

KEY INFORMATION DOCUMENT

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

PRODUCT

Defensive Asset Allocation, R - Capitalisation, a sub-fund of Candriam Sustainable, SICAV

Manufacturer:	Candriam, a New York Life Investments group entity.
ISIN:	LU1644442524
Website:	www.candriam.com
Contact:	Call +352 27 97 24 25 for more information
Competent Authority:	The Commission de Surveillance du Secteur Financier (CSSF) is in charge of the control of Candriam with regard to this key information document. . This product is authorised in Luxembourg. Candriam is approved in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF).

This key information document is valid as at 2024-10-01.

WHAT IS THIS PRODUCT?

Type: This product is a share class (R) of a sub-fund (Defensive Asset Allocation) of an investment company with variable capital (SICAV) under Luxembourg law (Candriam Sustainable), Undertakings for Collective Investment in Transferable Securities (UCITS).

Term: Open-ended.

Objectives:

Principal assets traded:

Bonds, equities of all type of issuers from worldwide markets mainly through UCITS and other UCI.

Investment strategy:

The fund seeks to achieve capital growth by investing in the principal assets traded, privileging an exposure to bonds and/or similar eligible securities, and to outperform the benchmark.

The equity exposure is always the minority and can be reduced according to the fund manager's expectations of the trend of the financial markets and in order to reduce the risk for the investor.

The neutral equity weight in the portfolio is about 20% (the neutral equity weight being the theoretical proportion of the assets of the fund exposed to equities from which point the investment team determines the repartition of the fund assets depending on its anticipation of the financial markets).

The management team makes discretionary investment choices on the basis of an economic/financial analysis process as well as on a Candriam's proprietary analysis of Environmental, Social and Governance (ESG) considerations, both indicative of risks and long-term opportunities.

The fund's sustainable investment objective is to have long-term positive impact on environment and social domains. The analysis of ESG aspects is also integrated into the selection and global allocation of the underlying assets.

The fund aims to achieve a carbon footprint that is at least 25% lower than carbon footprint of the Benchmark.

The fund invests at least 90% of its net assets in sustainable investments. A broad majority of the underlying funds themselves have a sustainable investment objective and/or in transferable securities and/or other financial instruments with a sustainable investment objective. For investments in direct lines corporate issuances have to qualify as sustainable Investments. The fund also seeks to exclude investments in companies which do not comply with certain internationally recognised standards and principles, or which are significantly exposed to certain controversial activities or which collaborate with countries considered to have highly oppressive regimes. The selection and allocation process is also accompanied, where applicable indirectly via the underlying fund(s), by active stewardship, in particular through dialogue with companies and, as a shareholder, through voting at general meetings.

This investment approach will cause the fund to avoid certain issuers due to their poor ESG quality or contribution to attaining sustainability objectives. Whilst the manager believes that such issuers are likely to lose out to more sustainable ones over the long term, market volatility and short term market trends could result in such issuers outperforming more sustainable ones over shorter periods.

The fund has not filed for the French SRI Label.

For further information, please refer to Candriam's website and/or the prospectus.

The fund may use derivative products both for investment and hedging purposes (hedging against unfavourable future financial events).

Benchmark: 80% Bloomberg Euro-Aggregate 1-10 Year Index (Total Return) + 8% MSCI Europe (Net Return) + 8% MSCI USA (Net Return) + 3% MSCI Emerging Markets (Net Return) + 1% MSCI Japan (Net Return).

The fund is actively managed and the investment approach implies a reference to a benchmark. Benchmark definition:

Bloomberg Euro-Aggregate 1-10 Year Index: measures the performance of investment-grade EUR-denominated bonds within maturity bracket between 1 to 10 years.

MSCI EMU: measures the performance of the large and mid-capitalization equity segment across developed markets in the European Economic and Monetary Union (EMU).

MSCI Europe ex EMU: measures the performance of the large and mid-capitalization equity segment across developed markets in Europe (excluding EMU).

MSCI World ex Europe: measures the performance of the large and mid-capitalization equity segment across developed markets countries (excluding Europe).

MSCI Emerging Markets: measures the performance of the large and mid-capitalization equity segment across emerging markets countries. Use of the benchmark: - in the determination of risk levels/parameters, - for performance comparison.

- for performance fees calculation for certain share classes if applicable.

Deviation level of the portfolio composition from the benchmark:

The fund being managed actively, its objective is not to invest in all constituents of the benchmark, nor to invest to the same extent in the constituents of the benchmark. Under normal market conditions, the tracking error of the fund will be limited to moderate this is comprised between 0.5% and 3%.

This measure is an estimation of the deviation of the fund's performance compared to the performance of the benchmark. The more the tracking error is important, the more deviations compared to the benchmark are important. The effective tracking error depends notably on the market conditions (volatility and correlations between financial instruments) and can deviate from the expected tracking error.

Redemption of shares: On request, every day, in Luxembourg.

Allocation of income: Reinvestment.

Intended retail investor:

This product is for investors who meet the conditions for accessing the product in question (see prospectus) with any level of knowledge and experience who are looking for Capital Growth. This product can be used as a core holding or a component of a diversified portfolio for investments with an investment horizon of 3 years. Investors should understand the product risks and only invest if they can bear potentially substantial losses.

General information:

Depository bank: CACEIS Bank, Luxembourg Branch.

Other information:

This document provides a description of a share class of a sub-fund of Candriam Sustainable. The prospectus and periodical reports are established for all the sub-funds. There are other share classes and these are listed in the prospectus.

Investors may apply for the conversion of their shares into shares of another class of the same sub-fund or into shares of a class of another sub-fund of the fund, based on the eligibility criteria and following the procedures available through their financial intermediary.

The sub-fund is only liable for the debts, liabilities and obligations that can be charged to it.

Additional information about the fund can be found in the prospectus and the periodical reports, which may be obtained free of charge on request from Candriam or viewed at any time on the website www.candriam.com. These documents are available in one of the languages approved by the local authority of each country where the fund is authorised to market its shares or in a common language in the international finance sphere. All other practical information, in particular the latest share price, is available from the places shown above.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?



The risk indicator assumes you keep the product for 3 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

Risk Indicator

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as class 2 out of 7, which is a low-risk class.

This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely to impact the capacity to pay you.

Other risk(s) materially relevant not included in the summary risk indicator: Credit. Counterparty. Derivatives. Emerging markets.

This product does not include any protection from future market performance so you could lose some or all of your investment.

Performance scenarios

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your adviser or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

The unfavourable, moderate, and favourable scenarios shown are illustrations using the worst, average, and best performance of the product and/or a suitable benchmark over the last 10 years. Markets could develop very differently in the future.

The stress scenario shows what you might get back in extreme market circumstances.

Unfavourable: This type of scenario occurred for an investment between 01/2020 and 12/2022.

Moderate: This type of scenario occurred for an investment between 10/2016 and 09/2019.

Favourable: This type of scenario occurred for an investment between 01/2019 and 12/2021.

Recommended holding period: Example Investment:		3 years 10 000 EUR	
		If you exit after 1 year	If you exit after 3 years
Scenarios			
Minimum	There is no minimum guaranteed return. You could lose some or all of your investment.		
Stress	What you might get back after costs	7 350 EUR	7 820 EUR
	Average return each year	- 26.52%	- 7.87%
Unfavourable	What you might get back after costs	8 420 EUR	8 980 EUR
	Average return each year	- 15.75%	- 3.52%
Moderate	What you might get back after costs	9 770 EUR	10 090 EUR
	Average return each year	- 2.32%	0.31%
Favourable	What you might get back after costs	10 720 EUR	11 060 EUR
	Average return each year	7.17%	3.40%

WHAT HAPPENS IF CANDRIAM IS UNABLE TO PAY OUT?

As the Funds' assets are held with the depository, they are not part of the assets of Candriam in case of bankruptcy and cannot be seized by the creditors of Candriam. Nevertheless, investors run the risk to suffer a financial loss in case of the default of Candriam.

In case of default of the depository, the risk of a financial loss is mitigated to some extent as the Fund's assets are legally segregated from the assets of the depository.

The potential financial loss associated with the default of Candriam is not covered by an investor compensation or guarantee scheme.

WHAT ARE THE COSTS?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

Costs over Time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed:

- In the first year you would get back the amount that you invested (0% annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario.
- EUR 10 000 is invested.

	If you exit after 1 year	If you exit after 3 years
Total costs	448 EUR	627 EUR
Annual cost impact (*)	4.5%	2.0% each year

* This illustrates how costs reduce your return each year over the holding period. For example it shows that if you exit at the recommended holding period your average return per year is projected to be 2.4% before costs and 0.3% after costs.

We may share part of the costs with the person selling you the product to cover the services they provide to you. They will inform you of the amount.

If the fund is part of another product, such as an insurance product, the costs shown here do not include any additional costs you may incur.

Composition of Costs

One-off costs upon entry or exit		If you exit after 1 year
Entry costs	3.50% maximum of the amount you pay in when entering this investment.	Maximum 350 EUR
Exit costs	We do not charge an exit fee for this product, but the person selling you the product may do so.	0 EUR
Ongoing costs taken each year		
Management fees and other administrative or operating costs	0.68% of the value of your investment per year. This is an estimate based on actual costs over the last year.	84 EUR
Transaction costs	0.14% of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the underlying investments for the product. The actual amount will vary depending on how much we buy and sell.	14 EUR
Incidental costs taken under specific conditions		
Performance fees	There is no performance fee for this product.	N/A

Switch fee: 0%. For more information about how to exercise that right, see section "General information" and/or refer to the prospectus.

HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?

Recommended holding period: 3 years

The selection of the recommended holding period depends on the underlying investments type as well as the level of associated risk (from high to low risk). For example, "equity" products (with a high level of risk) generally have a recommended holding period of 6 years (long-term period), "bond or money market" products (with a lower risk profile) have a shorter recommended holding period (generally between 2 and 4 years for bonds products or less than 1 year for money market products - medium-term/short-term period). "Mixed" products generally have a recommended holding period between 3 and 5 years, depending on the weight of the underlying instruments type. The recommended holding period for "Alternative-type" products is generally 3 years.

The investor may request for the redemption of its shares, at any time, under the conditions set out in the section "What are the costs?". A decision to shorten your holding period, compared to the recommended one, may increase the impact of potential fees on the performance profile.

HOW CAN I COMPLAIN?

Complaints about this product or about the conduct of the product manufacturer or the person advising on, or selling, the product:

Postal address: Candriam, SERENITY – Bloc B, 19-21, route d'Arlon – L-8009 Strassen
 Website: <https://contact.candriam.com>
 E-mail: complaints@candriam.com

OTHER RELEVANT INFORMATION

Alongside with this document, please read the prospectus on the website www.candriam.com.

The past performance of this product for 6 years can be accessed via the following link: <https://www.candriam.com/documents/redirect/Candriam/KPP/en/LU1644442524>. Past performance is not a reliable indicator of future performance. Markets could develop very differently in the future. However, it can help you to assess how the fund has been managed in the past.

Past performance scenario calculations are available via the following link: <https://www.candriam.com/documents/redirect/Candriam/KMS/en/LU1644442524>.

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 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.