AXA Court Terme

(In accordance with Regulation (EU) 2017/1131 – on short-term money market funds)

PROSPECTUS

This UCITS is governed by EU Directive 2009/65/EC

I – General characteristics:

I – 1 Form of the UCITS:

➢ **Name: AXA COURT TERME**
➢ **Legal form and Member State in which the UCITS was established:** A UCITS in the form of a SICAV (by its French abbreviation [*Société d'Investissement à Capital Variable*, Investment Company with Variable Capital in English]) constituted as a public limited company (société anonyme) under French law
➢ **Creation date (start of trading) and planned duration:** the SICAV was established for a term of 99 years on 31 December 1982 (start of trading).
➢ **Summary of the management service:**

Share category	***Allocation of Sums Available for Distribution***	***ISIN codes***	***Denominated in***	***Subscribers concerned***	***Acquisition value***	***Fractionalisation***	***Minimum subscription amount***	***Minimum amount of 1st subscription***
A	Class C Capitalisation	FR0000288946	Euros	All subscribers, also optionally life insurance-linked.	EUR 762.25	hundredths of a share	None	EUR 250,000*(*)*
A	Class D Distribution	FR0000288953	Euros	All subscribers, also optionally life insurance-linked.	EUR 762.25	hundredths of a share	None	EUR 250,000*(*)*
P	Capitalisation	FR0010693689	Euros	Reserved for placement agents and marketing distributors that have an investment or distribution agreement with an AXA INVESTMENT MANAGERS distribution company.	Net asset value of a Category A Class C capitalisation share on the Category P share creation date.	Ten-thousandths of a share	None	None
I	Capitalisation	FR0010956581	Euros	Reserved for institutional investors	EUR 10,000	Ten-thousandths of a share	1 share*(*)*	EUR 10,000,000*(*)*
B	Capitalisation	FR0014002ZP5	Euros	All subscribers	EUR 10	Ten-thousandths of a share	None	EUR 250,000*(*)*

V	Capitalisation	FR001400NUH5	Euros	Reserved for subscribers that have subscribed through financial intermediaries which, by reason either of regulatory requirements (e.g., in the EU, financial intermediaries that provide discretionary portfolio management or independent investment advice) or of separate remuneration agreements with their clients, may not collect distribution fees.	EUR 1,000	Ten-thousandths of a share	None	None

(*) AXA Group and funds managed by AXA IM companies excepted.

➢ **Latest annual report or latest interim report available at:**

Shareholders can obtain these reports and the composition of assets from the management company (eight-day delivery term) by sending a written request to:

AXA INVESTMENT MANAGERS PARIS
Tour Majunga - 6 Place de la Pyramide
92908 PARIS – La Défense cedex

or to the following e-mail address: client@axa-im.com

II – 2 Parties involved:

Management Company, Issuer Account Holder and Centraliser:

AXA INVESTMENT MANAGERS PARIS,
a French public limited company [société anonyme] managed by a Board of Directors
Registered office: Tour Majunga - La Défense 9 - 6, place de la Pyramide - 92800 Puteaux.
Postal address: Tour Majunga – 6 place de la Pyramide – 92908 PARIS – La Défense cedex.
A portfolio management company authorised by the French Financial Markets Authority (FMA) [**Autorité des Marchés Financiers (AMF)**] on 7 April 1992 under no. GP 92008 as per Directive 2009/65/EC (UCITS Directive).

Administration and management:

The list of Board members and the duties exercised by the members of the administrative and management bodies are set forth in the SICAV's latest management report.

Shareholders please note that the information contained in the management report is updated only once a year and that the information is drawn up under the responsibility of each of the aforesaid members.

Depositary, custodian, and, by delegation, centraliser and issuer account holder:

The depositary of the UCITS is **BNP PARIBAS SA,** located at 9, rue du Débarcadère 93500 PANTIN France (the "Depositary"). BNP PARIBAS SA, a French public limited company [Société Anonyme] registered at the Register of Business and Companies under number 662 042 449 , is a financial institution authorised by the French Prudential and Resolution Supervisory Authority [Autorité de contrôle prudentiel et de résolution: ACPR] and subject to supervision by the French Financial Markets Authority, and whose registered office is located at 16, boulevard des Italiens, in the 9th arrondissement of Paris.

Description of the Depositary's responsibilities and potential conflicts of interest:

The Depositary has three types of responsibility, namely: ensuring the lawful nature of decisions by the management company (as defined in Article 22.3 of the UCITS 5 Directive); monitoring the UCITS's cash flows (as defined in Article 22.4); and overseeing the safekeeping of the UCITS's assets (as defined in Article 22.5).

The Depositary's main task is to protect the interests of the UCITS's unitholders/investors, to take precedence over commercial interests in all cases.

Potential conflicts of interest include, in particular, where the Management Company also has commercial relationships with BNP Paribas SA concomitantly with its appointment as Depositary.

The Depositary has implemented and maintains an updated conflict-of-interest management policy to manage these situations, by:

- Identifying and analysing potential conflicts of interest
- Recording, managing, and monitoring conflicts of interest based on:
    - o Permanent measures designed to manage conflicts of interest, such as maintaining separate legal entities, segregating tasks, keeping separate hierarchical structures, monitoring the internal insider list;
    - o Case-by-case implementation based on:
        - ✓ suitable preventive measures such as drawing up an ad hoc monitoring list, new Chinese walls, or measures to verify that transactions are processed in accordance with proper procedure and/or with the knowledge of the customers concerned; or
        - ✓ refusing to handle activities that could result in conflicts of interest.

***Description of any custody functions delegated by the Depositary, list of delegated sub-custodians and other delegated third parties, and identification of conflicts of interest likely to arise from such delegation**:*

The UCITS's Depositary is BNP Paribas SA. It is responsible for the safekeeping of the assets (as defined in Article 22.5 of Directive 2009/65/EC as amended by Directive 2014/91/EU). To provide asset custody-related services in a large number of States enabling UCITSs to achieve their investment objectives, BNP Paribas SA has designated sub-custodians in the States in which BNP Paribas SA has no local presence. These entities are listed on the following website
https://securities.cib.bnpparibas/all-our-solutions/asset-fund-services/depositary-bank-trustee-services-2/
The procedure for designating and monitoring sub-custodians complies with the highest quality standards, including management of potential conflicts of interest that could ensue from these designations.

Up-to-date information regarding the above matters will be sent to investors upon request.

Institutions responsible for centralising subscription and redemption orders and holding the issuer accounts by delegation of AXA Investment Managers Paris, the management company:

With respect to class "I" shares only (FR0010956581) reserved for institutional investors:

- **For bearer shares to be registered or registered within Euroclear France:**

BNP PARIBAS SA Group, having its place of business at 9, rue du Débarcadère 93500 PANTIN
BNP PARIBAS SA, a French public limited company [Société Anonyme] registered at the Register of Business and Companies under number 662 042 449 , is a financial institution authorised by the French Prudential and Resolution Supervisory Authority [Autorité de contrôle prudentiel et de résolution: ACPR] and subject to supervision by the French Financial Markets Authority, and whose registered office is located at 16, boulevard des Italiens, in the 9th arrondissement of Paris.

- **For registered shares to be registered or registered within a Shared Electronic Registration System (DEEP) strictly reserved for corporate investors acting on their own account:**

IZNES, a simplified joint-stock company (*une société par actions simplifiée*), is registered with the Commercial Court Registry of Paris under number 832 488 415, approved by the French Prudential Supervisory Authority [Autorité de Contrôle Prudentiel et de Résolution (ACPR)], authorised and under the supervision of the French Financial Markets Authority (FMA).and whose registered office is located at 20-22, rue Vernier in Paris (75017).

Prime broker: None

Statutory Auditor: PricewaterhouseCoopers Audit – Crystal Park – 63, rue de Villiers – 92208 Neuilly sur Seine Cedex.

5°) Marketing agent: AXA INVESTMENT MANAGERS PARIS

For further information, please contact AXA INVESTMENT MANAGERS PARIS at the registered office indicated above.

AXA INVESTMENT MANAGERS PARIS may delegate the duty of marketing the SICAV's shares to third parties it has duly authorised for this purpose. This SICAV is admitted to trading on Euroclear France, so its shares can be bought or redeemed through financial intermediaries not known to the Management Company.

Category P shares are reserved for placement agents and marketing distributors that have an investment or distribution agreement with an AXA INVESTMENT MANAGERS distribution company.

Category I shares are reserved for institutional investors.

Category V shares are reserved for subscribers that have subscribed through financial intermediaries which, by reason either of regulatory requirements (e.g., in the EU, financial intermediaries that provide discretionary portfolio management or independent investment advice) or of separate remuneration agreements with their clients, may not collect distribution fees.

Delegated service providers:

AXA INVESTMENT MANAGERS PARIS does not delegate the SICAV's financial management**.**

Accounting management and middle-office functions:

STATE STREET BANK INTERNATIONAL GMBH PARIS BRANCH
A branch of the parent German credit institution STATE STREET BANK INTERNATIONAL GMBH (parent company), established under the European passport provided for in Directive 2013/36/EU (CRD IV).

Address: Cœur Défense – Tour A – 100, Esplanade du Général de Gaulle – 92931 Paris La Défense Cedex, registered in the Nanterre Register of Companies under number 850 254 673.

STATE STREET BANK INTERNATIONAL GMBH is a credit institution authorised by the predecessor of the German Federal Financial Supervision Authority [Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)] under identification number 108514 in June 1994.
It is supervised directly by the European Central Bank (ECB).
The accounting management service provider performs accounting functions for the SICAV and calculates the net asset value.

Administrative management functions:

AXA INVESTMENT MANAGERS PARIS does not delegate the SICAV's administrative management**.**

Adviser: None

III – Operating and management procedures:

III – 1 General characteristics:

➢ **Characteristics of the shares:**

➢ **ISIN codes:** Category A shares: Class C capitalisation shares: FR0000288946
Class D Distribution shares: FR0000288953
Category P shares: FR0010693689 (pure capitalisation)
Category I shares: FR0010956581 (pure capitalisation)
Category B shares: FR0014002ZP5 (pure capitalisation)
Category V shares: FR001400NUH5 (pure capitalisation)

⇨ **Nature of the right attached to the share category:** Each shareholder holds a fraction of the share capital in the UCITS's assets in proportion to the number of shares possessed.

⇨**Management of liabilities:**

➢For category A, P, B, and V shares:

BNP – PARIBAS SECURITIES SERVICES (the Depositary) is the holder of the issuing account. As required, the shares are registered in book-based entry accounts as applicable by the issuer or an authorised intermediary.

➢With respect to category I shares, strictly reserved for institutional investors:

The Management Company is the holder of the issuer accounts, whereas BNP PARIBAS SA (depositary) has been delegated responsibility for maintaining a register of the shares to be registered or registered in bearer form within Euroclear France and IZNES having been delegated responsibility for maintaining a register of the future or existing registered shares reserved for corporate investors acting on their own account within the DEEP.

⇨**Voting rights:** Since the SICAV is a French public limited company (société anonyme), each share is entitled to one vote. Management decisions are taken by executive management under the direction of the management company.

⇨ **Types of shares**: Shares may be:

- until 16 April 2015, bearer shares or registered shares;
- from 16 April 2015, bearer shares or administered registered shares.

⇨ **Fractionalisation:**

- Category A Class C shares (capitalisation shares) and Class D shares (distribution shares) are denominated in euros and are divisible into hundredths of a share.
- Category P shares are denominated in euros and are divisible into ten-thousandths of a share.
- Category I shares are denominated in euros and are divisible into ten-thousandths of a share.
- Category B shares are denominated in euros and are divisible into ten-thousandths of a share.
- Category V shares are denominated in euros and are divisible into ten-thousandths of a share.

➢ **Closing date:** Last valuation day in December.

➢ **Tax information:**

The SICAV is subject to the general tax scheme applicable to UCITSs.

Where the UCITS shares are subscribed pursuant to a contract for life insurance, taxes on life insurance contracts will apply.

Changes from one share category to another will be subject to the capital gains tax on sales of securities.

N.B.: Any realised or unrealised capital gains and earnings linked to holding shares in the UCITS may be subject to taxation according to your tax status. Please check with your tax adviser about this.

FATCA obligations:

Pursuant to the US Foreign Account Tax Compliance Act (FATCA), shareholders may be required to inform the UCITS, the management company of each CIU, or their agents, particularly as to their personal identity and place of residence (domicile and tax residence), to identify "US Persons" within the meaning of FATCA[(1)]. The French tax authorities may disclose this information to the United States tax authorities. Any breach of this obligation by shareholders may result in imposition of a 30% withholding tax on financial flows from US sources. Notwithstanding the due diligence procedures performed by the management company under the terms of FATCA, shareholders are encouraged to make sure that the financial intermediary they have used to invest in the UCITS is a Participating FFI. Unitholders should contact their tax advisers for more information.

Automatic exchange of tax information (CRS regulation):

To comply with automatic exchange of information requirements in tax matters, in particular with section 1649 AC of the General Tax Code [Code Général des Impôts] and with Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU, shareholders will be required to provide the CIS, the management company, or their reporting agent with information including, but not limited to, their personal identity, their direct or indirect beneficiaries, their final beneficiaries, and any persons controlling them. Shareholders will be required to comply with any requests to provide this information made by the management company to enable the management company and the CIU to fulfil their reporting obligations. The French tax authorities may disclose this information to foreign tax authorities.

[1]*The definition of "US Person" in the US Internal Revenue Code is available at https://funds.axa-im.com/ (*under the heading *legal notice).*

III – 2 <u>Particular provisions</u>:

➢ **Classification:**
Short-term variable net asset value (VNAV) money-market fund.

➢ **Investment in short-term money market funds pursuant to Regulation (EU) of the European Parliament and of the Council of 14 June 2017:** Up to 10% of net assets.

➢ **Management objective:**
The management objective for the SICAV is to seek to outperform, after deducting actual management fees, the capitalised €STR over a minimum 1-month recommended investment horizon while taking into account a socially responsible investment approach that respects environmental, social and governance (ESG) responsibility criteria.

Shareholders are advised that, should money market interest rates be very low, returns attained by the SICAV could be insufficient to cover management fees and could result in a structural decrease in the fund's net asset value.

➢ **Benchmark index:**

Capitalised €STR (ESTER or Euro Short-Term Rate).

The €STR is a benchmark short-term interest rate in the Eurozone. It is calculated by the European Central Bank (ECB) daily based on the previous day's transactions.

Further information is available at: https://www.ecb.europa.eu

The UCITS is not index-linked, and its performance could therefore differ to some extent from that of the benchmark index, which is a comparison index only.

➢ **Investment strategy:**

<u>1. Description of the strategies used:</u>

The SICAV is a financial product that promotes environmental or social characteristics within the meaning of Article 8 Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector.
It should be noted, however, that to date the SICAV cannot take into account the criteria for sustainable environmental activities set out in European Regulation 2020/852 on the establishment of a framework to facilitate sustainable investment (hereinafter "The Taxonomy Regulation") and therefore has no commitment to align its portfolio with the criteria of the Taxonomy. Thus, for the time being, the principle of "do no significant harm" is not contemplated on the assets of the SICAV.
Our SRI approach to management of the SICAV rests on three overlapping core considerations that ensure comprehensive assessment of the fundamental aspects and ESG profiles of the instruments, from definition of the investment universe to construction of the portfolio.

Management primarily takes the form of implementing various investment strategies in the main interest rate markets (interest rate curve positioning) and bond markets located in the Eurozone or denominated in euros. A management team actively manages a very short-term money market portfolio (with maturities of 0 to 3 months).

1/ Definition of the investment universe:

The investment universe defined for the purpose of implementing the non-financial objective of the SICAV consists of a long list of financial instruments that make up the ICE Bank of America Euro Corporate Index. The Investment Company with Variable Capital's (SICAV) ESG score and that of the comparison portfolio defined for the purpose of implementing ESG criteria are calculated as weighted averages.

To avoid any misunderstanding, this index is strictly used for the implementation of the responsible investment approach described above and means a broad market index whose composition and calculation method, available on the https://indices.theice.com/ website, do not necessarily take the ESG characteristics promoted by the SICAV into account.

The SICAV applies the AXA IM Sector-based Exclusion Policies and the AXA IM Environmental, Social and Governance Standards Policy ("AXA IM ESG Standards Policy"), available at: https://www.axa-im.fr/investissement-responsable/nos-politiques-et-rapports, as described in the "Risk Profile" section, under the heading "Integrating Sustainability Risks into the Investment Decision-Making Process".

AXA IM's Sector-based Exclusion Policies and ESG Standards are applied systematically and continuously during the stock selection process.

The exclusions described in the Socially Responsible Investing (SRI) Label repository are also systematically and continuously applied during the stock selection process. Controversial weapons, violations of the United Nations Global Compact and tobacco are covered by exclusions under the SRI Label on Social Aspects. On environmental criteria, SRI Label exclusions cover unconventional oil and gas as well as the development of new conventional and/or unconventional projects, and the production of electricity whose carbon footprint is above a certain threshold. reviewed on an annual basis. Finally, on the governance criteria, SRI Label exclusions are based on the EU list of non-cooperative countries and territories for tax purposes, as well as the Financial Action Task Force's black and grey lists. Sovereign bonds issued by states that do not meet the minimum eligibility criteria based on the EU list of non-cooperative countries and territories, the Financial Action Task Force black and grey lists and/or the Corruption Perception Index are also excluded.

In addition, the SICAV applies a *Best-in-Universe* selection approach to its investment universe which is applied in a binding manner at all times. This ESG selection approach consists of giving preference to the issuers with the highest ratings from an extra-financial point of view regardless of their sector of activity, and accepting sectoral biases, because the sectors generally considered more virtuous will be more widely represented.

The selectivity approach consists of eliminating at least 25% of the lowest rated stocks from the investment universe, as defined above, based on the combination of the responsible investment exclusions applicable to the SICAV, described above, and their ESG score, excluding bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets. The threshold will be raised to 30% as of 1 January 2026.

AXA IM used its own issuer ESG rating system structured around the three linchpins of environmental, social, and governance criteria for use in assessing how companies reduce ESG risk and put those considerations to use to improve their competitive positions in their area of business. This rating system yields an internal issuer ESG score on a scale of from 0 to 10. The ESG rating method is described at the following link: https://particuliers.axa-im.fr/investissement-responsable/notre-cadre-esg-et-notre-methodologie-de-notation?linkid=investissementresponsable-menu-cadreesg.

The SICAV may invest up to 10% of its net assets, after excluding bonds and other debt securities issued by public issuers and cash held on an ancillary basis and Solidarity Assets, in securities outside the investment universe, as defined above, provided that the issuer is eligible on the basis of selectivity criteria.

The SICAV continuously outperforms its investment universe on the following non-financial key performance indicators: the first related to the percentage of gender diversity within governance bodies and the second related to carbon intensity.

The following minimum hedging rates are applied within the portfolio (expressed as a minimum percentage of net assets, excluding bonds and other debt securities issued by public issuers, ancillary liquid assets and solidarity assets): i) 90% for the ESG analysis; ii) 80% (90% by 31 December 2026) for the percentage of gender diversity within governance bodies; iii) 55% (60% by 31 December 2026) for carbon intensity.

Further information on the environmental and/or social characteristics promoted by the SICAV can be consulted in its "SFDR" appendix.

The SICAV may also invest in interest rate products or bonds issued in markets outside the Eurozone or not denominated in euros, in which case the foreign exchange risk will be hedged.

Depending on market trends and the management company's forecasts, the money market portfolio may account for more than 50% of the SICAV's net assets.

The SICAV's strategies and allocations are wholly discretionary and are based on the management team's forecasts.

Management therefore consists of actively managing a portfolio of fixed and/or variable-rate and/or indexed interest rate and credit products denominated in euros and/or foreign currencies.

Investment of the portfolio will thus be discretionary in the terms and conditions set out in the regulatory documents without any further special constraints as to possible market indices in the investment universe. As a rule, volatility of the UCITS and the benchmark or of any other index should not deviate significantly.

2/ Basic research on each individual instrument:

The SICAV selects assets that have received a positive evaluation ensuing from systematically implementing and applying internal, prudent, ongoing assessment of the credit quality of money market instruments.

Money market instruments in the portfolio are selected based on an internal credit quality assessment procedure that takes into account, in particular, quantitative and qualitative indicators of the issuer and instrument-related characteristics (e.g., asset class, liquidity profile, etc.), along with operational and counterparty risks. In addition to these indicators, the fund manager's internal assessment procedure may also take the ratings assigned by rating agencies into account, though without relying exclusively on these external ratings automatically as the sole criterion.

From this perspective, the SICAV may employ the following strategies:

<u>Interest rate-based strategies:</u>

- Strategies aimed at hedging foreign exchange rate risks and managing the interest rate risks within the sensitivity range by using financial forward instruments, especially cross-currency swaps, futures, options, short-term investments, or interest rate swaps.

<u>Credit-based strategies:</u>

- Active management of the credit risk of bond issuers by allocating credit and by selecting issuers based on a discretionary management process aimed at discerning signs of quality.
- Selection and placement are made based on the management company's micro and macroeconomic forecasts (level of growth, level of deficits, inflation rate, etc.) and on recommendations from credit research on the issuers (micro and macro analysis based on fundamentals (quantitative data [revenue, indebtedness, cash flows, etc.]) and qualitative data [ratings, issuer management qualities, etc.]).
- Strategy of positioning on the short-term part of issuers' credit curves.
- Strategy of investing in bonds and sectors of activity with the goal of implementing strategies focused on the relative value between all manner of sectors of activity and/or credit securities.

Implementation of this strategy takes into account:

(i) interest rate fluctuation risk, taken as analogous to interest rate sensitivity. A weighted average maturity (WAM) of the assets less than or equal to 60 days,

(ii) and limited credit and liquidity risks. The life expectancy of the assets does not exceed 397 days and the average weighted life expectancy until the extinction of the instruments in the portfolio does not exceed 120 days.

In addition, the Investment Manager makes extensive use of ESG data in constructing the selection universe. ESG ratings also enable construction of the portfolio with stocks having superior ESG characteristics.

The ESG methods that employ the ESG data used in investing are based in part on third-party data and in some cases are developed in-house. They are subjective and may change over time. Despite a series of initiatives, harmonised definitions are lacking, and this may result in diverse ESG criteria. Comparing the different investment strategies using ESG criteria and ESG reporting can be difficult. Strategies that use ESG criteria should be differentiated from others that use sustainable development criteria, because while both may use apparently similar ESG data, different calculation methods may be involved.
AXA IM's various ESG methodologies described above may evolve in the future to take into account any improvements in data availability and reliability, or changes in regulation or other external frameworks or initiatives, among others.

3/ Construction of the portfolio:

The financial and non-financial analysis is taken into account by the manager systematically when calculating the weightings of securities in the portfolio. The decision to hold, buy, or sell a security is not based automatically and exclusively on its ESG rating criteria but also relies on an internal analysis carried out by the manager.

Quantitative and qualitative analysis of ESG factors contributes criteria taken into account by the fund manager for use in weighting the securities in the portfolio.

In choosing the weightings for the securities in the portfolio, the fund manager may also take into account the measures taken by companies to reduce existing ESG risks, the ability of companies to focus their growth on environmental opportunities, and also on the quality of companies' communications regarding ESG matters.

In addition, the fund manager may use techniques and tools linked to securities that he thinks will contribute to optimal economic management of the portfolio (purchase/sale of financial instruments, subscription/redemption of units or shares of French or foreign CIUs, AXA Group or other investment funds, use of financial futures intended to hedge the portfolio to/against interest rate, foreign exchange, and currency risks).

2. Description of the categories of assets and financial contracts:

The SICAV adheres to the rules on eligible assets and on diversification ratios specified in Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 ("EU Regulation 2017/1131").

Shares

The SICAV does not operate in equity markets either directly or indirectly

Money market instruments, securitisation instruments, and asset-backed commercial paper:

The SICAV may invest up to 100% of its net assets in:

- Money market instruments, denominated in euros or otherwise, traded on a regulated market pursuant to Directive 2004/39/EC or traded on another market in a Member State, regulated, in regular operation, recognised and open to the public, or traded in another third market, regulated, in regular operation, recognised and open to the public, provided that the choice of market has been approved by the competent authorities (or is provided for by law or by the fund rules or by the investment company's articles of incorporation);

- The money market instruments specified in Article 50(1)(h) of Directive 2009/65/EC;
Namely:
  - Certificates of deposit;
  - short- and medium-term securities (including Euro Medium Term Notes indexed to short-term references and *Euro Commercial Papers*);
  - Treasury notes;
  - Treasury bills;

The selected financial instruments (such as bonds, for example) may be fixed rate or variable rate or adjustable rate or indexed to legal maturity at issue of 397 days or fewer or to residual maturity of 397 days or fewer.

The UCITS may invest up to 15% of its net assets in:
- Asset-backed commercial paper (ABCP) that does not adhere to the rules on transverse regulation for simple, transparent, and standardised (the STS system) securitisation, is sufficiently liquid, and has received a positive evaluation.

The selected asset-backed commercial paper (ABCP) may be issued by a programme that has met the conditions stipulated in Article 11 of EU Regulation 2017/1131.
The above notwithstanding, the initial limit of 5% of the UCITS's assets per entity may be raised to 100% of its assets if the UCITS invests in money market instruments issued or guaranteed individually or jointly by the European Union, the national, regional, and local authorities of EU Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Facility and the European Financial Stability Fund, the central authority or central bank of an OECD member country (United States, Canada, Australia, Switzerland, United Kingdom, etc.), the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, if, and only if, none of at least six (6) issues of securities and money market instruments by that entity makes up more than 30% of the net assets.

The fund manager must have appropriate information, i.e., information on the issue and on the legal and financial status of the issuer, to assess the issuer's risk properly.
The issuer will also be subject to an independent credit quality assessment.

Units or shares in UCITS, AIFs or foreign-registered investment funds:

The SICAV may hold up to 10% of its assets in units or shares of short-term money market funds (CIUs) within the meaning of EU Regulation 2017/1131.

The holding of non-SRI labelled UCI shares or shares is limited to 10% of the UCITS total net assets.
The SRI approach of the underlying UCIs may be heterogeneous.

These CIUs and underlying investment funds may be managed by companies belonging to the AXA group and by the same manager.

3. Financial futures instruments (derivatives):

To achieve the management objective, in line with the SICAV's SRI commitment policy, the SICAV may carry out, up to a limit of one time per asset, transactions on financial futures as described below:

- **Types of markets for trading:**

☒ regulated;
☒ over-the-counter (OTC).

- **Risks the investment manager wishes to trade in (either directly or by using interest rate, exchange rate, or currency indices):**

☐ shares;
☒ interest rates;
☒ foreign exchange,
☐ credit securities;
☐ other risks (to be specified).

- **Types of trades (all operations must be limited to achieving the management objective):**

☒ hedging;
☐ exposure;
☐ arbitrage;
☐ other (to be specified).

- **Types of instruments used:**

☒ futures;
☒ options (including caps and floors);
☒ swaps (including interest rate swaps, forward swaps, and other financial futures for hedging interest rate risks);
☒ currency futures;
☐ credit derivatives;
☐ other (to be specified).

Strategy for using financial futures instruments

Use of derivatives is not intended to alter the ESG selection policy significantly or permanently.

The overall risk related to financial futures instruments is not to exceed the portfolio's total value.

Financial futures instruments enabling:
- only hedging the portfolio against interest rate or foreign exchange risks.

The SICAV only carries out hedging transactions. Consequently, the temporary nature of a duration of 1 month or 12 months in the event of exposure or overexposure does not apply.

The SICAV will not use financial futures instruments in the form of total return swaps
The SICAV may have as a counterparty for financial futures instruments any financial institution meeting the criteria referred to in paragraph 2 of section R214-19 II of the French Monetary and Financial Code and in Article 13 of EU Regulation 2017/1131 selected by the Management Company in accordance with its order execution policy available on its website.

Contracts to arrange financial guarantees:

In the context of executing financial futures instruments and/or repurchase and/or reverse repurchase agreements, and in accordance with the applicable regulations, the SICAV will have to give or receive a financial guarantee (“collateral”) with the aim of reducing the counterparty risk. Guarantees received by the SICAV may be granted only by an institution that is a UCITS depositary, a credit institution with registered address in an OECD Member State, or an investment firm with registered address in Europe (the EU or EEA) that is authorised to provide custody accounts for servicing financial instruments and has at least EUR 3.8 million in equity.

Financial guarantees may be received in the form of cash (up to a maximum of 10% of its net assets) in consideration for assets transferred under repurchase agreements.

This financial guarantee may be received in the form of assets (excluding securitisations and ABCP), in particular deposits, money market instruments and/or bonds issued or guaranteed by:

- a Member State of the European Union ("EU"), namely France, Germany, Belgium, Denmark, Spain, Finland, the Netherlands and/or Sweden,
- and/or supranational bodies,

benefiting from a positive assessment by the Management Company, in return for cash paid for the reverse repurchase agreements.

In accordance with its internal policy for managing financial guarantees, the Management Company will set:

- the level of financial guarantee required; and

- the discount level applicable to assets received as financial guarantees, in particular based on their type, the issuers' credit quality, their maturity terms, their reference currency, and their liquidity and volatility.

Pursuant to the valuation rules specified in this prospectus, the Management Company will make a daily valuation of the guarantees received based on the market price (mark-to-market). Margin calls will be made in accordance with the terms of the financial collateral arrangements.

The SICAV may reinvest the financial guarantees received in cash in accordance with EU Regulation 2017/1131.

Non-cash financial guarantees received may not be sold, reinvested, or pledged. The counterparty that receives assets transferred by the SICAV as collateral under a repurchase agreement may not assign, invest, commit, or otherwise transfer the assets without prior consent from the SICAV's management company.

The guarantees received by the SICAV will be held by the SICAV's depositary or by another third-party depositary (such as Euroclear Bank SA/NV) that is subject to prudential supervision and has no links to the provider of the guarantee.

Despite the management company's positive assessment of the issuers of securities received as financial guarantees or of securities acquired through cash received as a financial guarantee, the SICAV may bear a risk of loss in the event of default by the issuers or the counterparty in these operations.

4. Securities with embedded derivatives:

The SICAV is not authorised to use securities comprising derivatives.

5. Deposits

The SICAV may make deposits with multiple credit institutions pursuant to Article 12 of EU Regulation 2017/1131.

This investment may account for up to 100% of the SICAV's net assets within the limits of the diversification rules set out in Article 17 of the said EU Regulation 2017/1131.

6. Cash borrowings

The SICAV is not authorised to borrow cash. However, as an exception, events beyond management's control (e.g., failed trades) may result in negative positions if they are in the shareholders' best interest.
The Investment Manager will take immediate corrective action to absorb any negative positions in the best interest of the unitholders.

7. Temporary securities purchase and sales transactions

Temporary securities purchase or sales transactions (also called securities financing operations) are carried out in accordance with the French Monetary and Financial Code and with EU Regulation 2017/1131.
They are carried out to achieve the SICAV's management and cash flow management objectives.
These transactions consist of repurchase and/or reverse repurchase transactions (the SICAV is not authorised to engage in securities lending and borrowing).

The SICAV's assets that may be subject to securities financing transactions are bonds and/or traded debt securities and/or money market instruments (not including securitisation assets and ABCP).

The cash received by the SICAV under a repurchase agreement may not exceed 10% of its assets.

The assets received by the SICAV under a reverse repurchase agreement must be sufficiently diversified with a maximum exposure to any one issuer limited to 15% of the SICAV's net assets (except in cases where the assets received take the form of money market instruments that adhere to the requirements of Article 17 of EU Regulation 2017/1131).
The Management Company expects that these securities reverse repurchase agreements will represent approximately 15% of the SICAV's net assets. However, the SICAV may carry out such operations within the limit of 100% of its total net assets.

Additional information on these temporary securities purchase or sales transactions appears in the SICAV's annual report.
Temporary securities purchase or sales transactions will be secured based on the principles described in the "Contracts to arrange financial collateral" section and will be traded based on the criteria relating to the counterparties described in the "financial futures instruments (derivatives)" section above.

Further information on the terms of remuneration for the temporary purchase and sale of securities is available in the fees and commissions section.

Your money will be invested principally in financial instruments selected by the investment manager. These instruments will experience all of the fluctuations and ups and downs of the markets.

➢ **Risk profile:**

General considerations:
The SICAV’s risk profile is designed for an investment horizon of a minimum of 1 month. As for any other financial investment, potential investors should be aware that the value of the SICAV's assets is subject to market volatility, and this value may fluctuate wildly (depending on political, economic, and stock market conditions or conditions specific to the issuers). Thus, the SICAV's performance may not be in line with its objectives.

The Management Company offers subscribers no guarantee that they will not suffer losses on investing in the SICAV, even if they hold their shares throughout the entire recommended investment period. The capital initially invested may not be returned in full; subscribers are exposed to a risk of loss limited to the capital invested.

The risks described below are not restrictive: it is the responsibility of investors to analyse the inherent risk for each of their investments and to form their own opinions.

The principal risks to which subscribers will be exposed are:

Direct or indirect exposure to equity risk is not allowed.

1 – Risk of loss of capital:
The SICAV carries no guarantee in respect of the capital invested. The capital initially invested may not be returned in full.

2 – Interest rate risk:
Interest rate risk is the risk of depreciation of short- or medium-term interest rate instruments arising from changes in interest rates that impact bond markets. For example, the price of a fixed-rate bond tends to vary conversely with respect to interest rates.
The SICAV invests mainly in money market instruments. If interest rates rise, the value of assets invested

at a fixed rate may fall.

3 – Credit risk:
The value of the debt securities in which the SICAV has invested may fall in the event of the failure or any deterioration in the quality of bond issuers (e.g., their rating is downgraded).

4 – Risk associated with discretionary management:
The discretionary management style is based on anticipating changes in interest rate markets. The SICAV's performance will therefore depend on the fund manager's forecasts of changes in the interest rate curve. As management is discretionary, there is a risk that the fund manager's forecast of these changes will be wrong.
Thus, the SICAV's performance may not be in line with its management objective.

5 – Counterparty risk:
This is the risk of default (or non-performance of all or some of its obligations) by the counterparty of the SICAV in any transaction involving an OTC financial contract and/or any transaction for the temporary purchase or sale of securities before the transaction has been permanently settled as a cash flow.

Default (or non-performance of all or some of its obligations) by a counterparty in these transactions can have a considerable negative impact on the SICAV's net asset value.

6 – Risk associated with asset securitisation:
The fund manager has a prudent internal evaluation procedure in place. Nevertheless, these instruments come from complex set-ups that may carry legal risks and specific risks related to the characteristics of the underlying assets.
Materialisation of these risks may cause the net asset value to fall.

7 – Risks associated with securities financing operations and risks associated with management of financial guarantees:
These operations and the guarantees associated with them could create risks for the SICAV, such as:
(i) counterparty risk (as described above),
(ii) legal risk,
(iii) custody risk,
(iv) liquidity risk (i.e., the risk arising from a difficulty in buying, selling, rescinding, or valuing a security or a transaction because of a lack of buyers, sellers, or counterparties), and, where applicable,
(v) risks associated with reuse of guarantees (i.e., mainly the risk that financial guarantees given by the SICAV may not be returned to it, e.g., following failure by the counterparty).

8 – Risks inherent to investments in a single entity:
The risk resulting from concentrating the SICAV's investments in certain issuers may result in a decrease in the net asset value where these issuers are subject to a clear risk of loss in value or default.

9 – Liquidity risk:
In especially difficult market conditions or because of an exceptionally high volume of redemption requests or other exceptional circumstances, the SICAV may not be able to attend to redemptions within the period indicated in the prospectus. In this case, where the interests of the investors so dictate, the Management Company may, in compliance with the SICAV's articles of incorporation, suspend subscriptions or redemptions or extend the settlement period.

10 – Risk associated with ESG criteria:
Integrating ESG and sustainability criteria into the investment process may exclude securities offered by certain issuers for reasons other than pure investment considerations and, therefore, certain market opportunities available to funds that do not employ ESG or sustainability criteria may not be available to the SICAV, and the SICAV's performance could thus potentially be better or worse than that of comparable funds that do not use ESG or sustainability criteria. Asset selection may in part be based on a proprietary ESG rating process or on exclusion lists ("banned lists") partly based on third-party data. The absence of

common or harmonised definitions and labels incorporating ESG and sustainability criteria at the EU level may cause fund managers to take different approaches when defining ESG objectives and deciding whether the funds they manage have achieved those objectives. This also means that comparing strategies including ESG and sustainability criteria may be difficult, because the selection and weighting criteria applied to the chosen investments may to some extent be subjective or based on indicators that may have the same name but different underlying meanings. Investors are advised that the subjective values they may or may not assign to certain types of ESG criteria may differ substantially from the Investment Manager's own. The lack of harmonised definitions may also mean that certain investments are unable to benefit from preferential tax regimes or tax credits because ESG criteria are assessed differently than was initially anticipated.

11 – Including sustainability risks in the investment decision-making process:
Sustainability risk is an event or a situation in the environmental, social, or governance sphere which, should it occur, could have a sizeable real or potential negative impact on the value of the investment in the SICAV.
The sustainability risk approach used by the SICAV entails significant integration of ESG (environmental, social and governance) factors into the research and investment process. The SICAV has put in place a framework for integrating sustainability risks into its sustainability factor (or "ESG factor")-based investment decision-making grounded essentially in sector and regulatory exclusions and ESG rating method.

Sector and regulatory exclusions
The SICAV has set up a series of exclusion-based policies to manage extreme ESG and sustainability risks. These policies are intended to manage extreme ESG and sustainability risks, placing particular emphasis on:
• E: Climate (coal and tar sands), Biodiversity (protection of ecosystems and deforestation),
• S: Health (tobacco) and human rights (controversial weapons and white phosphorus munition, violations of international norms and standards, serious human rights violations)
• G: Corruption (violations of international norms and standards, serious controversies, violations of the principles of the United Nations Global Compact).

On the date of publication of this prospectus, the SICAV applies the sector-based exclusion policies relating to controversial weapons, agricultural raw materials, the protection of ecosystems and deforestation, climate-related risks and tobacco.

In addition, the SICAV applies AXA IM's ESG standards encouraging ESG investments and applies, to this end, additional exclusions relating to white phosphorus munitions, violations of the principles of the United Nations Global Compact, violations of international norms and standards, serious controversies, countries with serious human rights violations and investments with a low ESG rating.
All these exclusionary policies aim to systematically address the most serious sustainable risks in the decision-making process and may therefore evolve over time. Please click on the following link for more details: https://www.axa-im.fr/investissement-responsable/nos-politiques-et-rapports

ESG Rating
AXA IM uses rating methodologies to evaluate issuers on the basis of ESG criteria (corporate, sovereign, green, social and sustainable bonds).
These methods are based on quantitative data from various third-party data sources compiled from both extra-financial information published by issuers and states and from internal and external research. The data used in these methods include carbon emissions, water stress, occupational safety and health, labour standards in the supply chain, business ethics, corruption, and instability.
The corporate rating methodology is based on three pillars and several sub-factors, covering the main issues faced by companies in E, S and G areas. This framework is based on fundamental principles such as the United Nations Global Compact, the OECD Guidelines, International Labour Organisation conventions and other international principles and conventions guiding the activities of companies in the field of sustainable development and social responsibility. The analysis builds on the most significant ESG risks and opportunities previously identified for each sector and each company on the basis of 10 factors: climate change, natural capital, pollution and waste, opportunities related to environmental challenges, human

capital, product reliability, stakeholder opposition, access to essential services, corporate governance and business ethics. The ESG rating depends on the sector of activity, since for each sector, the most material factors are identified and overweighted. Materiality is not limited to the impacts on the business activity, it also incorporates impacts on external stakeholders as well as the underlying reputational risk arising from a misunderstanding of ESG issues.
Through our methodology, the severity of controversies is assessed and monitored on an ongoing basis. Controversial rating is also used to ensure that the most significant risks are considered in the final ESG score. Thus, the rating of controversies impacts the final ESG rating and high severity controversies will trigger significant penalties on the rating assigned to the sub-factors considered and ultimately on the ESG rating.
These ESG scores provide a standardised and holistic view of issuers' performance according to ESG factors and also help to promote environmental and social factors and further integrate ESG risks and opportunities into our investment decisions.
One of the main constraints affecting this approach is related to the limited availability of the data that can be used to assess sustainability risks: these data are not yet systematically released by issuers and, where they are available, different methods may be used to produce them. Investors should be aware that most information concerning ESG factors is based on historical data and may not reflect future ESG performance or the ESG risks attaching to investments.
ESG ratings are fully integrated into the SICAV's investment process, both in terms of taking ESG criteria into account in the management strategy and in terms of monitoring sustainability risk, the latter being assessed based on the SICAV's average ESG score.
Having the SICAV's investment strategy and risk profile in mind, the likely impact of sustainability risks on the SICAV's returns should be low.
Further information on integration of sustainability risks into the investment decision-making process and assessment of the likely impact of sustainability risks on the SICAV's returns is available under the section headed "SFDR" at: https://particuliers.axa-im.fr/investissement-responsable.

➢ **Guarantee or protection:** none

➢ **Subscribers concerned and typical investor profile:**
Category A shares: All subscribers.
Category P shares: reserved for placement agents and marketing distributors that have an investment or distribution agreement with an AXA INVESTMENT MANAGERS distribution company.
Category I shares: reserved for institutional investors.
Category B shares: All subscribers.
Category V shares: Reserved for subscribers that have subscribed through financial intermediaries which, by reason either of regulatory requirements (e.g., in the EU, financial intermediaries that provide discretionary portfolio management or independent investment advice) or of separate remuneration agreements with their clients, may not collect distribution fees.

This SICAV is aimed at investors seeking to expose their investment to the interest rate, credit and money and those who accept to take into account a socially responsible investment approach, observing environmental, social responsibility, and governance (ESG) criteria.
The capital invested in variable net asset value standard money-market funds may fluctuate upward or downward.

The SICAV is eligible to be taken as a benchmark for life insurance policies.

The amount that should reasonably be invested in this SICAV depends on each shareholder's own personal circumstances. In deciding this, each shareholder should consider their personal wealth, their actual needs over a recommended investment horizon of at least 1 month, and whether they are interested in taking risks or would instead prefer an investment that entails less risk. Unitholders are also strongly advised to diversify their investments sufficiently so that they are not exposed only to the risks of this SICAV.

Restrictions on US Investors:
The SICAV's shares have not been, nor will they be, registered under the US Securities Act of 1933, and the SICAV is not, nor will it be, registered under the US Investment Company Act of 1940.

Consequently, its shares may not be subscribed, assigned, offered, or sold directly or indirectly in the United States of America by any national of the United States of America, referred to here as a "US Person", or by any person subject to Title 1 of the US Employee Retirement Income Security Act ("ERISA") or section 4975 of the US Internal Revenue Code, or where the person is a "Benefit Plan Investor" within the meaning of the ERISA regulations.
The SICAV's shareholders must have the status of "Non-United States Persons", pursuant to the Commodity Exchange Act.

Definitions for "U.S. Person", "Non-United States Person" and "Benefit Plan Investor" are available at https://funds.axa-im.com/ (under the heading *legal notice*). For purposes of this prospectus, "US Investors" are "US Persons", "Benefit Plan Investors" and other persons subject to ERISA, and persons who are not "Non-United States Persons".

Persons wishing to acquire or subscribe to shares may have to provide written certification that they are not US Investors. Should their status change, they will no longer be entitled to acquire further shares and will have to immediately notify the change of status to the SICAV's board of directors, which will, where applicable, proceed with forced redemption of their shares.

Exceptions may be granted by the SICAV's board of directors in writing, particularly where required under applicable law.

The recommended minimum investment period is 1 month.

➤ **Procedures for determining and allocating Sums Available for Distribution:**

- Category A shares: share category type: class C capitalisation shares and class D distribution shares.
- Category P shares: pure capitalisation.
- Category I shares: pure capitalisation.
- Category B shares: pure capitalisation.
- Category V shares: pure capitalisation.

In accordance with the legal provisions, the Distributable Amounts are comprised of:

- net revenues plus the carry forward, plus or minus the balance of the accruals and deferrals account;
- the capital gains earned, net of fees, minus capital losses incurred, net of fees, reported during the financial year, plus the net capital gains of the same kind reported during prior financial years that were not distributed or capitalised, plus or minus the balance of the accruals and deferrals account.

➤ **Distribution frequency**

Capitalisation Shares:

The Distributable Amounts are fully capitalised each year.

Distribution shares:

Annually.

Distributable Amounts are distributed within the following limits:

- net profits will be distributed in full, to the nearest rounded figures,
- net capital gains realised may be distributed in whole or in part at the proposal of the board of directors.

Undistributed Sums Available for Distribution will be carried forward.

Interim distributions may be made to holders of Category A Class D distribution shares during the financial year at the decision of the board of directors subject to the cap on the Sums Available for Distribution realised at the time of the decision, in proportion to their share of the total net assets.

➢ **Characteristics of the shares:**
- Category A shares: shares denominated in euros and fractionalised into hundredths of a share.
- Category P shares: shares denominated in euros and fractionalised into ten-thousandths of a share.
- Category I shares: shares denominated in euros and fractionalised into ten-thousandths of a share.
- Category B shares: shares denominated in euros and fractionalised into ten-thousandths of a share.
- Category V shares: shares denominated in euros and fractionalised into ten-thousandths of a share.

➢ **Subscription and redemption:**

- For Category A shares, subscription, redemption, conversion, and swap orders involving Class C capitalisation shares and Class D distribution shares are accepted by the depositary daily until 12:00 noon* (Paris time).

- For Category P, B and V shares, subscription, redemption, conversion, and swap orders are accepted by the depositary daily until 12:00 noon* (Paris time)

For Category I shares, subscription and redemption orders are received daily until 12:00 p.m.* (Paris time) by the depositary for shares registered or to be registered with Euroclear France and by IZNES for shares reserved for corporate investors acting on their own account to be registered or registered in the DEEP.
"Order execution takes the form shown in the following table:

Subscription order processing	Redemption order processing	Order execution	Publication of the net asset value**	Delivery of subscriptions	Settlement of redemptions
D	D	D	D	D	D

**Except where a specific deadline has been arranged with your financial institution.*
***The net asset value at which subscription and redemption orders are executed is calculated based on the previous day's price (D-1) published on D-1. It may, however, be recalculated to account for any exceptional market event that may have supervened before the processing cut-off time. The publication date of the net asset value is D and is not subject to recalculation."*

The net asset value calculated the day before a weekend or an official public holiday includes the accrued coupons for the weekend or the official public holiday. It is dated the last day of the anticipation period.

- For category A, P, B, and V shares:

Subscription and redemption requests are centralised by delegation from the Management Company, with:

- BNP PARIBAS SA whose address is:

BNP-PARIBAS SA
Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin

- Category I shares are reserved for institutional investors:

Subscription, redemption and conversion requests are centralised by delegation from the Management Company, with:

- BNP PARIBAS SA for bearer shares to be registered or registered with Euroclear France and whose address is:

BNP-PARIBAS SA

Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin

- **IZNES** for registered shares reserved for investors legal entities acting on their own account to be registered or already registered in the Shared Electronic Registration System (DEEP) and whose address is:

IZNES
Service Opérations [Operations Department]
20-22, rue Vernier – 75017 Paris

- Original net asset value of a Category A Class C capitalisation share and a Category A Class D distribution share: EUR 762.25
Original net asset value of a Category P share: net asset value of a Category A Class C capitalisation share on the date the Category P shares were created.
- Original value of a Category I share: EUR 10,000;
- Original value of a Category B share: EUR 10;
- Original value of a Category V share: EUR 1,000;

- Minimum subscription amount for all types of Category A shares: none
- Minimum subscription amount for Category P shares: none
- Minimum subscription amount for Category I shares: 1 share (AXA Group and funds managed by AXA IM companies excepted)
- Minimum subscription amount for all types of Category B shares: none
- Minimum subscription amount for all types of Category V shares: none
- Minimum amount of the 1st subscription for Category A shares: EUR 250,000 (AXA Group and funds managed by AXA IM companies excepted)
- Minimum amount of the 1st subscription for Category P shares: None
- Minimum amount of the 1st subscription for Category I shares: EUR 10,000 (AXA Group and funds managed by AXA IM companies excepted);
- Minimum amount of the 1st subscription for Category B: EUR 250,000 (AXA Group and funds managed by AXA IM companies excepted).
- Minimum amount of the 1st subscription for Category V: None.

- Switching from one share category to another (conversion): subject to compliance with the terms of access, a shareholder's decision to change from one share category to another is taken to be like any other operation:
  - 1st, selling one or more shares and/or fractions of a share held in the initial category;
  - 2nd, subscribing one or more shares and/or fractions of a share in the new category.

Consequently, the shareholder's decision may generate a capital gain on the sale of negotiable securities that is subject to tax.

➢ **Conditions for Class C and D share swaps**:
Swap requests between Category A Class “C” capitalisation shares and Class “D” distribution shares are centralised by BNP PARIBAS SA before 12:00 noon. (Paris time) and are executed on the basis of the last net asset value

Any fractional shares are either settled in cash or made full by subscribing an additional share or fraction of a share.

➢ **Net asset value calculation frequency:** Daily.
The net asset value will not be calculated or published on trading days that fall on official public holidays. The reference stock exchange trading calendar is that of Euronext Paris.

➢ **Net asset value publication:** The management company's offices.

➢ **Charges and fees:**

Subscription and redemption fees:

Subscription and redemption fees will raise the subscription price paid by the investor or lower the redemption price. Fees retained by the SICAV are used to offset the costs the SICAV incurs in investing in or divesting from the assets it holds. Fees not retained by the SICAV revert to the management company, the sales agent, etc.

Fees charged to investors levied on subscriptions or redemptions **Category: A, P, I, B and V**	**Calculation basis**	**Rate**
Subscription fee not retained by the SICAV	Net asset value x number of shares	**Category: A, I and B:** ➢ Maximum charge: 1% ➢The insurance companies in the AXA Group are exempt from paying this fee when this SICAV is used as a basis for policies expressed in accumulation units. **Category: P and V:** ➢None
Subscription fee retained by the SICAV	Net asset value x number of shares	None
Redemption fee not retained by the SICAV	Net asset value x number of shares	None
Redemption fee retained by the SICAV	Net asset value x number of shares	None

Operating and management charges:

These costs cover all the costs billed directly to the SICAV, except for the costs of transactions. Transaction charges include intermediation costs (brokerage charges, stock exchange taxes, etc.) and any turnover fees charged, in particular by the depositary and the Management Company.

Besides the operating and management charges there may be:

⇨ turnover fees charged to the SICAV;

⇨ remuneration received by the lending agent arising from implementing transactions involving the temporary purchase and sale of securities.

Please refer to the Key Investor Information Document (KIID) for more information on the fees actually charged to the SICAV.

	Costs charged to the SICAV	**Calculation basis**	**Rate**
1 2	**Financial management and operating costs and other services:** - For category A, P, B, and V shares: - Category I shares:	Net assets (including CIUs) Net assets (including CIUs)	0.598% maximum, including tax 0.20% maximum, including tax
3	**Maximum indirect costs (fees and management costs)**	Assets of the selected CIUs	Not Applicable *(*)*

4	**Turnover fee:** ➢ Depositary	Levied on each transaction	EUR 50 maximum
5	**Outperformance fee**	None	None

(*) Insofar as the SICAV's investments in underlying CIUs does not account for more than 10% of its net assets, the level of indirect charges does not have to be specified in the above table. This does not mean, however, that the SICAV will not incur charges as a result of these investments.

Costs incurred as fees payable to the French Financial Markets Authority (FMA), extraordinary and non-recurring taxes, government charges, and fees, and extraordinary legal costs linked to the collection of debts of the SICAV may be added to the costs charged to the SICAV specified in the schedule of charges set out above.

Temporary securities purchase and sales transactions:
When carrying out temporary securities purchase and sales transactions, the SICAV may engage the services:

- of AXA Investment Managers IF ("AXA IM IF"),

in particular for selecting counterparties and for managing financial collateral.

Any profits (or losses) generated by these transactions will be acquired in full by the SICAV.

Details are included in the SICAV's annual report.

AXA IM IF selects the counterparties with which repurchase and reverse repurchase operations are transacted on behalf of the SICAV in accordance with its execution policy, available at https://funds.axa-im.com/:

AXA Investment Managers IF
Tour Majunga – La Défense 9
6, place de la Pyramide
92908 Puteaux

AXA IM IF and the Management Company are two entities in the AXA IM Group. To prevent conflicts of interest, the AXA IM Group has implemented a conflict of interest management policy, available at: https://funds.axa-im.com/https://funds.axa-im.com/.

The SICAV's policy on financial guarantees and counterparty selection for concluding temporary securities purchase or sales transactions is in line with the policy on financial contracts described above.

Selecting intermediaries:
The management company's procedure for selecting intermediaries is based on:

§ a due diligence stage for compiling background information and
§ An approval procedure involving, besides the management teams, a number of other teams overseeing the range of risks related to entering into a relationship with a counterparty or a broker, namely, the Risk Management Department, Operations teams, the Compliance Unit, and the Legal Department.
Each team casts its own vote.

Shareholders may refer to the SICAV's annual report for further information.

IV – Commercial information:

Full information concerning the SICAV can be obtained by writing to the management company directly (postal address):

AXA INVESTMENT MANAGERS PARIS,
Tour Majunga - 6 Place de la Pyramide
92908 PARIS – La Défense cedex

- For category A, P, B, and V shares:

Subscription, redemption, conversion, and swap orders involving Category A Class C capitalisation shares and Class D distribution shares are processed by:

- BNP–PARIBAS SECURITIES SERVICES (BBPS), whose address is:

BNP-PARIBAS SA
Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin

- Category I shares are strictly reserved for institutional investors:

Subscription, redemption and conversion requests are centralised by delegation from the Management Company, with:

- BNP PARIBAS SA for shares to be registered or registered with Euroclear France and whose address is:
-

BNP-PARIBAS SA
Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin

- **IZNES** for registered shares reserved for investors legal entities acting on their own account to be registered or already registered in the Shared Electronic Registration System (DEEP) and whose address is:

IZNES
Service Opérations [Operations Department]
20-22, rue Vernier – 75017 Paris

➢ **Compliance with environmental, social, and governance objectives:**

Information concerning the criteria relating to compliance with the environmental, social, and governance objectives (ESG criteria) is available on the Management Company's website (https://funds.axa-im.com/) and the criteria are addressed in the annual reports for the respective financial years.

➢ **Voting rights policy and availability of the report:**

Information on the voting rights and reporting access policy is available on the management company's website (https://funds.axa-im.com/).

➢ **Information in case of changes to the SICAV's operating procedures:**

Shareholders are informed of changes to the SICAV's operating procedures individually, through the press, or by any other means complying with the prevailing regulations. If appropriate, this information may be released by Euroclear France or by its affiliated financial intermediaries.

➢ **Professional shareholders:**

The management company informs shareholders in the UCITS that the SICAV's professional shareholders subject to regulatory requirements such as those ensuing under Directive 2009/138/EC (Solvency II) may receive the composition of the UCITS portfolio before that information is made available to all shareholders.

V – <u>Investment rules</u>:

Pursuant to the French Monetary and Financial Code and EU Regulation 2017/1131

The management company will take changes to the French Monetary and Financial Code into account for purposes of managing the SICAV as soon as those changes take effect.

VI – <u>Overall risk</u>:

The SICAV's overall risk is calculated using the commitment approach.

VII – <u>Asset valuation and accounting rules</u>:

The SICAV's net asset value on a given day is calculated based on the previous day's price. In the event of an exceptional market event supervening before the processing cut-off time, the value may be recalculated to prevent market timing opportunities. The publication date of the net asset value is D and is not subject to recalculation.

The portfolio is evaluated as follows at each net asset value valuation date and at the close of the annual financial statements:

Transferable securities:

<u>Financial instruments and securities traded on a French or foreign regulated market</u>:

- Financial instruments and securities traded on a regulated market in France or abroad: at the closing price on the valuation date (source: Thomson-Reuters).

- Securities whose price has not been booked on the valuation date are valued at the last officially published price or their expected trading value under the responsibility of the Management Company. The attesting documents are communicated to the auditor during audits.

- Foreign exchange: foreign currencies are converted into euros at the exchange rate posted in London at 4:00 p.m. on the valuation date (source: WM Company).

- Bonds and indexed products at fixed or variable rates, including Treasury Bills at annual interest rates (BTANs) and fixed-rate discounted-interest treasury bills (BTFs), are valued each day at their market price as assessed by data suppliers whom the Management Company deems to be eligible, and they are rated in order of priority by instrument type. They are valued at their clean price.

However, the following instruments are valued based on the following special methods:

UCI units or shares:

- Units or shares in CIUs are valued at their last officially published net asset value. Collective investment undertakings that use a time frame that cannot be reconciled with the calculation of the net asset value of the fund are valued based on estimations under the supervision and at the discretion of the Management Company.

<u>Negotiable debt securities other than annual interest-earning treasury notes (BTANs), fixed-rate discount treasury notes (BTFs)):</u>

- Traded Debt Securities (TDSs)

are valued by applying an actuarial method, the discount rate selected being that of the equivalent issue(s) of securities, adjusted where necessary by a difference representing the intrinsic characteristics of the issuer of the security (issuer's market spread).

The markets rates employed are:
in the case of the Euro, the EURO STR swap curve (Overnight Indexed Swap [OIS] method),
- in the case of the USD, the Fed Funds swap curve (Overnight Indexed Swap [OIS] method),
- in the case of the GBP, the SONIA swap curve (Overnight Indexed Swap [OIS] method).

The discount rate is an interpolated rate (by means of linear interpolation) between the two closest trading periods framing the maturity of the security.

Securitisation instruments:

- Asset-backed securities (ABS): ABSs are valued based on valuations from a service provider, from data suppliers, from eligible counterparties, and/or third parties designated by the Asset Management Company (i.e., eligible data suppliers).

- Collateralised debt obligations (CDOs) and collateralised loan obligations (CLOs):
  - (i) subordinate tranches issued by CDOs and/or CLOs and (ii) custom CLOs are valued based on values from arranging banks, lead managers, counterparties who are committed to providing such valuations and/or third parties designated by the Asset Management Company (i.e., eligible data suppliers)
  - (ii) securities issued by CDOs and/or CLOs that are neither (i) subordinate tranches of CDOs and/or CLOs nor (ii) custom CLOs are valued by third parties designated by the Asset Management Company (i.e., eligible data suppliers).

  The prices used for valuing securitisation instruments are valued at the discretion of the Asset Management Company.

Transactions involving the temporary acquisition and sale of securities:

- Repos:
  - Reverse repurchase agreements: receivables representing the repo inward securities are valued under the terms of contract.
  - Repos outward: the repo outward securities are valued at the market value of the securities; the debt representing the outward repos is valued under the terms of contract.

Financial instruments not traded on a regulated market:

These instruments are valued at their probable trading value at the discretion of the management company.

- Forex forwards: Forex forwards are valued based on a calculation taking into account:
  - The nominal value of the instrument,
  - The strike price of the instrument,
  - Discount factors for the remainder of the term,
  - The spot exchange rate at market value,
  - The forward exchange rate for the remainder of the term, defined as the spot exchange rate times the discount factor ratio in each currency calculated using the appropriate rate curves.

⇨ OTC derivatives for fund flow management (other than CDSs, FX Forwards, and CFDs):

- Interest rate swaps:

  - Interest rate swaps against capitalised daily index (example: swaps vs €STR, Fed Funds/SOFR, SONIA.) :

    These swaps are valued using the reversal cost method. Each time the net asset value is calculated, the interest rate and/or currency swap contracts are valued at their market value depending upon the price calculated by discounting the future cash flows (principal and interest) at the market interest and/or currency rates. The discounting is carried out using a zero-coupon rate curve.

  - Interest rate swaps against a forward benchmark (example: swaps vs. EURIBOR):

    These are valued at their market value based on the prices calculated by the counterparties, under the control and at the discretion of the Management Company.

⇨ OTC derivatives other than for fund flow management (not including CDSs, FX Forwards, and CFDs):

Financial futures instruments are valued at their market value based on the prices calculated by the counterparties under the supervision and at the discretion of the Management Company.

If the Management Company deems necessary, an investment or a specific security may be valued using an alternative method to those presented above, on the recommendation of Global Risk Management or a portfolio manager after validation by Global Risk Management. When the value of an investment cannot be verified by the usual method or an alternative method, it will correspond to the estimated probable realisation value, under the control and responsibility of the Management Company.
In practice, if the Management Company is forced to carry out a transaction at a price that differs significantly from the valuation provided for in the valuation rules presented here, all of the securities remaining in the SICAV must be valued at this new price.

➢ **Accounting methods**

Income will be accounted for using the coupons received method.

Trading charges are posted in specific accounts of the OPC and are therefore not added to the cost price of the securities (excluding charges).

The WAPP (Weighted Average Purchase Price) method is used for the liquidation of securities. For derivative products, on the other hand, the FIFO (or 'First In' 'First Out') method is used.

VIII – Minimum information on the detailed description of the credit risk assessment procedure (the "Procedure")

I- Description of the scope of the Procedure

- Purpose of the Procedure:
  AXA IM has implemented an internal procedure for assessing credit quality that it uses for money market funds. The purpose of the procedure is to ensure that money market funds invest in assets that have obtained a positive credit quality assessment by AXA IM.

- Scope of application:
  This Procedure applies to money market instruments issued by private organisations and by sovereign, semi-sovereign, and supranational entities and to asset-backed commercial paper ("ABCP") issued by an ABCP programme that is fully guaranteed by a regulated

credit institution.

AXA IM's money market funds may invest only in ABCP programmes that are fully guaranteed. A programme is fully guaranteed if investors are protected against impaired performance of their assets by a third party. This guarantee provides 100% coverage against credit risk and liquidity risk. AXA IM's analysis of a 100% guaranteed programme is based on the financial solvency of the guarantor, not on the quality of the assets. The guarantor's rating is therefore applied to the ABCP programme.

II- Description of the participants in the procedure

The process of internally assessing credit for money market funds is split between two different teams within AXA IM:

- The research team: this team consists of analysts and economists based in Europe and in the United States. Financial analysts are in charge of defining an analytical method and of assessing issuers' credit quality. Each analyst specialises in one or more sectors or regions and has a designated backup from among the other financial analysts. There is one manager in charge of research in Europe and another in charge of research in the United States. This team of financial analysts covers:
    - Developed countries/sovereign states;
    - Financial and non-financial companies (corporations);
    - Local and regional governments;
    - Government agencies;
    - Supranational financial institutions.

  Economists based in Europe and Asia build scenarios, estimate associated risks, and use quantitative indicators to assess the credit quality of developed European countries.

  The research team is completely independent of the money market funds' management teams. It reports directly to the Global Director of the CORE Investments platform.

  Money market fund management teams are not involved in and exert no influence on the research team's internal credit quality assessments at any time. Analysts and economists are hired based on their qualifications, their skills, and their experience, so that they are able to conduct their assessments fully independently.
  If a fund manager identifies a new issuer that has no internal credit quality rating, the fund manager sends a request for an assessment to be performed.

- The Global Risk Management Department ("GRM"): This department has a dedicated Investment Risk Analysis ("IRA") team in Paris that is in charge of calculating final scores based on the ratings made by the research teams and on quantitative factors. This team is composed of a manager and (between 4 and 6) quantitative risk analysts.
  The GRM IRA expands the research team's assessment and takes any additional quantitative parameters into consideration, and it issues the final scores that will serve as the basis for the fund managers' investment decision-making.

The GRM IRA team is ultimately responsible for the internal scoring relied on by management. In terms of organisation, the GRM department reports to AXA IM's Global Chief Operating Officer (COO), who in turn reports directly to AXA IM's Global CEO independently of the management teams. The money market fund management team is not involved in and exerts no influence on the GRM IRA team's internal credit quality assessments at any time. The members of the GRM IRA team have the necessary qualifications, skills, and experience to be able to conduct their assessments entirely independently.

III- Description of the method

- <u>Stage one:</u> The research team carries out a basic assessment using a range of factors depending on the type of issuer, which may include:

- Macroeconomic indicators;
- An in-depth understanding of the issuer's field of activity;
- The issuer's financial position and liquidity, including its ability to refinance its short-term debt;
- The main ESG factors considered to be most relevant for each issuer;
- Event risk associated with mergers, acquisitions, and transfers;
- Ratings by external agencies, etc.

This assessment results in an internal credit rating based on various scales according to the type of issuer.

- Stage two: AXA IM's GRM IRA team carries out an additional assessment for issuers based on the scores from the research team and on such quantitative data as:
  - Country risk: CDS spreads;
  - Issuer risk: CDS issuer spreads;
  - Ratings by external agencies, etc.

  A final score is issued and is used to determine whether the issuer meets eligibility requirements for inclusion in the assets of money market fund portfolios. Only issuers that have been awarded a favourable rating by the GRM IRA team are eligible for inclusion in the portfolios. Internal ratings are posted to management platforms automatically and cannot be modified.

- Reassessment of creditworthiness: The scores issued by the GRM are recalculated weekly taking into account any changes in the input data (research team ratings, CDS spreads, etc.). Any material changes in these parameters may cause the previous score to be revised.

  Meanwhile, the research team is constantly analysing information on markets and issuers based on the information published in the press or contained in issuers' financial reports. The analysts and economists are responsible for the issuers included in their specific area and for verifying and ascertaining whether the financial information they have received merits reviewing the scores issued previously. The research team also conducts an annual review of all issuer assessments.

IV- Description of the rules for reviewing the credit quality assessment procedure

The internal credit quality assessment procedure has been approved by the Global Risk Management Board (GRMB).
To ensure the procedure is working properly, the Core Investments Platform Chief Operating Officer sees to it that the procedure is reviewed by the GRMB at least once a year and reports to the GRMB at least once a year:

- On money market fund credit risk profiles based on analysis of the internal credit quality assessments;
- On areas where weaknesses have been noted and on progress made regarding the actions and work undertaken to rectify the weaknesses detected.

Further remarks:
AXA IM may need to adjust its credit quality assessment procedure quickly in response to any material changes in market conditions to keep it in full accord with circumstances and will respond appropriately to any temporary situations in which the information provided may not exactly reflect the procedure at all times. The management company will then update the description of the Procedure without delay in the best interests of unitholders.

IX – Remuneration

AXA Investment Managers Paris has approved and implemented the AXA IM Global Remuneration Policy in compliance with the applicable regulations. The Policy ensures sound, effective risk management, discourages risk-taking that is not consistent with the risk profiles of the Funds it manages or their Articles of Incorporation, and is not counter to its obligations to act in the best interests of each Fund.

The AXA IM Global Remuneration Policy has been approved by the AXA IM Remuneration Committee and sets out the remuneration principles for all members of the AXA IM Group (AXA Investment Managers Paris included). It takes into account AXA IM's strategy, objectives, and risk tolerance and the long-term interests of AXA IM's shareholders, employees, and customers (Funds included). The AXA IM Remuneration Committee is responsible for defining and reviewing the principles underlying remuneration at AXA IM, including the AXA IM Global Remuneration Policy, and for reviewing the annual remuneration of the AXA IM Group's upper management and of the senior executives exercising a supervisory role.

AXA IM makes provision for both fixed and variable remuneration. Employees' fixed remuneration is structured so as to provide compensation for the level of responsibility, professional experience, and individual ability to carry out their job-related duties. Variable remuneration is performance-based and may be awarded yearly on a non-deferred basis, though a deferred basis may be used for certain employees. Non-deferred variable remuneration may be paid in cash or, where applicable and in compliance with local laws and regulations, in the form of instruments pegged to the performance of AXA IM Funds. Deferred variable remuneration is awarded in the form of various structured instruments as compensation for medium and long-term value creation for customers and for AXA IM and long-term value creation for the AXA Group. AXA IM assures an appropriate balance between fixed and variable remuneration and between deferred and non-deferred remuneration.

The updated details of the AXA IM Global Remuneration Policy are published online at www.axa-im.com/important-information/remuneration-policy. A description of the workings of the employee remuneration and benefits policy and information about the AXA IM Remuneration Committee are available there. AXA Investment Managers Paris will furnish a printed copy free of charge upon request.

X – Payment of retrocessions and negotiated discounts

a) As part of its business development policy, the Management Company may decide to develop contacts with various financial intermediaries who, in turn, are in contact with customer segments likely to invest in the Management Company funds. The Management Company applies a strict selection policy for its partners and determines their one-off or recurring remuneration conditions, calculated either on a flat-rate basis or in proportion to the management fees collected with the aim of preserving the long-term stability of the relationship.
b) The Management Company may grant discounts negotiated directly to investors on request and on a discretionary basis based on commercial interests. Negotiated discounts are used to reduce commissions or fees for the investors concerned.
   Negotiated discounts are authorised provided that they are paid out of the remuneration received by the Management Company and therefore do not represent an additional burden for the SICAV and that they are granted on the basis of objective criteria.

For more information, please refer to the document "Remuneration for the distribution of Undertakings for Collective Investment and negotiated discounts to certain holders" available on at www.axa-im.fr/informations-importantes/.

Precontractual information for financial products referred to in Article 8(1), (2) and (2)(a) of Regulation (EU) 2019/2088 and in the first paragraph of Article 6 of Regulation (EU) 2020/852

Product name: AXA Court Terme (the "Financial Product")

Legal entity identifier: 969500HW3N2E4SUR9I58

Environmental and social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that it does no significant harm to either of these objectives and that the companies in which the financial product invest apply good governance practices.

The **EU taxonomy** is a classification system established by Regulation (EU) 2020/852, which lists **environmentally sustainable economic activities**. The regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective are not necessarily aligned with the taxonomy.

Does this financial product have a sustainable investment objective?

☐ **YES**	☒ **NO**
☐ It will make a minimum number **of sustainable investments with an environmental objective**: ___%	☒ **It promotes environmental and/or social (E/S) characteristics**, and though it does not have a sustainable investment objective, 20% of its investments are sustainable investments
☐ in economic activities that are considered environmentally sustainable under the EU taxonomy ☐ in economic activities that are not considered environmentally sustainable under the EU taxonomy	☐ with an environmental objective and carried out in economic activities that are considered environmentally sustainable under the EU taxonomy ☒ with an environmental objective and carried out in economic activities that are not considered environmentally sustainable under the EU taxonomy ☒ with a social objective
☐ It will make a minimum number **of sustainable investments with a social objective**: ___%	☐ It promotes sustainable investment characteristics, but **did not make sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The environmental and social characteristics promoted by the Financial Product consist of investing in:

- issuers who take **gender diversity into account on the composition of the boards of directors.**
- issuers that take into account their **carbon intensity.**

The Financial Product also promotes other environmental and social characteristics, namely:

- Preserving the climate through exclusion policies on unconventional coal and oil and gas activities
- Ecosystem protection and prevention of deforestation
- Health through the tobacco exclusion policy
- Human rights, labour rights, society, business ethics, anti-corruption measures through the exclusion of companies that cause, contribute to or have significant links to violations of international norms and standards,

focusing in particular on the principles of the United Nations Global Compact ("UNGC"), the conventions of the International Labour Organization ("ILO"), and the OECD Guidelines for Multinational Enterprises

- Protecting human rights, by avoiding investing in debt instruments issued by countries where the worst forms of human rights violations are observed.

No specific index has not been designated as a benchmark to determine whether the Financial Product is aligned with the environmental and/or social characteristics it promotes. A broad market index, €STR Capitalised (the "Benchmark"), has been designated by the Financial Product.

The initial investment universe of the Financial Product will be defined as consisting of a broad list of financial instruments that are part of the ICE Bank of America Euro Corporate Index (the"Investment Universe").

Sustainability indicators are used to check whether the financial product complies with the environmental or social characteristics promoted by the financial product.

What sustainability indicators are used to measure the achievement of each of the environmental or social characteristics promoted by the financial product?

Promotion of the Financial Product's environmental and social characteristics, as described above, is measured by the following sustainability indicators:

- The weighted average of women on the board of directors is defined as the percentage of women members of the board of directors of the companies in which the Financial Product invests and that of its Investment Universe. This indicator is provided by a third-party data provider.
- The weighted average of the carbon intensity of the Financial Product and its Investment Universe. This indicator represents the amount of greenhouse gas (GHG, covering at least Scopes 1 and 2) emissions released into the atmosphere. This carbon intensity is expressed in tonnes of CO_2 equivalent per million USD of turnover.

The Financial Product outperforms its Investment Universe on these sustainability indicators in order to promote the environmental and/or social characteristics described above.

What are the objectives of the sustainable investments that the Financial Product specifically intends to pursue and how do the sustainable investment contribute to these objectives?

The Financial Product intends to invest in instruments considered to be sustainable investments by evaluating the positive contribution made by companies in the portfolio through at least one of the following dimensions:

1. Alignment of portfolio companies with the United Nations Sustainable Development Goals (SDGs) as a framework of reference, considering companies that contribute positively to at least one SDG according to a "Best-in-Universe" selection approach which consists of favouring the best rated issuers from an extra-financial point of view, regardless of their sector of activity. To be considered a sustainable asset and to certify a contribution to one or more environmental and/or social factors, a company must meet the following criteria:

a. The SDG score relating to "products and services" offered by the company is greater than or equal to 2, i.e. the company derives at least 20% of its turnover from a sustainable activity; or

b. Based on a "Best-In-Universe" selection approach which consists of giving preference to the issuers with the best ratings from an extra-financial point of view, regardless of their sector of activity, the SDG score for the issuer's Operations is in the top 2.5%, with the exception of SDG 5 (Gender equality), SDG 8 (Decent work), SDG 10 (Reduced inequality), SDG 12 (Responsible consumption and production) and SDG 16 (Peace and justice), where the issuer's SDG score for operations is in the top 5%. For SDGs 5, 8, 10 and 16, the selection criterion relating to the issuer's "Operations" is less restrictive because these SDGs are more adequately assessed through the way in which the issuer conducts its business rather than through the products and services offered by the portfolio company. The selection criterion related to Operations is also less restrictive for SDG 12, which can equally be evaluated in a relevant manner by the Products & Services or by the Operations of the issuer.

Quantitative results on the SDGs are obtained from third-party data providers and can be adjusted on the basis of a qualitative analysis carried out by the Investment Manager. More information on the qualitative analysis carried out by the Investment Manager can be found in the document entitled "Approach to sustainable investment under the SFDR regulation for traditional asset classes", available on the fund manager's website, the link to which is provided below.

2. Integration of issuers engaged in a solid transition to carbon neutrality and in line with the European Commission's aim to contribute to financing the transition to a world where global warming is limited to 1.5°C - on the basis of the framework developed by the Science Based Targets Initiative (SBTI) -, considering companies whose objectives have been validated by the SBTI.

3. Investments in green, social or sustainable bonds and in sustainability linked bonds:

a. Green, social and sustainable bonds are instruments that aim to contribute to various sustainable objectives by nature. Thus, investments in corporate and government bonds that have been identified as green, social or sustainable bonds in the Bloomberg database are considered 'sustainable investments' according to the AXA IM SFDR framework.

b. For sustainability bonds, an internal framework has been developed to assess the strength of bonds used to finance a general sustainability objective. As these instruments are more recent, the practices of issuers are heterogeneous.

Thus, only sustainability linked bonds to which a positive or neutral opinion is attributed at the end of AXA IM's internal analysis process are considered to be "sustainable investments". The analytical framework is based on the International Capital Market Association (ICMA) guidelines integrated into the approach developed by AXA IM and based on the following criteria: (i) the issuer's sustainability strategy and the relevance and materiality of key performance indicators; (ii) the ambitiousness of the sustainability performance target; (iii) the characteristics of the bonds; and (iv) monitoring and reporting of the sustainability performance target.

These methodologies may evolve to take into account, but are not limited to, any improvement in, for example, the availability and reliability of data, or any change in regulations or other external frameworks or initiatives.

The Financial Product does not take into consideration the environmental objectives of the European Union Taxonomy.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors related to environmental, social and labour issues, respect for human rights and anti-corruption and bribery.

To what extent have the sustainable investments that the Financial Product specifically intends to pursue caused no significant social or environmental harm?

Application of the "Do no significant harm" principle to sustainable investments that the Financial Product partially intends to make means that an issuing company cannot be considered to be sustainable if it meets at least one of the criteria listed below:

- The issuer causes significant harm to one of the SDGs when an SDG has a score below -5, calculated from a third-party supplier's database and on a scale from +10 corresponding to a "significant contribution" to -10 corresponding to a "significant obstruction", except where the quantitative score has been adjusted following a qualitative analysis. This criterion is applied to portfolio companies considered to be sustainable.
- The issuer is on AXA IM's exclusion lists as defined in the sector-based exclusion policy and AXA IM's ESG Standards (described below) which take into account, among other factors, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This criterion is applied to the portfolio as a whole.
- The issuer had an ESG rating less than or equal to CCC (or 1.43) according to AXA IM's ESG rating methodology. The ESG rating is based on the ESG rating obtained from a third-party data provider, which evaluates data through the environmental, social and governance (ESG) dimensions. In the event of no coverage or disagreement on the ESG rating, AXA IM analysts may supplement this rating with a fundamental and documented ESG analysis, provided that it is approved by an internal governance body at AXA IM. This criterion is applied to the portfolio as a whole.

Indicators relating to the negative impacts on sustainability factors are taken into account, in particular through the application of AXA IM's exclusion and engagement policies.

How were the negative impact indicators considered?

This Financial Product takes into account indicators relating to negative impacts on sustainability (or "PAI" in English) to ensure that sustainable investments do not cause significant harm to the other sustainable development objectives defined under the SFDR regulation.

PAI are mitigated by the strict application of exclusion lists as defined in AXA IM's policies on sector-based exclusions and ESG standards (described below), as well as by applying a selection filter based on indicators relating to the United Nations Sustainable Development Goals. As part of the no significant harm approach, no specific thresholds or comparisons with reference values have been defined.

Where appropriate, engagement policies also help to mitigate risks associated with PAIs through direct dialogue with companies on sustainability and governance issues. Through engagement activities, the Financial Product will use its influence as an investor to encourage companies to mitigate the environmental and social risks related to their sectors. Voting at shareholders' meetings has also been an important part of the dialogue with portfolio companies, to sustain the long-term value of the companies in which the Financial Product invests and to mitigate adverse impacts, as described below.

Exclusion policies:

- **Environment:**

Related AXA IM policies	PAI indicator
Climate Risk Policy Ecosystem protection and anti-deforestation policy	PAI 1: Greenhouse gas (GHG) emissions (levels 1, 2, & 3 from January 2023)
	PAI 2: Carbon footprint
	PAI 3: GHG intensity of investee companies
Climate Risk Policy	PAI 4: Exposure to companies active in the fossil fuel sector
Climate Risk Policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production

Climate risk policy (taking into account an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity by sector with high climate impact
Ecosystem protection and anti-deforestation policy	PAI 7: Activities with a negative impact on biodiversity-sensitive areas

- **Social and Governance:**

Related AXA IM policies	PAI indicator
Policy on ESG standards: Violation of international norms and standards	PAI 10: Violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises
Policy on ESG standards: (Violation of international norms and standards considering that there is a correlation between companies not complying with international standards and the lack of implementation by companies of compliance processes and mechanisms to monitor compliance with these standards)[2]	PAI 11: Lack of compliance processes and mechanisms to monitor adherence to the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises
Voting and engagement policy with systematic application of gender-related voting criteria on boards	PAI 13: Gender diversity on governance bodies
Controversial weapons policy	PAI 14: Share of investment in companies involved in the manufacture or sale of controversial weapons

Filter on indicators relating to the United Nations SDGs:

AXA IM also relies on the SDG pillar of its responsible investment policy to monitor and take into account the negative impacts on these sustainability factors by excluding portfolio companies that have an SDG score below -5 for any SDG (on a scale from +10 corresponding to "a significant contribution" to -10 corresponding to "a significant obstruction"), except where the quantitative score has been adjusted following a qualitative analysis duly documented by AXA IM. This approach allows AXA IM to ensure that portfolio companies with the most significant negative impacts on an SDG are not considered as sustainable investments.

The availability and quality of the data are currently lower for certain sustainability factors, such as those related to biodiversity, which may have an impact on the coverage of the following PAI indicators: emissions to water (PAI 8), hazardous waste and radioactive waste ratio (PAI 9) and unadjusted gender pay gap (PAI 12). These sustainability factors are among the 17 goals targeted by the United Nations SDGs (more specifically, they are covered by SDG 5 "Gender equality", SDG 6 "Access to clean water and sanitation", SDG 8 "Access to decent jobs", SDG 10 "Reducing inequalities", SDG 12 "Responsible consumption" and SDG 14 "Protection of aquatic fauna and flora"). Pending better availability and quality of data, the AXA IM framework makes it possible to limit the worst impacts on these SDGs.

To what extent do the sustainable investments comply with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Detailed description:

The Financial Product does not invest in companies that cause, contribute to or are linked to significant violations of international norms and standards. These standards relate to human rights, society, labour and the environment. They thus offer a methodology for evaluating an issuer's good governance practices, in particular with regard to the strength of management structures, relations with employees, staff remuneration and tax compliance. AXA IM relies on an external service provider's screening system and excludes companies that have been found to be 'non-compliant' with the principles of the United Nations Global Compact, the International Labour Organization (ILO) conventions, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGP).

The EU taxonomy establishes a 'do no significant harm' principle under which investments aligned with the taxonomy must do no significant harm to the objectives of the EU taxonomy. It is accompanied by Eu-specific criteria.

The 'do no significant harm' principle applies only to investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investment must also not cause significant harm to environmental or social objectives.

Does this financial product take into account the main adverse impacts on sustainability factors?

[1] The approach used to meet the PAI benchmarks though this carve-out policy will evolve as the availability and quality of data improves and AXA IM will be able to use the PAI more effectively. To date, not all sectors with a high climate impact are covered by the exclusion policy.
[2] The approach used to meet the PAI benchmarks though this carve-out policy will evolve as the availability and quality of data improves and AXA IM will be able to use the PAI more effectively.

☒ Yes
☐ No

The main negative impacts are taken into account using (i) a qualitative approach and (ii) a quantitative approach:

(i) The qualitative approach for taking into account the negative impacts on sustainability factors is on an exclusion basis and, where appropriate, on engagement policies. The exclusion policies implemented under the application of AXA IM's sector-based policies and AXA IM's ESG standards cover the risks related to the most significant sustainability factors and are applied on a binding and continuous basis.

Where appropriate, engagement policies constitute an additional mitigation of the risks associated with the negative impacts on sustainability factors through direct dialogue with companies on sustainability and governance issues. Through its engagement activities, the Financial Product used its influence as an investor to encourage companies to mitigate the environmental and social risks inherent in their sector, as described below.

Voting at general meetings is an important element of dialogue with portfolio companies in order to promote the long-term value of these companies and to mitigate the main negative impacts on sustainability factors.

Through these exclusion and engagement policies, this Financial Product takes into account the potential negative impact on these specific PAI indicators:

<u>Applicable to investments in companies:</u>

	Related AXA IM policies	**PAI indicator**
Climate and other environmental topics	Climate Risk Policy	PAI 1: Greenhouse gas (GHG) emissions (levels 1, 2, & 3 from January 2023)
	Ecosystem protection and anti-deforestation policy	
	Climate Risk Policy	PAI 2: Carbon footprint
	Ecosystem protection and anti-deforestation policy	
	Climate Risk Policy	PAI 3: GHG intensity of investee companies
	Ecosystem protection and anti-deforestation policy	
	Climate Risk Policy	PAI 4: Exposure to companies active in the fossil fuel sector
	Climate Risk Policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production
	Climate risk policy (taking into account an expected correlation between GHG emissions and energy consumption)[3]	PAI 6: Energy consumption intensity by sector with high climate impact
	Ecosystem protection and anti-deforestation policy	PAI 7: Activities with a negative impact on biodiversity-sensitive areas
Society and Respect for Human rights, labour rights, fight against corruption	Policy on ESG standards: Violation of international norms and standards	PAI 10: Violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises
	Policy on ESG standards: (Violation of international norms and standards considering that there is a correlation between companies not complying with international standards and the lack of implementation by companies of compliance processes and mechanisms to monitor compliance with these standards)[4]	PAI 11: Lack of compliance processes and mechanisms to monitor adherence to the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises
	Voting and engagement policy with systematic application of gender-related voting criteria on boards	PAI 13: Gender diversity on governance bodies
	Controversial weapons policy	PAI 14: Exposure to controversial weapons

[3] The approach used to meet the PAI benchmarks though this carve-out policy will evolve as the availability and quality of data improves and AXA IM will be able to use the PAI more effectively. To date, not all sectors with a high climate impact are covered by the exclusion policy.
[4] The approach used to meet the PAI benchmarks though this carve-out policy will evolve as the availability and quality of data improves and AXA IM will be able to use the PAI more effectively.

Applicable to investments in sovereign or supranational issuers:

	Related AXA IM policies	PAI indicator
Social	AXA IM ESG Standards including the exclusion of countries where severe social violations are observed	PAI 16: Investment countries experiencing violations of social standards
	Countries on the AXA IM blacklist based on EU and international sanctions	

(ii) The main negative impacts on sustainability factors are also considered quantitatively by measuring PAI indicators and are communicated each year in the notes to the interim SFDR report. The aim is to provide investors with transparency on significant negative impacts on other sustainability factors. AXA IM measures all mandatory PAI, as well as an additional optional environmental indicator and an additional optional social indicator.

What investment strategy does this financial product follow?

The Investment Manager selects investments by applying an extra-financial approach based on exclusion filters as described in AXA IM's Policies on sector-based exclusions and ESG standards. These sectoral exclusions cover areas such as controversial weapons, climate risks, agricultural raw materials, protecting the ecosystem and deforestation, as well as tobacco. The ESG standards include specific exclusions on white phosphorus munitions and exclude investments in securities issued by companies in violation of international standards and norms such as the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises; as well as investments in companies involved in serious ESG-related incidents or in issuers of low ESG quality (i.e. with a score of less than 1.43 (on a scale of 0 to 10) as of the date of this Prospectus - this figure is subject to adjustment). Instruments issued by countries where specific categories of serious human rights violations are observed are also prohibited. More information on these policies can be found at: Policies and Reports | AXA IM Corporate (axa-im.com).

The Financial Product applies a "Best-In-Universe" selection approach to its Investment Universe, on a binding and continuous basis. This ESG selection approach consists of giving preference to issuers with the highest ratings from an extra-financial point of view, irrespective of their sector of activity, assuming sectoral biases, since sectors which are generally considered more virtuous will be more represented. The selectivity approach consists of eliminating at least 25% of the worst performing stocks from the Investment Universe, as defined above, based on a combination of exclusions related to sustainability applicable to the Financial Product, described in greater detail above, and their ESG ratings, excluding bonds and other debt securities issued by public issuers, cash held on an ancillary basis and solidarity assets. The threshold will be raised to 30% as of 1 January 2026.

The Financial Product takes socially responsible investment (SRI) as its management approach.

What constraints or selecting investments are defined in the investment strategy in order to achieve each of the environmental or social characteristics promoted by this financial product?

The **investment strategy guides** investment decisions based on factors such as investment objectives and risk tolerance.

The Financial Product applies at all times the elements described below.

1. The Investment Manager applies a first exclusion filter at all times through the Policies on sector-based exclusions and ESG standards.

Sector-based exclusion policies exclude companies link4r to controversial weapons, climate risks, agricultural raw materials (based on food products and basic agricultural or marine raw materials), unsustainable practices related to protecting the ecosystem and deforestation, as well as tobacco.

The ESG Standards Policy (the "ESG Standards") includes specific exclusions such as white phosphorus munitions and excludes investments in securities issued by companies in violation of international standards and norms such as the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises; as well as investments in companies involved in serious ESG-related incidents or in issuers of low ESG quality (i.e. with a score of less than 1.43 (on a scale of 0 to 10) as of the date of this Prospectus - this figure is subject to adjustment). Instruments issued by countries where specific categories of serious human rights violations are observed are also prohibited. More information on these policies can be found at: [Policies and Reports | AXA IM Corporate (axa-im.com).]()

2. The Financial Product applies a "Best-In-Universe" responsible social investment selection approach to its Investment Universe, on a binding and continuous basis. This ESG selection approach consists of giving preference to issuers with the highest ratings from an extra-financial point of view, irrespective of their sector of activity, assuming sectoral biases, since sectors which are generally considered more virtuous will be more represented. The selectivity approach consists of eliminating at least 25% of the worst performing stocks from the Investment Universe, as defined above, based on a combination of exclusions related to sustainability applicable to the Financial Product, described in greater detail above, and their ESG ratings, excluding bonds and other debt securities issued by public issuers, cash held on an ancillary basis and solidarity assets. The threshold will be raised to 30% as of 1 January 2026.

AXA IM uses scoring methods for rating issuers (corporate, sovereign, green, social and sustainability bonds) based on ESG criteria. These methodologies make it possible to rate issuers of corporate and sovereign bonds and are based on quantitative third party data from different data providers and qualitative analysis of internal and external research. The data used in these methodologies include carbon emissions, water stress, occupational safety and health, labour standards in the supply chain, business ethics, corruption, and instability.

The rating methodologies for corporate and sovereign bonds are based on three pillars and several sub-factors that cover the most important risk factors encountered by issuers in the environmental (E), social (S) and governance (G) fields. The framework is based on fundamental principles, such as the United Nations Global Compact, the OECD Guidelines, the conventions of the International Labour Organisation, as well as other international conventions and principles that guide the activities of companies and governments in the field of sustainable development and social responsibility. The analysis is based on the most significant ESG risks and opportunities identified previously for each sector and company, taking into account 10 factors: climate change, natural capital, pollution and waste, environmental opportunities, human capital, product liability, stakeholder opposition, social opportunities, corporate governance and corporate behaviour. The final ESG score also incorporates the notion of industry-related factors and deliberately distinguishes between sectors, so as to overweight the most important industry-specific factors. The materiality is not limited to the impacts related to a company's operations, it also concerns the impacts on external stakeholders as well as the underlying reputation risk resulting from poor management of the main ESG issues. As the method is applied to companies, the severity of controversies is assessed and continuously monitored to ensure that the final ESG score reflects the most significant risks. Very serious controversies will appreciably decrease the subfactor scores and ultimately the ESG scores.

These ESG scores offer a standard, holistic view of performance by issuers with respect to ESG factors and allow the Financial Product's environmental and/or social characteristics to be promoted. AXA IM's ESG rating methodology is described in more detail in our methodology document, available for consultation at: [Sustainability Policies and reports | AXA IM Corporate (axa-im.com).]()

The Financial Product may invest up to 10% of its net assets, (excluding bonds and other debt securities issued by public issuers and cash held on an ancillary basis and Solidarity Assets, in securities outside the investment universe, as defined above, provided that the issuer is eligible on the basis of selection criteria.

The scope of eligible securities is reviewed at least every six months.

The ESG (including the ESG or SDG scores, if any) methods that employ the ESG data used in investing are based in part on third-party data and in some cases are developed in-house. They are subjective and may change over time. Despite a series of initiatives, harmonised definitions are lacking, and this may result in diverse ESG criteria. Comparing the different investment strategies using ESG criteria and ESG reporting can be difficult. Strategies that use ESG criteria should be differentiated from others that use sustainable development criteria, because while both may use apparently similar ESG data, different calculation methods may be involved. AXA IM's various ESG methodologies described herein may evolve in the future to take into account any improvements in data availability and reliability, or changes in regulation or other external repositories or initiatives, among others.

3. In addition, the Financial Product outperforms its Investment Universe at all times on at least two key ESG performance indicators, which are the percentage of diversity within governance bodies and carbon intensity.

4. The following minimum coverage rates applies to the Financial Product's portfolio (expressed as a minimum % of net assets excluding bonds and other debt securities of public issuers, cash held as an accessory and Solidarity Assets): i) 90% for the ESG analysis; ii) 80% for the male/female board member percentage indicator for governance bodies; and iii) 55% for the Carbon Intensity indicator. The threshold will be raised to 90% for KPI 1 and 60% for KPI 2 on 31 December 2026.

What is the minimum proportion by which the financial product undertakes to reduce its investment scope before the applying this investment strategy?

The initial investment universe is reduced by at least 25% by applying the investment strategy described above.

Good governance practices concern sound management structures, relations with staff, staff remuneration and compliance with tax obligations.

What policy is implemented to evaluate the good governance practices of the companies in which the financial product invests?

The Financial Product does not invest in companies that cause, contribute to or are linked to significant violations of international norms and standards. These standards relate to human rights, society, labour and the environment. They thus offer a methodology for evaluating an issuer's good governance practices, in particular with regard to the strength of management structures, relations with employees, staff remuneration and tax compliance. AXA IM relies on an external service provider's screening system and excludes companies that have been found to be 'non-compliant' with the principles of the United Nations Global Compact, the International Labour Organization (ILO) conventions, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGP).

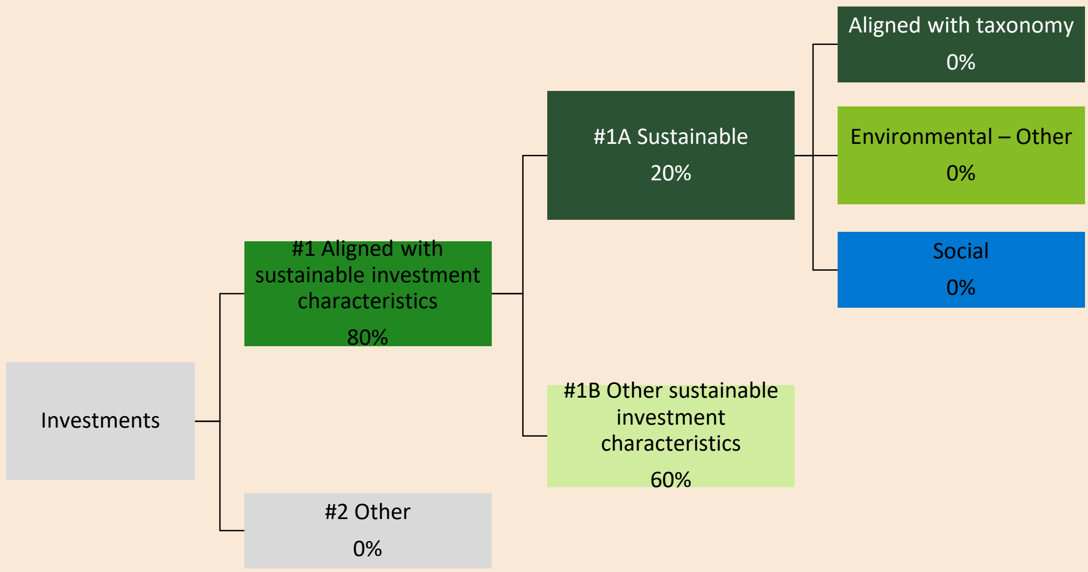
In addition, the guarantee of good governance practices is integrated into the engagement policies. AXA IM has implemented a comprehensive active shareholder engagement strategy - engagement and voting - under which AXA IM acts as manager of investments made on behalf of customers. AXA IM sees engagement as a means for investors to influence, shape and modify portfolio companies' policies and practices in order to mitigate their risks and guarantee their sustainable value. Corporate governance practices are initiated at the first level by portfolio managers and dedicated ESG analysts when they meet the management team of these companies. It is thanks to the long-term investor status and a thorough knowledge of investment objectives that AXA IM feels well placed to engage in a constructive but demanding dialogue with these companies.

What is the financial product's planned asset allocation?

The **asset allocation** describes the proportion of investments in specific assets.

The taxonomy-aligned activities are expressed as a %:

- **of turnover** to reflect the proportion of revenue from the green activities of the companies in which the financial product invests;
- **capital expenditure** (CapEx) to show the green investments made by the companies in which the financial product invests, for example in a transition to a green economy;
- **operating expenses** (OpEx) to reflect the green operational activities of the companies in which the financial product invests.



Category **#1 Aligned with sustainable investment characteristics** includes the investments of the financial product used to achieve the environmental or social characteristics promoted by the financial product.

Category **#2 Other** includes the remaining investments of the financial product that are neither aligned with environmental or social characteristics nor considered sustainable investments.

Category **#1 Aligned with sustainable investment characteristics** includes:

- subcategory **#1A Sustainable** covering sustainable investments with environmental or social objectives;
- subcategory **#1B Other E/S characteristics** covering investments aligned with environmental or social characteristics that are not considered as sustainable investments.

The allocation of assets within the Financial Product is planned as indicated in the graph above. The asset allocation could temporarily deviate from that set out herein.

The minimum proportion of investments used to achieve the environmental or social characteristics promoted by the Financial Product is 80% of the Financial Product's Net Asset Value.

The minimum planned proportion of sustainable investments to be undertaken by the Financial Product is 20% of the Financial Product's Net Asset Value.

'Other' investments will represent a maximum of 20% of the Financial Product's Net Asset Value.

How does the use of derivatives facilitate the achievement of the environmental or social characteristics promoted by the financial product?

Derivatives are not used to achieve the environmental or social characteristics promoted by this Financial Product, with the exception of derivatives relating to a single issuer on which the exclusion policies apply.

What is the minimum proportion of sustainable investments with an environmental objective aligned with the EU taxonomy?

The Financial Product does not take into consideration the environmental objectives of the European Union Taxonomy. The Financial Product does not take into consideration the criteria relating to the EU Taxonomy principle of "not causing significant harm to the sustainability factors".

To be consistent with the EU taxonomy, the criteria for **fossil gas**

Does the Financial Product invest in fossil gas and/or nuclear energy activities that comply with the EU taxonomy?[5]

[5] Fossil gas and/or nuclear activities will only be compliant with the EU taxonomy if they contribute to limiting climate change ('climate change mitigation') and do no significant harm to any of

include emission limits and a shift to renewable electricity or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive nuclear safety and waste management rules.

Enabling activities allow activities to make a substantial contribution to achieving an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and, inter alia, whose greenhouse gas emission levels correspond to the best achievable performance.

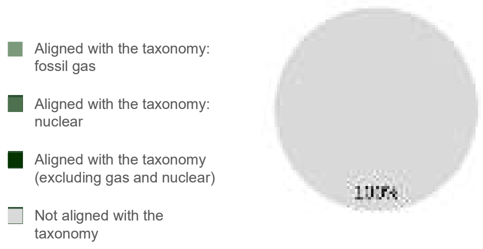
☐ Yes

☐ In fossil gas ☐ In nuclear energy

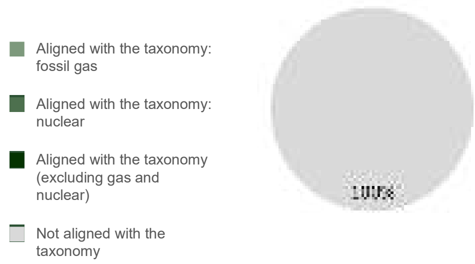
☒ No

The two graphs below show the minimum percentage of investments aligned with the EU taxonomy in green. As there is no appropriate method to determine the taxonomy alignment of sovereign bonds, the first graph shows the taxonomy alignment in relation to all financial product investments, including sovereign bonds, while the second graph represents the taxonomy alignment only in relation to financial product investments other than sovereign bonds.*

1. Alignment of investments with the taxonomy, **including sovereign bonds***



2. Alignment of investments with the taxonomy, **excluding sovereign bonds***



This graph represents 100% of total investments**

**For the purposes of these charts, 'sovereign bonds' include all sovereign exposures.*
***The proportion of total investments shown in this graph is purely indicative and may vary.*

What is the minimum proportion of investments in transitional and enabling activities?

The Financial Product does not commit to a minimum proportion of investments in enabling and transitional activities. The minimum proportion is therefore 0%.

The symbol represents sustainable investments with an environmental objective that do not take into account the criteria applicable to environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum proportion of sustainable investments with an environmental objective not aligned with the EU taxonomy?

The minimum proportion of sustainable investments with an environmental objective not aligned with the European Union Taxonomy is 0% of the Financial Product's Net Asset Value.

What is the minimum proportion of socially sustainable investments?

The minimum proportion of socially sustainable investments is 0% of the Net Asset Value.

What investments are included in the '2 Other' category, what is their purpose and what minimum environmental or social safeguards are applied to them?

'Other' investments will represent a maximum of 20% of the Financial Product's Net Asset Value. "Other" assets may consist of:

- Investments in cash; and
- Other instruments eligible for the Financial Product that do not meet the environmental and/or social criteria described in this appendix. These assets may be securities, derivative investments and collective investment schemes that do not promote environmental or social characteristics and that are used to achieve the financial objective of the Financial Product and/or for diversification and/or hedging purposes.

the objectives of the EU taxonomy - see explanatory note in the left margin. The set of criteria for economic activities in the fossil gas and nuclear energy sectors that are in line with the EU taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

Environmental or social safeguards are applied and assessed to all 'Other' assets with the exception of (i) derivatives other than single-issues; (ii) UCITS and/or UCIs managed by other management companies; and (iii) investments in cash and cash equivalents described above.

Has a specific index been designated as a benchmark to determine whether the Financial Product is aligned with the environmental and/or social characteristics it promotes?

Not applicable insofar as the designated benchmark is a broad market index that is not aligned with the environmental and/or social characteristics promoted by the Financial Product.

Where can I find more product-specific information online?

More information on the Financial Product can be found on the AXA IM website at the following link: Funds – AXA IM Global (axa-im.com).

More information on AXA IM's sustainable investment frameworks can be found at this link: Sustainable Finance | SFDR | AXA IM Corporate (axa-im.com).