



Audited annual report  
**Candriam Absolute Return**

31 March 2023

*01.04.2022 – 31.03.2023  
SICAV under Luxembourg Law  
R.C.S. Luxembourg B-168300*



# Candriam Absolute Return

SICAV under Luxembourg Law

Audited annual report for the year  
from April 1, 2022 to March 31, 2023

# Candriam Absolute Return

---

## Table of contents

Administration of the SICAV	4
Details about the SICAV	5
Report of the Board of Directors	6
Audit report	9
Statement of net assets as at March 31, 2023	12
Statement of changes in net assets for the year ended March 31, 2023	13
Statistics	14
Investment portfolio as at March 31, 2023	15
Candriam Absolute Return Equity Market Neutral	15
Notes to the financial statements - Schedule of derivative instruments	17
Other notes to the financial statements	22
Additional unaudited information	30
Sustainable Finance Disclosure Regulation (SFDR)	33

# Candriam Absolute Return

---

## Administration of the SICAV

### Board of Directors

#### **Chairman**

Jean-Yves MALDAGUE  
Managing Director,  
Candriam (previously Candriam Luxembourg)

#### **Directors**

Thierry BLONDEAU  
Independent Director

Isabelle CABIE  
Head of Sustainable and Responsible Investment  
Candriam - Belgian Branch (previously Candriam Belgium)

Fabrice CUCHET  
Global Head of Alternative Investment  
Member of the Group Strategic Committee  
Candriam - Succursale française (previously Candriam France)

Bertrand GIBEAU  
Independent Director

Damien ROL  
Deputy Global Head of Legal,  
Candriam - Succursale française (previously Candriam France)

### Registered Office

5, Allée Scheffer  
L-2520 Luxembourg

### Depositary and Principal Paying Agent

CACEIS Bank, Luxembourg Branch  
5, Allée Scheffer  
L-2520 Luxembourg

### Management Company

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

The functions of **Administrative Agent**, **Domiciliary Agent** and **Transfer Agent** (including **the Register Holding** business) are delegated to:

CACEIS Bank, Luxembourg Branch  
5, Allée Scheffer  
L-2520 Luxembourg

Implementation of the **Portfolio Management** activity was delegated to:

Candriam - Succursale française (previously Candriam France)  
40, Rue Washington  
F-75408 Paris Cedex 08

#### **“Réviseur d’entreprises agréé”**

PricewaterhouseCoopers, Société coopérative  
2, Rue Gerhard Mercator  
L-2182 Luxembourg

# Candriam Absolute Return

---

## Details about the SICAV

The net asset value per share of each sub-fund of Candriam Absolute Return (the "SICAV") is determined each bank working day ("valuation day") in Luxembourg, under the supervision of the Board of Directors of the SICAV.

The net asset value per share of each sub-fund, the subscription, redemption's price and of conversion of each sub-fund may be obtained from the registered office of the SICAV.

The accounting year begins on April 1, and ends on March 31, of the following year.

The SICAV publishes a detailed annual report on its activities and the assets under management. The report includes a combined statement of net assets and statement of changes in net assets expressed in EUR, details of the composition of each sub-fund and the audit report.

In addition, it publishes a semi-annual report, detailing, with regard to each sub-fund, the composition of the portfolio, the number of outstanding shares and the number of shares issued and redeemed since the previous publication.

The shares are only available in registered form.

The Annual General Meeting of the Shareholders of the SICAV is held at the registered office of the SICAV or at any other place in Luxembourg as specified in the convening notice. It shall take place within 6 months after the financial year's end.

Notices of all the General Meetings are sent by letter to all the registered shareholders, at their address shown in the register of shareholders, at least eight days before the General Meeting.

In addition, notices shall be published in the "Recueil électronique des sociétés et associations" ("RESA") of the Grand-Duchy of Luxembourg and in a Luxembourg newspaper to the extent that the legislation so requires. These notices will also be published in the press of the countries in which the SICAV is marketed, if the legislation of those countries so requires.

These notices shall indicate the time and place of the General Meeting, the conditions for admission, the agenda and the requirements of Luxembourg law concerning the necessary quorum and majority.

# Candriam Absolute Return

---

## Report of the Board of Directors

### Economic and financial background

In the **United States**, at the second quarter of 2022, bottlenecks in supply chains are exacerbated by the zero-Covid policy practiced on a massive scale in China. Despite the collateral effects of the conflict in Ukraine on commodity and oil prices (around \$110 per barrel on average in the second quarter), activity indicators remain well oriented, and the labor market remains tight. These developments pushed the ten-year rate to nearly 3.5% in mid-June. In response to rising prices, the Federal Reserve raised its policy rate twice: first by 50 basis points in early May and then by 75 basis points in mid-June. In this new environment, as credit becomes more expensive and household purchasing power is under pressure, consumer confidence is clearly weakening. Finally, growth is again very slightly negative (-0.1% quarter-on-quarter after -0.4% in Q1). Over the quarter, the ten-year rate increased by 65 basis points to 2.97%. The stock market lost 16.4%. In July, the ten-year rate hovered around 3% as the statistics changed. Indeed, the ISM manufacturing survey and monthly job creation are slightly weaker than in previous months, while in mid-July inflation is above 9%. In late July, however, the 75-basis point increase in the Federal Reserve's policy rate to 2.5% and the tension created by Nancy Pelosi's visit to Taiwan weighed on rates. Despite the first decline in month-on-month inflation since May 2020, the Federal Reserve Chairman did not fail to remind the public at the end of August that a return to price stability - inflation is still 8.3% year-on-year - will require a restrictive monetary policy for some time to come. Indeed, despite a slowdown in the manufacturing sector, due in part to the significant appreciation of the dollar, the economy continues to add more than one million jobs every three months, the unemployment rate is close to 3.5%, and wage growth is still strong. In this environment, on September 21, the members of the FOMC (Federal Reserve) raised the key rate, once again, by 75 basis points to 3.25%, and drastically revised upwards their forecasts for the federal funds rate for the coming years. For 2023, FOMC members believe it will be around 4.65%, compared to an estimate of only 3.85% in June. The ten-year rate closed the third quarter at 3.8%, up 83 basis points from the end of June. The latest developments and the impact of significantly higher mortgage rates on the real estate sector are weighing negatively on the stock market, which fell by 5.3% in the quarter. In the fourth quarter, like the global manufacturing sector, the ISM manufacturing survey fell below 50 in response to the stronger dollar and the global economic slowdown. Although the pace of monthly job creation is slowing down a bit - it is still above 250,000 - underlying inflation is still at 6% and the service sector is still dynamic. Therefore, in order to ensure that inflation would return to 2% in the medium term, the Federal Reserve raised its key rate twice: first by 75 basis points in early November and then by 50 basis points in mid-December (to 4.5%). All in all, 2022 was a year of the unexpected, with a conflict on Europe's doorstep, much higher inflation than expected, the most significant monetary tightening since 1980 and, despite everything, growth of 2.1% in 2022 after 5.9 in 2021. However, developments in 2022 are weighing on the S&P500 index, which closed the year down 19.4% at 3840, despite a rebound of more than 7% in the last quarter. As for the ten-year rate, it changed little during the last quarter. It closed the year at 3.83%, an increase of 233 basis points over the year. In January and February 2023, apart from residential real estate (-10.6% in 2022 compared to 2021), a large majority of indicators seem to point to an absence of a strong slowdown, despite past Federal Reserve hikes. In fact, about 800,000 new jobs were created. The ISM service sector index is at 55 in February. Headline inflation (6% in February 2023) has been steadily declining since its mid-2022 peak (thanks to reduced supply chain tensions and lower energy and industrial metal prices), but core inflation is decelerating only very slowly. This is why the Federal Reserve, on February 1, raised its key rate by 25 basis points to 4.75%. Indeed, although goods inflation is slowing, the "real estate" component of inflation (more than 30% of the CPI) and that of non-real estate services are not slowing. In addition, although wage growth is slowing, it is still significant and is an important input into the price of services. All these elements are pushing the ten-year rate above 4% in early March. However, the closure by the authorities of the 16 largest US bank (Silicon Valley Bank (SVB)) on 10 March, following excessive deposit outflows in the preceding days, and, a few days later, of Signature Bank, have raised fears of contagion to other medium-sized banks. In response, the FDIC, in consultation with the Federal Reserve and the U.S. Treasury, was able to invoke a " Systemic Risk Exception " which allowed the FDIC to insure all the deposits of these two banks (insured deposits (< \$250,000) and uninsured). To avoid a liquidity problem, the Fed opened a new borrowing facility (BTFP - Bank Term Funding Program), the specificity of which is that the public bonds used as collateral are valued at par and not at market price. While the risk of contagion seems to have been averted and the stress on financial markets is easing, given the economic context and the level of underlying inflation, the Federal Reserve raised its key rate by 25 bp to 5% on March 22. In total, at the end of March, the ten-year rate fell 35 basis points to 3.48%. The stock market rose by 7.0%. Indeed, the latest developments have caused the Fed's terminal rate to be revised downward and thus the potential drag on the economy.

# Candriam Absolute Return

---

## Report of the Board of Directors

In the **eurozone**, the second quarter of 2022 is marked by high prices for energy, industrial metals and agricultural commodities, the cutting off of gas supplies from Russia for countries refusing to pay in rubles and a reduction in the flow of gas to Germany. In total, from May onwards, inflation is more than eight percent. In this environment, the markets are anticipating several rate hikes by the European Central Bank (ECB), which is pushing all European rates up. The German ten-year rate is over 1.7% while the Italian ten-year rate is over 4%. The importance of the rate spread led the ECB to hold an emergency meeting on June 15 and to announce a new "anti-fragmentation" instrument for the euro zone. From mid-June onwards, however, the possibility of entering a recession becomes a slightly more likely scenario for the markets, which pushes the German ten-year rate down. Over the quarter, the German ten-year rate rose by 86 basis points to 1.37%. The stock market lost 12%. Despite the above developments, the level of GDP is up 0.9 percent quarter-on-quarter in the second quarter and the unemployment rate is historically low (6.7 percent). In July, however, household and business confidence fell further. Indeed, despite the fall in the price of many raw materials, the extremely high price of gas and the risk of supply shortages are weighing on confidence. In this environment, despite an expected slowdown in growth, but with inflation continuing to rise, on July 21, for the first time in eleven years, the ECB raised its key rate by 50 basis points to 0.5% and set the deposit facility rate at 0%. This momentarily stops the depreciation of the euro against the dollar which is at parity. However, the outlook for growth and inflation has only worsened over the summer. At the end of August, gas prices in Europe reached astronomical levels. The PMI activity indicators all fell below fifty (the zone of contraction of activity) and, simultaneously, inflation reached almost ten percent in September. If we add to this the continued depreciation of the euro against the dollar (below parity), which is also weighing on inflation via imported inflation, the ECB decided on September 8 to raise its key rate by 75 basis points to 1.25%. At the end of September, the German ten-year rate closed the third quarter at 2.11%, up 74 basis points from June. As for the stock market, it lost 4.7% over the same period. However, despite these developments, until the third quarter, growth remains positive every quarter, thanks in particular to the labor market, which remains well oriented. At the beginning of the fourth quarter, in order to counteract the expected decline in oil prices in response to the slowdown in global growth - the IMF forecasts global growth of 2.7% in 2023 after 3.2 % in 2022 -, OPEC+ decided to reduce its production by 2 mbpd from November. Therefore, in order to ensure that inflation expectations remain anchored, especially since European governments are announcing more or less substantial economic support programs, the ECB is raising its key rate twice: first by 75 basis points at the end of October and then by 50 basis points (to 2.5%) in mid-December. At the end of October, Germany announced a two hundred-billion-euro plan. The drop in gas prices in the fourth quarter reduces the pressure somewhat and allows for a slightly less unfavorable growth for 2023. This outlook led to a strong increase in the stock market in the fourth quarter (+12.5%). Despite this, the 2022 developments are weighing on the stock market, which is down 14.5% for the year. As for the German 10-year rate, after the ECB's mid-December announcements (continued monetary tightening and reduction of the Asset Purchase Programme), it ended December higher. It closed the year at 2.56 %, an increase of 274 basis points for the year. By early 2023, while headline inflation (8.5 percent in February) has been steadily declining since its peak in October 2022, core inflation has been steadily rising (5.6 percent in February) in an environment where the labor market remains tight. The unemployment rate is 6.6% and wage growth is strong. Moreover, as gas prices continue to fall, these conditions are leading to an upward revision of the growth outlook and the ECB's terminal rate expectations. On February 2, the latter raised its key rate by 50 basis points to 3%. Following the developments in the US banking system, during the week of March 13, Credit Suisse was badly hit by the stock market. This did not prevent the ECB from raising its key rate by 50 basis points to 3.5% at its March 16 policy meeting. Indeed, as Christine Lagarde points out, the European banking sector is resilient, well capitalized and has no liquidity problems. The other reason for the rise is the latest ECB macroeconomic forecast which shows that inflation is likely to remain too high for too long. During the weekend of March 18 and 19, in order to avoid having to intervene in a catastrophe, the Swiss National Bank and the Swiss Financial Market Supervisory Authority are organizing the takeover of Credit Suisse by UBS. In total, over the quarter, the German ten-year rate fell by 27 basis points to 2.3%. The stock market grew by 11.9%.

# Candriam Absolute Return

---

## Report of the Board of Directors

### **Candriam Absolute Return Equity Market Neutral**

In a bearish 2022 environment, the MSCI World was down 7% between Q2 2022 and Q1 2023, The first two quarters were down 21% while the last two quarters rebounded by 18%.

However, this market configuration had very little impact on the fund, as we do not attempt to determine what direction the market will take. Our main objective is to work on alpha-generating strategies that are uncorrelated from market trends. True to our process, our strategies were deployed after the risk/return profile assessment deemed attractive.

From March 2022 to March 2023, the fund posted a negative performance due to an overcrowded environment.

Drawing on our widespread expertise in our field, we remain confident in the capacity of our strategies to generate alpha in 2023.





## Audit report

To the Shareholders of  
**Candriam Absolute Return**

---

### Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Candriam Absolute Return (the “Fund”) as at 31 March 2023, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

#### *What we have audited*

The Fund’s financial statements comprise:

- the statement of net assets as at 31 March 2023;
- the investment portfolio as at 31 March 2023;
- the statement of changes in net assets for the year then ended; and
- the notes to the financial statements - schedule of derivative instruments and the other notes to the financial statements, which include a summary of significant accounting policies.

---

### Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

---

### Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

---

#### **Responsibilities of the Board of Directors of the Fund for the financial statements**

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

---

#### **Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund;



- conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 19 June 2023

Sébastien Sadzot

# Candriam Absolute Return

## Statement of net assets as at March 31, 2023

		Candriam Absolute Return Equity Market Neutral	Combined
		EUR	EUR
<b>Assets</b>			
Investment portfolio at market value	2a	568,244,216	568,244,216
Cash at bank and broker	9	264,984,485	264,984,485
Receivable on subscriptions		10,550,300	10,550,300
Receivable on CFD		346,109	346,109
Dividends receivable on CFD		2,556,940	2,556,940
Receivable on reverse repurchase agreements	2h,8	45,018,750	45,018,750
Interest and dividends receivable, net		3,701,552	3,701,552
Net unrealised appreciation on forward foreign exchange contracts	2f	508,596	508,596
<b>Total assets</b>		<b>895,910,948</b>	<b>895,910,948</b>
<b>Liabilities</b>			
Bank overdraft		15,045,816	15,045,816
Payable on investments purchased		17,070,915	17,070,915
Payable on redemptions		12,146,419	12,146,419
Payable on CFD		358,903	358,903
Dividends payable on CFD		1,598,279	1,598,279
Net unrealised depreciation on futures	2e	13,017,222	13,017,222
Net unrealised depreciation on CFD	2g	8,146,025	8,146,025
Management fees payable	3	544,340	544,340
Operating and Administrative Expenses payable	4	49,534	49,534
Performance fees payable	6	9,974	9,974
Subscription tax payable	7	39,163	39,163
Other liabilities		84,053	84,053
<b>Total liabilities</b>		<b>68,110,643</b>	<b>68,110,643</b>
<b>Total net assets</b>		<b>827,800,305</b>	<b>827,800,305</b>

The accompanying notes form an integral part of the financial statements.

# Candriam Absolute Return

## Statement of changes in net assets for the year ended March 31, 2023

		Candriam Absolute Return Equity Market Neutral	Combined
		EUR	EUR
<b>Net assets at the beginning of the year</b>		<b>960,870,490</b>	<b>960,870,490</b>
<b>Income</b>			
Dividends, net	2k	187,253	187,253
Interest on bonds and money market instruments, net		5,972,518	5,972,518
Interest received on CFD		9,292,490	9,292,490
Bank interest		2,047,993	2,047,993
Dividends received on CFD		4,263,227	4,263,227
Other income		95,539	95,539
<b>Total income</b>		<b>21,859,020</b>	<b>21,859,020</b>
<b>Expenses</b>			
Management fees	3	8,823,167	8,823,167
Performance fees	6	10,505	10,505
Administration fees	4	512,076	512,076
<i>Central Administration's fees</i>		<i>231,490</i>	<i>231,490</i>
<i>Legal Engineering fees</i>		<i>280,586</i>	<i>280,586</i>
Audit fees		40,934	40,934
Distribution fees		375	375
Depositary fees	5	48,670	48,670
Subscription tax	7	214,221	214,221
Transaction costs	2j	719,446	719,446
Interest paid on CFD		17,952,504	17,952,504
Interest on reverse repurchase agreements	2h	97,729	97,729
Bank interest		1,789,255	1,789,255
Other expenses		1,369,185	1,369,185
<b>Total expenses</b>		<b>31,578,067</b>	<b>31,578,067</b>
<b>Net income / (loss) from investments</b>		<b>(9,719,047)</b>	<b>(9,719,047)</b>
Net realised gain / (loss) on sales of investments	2b	(27,136,756)	(27,136,756)
Net realised gain / (loss) on forward foreign exchange contracts	2f	(4,991,654)	(4,991,654)
Net realised gain / (loss) on futures	2e	13,749,025	13,749,025
Net realised gain / (loss) on CFD	2g	(43,629,785)	(43,629,785)
Net realised gain / (loss) on foreign exchange		(838,365)	(838,365)
<b>Net realised gain / (loss)</b>		<b>(72,566,582)</b>	<b>(72,566,582)</b>
Change in net unrealised appreciation / depreciation on investments	2b	934,044	934,044
Change in net unrealised appreciation / depreciation on forward foreign exchange contracts	2f	(777,621)	(777,621)
Change in net unrealised appreciation / depreciation on futures	2e	(11,211,529)	(11,211,529)
Change in net unrealised appreciation / depreciation on CFD	2g	(2,493,309)	(2,493,309)
<b>Net increase / (decrease) in net assets as a result of operations</b>		<b>(86,114,997)</b>	<b>(86,114,997)</b>
<b>Evolution of the capital</b>			
Subscriptions of shares		931,101,657	931,101,657
Redemptions of shares		(978,056,845)	(978,056,845)
<b>Net assets at the end of the year</b>		<b>827,800,305</b>	<b>827,800,305</b>

The accompanying notes form an integral part of the financial statements.

# Candriam Absolute Return

## Statistics

### Candriam Absolute Return Equity Market Neutral

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 31.03.2023	Net asset value per share as at 31.03.2022	Net asset value per share as at 31.03.2021
<b>Total net assets</b>			<b>EUR</b>		<b>827,800,305</b>	<b>960,870,490</b>	<b>230,026,747</b>
C	LU1819523264	Capitalisation	EUR	763,001.37	199.83	215.00	199.03
C - CHF - Hedged	LU1819523348	Capitalisation	CHF	8,972.35	183.69	199.18	184.86
C - GBP - Hedged	LU1819523421	Capitalisation	GBP	2,465.65	156.19	165.54	152.38
C - USD - Hedged	LU2249756789	Capitalisation	USD	2,230.00	153.87	161.76	-
C - SEK - Hedged	LU2417678336	Capitalisation	SEK	2,987,334.96	140.96	150.83	-
I	LU1962513328	Capitalisation	EUR	63,679.88	1,615.72	1,725.71	1,589.29
I - CHF - Hedged	LU2249756946	Capitalisation	CHF	565.54	1,614.35	1,737.82	1,603.41
I - GBP - Hedged	LU2470968335	Capitalisation	GBP	1.00	1,493.04	-	-
I - USD - Hedged	LU2249756862	Capitalisation	USD	1,945.21	1,562.73	1,631.12	-
I2	LU1962513914	Capitalisation	EUR	2,813.29	1,793.64	1,929.20	1,752.38
PI	LU1819523694	Capitalisation	EUR	29,297.77	1,898.63	2,019.77	1,833.83
R	LU2337324433	Capitalisation	EUR	82,557.75	150.42	160.78	-
R - CHF - Hedged	LU2337324607	Capitalisation	CHF	455.00	145.27	-	-
R2	LU1819523850	Distribution	EUR	1,393.00	146.77	156.50	-
S5 - GBP - Hedged	LU2470968418	Capitalisation	GBP	80,813.92	1,518.78	-	-
V	LU1819524072	Capitalisation	EUR	118,986.62	1,512.21	1,611.94	-
V - CHF - Hedged	LU1819524155	Capitalisation	CHF	733.00	1,412.29	1,516.88	-
V - GBP - Hedged	LU1819524239	Capitalisation	GBP	301.00	1,447.04	1,520.63	-
V - USD - Hedged	LU1962514565	Capitalisation	USD	23,424.12	1,987.67	2,069.91	1,892.73
Z	LU1819524312	Capitalisation	EUR	49,843.75	1,837.00	1,946.41	1,780.36

# Candriam Absolute Return

## Candriam Absolute Return Equity Market Neutral

Investment portfolio as at March 31, 2023

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>				
<b>Shares</b>				
<b>Finland</b>				
FORTUM CORP	750,000	EUR	10,586,250	1.28
NESTE	325,000	EUR	14,764,750	1.78
			<b>25,351,000</b>	<b>3.06</b>
<b>Germany</b>				
COVESTRO AG	505,000	EUR	19,255,650	2.33
CTS EVENTIM AG & CO KGAA	47,500	EUR	2,728,875	0.33
			<b>21,984,525</b>	<b>2.66</b>
<b>Luxembourg</b>				
AROUNDTOWN SA	8,500,000	EUR	11,160,500	1.35
			<b>11,160,500</b>	<b>1.35</b>
<b>Netherlands</b>				
PROSUS NV	160,000	EUR	11,510,400	1.39
			<b>11,510,400</b>	<b>1.39</b>
<b>Total Shares</b>			<b>70,006,425</b>	<b>8.46</b>
<b>Bonds</b>				
<b>France</b>				
FRANCE 1.75 12-23 25/05A	47,000,000	EUR	46,938,195	5.67
FRANCE TREASURY BILL ZCP 041023	115,000,000	EUR	112,338,249	13.57
FRANCE TREASURY BILL ZCP 210224	45,000,000	EUR	43,745,558	5.28
FREN REP PRES ZCP 29-11-23	108,000,000	EUR	105,115,518	12.70
			<b>308,137,520</b>	<b>37.22</b>
<b>Germany</b>				
GERM TREA BILL ZCP 22-11-23	54,000,000	EUR	52,680,096	6.36
GERMANY 1.50 13-23 15/05U	47,000,000	EUR	46,940,075	5.67
GERMANY 0.00 21-23 16/06A	50,000,000	EUR	49,728,500	6.01
			<b>149,348,671</b>	<b>18.04</b>
<b>Total bonds</b>			<b>457,486,191</b>	<b>55.27</b>
<b>Total transferable securities admitted to an official stock exchange listing or dealt in another regulated market</b>			<b>527,492,616</b>	<b>63.72</b>
<b>Undertakings for Collective Investment</b>				
<b>Shares/Units in investment funds</b>				
<b>Luxembourg</b>				
CANDRIAM MONEY MARKET EURO Z C	40,000	EUR	40,751,600	4.92
			<b>40,751,600</b>	<b>4.92</b>
<b>Total Shares/Units in investment funds</b>			<b>40,751,600</b>	<b>4.92</b>
<b>Total Undertakings for Collective Investment</b>			<b>40,751,600</b>	<b>4.92</b>
<b>Total investment portfolio</b>			<b>568,244,216</b>	<b>68.65</b>
Acquisition cost			569,415,646	

The accompanying notes form an integral part of the financial statements.  
Any differences in the percentage of Net Assets are the result of roundings.

## Candriam Absolute Return

---

### Candriam Absolute Return Equity Market Neutral

Geographical and economic breakdown of investments as at March 31, 2023

**Geographical breakdown (in % of net assets)**

France	37.22
Germany	20.70
Luxembourg	6.27
Finland	3.06
Netherlands	1.39
	<b>68.65</b>

**Economic breakdown (in % of net assets)**

Bonds of States, Provinces and municipalities	55.27
Investments funds	4.92
Petroleum	3.06
Chemicals	2.33
Internet and internet services	1.39
Real estate	1.35
Graphic art and publishing	0.33
	<b>68.65</b>



## Candriam Absolute Return

---

### Notes to the financial statements - Schedule of derivative instruments

#### Forward foreign exchange contracts

As at March 31, 2023, the following forward foreign exchange contracts were outstanding:

#### Candriam Absolute Return Equity Market Neutral

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
CHF	3,830,230	EUR	3,920,564	17/04/2023	CACEIS Bank, Lux. Branch	(58,772)
EUR	239,673	CHF	235,002	17/04/2023	CACEIS Bank, Lux. Branch	2,733
EUR	3,402,236	GBP	3,002,989	17/04/2023	CACEIS Bank, Lux. Branch	(13,761)
EUR	789,396	SEK	8,872,548	17/04/2023	CACEIS Bank, Lux. Branch	1,831
EUR	936,239	USD	1,001,428	17/04/2023	CACEIS Bank, Lux. Branch	15,170
GBP	124,491,723	EUR	140,840,939	17/04/2023	CACEIS Bank, Lux. Branch	772,198
SEK	426,661,295	EUR	37,579,692	17/04/2023	CACEIS Bank, Lux. Branch	292,597
USD	50,451,297	EUR	46,906,799	17/04/2023	CACEIS Bank, Lux. Branch	(503,400)
						<b>508,596</b>

Please refer to Note 10 for collateral received/posted in relation with the forward foreign exchange contracts. These operations on forward foreign exchange contracts are mainly allocated to the classes of shares hedged against exchange risk.

# Candriam Absolute Return

## Notes to the financial statements - Schedule of derivative instruments

### Futures

As at March 31, 2023, the following futures contracts were outstanding:

#### Candriam Absolute Return Equity Market Neutral

Quantity (purchase/(sale))	Description	Currency	Counterparty	Commitment (in EUR) (in absolute value)	Unrealised (in EUR)
<b>Futures on index</b>					
(35)	FTSE 100 IND /202306	GBP	J.P. Morgan SE	3,039,842	(91,709)
(15)	EMINI ENERGY /202306	USD	J.P. Morgan SE	1,203,976	(41,255)
(500)	DJ ESTOXX50D 1225	EUR	J.P. Morgan SE	1,094,000	(405,000)
(4,193)	DJ ESTOXX50D 1223	EUR	J.P. Morgan SE	9,174,284	(10,480,440)
(4,307)	DJ ESTOXX50D 1224	EUR	J.P. Morgan SE	9,423,716	(7,448,520)
5,000	DJ EURO STOXX /202612	EUR	J.P. Morgan SE	10,940,000	6,615,000
4,000	DJ ESTOXX50D /202712	EUR	J.P. Morgan SE	8,752,000	4,095,000
(361)	SP 500 MINI 0623	USD	J.P. Morgan SE	68,271,016	(2,369,898)
(207)	NASDAQ 100 E-MINI	USD	J.P. Morgan SE	50,228,532	(2,019,806)
1,115	EM RUSS 2000 /202306	USD	J.P. Morgan SE	92,492,506	3,726,659
(230)	SWISS MARKET /202306	CHF	J.P. Morgan SE	25,737,382	(1,139,278)
(2,285)	DJ EURO STOXX 50	EUR	J.P. Morgan SE	98,598,893	(3,457,975)
					<b>(13,017,222)</b>

Please refer to Note 9 about Cash at broker related to futures.

# Candriam Absolute Return

## Notes to the financial statements - Schedule of derivative instruments

### Contracts for difference (“CFD”)

As at March 31, 2023, the following CFD contracts were outstanding:

#### Candriam Absolute Return Equity Market Neutral

Quantity	Long / Short position	Currency	Underlying	Counterparty	Commitment (in EUR) (in absolute value)	Unrealised (in EUR)
4,000	Short	USD	AIR PRODUCTS C	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	1,057,426	(21,869)
4,000	Short	USD	CHIPOTLE MEXICAN GRILL - XNYS US	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	6,289,438	(580,165)
5,500	Short	USD	IDEXX LABS CORP	UBS FRANCFORT	2,531,585	(156,832)
6,400	Long	CHF	BELIMO HOLDING L	UBS FRANCFORT	2,843,728	(209,572)
20,500	Long	USD	FTI CONSULTING	UBS FRANCFORT	3,723,756	261,333
60,000	Long	USD	NEXSTAR BROADCASTING GROUP INC	UBS FRANCFORT	9,535,275	(748,861)
60,000	Short	USD	DELPHI AUTOMOTIVE PLC	UBS FRANCFORT	6,195,775	326,384
87,000	Long	USD	GREIF INC -A- XN	UBS FRANCFORT	5,074,500	(818,390)
87,000	Long	USD	BOYD GAMING CORP	UBS FRANCFORT	5,134,558	(77,675)
59,500	Long	USD	NATIONAL FUEL GAZ CO	UBS FRANCFORT	3,162,161	18,073
2,750,000	Long	GBP	CENTRICA PLC	UBS FRANCFORT	3,318,966	75,111
55,000	Long	EUR	ANDRITZ AG	UBS FRANCFORT	3,426,500	184,250
169,000	Long	USD	ACI WORLDWIDE	UBS FRANCFORT	4,196,806	183,552
319,000	Long	USD	ANTERO MIDSTREAM	UBS FRANCFORT	3,080,041	(35,234)
625,000	Short	USD	VERRA MOBILITY -	UBS FRANCFORT	9,733,536	(34,516)
70,000	Short	USD	ROSS STORES INC	UBS FRANCFORT	6,837,958	292,512
59,000	Long	USD	OWENS CORNING SHS	UBS FRANCFORT	5,202,448	(142,280)
156,000	Long	USD	SPROUTS FARMERS MARKET INC	UBS FRANCFORT	5,029,850	607,373
270,000	Long	USD	PBF ENERGY -A-	UBS FRANCFORT	10,775,645	(887,201)
350,000	Long	USD	VISHAY INTERTECHNOLOGY INC	UBS FRANCFORT	7,287,036	380,137
500,000	Long	SEK	SSAB SWEDISH STEEL -B UNKNOWN EQ	UBS FRANCFORT	3,280,668	51,482
27,500	Long	USD	RLI CORP	UBS FRANCFORT	3,364,191	(110,106)
425,000	Long	USD	VF CORP XNYS US	UBS FRANCFORT	8,961,986	(852,777)
140,000	Long	EUR	REXEL SA	BARCLAYS BANK IRELAND PLC	3,073,000	(261,800)
140,000	Long	USD	INSPERITY INC EFFECTIVE	J.P. MORGAN SE	15,662,939	(305,398)
140,000	Long	SEK	TRELLEBORG -B- FREE UNKNOWN EQ	BARCLAYS BANK IRELAND PLC	3,664,655	265,933
88,000	Short	EUR	SANOFI	J.P. MORGAN SE	8,821,120	(937,081)
9,500	Short	USD	IDEXX LABS CORP	BARCLAYS BANK IRELAND PLC	4,372,737	(270,891)
90,000	Long	USD	LANDSTAR SYSTEMS INC	BARCLAYS BANK IRELAND PLC	14,849,648	(15,781)
61,000	Long	USD	ACI WORLDWIDE	BARCLAYS BANK IRELAND PLC	1,514,824	66,252
46,000	Short	USD	NOVARTIS ADR.REP.1SH	J.P. MORGAN SE	3,895,255	(346,339)
50,000	Long	USD	ONE GAS WI	J.P. MORGAN SE	3,646,279	(7,824)
50,000	Long	USD	MAXIMUS INC XNYS	J.P. MORGAN SE	3,621,888	(151,411)
50,000	Long	USD	WEX	J.P. MORGAN SE	8,462,884	(66,365)
300,000	Long	EUR	FINMECCANICA SPA	BARCLAYS BANK IRELAND PLC	3,246,000	41,790
300,000	Long	USD	MURPHY OIL CORP	J.P. MORGAN SE	10,211,238	(855,999)
300,000	Long	USD	ANTERO RESOURCES	J.P. MORGAN SE	6,375,811	(302,044)
300,000	Long	USD	EDISON INTERNATIONAL	UBS FRANCFORT	19,491,923	307,077
25,000	Long	USD	JAZZ PHARMACEUTICALS PLC	J.P. MORGAN SE	3,367,159	133,922
220,000	Long	USD	BRINKS CO	J.P. MORGAN SE	13,526,623	247,043
50,000	Short	USD	J.B. HUNT TRANSPORT SERVICES INC	MORGAN STANLEY EUROPE SE	8,074,923	307,883
50,000	Short	USD	TARGET CORP XNYS	J.P. MORGAN SE	7,622,532	(148,649)
50,000	Short	USD	STERIS - REGISTE	MORGAN STANLEY EUROPE SE	8,802,982	(127,019)
50,000	Short	USD	QUANTA SERVICES INC	MORGAN STANLEY EUROPE SE	7,669,014	(321,690)
50,000	Short	USD	EDWARDS LIFESCIENCES CORP	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	3,807,354	(386,120)
80,000	Long	USD	EAGLE MATERIALS INC	BARCLAYS BANK IRELAND PLC	10,805,836	254,775
150,000	Short	USD	ALASKA AIR GROUP INC	BARCLAYS BANK IRELAND PLC	5,793,180	864,283
70,000	Long	USD	MARRIOTT VACATIONS WORLDWIDE WHE	BARCLAYS BANK IRELAND PLC	8,689,033	(1,115,928)
70,000	Long	USD	POST HOLDINGS IN	J.P. MORGAN SE	5,790,326	12,242
70,000	Long	USD	J2 GLOBAL INC	J.P. MORGAN SE	5,028,763	(10,309)
80,000	Short	USD	LAMB WESTON HOLDINGS REG WI	J.P. MORGAN SE	7,696,258	(267,293)
90,000	Short	USD	CATALENT	J.P. MORGAN SE	5,443,325	273,367
75,000	Long	USD	ENCOMPASS HLTH X	J.P. MORGAN SE	3,734,640	(145,658)

# Candriam Absolute Return

## Notes to the financial statements - Schedule of derivative instruments

### Contracts for difference ("CFD") (Continued)

#### Candriam Absolute Return Equity Market Neutral (Continued)

Quantity	Long / Short position	Currency	Underlying	Counterparty	Commitment (in EUR) (in absolute value)	Unrealised (in EUR)
34,000	Long	USD	GRAND CANYON EDUCATION INC	J.P. MORGAN SE	3,564,453	7,824
100,000	Long	USD	DT MIDSTREAM	BARCLAYS BANK IRELAND PLC	4,544,158	(79,157)
100,000	Long	USD	EURONET SERVICES	MORGAN STANLEY EUROPE SE	10,299,600	226,426
3,000,000	Long	EUR	BANCO SABADELL REG.SHS	BARCLAYS BANK IRELAND PLC	2,966,400	(767,100)
21,000	Long	USD	OWENS CORNING SHS	BARCLAYS BANK IRELAND PLC	1,851,719	(50,642)
33,000	Long	USD	GREIF INC -A- XN	BARCLAYS BANK IRELAND PLC	1,924,810	(310,424)
33,000	Long	USD	BOYD GAMING CORP	BARCLAYS BANK IRELAND PLC	1,947,591	(29,463)
136,000	Long	USD	SCIENCE APPLICAT	BARCLAYS BANK IRELAND PLC	13,451,664	55,078
340,000	Long	USD	RANGE RESOURCES CORP	BARCLAYS BANK IRELAND PLC	8,283,676	(140,826)
316,000	Long	USD	SPROUTS FARMERS MARKET INC	BARCLAYS BANK IRELAND PLC	10,188,670	1,230,319
15,000	Short	USD	WEST PHARMACEUTICAL SERVICES INC	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	4,783,515	(440,701)
15,000	Short	USD	DEERE AND CO	J.P. MORGAN SE	5,700,400	94,850
40,000	Short	USD	SHERWIN WILLIAMS CO	BARCLAYS BANK IRELAND PLC	8,275,392	(212,067)
40,000	Short	USD	STANLEY BLCK DEC	J.P. MORGAN SE	2,966,726	115,974
40,000	Short	USD	TRACTOR SUPPLY CO	BARCLAYS BANK IRELAND PLC	8,653,505	(341,663)
40,000	Short	USD	DOLLAR TREE INC	MORGAN STANLEY EUROPE SE	5,285,103	168,254
40,000	Short	USD	RESMED	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	8,062,589	(483,409)
40,000	Short	USD	CHEVRON CORP	J.P. MORGAN SE	6,007,087	(326,299)
35,000	Long	USD	SELECTIVE INSURANCE GROUP INC	J.P. MORGAN SE	3,071,057	(232,592)
39,000	Long	USD	CACI INTL	BARCLAYS BANK IRELAND PLC	10,635,483	83,998
200,000	Long	USD	OMEGA HEALTHCARE INVESTORS INC	J.P. MORGAN SE	5,045,791	136,223
200,000	Long	USD	TEGNA	J.P. MORGAN SE	3,112,891	(80,998)
200,000	Long	SEK	BEIJER REF - REG	J.P. MORGAN SE	3,225,635	475,035
172,000	Long	USD	PFIZER INC XNYS US	J.P. MORGAN SE	6,459,202	98,155
30,000	Long	USD	REINSURANCE GR AMER	J.P. MORGAN SE	3,665,884	(376,363)
825,000	Long	EUR	BANCO BPM REGISTERED	J.P. MORGAN SE	2,974,125	(429,825)
100,000	Short	USD	TJX COS INC XNYS	BARCLAYS BANK IRELAND PLC	7,212,481	(138,064)
210,000	Long	USD	SILGAN HOLDINGS	MORGAN STANLEY EUROPE SE	10,373,878	(50,255)
210,000	Long	USD	ALPHABET -C- XNAS US	BARCLAYS BANK IRELAND PLC	20,102,168	291,733
170,000	Short	EUR	RANDSTAD HOLDING	MORGAN STANLEY EUROPE SE	9,282,000	761,991
170,000	Short	USD	ROLLINS	MORGAN STANLEY EUROPE SE	5,872,429	(466,289)
170,000	Short	USD	ADVANCED DRAINAGE	UBS FRANCFORT	13,176,584	(748,535)
48,000	Short	USD	BIO-TECHNE CORP	MORGAN STANLEY EUROPE SE	3,277,758	31,810
400,000	Long	USD	TEGNA	MORGAN STANLEY EUROPE SE	6,225,781	(161,995)
400,000	Long	USD	SYNEOS HEALTH INC	MORGAN STANLEY EUROPE SE	13,114,271	(1,634,682)
400,000	Long	USD	TAYLOR MORRISON HOME CORP - A-	MORGAN STANLEY EUROPE SE	14,086,244	854,157
189,000	Long	USD	PATTERSON COS INC	MORGAN STANLEY EUROPE SE	4,656,938	(43,490)
120,000	Short	USD	CERIDIAN --- REGISTERED SHS	UBS FRANCFORT	8,087,257	(132,542)
130,000	Long	USD	H & R BLOCK INC	J.P. MORGAN SE	4,217,866	(154,356)
130,000	Long	USD	TOLL BROTHERS IN	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	7,182,935	318,284
14,000	Short	USD	LINDE PLC XNYS U	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	4,580,202	(179,115)
135,000	Long	USD	HAWAIIAN ELECTRIC INDUSTRIES INC	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	4,771,504	132,956
20,000	Short	USD	OLD DOMINION FREIGHT LINES INC	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	6,274,380	(82,378)
40,000	Long	USD	WILLIAMS-SONOMA	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	4,479,175	39,026
30,000	Short	USD	WALT DISNEY CO X	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	2,764,876	(181,140)
30,000	Short	USD	ZOETIS INC -A- X	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	4,595,886	(135,579)
30,000	Short	USD	ILLUMINA INC XNAS US	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	6,421,372	(1,064,200)
30,000	Short	USD	PROCTER AND GAMBLE CO XNYS US	J.P. MORGAN SE	4,105,757	(214,218)
30,000	Short	USD	BROADCOM - REGIS	BARCLAYS BANK IRELAND PLC	17,714,759	(297,095)
13,000	Long	USD	CHEMED CORP XNYS	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	6,434,488	409,821

# Candriam Absolute Return

## Notes to the financial statements - Schedule of derivative instruments

### Contracts for difference ("CFD") (Continued)

#### Candriam Absolute Return Equity Market Neutral (Continued)

Quantity	Long / Short position	Currency	Underlying	Counterparty	Commitment (in EUR) (in absolute value)	Unrealised (in EUR)
68,000	Long	USD	SENSIENT TECH	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	4,791,827	403,700
140,000	Short	USD	BALL CORP XNYS U	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	7,101,477	(331,170)
170,000	Long	USD	OLIN XNYS US	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	8,684,247	359,888
120,500	Long	USD	FLOWERS FOODS INC	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	3,040,089	23,291
14,500	Long	USD	UNITED THERAPEUTICS CORP SERVICE CORPORATION INTERNATIONAL	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	2,989,019	(64,195)
92,000	Long	USD	NIKE INC XNYS US	J.P. MORGAN SE	4,063,731	74,674
73,350	Short	USD	INSULET	BARCLAYS BANK IRELAND PLC	21,534,094	(729,861)
230,000	Short	USD	BUNGE LTD	BARCLAYS BANK IRELAND PLC	20,221,455	1,600,433
88,000	Long	USD	UNILEVER SPONS A	J.P. MORGAN SE	4,206,213	245,885
240,000	Short	USD	DBLVRFY HLDG ---	UBS FRANCFORT	6,660,224	(914,538)
258,000	Long	CHF	NOVARTIS AG REG SHS XVTX CH	J.P. MORGAN SE	21,773,380	1,817,873
28,000	Long	USD	JOHNSON AND JOHNSON	J.P. MORGAN SE	3,994,662	26,769
28,000	Long	CHF	HELVETIA HLDG --	BARCLAYS BANK IRELAND PLC	3,594,156	248,456
450,000	Long	EUR	TOTAL SA	J.P. MORGAN SE	24,462,000	415,733
120,000	Long	USD	SHELL --- SHS AD	J.P. MORGAN SE	6,355,378	344,277
120,000	Long	USD	GENPACT LTD	MORGAN STANLEY EUROPE SE	5,105,067	86,343
405,000	Short	USD	US FOODS HOLDING CORP	UBS FRANCFORT	13,770,261	(704,729)
115,000	Short	USD	OASIS PETROLEUM	UBS FRANCFORT	14,247,319	(1,389,431)
500,000	Short	USD	AXALTA COATING SYSTEMS	UBS FRANCFORT	13,939,896	(1,126,789)
160,000	Short	USD	AUTOLIV XNYS US	UBS FRANCFORT	13,748,999	(884,525)
415,000	Short	USD	ARAMARK HOLDING	UBS FRANCFORT	13,674,812	(817,471)
73,000	Long	USD	CADENCE DESIGN SYSTEMS INC	J.P. MORGAN SE	14,116,223	198,745
115,000	Long	USD	VALERO ENERGY	J.P. MORGAN SE	14,776,566	1,127,433
155,000	Long	USD	PHILLIPS 66 XNYS	J.P. MORGAN SE	14,463,528	827,651
540,000	Short	USD	CERTARA	BARCLAYS BANK IRELAND PLC	11,983,432	299,511
42,000	Long	USD	MERCK AND CO	J.P. MORGAN SE	4,112,826	63,851
8,000	Long	USD	GRAHAM HOLDINGS CO	J.P. MORGAN SE	4,387,427	67,989
26,000	Short	EUR	ADIDAS NAMEN AKT	J.P. MORGAN SE	4,232,280	(203,489)
145,000	Long	USD	CRANE HOLDINGS C	UBS FRANCFORT	15,147,959	185,455
200,000	Short	EUR	KBC GROUPE SA	CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG	12,660,000	(3,800)
370,000	Long	USD	CNX RSRCS CRP XN	J.P. MORGAN SE	5,455,750	272,447
						<b>(8,146,025)</b>

Please refer to Note 10 for collateral received/posted in relation with the contracts for difference.

# Candriam Absolute Return

## Other notes to the financial statements

### Note 1 - General Information

Candriam Absolute Return (the "SICAV") was set up in Luxembourg on May 5, 2004 as a Fonds Commun de Placement - FCP (Mutual Fund) by FCP Multi Management S.A. for an indefinite period, in accordance with the provisions of the Part I of the Luxembourg law of December 17, 2010 on Undertakings for Collective Investment ("UCIs"), as amended.

The FCP was converted into a SICAV subject to part I of the Law of December 17, 2010 on Undertakings for Collective Investment on March 30, 2012, with effect from April 1, 2012.

The Management Company is Candriam, a partnership limited by shares governed by Luxembourg law having its registered office at SERENITY - Bloc B, 19-21, Route d'Arlon, L-8009 Strassen (hereinafter referred to as the "Management Company").

The SICAV is registered in the Register of Trade and Companies of Luxembourg under the number B-168300. The Articles of Association of the SICAV were published in the Luxembourg official journal ("Mémorial, Recueil des Sociétés et Associations"). They were last amended on October 5, 2020 and the corresponding amendments will be published in the "Recueil Electronique des Sociétés et Associations (hereinafter the "RESA")".

The SICAV is an open-ended investment company with multiple sub-funds. It consists of several sub-funds each of which represent a specific pool of assets and liabilities and correspond to a specific investment policy.

The shares are only available in registered form.

The following sub-fund is currently available to investors:

<u>Sub-fund</u>	<u>Reference currency</u>
Candriam Absolute Return Equity Market Neutral	EUR

<u>Sub-fund</u>	<u>Closing date</u>	<u>Outstanding cash amount as at</u> <u>31/03/2023</u>
Candriam Absolute Return Long Short Digital Equity	28/03/2022	EUR 29,450.40

The outstanding cash in the sub-fund at year-end is held to pay remaining invoices related to expenses already accrued.

The issued share classes are the following:

- A **C class**, which is offered to individuals and legal entities;
- An **I class**, which is reserved exclusively for institutional investors.
- The **I2 class** is a share class with no performance fees which is reserved solely for institutional investors.
- The **PI class** is reserved for institutional investors which subscribe before the sub-fund has attained a critical size in terms of assets under management.  
The minimum initial subscription is EUR 1,000,000, or the equivalent amount in the relevant currency for classes denominated in other currencies (the Board of Directors may adjust this minimum at its discretion provided all shareholders are treated equally on a given valuation day). This class will remain open to subscriptions until one of the following events occurs: (i) the period set by the Board of Directors has expired; (ii) the sub-fund has attained a critical size in terms of assets under management, as defined by the Board of Directors; (iii) the Board of Directors has decided, on justified grounds, to close this class to subscriptions. The Board of Directors has the option of re-opening this share class at its discretion, without being obliged to inform investors beforehand.
- The **R class**, which is reserved for financial intermediaries (including distributors and platforms) which:
  - have separate arrangements with their clients for the provision of investment services related to the sub-fund, and
  - as a result of their applicable laws and regulations or on the basis of agreements with their customers, are not entitled to accept and keep duties, fees and other monetary benefits from the Management Company in connection with the provision of the above-mentioned investment services.
- An **R2 class** reserved for:
  - Distributors and/or intermediaries approved by the Management Company who will not receive any form of remuneration for investments in this class from an entity of the Candriam group, if the final investments in the shares are made in the context of a mandate.
  - UCIs approved by the Management Company.
- An **S class**, which is reserved to institutional investors which have been individually approved by the Management Company, with a minimum initial subscription of EUR 25,000,000 (or, by decision of the Board of Directors, the equivalent amount in any other currency) or the equivalent amount in the relevant currency for classes denominated in other currencies (this minimum may be altered at the Board of Directors' discretion provided that shareholders are treated equally on the same valuation day).
- A **V class**, which is reserved exclusively for institutional investors with a minimum initial subscription of EUR 5,000,000 (or by decision of the Board of Directors, the equivalent amount in any other currency) or the equivalent in currency amount in the relevant currency for classes denominated in other currencies (this minimum may be altered at the Board of Directors' discretion provided that shareholders are treated equally on the same valuation day).

# Candriam Absolute Return

## Other notes to the financial statements

### Note 1 - General Information (Continued)

- The **Z class** is reserved:
  - For institutional/professional investors approved by the Management Company. Since the portfolio management activity for this class is remunerated directly via the contract concluded with the investor, no portfolio management fee will be charged on the assets of this class.
  - For UCIs approved by the Management Company and managed by an entity of the Candriam Group.  
If it appears that an investor no longer meets the conditions for accessing the class in question, the Board of Directors may take all the necessary **measures and**, if necessary, convert the shares into another appropriate class.

These classes may issue shares of the distributing and/or capitalizing type.

- Hedging against fluctuations in the reference currency: the aim of such hedging is to attenuate the effect of exchange-rate fluctuations between the reference currency of the sub-fund and the currency in which the share class is denominated. The aim of this type of hedging is to attain a performance (adjusted in particular for the interest-rate differential between the two currencies) that is reasonably comparable between the hedged class and the (equivalent) class denominated in the reference currency of the sub-fund. This type of hedging will be identified by the addition of the suffix **H** in the name of the class.
- Hedging against the exchange-rate exposure of the assets that make up the portfolio: the aim of such hedging is to attenuate the effect of exchange rate fluctuations between the currencies in which the sub-fund's assets are held and the currency in which the share class is denominated. This type of hedging will be identified by the addition of the suffix **AH** in the name of the class.

The aim of these two types of hedging is to attenuate the exchange-rate risk.

The shares issued are described in detail in the section "Changes in the number of shares outstanding for the exercise" of the various sub-funds.

### Note 2 - Principal accounting policies

The financial statements of the SICAV are prepared in accordance with Luxembourg regulations relating to Undertakings for Collective Investment. Some small discrepancies might appear in some totals or sub-totals in the financial statements due to rounding rules.

The net asset values used for the purpose of the financial statements are dated March 31, 2023. The net asset value of the sole sub-fund has been calculated on April 3, 2023 on the basis of the last known prices at the time of the valuation.

#### a) Valuation of each sub-fund's portfolio

The shares of Undertakings for Collective Investment are valued on the basis of their latest net asset value.

The valuation of any security admitted for trading to an official listing or any other normally operating regulated market which is recognised and open to the public is based on the last rate known in Luxembourg on the valuation date or, if this stock is traded on several markets, on the last known rate on the principal market on which it is traded. If the last known rate is not representative, the valuation shall be based on the probable realisation value as estimated by the Board of Directors with prudence and good faith.

Securities which are neither quoted nor traded on a stock market or any other normally operating regulated market which is recognised and open to the public shall be valued on the basis of the probable realisation value as estimated with due prudence and good faith.

Money-market instruments are valued at "mark-to-market" (valued according to the market interest rate); interest is included in the market value of the security during its lifetime. At maturity, it is accounted for under the heading "Interest on bonds and money market instruments".

Certificates of deposit linked to the Eonia or Federal Fund rate are valued at mark-to-market for purchases on the primary market; the interest is accounted for each time the net asset value is calculated, in the item "Interest receivable, net" in the statement of net assets. In the event of purchases on the secondary market, the purchase value is used initially and will tend linearly towards the face value.

#### b) Net realised profits or losses on sales of investments

The realised profits or losses realised on sales of investments from each sub-fund are calculated based on the average cost of the investments sold.

#### c) Foreign currency translation

The values expressed in a currency other than the reference currency of each sub-fund are translated into that currency at the exchange rate prevailing at closing date.

Income and expenses in a currency other than the reference currency of each sub-fund are translated into that currency at the exchange rates prevailing at the transaction date.

The acquisition cost of securities in each sub-fund expressed in a currency other than the reference currency of the sub-fund is translated into that currency at the exchange rates prevailing at the day of purchase.

Exchange rates used as at March 31, 2023:

1 EUR =	1.622200	AUD	1 EUR =	0.992500	CHF	1 EUR =	0.878700	GBP	1 EUR =	11.266000	SEK
1 EUR =	1.470350	CAD	1 EUR =	7.449300	DKK	1 EUR =	11.378500	NOK	1 EUR =	1.086450	USD

# Candriam Absolute Return

---

## Other notes to the financial statements

### Note 2 - Principal accounting policies (Continued)

#### d) Combined financial statements of the SICAV

The combined statement of the SICAV's net assets and the combined statement of changes in net assets which are expressed in EUR are the sum of the statement of net assets, the statement of changes in net assets of each sub-fund converted into the currency of the SICAV using exchange rates prevailing at the closing date.

#### e) Valuation of options and futures

The valuation of options and futures admitted to an official listing or any other organised market is based on the last known price or, if the option is traded on more than one market, on the basis of the last known price in the market on which the contract was concluded by the SICAV. Options and futures that are not traded on a stock exchange or any other organised market will be valued at their probable market value estimated conservatively and in good faith. The market value of options is included in the statement of net assets under the heading "options (long position) / (short position) at market value".

The realised gains / (losses) and change in unrealised appreciation / depreciation on options are disclosed in the statement of changes in net assets respectively under the headings "Net realised gain / (loss) on options" and "Change in net unrealised appreciation / depreciation on options".

The unrealised appreciation / (depreciation) on futures contracts is disclosed in the statement of net assets under "Net unrealised appreciation / (depreciation) on futures". Changes in the market value of open futures contracts are recorded as unrealised appreciation / depreciation in the statement of changes in net assets under "Change in net unrealised appreciation / depreciation on futures".

Realised gains or losses, representing the difference between the value of the contract at the time it was opened and the value at the time it was closed, are reported at the closing or expiration of futures contracts in the statement of changes in net assets under "Net realised gain / (loss) on futures".

For the details of outstanding options or futures, if any, please refer to the section "Notes to the financial statements - Schedule of derivative instruments".

#### f) Valuation of forward foreign exchange contracts

The forward foreign exchange contracts are valued on the basis of forward exchange rates prevailing at the closing date and applicable to the remaining period until the expiration date. The unrealised appreciation / (depreciation) on forward foreign exchange contracts is disclosed in the statement of net assets under "Net unrealised appreciation / (depreciation) on forward foreign exchange contracts".

Realised gains / (losses) and change in unrealised appreciation / depreciation resulting there from are included in the statement of changes in net assets respectively under "Net realised gain / (loss) on forward foreign exchanges contracts" and "Change in net unrealised appreciation / depreciation on forward foreign exchange contracts".

For the details of outstanding forward foreign exchange contracts, if any, please refer to the section "Notes to the financial statements - Schedule of derivative instruments".

#### g) Valuation of Contracts for difference contracts ("CFD")

Contracts for difference are valued at fair value based respectively on the last known spread curve, rates curve and last known closing price of the underlying asset.

The unrealised appreciation / (depreciation) on CFD is disclosed in the statement of net assets under "Net unrealised appreciation / (depreciation) on CFD". Realised gains / (losses) and change in unrealised appreciation / depreciation resulting there from are included in the statement of changes in net assets respectively under "Net realised gain / (loss) on CFD" and "Change in net unrealised appreciation / depreciation on CFD".

For the details of outstanding CFD contracts, if any, please refer to the section "Notes to the financial statements - Schedule of derivative instruments".

#### h) Reverse repurchase agreements

A reverse repurchase agreement is an agreement by which, in exchange for a sum, the SICAV receives (purchases) transferable securities from a counterparty which agrees to repurchase them at a price and a term specified between the two parties when the agreement is concluded. A reverse repurchase agreement is similar in its effects to a loan granted by the SICAV to the counterparty, the loan being secured by transferable securities. The SICAV accounts for the repurchase agreement as if it were a loan and shows it in the statement of net assets under the heading "Receivable on reverse repurchase agreements / Payable on reverse repurchase agreements". Any interest receivable/payable (in the event of a negative interest rate) on this transaction is accounted for under other assets/other liabilities in the Statement of net assets. A reverse repurchase agreement is generally only of short duration and is not transferable. The SICAV values this type of agreement at cost, which, when combined with accrued interest, provides an approximation of the value at which the securities will be repurchased by the counterparty. The interest received or paid (in the event of negative interest rates) is recorded in the statement of changes in net assets under the heading "Interest on reverse repurchase agreements".

#### i) Formation expenses

Formation expenses are amortised using the straight-line method over 5 years at 20% per annum.



# Candriam Absolute Return

## Other notes to the financial statements

### Note 2 - Principal accounting policies (Continued)

#### j) Transaction costs

For the year ended March 31, 2023, the SICAV incurred transaction costs and broker's charges related to the purchase and sale of transferable securities, money market instruments, other eligible assets and derivatives instruments. Those charges are disclosed in the statement of changes in net assets under the heading "Transaction costs".

Furthermore, in accordance with the practices of the bond markets, a bid-offer spread is applied to securities purchase or sale transactions. According to this principle, the selling and buying prices applied by the broker to a given transaction are not identical and the difference between them constitutes the broker's remuneration.

#### k) Income

Interest income is accrued pursuant to the terms of the underlying investment. Income is recorded net of respective withholding taxes, if any. Dividends are recognised on ex-date.

### Note 3 - Management fees

Candriam (hereinafter the "Management Company"), a partnership limited by shares under Luxembourg law established in Luxembourg on July 10, 1991, has been appointed Management Company of the SICAV. Candriam, having its registered office at SERENITY - Bloc B, 19-21, Route d'Arlon, L-8009 Strassen, is a subsidiary of Candriam Group (previously New York Life Investment Management Global Holdings S.à r.l.), an entity of the New York Life Insurance Company Group.

It has been approved as a Management Company pursuant to Chapter 15 of the amended Law of 2010 on UCIs and is authorized to engage in collective investment portfolio management, investment portfolio management and investment advisory activities.

By virtue of a delegation contract, the Management Company has delegated portfolio management for the sub-fund Candriam Absolute Return Equity Market Neutral, under its supervision, responsibility and at its own expense, to its French subsidiary Candriam - Succursale Francais, a simplified joint-stock company, which registered office is 40, rue Washington, F-75408 Paris Cedex 08. This contract may be terminated by either party giving 90 days written notice.

For each active sub-fund, the Management Company receives management fees as payment for its services, expressed as an annual percentage of the average net asset value of each sub-fund. These fees are payable by the SICAV at the end of each month.

The rates applicable as at March 31, 2023 are as follows

Sub-funds	Share class	Share type	ISIN	Management fee
Candriam Absolute Return Equity Market Neutral	C	Capitalisation	LU1819523264	1.50%
	C - CHF - Hedged	Capitalisation	LU1819523348	1.50%
	C - GBP - Hedged	Capitalisation	LU1819523421	1.50%
	C - SEK - Hedged	Capitalisation	LU2417678336	1.50%
	C - USD - Hedged	Capitalisation	LU2249756789	1.50%
	I	Capitalisation	LU1962513328	0.80%
	I - CHF - Hedged	Capitalisation	LU2249756946	0.80%
	I - GBP - Hedged	Capitalisation	LU2470968335	0.80%
	I - USD - Hedged	Capitalisation	LU2249756862	0.80%
	I2	Capitalisation	LU1962513914	1.50%
	PI	Capitalisation	LU1819523694	0.40%
	R	Capitalisation	LU2337324433	0.80%
	R - CHF - Hedged	Capitalisation	LU2337324607	0.80%
	R - USD - Hedged	Capitalisation	LU2337324516	0.80%
	R2	Distribution	LU1819523850	0.60%
	S5 - GBP - Hedged	Capitalisation	LU2470968418	0.50%
	V	Capitalisation	LU1819524072	0.60%
	V - CHF - Hedged	Capitalisation	LU1819524155	0.60%
	V - GBP - Hedged	Capitalisation	LU1819524239	0.60%
	V - USD - Hedged	Capitalisation	LU1962514565	0.60%
Z	Capitalisation	LU1819524312	0.00%	

The table hereafter reflects the maximum Management fee's annual rate applied to UCITS invested into by Candriam Absolute Return different subfunds as at March 31, 2023:

Target fund	Maximum rate
CANDRIAM MONEY MARKET EURO Z C	0.00%

# Candriam Absolute Return

## Other notes to the financial statements

### Note 4 - Administration fees

#### Central Administration's fees

Under the terms of a Central Administration Agreement, the Management Company has appointed, at its own expense and under its control and responsibility, CACEIS Bank, Luxembourg Branch, with its registered office at 5, Allée Scheffer, L-2520 Luxembourg as registrar and transfer agent and administrative agent. The Central Administration Agreement is concluded for an indefinite period of time and may be terminated by either party with three months' written notice.

CACEIS Bank, Luxembourg Branch operates as the Luxembourg branch of CACEIS Bank, a société anonyme under French law whose registered office is at sis 1-3, place Valhubert, 75013 Paris, France, Trade Register number RCS Paris 692 024 722. It is a credit institution approved and supervised by the European Central Bank (ECB) and the French Prudential Supervision and Resolution Authority (ACPR). The institution is also authorised to perform banking activities and central administration activities in Luxembourg through its Luxembourg branch.

#### Legal Fund Engineering fees

Pursuant to the SICAV Appointment Contract, as payment for its legal fund engineering activities, the Management Company receives handling fees expressed as an annual percentage of the average net asset value of each sub-fund of the SICAV. These fees are payable by the SICAV at the end of every quarter, during the following month at the latest, and according to the breakdown below.

The maximum rates applicable as at March 31, 2023 are as follows:

Sub-funds	Share class	Share type	ISIN	Maximum rate
Candriam Absolute Return Equity Market Neutral	C	Capitalisation	LU1819523264	0.07%
	C - CHF - Hedged	Capitalisation	LU1819523348	0.07%
	C - GBP - Hedged	Capitalisation	LU1819523421	0.07%
	C - SEK - Hedged	Capitalisation	LU2417678336	0.07%
	C - USD - Hedged	Capitalisation	LU2249756789	0.07%
	I	Capitalisation	LU1962513328	0.07%
	I - CHF - Hedged	Capitalisation	LU2249756946	0.07%
	I - GBP - Hedged	Capitalisation	LU2470968335	0.07%
	I - USD - Hedged	Capitalisation	LU2249756862	0.07%
	I2	Capitalisation	LU1962513914	0.07%
	PI	Capitalisation	LU1819523694	0.07%
	R	Capitalisation	LU2337324433	0.07%
	R - CHF - Hedged	Capitalisation	LU2337324607	0.07%
	R - USD - Hedged	Capitalisation	LU2337324516	0.07%
	R2	Distribution	LU1819523850	0.07%
	S5 - GBP - Hedged	Capitalisation	LU2470968418	0.07%
	V	Capitalisation	LU1819524072	0.07%
	V - CHF - Hedged	Capitalisation	LU1819524155	0.07%
	V - GBP - Hedged	Capitalisation	LU1819524239	0.07%
	V - USD - Hedged	Capitalisation	LU1962514565	0.07%
	Z	Capitalisation	LU1819524312	0.07%

### Note 5 - Depositary fees

CACEIS Bank, Luxembourg Branch (hereinafter the "Depositary") has been appointed as Depositary of the assets of the SICAV in accordance with an open-ended agreement. This agreement may be cancelled by either party with 90 days' written notice.

The Depositary charges a commission on the net assets of each sub-fund expressed as an annual percentage of the average net asset value of the sub-fund of the SICAV, as detailed below.

The fees are payable at the end of each quarter, at the latest during the following month.

The maximum rates applicable as at March 31, 2023 are as follows:

Sub-funds	Share class	Share type	ISIN	Maximum rate
Candriam Absolute Return Equity Market Neutral	C	Capitalisation	LU1819523264	0.05%
	C - CHF - Hedged	Capitalisation	LU1819523348	0.05%
	C - GBP - Hedged	Capitalisation	LU1819523421	0.05%
	C - SEK - Hedged	Capitalisation	LU2417678336	0.05%
	C - USD - Hedged	Capitalisation	LU2249756789	0.05%
	I	Capitalisation	LU1962513328	0.05%
	I - CHF - Hedged	Capitalisation	LU2249756946	0.05%
	I - GBP - Hedged	Capitalisation	LU2470968335	0.05%
	I - USD - Hedged	Capitalisation	LU2249756862	0.05%
	I2	Capitalisation	LU1962513914	0.05%
	PI	Capitalisation	LU1819523694	0.05%
	R	Capitalisation	LU2337324433	0.05%
	R - CHF - Hedged	Capitalisation	LU2337324607	0.05%
	R - USD - Hedged	Capitalisation	LU2337324516	0.05%
	R2	Distribution	LU1819523850	0.05%
	S5 - GBP - Hedged	Capitalisation	LU2470968418	0.05%
	V	Capitalisation	LU1819524072	0.05%
	V - CHF - Hedged	Capitalisation	LU1819524155	0.05%
	V - GBP - Hedged	Capitalisation	LU1819524239	0.05%
	V - USD - Hedged	Capitalisation	LU1962514565	0.05%
	Z	Capitalisation	LU1819524312	0.05%

# Candriam Absolute Return

## Other notes to the financial statements

### Note 6 - Performance fees

In remuneration for its portfolio management activities, the Management Company shall also receive a performance fee determined in the following way:

The Management Company receives a performance fee (except for the S and I2 classes, to which a performance fee is not applicable), subject to a high water mark and a hurdle rate, which will apply to the net assets of the sub-funds.

This performance fee will correspond to 20% of the outperformance of the sub-fund (10% for the PI class), as defined below:

- **High water mark:** a first reference asset (high water mark) will be based on the highest net asset value of the sub-fund that has given rise to the acquisition of a performance fee for the Management Company. If no performance fee has been acquired, the initial value of the class will be used as a basis.

- **Hurdle rate:** a second reference asset (hurdle rate) is determined each time the sub-fund is valued, by assuming a theoretical investment of all the subscriptions or redemptions received over the period.

If this rate is negative, a rate of 0% will be applied to determine the hurdle.

- **Out/underperformance:** When the sub-fund is valued, if the outstanding investments, defined as the net book assets after performance fees on redemptions but excluding a provision for performance fees corresponding to the shares still in circulation, is higher than the reference asset (high water mark et hurdle rate), an outperformance is recorded (or an underperformance in the opposite case).

The provision for performance fees on the shares in circulation is adjusted to 20% (10% for the PI class) of the amount of this new outperformance by allocation or writeback of the provision, before calculating the net asset value. The provision for performance fees on the outstanding investments is payable to the Management Company only for the amount existing at the end of the financial year.

The reference period is the financial year.

In the event of redemption, the last reference asset calculated and the previous-day total of all the subscriptions received are reduced in advance proportional to the number of redeemed shares. Similarly, a share of the possible provision for the performance fee on outstanding credits recorded in the accounts at the last valuation is, in proportion to the number of redeemed shares, allocated definitively to a specific personal account. This share of the performance fee is retained by the Management Company as from the date of redemption.

### Candriam Absolute Return Equity Market Neutral

Share class	Class type	Currency	Performance fee rate	Amount of performance fee charged for the year	% on the Share Class NAV of performance fee charges for the year
C	Capitalisation	EUR	20.00%	181	0.00%
C - CHF - H	Capitalisation	CHF	20.00%	0	0.00%
C - GBP - H	Capitalisation	GBP	20.00%	0	0.00%
C - SEK - H	Capitalisation	SEK	20.00%	8	0.00%
C - USD - H	Capitalisation	USD	20.00%	2	0.00%
I	Capitalisation	EUR	20.00%	95	0.00%
I - CHF - H	Capitalisation	CHF	20.00%	0	0.00%
I - GBP - H	Capitalisation	GBP	20.00%	0	0.00%
I - USD - H	Capitalisation	USD	20.00%	6	0.00%
PI	Capitalisation	EUR	10.00%	62	0.00%
R	Capitalisation	EUR	20.00%	54	0.00%
R - CHF - H	Capitalisation	CHF	20.00%	0	0.00%
R - USD - H	Capitalisation	USD	20.00%	0	0.00%
R2	Distribution	EUR	20.00%	0	0.00%
S5 - GBP -	Capitalisation	GBP	20.00%	9,982	0.01%
V	Capitalisation	EUR	20.00%	74	0.00%
V - CHF - H	Capitalisation	CHF	20.00%	0	0.00%
V - GBP - H	Capitalisation	GBP	20.00%	0	0.00%
V - USD - H	Capitalisation	USD	20.00%	0	0.00%
Z	Capitalisation	EUR	20.00%	41	0.00%

The performance fee charged during the year ended March 31, 2023 amounted to EUR 10,505.

# Candriam Absolute Return

## Other notes to the financial statements

### Note 7 - Subscription tax

The SICAV is governed by the Luxembourg tax laws.

By virtue of the legislation and regulations currently in force, the SICAV is subject in Luxembourg to an annual tax of 0.05% of the net asset value of the SICAV; this rate is reduced to 0.01% for the classes reserved for institutional investors. This tax is payable quarterly on the basis of the net asset value of the SICAV calculated at the end of the quarter to which the tax relates.

The Belgian government enacted a law to tax once a year the net asset value of foreign investment funds registered in Belgium. This annual tax is calculated on the net amounts defined as invested in Belgium by Belgian financial intermediaries. In the absence of a sufficient declaration relating to these figures, the tax authority will be entitled to calculate the tax on the entirety of the assets of these sub-funds. The Belgian law of June 17, 2013 comprising fiscal and financial provisions and provisions relating to sustainable development set the rate of the annual tax for Undertakings for Collective Investment at 0.0925% with effect from January 1, 2014.

As a precautionary measure, the SICAV filed a claim with the Belgian tax authority and the Brussels Court of First Instance for the tax to be refunded. At this stage, it is not possible to prejudge the outcome of the dispute or any reimbursement in favour of the SICAV. In a similar case, the Belgian State appealed to the Court of Cassation against the Court of Appeal's rulings in favour of the plaintiff.

The management company was informed that the Court of Cassation ruled against the plaintiff on March 25, 2022. The Court of Cassation (French-speaking chamber) considers that the Brussels Court of Appeal wrongly qualified the Belgian subscription tax as a wealth tax covered by the double taxation convention between Belgium and Luxembourg (which convention attributes the right to tax Luxembourg SICAVs only by Luxembourg and not by Belgium, which justified the claim for reimbursement of the Belgian subscription tax).

The case is referred back to the Court of Appeal of Liège which will be bound by the assessment taken by the Court of Cassation.

Another decision of the Court of Cassation (Dutch-speaking chamber) of April 21, 2022 does not dispute that the Belgian subscription tax is a wealth tax, but considers that the double taxation convention between Belgium and Luxembourg (unlike the one signed with the Netherlands) does not cover in its scope a wealth tax levied in Belgium.

The prospect of a refund is therefore limited and will in any case not be possible in the short term.

### Note 8 - Reverse repurchase agreements

As at March 31, 2023, the following reverse repurchase agreements were outstanding:

#### Candriam Absolute Return Equity Market Neutral

Currency	Nominal	Maturity date	Description	Counterparty	Receivable on reverse repurchase agreements (in EUR)
EUR	52,500,000	02/05/2023	ITALIE 1.901 16-31 22/06S	CACEIS Bank, Lux. Branch	45,018,750
					<b>45,018,750</b>

### Note 9 - Cash at bank and broker

The Cash at bank and broker in the statement of net assets comprises the cash accounts and the cash at broker accounts on future contracts.

The part relating to the cash at broker accounts in Cash at bank and broker included in the statement of net assets as at March 31, 2023 is as follows:

Sub-funds	Currency	Cash at broker
Candriam Absolute Return Equity Market Neutral	EUR	24,503,365

### Note 10 - Collateral

In relation with the OTC derivative instruments, cash collateral has been posted from Barclays Bank Ireland Plc, CACEIS Bank, Lux. Branch, Citigroup Global Markets Europe AG, UBS Europe SE, JP Morgan AG - Germany - LC and Morgan Stanley to:

Sub-funds	Currency	Cash Collateral Posted	Cash Collateral held
Candriam Absolute Return Equity Market Neutral	EUR	(151,620,000)	0

### Note 11 - Changes in portfolio composition

A list including the transactions (sales and purchases) in the investment portfolios is available free of charge at the SICAV's registered office.

### Note 12 - Significant event during the year

With effect as of July 1, 2022 (the "Effective Date"), Candriam Luxembourg has absorbed its subsidiaries Candriam Belgium and Candriam France via a Luxembourg merger by absorption in accordance with Article 1021-1 (et seq.) of the Luxembourg law on commercial companies of 10 August 1915, as amended. As of the Effective Date, the name of Candriam Luxembourg has been changed to Candriam.

## Candriam Absolute Return

---

Other notes to the financial statements

**Note 13 - Subsequent events**

There is no subsequent event.

# Candriam Absolute Return

---

## Additional unaudited information

### Global Risk Exposure

The UCITS uses the absolute "Value at Risk" (VaR) approach, the historical method of calculating the aggregate risk of the sub-funds Candriam Absolute Return Equity Market Neutral. This approach measures the maximum potential loss for a given confidence threshold (probability) over a specific time period under normal market conditions. These calculations are performed on the basis of the following parameters: a confidence interval of 99%, a holding period of one day (converted into a holding period of 20 days) and a data history of three years.

### Risk management - calculation of aggregate risk

#### Candriam Absolute Return Equity Market Neutral

The results of the calculation of the relative VaR for the exercise from April 1, 2022 to March 31, 2023 are:

	<b>VaR 20 days 99%</b>
VaR Min	3.34%
VaR Max	7.54%
Average VaR	5.01%

The expected leverage of this sub-fund will be a maximum of 400%. This leverage is calculated for each derivative product on the basis of the commitment method and is added to the securities portfolio of the sub-fund. The sub-fund may nevertheless be exposed to higher leverages.

The levels of leverage for the year from April 1, 2022 to March 31, 2023 are:

Average Leverage	153.5%
------------------	--------

# Candriam Absolute Return

---

## Additional unaudited information

### Information concerning the remuneration policy:

European Directive 2014/91/EU amending Directive 2009/65/EC on undertakings for collective investment in transferable securities, which is applicable to the SICAV, came into force on 18 March 2016. It is implemented in national law under the Luxembourg Act of 10 May 2016 implementing Directive 2014/91/EU. Due to these new regulations, the SICAV is required to publish information relating to the remuneration of identified employees within the meaning of the Act in the annual report.

Candriam holds a double license, first, as a management company in accordance with section 15 of the Law of December 17, 2010 on undertakings for collective investment and, second, as a manager of alternative investment funds in accordance with the Law of July 12, 2013 relating to alternative investment fund managers. The responsibilities incumbent on Candriam under these two laws are relatively similar and Candriam considers that its personnel is remunerated in the same manner for tasks relating to administration of UCITS and of alternative investment funds.

During its financial year ended on December 31, 2022, Candriam paid the following amounts to its personnel:

- Total gross amount of fixed remunerations paid (excluding payments or benefits that can be considered to be part of a general and nondiscretionary policy and to have no incentive effect on risk management): EUR 16,496,391.
- Total gross amount of variable remunerations paid: EUR 7,603,281.
- Number of beneficiaries: 147.

Aggregate amount of remunerations, broken down between senior management and the members of the personnel of the investment manager whose activities have a significant impact on the funds risk profile. The systems of Candriam do not permit such an identification for each fund under management. The numbers below also show the aggregate amount of overall remunerations at Candriam.

- Aggregate amount of the remunerations of the senior management: EUR 4,123,181.
- Aggregate amount of the remunerations of the members of the personnel of Candriam whose activities have a significant impact on the risk profile of the funds of which it is the management company (excluding senior management): EUR 2,274,454.

Remunerations paid by Candriam to the personnel of its Belgian branch (i.e. Candriam – Belgian Branch), acting as investment manager, during the financial year ended on December 31, 2022:

- Total gross amount of fixed remunerations paid (excluding payments or benefits that can be considered to be part of a general and nondiscretionary policy and to have no incentive effect on risk management): EUR 24,652,347.
- Total gross amount of variable remunerations paid: EUR 10,435,950.
- Number of beneficiaries: 256.

Aggregate amount of remunerations, broken down between senior management and the members of the personnel of the investment manager whose activities have a significant impact on the funds risk profile. The systems of the investment manager do not permit such an identification for each fund under management. The numbers below also show the aggregate amount of overall remunerations at the level of the investment manager.

- Aggregate amount of the remunerations of the senior management: EUR: 5,059,679.
- Aggregate amount of the remunerations of the members of the personnel of the investment manager whose activities have a significant impact on the risk profile of the funds of which it is the investment manager (excluding senior management): EUR 4,582,833.

Remunerations paid by Candriam to the personnel of its French branch (i.e. Candriam – Succursale française), acting as investment manager(s), during the financial year ended on December 31, 2022:

- Total gross amount of fixed remunerations paid (excluding payments or benefits that can be considered to be part of a general and nondiscretionary policy and to have no incentive effect on risk management): EUR 18,384,879.
- Total gross amount of variable remunerations paid: EUR 9,558,325.
- Number of beneficiaries: 202.

Aggregate amount of remunerations, broken down between senior management and the members of the personnel of the investment manager whose activities have a significant impact on the funds risk profile. The systems of the investment manager do not permit such an identification for each fund under management. The numbers below also show the aggregate amount of overall remunerations at the level of the investment manager.

- Aggregate amount of the remunerations of the senior management: EUR 3,634,215.
- Aggregate amount of the remunerations of the members of the personnel of the investment manager whose activities have a significant impact on the risk profile of the funds of which it is the investment manager (excluding senior management): EUR 3,398,975.

The remuneration policy was last reviewed by the remuneration committee of Candriam on January 29, 2021 and was adopted by the Board of Directors of Candriam.

# Candriam Absolute Return

---

## Additional unaudited information

### Transparency of Securities Financing Transactions of Reuse and amending Regulation (SFTR) (EU) N°648/2012

#### a) Global data

With respect to securities lending transactions and total return swaps, the total market value of securities on loan at March 31, 2023 is as follows

##### Reverse repurchase agreement

Sub-fund	Currency	Market value (in absolute terms)	% total net asset value
Candriam Absolute Return Equity Market Neutral	EUR	45,018,750	5.44

#### b) Concentration data

##### Reverse repurchase agreement

The 10 largest counterparties across all reverse repurchase agreements as at March 31, 2023 are as follows:

#### Candriam Absolute Return Equity Market Neutral

Counterparty	Concentration data for open trades
Caceis Bank, Lux. Branch	52,500,000

The 10 largest issuers of collateral received from reverse repurchase agreements activities as at March 31, 2023 are as follows:

Counterparty	Amount of collateral
CACEIS Bank, Lux. Branch	1,499,399
Natixis	7,289

#### c) Safekeeping of collateral received

Each sub-fund has CACEIS Bank, Luxembourg Branch as depositary for collateral received. There is no reuse of collateral related to securities lending transactions.

##### Reverse repurchase agreement

CACEIS Bank, Luxembourg Branch is the sole Depositary of reverse repurchase agreement transactions. All transactions are bilateral transactions.

Collaterals received in relation to reverse repurchase agreements cannot be sold, re-invested or pledged.

#### d) Aggregate transaction data

The maturity tenor of the collateral related to SFTs are the following

##### Reverse repurchase agreement

Sub-funds	Currency	From 1 month to 3 months	From 3 months to 1 year	More than 1 year	Open maturity	Total amount of collateral
Candriam Absolute Return Equity Market Neutral	EUR	0	0	0	45,018,750	45,018,750

Each sub-fund has CACEIS Bank, Luxembourg Branch as depositary for collateral received. All transactions are tri-party transactions. There is no reuse of collateral related to securities lending transactions.



# Candriam Absolute Return

---

## Additional unaudited information

### **Sustainable Finance Disclosure Regulation (SFDR)**

#### **Candriam Absolute Return Equity Market Neutral**

The above-mentioned sub-fund is classified as article 6 under SFDR.

It does not systematically integrate ESG characteristics in the management framework. Nevertheless, sustainability risks are taken into account in investment decisions through the Candriam exclusion policy which exclude some controversial activities.

#### **Taxonomy:**

The investments underlying of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.