



Audited annual report  
**Candriam World Alternative**

30 September 2023

*01.10.2022 – 30.09.2023  
SICAV under Luxembourg Law  
R.C.S. Luxembourg B-82737*



# Candriam World Alternative

SICAV under Luxembourg Law

Audited annual report for the year  
from October 1, 2022 to September 30, 2023



## 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 September 30, 2023	12
Statement of changes in net assets for the year ended September 30, 2023	13
Statistics	14
Investment portfolio as at September 30, 2023	15
Candriam World Alternative Alphamax	15
Candriam World Alternative C Absolute Return	18
Notes to the financial statements - Schedule of derivative instruments	20
Other notes to the financial statements	21
Additional unaudited information	26



## Administration of the SICAV

### **Board of Directors**

#### ***Chairman***

Tanguy de VILLENFAGNE  
Advisor to the Group Strategic Committee  
Candriam

#### ***Directors***

Fabrice CUCHET  
COO, Member of Group Strategic and Executive Committees  
Candriam

Bertrand GIBEAU  
Independent Director

Damien ROL  
Deputy Global Head of Legal  
Candriam

Koen VAN DE MAELE  
Global Head of Investment Solutions  
Candriam

### **Registered Office**

5, Allée Scheffer  
L-2520 Luxembourg

### **Depositary and Principal Paying Agent**

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

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

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

### **Alternative Investment Fund Manager (“AIFM”)**

Candriam  
SERENITY - Bloc B  
19-21, Route d’Arlon  
L-8009 Strassen



## Details about the SICAV

The net asset value per share and the subscription, redemption and conversion prices are published each valuation day at the SICAV's registered office. The financial year begins on October 1, each year and ends on September 30, of the following year.

The SICAV publishes a detailed annual report on its activities and the management of its assets which includes the statement of net assets and the statement of changes in net assets expressed in EUR, a detailed listing of the fund's assets and the audit report.

In addition, it publishes a semi-annual report, detailing, with regard to each sub-fund, the statement of net assets, the composition of the securities portfolio, the number of outstanding shares and the net asset value per share.

The shares are only available in registered form.

The prospectus, the SICAV's Articles of Incorporation and financial reports are available free of charge at the SICAV registered office. Statements of movements in the securities portfolios are available free of charge upon request from the SICAV's registered office.

An Annual General Meeting of Shareholders is held each year at the registered office of Candriam World Alternative (the "SICAV"), or at any other place in Luxembourg which will be specified on the convocation.

It is held within six months of the end of the financial year.

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

These notices state the time and place of the General Meeting and the conditions of admission, the agenda and the requirements under Luxembourg law regarding quorums and necessary majorities.

Financial notices or all other information are sent to the shareholders at their address recorded in the register of shareholders, in accordance with the legislation currently in force. They are also published in the press of the countries in which the SICAV is marketed, if the legislation of those countries so requires.



## Report of the Board of Directors

### Economic and financial background

In the United States, in the fourth quarter of 2022, like the global manufacturing sector, the ISM manufacturing index falls below 50, in response to the stronger dollar and global economic slowdown. By contrast, the service sector remains buoyant. Although the pace of monthly job creation is slowing slightly, it is still in excess of 200,000. Core inflation is still 5.7% in December 2022, and services inflation is 7.5%. 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, then by 50 basis points (to 4.5%) in mid-December. All in all, 2022 was a year of the unexpected, with a conflict on Europe's doorstep, much higher inflation than expected, the biggest monetary tightening since 1980 and, despite everything, growth of 1.9% in 2022 after 5.8% in 2021. All in all, the events of 2022 led the stock market to close the year down 19.4% at 3840, despite a rebound of over 7% in the final quarter. As for the ten-year rate, it changed little over the last quarter. It ended the year at 3.83%, an increase of 233 basis points over 2022. In January and February 2023, with the exception of residential real estate (-9% in 2022 vs. 2021) and despite past rate hikes by the Federal Reserve, the vast majority of indicators do not point to a sharp slowdown. Around 700,000 new jobs were created. The ISM service sector index stood at 55.1 in February. This environment briefly pushed the ten-year rate above 4% in early March. However, the closure by the authorities of the 16e largest US bank (Silicon Valley Bank) on March 10, following excessive deposit outflows, and, a few days later, of Signature Bank, have raised fears of contagion to other medium-sized banks. The FDIC, in consultation with the Federal Reserve and the US Treasury, can invoke a "Systemic Risk Exception", allowing it to insure all the deposits of these two banks (insured deposits (< \$250,000) and uninsured deposits). To avoid a liquidity problem, the Fed opened a new borrowing facility (BTFP - Bank Term Funding Program), the special feature of which is that the government bonds used as collateral are valued at par and not at market price. With the authorities in charge, the risk of contagion diminishes and stress on financial markets is reduced. In addition, thanks to reduced tensions in supply chains and lower energy and industrial metal prices, total inflation in the first few months of 2023 is falling steadily (5% in March 2023). Underlying inflation is no longer falling, hovering around 5.5. Indeed, while goods inflation is slowing, the "real estate" component of inflation (over 30% of CPI) and that of non-real estate services are not. What's more, although wage growth is slowing down, it is still significant and an important input in the price of services. These are the reasons why, despite the developments in March, the Federal Reserve raised its key rate twice: first, on February 1, by 25 basis points to 4.75% and then, on March 22, by a further 25 basis points to 5%. At the end of March, the ten-year rate was 35 basis points lower at 3.48% than at the end of 2022. The stock market grew by 7%. Indeed, the latest developments have led to a downward revision of the Fed's terminal rate and thus the potential drag on the economy. In the second quarter, as in the rest of the world, the manufacturing sector experienced sluggish growth, while the service sector grew steadily. Over 600,000 new jobs were created during the quarter, while wage growth and underlying inflation slowed only slowly. The unemployment rate is 3.6%. GDP growth for the 2th quarter was 0.5% quarter-on-quarter. This led the Federal Reserve to raise its key rate by 25 basis points to 5.25% on May 3. At the FOMC meeting on June 14, the Federal Reserve announced a pause in its tightening cycle. This underpins the performance of the stock market, which rose - particularly in June - by 8.3% over the quarter, driven by the excitement surrounding companies linked to artificial intelligence. The ten-year rate rose by 33 basis points to 3.81%. In the third quarter, despite a 525 basis point tightening and Fitch's downgrading of the US debt rating at the beginning of August, the US economy continued to create more than 750,000 jobs over the quarter, the unemployment rate stood at 3.8%, the ISM service sector index remained buoyant, and retail sales and other economic indicators continued to perform well. As a result, on September 20, the Federal Reserve raised its key rate by 25 basis points to 5.5%. These developments are leading the market to anticipate that the US will not go into recession and that the Fed will keep rates higher for longer, despite underlying inflation falling to 4.4% (in August). During the quarter, caught between the absence of any prospect of recession in the United States and OPEC+ production cuts, the price of oil continued to climb. Both Brent and WTI exceeded \$90 a barrel at the end of September (compared with around \$70 at the beginning of July). All this pushed the ten-year rate to 4.57% at the end of September (the highest level since October 2007), 77 basis points higher than at the end of June. Over the same period, in response to the sharp rise in interest rates, the stock market fell by 3.6%.



## Report of the Board of Directors

### Economic and financial background (Continued)

In the euro zone, at the start of the fourth quarter of 2022, in order to counteract the fall in oil prices expected 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 cut production by 2 mbpd from November onwards. To ensure that inflation expectations remain anchored, especially as European governments announce more or less substantial economic support programs, the European Central Bank (ECB) raised its key rate twice: first by 75 basis points at the end of October, 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 fall in gas prices in the fourth quarter has eased the pressure somewhat, allowing us to forecast slightly less unfavorable growth for 2023. This outlook led to strong growth in the stock market in the fourth quarter (+12.5%). In spite of this, developments in 2022 are weighing on our sales, which are down by 14.5% over the year. Following the ECB's mid-December announcements (continued monetary tightening and reduction of the Asset Purchase Programme), the German ten-year yield ended December on a higher note. This closes the year at 2.56%, an increase of 274 basis points over 2022. In the first quarter 2023, while total inflation (6.9% in March) has been falling steadily since its peak in October 2022, core inflation has been rising steadily (5.7% in March) in a context where the labor market remains tight. The unemployment rate is 6.6% and wage growth is strong. In addition, with gas prices continuing to fall, these conditions are leading to an upward revision of growth forecasts and expectations of terminal ECB rates. On February 2, the latter raised its key rate by 50 basis points to 3%. Despite developments in the US banking system, the ECB raised its key rate by 50 basis points to 3.5% at its meeting on March 16. Indeed, as Christine Lagarde points out, the European banking sector is resilient, well capitalized and has no liquidity problems. The other reason is the ECB's latest macroeconomic forecasts, which show that inflation is likely to remain too high for too long. Over the weekend of March 18 and 19, the Swiss National Bank and the Swiss Financial Market Supervisory Authority are organizing the takeover of Credit Suisse by UBS. All in all, at the end of March, compared with the end of 2022, the German ten-year rate fell by 27 basis points to 2.3%. The stock market grew by 11.9%. In the second quarter, both the manufacturing and services PMI indices deteriorated. However, the PMI for the services sector remains above 50. Compared with the start of the year, consumer confidence is improving, but this improvement is becoming more heterogeneous among eurozone countries. The labor market, for its part, remains in good shape, suggesting that purchasing power will improve as inflation falls. While total inflation continues to slow (5.5% in June), core inflation is showing more downward rigidity (5.5% in June). For this reason, the ECB raised its key rate twice, on May 4 and June 15 respectively, each time by 25 basis points. At the end of June, the ECB's key rate was 4%, the German ten-year yield was 2.39% and the stock market was up 1.0% over the quarter. Between the third quarter of 2022 and the second quarter of 2023, GDP in the eurozone will rise by just 0.1%. The main reason for this is the energy shock, which has had a severe impact on household purchasing power and business activity, even though it has been partially offset by government subsidies. In the third quarter, despite the differing domestic dynamics of the eurozone and the United States, European yields will evolve throughout the quarter, in tandem with US yields... but with less amplitude. Although inflation is falling, it remains high (5.2% in August) and core inflation is decelerating even more slowly (5.3% in August). This is why the ECB raised rates twice during the quarter (first by 25 basis points to 4.25% on July 27, then by 25 basis points to 4.5% on September 14). In this environment of higher interest rates, business is slowing down. While the eurozone manufacturing PMI has remained below 50 for the past fifteen months, the services PMI fell below 50 in August. It is becoming clear that growth in the eurozone will be sluggish at best in the short term, especially as production cuts by OPEC+ countries are weighing on the price of Brent crude, which averaged over \$90 a barrel in September. The only really positive aspect of the eurozone economy is the labor market, which remains tight. Unemployment is very low (6.4% in August) and wage growth remains fairly high. This helps household consumption to hold up and provides support for growth. Overall, the German ten-year rate ended the quarter up forty-two basis points at 2.81%. The stock market lost 4.6% over the same period, suffering from higher interest rates and weak growth.

## Report of the Board of Directors

### Economic and financial background (Continued)

#### Candriam World Alternative C Absolute Return

The investment team received instruction on February 11th of 2021 to unwind the investment mandate. Immediate action was taken to organize an orderly liquidation of the investment vehicle. During the last 12 months, the investment team continued to execute the divestment of the sub-fund as instructed.

#### Candriam World Alternative Alphamax

After a rapid and violent asset risk premia repricing during the year of 2022, the market environment during the last 12 months ending in September 2023 can be characterized as relatively benign compared to investor's expectations going into 2023. Consensus views of an economical hard landing did not materialize, especially in the United States where the strength of private consumption contributed to the resilience of the economy. This helped equity indices rebound from the 2022 lows. On the fixed income side, while front end rates remained strongly anchored to Central Banks tightening programs, long-term rates were volatile during the last year. Throughout the year, investors were reviewing mixed signals coming from the different data sources. On one hand, inflation and economic growth were progressively slowing down and pointing in the right direction, but on the other hand, employment data and private consumption levels remained strong. As a consequence, fixed income strategies with long duration were relatively volatile throughout the last 12 months period.

During the 4th quarter of 2022, a growing part of the investment community anticipating a soft-landing in the American and European economy. This led to a reversal of trends in rates, currencies but also in equities, helped by an improvement of sentiment in China following a reduction of Covid related restriction and the reopening of the country to the outside world. Long-Short Equity was the biggest positive contributor to performance. This allocation is diversified by designed in terms of style, sector and geographic focus. Although equity markets were relatively favorable for strategies with embedded directionality, we expected to generate positive returns from managers that are specialists with net exposures that are low to moderate. Our weighted average net exposure for our Long-Short Equity managers equals 4.3% which, rebased, is just over 10% net exposure. The remaining sub-strategies were flat to slightly positive.

The 1st quarter of 2023 was a tense market with investors eager to see past through the current uncertainties regarding projections of economic and earnings growth. This situation led to market dynamics where long duration assets, the laggards of 2022, outperformed cyclical sectors such as energy, financials and materials. Curiously, although the quarter was very challenging and volatile, the drop in sovereign yields, mainly in US treasuries, seemed to be the only material trace in financial asset valuations that we came close to a banking systemic crisis. The debt ceiling issue in the biggest economy in the world was an issue to be addressed and inflation, although showing signs of pointing in the right direction, was far from being a problem from the past. Our fund performance was slightly negative during the month of March. Our biggest detractors during the period were strategies negatively impacted by the important rally on sovereign issues and certain short thematic. Despite the collapse of several banks in the US and the provision of emergency liquidity lines to assure financial stability, equity markets have rallied. We were positioned for a more bearish scenario and the correction of equities and sectors whose valuations appeared to be stretched taking into account current economic fundamentals. Despite poor alpha generation across the industry, the fund displayed strong resilience during the quarter keeping the gains of 2022 and generating a slightly negative return for the quarter.

During the first half of the year, one can say that the bulls have taken the upper hand over the bears. Despite the occurrence of a banking crisis and the many political and economic challenges that lie ahead, market volatility remained muted on the back of a resilient US economy. Although the world economy is still pointing to a slowdown, the resilience of the US consumer has supported the case for a soft-landing or shallow recession scenario. All these uncertainties contributed to a relatively noisy market environment where the inflation is pointing in the right direction but not decreasing quick enough, where the economy is cooling but not as much as expected. Alpha driven strategies continued to display difficulties to outperform over the short term in a market that was relatively directional and with low breadth. The fund generated a positive but muted performance during the quarter driving positive contributions from allocations to Long-Short Equity, Quantitative strategies and Emerging Markets.

During Q3, Candriam World Alternative Alphamax was up more than 1%. All the strategies but one, Emerging Markets, were positive. The main performance drivers were Quantitative Strategies, Long-Short Equity and Fixed Income arbitrage. Quantitative strategies benefitted from the positive performance of their sub strategies in futures, commodities statistical arbitrage, and volatility. Within Fixed income and Macro funds posted solid positive returns benefitting from the volatility on the relative value side as well as the steepening of the US yield curves and the ongoing trend for higher rates. Our core Fixed Income Arbitrage strategy was able to recover its March drawdown and is back on positive territory. The Long/Short strategy, which suffered from low dispersion during the 1st quarter, is now back on track helped by dispersion and much rational behavior, both on long and short positions. Event driven was supported mainly by the tightening of the spreads on the M&A. The 3rd quarter was strong for our strategy despite a poor performance of the equity market and the bond market, both down mid-single digit returns. This emphasis once more on our decorrelation from traditional asset classes.





## Audit report

To the Shareholders of  
**Candriam World Alternative**

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### Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Candriam World Alternative (the “Fund”) and of each of its sub-funds as at 30 September 2023, and of the results of their operations and changes in their 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 30 September 2023;
- the statement of changes in net assets for the year then ended;
- the investment portfolio as at 30 September 2023; 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.

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### 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.

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### 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.

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*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)  
R.C.S. Luxembourg B 65 477 - TVA LU25482518*



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.

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#### **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 and each of its sub-funds' 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 close any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

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#### **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 or any of its sub-funds' 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 or any of its sub-funds (except for C Absolute Return where an intention to liquidate exists) 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, 8 February 2024

Sébastien Sadzot



## Statement of net assets as at September 30, 2023

		Candriam World Alternative Alphamax	Candriam World Alternative C Absolute Return	Combined
		EUR	EUR	EUR
<b>Assets</b>				
Investment portfolio at market value	2a	122,572,343	258,260	122,830,603
Cash at bank and broker		1,767,530	278	1,767,808
Receivable for investments sold		1,012,423	0	1,012,423
Receivable on subscriptions		956,214	0	956,214
Other assets		359,356	0	359,356
<b>Total assets</b>		<b>126,667,866</b>	<b>258,538</b>	<b>126,926,404</b>
<b>Liabilities</b>				
Payable on investments purchased		595	0	595
Payable on redemptions		4,984,740	0	4,984,740
Net unrealised depreciation on forward foreign exchange contracts	2e	22,587	0	22,587
Central Administration's fees payable	4	9,829	38	9,867
Legal Fund Engineering fees payable	4	3,274	6	3,280
Depositary fees payable	5	3,311	13	3,324
Management fees payable	3	45,470	104	45,574
Performance fees payable	6	49,436	0	49,436
Subscription tax payable	7	5,128	4	5,132
Other liabilities		37,035	26,115	63,150
<b>Total liabilities</b>		<b>5,161,405</b>	<b>26,280</b>	<b>5,187,685</b>
<b>Total net assets</b>		<b>121,506,461</b>	<b>232,258</b>	<b>121,738,719</b>



## Statement of changes in net assets for the year ended September 30, 2023

		Candriam World Alternative Alphamax	Candriam World Alternative C Absolute Return	Combined
		EUR	EUR	EUR
<b>Net assets at the beginning of the year</b>		<b>154,463,750</b>	<b>2,460,757</b>	<b>156,924,507</b>
<b>Income</b>				
Bank interest		133,447	8,321	141,768
Other income		766	0	766
<b>Total income</b>		<b>134,213</b>	<b>8,321</b>	<b>142,534</b>
<b>Expenses</b>				
Management fees	3	999,752	3,423	1,003,175
Performance fees	6	49,806	0	49,806
Administration fees		65,239	287	65,526
<i>Central Administration's fees</i>	4	23,846	100	23,946
<i>Legal Engineering fees</i>	4	41,393	187	41,580
Audit fees		34,612	145	34,757
Depository fees	5	6,851	29	6,880
Subscription tax	7	35,607	56	35,663
Transaction costs	2f	11,104	101	11,205
Bank interest		15,234	0	15,234
Other expenses		74,378	558	74,936
<b>Total expenses</b>		<b>1,292,583</b>	<b>4,599</b>	<b>1,297,182</b>
<b>Net income / (loss) from investments</b>		<b>(1,158,370)</b>	<b>3,722</b>	<b>(1,154,648)</b>
Net realised gain / (loss) on sales of investments	2b	14,279,842	43,995	14,323,837
Net realised gain / (loss) on forward foreign exchange contracts	2e	1,099,746	20,670	1,120,416
Net realised gain / (loss) on foreign exchange		2,080,090	(514)	2,079,576
<b>Net realised gain / (loss)</b>		<b>16,301,308</b>	<b>67,873</b>	<b>16,369,181</b>
Change in net unrealised appreciation / depreciation on investments	2a	(14,004,204)	(94,562)	(14,098,766)
Change in net unrealised appreciation / depreciation on forward foreign exchange contracts	2e	1,324,737	(1,810)	1,322,927
<b>Net increase / (decrease) in net assets as a result of operations</b>		<b>3,621,841</b>	<b>(28,499)</b>	<b>3,593,342</b>
<b>Evolution of the capital</b>				
Subscriptions of shares		49,469,471	0	49,469,471
Redemptions of shares		(86,048,601)	(2,200,000)	(88,248,601)
<b>Net assets at the end of the year</b>		<b>121,506,461</b>	<b>232,258</b>	<b>121,738,719</b>



## Statistics

### Candriam World Alternative Alphamax

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 30.09.2023	Net asset value per share as at 30.09.2022	Net asset value per share as at 30.09.2021
<b>Total net assets</b>			<b>EUR</b>		<b>121,506,461</b>	<b>154,463,750</b>	<b>181,952,783</b>
C	LU0132841213	Capitalisation	EUR	4,320.02	1,710.68	1,678.96	1,617.26
C - USD - Hedged	LU0273059542	Capitalisation	USD	524.72	2,053.96	1,953.33	1,858.94
I	LU0132841726	Capitalisation	EUR	18,023.87	1,957.91	1,908.12	1,827.14
I - USD - Hedged	LU0273059971	Capitalisation	USD	1.02	2,295.01	2,184.39	2,066.43
R2	LU1565455547	Capitalisation	EUR	64,059.81	171.62	166.81	159.32
R2 - USD - Hedged	LU1565456271	Capitalisation	USD	11,800.04	189.33	180.24	170.66
V	LU1565457089	Capitalisation	EUR	9,739.82	1,743.83	1,691.48	1,612.13
Z	LU1565474506	Capitalisation	EUR	19,286.51	1,562.75	1,512.55	-
Z2	LU2521065370	Capitalisation	EUR	11,466.25	1,533.07	-	-

### Candriam World Alternative C Absolute Return

Name	ISIN	Share type	Currency	Number of shares outstanding	Net asset value per share as at 30.09.2023	Net asset value per share as at 30.09.2022	Net asset value per share as at 30.09.2021
<b>Total net assets</b>			<b>EUR</b>		<b>232,258</b>	<b>2,460,757</b>	<b>2,431,813</b>
I	LU1062026569	Capitalisation	EUR	219.46	1,058.33	1,147.24	1,133.74



Candriam World Alternative Alphamax

Investment portfolio as at September 30, 2023

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Closed-ended funds</b>				
<b>Cayman Islands</b>				
ABSOLUTE ACTIVIST VALUE LIMITED S EUR	252	EUR	0	0.00
ABSOLUTE EUROPEAN CATALYST FUND LIMITED S EUR	32,400	EUR	0	0.00
ABSOLUTE OCTANE FUND LIMITED S EUR	1,419	EUR	0	0.00
ABSOLUTE RETURN EUROPE FUND S EUR	1,168	EUR	0	0.00
			<b>0</b>	<b>0.00</b>
<b>Total closed-ended funds</b>			<b>0</b>	<b>0.00</b>
<b>Open-ended funds</b>				
<b>Bermuda</b>				
LYNX 1.5 -B-	264	EUR	823,720	0.68
			<b>823,720</b>	<b>0.68</b>
<b>Cayman Islands</b>				
1798 VOLANTIS CATALYST FUND E EUR	4,810	EUR	1,571,216	1.29
ALPHADYNE GLII C6 A EU S 2304	1,534	EUR	1,641,393	1.35
ATHANOR INTERNATIONAL LIMITED A NR S1 0619 USD	346	USD	154,159	0.13
BLACKROCK STRATEGIC EQUITY	8,919	EUR	4,033,875	3.32
BREVAN HOW PT CL F EUR NR S1 23	19,317	EUR	1,821,815	1.50
BREVAN HOWARD ALP ST E2 01 23	38,351	EUR	3,734,642	3.07
CAPULA GLOBAL RELATIVE LIMITED E EUR	25,947	EUR	7,904,401	6.51
CAPULA GLOBAL RELATIVE VALUE FUND H EUR	15,926	EUR	2,125,166	1.75
CAPULA TAC MAC B EUR 03.23	10,000	EUR	1,002,207	0.82
DE SHAW OCULUS INTERNATIONAL FD ALPHAMAX USD	9,466	USD	8,940,660	7.36
DORSAL CAPITAL PARTNERS LIMITED A USD	1,650	USD	3,380,377	2.78
GEMSSTOCK FD CL D EUR UR 43	14,885	EUR	1,497,134	1.23
HARVEST SMALL CAP CL D S4 2023	1,296	USD	1,266,289	1.04
HARVEST SMALL CAP OFFSHORE LIMITED D 0108 USD	1,168	USD	5,995,610	4.93
KUVARI FOCUS FD C RES 180423	937	EUR	931,835	0.77
LMR FUND LIMITED E NON REST S1 EUR	33,132	EUR	7,553,843	6.22
LMR MULTI ST LTD CLAS E NR S25	3,773	EUR	385,316	0.32
MASSAR MAC COM B1 0623	526	USD	490,017	0.40
MASSAR MACRO COMMODITY FUND SUB T1 USD	1,407	USD	2,577,686	2.12
SELIGMAN TECH SPECTRUM OFFSHORE B1 0515 EUR	14,343	EUR	3,883,561	3.20
SRS PARTNERS LIMITED B 1A S1 USD	654	USD	3,936,390	3.24
SRS PARTNERS LTD A 1 S1 INIT USD	168	USD	993,121	0.82
TACONIC OPPORTUNITIES FUND M EUR	3,193	EUR	3,990,701	3.28
YARAKA FD CL A UNR SER 1 MAR04	339	USD	3,258,099	2.68
ZP OFF UTILITY LTD CL B 0723	1,549	USD	1,443,104	1.19
			<b>74,512,617</b>	<b>61.32</b>
<b>Ireland</b>				
MAGA SMLL CO EUR-AC	8,952	EUR	1,384,172	1.14
MW EUREKA -B2- EUR UNRES	16,861	EUR	4,372,037	3.60
ODDO BHF MERGER ARBITRAGE RESTRICT	1,045	EUR	2,839,837	2.34
ORSAY MERGER -3- EUR RESTRICTED	438	EUR	1,076,135	0.89
			<b>9,672,181</b>	<b>7.96</b>
<b>Jersey</b>				
BREVAN HOWARD FUND I EUR	30,063	EUR	4,563,920	3.76
			<b>4,563,920</b>	<b>3.76</b>
<b>Luxembourg</b>				
ENERGY DYNAMICS FUND LIMITED B EUR	18,808	EUR	3,583,327	2.95
GIM PSF LONG SHORT FUND A042012 CAP EUR	5,725	EUR	1,432,794	1.18
THE CANYON VALUE REALISATION FUND A USD	341	USD	3,520,486	2.90
			<b>8,536,607</b>	<b>7.03</b>
<b>United Kingdom</b>				
GEMSSTOCK FUND D EUR	4,984	EUR	951,681	0.78
			<b>951,681</b>	<b>0.78</b>
<b>United States of America</b>				
ENCOMPASS CAPITAL FUNDD OFF A 2 SR 1 UNR	1,661	USD	6,289,606	5.18

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 World Alternative Alphamax

Investment portfolio as at September 30, 2023

Description	Quantity	Currency	Market value (in EUR)	% net assets
			<b>6,289,606</b>	<b>5.18</b>
<b>Virgin Islands (UK)</b>				
FARALLON CAPITAL OFFSHORE INVESTORS INC D USD	78,386	USD	1,651,298	1.36
STRATUS FEEDER LTD -E- 1.5 LEVERAGE	961	EUR	2,704,361	2.23
STRATUS FUND LTD E 1.5 LEVERAGE EUR	855	EUR	7,366,587	6.06
			<b>11,722,246</b>	<b>9.65</b>
<b>Total open-ended funds</b>			<b>117,072,578</b>	<b>96.35</b>
<b>Open-ended funds with side pocket</b>				
<b>Cayman Islands</b>				
TAL CHINA FOCUS FUND CL A DI 1 USD	1,729	USD	102,226	0.08
TAL CHINA FOCUS FUND CL A DI 2 USD	466	USD	155,061	0.13
TAL CHINA FOCUS FUND CLASS A USD	10,584	USD	5,242,478	4.31
			<b>5,499,765</b>	<b>4.53</b>
<b>Total open-ended funds with side pocket</b>			<b>5,499,765</b>	<b>4.53</b>
<b>Total investment portfolio</b>			<b>122,572,343</b>	<b>100.88</b>
Acquisition cost			88,182,053	

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 World Alternative Alphamax

Geographical and economic breakdown of investments as at September 30, 2023

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

Cayman Islands	65.85
Virgin Islands (UK)	9.65
Ireland	7.96
Luxembourg	7.03
United States of America	5.18
Jersey	3.76
United Kingdom	0.78
Bermuda	0.68
	<b>100.88</b>

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

Investments funds	66.85
Banks and other financial institutions	31.13
Healthcare	2.90
	<b>100.88</b>



## Candriam World Alternative C Absolute Return

Investment portfolio as at September 30, 2023

Description	Quantity	Currency	Market value (in EUR)	% net assets
<b>Closed-ended funds</b>				
<b>Cayman Islands</b>				
ABSOLUTE ACTIVIST VALUE LIMITED S EUR	48	EUR	0	0.00
ABSOLUTE EUROPEAN CATALYST FUND LIMITED S EUR	10,339	EUR	0	0.00
ABSOLUTE OCTANE FUND LIMITED S EUR	54	EUR	0	0.00
ABSOLUTE RETURN EUROPE FUND S EUR	179	EUR	0	0.00
			<b>0</b>	<b>0.00</b>
<b>Total closed-ended funds</b>			<b>0</b>	<b>0.00</b>
<b>Open-ended funds</b>				
<b>Luxembourg</b>				
CANDRIAM MONEY MARKET EURO AAA Z C	80	EUR	86,166	37.10
			<b>86,166</b>	<b>37.10</b>
<b>Total open-ended funds</b>			<b>86,166</b>	<b>37.10</b>
<b>Open-ended funds with side pocket</b>				
<b>Cayman Islands</b>				
TAL CHINA FOCUS FUND CL A DI 1 USD	1,157	USD	68,377	29.44
TAL CHINA FOCUS FUND CL A DI 2 USD	312	USD	103,717	44.66
			<b>172,094</b>	<b>74.10</b>
<b>Total open-ended funds with side pocket</b>			<b>172,094</b>	<b>74.10</b>
<b>Total investment portfolio</b>			<b>258,260</b>	<b>111.20</b>
Acquisition cost			212,253	



## Candriam World Alternative C Absolute Return

Geographical and economic breakdown of investments as at September 30, 2023

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

Cayman Islands	74.10
Luxembourg	37.10
	<b>111.20</b>

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

Banks and other financial institutions	74.10
Investments funds	37.10
	<b>111.20</b>



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

### Forward foreign exchange contracts

As at September 30, 2023, the following forward foreign exchange contracts were outstanding:

#### Candriam World Alternative Alphamax

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Counterparty	Unrealised (in EUR)
EUR	49,542,779	USD	52,607,000	30/11/2023	CACEIS Bank, Lux Branch	(24,097)
USD	3,304,127	EUR	3,111,670	30/11/2023	CACEIS Bank, Lux Branch	1,510
						<b>(22,587)</b>

Please refer to Note 8 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.



Other notes to the financial statements

**Note 1 - General Information**

Candriam World Alternative (hereafter the “SICAV”) is an open-ended investment company subject to Luxembourg law, established in Luxembourg on July 6, 2001 for an indefinite period pursuant to the provisions of Part II of the law of December 17, 2010 relating to undertakings for collective investment as amended, and the Law of August 10, 1915 on commercial undertakings, as amended. The SICAV is described as an alternative investment fund within the meaning of the law of July 12, 2013 relating to alternative fund managers and its implementing regulations (hereinafter the “AIFM Law”). The AIFM of the SICAV is Candriam Luxembourg since December 17, 2010.

The SICAV’s Articles of Association were published in the “Mémorial, Recueil des Sociétés et Associations” (the “Mémorial”) dated August 13, 2001. They were last amended on October 1, 2020 and the amendments were published in the “RESA, Recueil Electronique des Sociétés et Associations” (the “RESA”). The Articles of Association have been filed with the Luxembourg Trade and Company Registry.

The SICAV is registered of and in the Luxembourg Trade Register under number B-82737.

The main characteristic of the SICAV is that it is a Fund of Funds established under Luxembourg law; assets will be invested primarily in alternative funds, also known as Hedge Funds (hereinafter called “Target Funds”). The chief characteristic of hedge funds is that they can use investment techniques that are not available to traditional investment managers, such as short selling, the use of derivatives for speculative purposes and financial leverage.

The SICAV is a UCI with multiple sub-funds. It consists of several sub-funds each of which represent a specific pool of assets and liabilities and adhere to a specific investment policy.

Each sub-fund will invest at least 20% of its net assets in open-ended UCIs (SICAVs, UCIs, FCPs, limited partnerships, limited companies, or any other collective investment vehicle).

The following sub-funds are currently available to investors for subscription:

<u>Sub-funds</u>	<u>Reference currency</u>
Candriam World Alternative C Absolute Return	EUR
Candriam World Alternative Alphamax	EUR

On September 18, 2023, the board decided to close the sub-fund Candriam World Alternative C Absolute Return to any new subscriptions as of September 20, 2023.

Each sub-fund may offer several classes of shares that differ in their distribution policy (either capitalization or income distribution) or by the concerned investors and/or their entry or management commissions, or their currencies of expression.

The issued share classes are the following:

- The **C Class**, which is reserved for individuals and companies with a minimum initial subscription of one share or EUR 1,000 (or, by a decision of the Board of Directors, the equivalent in any other currency) or the equivalent in a foreign currency for the classes denominated in foreign currencies (the Board of Directors may adjust this minimum at its discretion provided all shareholders are treated equally on a given valuation date);
- The **I Class** is reserved for institutional investors;
- The **R2 Class** is reserved for: Distributors and/or intermediaries approved by the AIFM which do not receive, for investments in this Class, any form of remuneration from an entity of the Candriam Group, when the final investments in the shares are made in the context of a mandate. UCIs approved by the AIFM.
- The **V Class**, which is reserved solely for institutional investors with a minimum initial subscription of EUR 10,000,000 (or, by a decision of the Board of Directors, the equivalent in any other currency) or the equivalent in a foreign currency for the Classes denominated in foreign currencies (the Board of Directors may adjust this minimum at its discretion provided all shareholders are treated equally on a given valuation day);
- The **Z class** reserved for: Institutional/professional investors approved by the Asset Manager. The portfolio management activity for this class is directly remunerated through the contract concluded with the investor, so no portfolio management fee is payable for the assets of this class. UCIs approved by the Asset Manager and managed by an entity of the Candriam group.
- The **Z2 class** is a class without a performance fee, reserved for: Institutional/professional investors approved by the Asset Manager. The portfolio management activity for this class is directly remunerated through the contract concluded with the investor, so no portfolio management fee is payable for the assets of this class. UCIs approved by the Asset Manager and managed by an entity of the Candriam group.

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.



## Other notes to the financial statements

### Note 1 - General Information (Continued)

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 Statistics 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. For the sub-fund Candriam World Alternative C Absolute Return, the financial statements are prepared on non-going concern basis to the extent that Management has decided to close the Sub-Fund in 2022. 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 September 30, 2023. The net asset value of each sub-fund has been calculated on October 2, 2023 on the basis of the last known prices at the time of the valuation.

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

Transferable securities listed on a stock exchange or traded on another normally operating regulated market which is recognised and open to the public are valued on the basis of the last known price in Luxembourg on the valuation day. If any security is traded on several markets, the valuation is based on the last known price in its main market.

Securities not listed on a stock exchange or not traded in a normally operating regulated market which is recognised and open to the public, and securities listed on a stock exchange or traded on another normally operating regulated market which is recognised and open to the public but for which the last known price is not representative of their real value, are valued on the basis of their probable realisable value estimated by the Board of Directors with prudence and in all good faith.

Fund shares are valued on the basis of their official net asset value at the end of the corresponding month; if no official net asset value is available at the end of the corresponding month, an estimated net asset value is used. A haircut can be applied for illiquid positions.

#### 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 September 30, 2023:

1 EUR = 1.058750 USD

#### 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 and the statement of changes in net assets of each sub-fund.

#### e) 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".



## Other notes to the financial statements

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

#### f) Transaction costs

For the year ended September 30, 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".

#### g) 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 referred to as the "Alternative Investment Fund Manager" or "AIFM"), a partnership limited by shares under Luxembourg law established in Luxembourg on July 10, 1991, has been appointed AIFM 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 as Alternative Investment Fund Manager in the meaning of the chapter 2 of the AIFM Law. Therefore, it is authorized to engage in collective investment portfolio management, alternative investment portfolio management, portfolio management and investment advisory activities.

For each sub-fund activated, the AIFM receives management fees as payment for its services calculated according to the average net assets of the share class during the month. These fees are payable by the SICAV at the end of each month.

The rates applicable as at September 30, 2023 are as follows

Sub-funds	Share class	Share type	ISIN	Management fee
Candriam World Alternative C Absolute Return	I	Capitalisation	LU1062026569	0.60%
Candriam World Alternative Alphamax	C	Capitalisation	LU0132841213	1.50%
	C - USD - Hedged	Capitalisation	LU0273059542	1.50%
	I	Capitalisation	LU0132841726	0.85%
	I - USD - Hedged	Capitalisation	LU0273059971	0.85%
	R2	Capitalisation	LU1565455547	0.50%
	R2 - USD - Hedged	Capitalisation	LU1565456271	0.50%
	V	Capitalisation	LU1565457089	0.30%
	Z	Capitalisation	LU1565474506	0.00%
	Z2	Capitalisation	LU2521065370	0.00%

### Note 4 – Administration fees

#### Central Administration's fees

Under the terms of a Central Administration Agreement, the AIFM 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.



## Other notes to the financial statements

### Note 4 – Administration fees (Continued)

#### Legal Fund Engineering fees

Pursuant to the SICAV Appointment Contract, as payment for its legal fund engineering activities, the AIFM 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 for administration's fees and legal fund engineering fees as at September 30, 2023 are as follows:

Sub-funds	Share class	Share type	ISIN	Maximum rate
Candriam World Alternative C Absolute Return	I	Capitalisation	LU1062026569	0.07%
Candriam World Alternative Alphamax	C	Capitalisation	LU0132841213	0.11%
	C - USD - Hedged	Capitalisation	LU0273059542	0.11%
	I	Capitalisation	LU0132841726	0.07%
	I - USD - Hedged	Capitalisation	LU0273059971	0.07%
	R2	Capitalisation	LU1565455547	0.11%
	R2 - USD - Hedged	Capitalisation	LU1565456271	0.11%
	V	Capitalisation	LU1565457089	0.07%
	Z	Capitalisation	LU1565474506	0.07%
	Z2	Capitalisation	LU2521065370	0.07%

### Note 5 – Depositary fees

CACEIS Bank, Luxembourg Branch (the "Depositary") was appointed depositary of the SICAV's assets.

In payment for its services the Depositary receives a depositary commission representing an annual percentage of the average net asset value and payable by the SICAV at the end of each quarter.

The Depositary also acts as Paying Agent for the SICAV in accordance with the Depositary and Paying Agent contract. The Paying Agent is responsible for receiving the payments of the share subscriptions and for depositing these payments on the bank accounts of the SICAV opened with the Depositary and for distributing the income and dividends to the shareholders. The Paying Agent is also in charge of payments relating to reimbursements and redemptions of shares.

The maximum rates applicable as at September 30, 2023 are as follows:

Sub-funds	Share class	Share type	ISIN	Maximum rate
Candriam World Alternative C Absolute Return	I	Capitalisation	LU1062026569	0.03%
Candriam World Alternative Alphamax	C	Capitalisation	LU0132841213	0.04%
	C - USD - Hedged	Capitalisation	LU0273059542	0.04%
	I	Capitalisation	LU0132841726	0.03%
	I - USD - Hedged	Capitalisation	LU0273059971	0.03%
	R2	Capitalisation	LU1565455547	0.04%
	R2 - USD - Hedged	Capitalisation	LU1565456271	0.04%
	V	Capitalisation	LU1565457089	0.03%
	Z	Capitalisation	LU1565474506	0.03%
	Z2	Capitalisation	LU2521065370	0.03%

### Note 6 - Performance fees

#### Candriam World Alternative Alphamax:

The AIFM is entitled to a performance fee, for each share class :

- for the C Class denominated in EUR, 15% in excess of €STR (benchmark index);
- for the C USD H Class denominated in USD, 15% in excess of the capitalised rate of the US Federal Reserve (benchmark index);
- for the I Class denominated in EUR, 15% in excess of €STR (benchmark index);
- for the I USD H Class denominated in USD, 15% in excess of the capitalised rate of the US Federal Reserve (benchmark index);
- for the R2 Class denominated in EUR, 15% in excess of €STR (benchmark index);
- for the R2 USD H Class denominated in USD, 15% in excess of the capitalised US Federal Reserve rate (benchmark index);
- for the V Class denominated in EUR, 15% in excess of €STR (benchmark index);
- for the Z Class denominated in EUR, 15% in excess of €STR (benchmark index);





## Other notes to the financial statements

### Note 6 - Performance fees (Continued)

Each time the class is valued, a reference asset is determined by assuming a theoretical investment at an annual rate of the benchmark index of all the subscriptions received over the period (the net book assets at the end of the previous financial year being treated as a subscription at the beginning of the period).

In the event of redemption, the last reference asset calculated and the cumulative total of subscriptions received as at the last valuation are first reduced in proportion to the number of shares redeemed. Similarly, a share of the possible provision for performance fees on shares in circulation as recorded in the accounts at the last valuation is definitively allocated, in proportion to the number of shares redeemed, to a specific personal account. This share of performance fees is payable to the AIFM as of redemption.

If the shares in circulation - defined as the net book assets after performance fees on redemptions but excluding provision for performance fees corresponding to the shares still in circulation - are worth more than the reference asset, then an outperformance is ascertained (an underperformance in the opposite case). The provision for performance fees on the shares in circulation is adjusted to 15% of the amount of this new outperformance by allocation or writeback of the provision, before calculating the net asset value. Provision writebacks are capped at the amount of the allocations. The provision for performance fees on the shares in circulation is payable to the AIFM for the amount existing at the end of the calendar year.

The reference period will be the calendar year.

Subscribers may at any time obtain from the AIFM the notification of the modalities of calculating the performance fees.

### Candriam World Alternative Alphamax

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	C	EUR	15.00%	12,737	0.04%
C - USD - H	C	USD	15.00%	1,094	0.10%
I	C	EUR	15.00%	305	0.00%
I - USD - H	C	USD	15.00%	1	0.05%
R2	C	EUR	15.00%	5,308	0.02%
R2 - USD - H	C	USD	15.00%	1,128	0.04%
V	C	EUR	15.00%	15,880	0.07%
Z	C	EUR	15.00%	13,353	0.08%

The performance fee charged during the period ended September 30, 2023 amounted to EUR 49,806.

### Note 7 - Subscription tax

The SICAV is subject to a subscription tax (taxe d'abonnement) in Luxembourg equal to either 0.05% of the net asset value; either 0.01% of the net asset value of the I Class. This tax is payable quarterly based on the net assets of the SICAV at the end of the quarter to which the tax applies.

No subscription tax is due on assets held by the SICAV in the shares of other UCITS that are themselves subject to the subscription tax in Luxembourg.

### Note 8 - Collateral

In relation with the OTC derivative instruments, cash collateral has been posted to CACEIS Bank, Lux. Branch.

Sub-funds	Currency	Cash Collateral Posted	Cash Collateral held
Candriam World Alternative C Absolute Return	EUR	-	-
Candriam World Alternative Alphamax	EUR	1,880,000	-

### Note 9 - 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 10 - Significant event

On March 31st, 2023 Candriam World Alternative Alphamax received a contribution in kind amounting to EUR 25,678,869.52.

This contribution in kind is linked to the change of Master fund of Candriam M Multi Strategies, from Candriam MM Multi Strategies to Candriam World Alternative Alphamax.

### Note 11 - Subsequent events

From October 1st, 2023, the frequency of the net asset value of Candriam World Alternative C Absolute Return will be changed from monthly to semi-annual basis.

As at October 26<sup>th</sup>, 2023, a partial reimbursement has been received of the side pocket TAL China Focus Fund Class A (DI-2) Shares for an amount of USD 50,532.76 for Candriam World Alternative C Absolute Return and USD 33,792.22 for Candriam World Alternative Alphamax.



## Additional unaudited information

### AIF directives

According to the AIF directives, please find here below the split between the realised gains and realised loss and the split between the unrealised appreciations and unrealised depreciations:

Sub-funds	Currency	Realised gain on sales of investments	Realised loss on sales of investments	Change in unrealised appreciation on investments	Change in unrealised depreciation on investments
Candriam World Alternative C Absolute Return	EUR	45,080	-1,085	204	-94,766
Candriam World Alternative Alphamax	EUR	16,623,686	-2,343,843	2,930,583	-16,934,787

Sub-funds	Currency	Realised gain on foreign exchange	Realised loss on foreign exchange	Change in unrealized appreciation on foreign exchange	Change in unrealised depreciation on foreign exchange
Candriam World Alternative C Absolute Return	EUR	44,975	-45,491	-	-1,810
Candriam World Alternative Alphamax	EUR	11,223,002	-9,142,911	1,451,139	-126,402



## 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 April 25, 2023 and was adopted by the Board of Directors of Candriam.



## Additional unaudited information

### Percentage of the fund's assets that are subject to special treatment owing to their non-liquid nature

#### Funds' risk profile

Sub-Funds	Leverage based on the commitment method (AIFM method)	Leverage based on the gross method (AIFM method)
Candriam World Alternative C Absolute Return	100.02%	74.12%
Candriam World Alternative Alphamax	100.04%	137.47%

#### Publication of funds' performance

Sub-Funds	Share class	Currency	1 YTD performance based on the last published Net Asset Values*
Candriam World Alternative C Absolute Return	I	EUR	-7.75%
Candriam World Alternative Alphamax	C	EUR	1.89%
Candriam World Alternative Alphamax	C – USD – Hedged	USD	5.15%
Candriam World Alternative Alphamax	I	EUR	2.61%
Candriam World Alternative Alphamax	I – USD – Hedged	USD	5.06%
Candriam World Alternative Alphamax	R2	EUR	2.88%
Candriam World Alternative Alphamax	R2 – USD – Hedged	USD	5.04%
Candriam World Alternative Alphamax	V	EUR	3.09%
Candriam World Alternative Alphamax	Z	EUR	3.32%
Candriam World Alternative Alphamax	Z2	EUR	2.20% **

\* Performance from 30/09/2022 to 29/09/2023

\*\* Performance from 28/04/2023 to 29/09/2023

As per Article 23 of the AIFM Directive, any material changes in performance information will be provided to investors prior to investing. Changes shall be deemed to be material if there is a substantial likelihood that a reasonable investor, becoming aware of such information, would reconsider its investment in the AIF as such information could impact the investor's ability to exercise its rights in relation to its investment, or otherwise prejudice the interests of one or more investors in the AIF.



### Additional unaudited information

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

In the frame of the SFDR regulation, all the sub-funds of the structure are subject to the article 6 of the regulation.

They do not integrate systematically ESG characteristics in the management framework. Nevertheless, sustainability risks are taken into account in investment decisions by Candriam exclusion Policy which exclude some controversial activities.

#### **Taxonomy (Article 6) :**

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