions of the Management Company, the Depositary, and any other service provider appointed by the SICAV from time to time.

The list of the members of the Board of Directors is detailed in this Prospectus in the clause titled “Managing and administrative bodies for the SICAV” and in the financial reports.

3.2. Management Company

Candriam Luxembourg, a Luxembourg partnership limited by shares (*société en commandite par actions*) with its registered office at SERENITY – Bloc B, 19-21 route d'Arlon, L-8009 Strassen, has been appointed as management company (hereinafter "Management Company") under a Management Company Agreement concluded for an indefinite period of time and may be terminated by either party with three months’ written notice.

Candriam Luxembourg is a subsidiary of New York Life Investment Management Global Holdings s.à.r.l., a New York Life Insurance Company group entity. It was incorporated in Luxembourg on 10 July 1991 for an indefinite period of time and started its management activities on 1 February 1999. It is registered with the Luxembourg Trade and Companies Register under reference B 37.647 and its articles of incorporation were amended for the last time on 5 May 2015; the corresponding amendments were published in the Mémorial.

Candriam Luxembourg is registered with the Luxembourg Supervisory Authority under Chapter 15 of the Law, and is authorized to provide collective portfolio management, investment portfolio management and investment advisory services. Its capital amounts to EUR 62,115,420. Its financial year ends on 31 December each year.

3.2.1. Functions and responsibilities

The Management Company has the broadest possible powers to carry out UCI management and administration activities in accordance with its business purpose. It is responsible for the portfolio management, administration (i.e. activities of administrative agent, transfer agent and registrar) and marketing (distribution) activities of the SICAV.

The Management Company may at its own expense and under its control and supervision delegate its functions. However, it retains full responsibility for any action undertaken by the delegate.

In consideration for its portfolio management, administration and distribution services (as defined in Appendix II of the Law), the Management Company is entitled to receive the fees, payable by the SICAV to the Management Company, as detailed in each Fact Sheet.

Investors are advised to read the SICAV's financial reports to obtain detailed information on the fees paid to the Management Company in remuneration of its services.

3.2.1.1. Portfolio management duties

The Management Company shall be responsible for the portfolio management of all the sub-funds. Among other things, it may exercise any voting rights on behalf of the SICAV which are attached to the transferable securities that make up the assets of the SICAV. It may also, under its control and responsibility, delegate the exercise of such voting rights attached to the transferable securities that make up the assets of the SICAV.

The Management Company may, at its own expense and under its control and supervision, delegate its portfolio management functions in relation to the assets of the sub-funds within the limits prescribed by the Law.

Under the terms of a delegation agreement, which may be terminated by either party subject to three months' written notice, the Management Company has delegated (i) the portfolio management duties and (ii) the exercise of any voting rights which are attached to the transferable securities that make up the assets of the sub-funds, under its control, responsibility and at its own expense, to Candriam Belgium, Avenue des Arts 58 in B-1000 Brussels.

Candriam Belgium is a management company of undertakings for collective investment formed in Belgium in 1998 for an unlimited term.

In consideration for its services, the Management Company is entitled to receive management fees, payable out of the assets of the relevant sub-funds at the end of each month.

The Management Company and Candriam Belgium shall not enter into soft commission agreements with brokers under the terms of which certain services are provided to them based on the brokerage fees the brokers receive in respect of the SICAV's transactions.

3.2.1.2. Central Administration

Under the terms of a Central Administration Agency Agreement (the "Central Administration Agency Agreement"), the Management Company has appointed, at its own expense and under its control and responsibility, RBC Investor Services Bank S.A., with its registered office at 14, Porte de France, L-4360 Esch-sur-Alzette (hereinafter "RBC IS") as registrar, transfer and administrative agent. The Central Administration Agency Agreement is concluded for an indefinite period of time and may be terminated by either party with three months' written notice.

As registrar, transfer and administrative agent, RBC IS will be responsible for the general administrative functions required by Luxembourg law such as the calculation of the net asset value of each sub-fund, the keeping of the register of the shareholders of the SICAV, the processing of the issue, redemption and conversion of shares, and the maintenance of accounting records.

RBC IS also acts as domiciliary agent for the SICAV.

RBC IS is registered in the Luxembourg Trade and Companies Register under number B-47192 and was formed in 1994 under the name "First European Transfer Agent". It holds a banking license in accordance with the Luxembourg law of 5 April 1993 on the financial sector, as amended, and specializes in the provision of custodian bank, administrative agent and other related services. Its equity capital as at 31 October 2015 amounted to approximately EUR 983.781.177.

3.2.1.3. Marketing

Marketing duties consist in coordinating the distribution of the SICAV's shares through intermediaries designated by the Management Company (hereinafter "Distributors").

Distributor agreements may be entered into by the Management Company and the various Distributors. Under these agreements, the Distributor will be entered in the register of shareholders, when acting in the capacity of nominee, instead of the customers who have invested in the SICAV.

These agreements stipulate, among other things, that a customer who has invested in the SICAV through the Distributor may at any time request the transfer of the shares purchased via the Distributor into his or her own name in the register of shareholders upon receipt of the transfer instructions from the Distributor.

Shareholders may subscribe for shares in the SICAV directly without needing to subscribe through a Distributor.

Any Distributor appointed must apply the procedures to combat money laundering as defined in the Prospectus. The appointed Distributor must be a professional of the financial sector situated in a country subject to obligations to combat money laundering and the financing of terrorism equivalent to those of the Luxembourg law or the European Directive 2005/60/EC.

3.2.2. Remuneration policy

The Management Company has an established remuneration framework and associated policy in place (the "Remuneration Policy") that is in accordance with the requirements of the Law and the following statements:

- the Remuneration Policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles and with the SICAV's articles of incorporation ;

- the Remuneration Policy is in line with the business strategy, objectives, values and interests of the Management Company, of the SICAV and of the investors in the SICAV, and includes measures to avoid conflicts of interest;

- the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the SICAV in order to ensure that the assessment process is based on the longer-term performance of the SICAV and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;

- the Remuneration Policy ensures an appropriate balance between fixed and variable components of total remuneration. The fixed component always represents a sufficiently high proportion of the total remuneration. The policy regarding variable remuneration components is a fully flexible policy and provides for the possibility to pay no variable remuneration component;

Details of the up-to-date Remuneration Policy, including the composition of the Remuneration Committee and an overview of how remuneration and benefits are determined, are available on the website of the Management Company via the following link:
https://www.candriam.com/siteassets/legal-and-disclaimer/external_disclosure_remuneration_policy.pdf

Upon request, a paper copy of the Remuneration Policy can be obtained from the Management Company free of charge.

4. The Depositary

The SICAV has appointed RBC Investor Services Bank S.A. ("RBC"), having its registered office at 14, Porte de France, L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg, as depositary bank and principal paying agent (the "Depositary") of the SICAV with responsibility for the

(a) safekeeping of the assets,

(b) oversight duties and

(c) cash flow monitoring

in accordance with the Law, and the Depositary Bank and Principal Paying Agent Agreement entered into between the SICAV and RBC (the "Depositary Bank and Principal Paying Agent Agreement") for an indefinite period of time.

The Depositary has been authorized by the SICAV to delegate its safekeeping duties (i) to delegates in relation to other Assets and (ii) to sub-custodians in relation to Financial Instruments and to open accounts with such sub-custodians.

An up to date description of any safekeeping functions delegated by the Depositary and an up to date list of the delegates and sub-custodians may be obtained, upon request, from the Depositary or via the following website link: http://gmi.rbcits.com/rt/gss.nsf/Royal+Trust+Updates+Mini/53A7E8D6A49C9AA285257FA8004999BF?opendocument.

The Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the SICAV and the Shareholders in the execution of its duties under the Law and the Depositary Bank and Principal Paying Agent Agreement.

Under its oversight duties, the Depositary will:

- ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the SICAV are carried out in accordance with the Law and with the SICAV's Articles of Incorporation,
- ensure that the value of Shares is calculated in accordance with the Law and the SICAV's Articles of Incorporation,
- carry out the instructions of the SICAV or the Management Company acting on behalf of the SICAV, unless they conflict with the Law or the SICAV's Articles of Incorporation,
- ensure that in transactions involving the SICAV's assets, the consideration is remitted to the SICAV within the usual time limits,

- ensure that the income of the SICAV is applied in accordance with the Law or the SICAV's Articles of Incorporation.

The Depositary will also ensure that cash flows are properly monitored in accordance with the Law and the Depositary Bank and Principal Paying Agent Agreement.

Depositary Bank's conflicts of interests

From time to time conflicts of interests may arise between the Depositary and the delegates, for example where an appointed delegate is an affiliated group company which receives remuneration for another custodial service it provides to the SICAV. On an ongoing basis, the Depositary analyzes, based on applicable laws and regulations any potential conflicts of interests that may arise while carrying out its functions. Any identified potential conflict of interest is managed in accordance with the RBC's conflicts of interests' policy which is subject to applicable laws and regulation for a credit institution according to and under the terms of the Luxembourg law of 5 April 1993 on the financial services sector.

Further, potential conflicts of interest may arise from the provision by the Depositary and/or its affiliates of other services to the SICAV and/or other parties. For example, the Depositary and/or its affiliates may act as the depositary, custodian and/or administrator of other funds. It is therefore possible that the Depositary (or any of its affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the SICAV and/or other funds for which the Depositary (or any of its affiliates) act.

RBC has implemented and maintains a management of conflicts of interests' policy, aiming namely at:

- Identifying and analysing potential situations of conflicts of interests;

- Recording, managing and monitoring the conflicts of interests situations in:
  - Implementing a functional and hierarchical segregation making sure that operations are carried out at arm's length from the Depositary business ;
  - Implementing preventive measures to decline any activity giving rise to the conflict of interest such as:
    - RBC and any third party to whom the custodian functions have been delegated do not accept any investment management mandates.
    - RBC does not accept any delegation of the compliance and risk management functions.
    - RBC has a strong escalation process in place to ensure that regulatory breaches are notified to compliance which reports material breaches to senior management and the board of directors of RBC.
    - A dedicated permanent internal audit department provides independent, objective risk assessment and evaluation of the adequacy and effectiveness of internal controls and governance processes.

RBC confirms that based on the above no potential situation of conflicts of interest could be identified.

An up to date information on conflicts of interest policy referred to above may be obtained, upon request, from the Depositary or via the following website link:
https://www.rbcits.com/AboutUs/CorporateGovernance/p_InformationOnConflictsOfInterestPolicy.aspx

5. Investment objectives

The SICAV is made up of various sub-funds which each pursue a management strategy described in the Fact Sheets attached to this Prospectus. Each sub-fund offers shareholders the opportunity to access professional and diversified asset management.

Emphasis is placed on Sustainable and Responsible Investments ("SRI"). The SRI investment approach is taking systematically into consideration Environmental, Social and Governance (ESG) criteria when analyzing issuers and making investment decisions.

The ESG criteria are analyzed through a methodology developed by the Management Company. This consists in selecting:

- companies which:
  - are best positioned to address the sustainable development challenges and, for developed companies, which are best positioned to manage stakeholder's issues specific to their sector using a "best-in-class" approach;
  - comply with the principles of the United Nations Global Compact (human rights, labour rights, environment, anti-corruption).

  In addition, some companies are excluded on the basis of an analysis of their exposure to controversial activities/sectors (for example tobacco, adult content and armaments - the sub-fund will not invest in securities

of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs, chemical, biological and nuclear weapons…).
This analysis is companied by an active dialogue with companies.

- countries well-equipped to manage their human, natural and social capital and provide economic stability.

For further information, please refer to the Management Company's website and/or annual report.

In pursuit of its investment objective, each sub-fund is likely to be exposed to various risk factors mentioned in the Fact Sheets. These risk factors are set out in this Prospectus in the clause titled "Risk factors".

In view of fluctuations of the global financial markets and other risks to which investments in transferable securities, money market instruments and other financial assets are exposed, the value of the shares may go down or up.

6. Investment policy

6.1. The investments of the various sub-funds of the SICAV must consist only of one or more of the following:

a) transferable securities and money market instruments admitted to or dealt on a regulated market as defined in the Law;

b) transferable securities and money market instruments dealt on another market in a Member State which is regulated, operates regularly and is recognized and open to the public;

c) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State or dealt on another market in any other country in Europe (other than those forming part of the European Union), North and South America, Asia, Oceania, Australia, or Africa, or dealt on another regulated market of a country of Europe (other than those forming part of the European Union), North and South America, Asia, Oceania, Australia, or Africa that is regulated, operates regularly, is recognized and open to the public.

d) recently issued transferable securities and money market instruments, provided that:

- the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another regulated market which operates regularly and is recognized and open to the public of a Member State of the European Union, any other country in Europe (other than those forming part of the European Union), North and South America, Asia, Oceania, Australia and Africa; and
- the admission is secured within one year of issue.

e) units in UCITS authorized according to Directive 2009/65/EC and/or other UCI within the meaning of clause 1, paragraph (2), clauses (a) and (b) of Directive 2009/65/EC, whether established in a Member State or not, provided that:

- such other UCI are authorized under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;
- the level of protection guaranteed to unitholders in these other UCI is equivalent to that provided for unitholders of a UCITS and, in particular, that the rules on asset segregation, borrowing, lending and short-selling of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;
- the activities of these other UCI are reported in semi-annual and annual reports such that their assets, liabilities, income and activities over the reporting period may be evaluated;
- the proportion of assets that the UCITS or other UCI whose acquisition is contemplated, may invest overall, in accordance with their management rules or their documents of incorporation, in units in other UCITS or other UCI does not exceed 10%.

  Furthermore, a sub-fund may acquire and/or hold shares to be issued or having been issued by one or more sub-funds of the SICAV (the one or more "target sub-funds"), without the SICAV being subject to the requirements stipulated by the Luxembourg law of 10 August 1915 on commercial companies, as amended from time to time, in terms of the subscription, acquisition and/or holding by a company of its own shares, subject, however, to the following:

  - the target sub-fund does not, in turn, invest in the sub-fund invested in this target sub-fund; and
  - the proportion of assets that the target sub-funds, whose acquisition is being contemplated, may invest overall in the units of other target sub-funds of the SICAV does not exceed 10%; and
  - any voting rights attached to the shares in question will be suspended for as long as they are held by the sub-fund concerned, without prejudice to the appropriate treatment in the accounts and the interim reports; and

- in any event, for as long as these shares are held by the SICAV, their value will not be taken into consideration for the calculation of the net assets of the SICAV for the purpose of verifying the minimum asset level imposed by the Law.

f) deposits with a credit institution which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months provided that the credit institution has its registered office in a Member State or, if this is not the case, that the credit institution is subject to prudential rules considered by the CSSF to be equivalent to those provided for under EU legislation;

g) financial derivative instruments, including equivalent cash-settled instruments, dealt on a regulated market of the type referred to under clauses (b), (c) and (d) above, or financial derivative instruments traded over-the-counter ("OTC"), provided that:

- the underlying consists of the instruments referred to in this clause 6.1, financial indices, interest rates, exchange rates or currencies, in which the sub-fund may make investments in accordance with its investment objectives;
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision and belonging to the categories authorized by the CSSF;
- the OTC derivatives are reliably and verifiably valued on a daily basis and can, at the initiative of the SICAV, be sold, liquidated or closed by way of an offsetting transaction at their fair value at any time.

Additional information pertaining to some instruments:

A sub-fund may make use of total return swaps or other derivative financial instruments which have the same characteristics, for example, certificates for differences, for the purpose of (buying or selling) exposure, hedging or arbitration.

The underlying instruments to these operations may be either individual securities, financial indices (equities, interest rates, credit, foreign currencies, commodities, volatility, etc.) in which the sub-fund may invest in accordance with its investment objectives. A sub-fund may conduct credit derivative transactions (single underlying or on a credit index) for the purposes of exposure, hedging or arbitrage.

These transactions are undertaken with counterparties which specialize in this type of transaction and are covered by agreements among the parties. They are carried out within the framework of the investment policy and the risk profile of each individual sub-fund.

The investment policy of each sub-fund set out in the Fact Sheet specifies whether a sub-fund is permitted to make use of total return swaps or these other forms of financial derivative instruments with the same characteristics, or of credit derivatives.

h) money market instruments other than those normally dealt on the money market which are liquid and whose value can be accurately determined at any time, if the issue or the issuer of these instruments is itself regulated for the purpose of protecting investors and savings and provided these instruments are:

- issued or guaranteed by a central, regional or local authority, by a central bank of a Member State, by the European Central Bank, by the European Union or by the European Investment Bank, by a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
- issued by an undertaking whose securities are traded on the regulated markets referred to under clauses (b), (c) or (d) above, or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF as being at least as stringent as those laid down by EU law, or
- issued by other entities belonging to categories approved by the CSSF provided that investments in such instruments are subject to investor protection rules equivalent to those laid down in the preceding three paragraphs, and provided the issuer is a company whose capital and reserves amount to at least ten million euro (EUR 10,000,000), and who presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or more listed companies, is dedicated to the financing of the group, or is an entity which is dedicated to the financing of securitization vehicles which benefit from a banking liquidity line.

6.2. A sub-fund may hold ancillary liquid assets.

6.3. The SICAV may acquire the movable or immovable property essential to the direct exercise of its activities.

6.4. Efficient portfolio management techniques

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

6.4.1. Securities lending transactions

The SICAV shall not engage in securities lending transactions.

6.4.2. Repurchase transactions and reverse repurchase transactions

a) Reverse repurchase transactions

Each sub-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 sub-fund is required to return the asset contained in the reverse repurchase agreement. The type of securities covered by the reverse repurchase agreement and the counterparties must meet the requirements of CSSF circular 08/356. Securities subject to reverse repurchase agreements must also comply with the relevant sub-fund's investment policy and must, along with the other securities the sub-fund has in its portfolio, fully meet the sub-fund's investment restrictions.

For the term of the reverse repurchase agreement, the sub-fund may not sell or use the securities which are subject to such agreement as a pledge/guarantee, unless the sub-fund has other means to cover its obligation to return the securities under the agreement.

b) Repurchase transactions

In line with CSSF Circular 08/356, each sub-fund may enter into repurchase transactions which consist of the purchase and sale of securities with a clause reserving the seller the right or the obligation to repurchase from the acquirer the securities sold at a price and term specified by the two parties in their contractual arrangement.

The sub-fund in question must, on expiration of the term of the repurchase agreement, have the necessary assets to meet its redemption obligations.

The use of these transactions must not result in a change of the sub-fund’s investment objectives or result in additional risks being taken which exceed its risk profile as defined in the Prospectus.

The risks associated with efficient portfolio management techniques, namely counterparty risk, delivery risk and risk of conflicts of interest, defined in this Prospectus in the clause titled "Risk factors", are to be considered in the context of the measures described in clause 6.4.3.

6.4.3. Measures to limit the risks associated with efficient portfolio management techniques

a) Measures to limit counterparty and delivery risks

- Selection of counterparties: The counterparties to these transactions are approved by the Management Company's risk management team and, when the transactions are initiated, have a minimum short-term rating of A-2 or equivalent from at least one recognized rating agency.
- Financial guarantees: See clause 7.10. titled “Management of financial guarantees for OTC derivative products and efficient portfolio management techniques”.
- Restrictions on reinvestment of financial guarantees received: See clause 7.10. titled “Management of financial guarantees for OTC derivative products and efficient portfolio management techniques”.

b) Measures taken to reduce the risk of conflicts of interest

To reduce the risk of a conflict of interest, the Management Company has established a process for selecting and monitoring counterparties through committees organized by its risk management team. In addition, the remuneration of transactions with these counterparties is in line with market practices in order to avoid any conflict of interest.

6.4.4. Periodic investor information

Investors are advised to seek for further information on the use of these efficient portfolio management techniques in the financial reports.

7. Investment restrictions

7.1. a) A sub-fund may not:

- invest more than 10% of its assets in transferable securities or money market instruments other than those referred to in clause 6.1.,
- acquire precious metals or certificates representing precious metals.

A sub-fund may invest no more than 10% of its assets in transferable securities or money market instruments issued by the same entity.

A sub-fund may invest no more than 20% of its assets in deposits made with a single entity.

The counterparty risk of a sub-fund in an OTC derivatives transaction may not exceed 10% of its assets when the counterparty is one of the credit institutions referred to in clause 6.1. (f) or 5% of its assets in other cases.

In over-the-counter transactions, the counterparties, when the transactions are initiated, have a minimum short-term rating of A-2 or equivalent from at least one recognized rating agency.

The SICAV may be party to agreements under the terms of which financial guarantees may be granted under the conditions set in clause 7.10.

Additional information on these financial derivative instruments, notably the identity of the one or more counterparties to the transactions, along with the type and the amount of financial guarantees received by the SICAV, are shown in the annual report of the SICAV.

b) The total value of the transferable securities and money market instruments held by the sub-fund in the issuers in each of which it invests more than 5% of its assets must not exceed 40% of the value of its assets. This limit does not apply to deposits with financial institutions subject to prudential supervision or to OTC derivative transactions with such institutions.

Notwithstanding the individual limits established in clause 7.1. (a) above, a sub-fund may not combine, if this were to result in it investing more than 20% of its assets in a single entity, several of the following items:

- investments in transferable securities or money market instruments issued by this entity,
- deposits made with this entity, or
- exposures arising from OTC derivative transactions with this entity.

c) The 10% limit specified in clause 7.1 (a) above may be raised to a maximum of 35% if the transferable securities and money market instruments are issued or guaranteed by a Member State, by its local authorities, by a non-Member State of the EU or by public international bodies to which one or more Member States belong.

d) The 10% limit specified in clause 7.1 (a) above may be raised to a maximum of 25% in the case of certain bonds when these are issued by a credit institution which has its registered office in a Member State and which is subject by law to special supervision by the public authorities designed to protect bond-holders. In particular, the sums arising from the issue of these bonds must be invested, according to the legislation, in assets which, throughout the period of validity of the bonds, cover the claims arising from the bonds and which, in the event of the issuer's bankruptcy, would be used in priority for the repayment of the capital and the payment of accrued interest.

If a sub-fund invests more than 5% of its assets in the bonds as referred to in the preceding paragraph and issued by a single issuer, the total value of these investments may not exceed 80% of the asset value of this sub-fund.

e) The transferable securities and money market instruments referred to in clause 7.1. (c) and (d) above will not be taken into account for the purpose of applying the limit of 40% referred to in clause 7.1. (b).

The limits established in clause 7.1. (a), (b), (c) and (d) may not be combined: consequently, investments in transferable securities or money market instruments issued by a single entity, deposits or derivative instruments with this same entity, in accordance with clause 7.1. (a), (b), (c) and (d), may not exceed in total 35% of the assets of the sub-fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognized international accounting rules, are regarded as a single entity for the purpose of calculating the limits set down in this clause 7.1.

A sub-fund may cumulatively invest up to 20% of its assets in transferable securities and money market instruments within a single group.

7.2. By way of exception to the restrictions specified in clause 7.1., sub-funds whose investment policy is to replicate an equity or bond index (hereinafter the "Benchmark Index") may raise the limits to a maximum of 20% for investments in equities and/or bonds issued by a single entity, provided that:

- the composition of the index is sufficiently diversified;
- the index adequately represents the market to which it refers;
- the index is published in an appropriate manner.

The 20% limit referred to above is raised to 35% if this proves to be justified by exceptional conditions on the markets, in particular, on regulated markets where certain transferable securities or certain money market instruments are largely dominant. Investing up to this limit is only authorized for a single issuer.

7.3. As an exemption from the restrictions specified in clause 7.1. above, each sub-fund is authorized to invest, according to the principle of risk spreading, up to 100% of its net assets in different issues of transferable securities and money market instruments issued or guaranteed by a Member State, by its local authorities, by any member State of the OECD or by public international bodies to which one or more Member States of the EU belong. If a sub-fund exercises this latter option, it must hold transferable securities belonging to at least 6 different issues but securities belonging to the same issue may not exceed 30% of the total amount of the total net assets.

7.4. a) A sub-fund may acquire units of the UCITS and/or other UCI stated under clause 6.1. (a), provided it does not invest more than 20% of its assets in a single UCITS or other UCI. For the purpose of applying this investment limit, each sub-fund of an umbrella UCI is regarded as a separate issuer, provided the principle of the segregation of the liabilities of the various sub-funds with regard to third parties is ensured.

b) Investments in units of UCI other than UCITS may not exceed in total 30% of the assets of a UCITS. Where a sub-fund has acquired units of UCITS and/or other UCI, the assets of those UCITS or other UCI are not combined for the purposes of calculating the limits set down in clause 1 above.

c) If a sub-fund invests in the units of other UCITS and/or other UCI which are managed, directly or by delegation, by the Management Company or by any other company with which the Management Company is associated by common-management or control or by means of a significant direct or indirect shareholding, the Management Company or the other company may not charge subscription or redemption fees for the sub-fund's investment in the units of said other UCITS and/or other UCI.

7.5. a) The SICAV may not acquire shares with voting rights allowing it to exercise a significant influence on the management of an issuer.

b) The SICAV may not acquire more than:

- 10% of the non-voting shares of a single issuer,
- 10% of the debt securities of a single issuer,
- 10% of the money market instruments of a single issuer,
- 25% of the units of the same UCITS or other UCI.

The limits set down in the second, third and fourth indents of clause 7.5. (b) above may be disregarded at the time of acquisition if at that time the gross amount of the bonds or money market instruments, or the net amount of the securities in issue, cannot be calculated.

c) The limits set down in clauses 7.5. (a) and (b) above do not apply to:

- transferable securities and money market instruments issued or guaranteed by a Member State or by its local authorities;
- transferable securities and money market instruments issued or guaranteed by a non-Member State of the EU;
- transferable securities and money market instruments issued by public international bodies to which one or more Member States belong;
- shares held in the capital of a company incorporated in a non-Member State which invests its assets mainly in securities of issuing bodies having their registered office in that state, where under the legislation of that state, such holding represents the only way in which the SICAV, for each sub-fund, can invest in the securities of issuing bodies of that state and provided that the investment policy of the company complies with regulations governing risk diversification as well as restrictions with regard to control laid down therein;
- shares held in the capital of subsidiary companies which carry on the business of management, advice or marketing in the country/state where the subsidiary is established, in regard to the repurchase of the shares at the shareholder(s)' request, exclusively on its/their behalf.

7.6. a) The SICAV may not borrow. However, a sub-fund may acquire currencies through back-to-back loans;

b) By way of derogation from clause (a):

- the sub-funds may borrow provided the loans are temporary and represent a maximum of 10% of their assets;
- the SICAV may borrow provided the loans afford the acquisition of immovable property essential to the direct exercise of its activities, and represent a maximum of 10% of its assets.

Where the SICAV is authorized to borrow under the terms of clause (b) above, these loans will not exceed a total of 15% of its assets.

7.7. a) A sub-fund may not grant loans or stand as guarantor in respect of third parties.

b) Clause (a) will not prevent the sub-funds from acquiring the transferable securities, money market instruments or other financial instruments referred to in clause 6.1. (a), (g) and (h), which are not fully paid-up.

7.8. A sub-fund may not short-sell transferable securities and money market instruments or other financial instruments referred to under clause 6.1 (a), (g) and (h),

7.9. a) The sub-funds need not necessarily follow the limits stated in this clause 7 when exercising the subscription rights relating to the transferable securities or money market instruments forming part of their assets.

While ensuring that the principle of risk distribution is followed, newly approved sub-funds may deviate from the provisions of clauses 7.1, 7.2, 7.3 and 7.4 for a period of six months from their approval date.

b) If the limits referred to in clause 7 are exceeded unintentionally by the sub-fund or as a result of the exercise of the subscription rights, the sub-fund's primary objective in its sales transactions will be to regularize this situation in the interests of the shareholders.

c) In the month preceding a closure, cancellation, liquidation or demerger transaction, and in the thirty days preceding a sub-fund merger, the investment policy of the sub-funds affected by these operations may be deviated from, as indicated in the Fact Sheets.

7.10. Management of financial guarantees for OTC derivative products and efficient portfolio management techniques

a) General criteria

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

- Liquidity: any financial guarantee received in a form other than cash will have a strong level of liquidity and will 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 financial guarantee received will be valued at least on a daily basis and assets with highly volatile prices will only be accepted as financial guarantee if sufficiently prudent security margins are in place.
- Quality of issuer credit: the financial guarantee received must be of high quality.
- Correlation: the financial guarantee received must be issued by an entity which is independent of the counterparty and whose valuation is not strongly correlated with the counterparty's performance.
- Diversification: the financial guarantee must be sufficiently diversified in terms of the countries, markets and issuers (as regards net assets). As regards issuer diversity, the maximum exposure to an issuer through the financial guarantee received shall not exceed 20% of the net assets of the respective sub-fund. However, a sub fund may be fully collateralized in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Such a UCITS should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the UCITS' net asset value.

The management risks connected with financial guarantees, such as operational and legal risks, will be identified, managed and restricted by the risk management process.

In the event of transfer of ownership, the financial guarantee received will be held by the Depositary Bank. Other types of agreements giving rise to financial guarantees may be held by an external custodian subject to prudential supervision which is not connected to the supplier of the financial guarantee.

The financial guarantee received should be capable of being fully enforced by the SICAV at any time without reference to or approval from the counterparty.

b) Types of authorized financial guarantee

- cash denominated in the reference currency of the respective sub-fund;
- good quality debt securities (rated at least **BBB-/Baa3 or equivalent** by one of the ratings agencies) issued by public sector issuers from an OECD country (states, supranational bodies) and of a minimum issue size of EUR 250,000,000 (two hundred and fifty million euro);
- good quality debt securities (rated at least **BBB-/Baa3 or equivalent** by one of the ratings agencies) issued by private sector issuers from an OECD country (states, supranational bodies) and of a minimum issue size of EUR 250,000,000 (two hundred and fifty million euro);
- 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, high quality bonds or shares that meet the conditions stated above.

The risk management team of the Management Company may impose stricter criteria in terms of financial guarantees received and thereby exclude certain types of instruments, certain countries, certain issuers or even certain securities.

c) Level of financial guarantee

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

- repurchase agreements and reverse repurchase agreements: 100% of the value of the assets transferred;
- OTC financial derivative instruments: In OTC financial transactions, some sub-funds may cover operations by making cash margin calls in the currency of the sub-fund in accordance with the restrictions laid down in clause 7.1 of the present Prospectus as regards the counterparty risk.

d) Discounting policy

The Management Company has put in place a discounting policy suited to each category of assets received as financial guarantee.

For each of the categories of assets detailed below, the Management Company will apply the following discounts:

Asset category	Discount
Cash	0%
Debt securities issued by public sector issuer	0-3%
Debt securities issued by private sector issuer	0-5%
Shares, UCI shares/units	0-5%

e) Reinvestment of cash

Financial guarantee received in cash can only be placed with those entities stated in clause 6.1. (f) of the Prospectus, invested in good quality government bonds, used for the purpose of repurchase transactions that can be recalled at any time and/or invested in short-term monetary funds, in accordance with the applicable diversification criteria. Although invested in assets with a low degree of risk, investments may nevertheless include a limited financial risk.

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

8. Risk factors

The SICAV's sub-funds may be exposed to various risks depending on their investment policy. The principal risks to which the sub-funds may be exposed are shown below. However, the risk descriptions below do not purport to be exhaustive and potential investors should take note firstly of the whole of this Prospectus and secondly of the "Risk and Return Profile" section shown in the key investor information document. It is also recommended that investors consult their professional advisors before investing. In addition, each Fact Sheet states the non-marginal risks to which the respective sub-fund may be exposed.

The net asset value of a sub-fund may rise or fall and shareholders may not receive back the amount invested or obtain any return on their investment.

- **Risk of loss of capital**: there is no guarantee for investors relating to the capital invested, and investors may not receive back the full amount invested.
- **Liquidity risk:** liquidity risk is the risk that a position in a sub-fund's portfolio cannot be sold, liquidated or closed at a limited cost and within a sufficiently short time, thus jeopardizing the sub-fund's ability to comply at any time with its obligations to redeem the shares of investors at their request. On certain markets (in particular emerging and high-yield bonds, and equities with low market capitalization), the quotation spreads may widen under less favorable market conditions, which could impact 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.
- **Interest rate risk**: a change in interest rates, resulting notably from inflation, may cause a risk of losses and reduce the net asset value of the sub-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. A change in inflation, in other words a general rise or fall in the cost of living, is one of the factors potentially affecting interest rates and consequently the NAV.
- **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 sub-funds may be exposed to the credit market and/or particular issuers whose prices will change based on the expectations of the market as regards their ability to repay their debt. These sub-funds may also be exposed to the risk that a selected issuer will default, i.e. will be unable to honor its debt repayment, in the form of coupons and/or principal. Depending on whether the sub-fund is positively or negatively positioned on the credit market and/or some issuers in particular, an upward or downward movement of the credit spreads, or a default, may negatively impact the net asset value.
- **Equity risk**: Investments in common stocks and other equity securities are particularly subject to the risk of changing economic, stock market, industry and company conditions and the risks inherent in the portfolio managers' ability to anticipate such changes that can adversely affect the value of the SICAV's holdings. Opportunity for greater gain often comes with greater risk of loss.
- **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 sub-fund's portfolio value. The greater the diversification of the sub-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).
- **Foreign exchange risk**: foreign exchange risk derives from the sub-fund's direct investments and its investments in forward financial instruments, resulting in exposure to a currency other than the sub-fund's valuation currency. Changes in the exchange rate of this currency in relation to that of the sub-fund may negatively affect the value of assets in the portfolio.
- **Counterparty risk**: the sub-funds may use OTC derivative products and/or efficient portfolio management techniques. These transactions may cause counterparty risk, i.e. losses incurred in connection with commitments contracted with a defaulting counterparty.
- **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. Sectoral concentration risks may also be prevalent on some emerging markets. These risks may also heighten volatility. Emerging countries can experience serious political, social, legal and fiscal uncertainties or other events that could impact negatively on the sub-funds investing in them.
- **Derivatives risk**: derivatives are investments whose value depends on (or is derived from) the value of an underlying instrument, such as a security, asset, reference rate or index. Derivative strategies often involve leverage, which may exaggerate a loss, potentially causing the sub-fund to lose more money than it would have lost had it invested in the underlying instrument. Derivatives may be difficult to sell, unwind or value. Derivatives may also be subject to counterparty risk, which is the risk that the counterparty (the party on the other side of the transaction) on a derivative transaction will be unable to honor its contractual obligations to the sub-fund. Futures may be more volatile than direct investments in the instrument underlying the futures, and may not correlate perfectly to the underlying instrument. Futures also may involve a small initial investment relative to the risk assumed, which could result in losses greater than if they had not been used. Due to fluctuations in the price of the underlying security, the sub-fund may not be able to profitably exercise an option and may lose its entire investment in an option. Swap transactions tend to shift the sub-fund's investment exposure from one type of investment to another, and therefore entail the risk that a party will default on its payment obligations to the sub-fund.
- **Delivery risk**: a sub-fund may want to liquidate assets which at that time are subject to a transaction with a counterparty. In this case, the sub-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 sub-fund to honor the sale of these instruments on the market.
- **Model risk**: the management process of some sub-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.
- **Risk of conflicts of interest**: selection of a counterparty based on reasons other than the sole interest of the SICAV and/or unequal treatment in the management of similar portfolios could be the main sources of conflicts of interest.

- **Hedging risk**: the SICAV may make available “Currency Hedged Shares” and “Interest Rate Hedged Shares” in certain of the sub-funds. Investors should be aware that a variety of techniques will be utilized in order to implement the required hedging and that such techniques involve different risks. Any costs incurred as a result of the implementation of such hedging will be borne by the relevant share class. There can be no assurance or guarantee that the portfolio manager will be able to fully hedge or be successful in hedging the relevant risks on the share class.
- **Risk associated with external factors**: uncertainty about the sustainability of some external environmental factors (such as tax regime or regulatory changes) that may have an impact on the SICAV’s activities.

- **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.

  - **Risk associated with Chinese A equities:** in addition to the emerging country risk mentioned above, Chinese A equities also come with the following specific risks:

    - Risks associated with entry and exit restrictions and limited liquidity:

      Chinese A equities are accessible only to certain investors who use a special market access system (a trading and clearing system), the Stock Connect between the stock exchanges of Hong Kong and Shanghai and/or through any similar acceptable securities trading and clearing linked program or access instruments which may be available to the fund in the future (“Stock Connect”). As these entry conditions restrict the volumes exchanged and the stock market capitalizations, and therefore liquidity of the securities, they can accentuate the fluctuations (both upwards and downwards) and could be the subject of ill-defined regulatory changes. Restrictions on the repatriation of financial flows abroad cannot be excluded, for instance. A equities are also restricted in share ownership terms, particularly as regards the maximum proportion of foreign shareholders.

      As a result, regardless of the wishes of the asset manager:
      - increasing positions may prove impossible,
      - sales could be mandatory and entail losses,
      - sales could prove temporarily impossible, thereby exposing the sub-fund to unexpected risks, in extreme cases even preventing it from immediately honoring redemption requests from shareholders.

      Shareholders can find additional information on the following website: http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm.

    - Risks associated with trading and custody arrangements:

      The Stock Connect program that provides access to the Chinese A stock market does not meet all the standard criteria applicable to developed markets as regards the trading, clearing and custody of securities. It is subject to regulatory and operational evolutions, such as by way of non-restricting example, restrictions of volumes or changes in the conditions of investor eligibility and/or of the securities that are traded there. The trading days are also subject to the opening of several markets (China and

Hong-Kong). These factors could act as a brake on investing and especially disinvesting quickly on this market segment. Meanwhile the sub-fund could see the value of its securities change unfavorably.

Besides, the valuation of some securities could be temporarily uncertain (particularly in the case of suspension of trading) and the Board of Directors of the SICAV could then obliged to value the securities concerned on the basis of the information in its possession.

9. Risk Management

The Management Company has put in place a system of risk management procedures in order to measure the risk of the positions and their contribution to the overall risk of the portfolio.

The method of determining the overall risk is established on the basis of the investment policy and strategy of each sub-fund (and, in particular, on the basis of the use of derivative financial instruments).

One of the two methods below is used to monitor the overall risk: commitment method or the value at risk method. The method used is stated in the Fact Sheet of each sub-fund.

a) Commitment method

This method consists in converting the derivative financial instruments into equivalent positions in the underlying assets (where applicable, based on their respective sensitivity). This conversion may, if necessary, be replaced by the notional value.

A derivative financial instrument will not be accounted for in the calculation of the overall risk in the following situations:

- if the simultaneous holding of this instrument linked to a financial asset and cash invested in risk-free assets is equivalent to the direct holding of the financial asset in question;
- if this financial instrument exchanges the performance of the financial assets held in the portfolio for the performance of other benchmark financial assets (at no additional risk relative to the direct holding of the benchmark financial assets).

The sub-fund may offset buying and selling positions in derivative financial instruments concerning identical underlying assets, regardless of the maturity of the contracts. Furthermore, offsetting is also permitted between derivative instruments and directly held assets, provided the two positions concern the same asset or assets whose historic yields are closely correlated. Offsetting may be in terms of market value or in terms of risk indicator.

The global risk assumed by the SICAV's sub-funds may not exceed 210% of the net asset value.

b) Value at risk (VaR) method

A VaR model is used to quantify the maximum potential loss that could be incurred by the sub-fund's portfolio under normal market conditions. This loss is estimated for a given period of time (holding period of 1 month) and a given confidence interval (99%).

The VaR may be calculated as an absolute or a relative value:

- Relative VaR limit

  The overall risk arising from all the portfolio positions calculated through the VaR may not exceed twice the VaR of a benchmark portfolio with the same market value as the sub-fund. This management limit applies to all sub-funds for which a benchmark portfolio may be adequately defined. For the sub-funds in question, the benchmark portfolio is mentioned in the Fact Sheets.

- Absolute VaR limit

  The overall risk of all the portfolio positions calculated through the VaR may not exceed an absolute VaR of 20%. This VaR must be calculated on the basis of an analysis of the investment portfolio.

  If the overall risk is calculated via the VaR method, the expected leverage level and the possibility of a higher leverage level is referred to in the Fact Sheet of the sub-fund in question.

10. The shares

From the time of their issue, the shares of the SICAV participate equally in the profits and any dividends of the SICAV and the proceeds of its liquidation. Shares do not carry any preferential or pre-emptive rights and each whole share, regardless of its net asset value, carries the rights to one vote at any general meeting of shareholders. Shares must be fully paid-up and are issued at no par value.

There is no restriction as to the number of shares issued. In the event of liquidation, each share carries the right to a pro rata amount of the net liquidation proceeds.

The SICAV offers different share classes per sub-fund. Details of these are mentioned in the Fact Sheet of each sub-fund.

The shares of each share class shall be in registered form only. Shares may also be held and transferred through accounts maintained with clearing systems.

No certificate representing their shares will be issued. Instead, the SICAV may issue a written confirmation of entry in the register if so requested by the shareholder.

Fractions of shares divided into thousandths may be issued.

11. Listing of shares

The shares may be listed on an official stock exchange, as indicated in the Fact Sheet of the sub-fund.

12. Issue of shares and subscription and payment procedures

The Board of Directors is authorized to issue an unlimited number of shares at any time. The shares are issued at a price corresponding to the net asset value per share of the corresponding share class. This price may be increased by a subscription fee, as detailed in the Fact Sheets of the sub-funds.

The SICAV's Board of Directors reserves the right to apply different arrangements for certain countries in order to comply with the laws, regulations and administrative provisions of those countries and provided the investment documents in relation to those countries make due mention of these requirements.

In order to be processed on the basis of the net asset value calculated on a Calculation Date (as defined in the clause titled "Net asset value"), subscription requests must be received by RBC IS in Luxembourg before the cut-off time indicated in each Fact Sheet. Subscription requests received after the official cut-off time will be processed on the next Valuation Date. Subscriptions are therefore processed at an unknown net asset value.

The SICAV can, however, at the discretion of its Board of Directors, permit exceptions for distributors, at their request, thereby granting them an additional reasonable period of a maximum of 90 minutes after the official cut-off time of the SICAV to allow them to centralize, consolidate and send orders to RBC IS, provided that the net asset value is still unknown.

Subscription requests must specify the sub-fund, the number of shares to be subscribed, the share class, the type of share (e.g. capitalization, distribution, etc.), and must include a statement declaring that the buyer has received and read a copy of the Prospectus and the key investor information document and that the subscription request is made on the basis of the terms of those documents. The request must specify the name and address of the person in whose name the shares are to be registered and the address to which confirmations of entry in the register of shareholders are to be sent.

As soon as the price at which the shares are to be issued has been calculated, RBC IS will notify the selling agent who, in turn, will inform the buyer of the total amount to be paid, including the subscription fee, in respect of the number of shares to be subscribed.

Full payment, including any subscription fee, must be received within the required subscription settlement period as specified in each Fact Sheet. If the payment and the written subscription request have not been received on time, the investor will be liable for the costs incurred (including interest), the request may be rejected and any allocation of shares made on the basis of such request may be cancelled. If payment in connection with a subscription request is received after the given period, RBC IS may process this request on the basis that the number of shares that can be subscribed by means of such amount (including the applicable subscription fee) will be the number resulting from the next calculation of the asset value on the next Valuation Date following receipt of payment.

If a request is rejected in full or in part, the price paid or the remaining balance will be returned to the applicant by post or by bank transfer, at the latter's risk.

The SICAV reserves the right to reject any subscription requests or to only accept such requests in part. Furthermore, and in accordance with the articles of incorporation, the Board of Directors reserves the right to suspend the issue and sale of shares in the SICAV at any time and without notice.

The SICAV, the Management Company (assisted by RBC IS), and all the selling agents must at all times comply with applicable Luxembourg regulations relating to the combating of money laundering and the financing of terrorism.

RBC IS is responsible for complying with Luxembourg legislation when it receives subscription requests. Therefore when any shareholder or future shareholder submits a request, he must prove his identity by means of a copy of his identification papers (passport or identity card) certified true by the competent authorities of the shareholder's country, such as an embassy, consulate, notary or the police. If the request is made by a legal entity, it must provide a copy of its articles of incorporation and the names and identities of its shareholders or directors. However, where the request is made by a bank or financial institution subject to obligations equivalent to those set down in the amended law of 12 November 2004 or Directive 2005/60/EC, the identity of these shareholders will not be verified. If there are any doubts as to the identity of a person making a subscription or redemption request due to a lack, irregularity or insufficiency of proof regarding that person's identity, it is the responsibility of RBC IS to suspend or even reject subscription requests for the reasons set out above. In such circumstances, RBC IS will not be liable for any costs or interest.

No share will be issued by the SICAV during any period in which the calculation of the net asset value per share is suspended by the SICAV in accordance with the powers granted to it in its articles of incorporation and described in the Prospectus. Notice of any suspension of this type will be given to persons who have submitted a subscription request and any requests made or pending during such suspension may be withdrawn by written notification provided it is received by RBC IS before the suspension is lifted. Unless they have been withdrawn, requests will be processed on the first Valuation Date following the end of the suspension.

13. Conversion of shares

Shareholders may request the conversion of all or some of their shares into shares in another class or another sub-fund, provided they meet the necessary criteria, by advising RBC IS, in writing, by fax, or by any other electronic means accepted by RBC IS.

The cut-off time for conversion requests is the same as for redemptions. The SICAV may, however, at the discretion of its Board of Directors, permit exceptions to distributors, at their request, thereby granting them an additional reasonable period of a maximum of 90 minutes after the official cut-off of the SICAV to allow them to centralize, consolidate and send orders to RBC IS at an unknown net asset value.

Notwithstanding any suspension of the calculation of the net asset value, conversion will be carried out on the Calculation Date following the receipt of the request, at a rate calculated by reference to the price of the shares of the respective sub-funds established on that same date.

The rate at which all or some of the shares in a sub-fund or class (the "Original Sub-Fund" or "Original Class") are converted into shares in another sub-fund or class (the "new sub-fund" or the "new class") is determined, as closely as possible, on the basis of the following formula:

$$A = \frac{B \times C \times E}{D}$$

A = the number of shares in the new sub-fund or new class;

B = the number of shares in the original sub-fund or original class;

C = the net asset value per share of the original sub-fund or original class used on the date in question;

D = the net asset value per share of the new sub-fund or new class used on the date in question; and

E = the exchange rate on the date in question between the currency of the sub-fund to be converted and the currency of the sub-fund to be allocated.

After conversion, shareholders will be informed by RBC IS of the number of shares that they have obtained in the new sub-fund or new class as a result of conversion and their price.

14. Redemption of shares

Shareholders are entitled at any time and without restriction to apply for their shares to be redeemed by the SICAV. The shares redeemed by the SICAV will be cancelled.

14.1. Redemption procedure

All shareholders wishing to have all or part of their shares redeemed must submit their request in writing to RBC IS. The request must be irrevocable (with the exception of what is stated below in the case of temporary suspension of redemptions) and must indicate the number, sub-fund and class of shares to be redeemed and the name under which they are registered. The request must also contain the fax number or the address, if applicable, of the shareholder making the redemption request.

In order to be processed on the basis of the net asset value calculated on a Calculation Date (as defined in the clause titled "Net asset value"), redemption requests must be received by RBC IS in Luxembourg before the cut-off time indicated in each Fact Sheet. The redemption requests received after the official cut-off time will be processed on the next Valuation Date. Redemptions are therefore processed at an unknown net asset value.

The SICAV may, however, at the discretion of its Board of Directors, permit exceptions to distributors, at their request, thereby granting them an additional reasonable period of a maximum of 90 minutes after the official cut-off of the SICAV to allow them to centralize, consolidate and send orders to RBC IS at an unknown net asset value.

As soon as reasonably possible, after the redemption price has been determined, RBC IS will inform the applicant of the price. The price of the redeemed shares will be paid within the redemption settlement period as specified in each Fact Sheet.

14.2. Temporary suspension of redemptions

The right of any shareholder to apply for redemptions from the SICAV will be suspended during any period in which the calculation of the net asset value per share is suspended by the SICAV by virtue of the powers described in the clause titled "Temporary suspension of the calculation of the net asset value and of the issue, redemption and conversion of shares" of the Prospectus. Any shareholders requesting redemption will be notified of this suspension and of the end of the suspension. The shares in question will be redeemed on the first bank business day in Luxembourg following the lifting of the suspension.

If on any dealing day, the aggregate value of redemption or conversion requests exceeds 10% of the net asset value of a sub fund, the Board of Directors reserves the right to defer such redemption or conversion until the next Valuation Date. In such case, net asset value applied will be that of the (deferred) Valuation date used.
In addition, the Board of Directors may defer redemptions and conversions in exceptional circumstances that may, in their opinion, adversely affect the interests of the shareholders of the sub-fund.
In either case, the Directors may declare that redemptions and conversions will be deferred until the SICAV has realized, as soon as possible, the necessary assets out of the sub-fund concerned or until the exceptional circumstances cease to apply.
Redemptions and conversions so deferred will be done on a prorata basis and will be dealt with in priority to later requests.

15. Market Timing and Late Trading

"Market Timing" means the arbitrage technique whereby an investor systematically subscribes to and redeems or converts units or shares of a single UCI over a short period of time by exploiting the time differences and/or imperfections or deficiencies of the system for calculating the net asset value of the UCI.

"Late Trading" means the acceptance of a subscription, conversion or redemption order after the cut-off time for the acceptance of orders on the relevant trading day and its execution at the price based on the net asset value applicable to that day.

Market Timing and Late Trading, as defined above, are formally prohibited whether in relation to subscription, redemption or conversion orders. The SICAV reserves the right to reject any subscription, redemption or conversion orders received from an investor suspected of such practices and, where applicable, reserves the right to take all the necessary measures to protect the other shareholders.

16. Net asset value

The net asset value of the shares in each sub-fund is determined in that sub-fund's base currency in accordance with the articles of incorporation, which stipulate that this calculation will take place at least twice a month.

The net asset value of active sub-funds is calculated in Luxembourg on each calculation date (the "Calculation Date"), as stated in the Fact Sheets. The net asset value is calculated on the basis of the last known prices on the markets where the securities held in the portfolio are predominantly traded. If the Calculation Date is a public or bank holiday in Luxembourg, the Calculation Date will then be the next bank business day.
The net asset value per share in each sub-fund shall be rounded to the closest second decimal.

In order to determine the net asset value, income and expenditures are accounted for up to the applicable settlement date for subscriptions and redemptions, which will be processed on the basis of the applicable net asset value. The value of the securities and other assets held in each sub-fund at the end of each Valuation Date is determined in accordance with the articles of incorporation of the SICAV, which stipulate various principles for determining this value, as explained below.

The net assets of each sub-fund will be valued as follows:

a) The SICAV's assets shall, in particular, be comprised of:

- all cash on hand or on deposit, including accrued interest;
- all notes and bills payable on demand and accounts receivable (including proceeds from the sale of securities where payment has not yet been received);
- all securities, units, shares, bonds, derivative instruments or subscription rights and other investments and securities owned or contracted for by the SICAV;

- all dividends and distributions to be received by the SICAV (based on the understanding that the SICAV may make adjustments in light of fluctuations in the market value of the transferable securities resulting from ex-dividend or ex-rights trading or similar practices);
- all accrued interest from securities owned by the SICAV, unless such interest is included in the principal of these securities;
- the preliminary expenses of the SICAV insofar as they have not been amortized; and
- all other assets of any kind, including prepaid expenses.

The value of these assets will be determined as follows:

- **Equities, warrants and rights:** Equities are valued at the closing price on the various stock exchanges on the Valuation Date.
- **Exchange traded funds ("ETF") and UCI:** ETFs and UCI are valued at the net asset value representative of the markets on the reference date or in the absence thereof the preceding date.
- **Bonds:** Bonds are valued at the closing price provided by pricing vendors on the Valuation Date.
- **Negotiable debt securities and other money market instruments:** Negotiable debt securities are valued at the closing price provided by pricing vendors on the Valuation Date. Negotiable debt securities and other money market instruments with a residual maturity of less than or equal to three months may be valued according to the amortized cost method. In the event of the deterioration of the quality of credit of one or more issuers which considerably affects the net asset value, the amortized cost method will be abandoned and the negotiable debt security/money market instrument will then be valued to reflect this deterioration.
- **Exchange traded derivatives:** These financial instruments are valued at the closing prices on the various futures and options markets on the Valuation Date.
- **OTC cleared derivatives:** These financial instruments are valued at the end of day official prices used for mark-to-market and margin call purposes on the Valuation Date.
- **Spot exchange rates:** The spot exchange rates are valued from the market data available from specialized data providers.
- **Forward foreign exchange:** Foreign exchange futures are valued on the basis of the market data available such as the spot price, interest rate curve etc, from specialized data providers.
- **Credit derivatives and credit derivative indices:** Non cleared credit derivatives are calculated based on models validated by the Management Company, using market data such as the spread curve, interest rate curve etc., available from specialized data providers. The prices obtained are compared with those of the counterparties.
- **Interest rate swaps:** Non cleared interest rate swaps are calculated based on models validated by the Management Company, using market data available on Bloomberg such as interest rate curves. The prices obtained are compared with those of the counterparties.
- **Other OTC derivatives:** Non-cleared OTC products are calculated based on models validated by the Management Company, using the market data available on Bloomberg (volatility, interest rate curve, etc.). The prices obtained from the models are compared with those of the counterparties.
- **Repurchase and reverse repurchase agreements:** Repurchase agreements and reverse repurchase agreements are valued at cost plus interest. For contracts exceeding three months, the credit spread of the counterparty may be revalued.
- **Exceptional treatment:** Debt securities (bonds, negotiable debt securities, money market instruments, etc.) which are not actively traded or for which the price is clearly not representative of the market, may be valued on the basis of an estimated method at the discretion of the Management Company. In addition, the actuarial method, the rate applied being that for issues of equivalent securities, where applicable, allocated by a differential representative of the intrinsic characteristics of the issuer of the security, may be used.
- **Listed securities**: Listed securities (equities, warrants, rights, options) in which there are not significant amounts of transactions and/or for which the price is clearly not representative of the market, may be valued on the basis of a method representative of the close of the market at the discretion of the Management Company.
- **Main sources:** The principal specialized data providers for valuations are Bloomberg, Reuters and CMA. The Management Company may, nevertheless, use other sources as it deems appropriate.
- **Accounting methods:** Interest on bonds and debt securities is recognized using the accrued coupons method.

On Valuation Dates on which the difference between the amount of subscriptions and the amount of redemptions in a sub-fund (i.e. net transactions) exceeds a threshold established in advance by the Board of Directors, the Board reserves the right:

- As regards to equity sub-funds, to determine the net asset value by adding to the assets (for net subscriptions) or deducting from the assets (for net redemptions) a certain percentage of fees and costs corresponding to market practices in buying or selling securities; such adjustment may vary from a sub-fund to another and will not exceed 2%.

- As regards to fixed income sub-funds, to value the securities portfolio of the sub-fund on the basis of buying or selling prices or by setting spreads at a level representative of the market in question (in the case, respectively, of net inflow or net outflow); such adjustment will not exceed 2% in normal market circumstances.

b) The liabilities of the SICAV will, in particular, be comprised of:

- all borrowings, matured bills and accounts payable;
- all accrued or payable administrative expenses (including but not limited to fees paid to the asset managers, custodians, representatives and agents of the SICAV);
- all known liabilities, whether or not due, including all contractual obligations due and relating to payments in cash or in kind, including the amount of any unpaid dividends declared by the SICAV where the Valuation Date coincides with the record date for the determination of the persons entitled to such payment;
- an appropriate reserve for future taxes on capital and on revenue, accrued up to the Valuation Date and determined periodically by the SICAV and, where necessary, other reserves authorized or approved by the Board of Directors;
- any other liabilities of the SICAV regardless of their nature and type, with the exception of liabilities represented by shares in the SICAV. In determining the amount of these other liabilities, the SICAV will take into account all operating expenses (including the remuneration and travel costs or other expenses of Directors, fees owing to the Depositary Bank and its correspondent banks and the fees and commissions payable to the Management Company and to its delegates, paying agents, permanent representatives at places of registration, and costs of legal and auditing services), costs of printing and distributing annual and semi-annual reports, brokerage fees, corporate taxes, duties, contributions and charges payable by the SICAV, the costs of registering the SICAV and the costs of maintaining such registration with all government institutions and stock exchanges, and postage and telephone costs. The SICAV may calculate regular or periodic administrative and other expenses by way of an estimate for the year or any other period by allocating the amount over that period on a pro rata basis.

c) Each share of the SICAV that is in the process of being redeemed will be considered to be issued and outstanding until the close of business on the Valuation Date on which this share is redeemed and will, from that date until the redemption price is paid, be considered a liability of the SICAV.

Each share to be issued by the SICAV in accordance with subscription requests received will be treated as having been issued from the close of business on the Valuation Date on which its issue price is calculated, and its price will be treated as an amount due to the SICAV until received by it.

d) As far as possible, any investments or divestments made by the SICAV up to a given Valuation Date will be taken into account.

e) The net asset value of each sub-fund will be expressed in the currency selected by the Board of Directors as stated in the Fact Sheets.

All assets not expressed in the currency of the sub-fund will be converted into that currency at the same day exchange rate of the stock market used as reference for the calculation of the net asset value.

The net asset value of the SICAV is equal to the sum of the net assets of the various sub-funds. The capital of the SICAV will at all times be equal to the net asset value of the SICAV and its consolidation currency is the EUR.

f) Pools of assets are established for each sub-fund as follows:

- the proceeds from the issue of shares in a sub-fund will be allocated in the accounts of the SICAV to the pool of assets established for that sub-fund, and the assets, liabilities, income and expenses relating to that sub-fund will be allocated to the pool of assets of that sub-fund;
- assets which are derived from other assets will be allocated in the accounts of the SICAV to the same pool of assets as the assets from which they are derived. Whenever an asset is re-valued, its increase or reduction in value will be allocated to the pool of assets of the sub-fund to which it is allocated;
- all of the liabilities of the SICAV which may be allocated to a given sub-fund will be allocated to the pool of assets of that sub-fund;
- the assets, liabilities, charges and expenses which cannot be allocated to a specific sub-fund will be allocated to the various sub-funds in equal parts, or insofar as the amounts concerned justify it, proportionate to their respective net assets.

Following any declaration of dividends to the shareholders of a sub-fund, the net value of that sub-fund will be reduced by the amount of the dividends.

17. Temporary suspension of the calculation of the net asset value and of the issue, redemption and conversion of shares

The Board of Directors is authorized to temporarily suspend the calculation of the net asset value of one or more sub-funds, as well as the issue, redemption and conversion of shares in one or more sub-funds in the following cases:

a) If the net asset value of shares in the underlying funds representing a substantial part of the investments of the sub-fund cannot be determined;

b) during any period when any market or stock exchange which is the principal market or stock exchange on which a significant percentage of the investments of the SICAV is listed, is closed, except for normal closing days, or when trading is subject to major restrictions or suspensions (for instance, when the stock exchange is closed for a half-day);

c) during any period when there exists a state of affairs which, in the opinion of the SICAV, constitutes an emergency as a result of which it is impractical to dispose of investments by reasonable and normal means, or where it would seriously harm the shareholders' interests;

d) during any breakdown in the means of communication normally used to determine the price of any investment of the sub-fund or current prices on any stock exchange;

e) during any period during which it is not possible to deliver the funds which are or may be necessary for the realization or payment of any investment of the SICAV, or during any period in which it is not possible to repatriate funds required for the redemption of the shares;

f) in the event of cancellation/closure or demerger of one or more sub-funds or share classes or types of shares provided such suspension is justified in the interests of protecting the shareholders of the sub-funds, share classes or types of shares in question;

g) if a meeting of shareholders is convened to propose the winding-up of the SICAV;

h) in case a sub-fund is a feeder of another UCITS (or a sub-fund thereof), if the net asset value calculation of the master UCITS (or the sub-fund thereof) is suspended;

i) any other cases where the Board of Directors determines that such a suspension is necessary to safeguard the interests of the shareholders concerned.

Shareholders requesting redemption or conversion of shares will be advised of any suspension of the calculation of the net asset value. Pending subscription, redemption or conversion requests may be withdrawn by means of a written notification to RBC IS, provided such notification is received by RBC IS before the suspension is lifted. Pending subscriptions, redemptions and conversions will be processed on the first possible Valuation Date after the lifting of the suspension.

18. Allocation of income

18.1 General principles

At the proposal of the Board of Directors, the general meeting of shareholders will decide each year on the allocation of income.

For the capitalization shares, the Board of Directors will propose in principle the capitalization of the associated income.

For the distribution shares, the Board of Directors may propose to distribute the net income arising from investments for the financial year, realized and unrealized capital gains and the net assets within the limits of the law.

Where the Board of Directors considers it expedient to do so, it may proceed to payment of interim dividends.

18.2 Dividend distribution policy

The SICAV may propose to distribute dividends to the shareholders of the distribution shares. Capitalization shares will normally not pay dividends.

When the Board of Directors will propose a dividend distribution to the general meeting of shareholders, the distributed amount will be determined within the limits of the law.

Annual dividends may be declared separately in respect of each share class at the annual general meeting of shareholders. The Board of Directors also reserves the right to distribute interim dividends for each share class during the financial year.

Dividends may be paid by the SICAV more frequently in respect of some or all share classes, from time to time, or be paid at different times of the year, as deemed appropriate by the Board of Directors. It is intended that all the share classes with the suffix :

- (m) may distribute a monthly dividend
- (q) may distribute a quarterly dividend
- (s) may distribute a semi-annual dividend

The Board of Directors can determine the dividend policies and the payment methods for the dividends and interim dividends that have been decided upon.

For example, the SICAV may offer fixed distribution share classes where the dividend is based on a fixed amount or fixed percentage of the net asset value per share at the date determined by the Board of Directors. Such dividends will normally be paid at a fixed distribution frequency, as deemed appropriate by the Board of Directors (e.g. quarterly).

A dividend calendar including details on the distribution frequency and the dividend calculation basis can be requested from the Management Company and is available on www.candriam.com.

Shareholders should be particularly aware of the following:

- The dividend is not dependent upon the level of income or capital gains of the share class.

- The dividend paid may include a capital distribution, provided that after distribution, the net assets of the SICAV total more than the minimum capital requirement under Luxembourg Law.
  As such, the dividend paid may exceed the gains of the share class resulting in erosion of the initially invested capital. Shareholders should note that, where the dividend rate is in excess of the investment income of the share class, dividends will be paid out of the capital attributed to the share class, as well as from realized and unrealized capital gains. This may be tax inefficient for investors in certain countries. Investors should consult their local tax adviser about their own position.

In addition, for fixed distribution share classes, shareholders should also be particularly aware of the following :

- During periods of negative performance of a sub-fund / share class, the dividend will normally continue to be paid. This may result in a more rapid decline in the capital value of the investment of the sub-fund / share class. Thus, the value of a shareholder's investment could ultimately be reduced to zero.

- The Directors of the fund will periodically review the fixed distribution share classes and reserve the right to make changes. Changes to the distribution policy will be communicated to shareholders through Candriam's website.

- It may not be possible to maintain the dividend payment indefinitely.

- The Board of Directors could decide that a share class does not distribute dividend or reduce the amount of the dividend to be distributed.

Dividends that are not claimed within 5 years of their date of payment may no longer be claimed and shall revert to the appropriate class.

19. Separation of the liabilities of the sub-funds

The SICAV is one and the same legal entity. However, all assets of a given sub-fund are accountable for the debts, liabilities and obligations relating to that sub-fund only. In relations between shareholders, each sub-fund is treated as a separate entity.

20. Taxation

20.1. Taxation of the SICAV

Under the terms of current legislation and according to current practice, the SICAV is not liable for any Luxembourg income tax (i.e. on dividends, interest, or capital gains received). Similarly, dividends paid by the SICAV are not subject to any form of Luxembourg withholding tax.

However, the SICAV is liable in Luxembourg to an annual subscription tax ("*taxe d'abonnement*") representing 0.05% of the net assets of the SICAV. This subscription tax is reduced to 0.01% for classes reserved for institutional investors. The subscription tax is payable quarterly based on the net assets of the SICAV calculated at the end of the quarter to which the duty relates.

Certain revenues of the SICAV such as dividends, interest, and capital gains on assets from sources outside Luxembourg may, however, be liable for variable rate taxes, which are generally deducted at source. Generally speaking, these taxes or deductions at source are not fully or even partially recoverable. The relief from these taxes and deductions at source provided by the international double taxation prevention treaties entered into by the Grand Duchy of Luxembourg and the respective countries is not always applicable.

20.2. Taxation of shareholders

Under current legislation, shareholders are not liable in Luxembourg for any gift or inheritance tax, except for shareholders who are domiciled, resident or have a permanent address in Luxembourg. In terms of income tax, shareholders who are resident in Luxembourg are liable on the basis of a direct assessment on dividends received and capital gains realized on the sale of their shares if their shares are held for a period of less than 6 months, or if more than 10% of the shares of the company are held.

Shareholders who are non-resident in Luxembourg are not liable for tax in Luxembourg on the dividends received or capital gains realized on the sale of their shares.

The Luxembourg law of 21 June 2005, amended by the law of 25 November 2014, transposed Directive 2003/48/EC of the Council of the European Union on the taxation of savings income in the form of interest payments (the "Savings Directive") into Luxembourg law. The aim of this Directive is to enable interest income paid to a beneficial owner who is an individual resident in a Member State of the European Union to be taxed in accordance with the laws of the Member State of residence of the beneficial owner. This objective is achieved via the exchange of information between European Union tax authorities.

Luxembourg has decided to introduce the automatic exchange of information concerning distributions and redemption proceeds received as of 1 January 2015 for funds covered by the Directive including Candriam SRI.

We recommend that shareholders familiarise themselves with and, if necessary, seek advice on the laws and regulations governing taxation and exchange control applicable to the subscription, purchase, holding and sale of shares in their place of origin, residence and/or domicile.
More specifically, it is recommended that potential shareholders seek advice from their tax advisers as to any tax impact arising under the terms of the Savings Directive on payment of interest generated both by dividend distributions and by capital gains realised when selling or converting shares in the SICAV.

21. General meetings of shareholders

The annual general meeting of the shareholders of each sub-fund of the SICAV is held at the registered office of the SICAV or any other place in Luxembourg, on the 20th of April each year at 1:30 pm Luxembourg time, or, if this is a public or bank holiday in Luxembourg, the next bank business day. The annual general meeting of the shareholders will be held for the first time in 2017.

Notices of all general meetings of shareholders will be sent to all registered shareholders, to the address shown in the register of shareholders, at least 8 days before the general meeting. These notices will state the time and place of the general meeting of shareholders and the conditions of admission, the agenda and the requirements under Luxembourg law as regards the necessary quorum and majority.

If required by local legislation, the notices will also be published in Luxembourg and in the countries where the shares of the SICAV are authorized for public marketing in any newspaper selected by the Board of Directors.

The requirements concerning attendance, quorum and majority during any general meeting of shareholders will be those set down in the articles of incorporation of the SICAV.

22. Closure, merger and demerger of a sub-fund, class or type of share – Liquidation of the SICAV

22.1. Closure, cancellation and liquidation of sub-funds, share classes or share types

The Board of Directors may decide to close, cancel or liquidate one or more sub-funds, classes or types of shares by cancelling the shares in question either by repaying the relevant shareholders the total net asset value of the shares in the sub-funds, classes or types of shares in question, after deducting the liquidation charges, or by allowing them to convert to another sub-fund of the SICAV, with no conversion charge, thereby allocating them new shares equal to the value of their previous holding, after deducting the liquidation charges.

This decision may, in particular, be made in the following circumstances:

- a change in the economic and political situation in the countries in which investments are made or the shares of one of more sub-funds are sold;
- if the net assets of a sub-fund, a class or a type of share fall below a certain threshold considered by the Board of Directors to be insufficient to be able to continue managing the sub-fund or class effectively;

- within the context of rationalizing the products offered to shareholders.

This decision of the Board of Directors shall be made public through all appropriate means, including by publication in a newspaper in the countries where the shares of the SICAV are distributed, if required by the legislation of these countries.

The Board of Directors would be required to refer the matter of closing, cancelling or liquidating the final sub-fund of the SICAV to the general meeting of shareholders under the conditions of quorum and majority required by Luxembourg law.

The net liquidation proceeds of each sub-fund will be distributed to the shareholders of each sub-fund proportionate to their holding.

The liquidation proceeds attributable to shares whose holders do not come forward on completion of the liquidation proceedings of a sub-fund will remain on deposit with the *Caisse de Consignation* in Luxembourg to the profit of the relevant beneficiary.

22.2. Merger of sub-funds, share classes or share types

22.2.1. Merger of a class or type of share

Under the circumstances indicated in clause 22.1 above, the Board of Directors may decide to merge one or more classes or types of shares of the SICAV.

This decision of the Board of Directors shall be made public through all appropriate means and published in any newspaper in the countries where the shares of the SICAV are distributed, if required by the legislation of these countries. This publication will be made at least one month before the date the merger becomes effective so as to allow shareholders to apply for the redemption or repayment of their shares at no charge.

In case of a merger of a sub-fund, the Board of Directors will give notice to shareholders concerned, as required by Luxembourg laws and regulations. Such notice shall be provided to the shareholders concerned at least thirty days before the last date available for them to exercise their right to request the repurchase or redemption or conversion of their shares without charge other than the charges applied to meet disinvestment costs.

22.2.2. Merger of a sub-fund

Under the circumstances indicated in clause 22.1. above, the Board of Directors may decide to merge one or more sub-funds of the SICAV together or merge one or more sub-funds of the SICAV with another UCITS governed by Directive 2009/65/EC under the conditions set down in the Law.

However, for any merger resulting in the disappearance of the SICAV to take effect, the merger must be approved by a general meeting of shareholders deliberating in accordance with the methods and the quorum and majority requirements stated in the articles of incorporation.

The SICAV will send the shareholders appropriate and accurate information about the proposed merger so as to allow them to make a fully informed decision as to the impact of this merger on their investment. This information will be communicated based on the conditions set down in the Law.

22.3 Demerger of sub-funds, share classes or share types

Under the same circumstances as indicated in clause 22.1. above, the Board of Directors may also, if it deems appropriate in the interests of the shareholders of a sub-fund, class or type of share, decide to divide this sub-fund, class or type of share into two or more sub-funds, classes or types of share.

This decision of the Board of Directors shall be made public through all appropriate means and published in any other newspaper in the countries where the shares of the SICAV are distributed, if required by the legislation of these countries. This publication will be made at least one month before the date the demerger becomes effective so as to allow shareholders to apply for the redemption or repayment of their shares at no charge.

22.4 Liquidation / merger of the SICAV

The SICAV may be wound up / merged at any time by a resolution adopted by a general meeting of shareholders in accordance with the provisions of its articles of incorporation.

If the share capital of the SICAV were to fall below two-thirds of the minimum capital, the Board of Directors would be required to refer the matter of winding up the SICAV to a general meeting of shareholders deliberating without a quorum requirement and acting by vote of a simple majority of the shares represented at the meeting.

If the share capital of the SICAV were to fall below one-quarter of the minimum capital, the Board of Directors would be required to refer the matter of winding up the SICAV to a general meeting of shareholders deliberating without a quorum requirement. Winding-up may be declared by shareholders holding one-quarter of the shares represented at the meeting.

The meeting notice must be sent to shareholders in so as to ensure that the meeting is held within forty days of finding that the net assets have fallen, respectively, below two-thirds or one-quarter of the minimum capital.

The liquidation of the SICAV, whether court-ordered or otherwise, will be carried out in accordance with the Law and the articles of incorporation. In the event of non-court ordered liquidation, the process will be carried out by one or more liquidators who will be appointed by the general meeting of shareholders, which will determine their powers and remuneration.

The sums and amounts attributable to shares whose holders do not come forward on completion of the liquidation proceedings will remain on deposit with the *Caisse de Consignation* for the relevant beneficiary.

23. Fees and charges

23.1. Portfolio Management fee

In consideration for its portfolio management activity, the Management Company shall receive annual management fees, as detailed in the different Fact Sheets.
The management fee is expressed as an annual percentage of the average net asset value of each share class and is payable monthly.

23.2. Performance fee

In consideration for its portfolio management activity, the Management Company may also receive performance fees, as detailed in the Fact Sheets where appropriate.

23.3 Distribution fee

In consideration for its marketing activity, the Management Company may also receive distribution fees, as detailed in the Fact Sheets where appropriate.

23.4. Operational and administrative charges

The SICAV will bear the day-to-day operational and administrative charges incurred to cover all the overhead, variable costs, charges, fees and other expenses, as described below (the "Operational and Administrative Charges").

The Operational and Administrative Charges cover the following costs, although this list is not exhaustive:

(a) expenses incurred directly by the SICAV, including, among others, fees and charges owing to the Depositary Bank, to the principal paying agent, commissions and fees for certified auditors, share class hedging fees, including those charged by the Management Company, the fees paid to Directors and the reasonable costs and expenses incurred by or for the Directors;

(b) a "service fee", paid to the Management Company and which includes the remaining amount of Operational and Administrative Charges after deducting the costs indicated in section (a) above, being, among others, the fees and costs of the domiciliary agent, the administrative agent, the transfer agent, the registrar, the costs associated with registration and for maintaining this registration in all jurisdictions (such as fees levied by the supervisory authorities concerned, translation costs and payment for representatives abroad and local paying agents), stock exchange listing and maintenance fees, share price publication costs, postal and communication costs, the costs for preparing, printing, translating and distributing prospectuses, key investor information documents, notices to the shareholders, financial reports or any other documents for shareholders, legal fees and expenses, the costs and fees associated with the subscription for any account or license or any other use of paid information or data, the fees incurred for using a trademark registered by the SICAV and the fees and expenses for the Management Company and/or its delegates and/or any other agent appointed by the SICAV itself and/or independent experts.

Operational and Administrative Charges are expressed as an annual percentage of the average net asset value of each share class.

They are payable monthly at a maximum rate as set out in the Fact Sheets.

At the end of a given period, if the charges and expenses were to exceed the percentage of the Operational or Administrative Charges set for a share class then the Management Company would pay the difference. Conversely if the actual charges and expenses were to be less than the percentage of the Operational and Administrative Charges set for a class of shares, then the Management Company would retain the difference.

The Management Company may instruct the SICAV to settle all or part of the expenses as stated above directly on its assets. In such case, the amount of Operational and Administrative Charges will be reduced accordingly.

The Operational and Administrative Charges do not cover:

The duties, taxes, contributions, rights or costs of taxation imposed on the SICAV and its assets, including Luxembourg subscription duty.

- Fees linked to transactions: each sub-fund incurs the fees and expenses for buying and selling transferable securities, financial instruments and derivative products, brokerage fees and expenses, interest, (among others the interest on swaps and loans, etc.) or tax and other expenses linked to transactions.
- Fees generated by the anti-dilution mechanism;
- Bank fees such as interest on overdrafts;
- Non-recurring expenses, some of which may not be reasonably expected in the ordinary course of the SICAV's activities, including but not limited to, the cost of exceptional and/or ad hoc measures and fees for tax advisers, legal advice, expert assessment, introduction fees or fees for legal procedures to protect the interests of shareholders and any expenses associated with one-off agreements entered into by any third party in the interests of the shareholders.

Costs and expenses relating to updating the Prospectus may be amortised over five years.

The charges and costs relating to opening a specific sub-fund may be amortised over five years exclusively in relation to the assets of such new sub-fund.

Any expenses and costs not directly attributable to a specific sub-fund will be charged equally among the various sub-funds or, where the amount of expenses and costs so requires, will be allocated among the sub-funds proportionate to their respective net assets.

Under the conditions set down in the Law, the legal, advisory or administrative costs associated with preparing and carrying out the merger of one or more sub-funds of the SICAV may not be charged to the respective sub-funds / the SICAV.

The charges and costs relating to opening a new sub-fund may be amortized over five years exclusively in relation to the assets of this new sub-fund.

Other expenses and costs not directly attributable to a specific sub-fund will be allocated to the various sub-funds proportionate to their respective net assets.

In certain jurisdictions where the shares of the SICAV are authorized for marketing, costs might be charged by any local paying agent in remuneration for the services provided.

24. Information to shareholders

24.1. Publication of the net asset value

The net asset value per share of each sub-fund and/or of each share class and the issue, redemption and conversion prices will be published on each Valuation Date at the registered office of the SICAV and at the registered office of the financial service agents in the countries where the SICAV is authorized for public marketing of its shares.

24.2. Notices to shareholders

The information notices to the attention of the shareholders will be:

- sent to registered shareholders;
- if required by the local legislation, published in Luxembourg and in the countries where the shares of the SICAV are authorized for public marketing in any newspaper selected by the Board of Directors.

The financial reports to shareholders on the previous financial year will be available at the registered office of the SICAV.

The financial year of the SICAV ends on December 31st of each year. The first financial year of the SICAV shall begin on the date of its incorporation and shall end on December 31, 2016.

The first annual report will be dated December 31, 2016 and the first semi-annual report will be dated June 30, 2016.

The first annual general meeting of shareholders shall be held in 2017.

24.3. Documents available for inspection

The Prospectus, articles of incorporation, key investor information documents and annual and semi-annual reports of the SICAV are available, free of charge on request at the Registered Office of the SICAV, on banking days and during usual business hours, or directly at www.candriam.com.

Those documents can also be obtained free of charge on request from the financial service agents in the countries where the SICAV is authorized for public marketing of its shares.

24.4. Auditors

PricewaterhouseCoopers Luxembourg is responsible for the auditing of the accounts and the annual reports of the SICAV.

24.5. Additional information

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 SICAV's portfolio composition and all information relating to it.

<u>Appendix I - Fact sheets</u>

Candriam SRI

Bond Emerging Markets

- Fact Sheet -

The initial net asset value of the sub-fund will be dated 14 November 2016, with payment on 17 November 2016.
The first calculated net asset value will be dated 15 November 2016, calculated on 16 November 2016, with payment on 18 November 2016.

1. **Investment objectives:** The aim of the sub-fund is to enable shareholders to benefit from the evolution of bonds and other debt securities denominated principally in the currencies of developed countries such as USD, EUR, GBP, JPY and, on an ancillary basis, in local currencies issued by public issuers, issued or guaranteed by emerging countries, public entities and semi-public issuers operating in emerging countries. The securities are selected by the portfolio management team on a discretionary basis, based on the securities characteristics, growth prospects and in-house analysis of Environmental, Social and Governance ("ESG") criteria.

2. **Investment policy:**

The assets are principally invested in debt securities (bonds and other equivalent securities) which:

- may notably be at fixed or variable rates, indexed;
- are issued by public sector issuers in emerging countries, issued or guaranteed by emerging countries, public entities and semi-public issuers active in such countries;
- are denominated principally in the currencies of developed countries such as USD, EUR, GBP, JPY and on an ancillary basis in the local currencies of emerging countries such as the Brazilian Real, the Mexican Peso, the Polish Zloty, etc;

The remainder of the assets are invested in:

- eligible securities other than those described above (notably corporate bonds, debt securities denominated in other currencies and/or debt securities issued or guaranteed by other countries, etc.) ;
- money market instruments other than those described above;
- a maximum of 10% in UCI and UCITS;
- deposits or cash.

The debt securities shall be rated B- at the minimum by any one of the independent rating agencies or considered of comparable quality by the Management Company (notably when issue rating is missing) at the time of purchase. When a debt security is downgraded to lower than B- by all independent rating agencies or not considered anymore of comparable quality by the Management Company, such asset will be sold within 6 months.
Exposures to the currencies of developed countries such as EUR, GBP, JPY are hedged against the foreign exchange risk.
The emerging foreign exchange risk inherent in local currency denominated bonds might not be systematically hedged, meaning that a residual foreign exchange risk may remain.

Securities/issuers are selected on the basis of an economic/financial analysis process as well as on ESG considerations, both indicative of risks and long-term opportunities.

The ESG criteria are analyzed through a methodology developed by the Management Company.

This consists in selecting countries well-equipped to manage their human, natural and social capital and provide economic stability and not considered as highly oppressive regimes.

For further information, please refer to the Management Company's website and/or the annual report.

The sub-fund may also make use of derivative financial instruments on the regulated or over-the counter markets for the purpose of hedging or exposure.

The underlyings of these derivative financial instruments can be currencies, interest rates and credit spreads such as swaps (currency exchange swaps, interest rate swaps, credit default swaps, inflation swaps), forwards, options and futures.

3. **Investor profile:** Investment in this sub-fund may be suitable for investors who seek to benefit from the evolution of bonds and other debt securities of emerging markets, while being aware of the level of risk generally associated therewith.

4. Risk factors specific to the sub-fund and risk management

4.1. Risk factors specific to the sub-fund

- Risk of loss of capital
- Foreign exchange risk
- Emerging markets risk
- Liquidity risk
- Risk associated with Chinese A equities
- Derivatives risk
- Risk associated with external factors
- Counterparty risk

The general explanation of the various risk factors is given in the clause titled "Risk factors" in the Prospectus.

4.2. Risk Management

The total derivatives commitment will be calculated according to the commitment approach set down in CSSF circular 11/512.

5. **Base currency**: USD

6. **Form of the shares**: registered shares only.

7. Share classes

- **C**, capitalization shares, denominated in **USD** [LU1434519416]
- **C**, distribution shares, denominated in **USD** [LU1434519507]
- **I**, capitalization shares, denominated in **USD** [LU1434519689]
- **I**, distribution shares, denominated in **USD** [LU1434519762]
- **I**, capitalization shares, denominated in **EUR**, hedged against USD [LU1434519846]
- **R**, capitalization shares, denominated in **USD** [LU1434519929]
- **R**, capitalization shares, denominated in **EUR**, unhedged against USD [LU1434520000]
- **R2,** capitalization shares, denominated in **USD** [LU1434520182]
- **R2,** distribution shares, denominated in **USD** [LU1439992113]
- **V**, capitalization shares, denominated in **USD** [LU1434520265]
- **V**, capitalization shares, denominated in **EUR**, hedged against USD [LU1434520349]
- **Z**, capitalization shares, denominated in **USD** [LU1434520422]
- **Z**, distribution shares, denominated in **USD [**LU1434520695**];**

The C, R and R2 shares will be launched at USD / EUR 100.
The I, V and Z shares will be launched at USD / EUR 1.000.

8. Minimum initial subscription

- There is no minimum initial subscription for the C, R, R2 & Z shares.
- The minimum initial subscription for the I shares is EUR 250,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.
- The minimum initial subscription for the V shares is EUR 15,000,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.

9. Fees and charges

Shares	Fees and charges				
	Subscription (for the benefit of selling agents)	**Conversion**	**Exit**	**Portfolio Management (*)**	**Operational and Administrative Charges**
C	**Max. 3.5%**	**0%**	**0%**	**Max. 1%**	**Max. 0.35%**
I	**0%**	**0%**	**0%**	**Max. 0.60%**	**Max. 0.28%**
R	**Max. 3.5%**	**0%**	**0%**	**Max. 0.70%**	**Max. 0.35%**
R2	**Max. 3.5%**	**0%**	**0%**	**Max. 0.20%**	**Max. 0.35%**
V	**0%**	**0%**	**0%**	**Max. 0.30%**	**Max. 0.28%**
Z	**0%**	**0%**	**0%**	**0%**	**Max. 0.28%**

** The fees are expressed as an annual percentage of the average net asset value of the share class and are payable at the end of each month.*

10. Applicable cut-off times for the subscription, redemption and exchange of shares

D	Valuation Date 12 noon (Luxembourg time) is the cut-off time. NAV is calculated based on closing prices on D	Provided this date is a banking business day in Luxemburg In the case D is not a banking business day in Luxembourg, orders will be taken into account in the cut-off of the next banking business day.
D +1	Calculation Date	Provided this date is a banking business day in Luxemburg otherwise the banking business day in Luxembourg hereafter. Valuation at closing prices of D, NAV dated D.
D+3	Settlement date	According to applicable business days in Luxembourg

11. Listing on an official stock exchange: Shares are not listed on a stock exchange.

Candriam SRI

Bond Euro

- Fact Sheet -

1. Investment objectives: The aim of the sub-fund is to enable shareholders to benefit from the growth of euro-denominated bonds markets, with an investment in securities selected by the portfolio management team on a discretionary basis. The selection is based on the securities characteristics, growth prospects and in-house analysis of Environmental, Social and Governance ("ESG") criteria.

2. Investment policy:

The assets are principally invested in debt instruments (bonds and financial instruments having the same characteristics, including convertible bonds) which:

- are issued by both private (companies) and public (governments, international and supranational organizations, …) sector issuers;
- are denominated in EUR;
- may be at fixed or variable rates, indexed and / or, for a maximum of 20% subordinated; *subordinated bonds are debt instruments which rank after other non-subordinated debts (senior) in relation to repayment. In case of insolvency of the issuer, such subordinated bonds are repayable after repayment of senior debts. Some of these subordinated bonds are perpetual bonds (no maturity). As the chance of receiving any repayment on insolvency is reduced, subordinated debt represent a greater risk but will generally offer a higher return than senior debts issued by the same issuer.*
- are rated BBB-/Baa3 (or equivalent) at least by one of the independent rating agency or considered of comparable quality by the Management Company (notably when issue rating is missing).

The remainder of the assets are invested in:

- eligible securities other than those described above (notably debt securities denominated in other developed market currencies, convertible bonds, high yield bonds, *Contingent Convertible Bonds* (CoCos) for a maximum of 5% of the net assets, etc) ;
- money market instruments other than those described above;
- a maximum of 10% in UCI and UCITS;
- deposits or cash.

Exposures to currencies other than the euro may be hedged against foreign exchange risk, however the hedging won't be systematic.

Securities/issuers are selected on the basis of an economic/financial analysis process as well as on ESG considerations, both indicative of risks and long-term opportunities.

The ESG criteria are analyzed through a methodology developed by the Management Company.

This consists in selecting:

- companies which:
  - are best positioned to address the sustainable development challenges and to manage stakeholder's issues specific to their sector using a "best-in-class" approach;
  - comply with the principles of the United Nations Global Compact covering human and labour rights, environment and anti-corruption.

In addition, some companies are excluded on the basis of an analysis of their exposure to controversial activities/sectors (for example tobacco, adult content and armaments - the sub-fund will not invest in securities of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs, chemical, biological and nuclear weapons…).

This analysis and selection process is accompanied by an active dialogue with companies.

- countries well-equipped to manage their human, natural and social capital and provide economic stability.

For further information, please refer to the Management Company's website and/or the annual report.

The sub-fund may also use derivative financial instruments on the regulated or over-the-counter market for the purpose of hedging or exposure.

The underlyings of these derivative financial instruments can be currencies, interest rates and credit spreads such as swaps (currency exchange swaps, interest rate swaps, credit default swaps, inflation swaps), forwards, options, futures.

3. **Investor profile:** Investment in this sub-fund may be suitable for investors who seek income consistent with the preservation of capital, together with the level of risk generally associated with euro-denominated bonds.

4. **Risk factors specific to the sub-fund and risk management**

4.1. **Risk factors specific to the sub-fund**

- Risk of loss of capital
- Interest rate risk
- Credit risk
- Derivatives risk
- Liquidity risk
- Equity risk
- Risk associated with investing in Contingent Convertible Bonds
- Foreign exchange risk
- Emerging markets risk
- Risk associated with external factors
- Counterparty risk

The general explanation of the various risk factors is given in the clause titled “Risk factors” in the Prospectus.

4.2. **Risk Management**

The total derivatives commitment will be calculated according to the commitment approach set down in CSSF circular 11/512.

5. **Base currency**: EUR.

6. **Form of the shares**: registered shares only.

7. **Share classes**

- **C**, capitalization shares, denominated in **EUR** [LU1313769447]
- **C**, distribution shares, denominated in **EUR** [LU1313769520]
- **I**, capitalization shares, denominated in **EUR** [LU1313769793]
- **I**, distribution shares, denominated in **EUR** [LU1313769959]
- **R**, capitalization shares, denominated in **EUR** [LU1313770023]
- **V**, capitalization shares, denominated in **EUR** [LU1313770296]
- **Z**, capitalization shares, denominated in **EUR** [LU1313770379]
- **Z**, distribution shares, denominated in **EUR [**LU1434521230**]**; this share class will be launched at EUR 1,000.

8. **Minimum initial subscription**

- There is no minimum initial subscription for the C, R & Z shares.
- The minimum initial subscription for the I shares is EUR 250,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.
- The minimum initial subscription for the V shares is EUR 15,000,000 or its equivalent in in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.

9. Fees and charges

Shares	Fees and charges				
	Subscription (for the benefit of selling agents)	**Conversion**	**Exit**	**Portfolio Management (*)**	**Operational and Administrative Charges**
C	**Max. 3.5%**	**0%**	**0%**	**Max. 0.60%**	**Max. 0.33%**
I	**0%**	**0%**	**0%**	**Max. 0.30%**	**Max. 0.25%**
R	**Max. 3.5%**	**0%**	**0%**	**Max. 0.40%**	**Max. 0.33%**
V	**0%**	**0%**	**0%**	**Max. 0.20%**	**Max. 0.25%**
Z	**0%**	**0%**	**0%**	**0%**	**Max. 0.25%**

** The fees are expressed as an annual percentage of the average net asset value of the share class and are payable at the end of each month.*

10. Applicable cut-off times for the subscription, redemption and exchange of shares

D	Valuation Date 12 noon (Luxembourg time) is the cut-off time. NAV is calculated based on closing prices on D	Provided this date is a banking business day in Luxemburg In the case D is not a banking business day in Luxembourg, orders will be taken into account in the cut-off of the next banking business day.
D +1	Calculation Date	Provided this date is a banking business day in Luxemburg otherwise the banking business day in Luxembourg hereafter. Valuation at closing prices of D, NAV dated D.
D+3	Settlement date	According to applicable business days in Luxembourg

11. Listing on an official stock exchange: Shares are not listed on a stock exchange.

Candriam SRI

Bond Euro Corporate

- Fact Sheet -

1. **Investment objectives:** The aim of the sub-fund is to enable shareholders to benefit from the growth of euro-denominated corporate bonds markets, with an investment in securities selected by the portfolio management team on a discretionary basis. The selection is based on the securities characteristics, growth prospects and in-house analysis of Environmental, Social and Governance (“ESG”) criteria.

2. **Investment policy:**

The assets are principally invested in debt instruments (bonds and financial instruments having the same characteristics) which:

- are issued by private sector issuers (companies);
- are denominated in EUR;
- may be at fixed or variable rates, indexed and / or, for a maximum of 20% subordinated ; *subordinated bonds are debt instruments which rank after other non-subordinated debts (senior) in relation to repayment. In case of insolvency of the issuer, such subordinated bonds are repayable after repayment of senior debts. Some of these subordinated bonds are perpetual bonds (no maturity). As the chance of receiving any repayment on insolvency is reduced, subordinated debt represent a greater risk but will generally offer a higher return than senior debts issued by the same issuer*.
- are rated BBB-/Baa3 (or equivalent) at least by one of the independent rating agency or considered of comparable quality by the Management Company (notably when issue rating is missing).

The remainder of the assets are invested in:

- eligible securities other than those described above (notably debt securities denominated in other developed market currencies, debt securities issued by public sector issuers, high yield bonds, convertible bonds, *Contingent Convertible Bonds* (CoCos) for a maximum of 5% of the net assets, etc);
- money market instruments other than those described above;
- a maximum of 10% in UCI and UCITS;
- deposits or cash.

Exposures to currencies other than the euro may be hedged against foreign exchange risk, however the hedging won’t be systematic.
Securities/issuers are selected on the basis of an economic/financial analysis process as well as on ESG considerations, both indicative of risks and long-term opportunities.

The ESG criteria are analysed through a methodology developed by the Management Company.

This consists in selecting companies which:

- are best positioned to address the sustainable development challenges and to manage stakeholder’s issues specific to their sector using a “best-in-class” approach;
- comply with the principles of the United Nations Global Compact covering human and labour rights, environment and anti-corruption.

In addition, some companies are excluded on the basis of an analysis of their exposure to controversial activities/sectors (for example tobacco, adult content and armaments - the sub-fund will not invest in securities of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs, chemical, biological and nuclear weapons…).

This analysis and selection process is accompanied by an active dialogue with companies.

For further information, please refer to the Management Company’s website and/or the annual report.

The sub-fund may also use of derivative financial instruments on the regulated or over-the-counter market for the purpose of hedging or exposure.

The underlyings of these derivative financial instruments can be currencies, interest rates and credit spreads such as swaps (currency exchange swaps, interest rate swaps, credit default swaps, inflation swaps), forwards, options, futures.

3. **Investor profile:** Investment in this sub-fund may be suitable for investors who seek income consistent with the preservation of capital, together with the level of risk generally associated with euro-denominated corporate bonds.

4. **Risk factors specific to the sub-fund and risk management**

4.1. **Risk factors specific to the sub-fund**

- Risk of loss of capital
- Interest rate risk
- Credit risk
- Derivatives risk
- Liquidity risk
- Equity risk
- Risk associated with investing in Contingent Convertible Bonds
- Concentration risk
- Risk associated with external factors
- Counterparty risk

The general explanation of the various risk factors is given in the clause titled "Risk factors" in the Prospectus.

4.2. **Risk Management**

The total derivatives commitment will be calculated according to the commitment approach set down in CSSF circular 11/512.

5. **Base currency**: EUR.

6. **Form of the shares**: registered shares only.

7. **Share classes**

- **C**, capitalization shares, denominated in **EUR** [LU1313770452]
- **C**, distribution shares, denominated in **EUR** [LU1313770536]
- **I**, capitalization shares, denominated in **EUR** [LU1313770619]**I**, distribution shares, denominated in **EUR** [LU1313770700]**R**, capitalization shares, denominated in **EUR** [LU1313770882]
- **V**, capitalization shares, denominated in **EUR** [LU1313770965]
- **Z**, capitalization shares, denominated in **EUR** [LU1313771005]
- **Z**, distribution shares, denominated in **EUR [**LU1434521743**];** this share class will be launched at EUR 1,000.

8. **Minimum initial subscription**

- There is no minimum initial subscription for the C, R & Z shares.
- The minimum initial subscription for the I shares is EUR 250,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.
- The minimum initial subscription for the V shares is EUR 15,000,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.

9. Fees and charges

Shares	Fees and charges				
	Subscription (for the benefit of selling agents)	**Conversion**	**Exit**	**Portfolio Management (*)**	**Operational and Administrative Charges**
C	**Max. 3.5%**	**0%**	**0%**	**Max. 0.60%**	**Max. 0.33%**
I	**0%**	**0%**	**0%**	**Max. 0.30%**	**Max. 0.25%**
R	**Max. 3.5%**	**0%**	**0%**	**Max. 0.40%**	**Max. 0.33%**
V	**0%**	**0%**	**0%**	**Max. 0.20%**	**Max. 0.25%**
Z	**0%**	**0%**	**0%**	**0%**	**Max. 0.25%**

** The fees are expressed as an annual percentage of the average net asset value of the share class and are payable at the end of each month.*

10. Applicable cut-off times for the subscription, redemption and exchange of shares

D	Valuation Date 12 noon (Luxembourg time) is the cut-off time. NAV is calculated based on closing prices on D	Provided this date is a banking business day in Luxemburg In the case D is not a banking business day in Luxembourg, orders will be taken into account in the cut-off of the next banking business day.
D +1	Calculation Date	Provided this date is a banking business day in Luxemburg otherwise the banking business day in Luxembourg hereafter. Valuation at closing prices of D, NAV dated D.
D+3	Settlement date	According to applicable business days in Luxembourg

11. Listing on an official stock exchange: Shares are not listed on a stock exchange.

Candriam SRI

Bond Euro Short Term

- Fact Sheet -

The initial net asset value of the sub-fund will be dated 14 November 2016, with payment on 17 November 2016.
The first calculated net asset value will be dated 15 November 2016, calculated on 16 November 2016, with payment on 18 November 2016.

1. **Investment objectives:** The aim of the sub-fund is to enable shareholders to benefit from the evolution of euro-denominated bonds markets, in particular from the short-term maturity segment, with an investment in securities selected by the portfolio management team on a discretionary basis. The selection is based on the securities characteristics, growth prospects and in-house analysis of Environmental, Social and Governance ("ESG") criteria.

2. **Investment policy:**

The assets are principally invested in debt instruments (bonds and financial instruments having the same characteristics) which:

- are issued by both private (companies) and public (governments, international and supranational organizations, …) sector issuers;
- are denominated in EUR;
- with a residual term of an investment not exceeding 3 years ;
- may be at fixed or variable rates, indexed and / or, for a maximum of 20% subordinated; *subordinated bonds are debt instruments which rank after other non-subordinated debts (senior) in relation to repayment. In case of insolvency of the issuer, such subordinated bonds are repayable after repayment of senior debts. Some of these subordinated bonds are perpetual bonds (no maturity). As the chance of receiving any repayment on insolvency is reduced, subordinated debt represent a greater risk but will generally offer a higher return than senior debts issued by the same issuer;*
- are rated BBB-/Baa3 (or equivalent) at least by one of the independent rating agency or considered of comparable quality by the Management Company (notably when issue rating is missing).

The remainder of the assets are invested in:

- eligible securities other than those described above (notably debt securities with a residual term of investment until 5 years, debt securities denominated in other developed market currencies, convertible bonds, high yield bonds, etc);
- money market instruments other than those described above;
- a maximum of 10% in UCI and UCITS;
- deposits or cash.

The sub-fund has a duration, i.e. sensitivity to movements in interest rates, not exceeding 3 years.

Exposures to currencies other than the euro may be hedged against foreign exchange risk, however the hedging won't be systematic.

Securities/issuers are selected on the basis of an economic/financial analysis process as well as on ESG considerations, both indicative of risks and long-term opportunities.

The ESG criteria are analysed through a methodology developed by the Management Company.

This consists in selecting :

- companies which:
  - are best positioned to address the sustainable development challenges and to manage stakeholder's issues specific to their sector using a "best-in-class" approach;
  - comply with the principles of the United Nations Global Compact covering human and labour rights, environment and anti-corruption.

In addition, some companies are excluded on the basis of an analysis of their exposure to controversial activities/sectors (for example tobacco, adult content and armaments - the sub-fund will not invest in securities of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs, chemical, biological and nuclear weapons…).

This analysis and selection process is accompanied by an active dialogue with companies.

- countries well-equipped to manage their human, natural and social capital and provide economic stability and not considered as highly oppressive regimes.

For further information, please refer to the Management Company's website and/or the annual report.

The sub-fund may also use derivative financial instruments on the regulated or over-the-counter market for the purpose of hedging or exposure.

The underlyings of these derivative financial instruments can be currencies, interest rates and credit spreads such as swaps (currency exchange swaps, interest rate swaps, credit default swaps, inflation swaps), forwards, options, futures.

3. Investor profile: Investment in this sub-fund may be suitable for investors who seek to benefit from the evolution of the international euro-denominated short term bonds market, while being aware of the level of risk generally associated therewith.

4. Risk factors specific to the sub-fund and risk management

4.1. Risk factors specific to the sub-fund

- Risk of loss of capital
- Credit risk
- Derivatives risk
- Interest rate risk
- Counterparty risk
- Foreign exchange risk
- Liquidity risk
- Risk associated with external factors

The general explanation of the various risk factors is given in the clause titled "Risk factors" in the Prospectus.

4.2. Risk Management

The total derivatives commitment will be calculated according to the commitment approach set down in CSSF circular 11/512.

5. Base currency: EUR.

6. Form of the shares: registered shares only.

7. Share classes

- **C**, capitalization shares, denominated in **EUR** [LU1434521826]
- **C**, distribution shares, denominated in **EUR** [LU1434522048]
- **I**, capitalization shares, denominated in **EUR** [LU1434522477]
- **I**, distribution shares, denominated in **EUR** [LU1434522550]
- **R**, capitalization shares, denominated in **EUR** [LU1434522634]
- **V**, capitalization shares, denominated in **EUR** [LU1434522717]
- **Z**, capitalization shares, denominated in **EUR** [LU1434522808]
- **Z**, distribution shares, denominated in **EUR [**LU1434522980**];**

The C and R shares will be launched at EUR 100.
The I, V and Z shares will be launched at EUR 1.000.

8. Minimum initial subscription

- There is no minimum initial subscription for the C, R & Z shares.
- The minimum initial subscription for the I shares is EUR 250,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.
- The minimum initial subscription for the V shares is EUR 15,000,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors

provided shareholders are treated equally on the same Valuation Date.

9. Fees and charges

Shares	**Fees and charges**				
	Subscription (for the benefit of selling agents)	**Conversion**	**Exit**	**Portfolio Management (*)**	**Operational and Administrative Charges**
C	**Max. 3.5%**	**0%**	**0%**	**Max. 0.40%**	**Max. 0.33%**
I	**0%**	**0%**	**0%**	**Max. 0.20%**	**Max. 0.25%**
R	**Max. 3.5%**	**0%**	**0%**	**Max. 0.40%**	**Max. 0.33%**
V	**0%**	**0%**	**0%**	**Max. 0.20%**	**Max. 0.25%**
Z	**0%**	**0%**	**0%**	**0%**	**Max. 0.25%**

** The fees are expressed as an annual percentage of the average net asset value of the share class and are payable at the end of each month.*

10. Applicable cut-off times for the subscription, redemption and exchange of shares

D	Valuation Date 12 noon (Luxembourg time) is the cut-off time. NAV is calculated based on closing prices on D	Provided this date is a banking business day in Luxemburg In the case D is not a banking business day in Luxembourg, orders will be taken into account in the cut-off of the next banking business day.
D +1	Calculation Date	Provided this date is a banking business day in Luxemburg otherwise the banking business day in Luxembourg hereafter. Valuation at closing prices of D, NAV dated D.
D+3	Settlement date	According to applicable business days in Luxembourg

11. Listing on an official stock exchange: Shares are not listed on a stock exchange.

Candriam SRI

Bond Global

- Fact Sheet -

The initial net asset value of the sub-fund will be dated 14 November 2016, with payment on 17 November 2016.
The first calculated net asset value will be dated 15 November 2016, calculated on 16 November 2016, with payment on 18 November 2016.

1. **Investment objectives:** The aim of the sub-fund is to enable shareholders to benefit from the evolution of global bonds markets, with an investment in securities selected by the portfolio management team on a discretionary basis. The selection is based on the securities characteristics, growth prospects and in-house analysis of Environmental, Social and Governance ("ESG") criteria.

2. **Investment policy:**

The assets are principally invested in debt instruments (bonds and financial instruments having the same characteristics, including convertible bonds) which:

- are issued by both private (companies) and public (governments, international and supranational organizations, …) sector issuers;
- are denominated in various currencies;
- may be at fixed or variable rates, indexed and / or, for a maximum of 20% subordinated; *subordinated bonds are debt instruments which rank after other non-subordinated debts (senior) in relation to repayment. In case of insolvency of the issuer, such subordinated bonds are repayable after repayment of senior debts. Some of these subordinated bonds are perpetual bonds (no maturity). As the chance of receiving any repayment on insolvency is reduced, subordinated debt represent a greater risk but will generally offer a higher return than senior debts issued by the same issuer.*
- are rated BBB-/Baa3 (or equivalent) at least by one of the independent rating agency or considered of comparable quality by the Management Company (notably when issue rating is missing).

The remainder of the assets are invested in:

- eligible securities other than those described above (notably convertible bonds, high yield bonds, *Contingent Convertible Bonds* (CoCos) for a maximum of 5% of the net assets, etc) ;
- money market instruments other than those described above;
- a maximum of 10% in UCI and UCITS;
- deposits or cash.

Securities/issuers are selected on the basis of an economic/financial analysis process as well as on ESG considerations, both indicative of risks and long-term opportunities.

The ESG criteria are analyzed through a methodology developed by the Management Company.

This consists in selecting :

- companies which:
  - are best positioned to address the sustainable development challenges and to manage stakeholder's issues specific to their sector using a "best-in-class" approach;
  - comply with the principles of the United Nations Global Compact covering human and labour rights, environment and anti-corruption.

In addition, some companies are excluded on the basis of an analysis of their exposure to controversial activities/sectors (for example tobacco, adult content and armaments - the sub-fund will not invest in securities of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs, chemical, biological and nuclear weapons…).

This analysis and selection process is accompanied by an active dialogue with companies.

- countries well-equipped to manage their human, natural and social capital and provide economic stability and not considered as highly oppressive regimes.

For further information, please refer to the Management Company's website and/or the annual report.

The sub-fund may also use derivative financial instruments on the regulated or over-the-counter market for the purpose of hedging or exposure.

The underlyings of these derivative financial instruments can be currencies, interest rates and credit spreads such as swaps (currency exchange swaps, interest rate swaps, credit default swaps, inflation swaps), forwards, options, futures.

3. **Investor profile:** Investment in this sub-fund may be suitable for investors who seek to benefit from the evolution of the international bonds market, while being aware of the level of risk generally associated therewith.

4. Risk factors specific to the sub-fund and risk management

4.1. Risk factors specific to the sub-fund

- Risk of loss of capital
- Interest rate risk
- Credit risk
- Foreign exchange risk
- Derivatives risk
- Counterparty risk
- Equity risk
- Risk associated with investing in Contingent Convertible Bonds
- Liquidity risk
- Risk associated with external factors

The general explanation of the various risk factors is given in the clause titled “Risk factors” in the Prospectus.

4.2. Risk Management

The total derivatives commitment will be calculated according to the commitment approach set down in CSSF circular 11/512.

5. **Base currency**: EUR.

6. **Form of the shares**: registered shares only.

7. Share classes

- **C**, capitalization shares, denominated in **EUR** [LU1434523012]
- **C**, distribution shares, denominated in **EUR** [LU1434523103]
- **I**, capitalization shares, denominated in **EUR** [LU1434523285]
- **I**, distribution shares, denominated in **EUR** [LU1434523368]
- **R**, capitalization shares, denominated in **EUR** [LU1434523442]
- **V**, capitalization shares, denominated in **EUR** [LU1434523525]
- **Z**, capitalization shares, denominated in **EUR** [LU1434523798]
- **Z**, distribution shares, denominated in **EUR [**LU1434523871]

The C and R shares will be launched at EUR 100.
The I, V and Z shares will be launched at EUR 1.000.

8. Minimum initial subscription

- There is no minimum initial subscription for the C, R & Z shares.
- The minimum initial subscription for the I shares is EUR 250,000 or its equivalent in in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.
- The minimum initial subscription for the V shares is EUR 15,000,000 or its equivalent in in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.

9. Fees and charges

Shares	Fees and charges				
	Subscription (for the benefit of selling agents)	**Conversion**	**Exit**	**Portfolio Management (*)**	**Operational and Administrative Charges**
C	**Max. 3.5%**	**0%**	**0%**	**Max. 0.60%**	**Max. 0.33%**
I	**0%**	**0%**	**0%**	**Max. 0.20%**	**Max. 0.25%**
R	**Max. 3.5%**	**0%**	**0%**	**Max. 0.40%**	**Max. 0.33%**
V	**0%**	**0%**	**0%**	**Max. 0.20%**	**Max. 0.25%**
Z	**0%**	**0%**	**0%**	**0%**	**Max. 0.25%**

** The fees are expressed as an annual percentage of the average net asset value of the share class and are payable at the end of each month.*

10. Applicable cut-off times for the subscription, redemption and exchange of shares

D	Valuation Date 12 noon (Luxembourg time) is the cut-off time. NAV is calculated based on closing prices on D	Provided this date is a banking business day in Luxemburg In the case D is not a banking business day in Luxembourg, orders will be taken into account in the cut-off of the next banking business day.
D +1	Calculation Date	Provided this date is a banking business day in Luxemburg otherwise the banking business day in Luxembourg hereafter. Valuation at closing prices of D, NAV dated D.
D+3	Settlement date	According to applicable business days in Luxembourg

11. Listing on an official stock exchange: Shares are not listed on a stock exchange.

Candriam SRI

Equity Emerging Markets

- Fact Sheet -

This sub-fund will be launched on board decision

1. **Investment objectives:** The aim of the sub-fund is to enable shareholders to benefit from the growth potential of the emerging equity markets with an investment in stocks selected by the portfolio management team on a discretionary basis. The selection is based on the stocks' characteristics and growth prospects, as well as in-house analysis of Environmental, Social and Governance ("ESG") criteria.

2. **Investment policy:**

This sub-fund enables shareholders to invest in a portfolio consisting of minimum 75% of equities issued by companies having their registered office or carrying out their primary economic activity in the emerging countries. These countries could be characterized as having an economic and financial system that differs from the one from developed countries , but also by their higher long-term growth potential. These stocks can be listed on their local or on international stock exchanges.

The remainder of the assets are invested in:

- eligible securities other than those described above (notably equities issued by companies having their registered office or carrying out their primary economic activity in developed countries);
- money market instruments;
- a maximum of 10% in UCI and UCITS;
- deposits or cash.

Securities are selected on the basis of economic/financial analysis process as well as on ESG considerations, both indicative of risks and long-term opportunities.

The ESG criteria are analysed through a methodology developed by the Management Company.

This consists in selecting companies which:

- are best positioned to address the sustainable development challenges;
- adopt corporate governance standards in line with their sector's peers;
- comply with the principles of the United Nations Global Compact covering human and labor rights, environment and anti-corruption.

In addition, some companies are excluded on the basis of an analysis of their exposure to controversial activities/sectors (for example tobacco, adult content and armaments - the sub-fund will not invest in securities of a company that manufactures, uses or processes anti-personnel mines, cluster bombs, chemical, biological and nuclear weapons…).

This analysis and selection process is accompanied by active shareholder involvement (e.g. dialogue with companies, voting at general meetings,…).

For further information, please refer to the Management Company's website and/or the annual report.

The sub-fund may also use derivative financial instruments such as options, futures and foreign exchange transactions both for investment and hedging purposes.

3. **Investor profile:** Investment in this sub-fund may be suitable for investors who are prepared to accept the risks of participating in emerging equity markets, together with the level of volatility generally associated therewith.

4. Risk factors specific to the sub-fund and risk management

4.1. Risk factors specific to the sub-fund

- Risk of loss of capital
- Equity risk

- Foreign exchange risk
- Emerging markets risk
- Liquidity risk
- Risk associated with Chinese A equities
- Derivatives risk
- Risk associated with external factors
- Counterparty risk

The general explanation of the various risk factors is given in the clause titled "Risk factors" in the Prospectus.

4.2. Risk Management

The total derivatives commitment will be calculated according to the commitment approach set down in CSSF circular 11/512.

5. Base currency: EUR.

6. Form of the shares: registered shares only.

7. Share classes

- **C**, capitalization shares, denominated in **EUR** [LU1434523954]
- **C**, distribution shares, denominated in **EUR** [LU1434524093]
- **I**, capitalization shares, denominated in **EUR** [LU1434524259]
- **I**, capitalization shares, denominated in **GBP,** unhedged against EUR [LU1434524333]
- **R**, capitalization shares, denominated in **EUR** [LU1434524416]
- **R**, capitalization shares, denominated in **CHF,** unhedged against EUR [LU1434524507]
- **R** capitalization shares, denominated in **GBP,** unhedged against EUR [LU1434524689]
- **R2,** capitalization shares, denominated in **EUR** [LU1434524762]
- **R2,** distribution shares, denominated in **EUR** [LU1434524846]
- **V**, capitalization shares, denominated in **EUR** [LU1434524929]
- **Z**, capitalization shares, denominated in **EUR** [LU1434525066]
- **Z**, distribution shares, denominated in **EUR [**LU1434525140]

8. Minimum initial subscription

- There is no minimum initial subscription for the C, R, R2 & Z shares.
- The minimum initial subscription for the I shares is EUR 250,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.
- The minimum initial subscription for the V shares is EUR 15,000,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.

9. Fees and charges

Shares	**Fees and charges**				
	Subscription (for the benefit of selling agents)	**Conversion**	**Exit**	**Portfolio Management (*)**	**Operational and Administrative Charges**
C	**Max. 3.5%**	**0%**	**0%**	**Max. 1.50%**	**Max. 0.40%**
I	**0%**	**0%**	**0%**	**Max. 0.65%**	**Max. 0.30%**
R	**Max. 3.5%**	**0%**	**0%**	**Max. 0.80%**	**Max. 0.40%**
R2	**Max. 3.5%**	**0%**	**0%**	**Max. 0.30%**	**Max. 0.40%**
V	**0%**	**0%**	**0%**	**Max. 0.40%**	**Max. 0.30%**
Z	**0%**	**0%**	**0%**	**0%**	**Max. 0.30%**

** The fees are expressed as an annual percentage of the average net asset value of the share class and are payable at the end of each month.*

10. Applicable cut-off times for the subscription, redemption and exchange of shares

D	Valuation Date 12 noon (Luxembourg time) is the cut-off time. NAV is calculated based on closing prices on D	Provided this date is a banking business day in Luxemburg In the case D is not a banking business day in Luxembourg, orders will be taken into account in the cut-off of the next banking business day.
D +1	Calculation Date	Provided this date is a banking business day in Luxemburg otherwise the banking business day in Luxembourg hereafter. Valuation at closing prices of D, NAV dated D.
D+3	Settlement date	According to applicable business days in Luxembourg

11. Listing on an official stock exchange: Shares are not listed on a stock exchange.

Candriam SRI
Equity EMU

- Fact Sheet -

1. Investment objectives: The aim of the sub-fund is to enable shareholders to benefit from the growth of the euro zone equity markets with an investment in stocks selected by the portfolio management team on a discretionary basis. The selection is based on the stocks characteristics and growth prospects, as well as in-house analysis of Environmental, Social and Governance (“ESG”) criteria.

2. Investment policy:

More than 75% of the assets of this sub-fund are invested in equity-type securities of companies having their registered office in a Member State of the euro zone that has entered into a tax treaty with France containing a clause regarding the provision of administrative assistance with a view to combating fraud and tax evasion. These securities are admitted to trading on a stock exchange or traded on a regulated market.

The remainder of the assets are invested in:

- eligible securities other than those described above (notably equities issued by companies having their registered office or carrying out their primary economic activity out of the euro zone);
- money market instruments;
- a maximum of 10% in UCI and UCITS;
- deposits or cash.

Securities are selected on the basis of an economic/financial analysis process as well as on ESG considerations, both indicative of risks and long-term opportunities.

The ESG criteria are analyzed through a methodology developed by the Management Company.

This consists in selecting companies which:
- are best positioned to address the sustainable development challenges and to manage stakeholder’s issues specific to their sector using a “best-in-class” approach;
- comply with the principles of the United Nations Global Compact covering human and labour rights, environment and anti-corruption.

In addition, some companies are excluded on the basis of an analysis of their exposure to controversial activities/sectors (for example tobacco, adult content and armaments - the sub-fund will not invest in securities of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs, chemical, biological and nuclear weapons…).

This analysis and selection process is accompanied by active shareholder involvement (e.g. dialogue with companies, voting at general meetings,…).

For further information, please refer to the Management Company’s website and/or the annual report.

The sub-fund may also use derivative products such as options, futures and foreign exchange transactions both for investment and hedging purposes.

3. Investor profile: Investment in this sub-fund may be suitable for investors who are prepared to accept the risks of participating in equity market developments, together with the level of volatility generally associated therewith.

4. Risk factors specific to the sub-fund and risk management

4.1. Risk factors specific to the sub-fund

- Risk of loss of capital
- Equity risk
- Derivatives risk
- Liquidity risk
- Risk associated with external factors

The general explanation of the various risk factors is given in the clause titled "Risk factors" in the Prospectus.

4.2. Risk Management

The total derivatives commitment will be calculated according to the commitment approach set down in CSSF circular 11/512.

5. Base currency: EUR.

6. Form of the shares: registered shares only.

7. Share classes

- **C**, capitalization shares, denominated in **EUR** [LU1313771187]
- **C**, distribution shares, denominated in **EUR** [LU1313771260]
- **I**, capitalization shares, denominated in **EUR** [LU1313771344]
- **R**, capitalization shares, denominated in **EUR** [LU1313771427]
- **R2,** capitalization shares, denominated in EUR [LU1434525223]
- **R2,** distribution shares, denominated in EUR [LU1434525496]
- **V**, capitalization shares, denominated in **EUR** [LU1313771690]
- **Z**, capitalization shares, denominated in **EUR** [LU1313771773]
- **Z**, distribution shares, denominated in **EUR** [LU1434525579]**;** this share class will be launched at EUR 1,000.

The **R2** shares will be launched at EUR 100.

8. Minimum initial subscription

- There is no minimum initial subscription for the C, R & Z shares.
- The minimum initial subscription for the I shares is EUR 250,000 or its equivalent in other currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.
- The minimum initial subscription for the V shares is EUR 15,000,000 or its equivalent in other currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.

9. Fees and charges

Shares	**Fees and charges**				
	Subscription (for the benefit of selling agents)	**Conversion**	**Exit**	**Portfolio Management (*)**	**Operational and Administrative Charges**
C	**Max. 3.5%**	**0%**	**0%**	**Max. 1.50%**	**Max. 0.40%**
I	**0%**	**0%**	**0%**	**Max. 0.65%**	**Max. 0.30%**
R	**Max. 3.5%**	**0%**	**0%**	**Max. 0.80%**	**Max. 0.40%**
R2	**Max. 3.5%**	**0%**	**0%**	**Max. 0.30%**	**Max. 0.40%**
V	**0%**	**0%**	**0%**	**Max. 0.40%**	**Max. 0.30%**
Z	**0%**	**0%**	**0%**	**0%**	**Max. 0.30%**

** The fees are expressed as an annual percentage of the average net asset value of the share class and are payable at the end of each month.*

10. Applicable cut-off times for the subscription, redemption and exchange of shares

D	Valuation Date 12 noon (Luxembourg time) is the cut-off time. NAV is calculated based on closing prices on D	Provided this date is a banking business day in Luxemburg In the case D is not a banking business day in Luxembourg, orders will be taken into account in the cut-off of the next banking business day.
D +1	Calculation Date	Provided this date is a banking business day in Luxemburg otherwise the banking business day in Luxembourg hereafter. Valuation at closing prices of D, NAV dated D.
D+3	Settlement date	According to applicable business days in Luxembourg

11. Listing on an official stock exchange: Shares are not listed on a stock exchange.

Candriam SRI

Equity Europe

- Fact Sheet -

1. **Investment objectives:** The aim of the sub-fund is to enable shareholders to benefit from the growth of the European equity markets with an investment in stocks selected by the portfolio management team on a discretionary basis. The selection is based on the stocks characteristics and growth prospects, as well as in-house analysis of Environmental, Social and Governance ("ESG") criteria.

2. **Investment policy:**

This sub-fund enables shareholders to invest in a portfolio consisting of minimum 75% of equities issued by companies having their registered office or carrying out their primary economic activity in Europe.

The remainder of the assets are invested in:

- eligible securities other than those described above (notably equities issued by companies having their registered office or carrying out their primary economic activity out of Europe);
- money market instruments;
- a maximum of 10% in UCI and UCITS;
- deposits or cash.

Securities are selected on the basis of an economic/financial analysis process as well as on ESG considerations, both indicative of risks and long-term opportunities.

The ESG criteria are analyzed through a methodology developed by the Management Company.

This consists in selecting companies which:

- are best positioned to address the sustainable development challenges and to manage stakeholder's issues specific to their sector using a "best-in-class" approach;
- comply with the principles of the United Nations Global Compact covering human and labour rights, environment and anti-corruption.

In addition, some companies are excluded on the basis of an analysis of their exposure to controversial activities/sectors (for example tobacco, adult content and armaments - the sub-fund will not invest in securities of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs, chemical, biological and nuclear weapons…).

This analysis and selection process is accompanied by active shareholder involvement (e.g. dialogue with companies, voting at general meetings,…).

For further information, please refer to the Management Company's website and/or the annual report.

The sub-fund may also use derivative products such as options, futures and foreign exchange transactions both for investment and hedging purposes.

3. **Investor profile:** Investment in this sub-fund may be suitable for investors who are prepared to accept the risks of participating in equity market developments, together with the level of volatility generally associated therewith.

4. Risk factors specific to the sub-fund and risk management

4.1. Risk factors specific to the sub-fund

- Risk of loss of capital
- Equity risk
- Foreign exchange risk
- Derivatives risk
- Liquidity risk
- Risk associated with external factors
- Counterparty risk

The general explanation of the various risk factors is given in the clause titled “Risk factors” in the Prospectus.

4.2. Risk Management

The total derivatives commitment will be calculated according to the commitment approach set down in CSSF circular 11/512.

5. Base currency: EUR.

6. Form of the shares: registered shares only.

7. Share classes

- **C**, capitalization shares, denominated in **EUR** [LU1313771856]
- **C**, distribution shares, denominated in **EUR** [LU1313771930]
- **I**, capitalization shares, denominated in **EUR** [LU1313772078]
- **R**, capitalization shares, denominated in **EUR** [LU1313772151]
- **V**, capitalization shares, denominated in **EUR** [LU1313772235]
- **Z**, capitalization shares, denominated in **EUR** [LU1313772318]
- **Z**, distribution shares, denominated in **EUR** [LU1434525819]; this share class will be launched at EUR 1,000.

8. Minimum initial subscription

- There is no minimum initial subscription for the C, R & Z shares.
- The minimum initial subscription for the I shares is EUR 250,000 or its equivalent in other currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.
- The minimum initial subscription for the V shares is EUR 15,000,000 or its equivalent in other currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.

9. Fees and charges

Shares	Fees and charges				
	Subscription (for the benefit of selling agents)	**Conversion**	**Exit**	**Portfolio Management (*)**	**Operational and Administrative Charges**
C	**Max. 3.5%**	**0%**	**0%**	**Max. 1.50%**	**Max. 0.40%**
I	**0%**	**0%**	**0%**	**Max. 0.65%**	**Max. 0.30%**
R	**Max. 3.5%**	**0%**	**0%**	**Max. 0.80%**	**Max. 0.40%**
V	**0%**	**0%**	**0%**	**Max. 0.40%**	**Max. 0.30%**
Z	**0%**	**0%**	**0%**	**0%**	**Max. 0.30%**

** The fees are expressed as an annual percentage of the average net asset value of the share class and are payable at the end of each month.*

10. Applicable cut-off times for the subscription, redemption and exchange of shares

D	Valuation Date 12 noon (Luxembourg time) is the cut-off time. NAV is calculated based on closing prices on D	Provided this date is a banking business day in Luxemburg In the case D is not a banking business day in Luxembourg, orders will be taken into account in the cut-off of the next banking business day.
D +1	Calculation Date	Provided this date is a banking business day in Luxemburg otherwise the banking business day in Luxembourg hereafter. Valuation at closing prices of D, NAV dated D.
D+3	Settlement date	According to applicable business days in Luxembourg

11. Listing on an official stock exchange: Shares are not listed on a stock exchange.

Candriam SRI

Equity North America

- Fact Sheet -

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1. **Investment objectives:** The aim of the sub-fund is to enable shareholders to benefit from the growth potential of the North America equity markets with an investment in stocks based on fundamental and technical characteristics, as well as an in-house analysis of Environmental, Social and Governance ("ESG") criteria.

2. **Investment policy:**

This sub-fund enables shareholders to invest in a portfolio consisting of minimum 75% of equities issued by companies having their registered office or carrying out their primary economic activity in the United States of America and/or Canada.

The remainder of the assets are invested in:

- eligible securities other than those described above (notably equities issued by companies having their registered office or carrying out their primary economic activity out of the United States of America and/or Canada);
- money market instruments;
- a maximum of 10% in UCI and UCITS;
- deposits or cash.

Securities are selected on the basis of an economic/financial analysis process as well as on ESG considerations, both indicative of risks and long-term opportunities.

The ESG criteria are analyzed through a methodology developed by the Management Company.

This consists in selecting companies which:

- are best positioned to address the sustainable development challenges and to manage stakeholder's issues specific to their sector using a "best-in-class" approach;
- comply with the principles of the United Nations Global Compact covering human and labour rights, environment and anti-corruption.

In addition, some companies are excluded on the basis of an analysis of their exposure to controversial activities/sectors (for example tobacco, adult content and armaments - the sub-fund will not invest in securities of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs, chemical, biological and nuclear weapons…).

This analysis and selection process is accompanied by active shareholder involvement (e.g. dialogue with companies, voting at general meetings,…).

For further information, please refer to the Management Company's website and/or the annual report.

The sub-fund may also use derivative products such as options, futures and foreign exchange transactions both for investment and hedging purposes.

3. **Investor profile:** Investment in this sub-fund may be suitable for investors who are prepared to accept the risks of participating in equity market developments, together with the level of volatility generally associated therewith.

4. **Risk factors specific to the sub-fund and risk management**

4.1. Risk factors specific to the sub-fund

- Risk of loss of capital
- Equity risk
- Foreign exchange risk
- Model risk
- Derivatives risk
- Liquidity risk

- Concentration risk
- Risk associated with external factors
- Counterparty risk

The general explanation of the various risk factors is given in the clause titled "Risk factors" in the Prospectus.

4.2. Risk Management

The total derivatives commitment will be calculated according to the commitment approach set down in CSSF circular 11/512.

5. Base currency: USD.

6. Form of the shares: registered shares only.

7. Share classes

- **C**, capitalization shares, denominated in **USD** [LU1313772581]
- **C**, distribution shares, denominated in **USD** [LU1313772664]
- **I**, capitalization shares, denominated in **USD** [LU1313772748]
- **I,** distribution shares, denominated in **USD** [LU1434525900]]; this share class will be launched at USD 1,000.
- **I,** capitalization shares, denominated in **CHF**, hedged against USD [LU1434526031]; this share class will be launched at CHF 1,000.
- **R**, capitalization shares, denominated in **USD** [LU1313772821]
- **R,** capitalization shares, denominated in **EUR,** unhedged against USD [LU1313773043]
- **V**, capitalization shares, denominated in **USD** [LU1313773126]
- **Z**, capitalization shares, denominated in **USD** [LU1313773472]
- **Z**, distribution shares, denominated in **USD** [LU1434526387]; this share class will be launched at USD 1,000.

8. Minimum initial subscription

- There is no minimum initial subscription for the C, R & Z shares.
- The minimum initial subscription for the I shares is the equivalent in USD of 250,000 EUR or its equivalent in other currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.
- The minimum initial subscription for the V shares is the equivalent in USD of 15,000,000 EUR or its equivalent in other currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.

9. Fees and charges

Shares	**Fees and charges**				
	Subscription (for the benefit of selling agents)	**Conversion**	**Exit**	**Portfolio Management (*)**	**Operational and Administrative Charges**
C	**Max. 3.5%**	**0%**	**0%**	**Max. 1.50%**	**Max. 0.40%**
I	**0%**	**0%**	**0%**	**Max. 0.65%**	**Max. 0.30%**
R	**Max. 3.5%**	**0%**	**0%**	**Max. 0.80%**	**Max. 0.40%**
V	**0%**	**0%**	**0%**	**Max. 0.40%**	**Max. 0.30%**
Z	**0%**	**0%**	**0%**	**0%**	**Max. 0.30%**

** The fees are expressed as an annual percentage of the average net asset value of the share class and are payable at the end of each month.*

10. Applicable cut-off times for the subscription, redemption and exchange of shares

D	Valuation Date 12 noon (Luxembourg time) is the cut-off time. NAV is calculated based on closing prices on D	Provided this date is a banking business day in Luxemburg In the case D is not a banking business day in Luxembourg, orders will be taken into account in the cut-off of the next banking business day.
D +1	Calculation Date	Provided this date is a banking business day in Luxemburg otherwise the banking business day in Luxembourg hereafter. Valuation at closing prices of D, NAV dated D.
D+3	Settlement date	According to applicable business days in Luxembourg

11. Listing on an official stock exchange: Shares are not listed on a stock exchange.

Candriam SRI

Equity Pacific

- Fact Sheet -

The initial net asset value of the sub-fund will be dated 7 November 2016, with payment on 10 November 2016.
The first calculated net asset value will be dated 8 November 2016, calculated on 9 November 2016, with payment on 11 November 2016.

1. Investment objectives: The aim of the sub-fund is to enable shareholders to benefit from the growth potential of equity markets in the "Pacific" region with an investment in stocks selected by the portfolio management team based on an in-house analysis of Environmental, Social and Governance ("ESG") criteria.

2. Investment policy:

This sub-fund enables shareholders to invest in a portfolio consisting of minimum 75% of equities issued by companies having their registered office or carrying out their primary economic activity in the "Pacific" region, essentially Japan, Singapore, Hong Kong, New Zealand or Australia.

The remainder of the assets are invested in:

- eligible securities other than those described above (notably equities issued by companies having their registered office or carrying out their primary economic activity out of the "Pacific" region);
- money market instruments;
- a maximum of 10% in UCI and UCITS;
- deposits or cash.

Securities are selected on the basis of an economic/financial analysis process as well as on ESG considerations, both indicative of risks and long-term opportunities.

The ESG criteria are analyzed through a methodology developed by the Management Company.

This consists in selecting companies which:

- are best positioned to address the sustainable development challenges and to manage stakeholder's issues specific to their sector using a "best-in-class" approach;
- comply with the principles of the United Nations Global Compact covering human and labour rights, environment and anti-corruption.

In addition, some companies are excluded on the basis of an analysis of their exposure to controversial activities/sectors (for example tobacco, adult content and armaments - the sub-fund will not invest in securities of a company that manufactures, uses or prossesses anti-personnel mines, cluster bombs, chemical, biological and nuclear weapons…).

This analysis and selection process is accompanied by active shareholder involvement (e.g. dialogue with companies, voting at general meetings,…).

For further information, please refer to the Management Company's website and/or the annual report.

The sub-fund may also use derivative financial instruments such as options, futures and foreign exchange transactions both for investment and hedging purposes.

3. Investor profile: Investment in this sub-fund may be suitable for investors who are prepared to accept the risks of participating in Pacific equity markets (essentially Japan, Singapore, Hong Kong, New Zealand or Australia), together with the level of volatility generally associated therewith.

4. Risk factors specific to the sub-fund and risk management

4.1. Risk factors specific to the sub-fund

- Risk of loss of capital
- Equity risk

- Foreign exchange risk
- Model risk
- Derivatives risk
- Liquidity risk
- Concentration risk
- Risk associated with external factors
- Counterparty risk

The general explanation of the various risk factors is given in the clause titled "Risk factors" in the Prospectus.

4.2. Risk Management

The total derivatives commitment will be calculated according to the commitment approach set down in CSSF circular 11/512.

5. Base currency: JPY.

6. Form of the shares: registered shares only.

7. Share classes

- C, capitalization shares, denominated in JPY [LU1434526460]
- C, distribution shares, denominated in JPY [LU1434526544]
- I, capitalization shares, denominated in JPY [LU1434526627]
- R, capitalization shares, denominated in JPY [LU1434526890]
- R, capitalization shares, denominated in EUR, unhedged against JPY [LU1434526973]
- V, capitalization shares, denominated in JPY [LU1434527195]
- V, capitalization shares, denominated in EUR, hedged against JPY [LU1480286993]
- Z, capitalization shares, denominated in JPY [LU1434527278]
- Z, distribution shares, denominated in JPY [LU1434527351]

The C and R shares will be launched at JPY 12.500 except the R share class denominated in EUR, that will be launched at EUR 100.
The I, V and Z shares will be launched at JPY 125.000 for the classes denominated in JPY and 1.500 EUR for the share class denominated in EUR.

8. Minimum initial subscription

- There is no minimum initial subscription for the C, R & Z shares.
- The minimum initial subscription for the I shares is EUR 250,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.
- The minimum initial subscription for the V shares is EUR 15,000,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.

9. Fees and charges

Shares	Fees and charges				
	Subscription (for the benefit of selling agents)	Conversion	Exit	Portfolio Management (*)	Operational and Administrative Charges
C	Max. 3.5%	0%	0%	Max. 1.50%	Max. 0.40%
I	0%	0%	0%	Max. 0.65%	Max. 0.30%
R	Max. 3.5%	0%	0%	Max. 0.80%	Max. 0.40%
V	0%	0%	0%	Max. 0.40%	Max. 0.30%
Z	0%	0%	0%	0%	Max. 0.30%

** The fees are expressed as an annual percentage of the average net asset value of the share class and are payable at the end of each month.*

10. Applicable cut-off times for the subscription, redemption and exchange of shares

D	Valuation Date 12 noon (Luxembourg time) is the cut-off time. NAV is calculated based on closing prices on D+1	Provided this date is a banking business day in Luxemburg. In the case D is not a banking business day in Luxembourg, orders will be taken into account in the cut-off of the next banking business day.
D +1	Calculation Date	Provided this date is a banking business day in Luxemburg otherwise the banking business day in Luxembourg hereafter. Valuation at closing prices of D+1, NAV dated D.
D+3	Settlement date	According to applicable business days in Luxembourg

11. Listing on an official stock exchange: Shares are not listed on a stock exchange.

Candriam SRI

Equity World

- Fact Sheet -

This sub-fund will be launched on board decision

1. Investment objectives: The aim of the sub-fund is to enable shareholders to benefit from the growth potential of the global equity markets with an investment in stocks based on fundamental and technical characteristics, as well as an in-house analysis of Environmental, Social and Governance ("ESG") criteria.

2. Investment policy:

This sub-fund enables shareholders to invest in a portfolio consisting of minimum 75% of equities issued by companies that have their registered office or carry out their primary economic activity worldwide.

The remainder of the assets are invested in:

- money market instruments;
- a maximum of 10% in UCI and UCITS;
- deposits or cash.

Securities are selected on the basis of an economic/financial analysis process as well as on ESG considerations, both indicative of risks and long-term opportunities.

The ESG criteria are analyzed through a methodology developed by the Management Company.

This consists in selecting companies which:

- are best positioned to address the sustainable development challenges and to manage stakeholder's issues specific to their sector using a "best-in-class" approach;
- comply with the principles of the United Nations Global Compact covering human and labour rights, environment and anti-corruption.

In addition, some companies are excluded on the basis of an analysis of their exposure to controversial activities/sectors (for example tobacco, adult content and armaments - the sub-fund will not invest in securities of a company that manufactures, uses or prossesses anti-personnel mines, cluster bombs, chemical, biological and nuclear weapons…).

This analysis and selection process is accompanied by active shareholder involvement (e.g. dialogue with companies, voting at general meetings,…).

For further information, please refer to the Management Company's website and/or the annual report.

The sub-fund may also use derivative financial instruments such as options, futures and foreign exchange transactions both for investment and hedging purposes

3. Investor profile: Investment in this sub-fund may be suitable for investors who are prepared to accept the risks of participating in international equity markets, together with the level of volatility generally associated therewith.

4. Risk factors specific to the sub-fund and risk management

4.1. Risk factors specific to the sub-fund

- Risk of loss of capital
- Equity risk
- Foreign exchange risk
- Model risk
- Derivatives risk
- Risk associated with external factors
- Counterparty risk

The general explanation of the various risk factors is given in the clause titled “Risk factors” in the Prospectus.

4.2. Risk Management

The total derivatives commitment will be calculated according to the commitment approach set down in CSSF circular 11/512.

5. Base currency: EUR.

6. Form of the shares: registered shares only.

7. Share classes

- **C**, capitalization shares, denominated in **EUR** [LU1434527435]
- **C**, distribution shares, denominated in **EUR** [LU1434527518]
- **C**, capitalization shares, denominated in **SEK,** unhedged against EUR [LU1434527609]
- **I**, capitalization shares, denominated in **EUR** [LU1434527781]
- **I**, distribution shares, denominated in **EUR** [LU1434527864]
- **I**, capitalization shares, denominated in **GBP,** unhedged against EUR [LU1434528086]
- **R**, capitalization shares, denominated in **EUR** [LU1434528169]
- **R**, capitalization shares, denominated in **GBP,** unhedged against EUR [LU1434528243]
- **R**, capitalization shares, denominated in **CHF,** unhedged against EUR [LU1434528326]
- **V**, capitalization shares, denominated in **EUR** [LU1434528672]
- **Y**, capitalization shares, denominated in **EUR** [LU1434528755]
- **Z**, capitalization shares, denominated in **EUR** [LU1434528839]
- **Z**, distribution shares, denominated in **EUR** [LU1434528912];

8. Minimum initial subscription

- There is no minimum initial subscription for the C, R, Y & Z shares.
- The minimum initial subscription for the I shares is EUR 250,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.
- The minimum initial subscription for the V shares is EUR 15,000,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.

9. Fees and charges

Shares	Fees and charges				
	Subscription (for the benefit of selling agents)	Conversion	Exit	Portfolio Management (*)	Operational and Administrative Charges
C	Max. 3.5%	0%	0%	Max. 1.50%	Max. 0.40%
I	0%	0%	0%	Max. 0.65%	Max. 0.30%
R	Max. 3.5%	0%	0%	Max. 0.80%	Max. 0.40%
V	0%	0%	0%	Max. 0.40%	Max. 0.30%
Y	0%	0%	0%	Max. 0.60%	Max. 0.30%
Z	0%	0%	0%	0%	Max. 0.30%

** The fees are expressed as an annual percentage of the average net asset value of the share class and are payable at the end of each month.*

10. Applicable cut-off times for the subscription, redemption and exchange of shares

D	Valuation Date 12 noon (Luxembourg time) is the cut-off time. NAV is calculated based on closing prices on D	Provided this date is a banking business day in Luxemburg In the case D is not a banking business day in Luxembourg, orders will be taken into account in the cut-off of the next banking business day.
D +1	Calculation Date	Provided this date is a banking business day in Luxemburg otherwise the banking business day in Luxembourg hereafter. Valuation at closing prices of D, NAV dated D.
D+3	Settlement date	According to applicable business days in Luxembourg

11. Listing on an official stock exchange: Shares are not listed on a stock exchange.

Candriam SRI

Money Market Euro

- Fact Sheet -

This sub-fund will be launched on board decision

1. **Investment objectives:** The aim of the sub-fund is to enable shareholders to manage their cash flow in the short-term and so to enable them to benefit from a moderate return while investing, in the currency of the sub-fund, with minimal risks. The selection is based on the securities characteristics, growth prospects and in-house analysis of Environmental, Social and Governance ("ESG") criteria.

   This sub-fund is classified as a monetary sub-fund.

2. **Investment policy:**

The assets are principally invested in:

- money market instruments (including money market derivatives with a residual maturity of max 397 days),
- bonds with a residual maturity of max 397 days or with an interest rate that is revisable at least annually,
- deposits and cash and financial instruments equivalent, by virtue of their return, to one of the aforementioned products.

The money market instruments and transferable securities used will be issued principally by good-quality issuers or guaranteed by good-quality guarantors (A2/P2) and will meet sustainable investment criteria.
The investments will be denominated in EUR and in currencies of the Member States of the OECD.
The sub-fund may invest a maximum of 10% of its assets in UCIs and UCITS.

The duration (Weighted Average Maturity - WAM), i.e. the sensitivity of funds to changes in interest rates, will not exceed 6 months and the weighted average life of funds (Weighted Average Life - WAL) will not exceed 12 months.

Exposures to currencies other than the euro may be hedged against foreign exchange risk, however the hedging won't be systematic.

Securities/issuers are selected on the basis of an economic/financial analysis process as well as on ESG considerations, both indicative of risks and long-term opportunities.

The ESG criteria are analyzed through a methodology developed by the Management Company.

This consists in selecting:

- companies which:
  - are best positioned to address the sustainable development challenges and to manage stakeholder's issues specific to their sector using a "best-in-class" approach;
  - comply with the principles of the United Nations Global Compact covering human and labour rights, environment and anti-corruption.

  In addition, some companies are excluded on the basis of an analysis of their exposure to controversial activities/sectors (for example tobacco, adult content and armaments - the sub-fund will not invest in securities of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs, chemical, biological and nuclear weapons…).

  This analysis and selection process is accompanied by an active dialogue with companies.

- countries well-equipped to manage their human, natural and social capital and provide economic stability and not considered as highly oppressive regimes.

For further information, please refer to the Management Company's website and/or the annual report.

The sub-fund may also use derivative financial instruments on the regulated or over-the-counter market for the purpose of hedging or exposure.

The underlyings of these derivative financial instruments can be currencies, interest rates and credit spreads such as swaps (currency exchange swaps, interest rate swaps, credit default swaps, inflation swaps), forwards, options, futures.

3. **Investor profile:** Investment in this sub-fund may be suitable for investors who seek to manage their cash flow in the short term with minimal risks.

4. Risk factors specific to the sub-fund and risk management

4.1. Risk factors specific to the sub-fund

- Derivatives risk
- Credit risk
- Counterparty risk
- Risk of loss of capital
- Interest rate risk
- Risk associated with external factors

The general explanation of the various risk factors is given in the clause titled "Risk factors" in the Prospectus.

4.2. Risk Management

The total derivatives commitment will be calculated according to the commitment approach set down in CSSF circular 11/512.

5. **Base currency**: EUR.

6. **Form of the shares**: registered shares only.

7. Share classes

- **C**, capitalization shares, denominated in **EUR** [LU1434529050]
- **C**, distribution shares, denominated in **EUR** [LU1434529134]
- **I**, capitalization shares, denominated in **EUR** [LU1434529217]
- **I**, distribution shares, denominated in **EUR** [LU1434529308]
- **R2,** capitalization shares, denominated in **EUR** [LU1434529480]
- **R2,** distribution shares, denominated in **EUR** [LU1434529563]
- **V**, capitalization shares, denominated in **EUR** [LU1434529647]
- **V**, distribution shares, denominated in **EUR** [LU1434529720]
- **Z**, capitalization shares, denominated in **EUR** [LU1434529993]
- **Z**, distribution shares, denominated in **EUR** [LU1434530066]

8. Minimum initial subscription

- There is no minimum initial subscription for the C, R2 & Z shares.
- The minimum initial subscription for the I shares is EUR 250,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.
- The minimum initial subscription for the V shares is EUR 15,000,000 or its equivalent in currencies for classes denominated in foreign currencies. This minimum may be changed at the discretion of the Board of Directors provided shareholders are treated equally on the same Valuation Date.

9. Fees and charges

Shares	Fees and charges				
	Subscription (for the benefit of selling agents)	**Conversion**	**Exit**	**Portfolio Management (*)**	**Operational and Administrative Charges**
C	**Max. 3.5%**	**0%**	**0%**	**Max. 0.30%**	**Max. 0.30%**
I	**0%**	**0%**	**0%**	**Max. 0.15%**	**Max. 0.17%**
R2	**Max. 3.5%**	**0%**	**0%**	**Max. 0.06%**	**Max. 0.30%**
V	**0%**	**0%**	**0%**	**Max. 0.06%**	**Max. 0.17%**
Z	**0%**	**0%**	**0%**	**0%**	**Max. 0.17%**

** The fees are expressed as an annual percentage of the average net asset value of the share class and are payable at the end of each month.*

10. Applicable cut-off times for the subscription, redemption and exchange of shares

D	Valuation Date 12 noon (Luxembourg time) is the cut-off time. NAV is calculated based on closing prices on D	Provided this date is a banking business day in Luxemburg In the case D is not a banking business day in Luxembourg, orders will be taken into account in the cut-off of the next banking business day.
D +1	Calculation Date	Provided this date is a banking business day in Luxemburg otherwise the banking business day in Luxembourg hereafter. Valuation at closing prices of D, NAV dated D.
D+2	Settlement date	According to applicable business days in Luxembourg

11. Listing on an official stock exchange: Shares are not listed on a stock exchange.

This Fact Sheet forms an integral part of the Prospectus dated October 20, 2016

Information for Irish Investors

Candriam SRI

COUNTRY SUPPLEMENT DATED 9 November 2016

This document (the "Country Supplement") has been prepared solely for the purpose of registering the Shares of Candriam SRI (the "SICAV") in Ireland. Investors in Ireland should read this Country Supplement in conjunction with the prospectus for the SICAV, dated 20 October 2016, and the fact sheets in respect of Candriam SRI Bond Euro, all dated and published December 2015 (collectively, the "Prospectus") .

The SICAV is a société d'investissement à capital variable with an umbrella structure established in Luxembourg on 21 December 2015 with registered number B-202950, and is governed by part I of the Law of 20 December 2002 on Undertakings for Collective Investment ("UCIs") and is subject to the supervision of the Commission de Surveillance du Secteur Financier (Luxembourg Financial Supervisory Authority).

The directors of the SICAV, whose names appear in the Prospectus (the "**Directors**"), accept responsibility for the information contained in the Prospectus and in this Country Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in the Prospectus and this Country Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

The information contained in this Country Supplement should be read in the context of, and together with, the information contained in the Prospectus and distribution of this Country Supplement is not authorised unless accompanied by or supplied in conjunction with a copy of the Prospectus.

Words and expressions defined in the Prospectus and in the relevant fact sheet shall, unless the context otherwise requires, have the same meaning when used in this Country Supplement.

The following information is addressed to potential investors in the SICAV in Ireland. This information specifies and completes the Prospectus as far as sales activities in Ireland are concerned.

The functions of the Irish facilities agent in Ireland are being carried on by RBC Investor Services Ireland Limited with registered office at 4th Floor, One George's Quay Plaza, George's Quay, Dublin 2, Ireland (the "**Facilities Agent**").

Copies of the Prospectus, this Country Supplement, the Key Investor Information Documents, the constitutional documents of the SICAV and its annual and semi-annual reports are available free of charge at the offices of the Irish Facilities Agent.

Competent regulatory authority in Ireland:
The Central Bank of Ireland (the "**Central Bank**").

The Directors confirm that the distribution of the Shares has been notified to the Central Bank.

Taxation in Ireland

The following summary of certain relevant taxation provisions is based on current law and practice in Ireland and does not constitute legal or tax advice. It does not purport to deal with all the tax consequences applicable to all categories of investors, some of whom may be subject to special rules. Shareholders and potential investors are advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling, converting or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile, and in the light of their particular circumstances.

Potential investors and shareholders should note that the statements on taxation which are set out below are based on the law and practice in force in Ireland as at the date of this Country Supplement. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the SICAV will endure indefinitely.

Taxation of the SICAV

On the basis that the SICAV is not centrally and effectively managed and controlled in Ireland the SICAV should not be resident in Ireland for the purpose of Irish tax. Accordingly, and on the basis that the SICAV does not operate in Ireland through a fixed place of business or dependent agency, the SICAV should not be subject to Irish tax on its income and gains. This is unless the SICAV invests in certain assets whereby it earns Irish source income or make gains on the disposal of certain assets specified for Irish tax purposes (e.g. Irish land, buildings, exploration or mineral rights or shares that are not quoted on a stock exchange and derive their value wholly or mainly from the foregoing assets).

Taxation of Shareholders

A person other than a company (e.g. an individual), who is a Shareholder in the SICAV, who is resident or ordinarily resident in Ireland (see below) or who is operating in Ireland through a branch or agency with which the investment in the SICAV is connected, will be liable to Irish tax on payments received from the SICAV at the rate of 41 per cent.

Similarly gains realised by a person in respect of the disposal or the deemed disposal of Shares in the SICAV will be subject to Irish tax at a rate of 41 per cent.

A company, which is a Shareholder in the SICAV and is Resident in Ireland for the purpose of Irish tax or which is operating in Ireland through a branch or agency with which the investment in the SICAV is connected, will be liable to Irish tax on payments received from the SICAV at the following tax rates:

(i) where the payment is a receipt of a trade carried on by the company, Irish tax is payable at a rate of 12.5 per cent;

(ii) where the payment is not a receipt of a trade carried on by the company, Irish tax is payable at a rate of 25 per cent.

Gains realised by a company in respect of a disposal of Shares in the SICAV (where the gain is not taken into account in calculating the profits or gains of a trade carried on by the company) will be subject to Irish tax at a rate of 25 per cent.

For Irish tax purposes, a company or a person other than a company, as the case may be, will be deemed to have disposed of Shares in the SICAV at the end of each "relevant period" and immediately to have reacquired it at its market value at that time. Irish tax will be payable on gains realised in respect of this deemed disposal. A "relevant period" means a period of 8 years beginning with the acquisition of the relevant Shares in the SICAV and each subsequent period of 8 years beginning immediately after the preceding relevant period.

Irish Tax Residence

For the purposes of Irish tax:

- an individual will be regarded as resident in Ireland for a particular tax year if he/she is present in Ireland: (a) for a period of at least 183 days in that tax year, or (b) for a period of at least 280 days in any two consecutive tax years, provided that the individual is resident in Ireland for at least 31 days in each tax year. In determining the number of days present in Ireland, an individual is deemed to be present in Ireland if he/she is in the country at any time during the day. An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident in Ireland with effect from the commencement of the fourth tax year. An individual who has been ordinarily resident in Ireland is no longer ordinarily resident in Ireland with effect from the commencement of the fourth consecutive tax year in which he/she is not resident in Ireland.

- a company incorporated in Ireland after 1 January 2015 will be regarded as being resident in Ireland for Irish tax purposes unless it is regarded for the purposes of a double tax treaty in effect with Ireland as being resident in that other tax treaty territory and not in Ireland. A company incorporated in Ireland prior to 1 January 2015 will be similarly treated for the purposes of ascertaining tax residency after 1 January 2020 or if earlier, from the date of a major change in ownership of the company where there is also a major change in the nature or conduct of business of the company within the relevant period. Relevant period for this purpose means a period beginning not later than 1 January 2015 or the date which occurs one year before the date of the change in ownership of the company and ending 5 years after the date of that change in ownership.

- a company incorporated in Ireland prior to 1 January 2015 which has its central management and control in Ireland will be regarded as being resident in Ireland.

- a company incorporated in Ireland prior to 1 January 2015 which does not have its central management and control in Ireland will be regarded as resident in Ireland except where either:

    - the company or a related company (as described in section 23A of the Taxes Consolidation Act 1997) carries on a trade in Ireland, and either the company is ultimately controlled by persons resident in an EU member state or resident in a territory with which Ireland has concluded a double tax treaty, and the company is not ultimately controlled by persons who are not so resident, or the principal class of shares of the company or a related company is substantially and regularly traded on one or more recoginised stock exchanges in the EU or in a territory with which Ireland has double tax treaty; or

    - pursuant to the terms of double tax treaty between Ireland and another territory, a company is regarded as a resident of a territory other than Ireland and as not resident of Ireland

A trust will be resident in Ireland and ordinarily resident in Ireland for the purposes of Irish tax unless the general administration of the trust is ordinarily carried on outside Ireland and the trustees (being a single and continuing body of persons) or a majority of them for the time being are not resident in Ireland or ordinarily resident in Ireland for Irish tax purposes.

Notification to the Revenue Commissioners of Ireland

Each shareholder is required, upon acquiring an interest in the SICAV, to file a tax return with the Revenue Commissioners of Ireland. The tax return must include the following particulars:

(a) the name and address of the SICAV;

(b) a description, including the cost to the person of the interest acquired; and

(c) the name and address of the person through whom the interest was acquired.

9 November 2016