



FCP under French law

ANNUAL REPORT

Candriam Long Short Credit

As at 29 December 2023

Management company: CANDRIAM

Auditors: PRICEWATERHOUSECOOPERS AUDIT

CANDRIAM - 19-21 route d'Arlon - L-8009 Strassen - Grand Duchy of Luxembourg

Characteristics of the UCI

Legal form of the UCI

Fonds Commun de Placement (FCP) under French law.

Description of the units

| Unit | ISIN code | Allocation of distributable income | Currency | Minimum initial subscription | | Original net asset value | Type of subscriber | Foreign exchange risk hedging |
|------------|--------------|------------------------------------|----------|---|------------|--------------------------|--|--------------------------------------|
| | | | | Initial (*) | Subsequent | | | |
| Classique | FR0010760694 | Capitalisation | EUR | None | None | EUR 10,000.00 (*) | All subscribers | - |
| C in CHF | FR0011352566 | Capitalisation | CHF | None | None | CHF 1,000.00 | All subscribers | Full and systematic against the euro |
| C in USD\$ | FR0013446358 | Capitalisation | USD | EUR 250,000.00 or equivalent in USD | None | USD 1,500.00 | All subscribers | Full and systematic against the euro |
| V | FR0011510031 | Capitalisation | EUR | EUR 25,000,000.00 | None | EUR 1,000.00 | All subscribers | - |
| V in CHF | FR0011910470 | Capitalisation | CHF | EUR 25,000,000.00 or equivalent in CHF | None | CHF 1,000.00 | All subscribers | Full and systematic against the euro |
| R | FR0011510056 | Capitalisation | EUR | None | None | 100.00 EUR | Financial intermediaries (including distributors and platforms) which: (i) have different arrangements with their clients for the provision of investment services in connection with the fund, and (ii) as a result of their applicable laws and regulations, are not entitled to receive duties, fees and other monetary benefits from the Management Company in connection with the provision of the above-mentioned investment services. | - |
| R2 | FR0013254000 | Capitalisation | EUR | None | None | 150.00 EUR | Management mandates between a client and Belfius Banque in which financial management is delegated to Candriam and for which Belfius Banque does not | - |

| | | | | | | | | |
|----|--------------|----------------|-----|---------------------------|------|-----------------|---|---|
| | | | | | | | receive any form of remuneration from a Candriam Group entity | |
| RS | FR0013325081 | Capitalisation | EUR | EUR 100,000,000. 00 | None | 150.00 EUR | Distributors and intermediaries appointed by the Management Company who will not receive any compensation from the Management Company | - |
| Z | FR0013254018 | Capitalisation | EUR | None | None | EUR 1,500.00 | UCIs approved by the Management Company and managed by a Candriam Group entity. | - |

(*) Net asset value divided by 10 on 20/02/2013.

(**) The minimum initial subscription amount will not apply to the Management Company, to Candriam Group entities or funds managed by Group entities.

Management objective

In connection with its totally discretionary management, the fund's objective is to seek to achieve, over the minimum recommended investment term, an absolute performance exceeding the capitalised €STR for the C, V, R, R2, Z and RS units in EUR, exceeding the capitalised SARON for the C and V units in CHF and exceeding the EFFR for the C units "in USD", with an average annualised volatility objective of less than 5% under normal market conditions.

Benchmark index

The benchmark used does not explicitly take sustainability criteria into account.

The fund is actively managed and the investment approach implies a reference to an index.

Capitalised €STR

The short term rate in euros that reflects unsecured overnight borrowing costs in euros for banks in the euro zone. The €STR index is provided by European Money Markets Institute, which is an entity registered with ESMA in accordance with Article 34 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014. It is available from <https://www.emmi-benchmarks.eu>.

SARON

Represents the overnight interest rate of the secured funding market in Swiss francs (CHF).

The SARON index is provided by SIX Financial Market Supervisory Authority, which is an entity registered with ESMA in accordance with Article 33 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.

It is available from <https://www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/indices/swiss-reference-rates.html>

Effective Federal Funds Rate (Interest Rate) – EFFR or Fed Fund

The rate at which depository institutions lend reserve balances (USD amounts held at Federal Reserve Banks) to each other overnight.

The EFFR index is provided by the Federal Reserve Bank of New York (New York Fed)

It is available on the website: <https://apps.newyorkfed.org/markets/autorates/fed%20funds>

Benchmarks are used:

- To compare performance,
- To calculate the outperformance fee for some categories of units

The Management Company has adopted robust written plans to cover the cases where the publication of the benchmark index has been stopped or where major changes in that benchmark have occurred. The Management Company, based on these plans, may choose another benchmark, if appropriate. Any such change of benchmark will be reflected in an updated prospectus. Such plans are available free of charge, upon request, at the registered office of the Management Company.

Investment strategy

The fund's investment strategy is aimed at achieving the investment objective over the recommended investment period, mainly by using arbitrage and directional strategies (both long and short) in corporate credit (particularly industrial and financial companies) through bonds and credit derivatives.

The fund may also invest in convertible bonds with an initial delta of less than 15%.

(The delta expresses a convertible bond's sensitivity to its underlying equity; e.g. for every 10% change in the underlying equity, a bond might see a 1.50% change.)

The investment region is mainly Europe, North America and, on an ancillary basis, Japan.

Strategy used

1. Dynamic strategy

The strategy used consists of active credit risk selection (both long and short), together with a risk management approach aimed at achieving the desired volatility targets.

This fund does not particularly take into account an analysis of ESG aspects, and more precisely it does not have sustainable investment as its objective and does not specifically promote environmental and/or social characteristics, as described in the SFDR Regulation.

The fund does not systematically take into account the principal adverse impacts on sustainability for one or more of the following reasons:

- All or some of the issuing companies do not provide sufficient PAI data,
- The PAI element is not considered to be a predominant element in the fund's investment process,
- The fund uses derivative products for which the processing of PAI elements has not yet been defined and standardised".
- The underlying funds might not take account of the principal adverse impacts on sustainability factors as defined by the Management Company.

The fund aims to exclude companies which:

1. Fail to meet the criteria of a normative exclusion filter taking account of their environmental, social and governance practices and adherence to standards such as the United Nations Global Compact and the OECD's Guidelines for Multinational Enterprises. This filter seeks to exclude the companies which are the most seriously in breach of these normative principles and which present both material and severe structural risks in terms of environmental, social and governance factors; and/or
2. Are significantly exposed to controversial activities such as tobacco or thermal coal. The strategy does not allow investment in companies that manufacture, use or hold anti-personnel mines, cluster bombs, or chemical, biological, white phosphorus and depleted uranium weapons.

"Negative" exposures (selling) are authorised on these companies but not if they are exposed to controversial weapons subject to a legal exclusion.

These exclusions are applicable to direct line investments of which Candriam is the Management Company.

Under certain conditions, the analysis and selection process may also be accompanied by a dialogue with the companies.

Details of Candriam's exclusions policy and company engagement policy are available on the Management Company's website at:

https://www.candriam.com/4b0e56/siteassets/medias/publications/brochure/corporate-brochures-and-reports/engagement-policy/candriam_engagement_policy.pdf

<https://www.candriam.com/siteassets/medias/publications/sri-publications---candriam-policies/exclusion-policy.pdf>

Alignment with the Taxonomy

For the funds which do not have sustainable investment as their objective and which do not specifically promote environmental and/or social characteristics, the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

For more details please see the transparency code on the Management Company's website: <https://www.candriam.com/en/private/market-insights/sri-publications/#transparency>

The investment process is based on constructing a diversified portfolio around investment opportunities, which are the portfolio's basic building blocks.

These investment "opportunities" are identified as a result of analysis undertaken by the asset managers and analysts responsible for the fund, and may take the following forms:

- Credit-buying positions (known as "long" positions) or credit-selling positions ("short" positions),
- Arbitrages between two issuers, an issuer and an index or an issuer and a basket of issuers,
- Arbitrages between an issuer and a credit derivative issued by that issuer.

All these positions may be constructed within the portfolio using on or off balance sheet instruments.

Investment "opportunities" are identified as a result of both fundamental and quantitative analyses. When carrying out fundamental analysis, the asset managers take into account, inter alia, the following: experience and track record of the management team, company strategy and competitive positioning, earnings visibility, absolute and relative valuation of the company and therefore potential for the credit margin to rise or fall, etc. (This is not an exhaustive list.)

To conduct the analysis, the asset manager has the corporate documentation (annual reports, roadshows, one on ones etc.), rating agency reports, external broker analyses, press analyses etc. This list is not exhaustive.

This fundamental analysis is supplemented by quantitative analysis. This quantitative analysis is based, inter alia, on internal models for assessing the intrinsic credit quality of an issue and the risk of a widening in credit spreads. This analysis is used to optimise the time at which positions are entered into and unwound.

Investment "opportunities" are assigned to two different segments within the portfolio, depending on the identified investment scenario: the "arbitrage" segment or the "bias" segment. The amount of capital allocated to each segment depends on the market conditions.

The fund's total net credit exposure will vary between -50% and +50% depending on the market opportunities that are identified.

This exposure does not include money market instruments and bonds redeemed before maturity at the initiative of the issuer.

Issuers and issues with regard to which the fund has credit exposure are rated at least Caa1 by Moody's and/or CCC+ by Standard & Poor's.

2. Portfolio fund strategy

The strategy consists of constructing a diversified portfolio invested in securities issued by private issuers (corporate debt and securities issued by financial institutions), government bonds and other French and foreign money market

instruments with a short-term rating of at least A-2, when acquired, (or equivalent) by a ratings agency or considered to be of equivalent quality by the Management Company (in particular if there is no rating). The fund may also make use of efficient portfolio management techniques as described below.

This part of the portfolio will represent between 0 and 100% of the fund's net assets.

- **Instruments used**

- 1. Equities**

None.

- 2. Bonds, debt securities and money market instruments (between 0 and 100%)**

The portfolio may be invested in debt securities issued by private issuers (corporates and financial institutions) and government securities.

The investment region is mainly Europe, North America and, on an ancillary basis, Japan.

This part of the portfolio will represent between 0 and 100% of the fund's net assets.

The Fund is invested in investment grade and high-yield corporate bonds rated at least CCC+ by Standard and Poor's or Caa1 by Moody's.

The minimum issuer or issue rating in respect of investment in negotiable debt or money market instruments is at least A2/P2.

- 3. Shares or units in UCIs (between 0 and 10%)**

In accordance with the applicable laws, the fund may invest up to 10% of its assets in:

- Units or shares in European UCITS which do not hold more than 10% of UCI units,
- Units or shares of European AIF or foreign investment funds which do not hold more than 10% of UCI units or of foreign investment funds and which meet the 3 other criteria of the Code Monétaire et Financier.

The UCIs will be managed by Candriam or by an external Management Company.

Investment will be for the purpose of diversifying the portfolio and optimising performance.

- 4. Other assets**

None.

- 5. Derivative financial instruments**

Type of derivative instruments

For the purpose of efficiently managing the portfolio, the fund may make use of derivative products such as swaps, futures, options and CDS arising notably from interest rate, foreign exchange and credit risk.

The fund may also make use of total return swaps or other derivative financial instruments which have the same characteristics, for example contracts for difference, for the purpose of (long or short) exposure, hedging or arbitrage. The underlying instruments to these operations may be either individual securities (equities, interest rates, currencies, volatility etc.), financial indices (including leveraged loan indices) in which the fund may invest in accordance with its investment objectives.

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

These derivatives may be traded on regulated or over-the-counter markets.

Authorised counterparties.

In over-the-counter operations, counterparties to these transactions are approved by the Management Company's risk management department and, when the transactions are initiated, have a minimum rating of BBB-/Baa3 from at least one recognised ratings agency or considered to be of equivalent quality by the Management Company (in particular if there is no rating). The counterparties are located in an OECD member country.

Additional information on the one or more counterparties to the transactions is contained in the fund's annual report.

Financial collateral

See section 10 – "Management of financial collateral for OTC derivative products and efficient portfolio management

techniques" below

6. Instruments with embedded derivatives (max. 100%)

As part of its strategy, between 0 and 20% of the portfolio may be invested in convertible bonds with an initial delta of less than 15% at the time the position is entered into.

The Fund is invested in investment grade and high-yield corporate bonds rated at least CCC+ by Standard and Poor's or Caa1 by Moody's.

It may hold callable and/or puttable bonds, and more generally any financial instrument containing a financial contract.

Between -10% and +10% of the portfolio may be invested in contingent convertible bonds.

7. Deposits and cash (between 0 and 100%)

The asset manager may make use of cash deposits representing up to 100% of the assets for cash management purposes.

8. Cash borrowing (between 0 and 10%)

The fund may temporarily register a debit balance as a result of transactions related to cash flow (investments and divestments in progress, subscription/redemption and purchase/sale transactions, etc.), within a limit of 10% of the assets.

9. Efficient portfolio management technique

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

Reverse repurchase transactions

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

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

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

Repurchase transactions

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

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

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

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

Associated risks and measures to restrict them.

The risks associated with efficient portfolio management techniques (including collateral management) are identified, managed and restricted by the risk management process. The principal risks are counterparty risk, delivery risk, operational risk, legal risk, custody risk and conflict of interest risk (as defined in the section entitled "Risk profile"), and such risks are mitigated by the organisation and the procedures defined by the Management Company as follows

Selection of counterparties and legal framework

Counterparties to these transactions are approved by the Management Company's risk management department and, when the transactions are initiated, have a minimum rating of BBB-/Baa3 from at least one recognised ratings agency or are considered to be of equivalent quality by the Management Company. These counterparties are entities which are subject to prudential supervision. The counterparties are located in an

OECD member country. Each counterparty is bound by a contract the clauses of which have been validated by the legal department/risk management department.

Financial collateral

See section 10 – "Management of financial collateral for OTC derivative products and efficient portfolio management techniques" below

Restrictions on reinvestment of financial collateral received

See section 10 – "Management of financial collateral for OTC derivative products and efficient portfolio management techniques" below

Measures taken to reduce the risk of conflicts of interest

To limit the risk of a conflict of interest, the Management Company has established a process for selecting and monitoring counterparties through committees (reviews) organised by the risk management department. In addition, the remuneration of these transactions is in line with market practices in order to avoid any conflict of interest.

Remuneration policy for reverse repurchase agreements

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

Remuneration policy for repurchase agreements

This activity does not generate income.

Periodic investor information

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

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

Some over-the-counter transactions in financial instruments are covered by a collateralisation policy that has been validated by the risk management department.

General criteria

All collateral to reduce exposure to counterparty risk satisfies the following criteria:

- *Liquidity:*
any collateral received in a form other than cash must have a strong level of liquidity and be traded on a regulated market or within the framework of a multilateral trading system making use of transparent price setting methods such that it can be quickly sold at a price close to the valuation prior to the sale.
- *Valuation:*
The collateral received will be valued on a daily basis and assets with highly volatile prices will only be accepted as collateral if sufficiently prudent safety margins are in place.
- *Quality of issuer credit:*
See point b below.
- *Correlation:*
the financial collateral received must be issued by an entity which is independent of the counterparty and does not have a strong correlation with the counterparty's performance.
- *Diversification:*
The financial collateral must be sufficiently diversified in terms of the countries, markets and issuers (at net asset value level). As regards issuer diversity, the maximum exposure to an issuer through the collateral received must not exceed 20% of the net assets of the respective fund. However, this limit is raised to 100% for securities issued

or guaranteed by a member state of the European Economic Area (EEA), by its local authorities or by public international bodies to which one or more member states of the EEA belong. These issuers must be highly rated (in other words rated at least BBB-/Baa3 by a recognised ratings agency or regarded as such by the Management Company). If the fund exercises this latter option, it must hold securities belonging to at least six different issues, with securities belonging to the same issue not exceeding 30% of the total amount of the net assets.

The management risks connected with collateral, such as operational and legal risks, must be identified, managed and mitigated by the risk management process.

The collateral received may be fully mobilised at any time without reference thereto to the counterparty or the need to obtain its agreement.

Types of authorised collateral

The permitted types of financial collateral are as follows:

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

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

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

Level of financial collateral received

The level of collateral required for over-the-counter financial instruments and efficient portfolio management techniques is determined by the agreements reached with each of the counterparties taking account of factors such as the nature and the characteristics of the transactions, the quality of credit and the identity of the counterparties, as well as market conditions at the time. The counterparty's exposure which is not covered by collateral will at all times remain below the counterparty risk limits fixed by the regulations.

Discounting policy

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

Restrictions on reinvestment of financial collateral received

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

Financial collateral received in cash can only be deposited with counterparties meeting the above eligibility criteria, invested in highly rated government loans, used for the purpose of reverse 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, the investments may, nevertheless, contain some limited financial risk.

Safekeeping of collateral

In the event of transfer of ownership, the collateral received will be held by the Depositary or a sub-custodian. In other types of collateral agreement, the collateral may be held by an external depositary subject to prudential supervision which is not connected to the supplier of the financial collateral.

The collateral received may be fully mobilised at any time without reference thereto to the counterparty or the need to obtain its agreement.

Financial collateral in favour of the counterparty

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

Periodic investor information

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

11. Valuation

Reverse repurchase and repurchase agreements

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

Collateral

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

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

Cash overdraft

By way of security against the cash overdraft facility granted by the depositary, the fund grants the latter financial collateral in the simplified form set down in the provisions of the Code Monétaire et Financier.

Table of derivative instruments

| | TYPE OF MARKET | | TYPE OF RISK | | | | | TYPE OF USE | |
|----------------------------|------------------------------------|-------------|--------------|----------------|------------------|--------|---------------|-------------|----------|
| | Regulated and/or organised markets | OTC markets | Equities | Interest rates | Foreign exchange | Credit | Other risk(s) | Hedging | Exposure |
| Futures in | | | | | | | | | |
| Interest rates | x | x | | x | | | | x | x |
| Foreign exchange | x | x | | | x | | | x | |
| Indices | x | | x | | | | | x | |
| Volatility | x | x | | | | | x | x | |
| Options in | | | | | | | | | |
| Equities | x | x | x | | | | x | x | |
| Interest rates | x | x | | x | | | x | x | x |
| Foreign exchange | x | x | | | x | | x | x | |
| Indices | x | x | x | | | | x | | |
| Volatility | x | x | | | | | x | x | |
| Swaps | | | | | | | | | |
| Interest rates | | x | | x | | | | x | x |
| Foreign exchange | | x | | | x | | | x | |
| Volatility | | x | | | | | x | x | |
| Forward exchange | | | | | | | | | |
| Currencies | | x | | | x | | | x | |
| Credit derivatives | | | | | | | | | |
| Credit default swaps (CDS) | | x | | | | X | | x | x |
| Credit derivative indices | | x | | | | X | | x | x |
| Total Return Swap | | x | | | | X | | x | x |
| CDS options | | x | | | | X | | x | x |
| CDS index options | | x | | | | X | | x | x |

Risk profile

Your money will be mainly invested in financial instruments selected by the management company. These instruments will be subject to trends and uncertainties in the financial markets.

The investor is exposed to the following risks:

Risk of capital loss

There is no guarantee for investors relating to the capital invested, and investors may not receive back the full amount invested.

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 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. The fund may be exposed to the credit market and/or specific issuers in particular whose prices will change based on the expectations of the market as regards their ability to repay their debt. The fund may also be exposed the risk that a selected issuer will default, i.e. will be unable to honour its debt repayment, in the form of coupons and/or principal. Depending on whether the fund is positively or negatively positioned on the credit market and/or some issuers in particular, an upward or downward movement respectively of the credit spreads, or a default, may negatively impact the net asset value.

There is also a high yield credit risk in that the fund may be exposed to high yield bonds through credit index contracts such as the Itraxx and the CDX. High yield securities have a greater risk of default in return for their higher yield.

Risk arising from the arbitrage strategy

Arbitrage is a technique which consists in benefiting from the differences in prices recorded (or anticipated) between markets and/or sectors and/or securities and/or currencies and/or instruments. If such arbitrage transactions perform unfavourably (a rise in short transactions and/or fall in long transactions), the fund's net asset value may fall.

Liquidity risk

Liquidity risk is defined as that of a position in the fund's portfolio that cannot be sold, liquidated or closed at a limited cost and within a sufficiently short time, thus jeopardizing the fund's ability to comply at any time with its obligations to redeem the shares of investors at their request. On certain markets (in particular emerging and high-yield bonds, equities with low market capitalisation, etc.), the quotation spreads may widen under less favourable market conditions, which could impact on the net asset value when assets are purchased or sold. Furthermore, in the event of a crisis on these markets, the securities could also become difficult to trade.

Risk associated with derivative financial instruments

Financial derivatives are instruments whose value depends on (or is derived from) one or more underlying financial assets (equities, interest rates, bonds, currencies, etc.). The use of derivatives therefore involves the risk associated with the underlying instruments. They may be used for purposes of exposure or hedging against the underlying assets. Depending on the strategies employed, the use of derivative financial instruments can also entail leverage risks (amplifying downward market movements). In a hedging strategy, the derivative financial instruments may, under certain market conditions, not be perfectly correlated to the assets to be hedged. With options, an unfavourable fluctuation in the price of the underlying assets could cause the fund to lose all of the premiums paid. OTC financial derivatives also entail a counterparty risk (though this may be attenuated by the assets received as collateral) and may involve a valuation risk or a liquidity risk (difficulty selling or closing open positions).

Counterparty risk

The fund may use OTC derivative products and/or efficient portfolio management techniques. These transactions may

cause a counterparty risk, i.e. losses incurred in connection with commitments contracted with a defaulting counterparty.

Equity risk

The fund may be exposed to equity market risk through direct investment (through transferable securities and/or derivative products). These investments, which generate long or short exposure, may entail a risk of substantial losses. A variation in the equity market in the reverse direction to the positions can lead to the risk of losses and may cause the net asset value of the fund to fall.

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 written down (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 fund may never recover its investment.

Investments 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.

Foreign exchange risk

Foreign exchange risk derives from the fund's direct investments and its investments in forward financial instruments, resulting in exposure to a currency other than its valuation currency. Changes in the exchange rate of this currency in relation to that of the fund may negatively affect the value of assets in the portfolio.

Volatility risk

The fund may be exposed (taking directional positions or using arbitrage strategies for example) to market volatility risk and could therefore, based on its exposure, suffer losses in the event of changes in the volatility level of these markets.

Emerging countries risk

Market movements can be stronger and faster on these markets than on the developed markets, which could cause the net asset value to fall in the event of adverse movements in relation to the positions taken. Volatility may be caused by a global market risk or may be triggered by the vicissitudes of a single security. Sectoral concentration risks may also be prevalent on some emerging markets. These risks may also heighten the volatility. Emerging countries can experience serious political, legal and fiscal uncertainties or other events that could impact negatively on the fund. In addition, local depositary and sub-custodial services remain underdeveloped in non-OECD countries and

emerging countries, and transactions carried out in these markets are subject to transaction risk and custody risk. In some cases, the fund may be unable to recover all or part of its assets or may be exposed to delays in delivery when recovering its assets.

Delivery risk

The fund may want to liquidate assets which at that time are subject to a transaction with a counterparty. In this case, the fund would recall these assets from the counterparty. Delivery risk is the risk that the counterparty, although contractually obliged, may not be able in operational terms to return the assets quickly enough to allow the fund to honour the sale of these instruments on the market.

Operational risk

The operational risk is the risk of direct or indirect losses associated with a number of factors (such as human error, fraud and malice, IT system failures and external events, etc.) which may have an impact upon the fund and/or the investors. The Management Company aims to reduce these risks by putting in place controls and procedures.

Legal risk

The risk of litigation of all kinds with a counterparty or a third party. The Management Company aims to reduce these risks by putting in place controls and procedures.

Custody risk

the risk of loss of assets held by a depository as a result of insolvency, negligence or fraudulent action by the depository or a sub-custodian. This risk is mitigated by the regulatory requirements governing depository services.

Risk of conflicts of interest

selection of a counterparty based on reasons other than the sole interest of the fund and/or unequal treatment in the management of similar portfolios could be the main sources of conflicts of interest.

Risk of changes to the benchmark index by the index provider

Unitholders should note that the benchmark index provider has full discretion to determine and therefore alter the characteristics of the relevant benchmark index for which it acts as sponsor. Under the terms of the licence contract, an index provider may not be required to give licence holders using the relevant benchmark index sufficient notice of changes to the benchmark index. As a result, the Management Company may not be able to inform fund unitholders in advance of changes made by the index provider to the characteristics of the relevant benchmark index.

Sustainability risk

The sustainability risk refers to any environmental, social or governance-related event or situation that might affect the performance and/or reputation of issuers in the portfolio.

Sustainability risks may be subdivided into three categories:

- **Environmental:** environmental events may create physical risks for the companies in the portfolio. For example, such events could arise from the consequences of climate change, loss of biodiversity, changes in ocean chemistry, etc. Apart from these physical risks, the companies could be negatively impacted by mitigation measures taken to address environmental risks (such as a carbon tax). These mitigation risks could affect companies depending on their exposure to the above risks and how well they adapt to them.
- **Social:** refers to the risk factors linked to human capital, the supply chain and the way companies manage their impact on society. Issues around gender equality, remuneration policies, health and safety and the risks associated with working conditions in general all fall within the social dimension. The social dimension also includes risks of violation of human rights or labour rights in the supply chain.
- **Governance:** these aspects are linked to governance structures, for example the independence of the board of directors, management structures, labour relations, remuneration and compliance, or tax practices. The thing that governance risks have in common is that they are due to inadequate oversight of the company and/or the lack of incentive for the company to move towards higher governance standards.

The sustainability risk may be specific to the issuer, depending on its activities and practices, but may also be due to external factors. If an unforeseen event occurs in a specific issuer such as a strike or more generally an environmental disaster, the event could have a negative impact on portfolio performance. In addition, issuers which adapt their

activities and/or policies may be less exposed to the sustainability risk.

Possible mitigation measures to manage risk exposure include the following:

- Exclusion of controversial activities or issuers
- Exclusion of issuers based on sustainability criteria
- Inclusion of sustainability risks when issuers are selected or given weightings in the portfolio
- Engagement and sound management of the issuers
- Where applicable, these mitigation measures are described in the section in the prospectus describing the investment policy of the fund.

ESG risk:

Our methodology is based on the definition of ESG sector models by our internal ESG analysts. Our research limitations are largely linked to the nature, extent and consistency of the currently available ESG data.

- Category: certain ESG dimensions lend themselves more to narrative, qualitative information. Such information is subject to interpretation so it introduces a degree of uncertainty into the models.
- Extent: once the ESG dimensions considered by our analysts to be important for each sector have been defined, there is no guarantee that the data will be available for all the companies in that sector. Where possible, we will try to fill in the missing data from our own ESG analysis.
- Uniformity: the different ESG data providers have different methodologies. Even within the same provider, analogous ESG dimensions may be processed differently depending on the sector. This makes it harder to compare data from different providers.

The absence of European-level common or harmonised definitions and labels incorporating ESG and sustainability criteria may give rise to different approaches among the asset managers to fix the ESG objectives and to determine whether these objectives have been achieved by the funds they manage.

Our methodology excludes or limits exposure to the securities of certain issuers for ESG reasons. As a result, it is possible that certain market conditions will generate financial opportunities that the sub-fund is unable to benefit from.

Changes affecting the UCI

| Changes made | Date of change |
|---------------------------|-----------------------|
| Changes to the prospectus | 1 March 2023 |

Management report

Economic and financial environment

In the United States, nearly all economic indicators with the exception of residential real estate were looking good in January and February 2023 in spite of rate increases by the Federal Reserve (the Fed). The Fed increased its key rate by 25 basis points to 4.75% on 1 February. About 700,000 new jobs were created in those two months. The ISM services index was at 55.1 in February. This pushed the ten-year rate beyond 4% at the beginning of March.

However, the closures by the authorities of the 16th largest American bank (Silicon Valley Bank) on 10 March, following excessively large deposit withdrawals, and, a few days later, Signature Bank, raised fears of a risk of contagion to other medium-sized banks. The FDIC, in consultation with the Federal Reserve and the US Treasury, invoked a Systemic Risk Exception which enabled the FDIC to insure all the deposits of these two banks (both insured deposits (< \$250,000) and uninsured deposits). To avoid a liquidity and contagion problem, the Fed opened a new Bank Term Funding Program (BTFP), the specificity of which is that government bonds serving as collateral are valued at par and not at market prices. The action taken by the authorities lessened the risk of contagion and the stress affecting the financial markets subsided. Meanwhile, thanks to reduced supply chain tensions and lower energy and industrial metal prices, total inflation fell steadily in the early months of 2023 (5% in March 2023). Core inflation did not move much, oscillating around 5.5%. Indeed, although goods inflation was slowing, the "real estate" component of inflation (over 30% of the CPI) and that of non-real estate services did not slow at all. Wage growth remained significant and was an important factor in the price of services. These are the reasons why on 22 March, the Federal Reserve raised its key rate by 25 basis points to 5%, in spite of what was happening in that month. At the end of March, the ten-year rate fell by 35 basis points to 3.48% compared to the end of 2022. The stock market rose by 7%.

In the second quarter, as in the rest of the world, the manufacturing sector experienced sluggish growth while services grew steadily. Again, 600,000 new jobs were created during the quarter, with pay growth and core inflation falling back only slowly. In June, the unemployment rate was 3.6%. Second quarter GDP growth was 0.5% quarter-on-quarter compared to 0.6% in the first quarter. This prompted the Fed to increase its key rate by 25 basis points to 5.25% on 3 May.

At the FOMC meeting on 14 June, however, the Federal Reserve announced a pause in its tightening cycle. This boosted the stock market – especially in June – which increased by 8.3% over the quarter, driven by the hype around companies linked to artificial intelligence. The 10-year rate grew by 33 basis points to 3.81%. In the third quarter, despite a tightening of 525 basis points (the last 25 basis point rise was decided on 26 July) and the ratings downgrade of US debt by Fitch in early August, the American economy continued to create more than 650,000 jobs over the quarter.

In September, the unemployment rate was 3.8%, the ISM services index stayed above 50 and overall, the other economic indicators held up well. Despite these positive indicators, the Federal Reserve held its key rate constant at 5.5% at its meeting on 20 September, judging it to be sufficiently restrictive. These various developments created an expectation in the market that the United States would not go into recession but that the Fed would keep its rates high for longer in spite of core inflation falling to 4.1% (in September). With no prospect of recession in the United States and amid OPEC+ production cuts, the oil price rose steadily over the quarter. Brent and WTI both breached the 90 dollars per barrel mark at the end of September (compared to around \$70 in early July). This all pushed the ten-year rate to 4.57% at the end of September, an increase of 77 basis points since the end of June. Over the same period, responding to the sharp rates rise, the stock market fell by 3.6%.

The labour market and activity in services were still growing by mid-October. At the end of October, third quarter GDP growth was announced at 1.2% quarter-on-quarter (making it the fifth quarter in succession with growth above 2% quarter-on-quarter). In this context, and with the bond risk premium climbing sharply, ten-year rates almost touched 5%. By early November, however, with barely 100,000 new jobs created, mortgage rates topping 8% and weakening ISM data, the markets were led to believe that activity might slow down quicker than forecast and that the Federal Reserve might lower its key rate sooner than expected. The ten-year rate went down as a result. In mid-December, this movement was amplified by the dovish messaging from the governor when the Federal Reserve met in mid-

December, with the 2024 forecasts for federal funds rates below those from September. In all, after this bond rally, the ten-year rate closed the year at 3.87%, i.e. three basis points higher than the end of 2022. The S&P500 ended 2023 up 24.2% over the year at 4770, thanks in large part to the 11.2% increase in the fourth quarter.

In the euro area, while Q1 2023 total inflation (6.9% in March) had been steadily declining since its peak in October 2022, core inflation continued to increase (5.7% in March) amid a tense labour market. The unemployment rate was 6.5% and wage growth was significant. This, combined with the ongoing fall in gas prices, led to an upwards revision of growth forecasts along with the expected ECB terminal rate. The ECB increased its key rate by 50 basis points to 3% on 2 February. Despite everything that was going on in the American banking system, the ECB again raised its key interest rate by 50 basis points to 3.5% at its meeting on 16 March.

Indeed, as Christine Lagarde pointed out, the European banking sector is resilient, well-capitalised and has no liquidity problems. The other reason for this rise was the ECB's latest macroeconomic forecasts, which showed that inflation was expected to remain too high for too long. Over the weekend of 18 and 19 March, the Swiss National Bank and the Swiss Financial Market Supervisory Authority organised the takeover of Credit Suisse by UBS. In all, at the end of March, the German ten-year rate fell by 27 basis points to 2.3% compared to the end of 2022. The stock market rose by 11.9%. In the second quarter, although the manufacturing and services PMI indices both declined, the services index stayed above 50. Compared to the start of the year, consumer confidence improved but with greater disparity among the countries of the euro area. The labour market remained buoyant. Salary growth of around five per cent and an increase in the workforce suggested that purchasing power would increase as inflation subsided. Although total inflation carried on declining (5.5% in June), core inflation showed more downward rigidity (5.5% in June). That is why the ECB increased its key interest rate twice, on 4 May and 15 June, by 25 basis points each time. At the end of June, the ECB's core rate was 4%, the German 10-year rate was 2.39% and the stock market grew by 1.0% over the quarter.

In the third quarter, despite diverging domestic growth in the euro zone and the United States, European rates changed throughout the quarter in line with American rates, albeit to a lesser extent. Although inflation fell, it remained high (4.3% in September), with core inflation decelerating even more slowly (4.5%). This prompted the ECB to again raise its rates twice during the quarter (first on 27 July to 4.25% and again on 14 September to 4.5%). In this environment of higher rates, activity slowed. Unlike the manufacturing PMI index for the euro zone, which had been languishing below the 50 bar for 14 months, the services PMI index went below that threshold for the first time in August. It became clear that euro zone growth was going to be sluggish at best, especially as the production cuts agreed by the OPEC+ countries weighed on the Brent price. Third quarter GDP growth was 0.1% quarter-on-quarter. In general terms, between the third quarter of 2023 and the third quarter of 2022, euro area GDP only managed a 0.1% increase. Government aid partly made up for this lack of growth due to the energy shock that badly affected household purchasing power and corporate activity. The only real positive in the euro zone economy was the still-rosy labour market. The unemployment rate was low at 6.5% (in September) and wage growth stayed quite high. This stabilised household consumption and supported growth. In all, the German ten-year rate fell by 42 basis points over the quarter to 2.81%. The stock market fell by 4.6% over the same period.

The fourth quarter was marked by further declines in the PMI surveys for manufacturing as well as services (the composite index averaged 47 over the quarter). Even so, with inflation down and wages up, households were expected to experience a boost in purchasing power. The German 10-year rates tracked the American rates, reaching 3% at the end of October. As in the United States, weak growth fuelled expectations of a faster reduction in key rates, especially as inflation and core inflation fall to 2.4% and 3.5% respectively in November. And yet at the last meeting of the ECB, its president indicated that now was not the time to lower key rates. Indeed, the labour market was holding up well with relatively solid wage growth, and these factors influenced the price of services in particular. In all, after the bond rally, the ten-year rate closed the year at 2 %, i.e. 56 basis points lower than the end of 2022. The stock market ended 2023 up 16% over the year, thanks in part to the 7.5% increase in the fourth quarter.

Notes concerning management

1. Market environment and developments

First quarter:

The first quarter of 2023 was positive albeit extremely volatile and turbulent for the asset class, with the excesses of Q4 2022 continuing and the banking sector in turmoil. Ultimately, euro investment grade managed a performance of 1.72%.

The year got off to a flying start with a positive risk sentiment, global (and European) economic prospects showing resilience in the face of the energy crisis, easing supply constraints and lower inflation resulting from falling raw materials prices. It was clear that the ECB thought differently – that inflation had not yet peaked. Company results were positively received in general, but expectations were low as the Q4 reporting season approached, with analysts already forecasting lower profits. The good news is that most companies managed to exceed expectations, albeit by the slimmest of margins. However, some eye-catching failures and the disappointing forecasts for major corporations such as Intel, Microsoft, 3M and Kimberly-Clark suggested that profit estimates for the next few quarters would keep falling – and more sharply and for longer than previously expected. The primary market was exceptionally active as companies started looking ahead to lock in rates in the financial sector in particular. The offering was dominated by financial securities that had benefited from tightening – the total issued volume was up by more than 50% compared to January 2022. The increased offering was easily accommodated by the market, with investor demand outstripping supply. The most oversubscribed of all were the shortest maturities of multi-tranche issues.

In February the central banks continued along the path of tightening but their tone was slightly less aggressive than in 2022. It came as no surprise when the Fed increased rates by 25 basis points. This was less than the previous 50 basis point hikes, but arguments were presented in favour of more increases to come. The ECB put its base rates up by 50 basis points and Christine Lagarde stated her intention to raise rates again by 50 basis points at its March meeting. The month was also marked by exceptionally solid economic data from the US, painting a picture of economic resilience there (as in the EU) and doggedly high (and accelerating) core inflation on both sides of the Atlantic. The markets appeared to have come to terms with the idea that rates were going to stay high for longer – with significant rises translating into weaker returns on the sovereign and investment grade markets. Q4 profits were satisfactory only because expectations were low, and analysts were already forecasting bigger declines in profits for the next reporting season. The primary market was energised by the prospect of even higher rates. As in the previous quarter, the markets snapped up the abundance of issues.

The financial markets suffered as the month of March progressed due to financial sector turbulence, especially in bank credit in the United States as well as Europe. The problems were triggered by the liquidity crisis at Silicon Valley Bank, which rapidly spread to other regional banks in the US. This was followed by serious problems at Credit Suisse, culminating in the regulator putting the bank under the control of its rival USB. The banks and regulators decided to write off AT1 bonds before shares were impacted, effectively rewriting the capital structure rules which had always stated that shareholders were the first losers before any losses are incurred on AT1 bonds. Combined with the prospect of a global and systemic failure of banks throughout the world, this provoked a frenzy on the markets and a flight to safety. Banking tensions also speeded up the already ongoing decline in deposits, especially in the United States, because money market funds were offering a considerably higher return than bank deposits. The central banks responded almost immediately, with the ECB deploying containment measures to ensure financial stability. Nevertheless, the central bank strengthened its commitment to fighting inflation and raised its rates by 50 basis points in spite of everything. Christine Lagarde highlighted the principle of separation, mentioning that price stability was the primary objective, that financial stability was under control and that measures could be deployed quickly to guarantee financial stability. As for the Fed, it followed suit and raised its rates 25 basis points, still preoccupied by high inflation. Officials did concede that although the effects were uncertain, the banking tensions were likely to prompt a tightening of credit terms for households and businesses, affecting in turn economic activity, hiring and inflation. The primary market was inactive for most of the month, and the end-of-month issues were oversubscribed

– investors had been left hungry for more as less than half of the issues expected for March actually arrived to market. Overall, spreads stayed the same in the euro investment grade market (at 168 bps) over the quarter, despite widely diverging highs (195 bps) and lows (140 bps). This is reflected in the yields which ended at 4.2% after slumping to 3.7%. Overall, the offering was sustained, thanks in particular to a very active January.

Second quarter

The second quarter of 2023 posted slightly positive performances for the IG markets, against a background of constant volatility. Just as the turbulence in the banking sector appeared to subside, the asset class was again impacted by brutal movements in rates.

In April, headline inflation in the United States and the EU fell, due in part to strong base effects in energy, whereas core inflation remained relatively stable. Confidence indicators stood their ground and euro zone industrial output grew, supporting the idea that activity was more resistant than forecast so far in 2023. In the United States, certain macroeconomic data pointed towards consumer resilience, while Chinese exports bounced back after the reopening of the economy thanks to demand from Latin America and Asia. The Fed continued to make inflation the focus of its objectives, while also highlighting its desire to safeguard financial stability in the face of the problems being experienced by certain American regional banks. The minutes of the ECB also showed a focus on inflation, increasing the likelihood of new rises. The results of banks were closely watched by the markets, and there was significant volatility in communications about their deposits. Consumer businesses enjoyed a solid quarter, and increasing food and drink prices did not have much of an impact on volumes. However, some large spreads and the disappointing forecasts for major corporations (Maersk, UPS and Estee Lauder) suggested that profit estimates for the next few quarters would have to be revised downwards. The primary market was relatively calm, with some end-of-month transactions, because of the blackout period necessitated by the results season. The secondary markets remained tight, with weak liquidity.

In May, President Biden reached agreement with Republicans in the House of Representatives, led by Speaker McCarthy, on the US debt ceiling. The Fed was unconvinced of the existence of a recession or a financial stability risk, and the ECB's minutes shone light on a discussion that was still focused on inflation. Growth prospects remained highly uncertain, as evidenced by the Q1 European GDP data. In sector terms, all eyes were still on real estate, where spreads had not yet recovered. In China, activity growth data for May provided more proof of China's struggle to keep the economy on the path of recovery after the initial boost from the post-Covid reopening seen in the first quarter. Banking sector turbulence continued to weigh heavily on economic prospects. The situation appeared to stabilise after the acute tension in mid-March caused by the failures of Silicon Valley Bank and Signature Bank. Although sentiment fluctuated somewhat in the mean time, especially around the closure of First Republic on 1 May, the falls in bank equities were largely stemmed and emergency borrowing from the Fed stabilised. Despite the uncertain macroeconomic context, the appetite for credit in euros was still very healthy, with non-financial companies issuing up to 58 billion euros in May, the biggest month of the year so far.

The central banks in developed countries were kept extremely busy in June. At Sintra, the heads of the ECB, the Fed and the BoE were united in their hawkish tone, whereas the governor of the BoJ, Kazuo Ueda, stuck with a more dovish tone. The chairman of the Federal Reserve Jerome Powell, declared that the Fed was not ruling out the option of two consecutive increases and that he did not think inflation would go back down below 2% in the United States in 2023 or 2024. Christine Lagarde, president of the ECB, added that the central bank still has some way to go and that it was highly likely to raise its rates in July. The governor of the BoE, Andrew Bailey, after already raising rates by 0.5% in June, announced that inflation in the United Kingdom was still firmly entrenched. High inflation was not accompanied by reassuring economic news in these months, and there were pockets of concern such as the macroeconomic scenario, which was relatively weak in the euro zone, the United Kingdom and China. The banks repaid EUR 508 billion in TLTRO funding, with the largest Italian banks contributing more than EUR 120 billion. Despite the uncertain macroeconomic context and the turbulence triggered by SVB/CSG in March, the market's perception of the banks gradually improved as witnessed by the fact that May was the most active month of the year apart from January and the reopening of the AT1 market in June. As such, the banks had already met about two-thirds of their

financing needs for 2023. For non-financials, primary activity was stronger year-on-year in the first quarter of 2023 in IG and HY, as well as Q2 despite a calmer start to the quarter, especially for the senior EUR segment. Meanwhile, the hybrid market picked up in May and June thanks to public services and TMT following three months of weak activity. Overall, spreads declined slightly on the EUR quality markets (from 168 basis points to 161 basis points) during the quarter, albeit with a certain amount of volatility. Yields climbed to 4.4%, compared to 4.2% at the start of the quarter.

Third quarter:

The third quarter of 2023 was characterised by slightly positive performance in the IG markets, and in spite of the volatility all around, the IG credit markets ended the quarter in positive territory.

Global rates continued their upward progression in the first week of July, buoyed by the solid ADP report in the United States, but sentiment changed when the weakness of the inflation figures raised hopes of a policy change and the hawkish central bankers softened their position. In the United Kingdom and the EU, the headline inflation data for June continued the downward trend as core inflation remained stable (6.9% and 5.5% respectively). In the United States, headline inflation fell more than forecast in June – the base effects were a key factor and the volatile categories accounted for most of the decline. American rates surrendered some of their post-inflation gains for the rest of the month, and data on activity, consumer confidence and the labour market remained solid and resilient. Elsewhere, the European manufacturing sector was deeply in the red and the services sector threatened to be heading for the same fate. Global long-term rates increased as the financial markets digested the BoJ's decision to adjust the yield curve. In line with market expectations, the ECB and the Fed raised their rates by 25 basis points (bps). Jerome Powell kept all his options open in terms of when rates could start rising again, saying he would look at "all the data" on employment and inflation. The result were positively received, with most companies exceeding expectations. Nevertheless, there were reports suggesting that certain companies were struggling to pass on higher prices to consumers (for example Unilever, LVMH, Reckitt Benckiser, Heineken, etc.). This pressure on prices was expected to ease from then to the end of the year.

The economic data continued to paint a mixed picture during August, and the market, lacking direction, fluctuated rapidly according to market convictions. The labour market appeared to slow down in an orderly way and pressure on salaries eased, although forward-looking and confidence indicators pointed to a new slowdown. Despite the resilience of the labour markets, payment defaults on credit cards and cars continued to increase, raising concerns about the health of the American consumer. In Europe, the industrial output of the largest economies continued to slow down with concern increasingly showing up in the PMI indices. The manufacturing PMI did improve slightly, but services were playing catch-up and both indices were firmly in contraction territory. Core inflation remained stubborn in the euro zone (5.3%, more than double the target set by the politicians), with surprise increases in France and Spain and a slower than expected slowdown in Germany. Monetary policy also took centre stage when central bankers from across the globe convened for their annual Jackson Hole symposium. The president of the Fed was vague about keeping all his options open, but was still relatively hawkish. The primary market was calm due to the summer season and to the blackout period necessitated by the results season. Even though some offerings had gone to market towards the end of August, the secondary markets remained tense with weak liquidity for money market and short term offerings.

In September, the Governing Council of the ECB raised its rates by 25 basis points, bringing the deposit rate to 4%, the highest level since the start of its mandate. The tightening cycle was unprecedented, the focus having shifted from the level of rates to how long rates would stay high. Yet headline inflation was revised upwards as inflationary pressures returned in the form of energy and foodstuffs prices. Markets and economists were divided on what the BCE's approach would be when it met, and were somewhat caught off guard by the aggressive revision of forecasts. From the meeting of the Fed, and especially the revision of the dot plots, it emerged that twelve out of the nineteen officials expected a new rates increase this year and fewer decreases than initially forecast for next year. The global yield curve steepened significantly as markets came to terms with the fact that instead of raising rates, the central banks only needed to postpone rate cuts to maintain a restrictive monetary policy. Certain encouraging data on inflation coming out of Europe also led investors to accept the uncertainty of the global market, which could yet force

the hand of the central banks. September was an exceptionally active month on the primary markets, with banks and states profiting from window stability and tight spreads. About 57 billion euros were issued in IG credit, and the premiums of new emissions averaged 15 basis points in books that were twice oversubscribed. In addition, the first end-of-year effects were starting to emerge as investors prepared for the new year.

In the third quarter, spreads declined on the euro investment grade markets (from 161 bps to 151 bps) over the quarter, after undergoing a certain amount of volatility when they reached 144 bps in September before bouncing back. Yields climbed to 4.5% compared to 4.4% at the start of the quarter although again, intra-quarter movements were quite pronounced (yields fluctuated between 4.2% and 4.6%).

Fourth quarter:

The fourth quarter of 2023 was characterised by a solid positive performance for the IG markets. The last two months saw a substantial rebound on the credit markets after the markets anticipated the earlier-than-expected rates cuts by the central banks.

In October, on the other hand, the 10-year treasury bill curves continued to steepen in the United States and Europe, mainly due to economic data that was better than forecast in the United States and to the exceptional resilience of the labour market. The non-stop increase in long-term rates was noted by the Fed. Officials commented that tighter financial terms and a strong increase in real yields in the long term were making life difficult for the Fed. These comments were interpreted as accommodating, triggering a brief period of sharply declining rates due to greater demand for safe havens because of the negative geopolitical tensions in the Middle East. On the other side of the Atlantic, with the delayed impact of tighter financial terms increasingly being felt in the economy and on the markets, the ECB too held its rates unchanged, leaving a wait-and-see impression when Christine Lagarde repeatedly and explicitly mentioned the obvious weakening of economic growth. Businesses and households seemed to be feeling the strain from monetary tightening, and the inflation figures trended downwards as aggregate demand was curbed. The results season was marked by a high degree of dispersion, with many of the companies (IG and HY) failing to meet turnover expectations. Although most of them managed to do better than the operating margin, forecasts generally became very cautious and companies admitted that they were increasingly preoccupied with protecting their margins.

There was relief in November when the financial markets bounced back strongly in all asset classes as the market started anticipating more aggressive rate cuts in 2024. A series of economic data highlighted how strongly a restrictive monetary policy had been transmitted on both sides of the Atlantic. In the United States, in spite of stronger-than-forecast growth in the third quarter (5.2%), the economy was showing signs of slowing. The banks continued to tighten their credit granting terms and we saw hints of a reduction in discretionary household spending and a gradual contraction in the labour market. In the EU, headline inflation slowed down by more than the political leaders expected (to 2.4%) whereas core inflation stayed above the ECB's target at 3.6%. The German economy contracted in the third quarter in response to lower household spending. Even so, the ECB let it be known that it was expecting a temporary bounce in inflation due to base effects, with high energy prices from the autumn of 2022 not included in the data. The central bankers stuck with their wait-and-see approach, leaving the tightening of credit terms to further dampen economic activity and inflation. They also warned that although inflation was slowing down, it would take time to achieve their targets. Investors, on the other hand, were focused on falling inflation and the weakness of the macroeconomic data, triggering an astonishing recovery of practically all asset classes in the expectation of an accommodating central bank policy change. The financial markets continued to observe some mildly aggressive rhetoric in the latter part of November as the rally took hold in various asset classes. Looking at the fundamentals of companies, performance was lacklustre in terms of profits. Walmart, Burberry, Nordstrom and BASF had already issued cautionary indications and significant warnings. The markets found that cyclicals were reducing their investment spending and that issuers from the industrial and manufacturing sectors had recently laid off staff to reduce their operating expenses.

The recovery continued throughout December, again influenced by the expectation that monetary policy would be

relaxed once inflation fears had abated. At the end of 2023, the interest rate markets were banking on rate cuts of more than 150 basis points for 2024 and almost 25 from March 2024. Some Fed officials tried in vain to damp things down after the meeting, and the markets continued their rally in a state of euphoria. For the euro zone, the markets were expecting the ECB to cut rates by more than 160 basis points in 2024, with an initial reduction from April 2024. It can be said that the EU's economic prospects are much less resilient than those of the United States, with falling industrial output in Germany, Italy, Spain and France, confidence indicators pointing to new difficulties, and operating costs reduced by industrialists and manufacturing companies. On the other hand, a surprise fall in the IPCH consumer prices index in November prompted even hawkish members of the Governing Council to admit that the progress of inflation was encouraging and that new rate hikes were unlikely. The ECB kept its rates unchanged and revised its inflation expectations downwards for 2024 and 2025 as it expected a gradual decline in inflation despite upward pressure from higher wages. Finally, the ECB announced an end to reinvestments in PEPP by the end of 2024, starting in July. The global financial markets had already factored in the possible change in policy, although economic data could provoke greater volatility as financial markets depend on the data-driven approach of the central banks.

Over the fourth quarter, spreads on the euro investment grade markets fell (from 151 bps to 136 bps) over the quarter, mainly in the months of November and December. The rates experienced much sharper tightening, falling from highs of 4.5% to 3.6%, still a 10-year high.

2. Strategy

The fund posted a performance of +3.78% (C in EUR units, net of fees) in 2023, outperforming the Ester index which reached 3.28%. This performance was driven by the directional component (about 230 basis points), with quality investment leading the way thanks to our greater exposure in this segment, especially in the fourth quarter. The relative value component, with the long/short segment and basis trades, also played a part in the positive performance (again led by the investment grade component). Throughout the year we were very active in managing duration. We maintained a short or stable duration in the first two quarters before increasing it tactically as the second quarter progressed. We also actively participated in the primary markets during 2023.

3. Credit derivatives

For the hedging strategies, the fund used credit derivatives via the ITraxx, CDX and Xover indices, and Total Return Swaps via the IBoxx IG and High Yield indices. For exposure management purposes, the fund used individual CDSs to take long or short positions on certain issuers.

4. 2024 prospects

The credit markets still seem to be grappling with uncertainty around interest rates, inflation and geopolitical risks. Inflationary pressures and higher interest rates are likely to impact the balance sheets of certain companies. In the absence of fiscal and monetary support, we expect this environment characterised by volatility and greater uncertainty to persist and dispersion to remain high.

In such a context, the fund remains well positioned to capture performance through its mixed IG/HY profile and its two complementary performance drivers. Its focus on volatility and the selection of bonds ought to allow it to successfully navigate the current context.

| | | | | | |
|--------------|----------------------------|-------|---|-----|-------|
| FR0010760694 | Candriam Long Short Credit | C | C | EUR | 3,78% |
| FR0011352566 | Candriam Long Short Credit | CCHFH | C | CHF | 1,72% |
| FR0011510056 | Candriam Long Short Credit | R | C | EUR | 3,93% |
| FR0013254000 | Candriam Long Short Credit | R2 | C | EUR | 3,96% |
| FR0013325081 | Candriam Long Short Credit | RS | C | EUR | 3,98% |
| FR0011510031 | Candriam Long Short Credit | V | C | EUR | 3,93% |

FR0013254018 Candriam Long Short Credit Z C EUR 4,03%

Past performance may not be a reliable guide to future performance.

SFDR

CANDRIAM LONG SHORT CREDIT is classed under SFDR Article 6.

It does not systematically integrate ESG characteristics into its management framework. Nevertheless, sustainability risks are taken into account in investment decisions through Candriam's exclusion policy which excludes certain controversial activities.

Largest movements in the portfolio during the year

| Securities | Movements ("Accounting currency") | |
|---------------------|-----------------------------------|---------------|
| | Purchases | Sales |
| CAN-MONETAIR-VAEUR | 25 806 817,52 | 61 211 592,65 |
| CMZB FR 5.125 01-30 | 22 285 508,32 | 22 614 556,89 |
| TOTA SE 2.708 PERP | 19 754 134,55 | 19 400 000,00 |
| INTE 4.875 05-30 | 9 098 887,30 | 14 611 804,39 |
| BARC PL 2.0 02-28 | 15 273 164,38 | 15 279 061,65 |
| BANCO DE SABADELL | 14 224 590,68 | 15 895 601,00 |
| VANT TO 0.0 03-25 | 14 935 000,00 | 15 000 000,00 |
| UBS GRO 1.0 03-25 | 9 785 729,51 | 19 808 145,13 |
| GROU DA 1.75 PERP | 14 840 874,04 | 14 700 000,00 |
| INTE 5.625 03-33 | 14 540 756,20 | 14 884 612,80 |

Regulatory information

Transparency of securities financing transactions and of reuse of financial instruments - SFTR Regulation - in the accounting currency of the UCI (EUR)

a) Loaned securities and commodities

| | Securities lending | Securities borrowing | Repurchases | Reverse repurchases | TRS |
|------------------|--------------------|----------------------|-------------|---------------------|-----|
| Amount | | | | | |
| % of Net Assets* | | | | | |

*% excluding cash and cash equivalents

b) Pledged assets for each type of securities financing transaction and TRSs expressed as an absolute value

| | Securities lending | Securities borrowing | Repurchases | Reverse repurchases | TRS |
|-----------------|--------------------|----------------------|-------------|---------------------|-----|
| Amount | | | | 41 916 141,33 | |
| % of Net Assets | | | | 9,98% | |

c) Top 10 issuers of collateral received (excluding cash) for all types of financing transactions

| | Securities lending | Securities borrowing | Repurchases | Reverse repurchases | TRS |
|-----------------------------|--------------------|----------------------|-------------|---------------------|-----|
| FRENCH GOVERNMENT FRANCE | | | | 44 951 895,32 | |

d) Top 10 counterparties in absolute value of the assets and liabilities without offset

| | Securities lending | Securities borrowing | Repurchases | Reverse repurchases | TRS |
|---------------------------|--------------------|----------------------|-------------|---------------------|-----|
| CACEIS BANK LUXEMBOURG | | | | 21 912 928,83 | |
| NATIXIS | | | | 20 003 212,50 | |

e) Type and quality of collateral

| | Securities lending | Securities borrowing | Repurchases | Reverse repurchases | TRS |
|-----------------------------------|--------------------|----------------------|-------------|---------------------|-----|
| Type | | | | | |
| - Equities | | | | | |
| - Bond | | | | 44 951 895,32 | |
| - UCI | | | | | |
| - Negotiable debt security | | | | | |
| - Cash | | | | | |
| Rating | | | | AAA - AA | |
| Currency of the collateral | | | | | |
| - Euro | | | | 44 951 895,32 | |

f) Contract settlement and clearing

| | Securities lending | Securities borrowing | Repurchases | Reverse repurchases | TRS |
|----------------------|--------------------|----------------------|-------------|---------------------|-----|
| Tripartite | | | | X | |
| Central counterparty | | | | | |
| Bilateral | | | | X | |

g) Maturity tenor of the collateral broken down by tranche

| | Securities lending | Securities borrowing | Repurchases | Reverse repurchases | TRS |
|--------------------|--------------------|----------------------|-------------|---------------------|-----|
| Less than 1 day | | | | | |
| 1 day to 1 week | | | | | |
| 1 week to 1 month | | | | | |
| 1 - 3 months | | | | | |
| 3 months to 1 year | | | | | |
| More than 1 year | | | | 44 951 895,32 | |
| Open | | | | | |

h) Maturity tenor of the securities financing transactions and TRSs broken down by tranche

| | Securities lending | Securities borrowing | Repurchases | Reverse repurchases | TRS |
|--------------------|--------------------|----------------------|-------------|---------------------|-----|
| Less than 1 day | | | | | |
| 1 day to 1 week | | | | 14 912 500,00 | |
| 1 week to 1 month | | | | 27 003 641,33 | |
| 1 - 3 months | | | | | |
| 3 months to 1 year | | | | | |
| More than 1 year | | | | | |
| Open | | | | | |

i) Data on reuse of collateral

| | Securities lending | Securities borrowing | Repurchases | Reverse repurchases | TRS |
|--|--------------------|----------------------|-------------|---------------------|-----|
| Maximum amount (%) | | | | | |
| Amount used (%) | | | | | |
| Income for the UCI following reinvestment of cash collateral in euro | | | | | |

j) Data on safekeeping of collateral received by the UCI

| | Securities lending | Securities borrowing | Repurchases | Reverse repurchases | TRS |
|-------------|--------------------|----------------------|-------------|---------------------|-----|
| CACEIS Bank | | | | | |
| Securities | | | | 44 951 895,32 | |
| Cash | | | | | |

k) Data on safekeeping of collateral provided by the UCI

| | Securities lending | Securities borrowing | Repurchases | Reverse repurchases | TRS |
|------------|--------------------|----------------------|-------------|---------------------|-----|
| Securities | | | | | |
| Cash | | | | 2 630 000,00 | |

l) Data on allocated return and cost

| | Securities lending | Securities borrowing | Repurchases | Reverse repurchases | TRS |
|-----------------|--------------------|----------------------|-------------|---------------------|-----|
| Income | | | | | |
| - UCI | | | | 1,840,779.81 | |
| - Asset manager | | | | | |
| - Third party | | | | | |
| Costs | | | | | |
| - UCI | | | | | |
| - Asset manager | | | | | |
| - Third party | | | | | |

Efficient portfolio management techniques and derivative financial instruments (ESMA) in euro

a) Exposure obtained through efficient portfolio management techniques and derivative financial instruments

Exposure obtained through efficient portfolio management techniques: 41,916,141.33

Securities lending:

Securities borrowing:

Reverse repurchases: 41,916,141.33

Repurchases:

Underlying exposure achieved through derivative financial instruments: 461,475,519.53

Forward foreign exchange: 5,293,227.96

Options: 5,975,113.70

Futures: 82,062,346.46

Swaps: 368,144,831.51

b) Identity of the counterparty(ies) to efficient portfolio management techniques and derivative financial instruments

| Efficient management techniques | Derivative financial instruments (*) |
|---------------------------------|--|
| CACEIS BANX Luxembourg NATIXIS | BARCLAYS BANK IRELAND PLC BNP PARIBAS BOFA SECURITIES EUROPE SA FIC CACEIS BANK, LUXEMBOURG BRANCH CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG GOLDMAN SACHS INTL SUCC PARIS J.P.MORGAN AG FRANCFORT MORGAN STANLEY BANK AG GERMANY SOCIETE GENERALE PARIS UBS EUROPE |

(*) Apart from listed derivatives.

c) Financial collateral received by the UCITS in order to reduce the counterparty risk

| Types of instruments | Amount in the portfolio currency |
|---|----------------------------------|
| Efficient management techniques | |
| Term deposits | |
| Equities | |
| Bonds | 44 951 895,32 |
| UCITS | |
| Cash (**) | |
| Total | 44 951 895,32 |
| Derivative financial instruments | |
| Term deposits | |
| Equities Bonds | |
| UCITS | |
| Cash | 470 000,00 |
| Total | 470 000,00 |

(**) The Cash account also includes cash resulting from repurchase transactions.

d) Income and operational charges relating to efficient management techniques

| Income and operational charges | Amount in the portfolio currency |
|--------------------------------|----------------------------------|
| Income (***) | 1,840,779.81 |
| Miscellaneous income | |
| Total income | 1,840,779.81 |
| Direct operational charges | |
| Indirect operational charges | |
| Other charges | |
| Total charges | |

(***) Income from lending and reverse repurchases.

Broker and counterparty selection and evaluation procedure

Candriam selects intermediaries to which it sends orders for execution for the major classes of financial instruments (bonds, equities, derivative products). The selection is mainly based on the intermediary's execution policy and subject to the "Selection policy for financial intermediaries to which Candriam sends orders for execution on behalf of the UCIs it manages".

The main execution factors considered are: price, cost, speed, probability of execution and settlement, size and type of order.

In application of the broker and counterparty selection and evaluation procedure and at the request of the asset manager, Candriam's Broker Review approves or refuses any new broker application.

Therefore pursuant to this policy, a list by type of instruments (equities, interest rates, money market, derivatives) of the authorised brokers and a list of the authorised counterparties are kept.

Furthermore, on a periodic basis and as part of the Broker Review, the list of approved brokers is reviewed so as to evaluate them on the basis of various filters and make any appropriate and necessary changes.

Report on intermediary fees

We refer to the report issued by the management company in accordance with the general regulations of the Autorité des Marchés Financiers. This report is available from the management company's website www.candriam.com.

Engagement and voting policy, use of voting rights

The management company does not exercise voting rights in the context of management of this fund.

If you have any questions concerning engagement, please refer to the engagement policy and associated reports which are available from the Candriam website:

www.candriam.com/en/professional/market-insights/sri-publications.

Financial instruments held in the portfolio and issued by the service provider or a group entity

There is table of financial instruments managed by the management company or an associated company in the appendices of the UCI's annual accounts.

Method for calculating total risk

The method used by the management company to calculate the total risk is the absolute VaR method defined by the General Regulation of the AMF (unlike the leverage ratios described in the investment strategy, which are calculated according to Regulation (EU) No 231/2013). In this way, the total risk associated with financial contracts does not exceed the total net value of the portfolio.

The calculation method used is the absolute VaR.

Maximum daily VaR: 1.61%

Minimum daily VaR: 0.54%

Average daily VaR: 0.94%

Information relating to the remuneration policy

Directive 2014/91/EU amending Directive 2009/65/EC on undertakings for collective investment in transferable securities, which is applicable to the FCP, came into force on 18 March 2016. It was transposed into national law by the Luxembourg law of 10 May 2016 transposing Directive 2014/91/EU. Under the new arrangements, the FCP is required to publish in its annual report information about the remuneration of the employees identified by the law.

Candriam holds a double licence: as a management company in accordance with article 15 of the law of 17 December 2010 relating to undertakings for collective investment; and as an alternative investment fund manager in accordance with the law of 12 July 2013 on alternative investment fund managers. The responsibilities of Candriam under these two laws are quite similar and Candriam considers that its personnel is remunerated in the same way for tasks relating to the administration of UCITS and alternative investment funds.

During the financial year ended 31 December 2023, Candriam paid the following amounts to its personnel:

Gross total amount of fixed remuneration paid (excluding payments or benefits which may be regarded as forming

part of a general and non-discretionary policy and having no incentive effect on risk management): EUR 17,425,254.
Gross total amount of variable remuneration paid: EUR 6,348,617.
Number of beneficiaries: 146

Aggregate amount of remuneration, broken down by senior managers and members of the investment management personnel whose activities have a significant impact on the fund's risk profile. Candriam's systems do not allow identification of this kind for each managed fund. The figures below also present the aggregate amount of global remuneration in Candriam.

Aggregate amount of remuneration of senior management: EUR 5,155,684.

Aggregate amount of remuneration of Candriam personnel whose activities have a significant impact on the risk profile of the funds of which it is the management company (excluding senior managers): EUR 2,015,066.

Remuneration paid by Candriam to personnel in its branch in Belgium (i.e. Candriam – Belgian Branch) acting as financial managers, in the financial year ended 31 December 2023:

Gross total amount of fixed remuneration paid (excluding payments or benefits which may be regarded as forming part of a general and non-discretionary policy and having no incentive effect on risk management): EUR 25,071,403.

Gross total amount of variable remuneration paid: EUR 8,188,525.

Number of beneficiaries: 245.

Aggregate amount of remuneration, broken down by senior managers and members of the delegated financial management personnel whose activities have a significant impact on the fund's risk profile. The delegated financial manager's systems do not allow identification of this kind for each managed fund. The figures below also indicate the aggregate amount of global remuneration at the level of the delegated financial manager.

Aggregate amount of remuneration of senior management: EUR 6,214,566.

Aggregate amount of remuneration of the members of the delegated financial management personnel whose activities have a significant impact on the risk profile of the funds of which it is the delegated financial manager (excluding senior managers): EUR 4,602,623.

Remuneration paid by Candriam to personnel in its branch in France (i.e. Candriam – Succursale française) acting as financial managers, in the financial year ended 31 December 2023:

Gross total amount of fixed remuneration paid (excluding payments or benefits which may be regarded as forming part of a general and non-discretionary policy and having no incentive effect on risk management): EUR 19,094,936.

Gross total amount of variable remuneration paid: EUR 6,255,350.

Number of beneficiaries: 202.

Aggregate amount of remuneration, broken down by senior managers and members of the delegated financial management personnel whose activities have a significant impact on the fund's risk profile. The delegated financial manager's systems do not allow identification of this kind for each managed fund. The figures below also indicate the aggregate amount of global remuneration at the level of the delegated financial manager.

Aggregate amount of remuneration of senior management: EUR 4,298,365.

Aggregate amount of remuneration of the members of the delegated financial management personnel whose activities have a significant impact on the risk profile of the funds of which it is the delegated financial manager (excluding senior managers): EUR 3,422,966.

The remuneration policy was most recently revised by the remuneration committee of Candriam on 02/02/2024, and was adopted by the Board of Directors of Candriam.

Other information

The full prospectus of the UCITS and the latest annual and interim reports will be sent out if requested in writing by the holder within a week by:

CANDRIAM

SERENITY – Bloc B

19-21 route d'Arlon

L-8009 Strassen (Grand Duchy of Luxembourg)

Candriam – Succursale Française

40, rue Washington

75408 Paris Cedex 08

Tel: 01.53.93.40.00

www.candriam.com

contact: <https://www.candriam.fr/contact/>



CANDRIAM LONG SHORT CREDIT

AUDITORS' REPORT ON THE ANNUAL ACCOUNTS
Financial year ended 29 December 2023



AUDITORS' REPORT ON THE ANNUAL ACCOUNTS
Financial year ended 29 December 2023

CANDRIAM LONG SHORT CREDIT
UCITS FORMED AS A FONDS COMMUN DE PLACEMENT (MUTUAL FUND)
Regulated by the Code Monétaire et Financier

Management company
CANDRIAM INVESTORS GROUP
WASHINGTON PLAZA - 40, rue Washington
75008 PARIS CEDEX 08

Opinion

In carrying out the mandate entrusted to us by the management company, we carried out our audit of the annual accounts of the UCITS in the form of a "fonds commun de placement" (FCP) CANDRIAM GLOBAL ALPHA for the financial year ended 29 December 2023, as appended to this report.

We certify that the annual financial statements are, in conformity with French accounting rules and principles, accurate and consistent, and give a true and fair view of the financial performance of the previous financial year as well as the financial situation and assets of the UCITS, in the form of a fonds commun de placement, at the end of this financial year.

Basis of the opinion

Audit criteria

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. The responsibilities imposed upon us by these standards are set out in the section entitled "*Responsibilities of the auditors in the auditing of the annual accounts*" in this report.

Independence

We conducted our audit mandate in accordance with the rules of independence set out in the French Commercial Code and the Code of Ethics for Statutory Auditors, for the period 31/12/2022 to the date of issue of our report.

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:
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CANDRIAM LONG SHORT CREDIT

Justification of our appraisals

In application of the provisions of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our appraisals, we hereby inform you of the following appraisals which, in our professional opinion, were the most significant for the audit of the year's annual accounts, covered the appropriateness of the accounting principles applied, the reasonableness of the significant estimates made, and the overall presentation of the accounts.

These appraisals formed part of our audit of the annual accounts as a whole, and contributed to our opinion expressed above. We do not express an opinion on items in the annual accounts taken in isolation.

1. Financial stocks contained in the portfolio issued by companies with high credit risk levels:

Financial securities contained in the portfolio issued by companies with a high credit risk level and a low or no rating are valued using the methods described in the notes on the accounting rules and methods. These financial instruments are valued based on the listed prices or prices contributed by the financial services providers. We are aware of the procedures by which prices are provided and have tested the consistency of the prices with an external database. We assessed the approach implemented by the management company based on the elements that led to the determination of the valuations chosen.

2. Financial contracts which meet the criteria for credit derivatives:

Financial contracts that meet the characteristics of credit derivatives are valued using financial models. The mathematical models applied are based on external data and market assumptions. We assessed the approach implemented by the management company based on the elements that led to the determination of the valuations chosen and tested the consistency of the prices established at the close.

3. Other financial instruments in the portfolio:

The appraisals we made concerned the appropriateness of the accounting principles applied as well as on the reasonableness of the significant estimates used.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by statutory and regulatory texts.

We have no observations to make on the fairness and consistency with the annual accounts of the information given in the management report prepared by the management company.

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CANDRIAM LONG SHORT CREDIT

Responsibilities of the management company relating to the annual accounts

It is the responsibility of the management company to prepare annual accounts giving a true and fair view in accordance with French accounting rules and principles, and to implement the internal controls it considers necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

When preparing the annual accounts, it is the management company's responsibility to assess the fund's ability to continue as a going concern, to present in these accounts, where applicable, the necessary information relating to its viability as a going concern, and to apply the going concern accounting policy unless it intends to wind up the fund or to cease trading.

The annual accounts have been prepared by the management company.

Responsibilities of the auditors in the auditing of the annual accounts

Audit objective and approach

It is our responsibility to draft a report on the annual accounts. Our aim is to obtain reasonable assurance that the annual accounts taken as a whole do not contain any material misstatement. Reasonable assurance corresponds to a high level of assurance, but does not guarantee that an audit performed in accordance with the standards of professional practice can systematically detect any material misstatement. Misstatements may arise from fraud or error and are considered material where it can reasonably be expected that, taken individually or together, they may influence the economic decisions made by account users based thereon.

As specified by Article L.823-10-1 of the French Commercial Code, our mandate is to certify the accounts, not to guarantee the viability or the quality of the management of the fund.

Where an audit is conducted in accordance with the professional standards applicable in France, the statutory auditor exercises its professional judgement throughout this audit. In addition,

- it identifies and assesses the risks that the annual accounts may contain material misstatement (whether due to fraud or error), sets out and implements the audit procedures intended to counter these risks, and collates the items that it deems sufficient and appropriate to justify its opinion. The risk of non-detection of a material misstatement due to fraud is higher than that of a material misstatement due to an error, since fraud may involve collusion, forgery, voluntary omissions, misrepresentation or the circumvention of internal control processes;

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CANDRIAM LONG SHORT CREDIT

- it becomes familiar with the internal control processes relevant to the audit so as to set out audit procedures that are appropriate to the circumstances, and not to express an opinion on the effectiveness of the internal control processes;
- it assesses the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as the information provided in their regard in the annual accounts;
- it assesses the appropriateness of the application by the management company of the going concern accounting policy and based on the evidence gathered, whether significant uncertainty exists relating to events or circumstances that may affect the fund's ability to continue as a going concern. This assessment is based on the items collated until the date of its report, on the understanding that subsequent events or circumstances may affect its viability as a going concern. If significant uncertainty is shown to exist, it draws the attention of the readers of its report to the information provided in the annual accounts in respect of said uncertainty or, if this information is not provided or is not relevant, it issues a certification with reserve or a refusal to certify;
- it appraises the overall presentation of the annual accounts, and assesses whether said statements reflect the transactions and underlying events, and thus provide a true and fair view thereof.

In accordance with the law, please note that we were unable to issue this report within the statutory periods because certain documents needed to complete our work were received late.

Neuilly sur Seine, date of the electronic signature

Document authenticated by electronic signature
The Auditors
PricewaterhouseCoopers Audit
Amaury Couplez

2024.04.23 11:23:41 +0200

BALANCE SHEET ASSETS AT 29/12/2023 IN EUR

| | 29/12/2023 | 30/12/2022 |
|---|-----------------------|-----------------------|
| NET FIXED ASSETS | 0,00 | 0,00 |
| DEPOSITS | 0,00 | 0,00 |
| FINANCIAL INSTRUMENTS | 381 481 089,64 | 573 637 395,50 |
| Equities and equivalent securities | 0,00 | 0,00 |
| Traded on a regulated or equivalent market | 0,00 | 0,00 |
| Not traded on a regulated or equivalent market | 0,00 | 0,00 |
| Bonds and equivalent securities | 322 600 213,17 | 391 894 184,32 |
| Traded on a regulated or equivalent market | 322 600 213,17 | 391 894 184,32 |
| Not traded on a regulated or equivalent market | 0,00 | 0,00 |
| Debt securities | 0,00 | 9 993 224,73 |
| Traded on a regulated or equivalent market | 0,00 | 9 993 224,73 |
| Negotiable debt securities | 0,00 | 9 993 224,73 |
| Other debt securities | 0,00 | 0,00 |
| Not traded on a regulated or equivalent market | 0,00 | 0,00 |
| Undertakings for collective investment | 12 772 443,38 | 58 797 582,02 |
| General purpose UCITS and AIFs aimed at non-professionals and equivalents in other countries | 12 772 443,38 | 58 797 582,02 |
| Other funds aimed at non-professionals and equivalents in other countries which are Member States of the EU | 0,00 | 0,00 |
| General purpose professional funds and equivalents in other countries which are Member States of the EU and listed securitisation vehicles | 0,00 | 0,00 |
| Other professional investment funds and equivalents in other countries which are Member States of the EU and unlisted securitisation vehicles | 0,00 | 0,00 |
| Other non-European undertakings | 0,00 | 0,00 |
| Temporary securities transactions | 42 112 292,40 | 101 720 259,27 |
| Receivables representing reverse repurchase agreements | 42 112 292,40 | 101 720 259,27 |
| Claims representing securities loaned | 0,00 | 0,00 |
| Securities borrowed | 0,00 | 0,00 |
| Repurchase agreements | 0,00 | 0,00 |
| Other temporary transactions | 0,00 | 0,00 |
| Forward financial instruments | 3 996 140,69 | 11 232 145,16 |
| Transactions on a regulated or equivalent market | 1 206 852,39 | 605 124,92 |
| Other transactions | 2 789 288,30 | 10 627 020,24 |
| Other financial instruments | 0,00 | 0,00 |
| RECEIVABLES | 39 874 357,09 | 143 066 141,68 |
| Foreign currency forward exchange transactions | 5 293 227,96 | 114 989 376,25 |
| Other | 34 581 129,13 | 28 076 765,43 |
| CASH AND BANKS | 23 040 872,56 | 43 557 558,81 |
| Cash | 23 040 872,56 | 43 557 558,81 |
| TOTAL ASSETS | 444 396 319,29 | 760 261 095,99 |

BALANCE SHEET LIABILITIES AT 29/12/2023 IN EUR

| | 29/12/2023 | 30/12/2022 |
|---|-----------------------|-----------------------|
| EQUITY CAPITAL | | |
| Capital | 418 736 236,40 | 627 768 811,14 |
| Earlier undistributed capital gains and losses (a) Retained earnings (a) | 0,00 | 0,00 |
| Net capital gains and losses during financial year (a,b) Profit/loss for the financial year (a,b) | 0,00 | 0,00 |
| Earlier undistributed capital gains and losses (a) Retained earnings (a) | -11 428 123,13 | -4 594 704,56 |
| Net capital gains and losses during financial year (a,b) Profit/loss for the financial year (a,b) | 12 992 811,49 | 9 819 355,63 |
| TOTAL EQUITY CAPITAL * | 420 300 924,76 | 632 993 462,21 |
| <i>* Amount representative of net assets</i> | | |
| FINANCIAL INSTRUMENTS | 8 089 498,19 | 4 654 540,47 |
| Disposals of financial instruments | 0,00 | 0,00 |
| Temporary securities transactions | 0,00 | 0,00 |
| Debts representing repurchase agreements | 0,00 | 0,00 |
| Debts representing securities borrowed | 0,00 | 0,00 |
| Other temporary transactions | 0,00 | 0,00 |
| Forward financial instruments | 8 089 498,19 | 4 654 540,47 |
| Transactions on a regulated or equivalent market | 1 206 852,37 | 605 124,91 |
| Other transactions | 6 882 645,82 | 4 049 415,56 |
| DEBTS | 16 005 896,34 | 122 613 093,31 |
| Foreign currency forward exchange transactions | 5 261 928,77 | 112 591 381,71 |
| Other | 10 743 967,57 | 10 021 711,60 |
| CASH AND BANKS | 0,00 | 0,00 |
| Current bank lending | 0,00 | 0,00 |
| Borrowings | 0,00 | 0,00 |
| TOTAL LIABILITIES | 444 396 319,29 | 760 261 095,99 |

(a) Including adjustment accounts

(b) Less interim dividends paid over the financial year

OFF-BALANCE SHEET AT 29/12/2023 IN EUR

| | 29/12/2023 | 30/12/2022 |
|---|---------------|---------------|
| HEDGING TRANSACTIONS | | |
| Commitment on regulated or equivalent markets | | |
| Futures contracts | | |
| SHORT EUR-BTP 0323 | 0,00 | 15 766 500,00 |
| EURO SCHATZ 0323 | 0,00 | 76 429 500,00 |
| LIFFE LG GILT 0323 | 0,00 | 1 125 950,97 |
| JAP GOVT 10 0323 | 0,00 | 15 494 435,03 |
| EURO BOBL 0323 | 0,00 | 16 436 500,00 |
| EURO BUND 0324 | 20 994 660,00 | 0,00 |
| JAP GOVT 10 0324 | 4 710 288,82 | 0,00 |
| XEUR FGBX BUX 0324 | 1 700 640,00 | 0,00 |
| CBOT USUL 30A 0324 | 1 451 251,53 | 0,00 |
| EC EURUSD 0324 | 27 069 660,07 | 0,00 |
| Options | | |
| EUREX EURO BUND 05/2024 CALL 137.5 | 1 903 699,20 | 0,00 |
| Commitment on OTC market | | |
| Options | | |
| ITRX XOVER CDSI S40 03/2024 PUT 400 | 1 726 000,00 | 0,00 |
| Other commitments | | |
| OTHER TRANSACTIONS | | |
| Commitment on regulated or equivalent markets | | |
| Futures contracts | | |
| FGBL BUND 10A 0323 | 0,00 | 24 060 330,00 |
| US 10YR NOTE 0323 | 0,00 | 2 104 415,55 |
| FV CBOT UST 5 0324 | 4 923 434,48 | 0,00 |
| LIFFE LG GILT 0324 | 829 207,78 | 0,00 |
| US TBOND 30 0324 | 4 976 463,13 | 0,00 |
| EURO BOBL 0324 | 4 055 520,00 | 0,00 |
| US 10YR NOTE 0324 | 9 299 820,65 | 0,00 |
| EURO BUND 0624 | 2 051 400,00 | 0,00 |
| Options | | |
| EUREX EURO BUND 02/2024 CALL 138 | 1 795 414,50 | 0,00 |
| Commitment on OTC market | | |
| Options | | |
| ITRX XOVER CDSI S40 01/2024 PUT 400 | 275 000,00 | 0,00 |
| ITRX XOVER CDSI S40 01/2024 PUT 400 | 275 000,00 | 0,00 |
| Credit default swaps | | |
| UNIB ROD 1.38 12-26_ | 0,00 | 8 750 000,00 |
| ALSTOM 0.25 10-26_20 | 0,00 | 6 500 000,00 |
| CELL TEL 3.13 07-22_ | 0,00 | 8 000 000,00 |
| RENA 1.0 11-25_20122 | 0,00 | 5 000 000,00 |
| TELE EM 1.528 01-25_ | 0,00 | 5 000 000,00 |
| HEID AG 2.25 06-24_2 | 0,00 | 3 000 000,00 |
| BMW FIN 0.75 07-24_2 | 0,00 | 7 200 000,00 |
| STEL NV 3.75 03-24_2 | 0,00 | 6 000 000,00 |

OFF-BALANCE SHEET AT 29/12/2023 IN EUR

| | 29/12/2023 | 30/12/2022 |
|----------------------|------------|---------------|
| EADS FIN 2.375% 04/2 | 0,00 | 4 100 000,00 |
| MERC GR 1.4 01-24_20 | 0,00 | 5 000 000,00 |
| IBER INT 1.13 01-23_ | 0,00 | 8 000 000,00 |
| VOLK INT 0.88 01-23_ | 0,00 | 2 500 000,00 |
| BBVA 0.75 09-22_2012 | 0,00 | 10 000 000,00 |
| CENTRICA 4% 10/23_20 | 0,00 | 5 000 000,00 |
| EDF 5.625% 02/33_201 | 0,00 | 7 500 000,00 |
| SWIS RE 2.534 04-50_ | 0,00 | 5 000 000,00 |
| MUNI RE 1.25 05-41_2 | 0,00 | 5 000 000,00 |
| VERI CO 4.125 03-27_ | 0,00 | 6 558 913,10 |
| MORG STANL 3.75% 23_ | 0,00 | 6 558 913,10 |
| AIR LIQ 2.375% 09/23 | 0,00 | 1 900 000,00 |
| ROYA PH 0.5 05-26_20 | 0,00 | 5 000 000,00 |
| BRIT TE 2.75 08-27_2 | 0,00 | 15 000 000,00 |
| VINCI 1.0 09-25_2012 | 0,00 | 5 625 000,00 |
| KPN NV 5.625% 09-24_ | 0,00 | 18 000 000,00 |
| AIR LIQ 2.375% 09/23 | 0,00 | 1 900 000,00 |
| AKZO NOBE FIX 071124 | 0,00 | 5 000 000,00 |
| SIEM FI 1.0 09-27_20 | 0,00 | 4 750 000,00 |
| CDS BNP. S11_201227 | 0,00 | 5 000 000,00 |
| NESTLE 0.875 07-25_2 | 0,00 | 2 000 000,00 |
| NESTLE 0.875 07-25_2 | 0,00 | 2 000 000,00 |
| UNIL FI 0.5 01-25_20 | 0,00 | 3 650 000,00 |
| DEUT BK 1.125 08-23_ | 0,00 | 10 000 000,00 |
| DEUT BK 4.5 05-26_20 | 0,00 | 4 630 000,00 |
| MEDI CR 1.125 07-25_ | 0,00 | 9 000 000,00 |
| BACRED 5 3/4 04/18/2 | 0,00 | 4 850 000,00 |
| AXA 5.125% 04/43_201 | 0,00 | 10 000 000,00 |
| SG 3.25 01-22_201227 | 0,00 | 10 000 000,00 |
| REPS INT 2.25 12-26_ | 0,00 | 10 000 000,00 |
| BP CAP 1.876 04-24_2 | 0,00 | 10 000 000,00 |
| ITRAXX EUR XOVER S38 | 0,00 | 15 000 000,00 |
| DEUT TE 0.875 01-24_ | 0,00 | 3 700 000,00 |
| ROYA PH 0.5 05-26_20 | 0,00 | 5 000 000,00 |
| ROYA PH 0.5 05-26_20 | 0,00 | 5 000 000,00 |
| CRED SU 4.282 01-28_ | 0,00 | 3 500 000,00 |
| TELE EM 1.528 01-25_ | 0,00 | 7 500 000,00 |
| AXA 5.125% 04/43_201 | 0,00 | 5 600 000,00 |
| MUNI RE 1.25 05-41_2 | 0,00 | 5 000 000,00 |
| VALEO 3.25% 01/24_20 | 0,00 | 5 000 000,00 |
| MERC GR 1.4 01-24_20 | 0,00 | 10 500 000,00 |
| ASSICURAZ FIX 040526 | 0,00 | 7 140 000,00 |
| RABOBK FIX 04-29_201 | 0,00 | 10 000 000,00 |
| PROCTER A FIX 150823 | 0,00 | 9 369 875,85 |
| CNH INDU 2.88 05-23_ | 0,00 | 4 400 000,00 |

OFF-BALANCE SHEET AT 29/12/2023 IN EUR

| | 29/12/2023 | 30/12/2022 |
|----------------------|---------------|---------------|
| MOTO 7.5 05-25_20122 | 0,00 | 8 432 888,27 |
| TELENOR 2.625% 12/24 | 0,00 | 10 000 000,00 |
| UBS AG 0.75 04-23_20 | 0,00 | 10 000 000,00 |
| MEDI CR 1.125 04-25_ | 0,00 | 6 000 000,00 |
| VODA GRO 1.75 08-23_ | 0,00 | 9 500 000,00 |
| SMUR KAP 2.75 02-25_ | 0,00 | 5 000 000,00 |
| BASGR 1 3/4 03/11/25 | 0,00 | 2 000 000,00 |
| E ON AG 0.875 05-24_ | 0,00 | 2 000 000,00 |
| ITRAXX SNR S38 V1 5Y | 0,00 | 17 000 000,00 |
| UNIB ROD 1.38 12-26_ | 2 500 000,00 | 0,00 |
| TELE EM 1.528 01-25_ | 3 000 000,00 | 0,00 |
| SOCGEN 4 06/07/23_20 | 6 250 000,00 | 0,00 |
| BARC PL 1.375 01-26_ | 10 000 000,00 | 0,00 |
| NEXT 3.625 05-28_201 | 3 500 000,00 | 0,00 |
| MARK AN 4.25 12-23_2 | 2 750 000,00 | 0,00 |
| MUNICH R/ALL 1% 05CV | 8 750 000,00 | 0,00 |
| HANN RU 1.125 04-28_ | 7 500 000,00 | 0,00 |
| AXA 2.875 06-24_2012 | 5 000 000,00 | 0,00 |
| ZURI VE 0.5 12-24_20 | 7 000 000,00 | 0,00 |
| KPN NV 5.625% 09-24_ | 5 000 000,00 | 0,00 |
| BARIT.TELEC.5.75%28_ | 4 500 000,00 | 0,00 |
| TELE EM 1.528 01-25_ | 5 000 000,00 | 0,00 |
| ORANGE 1.0 05-25_201 | 7 000 000,00 | 0,00 |
| BK AMER 3.5 04-26_20 | 9 052 641,11 | 0,00 |
| ZURI VE 0.5 12-24_20 | 5 000 000,00 | 0,00 |
| ALLI FI 0.0 01-25_20 | 6 250 000,00 | 0,00 |
| CONOCOPHI 5.9 10-32_ | 6 336 848,78 | 0,00 |
| PFIZER 0.8 05-25_201 | 6 336 848,78 | 0,00 |
| BEST BU 4.45 10-28_2 | 4 526 320,55 | 0,00 |
| VIVENDI 1.88 05-26_2 | 5 000 000,00 | 0,00 |
| ITRAXX EUROPE S40 V1 | 7 500 000,00 | 0,00 |
| LOWE S 1.7 09-28_201 | 4 526 320,55 | 0,00 |
| JPM CHA 3.509 01-29_ | 6 608 428,01 | 0,00 |
| BK AMER 5.819 09-29_ | 4 526 320,55 | 0,00 |
| SG 5.625 06-33_20122 | 4 000 000,00 | 0,00 |
| SVK HAND TV 17_20122 | 4 000 000,00 | 0,00 |
| BASGR 1 3/4 03/11/25 | 5 000 000,00 | 0,00 |
| DANS BK 4.75 06-30_2 | 4 000 000,00 | 0,00 |
| CRED SU 1.0 12-17_20 | 4 000 000,00 | 0,00 |
| BANC NT 5.75 08-33_2 | 2 400 000,00 | 0,00 |
| BANC NT 0.25 06-24_2 | 6 000 000,00 | 0,00 |
| INTE 1.75 03-28_2012 | 5 000 000,00 | 0,00 |
| INTE 5.017 06-24_201 | 2 200 000,00 | 0,00 |
| BANC NT 5.75 08-33_2 | 7 800 000,00 | 0,00 |
| SANOFI 0.5 01-27_201 | 6 000 000,00 | 0,00 |

OFF-BALANCE SHEET AT 29/12/2023 IN EUR

| | 29/12/2023 | 30/12/2022 |
|--------------------------|---------------|--------------|
| CDS BNP. S11_201228 | 6 000 000,00 | 0,00 |
| SG 4.25 12-30_201228 | 5 000 000,00 | 0,00 |
| INTE 1.75 03-28_2012 | 5 000 000,00 | 0,00 |
| SANOFI 0.5 01-27_201 | 5 000 000,00 | 0,00 |
| CARL BR 2.5 05-24_20 | 3 400 000,00 | 0,00 |
| SHEL INT 0.75 05-24_ | 5 000 000,00 | 0,00 |
| CARR 1.25 06-25_2012 | 3 200 000,00 | 0,00 |
| CA 3.875 04-31_20122 | 4 000 000,00 | 0,00 |
| DEUT BK 5.0 09-30_20 | 5 000 000,00 | 0,00 |
| ELO 2.875 01-26_2012 | 4 000 000,00 | 0,00 |
| BNP PAR 2.5 03-32_20 | 3 500 000,00 | 0,00 |
| ING GRO 1.125 02-25_ | 4 500 000,00 | 0,00 |
| COOP RA 3.1 PERP_201 | 10 000 000,00 | 0,00 |
| ALLI SE 2.241 07-45_ | 15 000 000,00 | 0,00 |
| UNIC 2.125 10-26_201 | 10 000 000,00 | 0,00 |
| DANS BK 4.125 01-31_ | 5 000 000,00 | 0,00 |
| SG 4.25 12-30_201228 | 3 000 000,00 | 0,00 |
| ITRAXX EUR XOVER S40 | 2 000 000,00 | 0,00 |
| Contracts for difference | | |
| BNP TELE EU 1230 | 0,00 | 2 486 616,00 |
| CFD BNP UNIB RO 1230 | 0,00 | 7 481 360,00 |
| CFD BNP DEUTSCH 1230 | 0,00 | 3 545 440,00 |
| CFD BNP OBL FRE 1230 | 0,00 | 5 840 510,00 |
| CFD VINCI 1.75 1230 | 0,00 | 4 430 350,00 |
| CFD CFD OBL HEI 1230 | 0,00 | 4 689 750,00 |
| CFD SIEM FI 0.0 1230 | 0,00 | 4 504 700,00 |
| CFD ASML HO 1.6 1230 | 0,00 | 4 655 250,00 |
| CFD KROGER 3.7 1230 | 0,00 | 8 866 994,61 |
| CFD FRESENIUS S 1230 | 0,00 | 2 594 220,00 |
| CFD TELE EM 1.9 1230 | 2 745 240,00 | 5 887 490,00 |
| CFD VF 0.25% 25 1230 | 0,00 | 1 239 240,00 |
| CFD OBL ENEL BN 1230 | 0,00 | 2 379 510,00 |
| CFD OBL LANXESS 1230 | 0,00 | 2 515 200,00 |
| UNIBAIL-RODAMCO-WEST | 0,00 | 4 251 050,00 |
| CFD EDF 1.0% 13 1230 | 0,00 | 4 520 900,00 |
| CFD BASF 0.875% 1230 | 0,00 | 1 813 020,00 |
| CFD EON SE 0.37 1230 | 0,00 | 1 747 560,00 |
| CFD ORANGE BNPP 1230 | 4 016 700,00 | 0,00 |
| CFD INTE 5.5% P 1230 | 2 788 710,00 | 0,00 |
| CFD BNP FRANCE 1230 | 3 962 155,10 | 0,00 |
| CFD DEUT PO 1.0 1230 | 6 687 600,00 | 0,00 |
| CFD BANCO NTAND 1230 | 4 744 200,00 | 0,00 |
| BRIT TE 4.875 11-81 | 3 918 571,49 | 0,00 |
| CFD VONOVIA SE 1230 | 1 652 020,00 | 0,00 |
| CFD TELEFONICA 1230 | 5 349 100,00 | 0,00 |
| CFD OBL NEST FI 1230 | 3 209 010,00 | 0,00 |

OFF-BALANCE SHEET AT 29/12/2023 IN EUR

| | 29/12/2023 | 30/12/2022 |
|----------------------|--------------|---------------|
| ORANGE 0.75 06-34 12 | 3 997 350,00 | 0,00 |
| CFD VERI CO 3.5 1230 | 6 992 893,68 | 0,00 |
| CFD BNP ATT 0.8 1230 | 4 354 350,00 | 0,00 |
| CFD BQ POST 1.3 1230 | 2 722 680,00 | 0,00 |
| CFD BANC NT 1.6 1230 | 4 315 650,00 | 0,00 |
| CFD UNIC 2.731 1230 | 4 698 650,00 | 0,00 |
| CFD 3M 1.5 06-3 1230 | 1 194 970,00 | 0,00 |
| CFD SIEM FI 3.6 1230 | 2 606 025,00 | 0,00 |
| CFD BNP UNIBAIL 1230 | 0,00 | 8 732 600,00 |
| CFD BNP RYANAIR 1230 | 0,00 | 6 256 670,00 |
| CFD BNP TELEFONICA | 0,00 | 4 012 400,00 |
| CFD BNP BMW FIN 1230 | 0,00 | 3 960 750,00 |
| CFD BNP EAD 1.3 1230 | 0,00 | 2 080 725,00 |
| CFD MERC BNP CF 1230 | 0,00 | 4 079 850,00 |
| CFD ALSTOM BNP 1230 | 0,00 | 3 030 360,00 |
| CFD BNP VOLK EU 1230 | 0,00 | 2 026 400,00 |
| CFD BNP HEID EU 1230 | 0,00 | 2 651 310,00 |
| CFD BNP HSBC US 1230 | 3 769 202,91 | 0,00 |
| CFD UNICREDIT B 1230 | 0,00 | 4 872 900,00 |
| CFD ELO GROUP B 1230 | 0,00 | 5 061 540,00 |
| CFD BNP UNIL FI 1230 | 0,00 | 2 678 400,00 |
| CFD BNP NEST FI 1230 | 0,00 | 3 322 120,00 |
| CFD BNP IBERDRO 1230 | 0,00 | 7 313 920,00 |
| CFD BNP STELLAN 1230 | 0,00 | 3 991 550,00 |
| CFD OBL BBVA BN 1230 | 0,00 | 3 315 842,00 |
| CFD OBL UNIBA B 1230 | 2 006 025,00 | 0,00 |
| CFD BNP CIE GEN 1230 | 0,00 | 4 485 850,00 |
| CFD CFD BARCL 1230 | 0,00 | 3 199 016,16 |
| CFD BNP UNILEVE 1230 | 0,00 | 1 830 240,00 |
| CFD BNP UNIBAIL 1230 | 0,00 | 3 782 560,00 |
| CFD BNP AIR EUR 1230 | 0,00 | 3 654 120,00 |
| Swaps TRS | | |
| IBOXXMJA 0623 Index | 0,00 | 4 347 826,00 |
| IBOXXMJA 0623 | 0,00 | 5 652 174,00 |
| IBOXXMJA 0623 Index | 0,00 | 10 000 000,00 |
| Other commitments | | |

INCOME STATEMENT AT 29/12/2023 IN EUR

| | 29/12/2023 | 30/12/2022 |
|---|----------------------|----------------------|
| Income on financial transactions | | |
| Income on deposits and cash and banks | 1 201 114,89 | 166 500,99 |
| Income on equities and equivalent securities | 0,00 | 159 778,17 |
| Income on bonds and equivalent securities | 15 466 110,10 | 13 604 419,22 |
| Income on debt securities | 27 822,45 | 20 871,39 |
| Income on temporary purchases and sales of securities | 1 906 514,02 | 205 391,24 |
| Income on forward financial instruments | 536 248,58 | 59 550,87 |
| Other financial income | 0,00 | 0,00 |
| TOTAL (1) | 19 137 810,04 | 14 216 511,88 |
| Charges on financial transactions | | |
| Charges on temporary purchases and sales of securities | 65 734,21 | 799 881,04 |
| Charges on forward financial instruments | 94 668,00 | 172 353,59 |
| Charges on financial debts | 16 982,58 | 76 747,07 |
| Other financial charges | 0,00 | 0,00 |
| TOTAL (2) | 177 384,79 | 1 048 981,70 |
| PROFIT/LOSS ON FINANCIAL TRANSACTIONS (1 - 2) | 18 960 425,25 | 13 167 530,18 |
| Other income (3) | 0,00 | 0,00 |
| Management fees and depreciation charges (4) | 2 661 506,73 | 2 581 094,11 |
| NET PROFIT/LOSS FOR THE FINANCIAL YEAR (L. 214-17-1) (1 - 2 + 3 - 4) | 16 298 918,52 | 10 586 436,07 |
| Revenue adjustment for the financial year (5) | -3 306 107,03 | -767 080,44 |
| Advance payments on profit for the financial year (6) | 0,00 | 0,00 |
| NET PROFIT/LOSS (1 - 2 + 3 - 4 + 5 - 6) | 12 992 811,49 | 9 819 355,63 |

APPENDICES TO THE ANNUAL ACCOUNTS

1. Accounting rules and methods

The annual accounts are submitted in the form stipulated in Regulation ANC 2014-01, as amended.

General accounting principles are applicable:

- true and fair view, comparability, going concern,
- accuracy, reliability,
- prudence,
- consistency of accounting methods from one financial year to the next.

The accounting method for recording proceeds from fixed-income securities is the interest accrued method.

Entries and sales of securities are accounted exclusive of fees.

The reference currency for portfolio accounting is the euro.

The financial year is 12 months.

Asset valuation rules

ETFs and UCIs

ETFs and UCIs 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 on the basis of contributor prices on the reference date.

Negotiable debt securities and other money market instruments

Negotiable debt securities and other money market instruments are valued using prices calculated on the basis of representative market data on the reference date.

Futures and options on organised markets

These financial instruments are valued at the closing prices on the various markets on the reference date.

Cleared OTC derivatives

These financial instruments are valued at the closing prices set by the CCPs on the reference date.

Spot exchange rates

The spot exchange rates are valued from the market data available from specialised data providers.

Forward exchange

Forward exchange is valued on the basis of the market data available from specialised data providers (spot price, rate curve, etc.).

Credit derivatives

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 specialised data providers.

The prices obtained are compared with those of the counterparties.

Rate swaps

Uncleared interest rate swaps are calculated in the systems with market data such as the interest rate curve,

etc., available from specialised data providers. The prices obtained are compared with those of the counterparties.

Other OTC derivatives

OTC products are calculated based on models validated by the Management Company, using the market data available from specialised data providers (volatility, interest rate curve, etc.).
The prices obtained from the models are compared with those of the counterparties.

Repurchase and reverse repurchase agreements, lending and borrowing of securities

Repurchase agreements, reverse repurchase agreements and securities borrowing/lending are valued at cost plus interest.

Exceptional treatment

Debt securities in which there are not significant amounts of transactions or for which the price is clearly not representative of the market, may be valued on the basis of an estimated method and under the responsibility of the Management Company. In addition, the actuarial method may be used, 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.

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 responsibility of the Management Company.

Main sources

The principal specialised data providers for valuations are Bloomberg, IDC, CMA, WMC and Factset.
The Management Company may, nevertheless, change these at its own responsibility if it deems appropriate.

Off-balance sheet

The off-balance sheet commitment relating to interest rate and currency swaps corresponds to the nominal contract value.

The off-balance sheet commitment on French and foreign futures markets is calculated based on the regulations in force

Outright forward transaction: quantity by nominal amount by the day's price at the day's currency rate

Options: quantity by delta by unit of trading by clearing price of the underlying by currency.

The off-balance sheet commitment on credit default swaps corresponds to the contract nominal.

2. Net asset value adjustment method ("swing pricing") with a trigger threshold (from 22 May 2017)

Starting on 22 May 2017, the Management Company has established a net asset value (NAV) adjustment method with a trigger threshold.

The mechanism is not triggered until the sum of net subscription/redemption orders from investors for all classes of units of the fund exceeds a predefined threshold.

The aim of this mechanism is to ensure the fair treatment of investors in the presence of subscription/redemption operations, by spreading the costs of these subscription/redemption operations among all unitholders (incoming or outgoing).

In particular, on valuation days when the difference between the amount of subscriptions and the amount of redemptions for an FCP (i.e. net transactions) exceeds the threshold previously set by the Management Company, the Management Company reserves the right to value the securities portfolio of the FCP by setting a level of spreads representative of the market concerned (in the case of net inflows or net outflows respectively) by adjusting the NAV in this way upwards or downwards: So called "swinged" adjusted NAV.

The NAV of each category of units is calculated separately but any adjustment has an identical impact in percentage terms on all the NAVs of the categories of units in the fund.

It is not possible to know in advance how adjustments will be applied or how frequently.

The "swinged" NAV is the only net asset value of the CPF and the only one communicated to the unit-holders of the CPF. However, if there are outperformance fees, they are calculated using the NAV before the adjustment mechanism is applied.

In accordance with the regulations, the parameters of this mechanism are known only to those responsible for its implementation.

Management fees

These cover all the costs billed directly to the UCITS apart from the transaction fees. Transaction charges include intermediary charges (brokerage, stock exchange duties, etc.) and any turnover fees, where applicable, which may be collected in particular by the depositary and the Management Company.

In addition to the operating and management fees, there may be:

- Outperformance fees. These are paid to the Management Company if the UCITS outperforms its objectives. They are therefore billed to the UCITS.
- Transfer fees billed to the UCITS;

| Charges billed to the FCP | Calculation basis | Rate/amount incl. taxes |
|--|----------------------------|--|
| Financial management charges and administration charges external to the Management Company | Net assets | C units 0.80% maximum * C units in CHF 0.80% maximum * C units in USD 0.80% maximum * V units 0.60% maximum * V units in CHF 0.60% maximum * R units 0.70% maximum * R2 Unit 0.35% maximum * Z Unit 0.20% maximum * RS Unit 0.70% maximum * |
| Maximum indirect charges (fees and management charges) | Net assets | Not significant ** |
| Turnover fees collected by the depositary | Levied on each transaction | Maximum EUR 80/transaction*** |
| Outperformance fee | Net assets | - C, V, R, R2, Z and RS units: 20% of performance above the capitalised €STR* consisting of a high water mark and a hurdle (see below) - For C and V units in CHF: 20% of performance above the capitalised SARON consisting of a high water mark and a hurdle (see below)* - for C units in USD: 20% of performance above the capitalised EFFR* consisting of a high water mark and a hurdle (see below) |

*Since the Management Company has opted out of VAT, these fees are charged excluding VAT and their amount including taxes is equal to their amount excluding taxes.

** The fund invests a maximum of 10% in UCIs.

*** Maximum amount that varies according to the instruments used.

The fees listed below are not included in the categories of fees set out above:

- contributions owed for management of the UCITS pursuant to 4° of II of article L. 621-5-3 of the Code Monétaire et Financier,
- exceptional and non-recurrent taxes, duties and other government fees (relating to the UCITS),
- exceptional and non-recurrent costs in connection with debt collection (e.g. Lehman) or to proceedings in order to exercise a right (e.g. class action lawsuit).

Research costs:

The costs relating to research as described in article 314-21 of the General Regulation of the AMF may be billed to the UCITS.

Outperformance fee:

| Unit | Cap. / Dis. | Currency | ISIN | Outperformance fee | Provisioning rate | Minimum return rate | Model applied |
|-----------|-------------|----------|--------------|--------------------|-------------------|------------------------------|---------------|
| Classique | Cap. | EUR | FR0010760694 | Yes | 20% | Capitalised €STR, floored 0 | Permanent HWM |
| C in CHF | Cap. | CHF | FR0011352566 | Yes | 20% | Capitalised SARON, floored 0 | Permanent HWM |
| C in USD | Cap. | USD | FR0013446358 | Yes | 20% | Capitalised EFFR, floored 0 | Permanent HWM |
| V | Cap. | EUR | FR0011510031 | Yes | 20% | Capitalised €STR, floored 0 | Permanent HWM |
| V In CHF | Cap. | CHF | FR0011910470 | Yes | 20% | Capitalised SARON, floored 0 | Permanent HWM |
| R | Cap. | EUR | FR0011510056 | Yes | 20% | Capitalised €STR, floored 0 | Permanent HWM |
| R2 | Cap. | EUR | FR0013254000 | Yes | 20% | Capitalised €STR, floored 0 | Permanent HWM |
| RS | Cap. | EUR | FR0013325081 | Yes | 20% | Capitalised €STR, floored 0 | Permanent HWM |
| Z | Cap. | EUR | FR0013254018 | Yes | 20% | Capitalised €STR, floored 0 | Permanent HWM |

Benchmark index

The reference indicator is made up of the two following elements:

- A high water mark (HWM) corresponding to a first reference asset based on the highest NAV achieved at the end of a financial year from 31/12/2021.

The initial HWM corresponds to the NAV of 31/12/2021. If a new unit category is activated subsequently or a pre-existing unit category is reactivated, the initial NAV of this new class at (re)launch will be used as the initial HWM.

- A hurdle corresponding to a second reference asset based on a theoretical investment of assets at the minimum rate of return which increases the subscription totals and proportionally reduces the redemption totals. If this minimum rate of return is negative, the rate of 0% is used to determine the hurdle rate.

Using a HWM guarantees that unitholders will not be billed for an outperformance fee while the NAV remains below the highest NAV achieved at the end of a financial year from 31/12/2021.

This variable remuneration aligns the interests of the asset manager with those of the investors and is a link with the FCP's risk/return ratio.

Method for calculating the outperformance fee

As the NAV is different for each unit category, the outperformance fees are calculated independently for each unit category, producing fees of different amounts.

The outperformance fee is calculated with the same frequency as the NAV calculation. The outperformance fee is included in the NAV calculation.

If the NAV upon which fee calculation is based, in other words the NAV after the outperformance fee on redemptions but excluding the outperformance fee on units still in circulation, is greater than the two components of the reference indicator (HWM and hurdle), this constitutes an outperformance.

The smaller of these 2 outperformances is the basis of calculation for the provision for an outperformance fee in line with the provisioning rate of this outperformance as set out in the table below (the "Provisioning rate").

In the event of underperformance in relation to one of the two components of the reference indicator, the outperformance fee is reversed in line with the provisioning rate of this underperformance. Nevertheless, the accounting provision for the outperformance fee will never be negative.

When a dilution adjustment is applied to the NAV, it is excluded from the outperformance fee calculation.

In the case of share classes with distribution rights, the impact of any distributions of dividends is neutralised through the calculation of the outperformance fee of the share class. For each unit category denominated in the currency of the fund, outperformance fees are calculated in this currency, whereas for unit categories denominated in another currency, whether or not they are currency hedged, the outperformance fees will be calculated in the currency of the unit category.

Reference period

In general, the outperformance fee is calculated for each 12 month period corresponding to the financial year. This period is regarded as the reference period for calculation of the outperformance fee.

In the case of activation or reactivation of a unit category, the first crystallisation of performance fees for this unit category cannot take place (apart from redemptions) until the end of the financial year following the financial year during which the unit category was (re)activated.

Crystallisation

Any positive outperformance fee is crystallised:

- at the end of each reference period,
- at the time of each net redemption identified on each NAV calculation, in proportion to the number of units redeemed. In this case, the outperformance fee provision will be reduced by the amount crystallised in this way,
- if applicable, on the closing date of a unit category during the reference period.

In addition, and in accordance with the rules, an outperformance fee may be crystallised:

- in the event of merger/liquidation of the fund/unit category during the reference period,
- if the outperformance mechanism changes.

Clawback of negative performances

In the event of negative performance during the reference period, the underperformance will be carried over to the following reference period. The HWM will in this case remain identical to that of the previous period.

As for the hurdle, it is reinitialised at the start of each period regardless of whether an outperformance

fee has been crystallised or not

Allocation of distributable income

Definition of distributable income

The distributable income consists of:

Profit:

The net income plus retained earnings, plus or minus the revenue adjustment balance. The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and prizes, remuneration and all proceeds generated by the securities held in the portfolio of the UCI, plus income generated by temporary cash holdings, less management charges and borrowing costs.

Capital gains and losses:

The realised capital gains, net of costs, less any realised capital losses, net of charges, recorded during the financial year, plus any net capital gains of the same nature recognised over previous financial years which were not distributed or capitalised, plus or minus the capital gains adjustment account.

Methods for allocation of distributable amounts:

| Unit(s) | Allocation of net profit | Allocation of net realised capital gains or losses |
|---|---------------------------------|---|
| CANDRIAM LONG SHORT CREDIT Units C CHF unit | Capitalisation | Capitalisation |
| CANDRIAM LONG SHORT CREDIT Units CLASSIQUE EUR Unit | Capitalisation | Capitalisation |
| CANDRIAM LONG SHORT CREDIT Units R2 EUR Unit | Capitalisation | Capitalisation |
| CANDRIAM LONG SHORT CREDIT Units R EUR Unit | Capitalisation | Capitalisation |
| CANDRIAM LONG SHORT CREDIT Units RS EUR Unit | Capitalisation | Capitalisation |
| CANDRIAM LONG SHORT CREDIT Units V Unit | Capitalisation | Capitalisation |
| CANDRIAM LONG SHORT CREDIT Units Z EUR Unit | Capitalisation | Capitalisation |

2. CHANGES IN NET ASSETS AT 29/12/2023 in EUR

| | 29/12/2023 | 30/12/2022 |
|--|-----------------------|-----------------------|
| NET ASSETS AT THE START OF THE FINANCIAL YEAR | 632 993 462,21 | 816 420 532,16 |
| Subscriptions (including subscription fees paid to the UCI) | 209 942 261,24 | 149 574 188,08 |
| Redemptions (excluding redemption fees paid to the UCI) | -440 865 549,05 | -334 823 159,69 |
| Capital gains realised on deposits and financial instruments | 14 291 418,22 | 9 000 684,27 |
| Capital losses realised on deposits and financial instruments | -25 566 144,95 | -41 940 087,76 |
| Capital gains realised on forward financial instruments | 75 412 905,40 | 134 288 935,67 |
| Capital losses realised on forward financial instruments | -79 658 120,78 | -113 572 566,77 |
| Transaction fees | 2 553 083,81 | -968 085,11 |
| Exchange differences | -2 647 491,38 | 6 037 369,71 |
| Changes in valuation difference of deposits and financial instruments | 28 333 450,69 | -12 131 007,30 |
| <i>Valuation difference financial year N</i> | <i>10 157 794,43</i> | <i>-18 175 656,26</i> |
| <i>Valuation difference financial year N-1</i> | <i>18 175 656,26</i> | <i>6 044 648,96</i> |
| Changes in valuation difference of forward financial instruments | -10 787 269,17 | 10 520 222,88 |
| <i>Valuation difference financial year N</i> | <i>-3 806 619,73</i> | <i>6 980 649,44</i> |
| <i>Valuation difference financial year N-1</i> | <i>-6 980 649,44</i> | <i>3 539 573,44</i> |
| Distribution in previous year of net capital gains and losses | 0,00 | 0,00 |
| Distribution in the previous financial year from profit | 0,00 | 0,00 |
| Net profit/loss for the financial year before adjustment account | 16 298 918,52 | 10 586 436,07 |
| Interim payment(s) during the financial year from net capital gains and losses | 0,00 | 0,00 |
| Interim payment(s) during the financial year from profit | 0,00 | 0,00 |
| Other components | 0,00 | 0,00 |
| NET ASSETS AT THE END OF THE FINANCIAL YEAR | 420 300 924,76 | 632 993 462,21 |

3. ADDITIONAL INFORMATION

3.1. BREAKDOWN BY LEGAL OR ECONOMIC TYPE OF THE FINANCIAL INSTRUMENTS

| | Amount | % |
|---|-----------------------|--------------|
| ASSETS | | |
| BONDS AND EQUIVALENT SECURITIES | | |
| Fixed rate bonds traded on a regulated or equivalent market | 322 600 213,17 | 76,75 |
| TOTAL BONDS AND EQUIVALENT SECURITIES | 322 600 213,17 | 76,75 |
| DEBT SECURITIES | | |
| TOTAL DEBT SECURITIES | 0,00 | 0,00 |
| LIABILITIES | | |
| DISPOSALS OF FINANCIAL INSTRUMENTS | | |
| TOTAL DISPOSALS OF FINANCIAL INSTRUMENTS | 0,00 | 0,00 |
| OFF-BALANCE SHEET | | |
| HEDGING TRANSACTIONS | | |
| Foreign exchange | 27 069 660,07 | 6,44 |
| Credit | 1 726 000,00 | 0,41 |
| Interest rates | 30 760 539,55 | 7,32 |
| TOTAL HEDGING TRANSACTIONS | 59 556 199,62 | 14,17 |
| OTHER TRANSACTIONS | | |
| Credit | 292 963 728,33 | 69,70 |
| Interest rates | 103 662 363,72 | 24,67 |
| TOTAL OTHER TRANSACTIONS | 396 626 092,05 | 94,37 |

3.2. BREAKDOWN BY TYPE OF RATE OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS

| | Fixed rate | % | Variable rate | % | Revisable rate | % | Other | % |
|-----------------------------------|----------------|-------|---------------|-------|----------------|------|---------------|------|
| ASSETS | | | | | | | | |
| Deposits | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Bonds and equivalent securities | 322 600 213,17 | 76,75 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Debt securities | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Temporary securities transactions | 0,00 | 0,00 | 42 112 292,40 | 10,02 | 0,00 | 0,00 | 0,00 | 0,00 |
| Cash and banks | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 23 040 872,56 | 5,48 |
| LIABILITIES | | | | | | | | |
| Temporary securities transactions | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Cash and banks | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| OFF-BALANCE SHEET | | | | | | | | |
| Hedging transactions | 30 760 539,55 | 7,32 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Other transactions | 103 662 363,72 | 24,66 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |

3.3. BREAKDOWN BY RESIDUAL MATURITY OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS(*)

| | < 3 months | % | [3 months - 1 year] | % | [1 - 3 years] | % | [3 - 5 years] | % | > 5 years | % |
|-----------------------------------|---------------|-------|---------------------|------|---------------|-------|---------------|------|----------------|-------|
| ASSETS | | | | | | | | | | |
| Deposits | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Bonds and equivalent securities | 5 734 235,62 | 1,36 | 15 119 258,20 | 3,60 | 58 916 268,32 | 14,02 | 9 815 568,31 | 2,34 | 233 014 882,72 | 55,44 |
| Debt securities | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Temporary securities transactions | 42 112 292,40 | 10,02 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Cash and banks | 23 040 872,56 | 5,48 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| LIABILITIES | | | | | | | | | | |
| Temporary securities transactions | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Cash and banks | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| OFF-BALANCE SHEET | | | | | | | | | | |
| Hedging transactions | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 30 760 539,55 | 7,32 |
| Other transactions | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 13 723 154,48 | 3,27 | 89 939 209,24 | 21,40 |

(*) Forward interest rate positions are presented according to the maturity of the underlying.

3.4. BREAKDOWN BY LISTING OR VALUATION CURRENCY OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS (NON-EUR)

| | Currency 1 USD | | Currency 2 GBP | | Currency 3 JPY | | Currency N Other | |
|------------------------------------|-------------------|-------|-------------------|------|-------------------|------|---------------------|------|
| | Amount | % | Amount | % | Amount | % | Amount | % |
| ASSETS | | | | | | | | |
| Deposits | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Equities and equivalent securities | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Bonds and equivalent securities | 23 631 018,40 | 5,62 | 3 316 378,30 | 0,79 | 0,00 | 0,00 | 0,00 | 0,00 |
| Debt securities | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| UCI | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Temporary securities transactions | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Receivables | 505 277,69 | 0,12 | 30 858,00 | 0,01 | 51 374,92 | 0,01 | 2 459 716,16 | 0,59 |
| Cash and banks | 4 519 354,50 | 1,08 | 67 495,14 | 0,02 | 32 611,77 | 0,01 | 663 876,70 | 0,16 |
| LIABILITIES | | | | | | | | |
| Disposals of financial instruments | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Temporary securities transactions | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| Debts | 72 157,10 | 0,02 | 2 676 624,89 | 0,64 | 186 215,49 | 0,04 | 2 502,87 | 0,00 |
| Cash and banks | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| OFF-BALANCE SHEET | | | | | | | | |
| Hedging transactions | 28 520 911,60 | 6,79 | 0,00 | 0,00 | 4 710 288,82 | 1,12 | 0,00 | 0,00 |
| Other transactions | 75 794 114,67 | 18,03 | 4 791 362,88 | 1,14 | 0,00 | 0,00 | 0,00 | 0,00 |

3.5. RECEIVABLES AND DEBTS: BREAKDOWN BY TYPE

| | Type of debit/credit | 29/12/2023 |
|------------------------------------|---|----------------------|
| RECEIVABLES | | |
| | Forward currency purchases | 2 459 716,16 |
| | Funds receivable on forward currency sales | 2 833 511,80 |
| | Deferred settlement sales | 5 435 844,26 |
| | Subscriptions receivable | 7 783 427,31 |
| | Collateral in cash | 1 070 496,11 |
| | Collateral | 20 260 000,00 |
| | Other receivables | 31 361,45 |
| TOTAL RECEIVABLES | | 39 874 357,09 |
| DEBTS | | |
| | Forward sale of foreign currencies | 2 840 418,94 |
| | Funds payable on forward currency purchases | 2 421 509,83 |
| | Redemptions payable | 8 705 915,02 |
| | Fixed management fee | 116 494,92 |
| | Variable management fee | 828 805,48 |
| | Collateral | 710 000,00 |
| | Other debts | 382 752,15 |
| TOTAL DEBTS | | 16 005 896,34 |
| TOTAL DEBTS AND RECEIVABLES | | 23 868 460,75 |

3.6. EQUITY CAPITAL

3.6.1. Number of securities issued or redeemed

| | In units | As an amount |
|---|----------------|-----------------|
| CANDRIAM LONG SHORT CREDIT Unit C CHF unit | | |
| Units subscribed during the year | 0,00 | 0,00 |
| Units redeemed during the year | 0,00 | 0,00 |
| Net balance of subscriptions/redemptions | 0,00 | 0,00 |
| Number of units in circulation at the end of the year | 2 200,000 | |
| CANDRIAM LONG SHORT CREDIT Unit CLASSIQUE EUR Unit | | |
| Units subscribed during the year | 16 260,208 | 19 449 947,15 |
| Units redeemed during the year | -68 838,059 | -82 049 162,97 |
| Net balance of subscriptions/redemptions | -52 577,851 | -62 599 215,82 |
| Number of units in circulation at the end of the year | 100 292,952 | |
| CANDRIAM LONG SHORT CREDIT Unit R2 EUR Unit | | |
| Units subscribed during the year | 0,00 | 0,00 |
| Units redeemed during the year | -8 931,219 | -1 381 490,33 |
| Net balance of subscriptions/redemptions | -8 931,219 | -1 381 490,33 |
| Number of units in circulation at the end of the year | 3 317,726 | |
| CANDRIAM LONG SHORT CREDIT Unit R EUR Unit | | |
| Units subscribed during the year | 532 233,447 | 56 602 709,03 |
| Units redeemed during the year | -1 289 056,345 | -137 725 878,67 |
| Net balance of subscriptions/redemptions | -756 822,898 | -81 123 169,64 |
| Number of units in circulation at the end of the year | 709 386,100 | |
| CANDRIAM LONG SHORT CREDIT Unit RS EUR Unit | | |
| Units subscribed during the year | 0,00 | 0,00 |
| Units redeemed during the year | 0,00 | 0,00 |
| Net balance of subscriptions/redemptions | 0,00 | 0,00 |
| Number of units in circulation at the end of the year | 7,006 | |
| CANDRIAM LONG SHORT CREDIT Unit V Unit | | |
| Units subscribed during the year | 95 652,420 | 103 402 814,54 |
| Units redeemed during the year | -200 534,486 | -217 582 618,20 |
| Net balance of subscriptions/redemptions | -104 882,066 | -114 179 803,66 |
| Number of units in circulation at the end of the year | 165 116,837 | |
| CANDRIAM LONG SHORT CREDIT Unit Z EUR Unit | | |
| Units subscribed during the year | 19 181,000 | 30 486 790,52 |
| Units redeemed during the year | -1 346,225 | -2 126 398,88 |
| Net balance of subscriptions/redemptions | 17 834,775 | 28 360 391,64 |
| Number of units in circulation at the end of the year | 19 692,775 | |

3.6.2. Subscription and/or redemption fees

| | As an amount |
|---|--------------|
| CANDRIAM LONG SHORT CREDIT Unit C CHF unit | |
| Total subscription and redemption fees paid | 0,00 |
| Subscription fees paid | 0,00 |
| Redemption fees paid | 0,00 |
| CANDRIAM LONG SHORT CREDIT Unit CLASSIQUE EUR Unit | |
| Total subscription and redemption fees paid | 0,00 |
| Subscription fees paid | 0,00 |
| Redemption fees paid | 0,00 |
| CANDRIAM LONG SHORT CREDIT Unit R2 EUR Unit | |
| Total subscription and redemption fees paid | 0,00 |
| Subscription fees paid | 0,00 |
| Redemption fees paid | 0,00 |
| CANDRIAM LONG SHORT CREDIT Unit R EUR Unit | |
| Total subscription and redemption fees paid | 0,00 |
| Subscription fees paid | 0,00 |
| Redemption fees paid | 0,00 |
| CANDRIAM LONG SHORT CREDIT Unit RS EUR Unit | |
| Total subscription and redemption fees paid | 0,00 |
| Subscription fees paid | 0,00 |
| Redemption fees paid | 0,00 |
| CANDRIAM LONG SHORT CREDIT Unit V Unit | |
| Total subscription and redemption fees paid | 0,00 |
| Subscription fees paid | 0,00 |
| Redemption fees paid | 0,00 |
| CANDRIAM LONG SHORT CREDIT Unit Z EUR Unit | |
| Total subscription and redemption fees paid | 0,00 |
| Subscription fees paid | 0,00 |
| Redemption fees paid | 0,00 |

3.7. MANAGEMENT FEES

| | 29/12/2023 |
|--|------------|
| CANDRIAM LONG SHORT CREDIT Units C CHF unit | |
| Collateral fees | 0,00 |
| Fixed management fees | 11 556,30 |
| Percentage of fixed management fees | 0,50 |
| Provision for variable management fees | 1 466,86 |
| Percentage provision for variable management fees | 0,06 |
| Variable management fees paid | 0,00 |
| Percentage variable management fees paid | 0,00 |
| Management fee retrocessions | 0,00 |
| CANDRIAM LONG SHORT CREDIT Units CLASSIQUE EUR Unit | |
| Collateral fees | 0,00 |
| Fixed management fees | 724 868,27 |
| Percentage of fixed management fees | 0,50 |
| Provision for variable management fees | 167 667,97 |
| Percentage provision for variable management fees | 0,12 |
| Variable management fees paid | 10 408,38 |
| Percentage variable management fees paid | 0,01 |
| Management fee retrocessions | 0,00 |
| CANDRIAM LONG SHORT CREDIT Units R2 EUR Unit | |
| Collateral fees | 0,00 |
| Fixed management fees | 2 852,83 |
| Percentage of fixed management fees | 0,30 |
| Provision for variable management fees | 910,88 |
| Percentage provision for variable management fees | 0,10 |
| Variable management fees paid | 370,09 |
| Percentage variable management fees paid | 0,04 |
| Management fee retrocessions | 0,00 |
| CANDRIAM LONG SHORT CREDIT Units R EUR Unit | |
| Collateral fees | 0,00 |
| Fixed management fees | 363 499,23 |
| Percentage of fixed management fees | 0,30 |
| Provision for variable management fees | 150 562,45 |
| Percentage provision for variable management fees | 0,12 |
| Variable management fees paid | 18 102,70 |
| Percentage variable management fees paid | 0,01 |
| Management fee retrocessions | 0,00 |

"The amount of the variable management fees shown above corresponds to the sum of provisions and reversals of provisions affecting the net assets during the period under review."

3.7. MANAGEMENT FEES

| | 29/12/2023 |
|---|------------|
| CANDRIAM LONG SHORT CREDIT Units RS EUR Unit | |
| Collateral fees | 0,00 |
| Fixed management fees | 3,07 |
| Percentage of fixed management fees | 0,28 |
| Provision for variable management fees | 1,99 |
| Percentage provision for variable management fees | 0,18 |
| Variable management fees paid | 0,00 |
| Percentage variable management fees paid | 0,00 |
| Management fee retrocessions | 0,00 |
| CANDRIAM LONG SHORT CREDIT Units V Unit | |
| Collateral fees | 0,00 |
| Fixed management fees | 656 719,72 |
| Percentage of fixed management fees | 0,28 |
| Provision for variable management fees | 378 705,48 |
| Percentage provision for variable management fees | 0,16 |
| Variable management fees paid | 93 710,99 |
| Percentage variable management fees paid | 0,04 |
| Management fee retrocessions | 0,00 |
| CANDRIAM LONG SHORT CREDIT Units Z EUR Unit | |
| Collateral fees | 0,00 |
| Fixed management fees | 10 873,49 |
| Percentage of fixed management fees | 0,10 |
| Provision for variable management fees | 61 753,46 |
| Percentage provision for variable management fees | 0,57 |
| Variable management fees paid | 731,88 |
| Percentage variable management fees paid | 0,01 |
| Management fee retrocessions | 0,00 |

"The amount of the variable management fees shown above corresponds to the sum of provisions and reversals of provisions affecting the net assets during the period under review."

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Collateral received by the UCI:

None

3.8.2. Other commitments given and/or received:

None

3.9. OTHER INFORMATION

3.9.1. Current value of financial instruments coming under a temporary purchase

| | 29/12/2023 |
|---------------------------------|---------------|
| Reverse repurchase transactions | 44 951 895,32 |
| Securities borrowed | 0,00 |

3.9.2. Actual value of financial instruments constituting collateral

| | 29/12/2023 |
|--|------------|
| Financial instruments provided as collateral and kept in their original category | 0,00 |
| Financial instruments received as collateral and not recognised in the balance sheet | 0,00 |

3.9.3. Financial instruments held, issued or managed by the group

| | ISIN code | Title | 29/12/2023 |
|--------------------------------------|--------------|---|----------------------|
| Equities | | | 0,00 |
| Bonds | | | 0,00 |
| Negotiable debt securities | | | 0,00 |
| UCI | | | 12 772 443,38 |
| | LU1616743974 | CANDRIAM BONDS CAPITAL SECURITIES Z EUR ACC | 3 167 658,90 |
| | LU2098774222 | CANDRIAM BONDS markets Z EUR ACC | 5 687 870,68 |
| | FR0010813105 | CANDRIAM DIVERSIFIED FUTURES I units | 2 890 218,00 |
| | FR0013113222 | CANDRIAM MONETAIRE SICAV V Unit | 1 026 695,80 |
| Forward financial instruments | | | 0,00 |
| Total securities of the group | | | 12 772 443,38 |

3.10. ALLOCATION OF DISTRIBUTABLE INCOME

Allocation of the portion of distributable income from profit

| | 29/12/2023 | 30/12/2022 |
|--|----------------------|---------------------|
| Amounts to be allocated | | |
| Retained earnings | 0,00 | 0,00 |
| Profit/loss | 12 992 811,49 | 9 819 355,63 |
| Advance payments on profit/loss for the year | 0,00 | 0,00 |
| Total | 12 992 811,49 | 9 819 355,63 |

| | 29/12/2023 | 30/12/2022 |
|--|------------------|------------------|
| CANDRIAM LONG SHORT CREDIT Units C CHF unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Retained earnings for the financial year | 0,00 | 0,00 |
| Capitalisation | 72 960,05 | 32 389,01 |
| Total | 72 960,05 | 32 389,01 |

| | 29/12/2023 | 30/12/2022 |
|--|---------------------|---------------------|
| CANDRIAM LONG SHORT CREDIT Units CLASSIQUE EUR Unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Retained earnings for the financial year | 0,00 | 0,00 |
| Capitalisation | 3 684 041,39 | 2 586 575,57 |
| Total | 3 684 041,39 | 2 586 575,57 |

| | 29/12/2023 | 30/12/2022 |
|---|------------------|------------------|
| CANDRIAM LONG SHORT CREDIT Units R2 EUR Unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Retained earnings for the financial year | 0,00 | 0,00 |
| Capitalisation | 16 712,14 | 30 278,65 |
| Total | 16 712,14 | 30 278,65 |

| | 29/12/2023 | 30/12/2022 |
|--|---------------------|---------------------|
| CANDRIAM LONG SHORT CREDIT Units R EUR Unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Retained earnings for the financial year | 0,00 | 0,00 |
| Capitalisation | 2 439 289,02 | 2 468 054,72 |
| Total | 2 439 289,02 | 2 468 054,72 |

| | 29/12/2023 | 30/12/2022 |
|---|--------------|--------------|
| CANDRIAM LONG SHORT CREDIT Units RS EUR Unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Retained earnings for the financial year | 0,00 | 0,00 |
| Capitalisation | 34,44 | 17,73 |
| Total | 34,44 | 17,73 |

| | 29/12/2023 | 30/12/2022 |
|--|---------------------|---------------------|
| CANDRIAM LONG SHORT CREDIT Units V Unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Retained earnings for the financial year | 0,00 | 0,00 |
| Capitalisation | 5 755 161,88 | 4 651 038,75 |
| Total | 5 755 161,88 | 4 651 038,75 |

| | 29/12/2023 | 30/12/2022 |
|--|---------------------|------------------|
| CANDRIAM LONG SHORT CREDIT Units Z EUR Unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Retained earnings for the financial year | 0,00 | 0,00 |
| Capitalisation | 1 024 612,57 | 51 001,20 |
| Total | 1 024 612,57 | 51 001,20 |

Allocation of the portion of distributable income from net capital gains and losses

| | 29/12/2023 | 30/12/2022 |
|---|-----------------------|----------------------|
| Amounts to be allocated | | |
| Earlier undistributed capital gains and losses | 0,00 | 0,00 |
| Net capital gains and losses during financial year | -11 428 123,13 | -4 594 704,56 |
| Advance payments on net capital gains and losses for the financial year | 0,00 | 0,00 |
| Total | -11 428 123,13 | -4 594 704,56 |

| | 29/12/2023 | 30/12/2022 |
|--|-------------------|------------------|
| CANDRIAM LONG SHORT CREDIT Units C CHF unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Undistributed net capital gains and losses | 0,00 | 0,00 |
| Capitalisation | -15 820,51 | 93 852,54 |
| Total | -15 820,51 | 93 852,54 |

| | 29/12/2023 | 30/12/2022 |
|--|----------------------|----------------------|
| CANDRIAM LONG SHORT CREDIT Units CLASSIQUE EUR Unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Undistributed net capital gains and losses | 0,00 | 0,00 |
| Capitalisation | -3 369 230,34 | -1 345 196,67 |
| Total | -3 369 230,34 | -1 345 196,67 |

| | 29/12/2023 | 30/12/2022 |
|---|-------------------|-------------------|
| CANDRIAM LONG SHORT CREDIT Units R2 EUR Unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Undistributed net capital gains and losses | 0,00 | 0,00 |
| Capitalisation | -14 494,39 | -14 016,64 |
| Total | -14 494,39 | -14 016,64 |

| | 29/12/2023 | 30/12/2022 |
|--|----------------------|----------------------|
| CANDRIAM LONG SHORT CREDIT Units R EUR Unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Undistributed net capital gains and losses | 0,00 | 0,00 |
| Capitalisation | -2 133 478,07 | -1 155 291,70 |
| Total | -2 133 478,07 | -1 155 291,70 |

| | 29/12/2023 | 30/12/2022 |
|---|---------------|--------------|
| CANDRIAM LONG SHORT CREDIT Units RS EUR Unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Undistributed net capital gains and losses | 0,00 | 0,00 |
| Capitalisation | -30,60 | -8,02 |
| Total | -30,60 | -8,02 |

| | 29/12/2023 | 30/12/2022 |
|--|----------------------|----------------------|
| CANDRIAM LONG SHORT CREDIT Units V Unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Undistributed net capital gains and losses | 0,00 | 0,00 |
| Capitalisation | -5 024 487,38 | -2 152 524,71 |
| Total | -5 024 487,38 | -2 152 524,71 |

| | 29/12/2023 | 30/12/2022 |
|--|--------------------|-------------------|
| CANDRIAM LONG SHORT CREDIT Units Z EUR Unit | | |
| Allocation | | |
| Distribution | 0,00 | 0,00 |
| Undistributed net capital gains and losses | 0,00 | 0,00 |
| Capitalisation | -870 581,84 | -21 519,36 |
| Total | -870 581,84 | -21 519,36 |

3.11. TABLE OF PROFIT/LOSS AND OTHER CHARACTERISTIC ELEMENTS OF THE ENTITY OVER THE LAST FIVE FINANCIAL YEARS

| | 30/12/2019 | 30/12/2020 | 31/12/2021 | 30/12/2022 | 29/12/2023 |
|---|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Total net assets in EUR | 1 004 114 301,34 | 779 374 471,37 | 816 420 532,16 | 632 993 462,21 | 420 300 924,76 |
| CANDRIAM LONG SHORT CREDIT units in CHF | | | | | |
| Total assets in CHF | 1 626 194,85 | 0,00 | 0,00 | 0,00 | 0,00 |
| Number of securities | 1 772,000 | 0,00 | 0,00 | 0,00 | 0,00 |
| Unit net asset value in CHF | 996,44 | 0,00 | 0,00 | 0,00 | 0,00 |
| Per-unit capitalisation from net capital gains and losses in EUR | 22,75 | 0,00 | 0,00 | 0,00 | 0,00 |
| Per-unit capitalisation from profit in EUR | 9,21 | 0,00 | 0,00 | 0,00 | 0,00 |
| CANDRIAM LONG SHORT CREDIT Units C CHF Unit in CHF | | | | | |
| Total assets in CHF | 2 180 080,55 | 2 353 688,88 | 2 343 433,40 | 2 247 238,76 | 2 285 851,60 |
| Number of securities | 2 332,000 | 2 290,000 | 2 290,000 | 2 200,000 | 2 200,000 |
| Unit net asset value in CHF | 1 015,05 | 1 027,81 | 1 023,33 | 1 021,47 | 1 039,02 |
| Per-unit capitalisation from net capital gains and losses in EUR | 24,43 | 22,27 | 12,02 | 42,66 | -7,19 |
| Per-unit capitalisation from profit in EUR | 7,44 | 0,74 | 12,77 | 14,72 | 33,16 |
| CANDRIAM LONG SHORT CREDIT Units CLASSIQUE EUR Unit in EUR | | | | | |
| Net assets | 273 147 956,20 | 163 690 194,18 | 200 896 967,60 | 181 073 889,24 | 123 290 044,76 |
| Number of securities | 234 333,424 | 138 289,530 | 170 037,247 | 152 870,803 | 100 292,952 |
| Unit net asset value | 1 165,63 | 1 183,67 | 1 181,48 | 1 184,48 | 1 229,29 |
| Per-unit capitalisation from net capital gains and losses | 0,09 | 15,95 | -24,20 | -8,79 | -33,59 |
| Per-unit capitalisation from profit | 8,11 | -3,62 | 15,78 | 16,92 | 36,73 |

3.11. TABLE OF PROFIT/LOSS AND OTHER CHARACTERISTIC ELEMENTS OF THE ENTITY OVER THE LAST FIVE FINANCIAL YEARS

| | 30/12/2019 | 30/12/2020 | 31/12/2021 | 30/12/2022 | 29/12/2023 |
|--|----------------|----------------|----------------|----------------|----------------|
| CANDRIAM LONG SHORT CREDIT Units R2 EUR Unit in EUR | | | | | |
| Net assets | 11 699 467,71 | 9 787 767,03 | 6 328 906,24 | 1 885 311,18 | 530 855,49 |
| Number of securities | 77 676,227 | 63 884,609 | 41 297,930 | 12 248,945 | 3 317,726 |
| Unit net asset value | 150,61 | 153,21 | 153,24 | 153,91 | 160,00 |
| Per-unit capitalisation from net capital gains and losses | 0,01 | 1,99 | -3,13 | -1,14 | -4,36 |
| Per-unit capitalisation from profit | 1,27 | -12,12 | 2,36 | 2,47 | 5,03 |
| CANDRIAM LONG SHORT CREDIT Units R EUR Unit in EUR | | | | | |
| Net assets | 203 855 133,90 | 155 274 293,86 | 201 111 661,62 | 155 379 549,70 | 78 129 415,06 |
| Number of securities | 1 964 902,715 | 1 471 578,216 | 1 905 660,157 | 1 466 208,998 | 709 386,100 |
| Unit net asset value | 103,74 | 105,51 | 105,53 | 105,97 | 110,13 |
| Per-unit capitalisation from net capital gains and losses | 0,009 | 1,43 | -2,16 | -0,78 | -3,00 |
| Per-unit capitalisation from profit | 0,77 | -0,06 | 1,62 | 1,68 | 3,43 |
| CANDRIAM LONG SHORT CREDIT Units RS EUR Unit in EUR | | | | | |
| Net assets | 131 447 768,90 | 91 464 521,13 | 91 747 177,49 | 1 083,55 | 1 126,64 |
| Number of securities | 869 869,857 | 594 653,250 | 595 952,204 | 7,006 | 7,006 |
| Unit net asset value | 151,11 | 153,81 | 153,95 | 154,66 | 160,81 |
| Per-unit capitalisation from net capital gains and losses | 0,01 | 2,08 | -3,15 | -1,14 | -4,36 |
| Per-unit capitalisation from profit | 1,49 | 1,32 | 2,47 | 2,53 | 4,91 |
| CANDRIAM LONG SHORT CREDIT Units V EUR Unit in EUR | | | | | |
| Net assets | 345 060 470,80 | 342 651 177,52 | 306 440 031,88 | 289 485 347,93 | 183 999 168,38 |
| Number of securities | 328 950,444 | 321 104,365 | 287 056,603 | 269 998,903 | 165 116,837 |
| Unit net asset value | 1 048,97 | 1 067,10 | 1 067,52 | 1 072,17 | 1 114,35 |
| Per-unit capitalisation from net capital gains and losses | 0,06 | 14,27 | -21,86 | -7,97 | -30,42 |
| Per-unit capitalisation from profit | 8,99 | 1,56 | 16,64 | 17,22 | 34,85 |

3.11. TABLE OF PROFIT/LOSS AND OTHER CHARACTERISTIC ELEMENTS OF THE ENTITY OVER THE LAST FIVE FINANCIAL YEARS

| | 30/12/2019 | 30/12/2020 | 31/12/2021 | 30/12/2022 | 29/12/2023 |
|---|---------------|---------------|--------------|--------------|---------------|
| CANDRIAM LONG SHORT CREDIT Units Z EUR Unit in EUR | | | | | |
| Net assets | 35 097 228,43 | 14 339 216,66 | 7 634 113,44 | 2 892 480,56 | 31 891 616,35 |
| Number of securities | 23 149,000 | 9 283,000 | 4 933,000 | 1 858,000 | 19 692,775 |
| Unit net asset value | 1 516,14 | 1 544,67 | 1 547,55 | 1 556,77 | 1 619,45 |
| Per-unit capitalisation from net capital gains and losses | 0,13 | 21,11 | -31,69 | -11,58 | -44,20 |
| Per-unit capitalisation from profit | 15,35 | 1,34 | 26,38 | 27,44 | 52,02 |

3.12. INVENTORY BREAKDOWN OF FINANCIAL INSTRUMENTS IN EUR

| Security name | Currency | Qty No. or nominal | Actual value | % of Net Assets |
|---|----------|--------------------|----------------------|-----------------|
| Bonds and equivalent securities | | | | |
| Bonds and equivalent securities traded on a regulated or equivalent market | | | | |
| GERMANY | | | | |
| ALLIANZ SE 2.625% PERP | EUR | 5 000 000 | 3 848 809,43 | 0,92 |
| ALLIANZ SE 3.375% PERP | EUR | 1 000 000 | 1 000 481,80 | 0,24 |
| CMZB FRANCFORT 4.0% 05-12-30 | EUR | 4 000 000 | 3 938 301,60 | 0,93 |
| DEUTSCHE BK 0.75% 17-02-27 | EUR | 4 000 000 | 3 764 521,37 | 0,90 |
| DEUTSCHE BK 1.0% 19-11-25 EMTN | EUR | 4 000 000 | 3 896 678,03 | 0,93 |
| DEUTSCHE BK 5.0% 05-09-30 | EUR | 5 000 000 | 5 252 092,21 | 1,25 |
| DEUTSCHE BK 5.625% 19-05-31 | EUR | 6 000 000 | 6 299 008,03 | 1,49 |
| DEUTSCHE POST AG 3.375% 03-07-33 | EUR | 7 500 000 | 7 802 154,10 | 1,85 |
| PROGROUP AG 3.0% 31-03-26 | EUR | 7 624 000 | 7 435 306,00 | 1,77 |
| ZF FINANCE 3.0% 21-09-25 EMTN | EUR | 3 000 000 | 2 956 873,77 | 0,71 |
| TOTAL GERMANY | | | 46 194 226,34 | 10,99 |
| AUSTRALIA | | | | |
| AUSTRALIA NEW ZEA BANKING GRP LTD GTO 1.125% 21-11-29 | EUR | 4 000 000 | 3 870 306,89 | 0,92 |
| TOTAL AUSTRALIA | | | 3 870 306,89 | 0,92 |
| DENMARK | | | | |
| CARLSBERG BREWERIES AS 4.0% 05-10-28 | EUR | 4 000 000 | 4 189 224,26 | 1,00 |
| DANSKE BK 2.5% 21-06-29 EMTN | EUR | 5 000 000 | 5 015 264,89 | 1,20 |
| DANSKE BK 4.125% 10-01-31 | EUR | 5 000 000 | 5 388 244,52 | 1,28 |
| TOTAL DENMARK | | | 14 592 733,67 | 3,48 |
| SPAIN | | | | |
| BANCO DE BADELL 2.5% 15-04-31 | EUR | 3 000 000 | 2 885 743,44 | 0,69 |
| BANCO NTANDER 1.625% 22-10-30 | EUR | 3 200 000 | 2 772 371,58 | 0,66 |
| BANCO NTANDER 2.749% 03-12-30 | USD | 3 200 000 | 2 415 797,47 | 0,57 |
| BANCO NTANDER 7.5% PERP | USD | 1 800 000 | 1 649 009,62 | 0,39 |
| BANCO SANTANDER ALL SPAIN BRANCH 6.938% 07-11-33 | USD | 5 000 000 | 5 086 893,79 | 1,21 |
| BANKIA SA 3.75% 15-02-29 EMTN | EUR | 2 000 000 | 2 063 754,38 | 0,49 |
| BBVA 1.0% 16-01-30 | EUR | 4 000 000 | 3 889 055,34 | 0,92 |
| BBVA 2.575% 22-02-29 EMTN | EUR | 2 000 000 | 2 037 885,21 | 0,49 |
| BBVA 6.0% PERP | EUR | 2 800 000 | 2 797 953,69 | 0,67 |
| CAIXABANK 2.25% 17-04-30 EMTN | EUR | 5 000 000 | 4 911 200,41 | 1,17 |
| CAIXABANK 3.625% PERP | EUR | 2 800 000 | 2 175 394,92 | 0,52 |
| CAIXABANK SA 6.75% PERP | EUR | 2 400 000 | 2 410 582,15 | 0,57 |
| CELLNEX FINANCE 2.25% 12-04-26 | EUR | 8 400 000 | 8 288 250,26 | 1,97 |
| TOTAL SPAIN | | | 43 383 892,26 | 10,32 |
| UNITED STATES | | | | |
| AT T 3.15% 04-09-36 | EUR | 4 200 000 | 3 971 410,52 | 0,95 |
| AVANTOR FUNDING 2.625% 01-11-25 | EUR | 3 000 000 | 2 943 842,50 | 0,70 |
| BERRY PLASTICS 1.0% 15-01-25 | EUR | 7 100 000 | 6 935 059,28 | 1,65 |
| CHARTER COMMUNICATIONS OPERATING LLC C 5.25% 01-04- 53 | USD | 4 750 000 | 3 688 723,05 | 0,87 |
| FORD MOTOR CREDIT 1.744% 19-07-24 | EUR | 4 700 000 | 4 673 328,66 | 1,11 |
| FORD MOTOR CREDIT CO 3.021% 06-03-24 | EUR | 5 608 000 | 5 734 235,62 | 1,37 |
| PROLOGIS EURO FINANCE LLC 4.25% 31-01-43 | EUR | 2 000 000 | 2 096 759,45 | 0,50 |
| SILGAN HOLDINGS INC 3.25% 15-03-25 | EUR | 6 116 000 | 6 114 514,89 | 1,45 |
| VERIZON COMMUNICATION 1.25% 08-04-30 | EUR | 5 000 000 | 4 506 756,56 | 1,08 |

3.12. INVENTORY BREAKDOWN OF FINANCIAL INSTRUMENTS IN EUR

| Security name | Currency | Qty No. or nominal | Actual value | % of Net Assets |
|---|----------|--------------------|----------------------|-----------------|
| VERIZON COMMUNICATION 1.3% 18-05-33 | EUR | 5 000 000 | 4 225 746,99 | 1,00 |
| TOTAL USA | | | 44 890 377,52 | 10,68 |
| FRANCE | | | | |
| BNP PAR 0.875% 31-08-33 EMTN | EUR | 3 500 000 | 3 019 601,86 | 0,72 |
| BQ POSTALE 0.875% 26-01-31 | EUR | 2 900 000 | 2 732 521,03 | 0,65 |
| BQ POSTALE 4.375% 17-01-30 | EUR | 3 000 000 | 3 227 675,75 | 0,77 |
| CA 6.875% PERP | USD | 2 000 000 | 1 838 622,59 | 0,44 |
| CNP ASSURANCES 4.0% PERP | EUR | 3 000 000 | 3 002 286,97 | 0,72 |
| CROW EURO HOL 2.625% 30-09-24 | EUR | 7 000 000 | 6 966 163,75 | 1,66 |
| EDF 4.0% PERP | EUR | 8 500 000 | 8 534 810,52 | 2,03 |
| ELO 6.0% 22-03-29 EMTN | EUR | 4 000 000 | 4 135 260,98 | 0,98 |
| ENGIE 3.25% PERP | EUR | 2 700 000 | 2 743 074,99 | 0,65 |
| ORANGE 5.375% PERP EMTN | EUR | 8 000 000 | 8 696 504,48 | 2,07 |
| ORANO 3.375% 23-04-26 EMTN | EUR | 10 000 000 | 10 162 793,44 | 2,41 |
| SG 4.875% 21-11-31 | EUR | 8 000 000 | 8 424 779,67 | 2,01 |
| SG 5.375% PERP | USD | 2 500 000 | 1 862 012,29 | 0,44 |
| SOCIETE GENERALE | EUR | 2 000 000 | 1 879 935,79 | 0,45 |
| TOTALENERGIES SE 1.75% PERP | EUR | 7 000 000 | 7 037 352,65 | 1,67 |
| UNIBAIL RODAMCO SE 2.875% PERP | EUR | 1 500 000 | 1 353 455,45 | 0,32 |
| TOTAL FRANCE | | | 75 616 852,21 | 17,99 |
| ITALY | | | | |
| ENEL 3.5% 24-05-80 | EUR | 2 000 000 | 2 010 951,53 | 0,48 |
| ENI 2.625% PERP | EUR | 4 000 000 | 3 947 083,29 | 0,94 |
| INTE 4.875% 19-05-30 EMTN | EUR | 5 000 000 | 5 418 085,25 | 1,29 |
| UNICREDIT 1.2% 20-01-26 EMTN | EUR | 3 000 000 | 2 948 403,29 | 0,70 |
| UNICREDIT 2.0% 23-09-29 EMTN | EUR | 8 000 000 | 7 866 750,16 | 1,87 |
| UNICREDIT SPA 5.861% 19-06-32 | USD | 3 850 000 | 3 410 993,27 | 0,81 |
| TOTAL ITALY | | | 25 602 266,79 | 6,09 |
| LUXEMBOURG | | | | |
| NESTLE FIN 3.75% 14-11-35 | EUR | 3 043 000 | 3 270 518,87 | 0,78 |
| TOTAL LUXEMBOURG | | | 3 270 518,87 | 0,78 |
| NETHERLANDS | | | | |
| ABERTIS FINANCE BV 3.248% PERP | EUR | 3 000 000 | 2 955 506,14 | 0,70 |
| COOPERATIEVE RABOBANK UA 3.1% PERP | EUR | 3 400 000 | 2 810 791,89 | 0,67 |
| IBERDROLA INTL BV 2.625% PERP | EUR | 9 000 000 | 9 162 379,18 | 2,18 |
| ING GROEP NV 3.875% PERP | USD | 5 000 000 | 3 678 966,32 | 0,87 |
| ING GROEP NV 4.5% 23-05-29 | EUR | 5 000 000 | 5 297 419,67 | 1,26 |
| REPSOL INTL FINANCE BV 3.75% PERP | EUR | 2 000 000 | 2 004 873,11 | 0,48 |
| SIEMENS FINANCIERINGSMAATNV 3.375% 24-08-31 | EUR | 5 000 000 | 5 224 360,66 | 1,25 |
| TELFONICA EUROPE BV 6.135% PERP | EUR | 4 500 000 | 4 876 627,59 | 1,16 |
| VOLKSWAGEN INTL FINANCE NV 3.375% PERP | EUR | 9 000 000 | 9 079 879,43 | 2,16 |
| TOTAL NETHERLANDS | | | 45 090 803,99 | 10,73 |
| PORTUGAL | | | | |
| ENERGIAS DE PORTUGAL EDP 1.7% 20-07-80 | EUR | 2 000 000 | 1 925 233,66 | 0,46 |
| ENERGIAS DE PORTUGAL EDP 4.496% 30-04-79 | EUR | 2 200 000 | 2 270 487,34 | 0,53 |
| TOTAL PORTUGAL | | | 4 195 721,00 | 0,99 |
| UNITED KINGDOM | | | | |
| ROLLS ROYCE 0.875% 09-05-24 | EUR | 3 500 000 | 3 479 765,79 | 0,83 |

3.12. INVENTORY BREAKDOWN OF FINANCIAL INSTRUMENTS IN EUR

| Security name | Currency | Qty No. or nominal | Actual value | % of Net Assets |
|---|----------|--------------------|-----------------------|-----------------|
| ROLLS ROYCE 1.625% 09-05-28 | EUR | 2 000 000 | 1 861 822,68 | 0,44 |
| ROLLS ROYCE 4.625% 16-02-26 | EUR | 7 000 000 | 7 234 546,86 | 1,72 |
| VODAFONE GROUP 5.125% 02-12-52 | GBP | 3 000 000 | 3 316 378,30 | 0,79 |
| TOTAL UNITED KINGDOM | | | 15 892 513,63 | 3,78 |
| TOTAL Bonds and equivalent securities traded on a regulated or equivalent market | | | 322 600 213,17 | 76,75 |
| TOTAL Bonds and equivalent securities | | | 322 600 213,17 | 76,75 |
| Undertakings for collective investment | | | | |
| General purpose UCITS and AIFs aimed at non-professionals and equivalents in other countries | | | | |
| FRANCE | | | | |
| CANDRIAM DIVERSIFIED FUTURES Part I | EUR | 200 | 2 890 218,00 | 0,69 |
| CANDRIAM MONETAIRE SICAV Part V | EUR | 10 | 1 026 695,80 | 0,24 |
| TOTAL FRANCE | | | 3 916 913,80 | 0,93 |
| LUXEMBOURG | | | | |
| CANDRIAM BONDS CAPITAL SECURITIES Z EUR ACC | EUR | 1 863 | 3 167 658,90 | 0,75 |
| CANDRIAM BONDS CREDIT ALPHA Z EUR ACC | EUR | 3 334 | 5 687 870,68 | 1,36 |
| TOTAL LUXEMBOURG | | | 8 855 529,58 | 2,11 |
| TOTAL General UCITS and AIFs aimed at non-professionals and equivalents in other countries | | | 12 772 443,38 | 3,04 |
| TOTAL Undertakings for collective investment | | | 12 772 443,38 | 3,04 |
| Reverse repurchase agreements | | | | |
| FRANCE | | | | |
| FRANCE GOVERNMENT BOND OAT 0.0% 25-11-30 | EUR | 11 950 000 | 10 002 150,00 | 2,38 |
| FRANCE GOVERNMENT BOND OAT 0.5% 25-05-40 | EUR | 25 000 000 | 14 912 500,00 | 3,55 |
| FRAN GOVE BON 1.5% 25-05-31 | EUR | 10 725 000 | 10 001 062,50 | 2,38 |
| REPUBLIQUE FRANCAISE 2.5% 25/05/2030 | EUR | 6 925 632 | 7 000 428,83 | 1,67 |
| TOTAL FRANCE | | | 41 916 141,33 | 9,98 |
| TOTAL Reverse repurchase agreements | | | 41 916 141,33 | 9,98 |
| Indemnities on reverse repurchase agreements | | | 196 151,07 | 0,04 |

3.12. INVENTORY BREAKDOWN OF FINANCIAL INSTRUMENTS IN EUR

| Security name | Currency | Qty No. or nominal | Actual value | % of Net Assets |
|---|----------|--------------------|-------------------|-----------------|
| Forward financial instruments | | | | |
| Futures commitments | | | | |
| Futures commitments on regulated or equivalent | | | | |
| CBOT USUL 30A 0324 | USD | -12 | -63 141,63 | -0,02 |
| EC EURUSD 0324 | USD | 216 | 510 686,64 | 0,12 |
| EURO BOBL 0324 | EUR | 34 | 8 480,00 | 0,00 |
| EURO BUND 0324 | EUR | -153 | -179 570,00 | -0,04 |
| EURO BUND 0624 | EUR | 15 | -9 140,00 | -0,01 |
| FV CBOT UST 5 0324 | USD | 50 | 70 725,48 | 0,02 |
| JAP GOVT 10 0324 | JPY | -5 | -20 226,86 | -0,01 |
| LIFFE LG GILT 0324 | GBP | 7 | 49 598,98 | 0,02 |
| US 10YR NOTE 0324 | USD | -91 | -233 939,24 | -0,05 |
| US TBOND 30 0324 | USD | 44 | 355 684,42 | 0,08 |
| XEUR FGBX BUX 0324 | EUR | -12 | -3 120,00 | 0,00 |
| TOTAL Futures commitments on regulated or equivalent markets | | | 486 037,79 | 0,11 |
| TOTAL Futures commitments | | | 486 037,79 | 0,11 |
| Conditional forward commitments | | | | |
| Conditional forward commitments on a regulated market | | | | |
| EUREX EURO BUND 02/2024 CALL 138 | EUR | 30 | -8 100,00 | 0,00 |
| EUREX EURO BUND 05/2024 CALL 137.5 | EUR | -30 | 5 100,00 | 0,00 |
| TOTAL Conditional forward commitments on a regulated market | | | -3 000,00 | 0,00 |
| Conditional forward commitments on OTC market | | | | |
| ITRX XOVER CDSI S40 01/2024 PUT 400 | EUR | 10 000 000 | 1 048,50 | 0,00 |
| ITRX XOVER CDSI S40 01/2024 PUT 400 | EUR | 10 000 000 | 1 048,50 | 0,00 |
| ITRX XOVER CDSI S40 03/2024 PUT 400 | EUR | 10 000 000 | 24 751,70 | 0,01 |
| TOTAL Conditional forward commitments on OTC market | | | 26 848,70 | 0,01 |
| TOTAL Conditional forward commitments | | | 23 848,70 | 0,01 |
| Other forward financial instruments | | | | |
| Credit default swaps | | | | |
| ALLI FI 0.0 01-25_20 | EUR | -6 250 000 | -198 478,61 | -0,04 |
| ALLI SE 2.241 07-45_ | EUR | -15 000 000 | -117 764,67 | -0,03 |
| AXA 2.875 06-24_2012 | EUR | 5 000 000 | 129 805,39 | 0,03 |
| BANC NT 0.25 06-24_2 | EUR | 6 000 000 | 132 721,07 | 0,03 |
| BANC NT 5.75 08-33_2 | EUR | -7 800 000 | 120 895,49 | 0,03 |
| BANC NT 5.75 08-33_2 | EUR | -2 400 000 | 37 198,61 | 0,01 |
| BARC PL 1.375 01-26_ | EUR | 10 000 000 | 57 368,78 | 0,02 |
| BARIT.TELEC.5.75%28_ | EUR | -4 500 000 | -51 742,25 | -0,01 |
| BASGR 1 3/4 03/11/25 | EUR | -5 000 000 | -114 211,89 | -0,03 |
| BEST BU 4.45 10-28_2 | USD | -5 000 000 | -880 802,46 | -0,21 |
| BK AMER 3.5 04-26_20 | USD | 10 000 000 | 127 486,34 | 0,03 |
| BK AMER 5.819 09-29_ | USD | 5 000 000 | 63 743,17 | 0,02 |
| BNP PAR 2.5 03-32_20 | EUR | -3 500 000 | 829,58 | 0,00 |
| CA 3.875 04-31_20122 | EUR | 4 000 000 | 113 363,91 | 0,03 |
| CARL BR 2.5 05-24_20 | EUR | -3 400 000 | -114 820,64 | -0,02 |
| CARR 1.25 06-25_2012 | EUR | -3 200 000 | -62 819,13 | -0,01 |
| CDS BNP. S11_201228 | EUR | -6 000 000 | -200 263,67 | -0,05 |
| CONOCOPHI 5.9 10-32_ | USD | -7 000 000 | -172 016,78 | -0,04 |

3.12. INVENTORY BREAKDOWN OF FINANCIAL INSTRUMENTS IN EUR

| Security name | Currency | Qty No. or nominal | Actual value | % of Net Assets |
|-----------------------------------|----------|--------------------|----------------------|-----------------|
| COOP RA 3.1 PERP_201 | EUR | -10 000 000 | -6 890,78 | -0,01 |
| CRED SU 1.0 12-17_20 | EUR | 4 000 000 | 30 726,71 | 0,01 |
| DANS BK 4.125 01-31_ | EUR | -5 000 000 | -124 041,39 | -0,03 |
| DANS BK 4.75 06-30_2 | EUR | -4 000 000 | -45 435,11 | -0,01 |
| DEUT BK 5.0 09-30_20 | EUR | -5 000 000 | 45 878,61 | 0,01 |
| ELO 2.875 01-26_2012 | EUR | -4 000 000 | 198 244,09 | 0,04 |
| HANN RU 1.125 04-28_ | EUR | -7 500 000 | -223 271,83 | -0,05 |
| ING GRO 1.125 02-25_ | EUR | -4 500 000 | -89 303,75 | -0,02 |
| INTE 1.75 03-28_2012 | EUR | 5 000 000 | 48 344,89 | 0,01 |
| INTE 1.75 03-28_2012 | EUR | -5 000 000 | -48 344,89 | -0,01 |
| INTE 5.017 06-24_201 | EUR | -2 200 000 | 123 743,01 | 0,03 |
| ITRAXX EUROPE S40 V1 | EUR | 7 500 000 | 147 899,08 | 0,04 |
| ITRAXX EUR XOVER S40 | EUR | 2 000 000 | 162 260,38 | 0,04 |
| JPM CHA 3.509 01-29_ | USD | -7 300 000 | -166 763,54 | -0,04 |
| KPN NV 5.625% 09-24_ | EUR | -5 000 000 | -130 945,89 | -0,03 |
| LOWE S 1.7 09-28_201 | USD | -5 000 000 | -122 362,19 | -0,03 |
| MARK AN 4.25 12-23_2 | EUR | -2 750 000 | -3 513,34 | 0,00 |
| MUNICH R/ALL 1% 05CV | EUR | -8 750 000 | -259 857,31 | -0,06 |
| NEXT 3.625 05-28_201 | EUR | -3 500 000 | -52 075,02 | -0,01 |
| ORANGE 1.0 05-25_201 | EUR | 7 000 000 | 226 998,64 | 0,06 |
| PFIZER 0.8 05-25_201 | USD | 7 000 000 | 173 474,26 | 0,05 |
| SANOFI 0.5 01-27_201 | EUR | 5 000 000 | 158 663,39 | 0,04 |
| SANOFI 0.5 01-27_201 | EUR | 6 000 000 | 190 396,07 | 0,04 |
| SG 4.25 12-30_201228 | EUR | -5 000 000 | -32 126,39 | -0,01 |
| SG 4.25 12-30_201228 | EUR | -3 000 000 | -19 275,83 | -0,01 |
| SG 5.625 06-33_20122 | EUR | -4 000 000 | 59 652,89 | 0,01 |
| SHEL INT 0.75 05-24_ | EUR | -5 000 000 | -154 005,39 | -0,04 |
| SOCGEN 4 06/07/23_20 | EUR | -6 250 000 | 56 474,52 | 0,01 |
| SVK HAND TV 17_20122 | EUR | 4 000 000 | -65 119,69 | -0,02 |
| TELE EM 1.528 01-25_ | EUR | 5 000 000 | 75 640,39 | 0,02 |
| TELE EM 1.528 01-25_ | EUR | 3 000 000 | -50 091,37 | -0,01 |
| UNIB ROD 1.38 12-26_ | EUR | 2 500 000 | -214 898,31 | -0,06 |
| UNIC 2.125 10-26_201 | EUR | -10 000 000 | -116 442,78 | -0,03 |
| VIVENDI 1.88 05-26_2 | EUR | -5 000 000 | -70 805,89 | -0,02 |
| ZURI VE 0.5 12-24_20 | EUR | 5 000 000 | 115 793,89 | 0,02 |
| ZURI VE 0.5 12-24_20 | EUR | 7 000 000 | 162 111,44 | 0,04 |
| TOTAL Credit default swaps | | | -1 148 776,19 | -0,27 |
| CFD | | | | |
| BRIT TE 4.875 11-81 | USD | -5 000 | -121 521,30 | -0,03 |
| CFD 3M 1.5 06-3 1230 | EUR | -1 400 | -19 222,00 | 0,00 |
| CFD BANC NT 1.6 1230 | EUR | -50 | -104 150,00 | -0,03 |
| CFD BANCO NTAND 1230 | EUR | -50 | -93 649,00 | -0,03 |
| CFD BNP ATT 0.8 1230 | EUR | -5 000 | -121 300,50 | -0,03 |
| CFD BNP FRANCE 1230 | GBP | -63 | -377 873,86 | -0,09 |
| CFD BNP HSBC US 1230 | USD | -5 000 | -246 957,41 | -0,06 |
| CFD BQ POST 1.3 1230 | EUR | -30 | -54 669,90 | -0,01 |
| CFD DEUT PO 1.0 1230 | EUR | -7 500 | -295 104,75 | -0,07 |
| CFD INTE 5.5% P 1230 | EUR | -3 000 | -111 351,00 | -0,02 |

3.12. INVENTORY BREAKDOWN OF FINANCIAL INSTRUMENTS IN EUR

| Security name | Currency | Qty No. or nominal | Actual value | % of Net Assets |
|--|----------|--------------------|-----------------------|-----------------|
| CFD OBL NEST FI 1230 | EUR | -3 700 | -125 756,34 | -0,03 |
| CFD OBL UNIBA B 1230 | EUR | -25 | -104 078,00 | -0,02 |
| CFD ORANGE BNPP 1230 | EUR | -50 | -163 105,00 | -0,04 |
| CFD SIEM FI 3.6 1230 | EUR | -25 | 2 725,00 | 0,00 |
| CFD TELE EM 1.9 1230 | EUR | -30 | -78 976,50 | -0,02 |
| CFD TELEFONICA 1230 | EUR | -50 | -244 990,00 | -0,06 |
| CFD UNIC 2.731 1230 | EUR | -5 000 | -101 150,00 | -0,03 |
| CFD VERI CO 3.5 1230 | USD | -10 000 | -390 124,47 | -0,09 |
| CFD VONOVIA SE 1230 | EUR | -20 | -51 101,00 | -0,01 |
| ORANGE 0.75 06-34 12 | EUR | -50 | -169 074,00 | -0,04 |
| TOTAL CFD | | | -2 971 430,03 | -0,71 |
| TOTAL Other forward financial instruments | | | -4 120 206,22 | -0,98 |
| TOTAL Forward financial instruments | | | -3 610 319,73 | -0,86 |
| Margin call | | | | |
| MARGIN CALL CACEIS | USD | -706 993,32 | -640 015,68 | -0,15 |
| MARGIN CALL CACEIS | JPY | 3 150 000 | 20 226,86 | 0,00 |
| MARGIN CALL CACEIS | EUR | 186 350,01 | 186 350,01 | 0,05 |
| MARGIN CALL CACEIS | GBP | -42 979,98 | -49 598,96 | -0,01 |
| TOTAL Margin call | | | -483 037,77 | -0,11 |
| Receivables | | | 39 874 357,09 | 9,49 |
| Debts | | | -16 005 896,34 | -3,81 |
| Cash and banks | | | 23 040 872,56 | 5,48 |
| Net assets | | | 420 300 924,76 | 100,00 |

| | | | |
|---|-----|-------------|----------|
| CANDRIAM LONG SHORT CREDIT Units Z EUR Unit | EUR | 19 692,775 | 1 619,45 |
| CANDRIAM LONG SHORT CREDIT Units C CHF unit | CHF | 2 200,000 | 1 039,02 |
| CANDRIAM LONG SHORT CREDIT Units V Unit | EUR | 165 116,837 | 1 114,35 |
| CANDRIAM LONG SHORT CREDIT Units RS EUR Unit | EUR | 7,006 | 160,81 |
| CANDRIAM LONG SHORT CREDIT Units R2 EUR Unit | EUR | 3 317,726 | 160,00 |
| CANDRIAM LONG SHORT CREDIT Units CLASSIQUE EUR Unit | EUR | 100 292,952 | 1 229,29 |
| CANDRIAM LONG SHORT CREDIT Units R EUR Unit | EUR | 709 386,100 | 110,13 |