CANDRIAM
A NEW YORK LIFE INVESTMENTS COMPANY

Cleaner, safer, smarter

60 seconds with the fund manager

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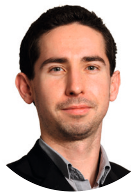
This marketing communication is intended for non-professional investors.

Johan Van Der Biest

Co-Head of Thematic Global Equity



Allan Foll

Fund Manager

More and more investors are turning to thematic strategies to increase their overall diversification. Johan Van Der Biest, Co-Head of Thematic Global Equity, and Allan Foll, Fund Manager, explain that thematic investment skills combined with solid financial analysis is a prerequisite for identifying high-tech companies with strong growth potential at reasonable prices.

Why choose an investment strategy focused on mobility?

Transport is the main cause of air pollution in cities. An estimated 4.2 million[1] premature deaths are linked to air pollution - more than malaria and AIDS combined!

Investing in mobility represents a major strategic opportunity for several reasons. First and foremost, mobility is central to reducing air pollution and greenhouse gas emissions. In addition, around 1.35 million people die every year as a result of road accidents[2]. Mobility in its current form therefore needs to be redefined.

This mega-trend thus offers significant growth potential, fueled by evolving technologies and business models, particularly in the fields of electric vehicles, intelligent transport systems and shared mobility solutions.

Finally, investing in mobility helps to build a more sustainable future, while offering attractive long-term return opportunities for investors aware of environmental and social issues.

What studies are currently available to demonstrate the benefits of the mega mobility trend?

Several recent studies, such as Bloomberg's[3] 1 on electric cars, confirm the growing importance of mobility as a mega-investment trend. Some studies indicate that global spending on mobility technologies is expected to increase significantly in the coming years, with a particular emphasis on electric vehicles, shared transportation solutions, and smart infrastructure[4].

In addition, demographic trends such as increasing urbanization and changing consumer behavior are boosting demand for innovative, sustainable mobility solutions. These studies provide a solid basis for guiding our investment decisions and capital allocation in this dynamic sector.

We believe that the transition to next-generation mobility creates investment opportunities in electric cars and bikes, advanced driver assistance systems, car-sharing solutions, digital mobility and smart city technologies, among others.

60 SECONDS WITH THE FUND MANAGER

(1) Source: World Health Organization
(2) Source: World Health Organization
(3) 2021 outlook
(4) Source, Markets and Markets, Reportlinker, Allied Market Research

Where can you find the best examples of companies involved in creating mobility for tomorrow's world?

Electric vehicle manufacturers, autonomous driving, cybersecurity... these are just a few examples of the types of activity contributing to the development of next-generation mobility.

We have categorized companies into three main families:

- Cleaner mobility: companies in this category operate in the following areas (non-exhaustive list):

o Electric vehicles, electric bikes, electric scooters ;

o Battery technology ;

o Hydrogen and fuel cells;

o Public transport ;

o Emissions control.

- Safer mobility: this category includes companies active in the following industries (non-exhaustive list):

o Autonomous driving ;

o Connected vehicles ;

o New-generation circulation systems ;

o Driver assistance.

- And finally, Smarter Mobility, which includes companies that address the following issues (non-exhaustive list):

o Digital mobility ;

o Smart city ;

o Sharing economy;

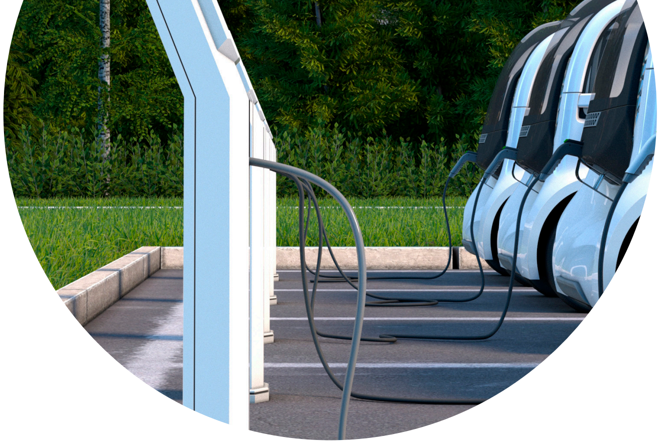
o Urban air mobility ;

o E-learning.

We see strong growth and development potential in all these key areas. In other words, the new mobility offers investors a wide range of investment opportunities.

How do you identify investment opportunities?

Our stock selection process is based on rigorous fundamental analysis, combining traditional financial criteria with ESG (Environmental, Social and Governance) considerations.



To begin with, we apply specific mobility-related criteria, focusing on companies that derive a certain percentage of their revenues from solutions that promote cleaner, safer and smarter mobility.

Secondly, we exclude companies that do not respect the 10 Principles of the United Nations Global Compact and those involved in controversial activities. We also assess companies according to their ability to create long-term value, by integrating sustainability into their business activities and taking into account the interests of stakeholders.

Finally, we take a close look at five fundamental criteria: management quality, growth potential, competitive positioning, profitability and debt levels.

How does Candriam's approach differ from competitive strategies?

Candriam stands out in the mobility sector thanks to its specific approach and specialized expertise. Our approach is distinguished by the integration of a third essential pillar: intelligent mobility, which is of paramount importance to us. We firmly believe that the most effective way to reduce carbon emissions from road traffic is to adopt viable alternatives.

Since 2011, our international thematic equity team has been identifying emerging trends and proposing innovative investment strategies. Comprising over twenty investment professionals, our team has a solid financial background and in-depth knowledge of mobility-related industries. This combination of skills enables us to carry out an in-depth analysis and select the companies best positioned to benefit from the transition to more sustainable mobility. In addition, integrating ESG into our investment process enables us to select companies aligned with responsible business practices and sustainable development objectives. Finally, our experience enables us to provide our customers with differentiated, high value-added investment solutions.

The main risks of the strategy are:

• Risk of capital loss:

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

• Equity risk:

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

• Emerging market risk:

Market movements can be stronger and faster on these markets than on the developed markets, which could cause the net asset value to fall in the event of adverse movements in relation to the positions taken. Volatility may be caused by a global market risk or may be triggered by the vicissitudes of a single security. Sectoral concentration risks may also be prevalent on some emerging markets. These risks may also heighten the volatility. Emerging countries may experience serious political, social, legal and fiscal uncertainties or other events that could have a negative impact on the sub-funds investing in them. In addition, local depositary and sub-custodial services remain underdeveloped in non-OECD countries and emerging countries, and transactions carried out in these markets are subject to transaction risk and custody risk. In some cases, the fund may be unable to recover all or part of its assets or may be exposed to delays in delivery when recovering its assets.

• ESG Investment Risk:

The non-financial objectives presented in this document are based upon the realization of assumptions made by Candriam. These assumptions are made according to Candriam's ESG rating models, the implementation of which necessitates access to various quantitative as well as qualitative data, depending on the sector and the exact activities of a given company. The availability, the quality and the reliability of these data can vary, and therefore can affect Candriam's ESG ratings. For more information on ESG investment risk, please refer to the regulatory documents.

• Foreign exchange risk:

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

The risks listed are not exhaustive, and further details on risks are available in regulatory documents.

Find out more about our funds and their risk profiles:

www.candriam.com