



Candriam

Serenity- Bloc B

19-21, Route d'Arlon L-8009 Strassen, Luxembourg

www.candriam.com

This ADV brochure, dated March 30th, 2023 provides information about the qualifications and business practices of Candriam. If you have any questions about the content of this Brochure, please contact:

Pierre-Guillaume Veaux
Global Head of Legal and Compliance
Telephone Number: 00 33 1 53 93 40 96
pierre-guillaume.veaux@candriam.com

Gonzague Druart
Global Head Compliance and US Chief Compliance Officer
Telephone Number: 00 33 1 53 93 00 45
gonzague.druart@candriam.com

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority. In addition, registration as an investment adviser does not imply a certain level of skill or training.

Additional information about Candriam is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Candriam updated this brochure as part of an other-than-annual amendment dated July 2022 to reflect changes to its business as a result of its merger with two affiliated SEC registered investment advisers, Candriam Belgium S.A. (“Candriam Belgium”) and Candriam France S.A.S. (“Candriam France”), with Candriam being the sole surviving entity (as further described below). This update also incorporated other clarifications, including with respect to the activities of our US Branch (as defined below), and an update to our regulatory assets under management.

Effective July 1, 2022, Candriam Belgium and Candriam France merged with Candriam. Candriam is the sole surviving entity. Concurrent with the merger, Candriam Belgium and Candriam France withdrew their registration as investment advisers with the SEC, and Candriam created two branch offices in Belgium and France from which Candriam will continue to operate its business in each respective country. Candriam Belgium and Candriam France assigned all investment advisory contracts to Candriam and all investment advisory activity with respect to Candriam Belgium and Candriam France’s former clients will be conducted by Candriam moving forward. In connection with the merger, Candriam also changed its legal name from “Candriam Luxembourg S.C.A.” to “Candriam, société en commandite par actions.”

Candriam also updated this brochure in January 2023 as part of an other-than-annual amendment to discuss the material changes detailed below:

Candriam will be impacted by the following organizational changes:

Mr. Naïm Abou-Jaoudé, Chief Executive Officer (“CEO”) of Candriam, has been appointed CEO of New York Life Investment Management LLC (“NYLIM”) effective May 1, 2023. NYLIM is an affiliate of Candriam. As a result of this appointment, Mr. Abou-Jaoudé will be resigning from all management roles within Candriam, which includes his role as CEO of the Group Strategic Committee effective May 1, 2023. He will remain a member of the Board of Directors and will become the Chairman of the Board of Directors.

Mr. Vincent Hamelink has been appointed CEO of Candriam effective May 1, 2023. In addition, Mr. Renato Guerriero has been appointed Deputy CEO of Candriam effective as of May 1, 2023.

Except the information above, there is no changes that we consider to be a material change.

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Item 4 – Advisory Business

OWNERSHIP STRUCTURE AND HISTORY

Candriam, *société en commandite par actions* (“Candriam”) was created in 1999 and became a registered investment adviser with the Securities and Exchange Commission (“SEC”) on December 4, 2014. In July 2022, Candriam merged with its affiliates, Candriam Belgium S.A. and Candriam France S.A.S., with Candriam being the sole surviving entity.

Candriam is a European multi-specialist asset manager with a track record of more than 20 years and a team of more than 600 professionals. Candriam operates management offices in Luxembourg, Brussels, Paris and London, and has client representatives in more than 20 countries throughout continental Europe, the United Kingdom, the United States and the Middle East. Candriam has a network of branches located in Italy, Spain, the Netherlands, Germany, the United Kingdom, Dubai and the United States.

Candriam is owned by Candriam Group S.a.r.l (formerly “New York Life Investment Management Global Holdings S.à r.l.”), which is wholly-owned by New York Life Insurance Company (“New York Life”). Founded in 1845 and headquartered in New York, New York Life is a mutual life insurance company that is one of the largest life insurers in the world.

CANDRIAM’S ADVISORY SERVICES

Candriam provides asset management services to clients globally.

This brochure has been prepared to provide information to Candriam’s US clients. Candriam’s US clients currently include pooled investment vehicles (i.e., one or more private funds (each, a “Private Fund”) and registered investment companies). Candriam also serves as an Index Consultant to IndexIQ LLC (“IndexIQ”) with respect to certain indices that IndexIQ ETFs seek to track. Candriam develops appropriate standards and methodology for the indices, and for their implementation. Candriam also provides periodic updates and reviews of the methodology of the indices.

Under investment subadvisory agreements, Candriam serves as subadvisor and, subject to applicable law, may enter into agreements with advisers to provide portfolio design and related advisory services.

Where relevant to a US client, however, this brochure provides additional information about Candriam’s non-US advisory business. Candriam provides discretionary and non-discretionary investment advisory services to its clients.

CANDRIAM

As of December 31st, 2022, Candriam had approximately \$ 148 billion of assets under management.¹

Candriam offers a variety of investment strategies that clients can select depending on their investment objectives. Clients can impose reasonable restrictions or limitations on how Candriam manages their accounts. These restrictions or limitations generally appear either in the client's investment management agreement or in other investment guidelines, including a prospectus or other offering document. Additional information about this process can be found under Item 16.

General information about investment strategies offered by Candriam can be found under Item 8.

Candriam does not currently participate in wrap fee programs.

Item 5 – Fees and Compensation

Candriam acts as sub-adviser to US registered funds, for which one of its affiliates serves as the principal investment adviser. For these services, Candriam receives a portion of the advisory fees that its affiliate charges the fund. Specific information about Candriam's fee for providing sub-advisory services to US registered funds may be found in the fund's registration statement on file with the SEC. Candriam also provides advisory services to one or more Private Funds. All advisory fees are set out in the investment management agreement, offering document, or similar agreement between each client and Candriam.

Each Private Fund pays to Candriam an asset-based management fee for its services for each semi-monthly period. The management fee is up to 0.75% per annum and is deducted directly from the assets of the Private Fund. In the discretion of Candriam following consultation with the Private Fund's general partner, the management fee may be waived, reduced, or calculated differently with respect to any investor in a Private Fund.

Candriam may enter into different fee arrangements with clients for a variety of reasons, including the type of strategy involved, the nature of any restrictions imposed on managing the account, and other factors relevant to management of the account.

Candriam's fees for advisory services are exclusive of other fees and expenses that clients will incur, such as brokerage commissions; other transaction fees; sales charges; taxes; custodial

¹ As of December 31st, 2022, Candriam changed the Assets Under Management (AUM) calculation methodology, and AUM now includes certain assets, such as non-discretionary AUM, external fund selection, overlay services, including ESG screening services, advisory consulting services, white labeling services, and model portfolio delivery services that do not qualify as Regulatory Assets Under Management, as defined in the SEC's Form ADV. AUM is reported in USD. AUM not denominated in USD is converted at the spot rate as of 12/30/2022.

fees; expenses related to the research, due diligence and monitoring of actual and prospective investments (whether or not consummated) and the consummation of investments; organizational and reorganizational expenses; operational expenses; and other costs and expenses that a client incurs in connection with Candriam's management of the client's account.

Additional information about Candriam's brokerage practices can be found under Item 12.

Clients will indirectly bear the fees and expenses charged for investments in shares of investments funds in which their accounts may be invested (e.g., fees and expenses of underlying mutual funds and exchange traded funds).

Some of our employees separately carry out distribution and placement agent activities for private funds that are sponsored and managed by us or our affiliated investment advisors. We generally do not pay a commission to our employees for these distribution and placement services, but our employees will be eligible for a discretionary bonus based in part on their sales performance. While we do not believe that this should create a conflict of interest because the discretionary bonus is intended to equalize incentives to our employees for selling private funds that are sponsored and managed by our affiliated investment advisors as well as private funds that are sponsored and managed by us, it is possible that the discretionary bonus will incentivize the employees to recommend the Funds over the funds we manage. When calculating the quantitative element of the discretionary bonus pool, we will award higher compensation for the distribution of alternative investment funds than for non-alternative investment funds. This will incentivize our employees to recommend alternative investment funds. We address these conflicts by providing disclosure to prospective investors of the conflicts and of the compensation we and our representatives will receive, by providing training to sales personnel regarding good sales practices, by having the distribution activities carried out by personnel that are not responsible for portfolio management and by establishing and maintaining reasonable policies and procedures designed to ameliorate the conflicts.

Candriam serves as an Index Consultant to IndexIQ. The Index Consultant services include index development, data provision and ongoing service for certain IndexIQ indices. For these services, IndexIQ pays a consultant fee with a range of 0.02% - 0.05% of the average daily net asset under management of investment funds.

Item 6 – Performance-Based Fees and Side-By-Side Management

Candriam's portfolio managers may manage multiple accounts, including separate accounts, unregistered funds and registered funds, according to the same or similar investment strategies. The fee arrangements may vary among these accounts. For instance, Candriam's fee for providing sub-advisory services to a US-registered fund is typically calculated as a percentage of

assets under management. In other cases, Candriam has entered into performance fee arrangements with separately managed accounts and certain non-US funds, including funds that have substantially the same strategies as the strategies that are employed by the US registered funds that Candriam currently sub-advises. These performance fees are generally calculated as a percentage of the outperformance of the account or fund tied to a benchmark or specific hurdle rate.

Managing accounts that have a performance-based fee at the same time as managing accounts that only have an asset-based fee is commonly referred to as “side-by-side management.”

Side-by-side management creates the potential for conflicts of interest by giving Candriam an incentive to favor – in making investment allocations – those accounts for which Candriam receives a performance-based fee, because Candriam will receive a higher fee if those accounts perform favorably in relation to the applicable benchmark or specific hurdle rate.

In order to address the potential for such a conflict of interest, Candriam has designed and implemented procedures that it believes are reasonably designed to ensure that all clients are treated fairly and equally, and to prevent these kinds of conflicts from influencing the allocation of investment opportunities among clients.

- Candriam mitigates potential conflicts of interest by monitoring investment strategy and portfolio construction as well as the correct implementation of the investment strategy, risk parameters and performance attribution reports.
- A separate Trading Desk is responsible for fair and equitable allocations of transactions.

Candriam has also implemented dedicated procedures to identify potential conflicts of interest, such as:

- A conflicts of interest policy that defines the identification, prevention and management of conflicts of interest that could arise between Candriam and its clients or counterparties. This policy requires Candriam to take all reasonable measures to detect any conflict-of-interest situations that may arise and to take the appropriate measures should such situations occur.
- An order placement procedure was designed to ensure that all clients are treated equitably and fairly over time with respect to the allocation of orders, as described in Item 12 under the heading “aggregation and allocation”. This policy requires Candriam to act in the best interests of its clients and provides that transactions carried out for portfolio management purposes, as well as their frequency of

execution, must be exclusively motivated by the interests of Candriam's clients. Before placing an order for several client accounts, the portfolio manager must define the rules governing the order's allocation. In the event the total amount of the allocable investment available is less than the originally desired amount, each account will receive a pro-rated distribution based on respective account funding availability, which is subject to adjustments in order to avoid de minimis allocations.

Item 7 – Types of Clients

Candriam provides discretionary and non-discretionary investment advisory services to US registered funds, other types of pooled investment vehicles, including Private Funds, and to entities such as pension plans, insurance companies, banking institutions, corporations, charitable organizations, and non-US state or municipal entities. The Private Funds offer interests only to qualified investors and admission to a Private Fund is not open to the general public. An investment in a Private Fund is generally restricted to investors who qualify as "accredited investors," as that term is defined in the Securities Act of 1933, and "qualified purchasers," as that term is defined in the Investment Company Act of 1940 (the "1940 Act"). The Private Funds are exempt from registration as investment companies with the SEC pursuant to Section 3(c)(7) of the 1940 Act.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

The information provided in this Item discusses investment strategies that Candriam employs for its clients. These investment strategies may be available to a Private Fund.

INVESTMENT PROCESS

Candriam offers investment strategies in five main areas: Fixed Income; Equities; Alternatives; Sustainable Investments; and Asset Allocation. In general, strategies within each of these areas are managed using different investment processes. Candriam offers clients the ability to invest in a variety of equity and fixed income strategies, including strategies that may seek to gain investment exposure or to hedge investment risks with futures, options, and other derivatives. Candriam's strategies also provide clients with exposure to the performance of economies in certain geographic regions and countries. Candriam uses a variety of investment styles in making portfolio decisions in these strategies, including through the use of quantitative methods and

various qualitative screens (e.g., sustainability). Candriam may also pursue index strategies, employ asset allocation strategies, or invest in specific types of companies (e.g., small- and mid-cap companies).

RISK OF LOSS

Investing in securities involves risk of loss that clients should be prepared to bear.

In managing client accounts, Candriam utilizes various investment strategies and methods of analysis. While Candriam seeks to manage client accounts so that risks are appropriate to the return potential for respective strategies, it is often not possible to fully mitigate all risks. Any investment includes the risk of loss and there can be no guarantee that a particular level of return will be achieved. Below is a summary of some material risks that may apply to the investment strategies offered by Candriam. The following considerations and other risks should be carefully evaluated before making an investment. The risk of loss described herein should not be considered to be an exhaustive list of all the risks which clients should consider. Clients should refer to their applicable offering documents for additional information on risk factors and risk of loss. Additional information on risks specific to a particular investment strategy may also be available in the offering documents or other materials for an investment fund in which an account invests and should be consulted for further background on these matters.

- **Common Stock 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 changes that can adversely affect the value of the strategy's holdings.
- **Debt or Fixed-Income Securities Risk:** The risks of investing in debt or fixed-income securities include (without limitation): (i) credit risk, i.e., the issuer may not repay the loan created by the issuance of that debt security; (ii) maturity risk, i.e., a debt security with a longer maturity may fluctuate in value more than one with a shorter maturity; (iii) market risk, i.e., low demand for debt securities may negatively impact their price; (iv) interest rate risk, i.e., when interest rates go up, the value of a debt security goes down, and when interest rates go down, the value of a debt security goes up; (v) selection risk, i.e., the securities selected by Candriam may underperform the market or other securities selected by other funds; and (vi) call risk, i.e., during a period of falling interest rates, the issuer may redeem a security by repaying it early, which may reduce the account's income if the proceeds are reinvested at lower interest rates.
- **Growth Stock Risk:** If growth companies do not increase their earnings at a rate expected by investors, the market price of the stock may decline significantly, even if earnings show

an absolute increase. Growth company stocks also typically lack the dividend yield that may cushion falling stock prices in market downturns.

- **Value Stock Risk:** Value stocks may never reach what the portfolio management team believes is their full value or they may go down in value. In addition, different types of stocks tend to shift in and out of favor depending on market and economic conditions, and therefore the strategy's performance may be lower or higher than the performance of strategies that invest in other types of equity securities.
- **Interest Rate Risk:** The market value of bonds and other fixed-income securities changes in response to interest rate changes and other factors. Interest rate risk is the risk that prices of bonds and other fixed-income securities will increase as interest rates fall and decrease as interest rates rise. This risk generally will be greater for securities with longer maturities or durations. Interest rates in many countries have been historically low in past years but started to increase recently.
- **Credit Risk:** If an issuer or guarantor of a security held in a client account defaults on its obligation to pay principal or interest, has its credit rating downgraded or is perceived to be less creditworthy, or the credit quality or value of any underlying assets declines, the value of the account's investment will decline.
- **Prepayment or Call Risk:** Many issuers have a right to prepay their securities. If interest rates fall, an issuer may exercise this right. If this happens, Candriam may have to reinvest prepayment proceeds at a time when yields on securities available in the market are lower than the yield on the prepaid security. A client account also may lose any premium it paid on the security.
- **Extension Risk:** During periods of rising interest rates, the average life of certain types of securities may be extended because of slower than expected principal payments. This may lock in a below market interest rate, increase the security's duration and reduce the value of the security.
- **High Yield or "Junk" Bond Risk:** Debt securities that are below investment grade, called "junk bonds," are speculative, have a higher risk of default or are already in default, tend to be less liquid and are more difficult to value than higher grade securities. Junk bonds tend to be volatile and more susceptible to adverse events and negative sentiments. These risks are more pronounced for securities that are already in default.
- **Valuation Risk:** Uncertainties in the conditions of the financial market, unreliable reference data, lack of transparency and inconsistency of valuation models and processes may lead to inaccurate asset pricing. In addition, other market participants may value securities

differently. As a result, when a security or other instrument is sold in the market, the amount received for the security may be less than the amount at which it was valued.

- **Liquidity Risk:** Securities purchased by a strategy that are liquid at the time of purchase may subsequently become illiquid due to events relating to the issuer of the securities, market events, economic conditions or investor perceptions. The value of illiquid securities may reflect a discount from the market price of comparable securities for which a liquid market exists, and accordingly may have a negative effect on the value of the strategy's assets. To meet client requests to withdraw assets, the strategy may be forced to sell securities at an unfavorable time and/or under unfavorable conditions.
- **ESG Investment Risk:** ESG investment risk refers to the risks arising from the inclusion of ESG factors in the management process, such as the exclusion of activities or issuers and the inclusion of sustainability risks in the selection and/or allocation of issuers in the portfolio. The greater the consideration given to these factors, the higher the ESG investment risk will be.

The methodology is based on the definition of ESG sector models by Candriam's internal ESG team. Limitations to Candriam's research are largely related to the nature, scope and consistency of ESG data currently available.

- Nature: Some ESG dimensions are better suited to qualitative narrative information. This information is subject to interpretation and therefore introduces a degree of uncertainty into the models.
- Scope: Having defined the ESG dimensions that the analysts consider important for each sector, there is no guarantee that the data will be available for all companies in that sector. Wherever possible, Candriam will seek to supplement missing data with its own ESG analysis.
- Homogeneity: the different providers of ESG data have different methodologies. Even within the same supplier, similar ESG dimensions may be treated differently depending on the sector. This makes it more difficult to compare data from different suppliers.
- **Exchange Traded Fund (ETF) Risk:** The risks of owning an ETF generally reflect the risks of owning the underlying securities they are designed to track. Disruptions in the markets for the securities underlying ETFs purchased or sold by the strategy could result in losses on the strategy's investment in ETFs. Also, ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because certain securities comprising the benchmark may become unavailable, or supply

and demand in the market for either the ETF or its underlying securities may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETFs. ETFs also have management fees that increase their costs versus owning the underlying securities directly.

- Foreign Security and Currency Risk:** Investments in foreign securities are subject to risks that differ in certain ways from those of US issuers. These risk factors include: fluctuating currency values; an opaque currency exchange market in some instances, less liquid trading markets; greater price volatility; political and economic instability; less publicly available information about issuers; changes in US or foreign tax or currency laws; and changes in monetary policy. Foreign securities may be more difficult to sell than US securities. Investments in foreign securities may involve difficulties in receiving or interpreting financial and economic information, imposition of taxes, higher brokerage and custodian fees, currency rate fluctuations or exchange controls or other government restrictions, including seizure or nationalization of foreign deposits or assets. Also, it may be difficult to invoke legal protections across borders. The strategy may also incur higher expenses and costs when making foreign investments, which could affect the strategy's total return. The risks of investing in foreign securities in emerging market countries are likely to be greater than in foreign countries with developed securities markets and more advanced regulatory regimes. Among other things, emerging market countries may have economic structures that are less mature and political systems that are less stable. Moreover, emerging market countries may have less developed securities markets, high inflation, and rapidly changing interest and currency exchange rates. Exchange rate movements may be large and may endure for extended periods of time, affecting either favorably or unfavorably the value of the strategy's assets. The value of a client's assets may be affected favorably or unfavorably by the changes in currency rates and exchange control regulations. Some currency exchange costs may be incurred by clients when a strategy changes investments from one country to another. Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by: i) the forces of supply and demand in the respective markets and the relative merits of investments in different countries; and ii) actual or perceived changes in interest rates and other complex factors, as seen from an international perspective. Currency exchange rates can also be affected unpredictably by intervention by governments or central banks (or the failure to intervene) or by currency controls or political developments. Finally, investments in depositary receipts may entail the special risks of foreign investing, including currency exchange fluctuations, government regulations, and the potential for political and economic instability.

- **Emerging Markets Risk:** The risks related to investing in foreign securities are generally greater with respect to securities of companies that conduct their business activities in emerging markets or whose securities are traded principally in emerging markets. The risks of investing in emerging markets include the risks of illiquidity, increased price volatility, smaller market capitalizations, less government regulation, less extensive and less frequent accounting, financial and other reporting requirements, risk of loss resulting from problems in share registration and custody, substantial economic and political disruptions and the nationalization of foreign deposits or assets.
- **Regulatory Risk:** Regulatory authorities in the United States or other countries may prohibit or restrict the ability of the account to fully implement its strategy, either generally or with respect to certain industries or countries, which may impact the account's ability to fully implement its investment strategies. Certain foreign countries, especially emerging countries, may adopt, such rules.
- **Regional Focus Risk:** At times, the account might increase the relative emphasis of its investments in a particular region or country. Stocks of issuers in a particular region or country might be affected by changes in economic conditions or by changes in government regulations, availability of basic resources or supplies, or other events that affect that region or country more than others. If the account has a greater emphasis on investments in a particular region or country, it may be subject to greater risks from adverse events than a fund that is more geographically diversified.
- **Derivatives Risk:** Derivatives may be defined as financial instruments whose performance is derived, at least in part, from the performance of another asset (such as a security, currency or an index of securities). Using swaps, futures and other derivatives can increase the potential for losses and reduce the opportunities for gains when market prices, interest rates or the derivative instruments themselves behave in a way not anticipated by Candriam. Using derivatives may increase the volatility of an account's performance and may not provide the result intended. Derivatives may have a leveraging effect on a client account. Some derivatives have the potential for unlimited loss, regardless of the size of the account's initial investment. Changes in a derivative's value may not correlate well with the referenced asset or metric. Candriam also may have to sell assets at inopportune times to satisfy obligations on a derivative contract held by in a client's account. Derivatives may be difficult to sell, unwind or value, and there is a risk that, for any over-the-counter or bilateral derivative contract, the counterparty to a client may default on its obligations. The regulations may make using derivatives more costly, may limit their availability, or may otherwise adversely affect their value or performance. For derivatives that are required to be traded through a clearinghouse or exchange, an

account also will be exposed to the credit risk of the clearinghouse and the broker that submits trades for the account. It is possible that certain derivatives that are required to be cleared, such as certain swap contracts, will not be accepted for clearing. In addition, regulated trading facilities for swap contracts are relatively new; they may not function as intended, which could impair the ability to enter into swap contracts. The extent and impact of the new regulations are not yet fully known and may not be for some time.

- **Leverage Risk:** The value of an account may be more volatile, and other risks tend to be compounded, if the account borrows or uses derivatives or other investments that have embedded leverage. Leverage generally magnifies the effect of any increase or decrease in the value of an account's underlying assets, potentially resulting in the loss of all assets. Engaging in such transactions may cause an account to liquidate positions when it may not be advantageous to do so to satisfy its obligations or meet segregation requirements.
- **Technology and Cyber Security:** Candriam is dependent on information technology, telecommunication and other operational systems, including both proprietary or internal systems and systems used or provided by third-party service providers (such as custodians, financial intermediaries, transfer agents and other parties to which we or they outsource the provision of services or business operations). These systems may become disabled or fail to operate properly as a result of events or circumstances wholly or partly beyond our or their control. Further, despite implementation of a variety of risk management and security measures, our information technology and other systems, and those of service providers, could be subject to unauthorized access or other security breaches, resulting in a failure to maintain the security, availability, integrity and confidentiality of data assets. Technology failures or cyber security breaches, whether deliberate or unintentional, including those arising from use of third-party service providers, could have a material adverse effect on our business and could result in, among other things, financial loss, reputational damage, regulatory penalties or the inability to transact business
- **Other Business Interruptions:** Our investment advisory activities or operations could be interrupted or adversely affected by extraordinary events, emergency situations or circumstances beyond our control, including, without limitation, outbreaks of infectious diseases, pandemics or any other serious public health concerns, war, terrorism, failure of technology, accidents, disasters, government macroeconomic policies or social instability. In order to mitigate the effects of these types of events, we may activate our business continuity and disaster recovery plans. These plans may, for example, require our employees to work and access our information technology, communications or other systems from their homes or other remote locations. However, our business continuity

and disaster recovery plans may not be successful, or we could be delayed in implementing or recovering our investment advisory activities or operations. For example, we may have issues or delays in accessing our information technology, communications or other systems, which could have a material adverse effect on our business.

- **Long-Term:** The success of a client's long-term investment strategy depends upon Candriam's ability to identify and purchase Securities that are undervalued and hold such investments so as to maximize value on a long-term basis. In pursuing any long-term strategy, a client may forego value in the short-term or temporary investments in order to be able to avail a client of additional and/or longer-term opportunities in the future. Consequently, the client may not capture maximum available value in the short-term, which may be disadvantageous.
- **Short-Term Market Considerations:** Candriam's trading decisions may be made on the basis of short-term market considerations, and the portfolio turnover rate could result in significant trading related expenses.
- **Diversification and Concentration:** Candriam may select investments that are concentrated in a limited number or types of Securities. In addition, a client's portfolio may become significantly concentrated in securities related to a single or a limited number of issuers, industries, sectors, strategies, countries or geographic regions. This limited diversification may result in the concentration of risk, which, in turn, could expose a client to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in such securities.
- **American Depositary Receipts and Global Depositary Receipts:** American Depositary Receipts ("ADRs") are receipts issued by a U.S. bank or trust company evidencing ownership of underlying securities issued by non-U.S. issuers. ADRs may be listed on a national securities exchange or may be traded in the over-the-counter market. Global Depositary Receipts ("GDRs") are receipts issued by either a U.S. or non-U.S. banking institution representing ownership in a non-U.S. company's publicly traded securities that are traded on non-U.S. stock exchanges or non-U.S. over-the-counter markets. Holders of unsponsored ADRs or GDRs generally bear all the costs of such facilities. The depository of an unsponsored facility frequently is under no obligation to distribute investor communications received from the issuer of the deposited security or to pass through voting rights to the holders of depositary receipts in respect of the deposited securities. Investments in ADRs and GDRs pose, to the extent not hedged, currency exchange risks (including blockage, devaluation and non-exchangeability), as well as a range of other potential risks relating to the underlying shares, which could include expropriation,

confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains, other income or gross sale or disposition proceeds, political or social instability or diplomatic developments that could affect investments in those countries, illiquidity, price volatility and market manipulation. In addition, less information may be available regarding the underlying shares of ADRs and GDRs, and non-U.S. companies may not be subject to accounting, auditing and financial reporting standards and requirements comparable to, or as uniform as, those of U.S. companies. Such risks may have a material adverse effect on the performance of such investments and could result in substantial losses.

- **Fundamental Analysis:** Certain trading decisions made by Candriam may be based on fundamental analysis. Data on which fundamental analysis relies may be inaccurate or may be generally available to other market participants. To the extent that any such data are inaccurate or that other market participants have developed, based on such data, trading strategies similar to a client's trading strategies, the client may not be able to realize its investment goals. In addition, fundamental market information is subject to interpretation. To the extent that Candriam misinterprets the meaning of certain data, a client may incur losses.
- **Preferred Stock:** Investments in preferred stock involve risks related to priority in the event of bankruptcy, insolvency or liquidation of the issuing company and how dividends are declared. Preferred stock ranks junior to debt securities in an issuer's capital structure and, accordingly, is subordinate to all debt in bankruptcy. Preferred stock generally has a preference as to dividends. Such dividends are generally paid in cash (or additional shares of preferred stock) at a defined rate, but unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer's board of directors. Dividends on preferred stock may be cumulative, meaning that, in the event the issuer fails to make one or more dividend payments on the preferred stock, no dividends may be paid on the issuer's common stock until all unpaid preferred stock dividends have been paid. Preferred stock may also be subject to optional or mandatory redemption provisions.
- **Restricted Securities:** Restricted securities cannot be sold to the public without registration under the Securities Act. Unless registered for sale, restricted securities can be sold only in privately negotiated transactions or pursuant to an exemption from registration (e.g., under Rule 144A of the Securities Act). Although these securities may be resold in privately negotiated transactions, because there is often little liquidity for these securities, they may be difficult and take a substantial amount of time to sell, and the prices realized from these sales could be less than those originally paid by the Fund. Restricted

securities may involve a high degree of business and financial risk which may result in substantial losses.

- **Undervalued Securities:** The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunity for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the a client's investments may not adequately compensate for the business and financial risks assumed.
- **Unlisted Securities:** Unlisted securities may involve higher risks than listed securities. Because of the absence of any trading market for unlisted securities, it may take longer to liquidate, or it may not be possible to liquidate, positions in unlisted securities than would be the case for publicly traded securities. Companies whose securities are not publicly traded may not be subject to public disclosure and other investor protection requirements applicable to publicly traded securities.

This brochure does not constitute an offer to sell, or a solicitation of an offer to buy, securities issued by any company. Rather, it is intended only to provide an overview of the strategy and certain related risks in satisfaction of applicable disclosure requirements under the Investment Advisers Act of 1940.

Item 9 – Disciplinary Information

Candriam is required to disclose all material facts regarding any legal or disciplinary events that would be material to your decision to hire Candriam for advisory services. There are no legal or disciplinary events involving Candriam that are material to its advisory business or to the management of your account to report at this time.

To Candriam's knowledge, as of the date of this brochure, neither Candriam nor any of its management persons has been involved in any legal or disciplinary event that, in Candriam's judgment, would be material to a client's or prospective client's evaluation of the firm's advisory business or the integrity of its management.

Item 10 – Other Financial Industry Activities and Affiliations

Candriam is part of a group of affiliated companies engaged in various financial businesses. In certain cases, Candriam has business arrangements with its related companies that are material to its advisory business or to its clients. Candriam, is registered as a commodity pool operator (“CPO”) and commodity trading advisor (“CTA”) with the Commodity Futures Trading Commission (“CFTC”) and is a member of the National Futures Association (“NFA”) in those capacities.

As noted in Item 4, Candriam is owned by Candriam Group, which is an indirect wholly-owned subsidiary of New York Life Insurance Company.

While Candriam maintains autonomous investment processes, it may leverage the resources and services of its advisory affiliate, New York Life Investments, for certain functions. In addition, certain officers of New York Life Investments may also serve as officers of Candriam.

Under this structure, certain compliance and other support functions within Candriam are supported by the infrastructure within New York Life Investments, including the implementation of certain aspects of Candriam’s compliance program.

The general partner of each Private Fund is an affiliate of MacKay Shields LLC (“MacKay”), an investment adviser affiliated with Candriam. Candriam shares a portion of the management fee it receives from the Private Funds with MacKay in consideration of the general partner’s administrative services to the Private Fund.

Candriam and its affiliates are engaged in advisory businesses that service a variety of different clients, including pooled investment vehicles in the United States and in other countries. Candriam is also affiliated with other registered investment advisers as a result of its ownership by New York Life. Candriam has developed procedures that are designed to monitor and manage potential conflicts of interest that may arise in the operation of its business as part of Candriam. In addition, Candriam has developed procedures that are designed to monitor and manage potential conflicts of interest that may arise as a result of its sub-advisory relationship with New York Life Investments and from relationships with other advisers affiliated with New York Life Investments. Candriam will continue to evaluate this relationship – as well as other developments in its business and any future advisory relationships with New York Life and affiliated companies – for potential conflicts of interest that may arise with respect to the management of client accounts.

Some of our employees, are registered with the Financial Industry Regulatory Authority (“FINRA”) as representatives and principals of our affiliate NYLIFE Distributors LLC, which, like Candriam, is an indirect wholly-owned subsidiary of NYLIM Holdings. NYLIFE Distributors is registered as a broker-dealer with the SEC.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

CODE OF ETHICS AND PERSONAL TRADING

Under the Advisers Act, Candriam is required to adopt and implement a Code of Ethics with respect to its business as a registered investment adviser. Candriam has a fiduciary responsibility to place the interests of its clients first and foremost.

The Candriam Code of Conduct (the “Code of Conduct”) sets forth guidelines that promote ethical conduct generally and the Candriam Code of Ethics (the “Code of Ethics” and together with the Code of Conduct, the “Codes”) governs Candriam employees’ obligations relating to personal securities transactions. All employees are required to submit at the onset of employment and annually an Acknowledgement of the Code of Ethics to Compliance department.

Copies of the Codes are available upon request. Contact information appears on the cover page of this brochure.

The Codes reflect the following principles:

- Candriam requires its employees, in their dealings with or on behalf of advisory clients, to act in accordance with the duty of care and duty of loyalty to which the firm is subject as a fiduciary of its clients;
- Candriam personnel are required to comply with provisions of the US federal securities laws applicable to its US business;
- Candriam personnel may not trade while in possession of material, non-public information; and
- Candriam personnel must adhere to restrictions regarding the receipt and giving of gifts and entertainment.

In addition, employees are required to report any violations of the Codes promptly to the Chief Compliance Officer. The Code of Ethics also imposes the following requirements on all “Candriam employees:

- Each staff member shall submit not later than 10 calendar days after his/her arrival an Initial Holdings disclosure.
- All Staff Members must declare to the Compliance Department all of their covered transactions as required by Candriam’s Code of Ethics in a dedicated tool no later than the business day after the transaction is executed.

- All Staff Members are prohibited from undertaking personal transactions for speculative purposes and must hold personal investments for a period longer than 30 calendar days.
- All Staff Members are prohibited from selling securities short.
- Staff members may not acquire beneficial ownership of any security in an initial public offering or a limited private offering (including investments in limited partnerships and hedge funds) not made to the general public or a virtual currency token offered in an initial or digital coin offering (also called ICOs or token sales) except with the express written prior approval of the Chief Compliance Officer for such transaction.
- Each year, no more than 30 calendar days after the end of the calendar year, all Staff Members must arrange to provide a security account statement, of the holdings (required to be disclosed by Candriam's Code of Ethics) from their banks/broker, to the Compliance Department.
- Each year, no more than 30 calendar days after the end of the calendar year, all Candriam Staff Members must provide the Compliance Department with a Certification of Compliance with this Code of Ethics.
- In addition, Staff Members may be subject to a Restricted Security List maintained by the the Compliance department that includes securities where Candriam has, or is in a position, to receive material non-public information.

In addition, each employee considered a Covered Person² shall:

- Within 30 calendar days of the end of each calendar quarter (March, June, September and December), confirm that he/she has complied with the Code of Ethics.
- Provide a copy of the bank/broker-dealer confirmation of his/her personal transactions to the Compliance Department no later than the business day after the transaction.

In addition, reviews are conducted of employee trading activity to ensure there are no violations of the Code of Ethics.

² Covered persons" are defined as employees who either (i) have access to non-public information regarding any client's purchase or sale of securities, or non-public information regarding the portfolio holdings of any "reportable fund," or (ii) who are involved in making securities recommendations to clients, or who have access to such recommendations that are non-public.

Candriam has provided copies of its Codes to its employees. Candriam will provide employees with updated copies of the Code as necessary. Employees must provide written acknowledgment of receipt of the Code of Ethics and of any amendments, as applicable.

While Candriam permits its officers and employees to engage in personal securities transactions, as a company Candriam recognizes that these transactions may raise potential conflicts of interests. This is particularly true when they involve securities owned by, or considered for purchase or sale for, a client account.

With regard to investments and investment opportunities, Candriam addresses potential conflicts of interests in both Codes by requiring that Candriam's officers and employees' first obligation be to Candriam's clients. These Codes require that all of Candriam's officers and employees adhere to the highest duty of trust and fair dealing. In addition, all officers and employees must conduct their personal securities transactions in a manner that does not interfere with any client's portfolio transactions, or take inappropriate advantage of an officer's or employee's relationship with a client.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

In the ordinary course of providing its investment advisory services, Candriam may invest client assets in securities or other investments that are also held by Candriam and other New York Life affiliates, other Candriam advisory accounts, or separately managed accounts in which Candriam or its affiliates or their respective officers and employees have an ownership or economic interest.

Candriam may also invest, on behalf of its advisory clients, in the same or different securities or instruments of issuers in which these same entities have a financial interest as a holder of the debt, equity or other instruments of the issuer.

Candriam has a conflict of interest in connection with these transactions since investments by its advisory clients may benefit Candriam and its affiliates, officers and employees by potentially increasing the value of the investments held in the issuer. In addition, if the value of such assets increases, the asset based fees charged by Candriam will also increase.

Candriam will seek to ensure that any investment it makes on behalf of an advisory client is consistent with applicable law, Candriam's fiduciary obligations to act in the best interests of the client, and such client's investment objectives.

Portfolio managers for Candriam or its affiliates are often responsible for the day-to-day management of multiple accounts, including separately managed accounts and private investment funds. The potential for conflicts of interest exists whenever a portfolio manager has responsibility for the day-to-day management of multiple advisory accounts.

These conflicts may be greater when Candriam and/or an affiliate has an investment in one or more of such accounts or an interest in the performance of one or more of such accounts through the receipt of a fee.

To help seek to mitigate these potential conflicts of interest, Candriam has adopted order placement procedures that govern allocations across client accounts. These procedures require Candriam to maintain specific allocation procedures that are intended to result in fair and equitable allocations so that no account or group of accounts receives consistently favorable or unfavorable treatment. These procedures apply across Candriam and to trades involving accounts of US clients and accounts of non-US clients. More information about Candriam's allocation procedures can be found in Item 6.

Candriam has set up a Code of Ethics (discussed further above) to manage situations in which a supervised person invests in the same securities as a client account. These procedures require pre-approval of certain transactions and otherwise address the potential for conflicts to arise from personal securities transactions undertaken by Candriam's employees.

Item 12 – Brokerage Practices

Candriam has adopted a policy for the selection of entities to which Candriam transmits orders for execution.

Candriam regularly monitors the effectiveness of the policy by reviewing the quality of execution by the entities selected under that policy. Where appropriate, Candriam will correct any shortcomings and deficiencies.

In general, Candriam has complete discretion in deciding which securities are bought and sold, the amount and price of those securities, the brokers or dealers to be used for a particular transaction, and commissions or markups and markdowns paid. Brokers and dealers may provide other services that are beneficial to Candriam and/or certain Candriam Accounts, but not beneficial to all Candriam Accounts. Portfolio transactions will be allocated to brokers and dealers on the basis of numerous factors and not necessarily lowest pricing. Subject to Candriam's duty to seek best execution, in selecting brokers and dealers to execute transactions, provide financing and securities on loan, hold cash and short balances and provide other services, Candriam may consider, among other factors that are deemed appropriate to consider under the circumstances, the following:

- Ability of the broker-dealer to find liquidity.
- Willingness and ability of the broker-dealer to commit capital to a particular transaction.

- Ability of the broker-dealer to act on a confidential basis.
- Ability of the broker-dealer to execute difficult transactions in complex securities or large size orders.
- Ability of the broker-dealer to trade in a timely manner, to confirm and settle trades and to resolve operational issues quickly and efficiently.
- Financial profile of the broker-dealer in order to limit credit risk, i.e., the potential for a failure to meet its commitments.
- Execution price and cost.
- The likelihood and quality of execution.
- The market impact of the order.
- The broker or dealer's market access.
- The broker or dealer's responsiveness; and execution flexibility.

Accordingly, the prices and commission rates (or dealer markups and markdowns arising in connection with riskless principal transactions) charged to a Candriam client by brokers or dealers in the foregoing circumstances may be higher than those charged by other brokers or dealers that may not offer such services. Candriam need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost or spread. Generally, neither Candriam nor a Candriam client separately compensates any broker or dealer for any of these other services. Candriam has a list of authorized brokers for each asset class. They are reviewed at least once a year by the Broker Review Committee. Risk management teams analyze the credit profile of these brokers and Candriam's middle office conducts reviews of post-execution quality.

The adoption of any new authorized broker is subject to the validation of Candriam's Risk Management, Compliance, Legal, Operations, and Trading departments. These decisions are also subject to other reviews, including by Candriam's Chief Investment Officer.

DIRECTED BROKERAGE

Candriam does not currently have any US clients with directed brokerage arrangements.

SOFT DOLLARS

Soft dollar arrangements are not expected to be in used in connection with the Private Funds or for US client accounts and other separately managed client accounts. Candriam pays for any research used for these accounts out of its own assets.

With respect to European fund clients, Candriam has entered into arrangements under which those clients pay for research out of their assets. Those arrangements are designed to comply with requirements applicable under the Markets in Financial Instruments Directive (“MiFID II”).

MIXED-USE SERVICES

Candriam does not currently have “mixed used” arrangements.

BROKERAGE FOR CLIENT REFERRALS

When selecting a broker-dealer, Candriam may take referral of clients into consideration and In no case will Candriam make binding commitments as to the level of the brokerage commissions it will allocate to a broker. Candriam has trading relationships with broker-dealers that have consulting divisions, which might decide to refer clients or investors to Candriam on their own accord. Candriam may consider these referrals when selecting a broker-dealer for executing trades for its client accounts. Candriam has policies and procedures in place that are designed to ensure that referrals are not taken into consideration in making brokerage decisions. However, for a Private Fund, subject to its obligation to seek best execution, Candriam may consider referrals of investors to the Private Fund in determining its selection of brokers. Candriam’s Broker Review Committee reviews Candriam’s brokerage practices at least once a year.

CAPITAL INTRODUCTION

From time to time, brokers may assist a Private Fund in raising additional funds from investors. Additionally, brokers may provide capital introduction and marketing assistance services, and representatives of Candriam may speak at conferences and programs sponsored by the brokers, for investors interested in investing in private investment funds. Through such events, prospective investors in a Private Fund may encounter representatives of Candriam. Brokers may also provide other services, including consulting services relating to technology and office space. Although neither Candriam nor the Private Funds compensate brokers for such assistance, events or services, or for any investments ultimately made by prospective investors attending such events, such activities may influence Candriam in deciding whether to use such broker in connection with brokerage, financing and other activities of a Private Fund. Subject to its obligation to seek best execution, Candriam may consider referrals of investors to a Private Fund

in determining its selection of brokers. However, Candriam will not commit to an investor or a broker to allocate a particular amount of brokerage in any such situation.

ADDITIONAL BROKERAGE COSTS AND TURNOVER

Additional costs could be incurred in connection with a Client's non-U.S. investment activities. Non-U.S. brokerage commissions generally are higher than brokerage commissions in the United States. Increased custodian costs as well as administrative difficulties (such as the applicability of non-U.S. laws to non-U.S. custodians in various circumstances, including bankruptcy, ability to recover lost assets, expropriation, nationalization and record access) may be associated with the maintenance of assets in non-U.S. jurisdictions.

AGGREGATION AND ALLOCATION

Candriam provides investment management services to a wide variety of accounts, including institutional clients, individuals, US registered funds, US Private Funds, and other investment funds (including pooled investment vehicles). This presents the potential for conflicts of interest to arise, including the potential to favor the following accounts: affiliated accounts over non-affiliated accounts due to economic incentives, higher fee paying accounts over lower fee paying accounts due to economic incentives, and new investment strategies over existing investment strategies due to marketing incentives. This may result in an incentive to manage one type of an account in a manner that harms or has the potential to harm the interests of other accounts being managed.

It is Candriam's policy to allocate suitable investment opportunities fairly and equitably to clients with the same or similar investment policies over time. A security will be considered suitable for an account if it is consistent with the investment policy, strategies and risk tolerance of the account and permitted by the investment restrictions and limitations applicable to the account. Where an investment opportunity is suitable for multiple accounts, it is Candriam's policy that all such accounts shall participate in the transaction, subject to Candriam's determination that participating in the transaction is not in the account's best interest for reasons such as: lack of available cash, net exposure to holding, industry or sector is higher than desired, or specific client investment restrictions, e.g., industry or sector limits. There can be no assurance that the application of the foregoing allocation policies will result in the allocation of a specific investment opportunity to a Client or that a Client will participate in all investment opportunities falling within its investment objective.

Candriam has an order allocation policy for the grouping of orders. The portfolio manager defines the pre-allocation of orders before it is sent to the trading desk. Equity orders are electronically transferred from the Portfolio Management System to the Order Management System ("OMS").

In the OMS, the trading desk groups the orders of the client portfolios involved that have identical investment strategies and transmits them to brokers by using the electronic FIX protocol. Once the execution is done, the trading desk sends the exact allocation to Middle Office teams and Portfolio Managers. If the grouped order is partially filled, a pro-rata allocation is applied, in line with the pre-allocation, with the exception of ID markets. Equity brokers work orders separately in the emerging markets under separate IDs and cannot give same average prices for those markets.

Where Candriam is solely providing a model portfolio for its advisory-only client relationships, Candriam does not have control of the implementation of investment decisions and no trading authority for the underlying accounts. The sponsor of the program has the discretion to execute the trades recommended in the model. Therefore, clients in the same strategy are likely to receive different execution prices and different rates of return for trades done on the same day.

All of our accounts are monitored on a regular basis in an effort to ensure that all accounts are treated fairly and reasonably. This includes reviews by the portfolio management team as well as reviews by Risk management department and the Compliance team. Candriam monitors the allocation policy by periodically conducting reviews of trade orders to confirm these have been allocated on a fair and reasonable basis.

TRADE ERRORS

Candriam has a policy in place regarding the correction of trade errors. On occasion, a mistake may occur in the execution of a trade. As a fiduciary, Candriam owes clients duties of loyalty and trust, and as such must address trade errors in a fair and equitable manner. Errors may occur for a number of reasons, including human input error, systems error, communications error or incorrect application or understanding of a guideline or restriction. Examples of errors include, but are not limited to the following: buying securities not authorized for a client's account; buying or selling incorrect securities; buying or selling incorrect amounts of securities; and buying or selling in violation of one of Candriam's policies. In correcting trade errors, Candriam seeks to ensure that the affected client account does not absorb any financial loss due to the trade error; does not use soft dollars or directed trades to fix the error; or does not attempt to fix the error using another client account. To the extent correction of the error results in a loss to the client's account, Candriam reimburses the account. To the extent correction of the error results in a gain to the client's account, Candriam allows the client to keep the benefit.

Item 13 – Review of Accounts

MONITORING

Candriam monitors and reviews client accounts:

- Continuously, through a compliance constraint server system that incorporates pre-trade and post-trade compliance testing against account restrictions. Rules parameterized include regulatory, contractual and prudential constraints. Candriam's Risk Management department review and investigate any alerts or breaches identified by the system and take necessary actions with the portfolio managers to solve the potential breaches.
- Via the Portfolio Risk-Compliance Committee (meeting every quarter, which reviews transaction activity, breaches, best execution, OTC monitoring and new instrument requests and other matters).
- Via the Market and Liquidity Risk Committee (generally meeting every two months), which is responsible for:
 - Validation and periodic review of the internal rules governing the various investment processes, and implementation of new rules where necessary;
 - Review of breaches of internal rules and definition of corrective action plans;
 - Review of the main market risks identified and decision on how to reduce/supervise these risks (initiation of specific analysis, implementation of new internal rules, reduced exposure, etc.);
 - Monitoring of market risk indicators and fund performance; and
 - Monitoring of liquidity risk.
- Via the Operational Risk Committee (generally meeting every quarter), which is responsible for:
 - Review of any operating incidents observed and verification of the proper implementation of the subsequent action plan;
 - Monitoring of valuation prices;
 - Review and monitoring of risk and control self-assessments and key risk indicators.

CLIENT REPORTING

Candriam generally provides comprehensive reports to its clients, and may supplement these reports with more frequent reports or conference calls. Such reports generally contain information with respect to portfolio holdings, transactions and performance.

Item 14 – Client Referrals and Other Compensation

Candriam does not have any referral arrangements in place at this time.

Item 15 – Custody

Candriam does not have physical custody of client funds or securities, but for certain clients, Candriam may be deemed to have custody of client funds or securities by virtue of its affiliate's role as general partner. All US client accounts are maintained at qualified custodians – such as banks or broker-dealers – that are chosen by the client. Clients generally will receive account statements directly from their custodians. These clients should review these statements carefully.

For a Private Fund, Candriam will be deemed to have custody of client funds and securities because a related person will have ownership or access to client funds or securities. Candriam is subject to Rule 206(4)-2 under the Advisers Act (the "Custody Rule"). However, it will not be required to comply (or will be deemed to have complied) with certain requirements of the Custody Rule with respect to a Private Fund because it will comply with the provisions of the "Pooled Vehicle Annual Audit Exception", which, among other things, requires that the Private Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each Private Fund distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

If a client receives account statements from a qualified custodian and from Candriam, the client should compare the account statements.

Item 16 – Investment Discretion

Candriam primarily manage clients' assets on a discretionary basis. Candriam will have investment discretion to manage assets on behalf of a client and select brokers and dealers to be used to effect portfolio transactions for such accounts, subject to any restrictions as set forth in each client's offering document and/or agreements with each client and/or the rules and regulations of any exchange or market on which Candriam trades financial instruments on behalf of its clients.

Some clients may have the ability to impose restrictions on Candriam's investment discretion by, among other things, prohibiting the purchase of specific securities or other investments, or prohibiting investments within a specific industry. Some clients may also restrict the use of certain broker-dealers to execute trades, or may restrict the amount of securities that can be bought or sold within the account. Any client-imposed restrictions are detailed in the client's investment advisory agreement or other relevant documentation. Prior to commencing management of a new client account, Candriam seeks to obtain all necessary information to ensure that the account, including any relevant restrictions, is properly established.

Item 17 – Voting Client Securities

Typically, the investment management agreement or other relevant agreement between Candriam and its client will state whether or not Candriam is authorized by the client to vote proxies with respect the securities in an account.

Candriam has adopted a Proxy Voting Policy. This Policy is designed to ensure that all proxies are voted in the best interest of its clients without regard to Candriam's own interests or the interests of its affiliates.

Procedures are in place to identify, and manage potential conflicts of interest within all Candriam activities, including our voting activities. Candriam defines a conflict of interest as a situation whereby the management company or one of its staff has an interest of a material, professional, commercial or financial nature that clashes with the interest of one or more clients.

In all cases of a potential conflict of interest, the Compliance Department will be notified and may eventually decide to abstain from voting for the meeting involved.

To manage potential conflicts of interest, and in addition to the regular monitoring of our Compliance department, several measures have been taken, in particular:

- For issuers belonging to Candriam's largest "relations d'affaires" are identified ahead of each voting season. When these specific issuers' shareholder's meetings appear in our voting scope, ISS voting custom guidelines will be applied without any intervention from the analysts in charge of the voting activities.
- When Candriam-managed funds are present in a voting portfolio, and in the framework of the vote for this specific portfolio, no vote will be cast for the annual or special meetings of these Candriam-managed funds.
- A post-vote review of our voting decisions is performed by our Proxy Voting Committee.

The Proxy Voting Committee defines the general policy for the exercise of Candriam's voting rights and for the evolution of the policy. In particular, the Committee is responsible for reviewing the voting policy at least annually, adapting it to new corporate governance developments or to enforce new regulations. Candriam's proxy voting policy is based on four principles:

- The rights of shareholders;
- The equal treatment of shareholders;
- The accountability of the issuer's board of directors; and
- The transparency and integrity of the issuer's financial statements.

Candriam Proxy Voting Policy is available on Candriam website under the following link: <https://www.candriam.com/en/professional/market-insights/sri-publications/> and notably provides more details over the role of proxy advisers, approach to blocking markets, link between voting and other engagement activities.

Candriam uses a third-party proxy voting advisor, which provides voting recommendations based upon Candriam's specific voting policy. Candriam may use additional proxy voting advisor(s) if deemed necessary.

In limited circumstances, Candriam may refrain from voting proxies where Candriam believes that voting would be inappropriate, taking into consideration the cost of voting the proxies and the anticipated benefit to its accounts. Generally, a client may not direct Candriam's vote in a particular solicitation.

Information as to how proxies, if any, were voted is available upon request. Candriam's contact information appears on the cover page of this brochure.

Item 18 – Financial Information

Candriam has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

At this time, Candriam is not required to file a balance sheet for its most recent fiscal year because it does not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance.