

## PROSPECTUS

French UCITS governed by European Directive 2009/65/EC

# AXIOM 2027

This Fund is managed by Axiom Alternative Investments

## 1. GENERAL CHARACTERISTICS

### 1.1. Form of the Fund

Mutual fund (FCP)

### 1.2. Name

Axiom 2027

### 1.3. Legal form and Member State in which the Fund was established

Mutual fund governed by French law

### 1.4. Inception date and expected term

This Fund was created on 6 November 2023 for a period of 99 years. It was approved on 2 October 2023.

### 1.5. Summary of the management offer

Unit class	ISIN	Appropriation of distributable amounts	Denomination currency	Eligible subscribers	Initial net asset value	Minimum initial subscription amount
NC EUR	FR001400JNS5	Accumulation	EUR	All subscribers; intended more specifically for investors subscribing via distributors or financial intermediaries (in particular via the wealth management advisor and financial advisor distribution platform network) who: <ul style="list-style-type: none"> <li>- are subject to national regulations prohibiting all retrocessions to distributors (e.g. UK)</li> <li>- provide independent investment advice within the meaning of MiFID II (Directive 2014/65/EU of 15 May 2014 on markets in financial instruments) or individual discretionary portfolio management</li> </ul>	€1,000	N/A
ND EUR	FR001400JNT3	Distribution	EUR	All subscribers; intended more specifically for investors subscribing via distributors or	€1,000	N/A

				<p>financial intermediaries (in particular via the wealth management advisor and financial advisor distribution platform network) who:</p> <ul style="list-style-type: none"> <li>- are subject to national regulations prohibiting all retrocessions to distributors (e.g. UK)</li> <li>- provide independent investment advice within the meaning of MiFID II (Directive 2014/65/EU of 15 May 2014 on markets in financial instruments) or individual discretionary portfolio management</li> </ul>		
RC EUR	FR001400JNU1	Accumulation	EUR	All subscribers	€1,000	N/A
RD EUR	FR001400JNV9	Distribution	EUR	All subscribers	€1,000	N/A
IC EUR	FR001400JNQ9	Accumulation	EUR	All investors; intended more specifically for institutional investors	€1,000	€250,000
ID EUR	FR001400JNR7	Distribution	EUR	All investors; intended more specifically for institutional investors	€1,000	€250,000
SC EUR	FR001400MFY3	Accumulation	EUR	All investors; intended more specifically for institutional investors	€1,000	€10,000,000
ZC EUR	FR001400JNP1	Accumulation	EUR	All investors; intended more specifically for funds and accounts managed by Axiom Alternative Investments, for Axiom Alternative Investments staff and for any other entity of its group	€1,000	N/A

#### 1.6. Where to obtain the latest annual report and interim statement

The most recent annual and interim documents will be sent within eight business days upon written request from the unitholder to:

Axiom Alternative Investments  
 39, avenue Pierre 1<sup>er</sup> de Serbie, 75008 Paris  
 Tel: +33 (0)1 44 69 43 90

These documents, the prospectus and the KID (key information document) are also available on the website [www.axiom-ai.com](http://www.axiom-ai.com).

The AMF website ([www.amf-france.org](http://www.amf-france.org)) contains additional information on the list of regulatory documents and all provisions relating to investor protection.

## **2. DIRECTORY**

### **2.1. Management company**

Axiom Alternative Investments

39, avenue Pierre 1<sup>er</sup> de Serbie, 75008 Paris.

A limited liability company authorised as a portfolio management company by the AMF under no. GP06000039 on 27 November 2006.

The management company has taken out professional civil liability insurance to cover any risks that it may be held liable for any of the funds that it manages. It also has sufficient capital to cover any risks of it being sued for professional negligence.

### **2.2. Depositary and custodian**

CACEIS Bank

89-91, rue Gabriel Péri, 92120 Montrouge.

Bank and investment service provider approved by the CECEI on 1 April 2005. The depositary's duties, as defined by the applicable regulations, include safekeeping the assets, verifying the legality of the management company's decisions and monitoring funds' cash flows.

A description of the delegated custody functions, a list of CACEIS Bank's delegates and sub-delegates and information relating to conflicts of interest that may result from these delegations are available on the CACEIS website: [www.caceis.com](http://www.caceis.com)

The depositary is independent of the management company.

Updated information is made available to investors upon request.

### **2.3. Statutory auditor**

PricewaterhouseCoopers Audit

Represented by Amaury Couplez

63, rue de Villiers, 92200 Neuilly-sur-Seine

### **2.4. Promoter**

Axiom Alternative Investments

39, avenue Pierre 1<sup>er</sup> de Serbie, 75008 Paris

Limited liability company authorised as a portfolio management company by the AMF under no. GP06000039 on 27 November 2006

### **2.5. Delegated administrative and accounting management agent**

CACEIS Fund Administration

89-91, rue Gabriel Péri, 92120 Montrouge.

### **2.6. Delegated centralising agent for subscription and redemption orders**

CACEIS Bank

89-91, rue Gabriel Péri, 92120 Montrouge.

By delegation from the management company, CACEIS Bank is entrusted with the task of managing the Fund's liabilities and, as such, centralising and processing subscription and redemption orders for its units.

### **3. OPERATING AND MANAGEMENT PROCEDURES**

#### **3.1. General characteristics**

##### **3.1.1. Characteristics of the units**

###### **a) ISINs**

NC EUR unit: FR001400JNS5  
ND EUR unit: R001400JNT3  
RC EUR unit: FR001400JNU1  
RD EUR unit: FR001400JNV9  
IC EUR unit: FR001400JNQ9  
ID EUR unit: FR001400JNR7  
SC EUR unit : FR001400MFY3  
ZC EUR unit: FR001400JNP1

###### **b) Rights attached to the Fund's units**

Each unitholder has a co-ownership right to the Fund's assets in proportion to the number of units held.

###### **c) Entry in a register or details of liability management procedures**

Liabilities are managed by CACEIS Bank. The Fund's units are admitted to Euroclear France.

###### **d) Voting rights**

No voting rights are attached to the units, as decisions are taken by the management company.

###### **e) Form of units**

Units are issued in bearer form.

###### **f) Fractional units**

The Fund's units may be subscribed and/or redeemed in whole numbers or divided into thousandths of units, referred to as fractional units.

##### **3.1.2. Financial year-end date**

Last trading day in Paris in December.  
The first financial year will end on 31 December 2024.

##### **3.1.3. Tax treatment**

The tax treatment applicable to amounts distributed by the management company or to the Fund's unrealised or realised gains and losses depends on the tax rules applicable to each investor's particular circumstances and/or the Fund's investment jurisdiction. If investors are unsure of their tax situation, they should contact an advisor or a professional.

#### **3.2. Special provisions**

##### **3.2.1. ISINs**

NC EUR unit: FR001400JNS5  
ND EUR unit: R001400JNT3  
RC EUR unit: FR001400JNU1  
RD EUR unit: FR001400JNV9  
IC EUR unit: FR001400JNQ9

ID EUR unit: FR001400JNR7  
SC EUR unit: FR001400MFY3  
ZC EUR unit: FR001400JNP1

### **3.2.2. Investment objective**

The Fund seeks to offer a performance, net of management fees, of a portfolio made up of debt securities of private or public issuers, with no restrictions on average rating, duration or maturity, intended to be held until the Fund's maturity date of 31 December 2027 (hereinafter the "Maturity Date").

The investment objective differs depending on the unit class subscribed:

- For the RC EUR and RD EUR units, the investment objective is to achieve an annualised performance, net of fees, of more than 4% over an investment horizon starting on 29 December 2023 and ending on 31 December 2027;
- For the NC EUR and ND EUR units, the investment objective is to achieve an annualised performance, net of fees, of more than 4.50% over an investment horizon starting on 29 December 2023 and ending on 31 December 2027;
- For the IC EUR and ID EUR units, the investment objective is to achieve an annualised performance, net of fees, of more than 4.50% over an investment horizon starting on 29 December 2023 and ending on 31 December 2027;
- For the SC EUR units, the investment objective is to achieve an annualised performance, net of fees, of more than 4.75% over an investment horizon starting on 29 December 2023 and ending on 31 December 2027;
- For the ZC EUR units, the investment objective is to achieve an annualised performance, net of fees, of more than 5.20% over an investment horizon starting on 29 December 2023 and ending on 31 December 2027.

This objective is based on market conditions at the time of the Fund's launch and is only valid for subscriptions made then. In the event of subsequent subscription, the performance will depend on the market conditions prevailing at that time, which cannot be anticipated and could therefore lead to a different performance. Under no circumstances does it constitute a promise of return or performance of the Fund, which is not guaranteed.

There is a risk that the actual financial situation of the issuers could be worse than expected and that unfavourable conditions (e.g. more defaults, lower recovery rates) could result in a decrease in the Fund's performance. The investment objective could therefore not be achieved.

The Fund is actively managed. The composition of the portfolio is left to the manager's discretion, subject to compliance with the investment objective and investment policy.

The objective is implemented through management that assesses issuers' sustainability by analysing the environmental, social and governance (ESG) characteristics of the securities held in the portfolio. The ESG approach applied to the Fund takes into account criteria relating to each of the environmental, social and governance factors, without being a decisive factor in decision-making.

### **3.2.3. Benchmark**

The Fund is not managed in relation to a benchmark.

### **3.2.4. Investment strategy**

#### **a) Strategies used**

To achieve its investment objective, the Fund mainly implements a carry strategy aimed at building and holding a diversified portfolio of fixed income instruments (hereinafter the "**Carry Portfolio**").

The discretionary selection of investments draws on internal analysis by the management company. It is based in particular on criteria of profitability, credit quality, recovery prospects, liquidity and maturity as well as on a diversification of the portfolio's financial risks, taking into account the Fund's recommended investment horizon.

The manager builds the Carry Portfolio during the build-up phase. This will begin on the Fund's inception date, i.e. 6 November 2023, and end no later than 29 December 2023 (inclusive).

During the carry phase after the build-up phase, the Carry Portfolio will comply with the following characteristics:

- Investment in bonds issued by European Financial Institutions and corporates or sovereigns. For the purposes of the foregoing, European Financial Institutions means banks, insurance companies and other financial institutions in the European Economic Area, Switzerland and the United Kingdom;
- Investment in bonds traded in euros, US dollars, pounds sterling or any other OECD currency. The Fund's exposure to non-OECD issuers is limited to 10% of its net assets. To check this constraint for multinational enterprises, the country of risk is deemed to be that of the parent company's registered office, unless there is no guarantee from that parent company;
- Investment of a maximum of 50% of the Fund's net assets in bonds rated high yield (risky securities because they have speculative characteristics) by the main rating agencies, bonds with an equivalent rating based on the management company's analysis or unrated bonds;
- The Fund does not invest in perpetual bonds.

The Carry Portfolio is not subject to an average rating constraint and is composed of securities with different maturities, including securities whose maturity exceeds that of the Fund.

During the carry phase, the debt securities in the Carry Portfolio are not systematically sold if their credit rating is downgraded. The manager nevertheless reserves the right to switch in and out of securities, particularly if it expects the risk profile of an instrument in the Carry Portfolio to deteriorate or identifies an investment opportunity compatible with the Fund's investment objective and investment strategy.

Investments may be made in currencies other than the Fund's reference currency. However, the portfolio's exposure to currency risk will only be incidental (10% maximum), resulting mainly from imperfect hedging.

The management company may decide to extend the Fund's maturity, depending on the market conditions prevailing at the time and whether it considers it possible to achieve a solid investment objective. Such an extension of the investment period must be decided two months before the expiry of the previous one. Depending on market conditions, the management company may, before the Maturity Date of 31 December 2027, liquidate or merge the Fund.

#### **a) Non-financial criteria**

The Fund is governed by Article 8 of Regulation (EU) 2019/2088, the so-called SFDR.

Although the Fund does not have a minimum objective of specific sustainable investments as defined in the SFDR, it adopts binding restrictions consistent with its investment objective that also include certain environmental and social criteria. The tools it uses to take ESG factors into account are detailed in the pre-contractual SFDR appendix to the prospectus.

The "do no significant harm" principle applies only to the 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.

#### **3.2.5. Asset categories used (excluding embedded derivatives)**

##### **a) Equities**

None.

**b) Debt securities and money market instruments**

The Fund may invest up to 100% of its net assets in debt securities and money market instruments. Its investment in bonds rated high yield (risky securities because they have speculative characteristics) by the main rating agencies, bonds with an equivalent rating based on the management company's analysis or unrated bonds is limited to 50% of its net assets.

These securities may be denominated in euros, US dollars, pounds sterling or any other OECD currency. There is no predefined geographical distribution apart from the Fund's exposure to non-OECD issuers, which is limited to 10% of its net assets.

There is no duration constraint governing either the underlying securities or the distribution of securities between private and public debt.

There is no predefined sector breakdown.

**c) Units or shares of UCITS or AIFs**

The Fund may invest up to 10% of its net assets in units or shares of UCITS, French or foreign AIFs or investment funds mentioned in Article R.214-25 of the French Monetary and Financial Code and meeting the four criteria of Article R.214-13 of the same code.

These funds may be managed by Axiom Alternative Investments or a company in its group.

**3.2.6. Derivatives**

To achieve the investment objective, for exposure or hedging purposes the fund may use forward financial instruments traded on regulated, organised or over-the-counter markets.

The manager may use the following derivatives: options, futures and forwards, swaps and credit default swaps (CDS) relating to one or more underlying assets (underlying securities, indexes, baskets) in which it may trade. The manager will implement the hedging referred to in this paragraph on a discretionary basis.

These derivatives allow the manager to expose the Fund to the following risks, in compliance with the portfolio's overall constraints:

- interest rate
- credit
- currency

The Fund will not use total return swaps (TRS).

Derivatives contracts may be entered into with counterparties whose lead company has a minimum rating of BBB-, selected by the management company in accordance with its "Best Execution/Best Selection" policy and its procedure for authorising new counterparties. These counterparties may be major French or foreign counterparties such as credit institutions or banks. They will be subject to the exchange of guarantees, and notably will have no discretionary power as to the composition or management of the Fund's portfolio and/or the derivatives' underlying assets.

The commitment limit on derivatives markets is the amount of the Fund's net assets.

**3.2.7. Securities with embedded derivatives**

To achieve its investment objective, the Fund may invest in securities with embedded derivatives (in particular credit-linked notes (CLNs), EMTNs and warrants) traded on regulated or OTC eurozone and international markets.

These securities with embedded derivatives allow the manager to expose the Fund to the following risks, in compliance with the portfolio's overall constraints:

- interest rate
- credit
- currency

By contrast with the derivatives mentioned above, the manager uses securities with embedded derivatives to optimise the portfolio's exposure or hedging, notably by reducing the cost of using these financial instruments or by gaining exposure to more than one source of performance.

### **3.2.8. Deposits**

The Fund may make deposits for up to 10% of its net assets, with one or more European credit institutions, for a maximum period of 12 months.

### **3.2.9. Cash borrowings**

The Fund may borrow cash within the limit of 10% of its net assets to meet specific operational liquidity needs.

### **3.2.10. Temporary purchases and sales of securities**

None.

### **3.2.11. Contracts constituting collateral**

The Fund may receive securities or cash as collateral in connection with OTC derivatives transactions.

Cash collateral received is reinvested in accordance with the applicable rules.

All these assets must be issued by high-quality, liquid, stable, diversified issuers that are not an entity of the counterparty or its group.

The haircuts applied to the collateral received take into account in particular the securities' credit quality and price volatility and the results of stress tests carried out in accordance with regulatory provisions. The level of collateral and the haircut policy are set in accordance with the regulations in force.

## **3.3. Risk profile**

The Fund will be mainly invested in financial instruments and, where applicable, funds selected by the management company. These financial instruments and funds are sensitive to market trends and uncertainties.

The risk factors set out below are not exhaustive. It is the responsibility of each investor to analyse the risk inherent in such an investment, and to form their own opinion independently of Axiom Alternative Investments by seeking, if necessary, the opinion of all advisors specialising in these matters to ensure in particular that the investment is suitable to their financial situation.

The Fund will primarily be exposed to the following risks:

### **3.3.1. Risk of capital loss**

The Fund does not benefit from any guarantee or protection, and it is therefore possible that the capital initially invested may not be returned in full.

### **3.3.2. Discretionary management risk**

This risk is linked to the management style, which is based on anticipating movements in the various markets. There is a risk that the Fund may not be invested at all times in the best-performing markets or the best-performing securities. The Fund's performance therefore depends on the manager's ability to anticipate movements in markets or securities. This risk may lead to a decrease in the Fund's net asset value and/or a capital loss.

### **3.3.3. Interest rate risk**

This is the risk associated with a rise in bond market rates leading to a fall in bond prices and consequently the Fund's net asset value.

### **3.3.4. Credit risk**

This is the risk that an issuer of bonds or debt securities cannot meet its payment obligations, i.e. the payment of coupons and/or the repayment of capital at maturity. This default could cause the Fund's net asset value to fall. This also covers the risk that the issuer is downgraded.

If this risk materialises the Fund's net asset value could fall.

### **3.3.5. Currency risk**

As a portion of the assets may be denominated in currencies other than the reference currency, the Fund will be systematically hedged against currency risk. There is still ancillary currency risk, however. The Fund may be affected by a change in exchange rate controls or by any fluctuation in exchange rates between the reference currency and these other currencies. These various fluctuations could cause the Fund's net asset value to fall.

### **3.3.6. Speculative securities risk**

This is the risk that an issuer of bonds or debt securities cannot meet its payment obligations, i.e. the payment of coupons and/or the repayment of capital at maturity. This risk is high for a security classified as "speculative". This default could cause the Fund's net asset value to fall.

### **3.3.7. Non-OECD country risk**

Securities issued by non-OECD country issuers may be highly volatile and the corresponding operating and monitoring conditions may differ from the standards prevailing on the major international markets.

If this risk materialises the Fund's net asset value could fall.

### **3.3.8. Portfolio concentration risk**

Reflecting the portfolio's active management and market opportunities, it is possible that at certain times the Fund's investments may be concentrated in certain geographical areas or business sectors.

If an event occurs in such an area or sector, this may impact the Fund's net asset value significantly.

### **3.3.9. Counterparty risk**

This is the risk of a counterparty missing one or more payments, leading it into payment default. The Fund may be exposed to counterparty risk resulting from the use of forward financial instruments entered into over the counter with a credit institution. It is therefore exposed to the risk that one of these credit institutions may not be able to honour its commitments in respect of these transactions.

### **3.3.10. Risks associated with commitments on forward financial instruments**

The use of derivatives may both increase the Fund's volatility (by increasing exposure) or decrease it (by reducing exposure). In the event of unfavourable market movements, its net asset value may fall.

### **3.3.11. Risks related to subordinated debt securities**

The Fund's investment universe includes subordinated bonds. These debt securities have a specific risk profile that differs from that of conventional bonds. Note that a debt is considered subordinated when its repayment depends on other creditors (preferential or unsecured creditors) being repaid first. A subordinated creditor will thus be repaid after the ordinary creditors but before the shareholders. The interest rate on this type of debt will be higher than that on other debts. If one or several clauses provided for in the issuance documentation of said subordinated debt securities is/are triggered and more generally if a credit event affecting the issuer in question occurs, there is a risk that the Fund's net asset value may fall. The use of subordinated bonds may expose the Fund to the risk of coupon cancellation or deferral (at the issuer's sole discretion) or to uncertainty as to their redemption date, valuation or yield (given that these securities' attractive yield may be considered a "complexity premium").

### **3.3.12. Sustainability risk**

This Fund has significant exposure to the financial sector. This sector is highly exposed to social risks (e.g. litigation risks related to misconduct impacting consumers) and governance risks (e.g. tax evasion, sanctions breaches), which may affect companies' financial viability. Latent environmental risks exist in that the negative impacts of climate change and biodiversity loss will inevitably increase over time. The Fund may also invest in corporate issuers directly exposed to social risks (e.g. safety and health issues), environmental risks (e.g. carbon tax, pollution) and governance risks (e.g.

corruption, data protection). These risks could have a number of impacts on the portfolio securities, with a potential knock-on effect on the Fund's performance.

### 3.3.13. Legal risk

This is the risk of the inappropriate drafting of contracts entered into with counterparties of over-the-counter forward financial instruments.

### 3.4. Guarantee or protection

None (neither the capital nor a level of performance is guaranteed)

### 3.5. Eligible subscribers and typical investor profile

NC EUR unit	All subscribers; intended more specifically for investors subscribing via distributors or financial intermediaries (in particular via the wealth management advisor and financial advisor distribution platform network) who: - are subject to national regulations prohibiting all retrocessions to distributors (e.g. UK) - provide independent investment advice within the meaning of MiFID II (Directive 2014/65/EU of 15 May 2014 on markets in financial instruments) or individual discretionary portfolio management
ND EUR unit	All subscribers; intended more specifically for investors subscribing via distributors or financial intermediaries (in particular via the wealth management advisor and financial advisor distribution platform network) who: - are subject to national regulations prohibiting all retrocessions to distributors (e.g. UK) - provide independent investment advice within the meaning of MiFID II (Directive 2014/65/EU of 15 May 2014 on markets in financial instruments) or individual discretionary portfolio management
RC EUR unit	All subscribers
RD EUR unit	All subscribers
IC EUR unit	All investors; intended more specifically for institutional investors
ID EUR unit	All investors; intended more specifically for institutional investors
SC EUR unit	All investors; intended more specifically for institutional investors
ZC EUR unit	All subscribers; intended more specifically for funds and accounts managed by Axiom Alternative Investments, for Axiom Alternative Investments staff and for any other entity of its group

This Fund is intended for investors wishing to gain exposure to the credit markets and willing to accept the risks resulting from such exposure.

Recommended investment period: until 31 December 2027. This Fund may not be suitable for investors who plan to withdraw their money before the Maturity Date of 31 December 2027.

The amount that it is reasonable to invest in this Fund depends on your personal situation. To determine this amount, you must consider your personal wealth and assets, your current needs, but also your desire to take risks or, on the contrary, to favour a prudent investment. It is also strongly recommended that you sufficiently diversify your investments so as not to expose them solely to the risks of this fund.

### **US investors**

The Fund's units have not been and will not be registered under the US Securities Act of 1933 (hereinafter the "1933 Act"), or under any law applicable in a US State, and the units may not be directly or indirectly transferred, offered or sold in the United States of America (including its territories and possessions), for the benefit of any national of the United States of America (hereinafter a "US Person"), as defined by the US "Regulation S" under the 1933 Act adopted by the US Securities and Exchange Commission (SEC), unless (i) the units have been registered or (ii) an exemption was applicable (with the prior consent of the Fund's management company).

The Fund is not, and will not be, registered under the US Investment Company Act of 1940. Any resale or transfer of shares in the United States of America or to a US Person may constitute a breach of US law and requires the prior written consent of the Fund's management company. Persons wishing to acquire or subscribe for shares will have to certify in writing that they are not US Persons.

### Russian and Belarusian investors

In view of the provisions of EU Regulation No. 833/2014, the subscription of units in this Fund is prohibited to any Russian or Belarusian national, any natural person residing in Russia or Belarus or any legal person, entity or body established in Russia or Belarus, except nationals of an EU Member State and natural persons holding a temporary or permanent residence permit in an EU Member State.

### 3.6. Determination and appropriation of distributable amounts

NC EUR unit	Accumulation
ND EUR unit	Distribution or deferral at the discretion of the management company
RC EUR unit	Accumulation
RD EUR unit	Distribution or deferral at the discretion of the management company
IC EUR unit	Accumulation
ID EUR unit	Distribution or deferral at the discretion of the management company
SC EUR unit	Accumulation
ZC EUR unit	Accumulation

### 3.7. Distribution frequency

No distribution is made for accumulation units.

With regard to distribution units, the portion of the distributable amounts whose distribution is decided by the management company is paid annually within five months of the end of the financial year. The management company nevertheless reserves the right to make interim payments during the year.

### 3.8. Characteristics of the units (currency of denomination, division of units)

Unit	Currency	Division of units
NC EUR unit	EUR	Thousandth of units
ND EUR unit	EUR	Thousandth of units
RC EUR unit	EUR	Thousandth of units
RD EUR unit	EUR	Thousandth of units
IC EUR unit	EUR	Thousandth of units
ID EUR unit	EUR	Thousandth of units
SC EUR unit	EUR	Thousandth of units
ZC EUR unit	EUR	Thousandth of units

### 3.9. Terms of subscription and redemption applicable to units

Subscription and redemption requests are accepted in terms of amount and/or fractions of units.

**Date and frequency of the net asset value:** the net asset value (NAV) is established daily (D) and calculated on D+1 on the basis of the mid-range closing prices of D. If the valuation day is a public holiday in France or a day when the Paris or London stock exchange is closed, the valuation will take place on the next business day.

**Address of the institution appointed to receive subscriptions and redemptions:** subscription and redemption requests should be sent to CACEIS Bank at 89-91 rue Gabriel Péri, 92120 Montrouge.

Unitholders should be aware that when sending orders to promoters other than CACEIS Bank they must take into account the fact that the cut-off time for centralising orders applies to said promoters vis-à-vis CACEIS Bank. These promoters may apply their own cut-off time, earlier than the cut-off time mentioned above, to take into account the time they need to send orders to CACEIS Bank.

**Where to obtain the net asset value:** on the website [www.axiom-ai.com](http://www.axiom-ai.com) or at the offices of Axiom Alternative Investments, during opening hours, by calling +33 (0)1 44 69 43 90.

**Orders are executed in accordance with the table below:**

Business day	Day of establishment of the NAV (D)	D+1 business day	D+2 business days	D+2 business days
Daily receipt and centralisation of subscription and redemption orders before 12:00 midday (Paris time)	Execution of the order on D at the latest	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

**Swing pricing mechanism:**

To protect the Fund and its long-term investors from the impacts of strong capital inflows or outflows, Axiom Alternative Investments has chosen to implement a swing pricing mechanism based on the procedures recommended by the AFG charter.

If the Fund's amount of net subscriptions or redemptions exceeds a threshold predetermined by Axiom Alternative Investments, its net asset value will be increased or decreased by a percentage designed to offset the costs incurred as a result of investing or divesting this amount and to ensure that these costs are not borne by the Fund's other investors.

The trigger threshold and the size of the NAV swing are specific to the Fund and reviewed by a quarterly Swing Pricing Committee. This committee can change the parameters of the swing pricing mechanism at any time, particularly in the event of a financial market crisis.

**Redemption cap, or gate mechanism:**

If requests for redemption by the Fund's unitholders exceed a certain objectively determined level, Axiom Alternative Investments will apply a so-called gate mechanism to spread them over several net asset values.

**Description of the method used:**

Fund unitholders are reminded that the gate trigger threshold corresponds to the ratio between:

- the difference observed, on the same centralisation date, between the number of units of the Fund whose redemption is requested or the total amount of these redemptions, and the number of units of the Fund whose subscription is requested or the total amount of these subscriptions; and
- the Fund's net assets or total number of units.

If the Fund has several unit classes, the procedure's trigger threshold will be the same for all classes.

The threshold beyond which the gates will be triggered is determined based on the Fund's net asset value calculation frequency, its investment strategy and the liquidity of its assets. It is set at 5% of the Fund's net assets and applies to centralised redemptions for all of its assets. If the Fund has several unit classes, redemptions will be taken into account across all the classes.

When redemption requests exceed the gate trigger threshold, Axiom Alternative Investments may nonetheless decide to honour redemption requests above the specified cap, and thus partially or fully execute orders that could be blocked.

The gate mechanism's maximum applicable period is set at 20 net asset values over three months.

**Procedures for informing unitholders:**

If the gate mechanism is activated, all of the Fund's unitholders will be informed by any means. Fund unitholders whose orders have not been executed will be informed individually as soon as possible.

**Processing of unexecuted orders:**

Redemption orders will be executed in the same proportions for all Fund unitholders who have requested redemption since the last centralisation date. Unexecuted orders will be automatically carried over to the next net asset value and will not take priority over new redemption orders placed for execution at the next net asset value. Under no circumstances may the Fund's unitholders revoke unexecuted and automatically deferred redemption orders.

**Example illustrating a partial application of the mechanism:**

If total redemption requests for Fund units are 10% with the trigger threshold set at 5% of net assets, Axiom Alternative Investments may decide to honour redemption requests up to 7.5% of net assets (and therefore execute 75% of redemption requests instead of the 50% it would execute if it strictly applied the 5% cap).

Exemption: A tax “round trip”, i.e. a request at the same time on the same NAV date to redeem and subscribe the same number of units with the same ISIN and same intermediary and on the same account, will be excluded from the gate calculation mechanism and therefore honoured as is.

### 3.10. Fees and commissions

Subscription and redemption fees are added to the subscription price paid by the investor or deducted from the redemption price. The fees paid to the Fund are used to offset the costs that it incurs in investing or divesting the assets entrusted to it. The fees not paid to the Fund are paid to the management company, the promoters, etc.

<b>Fees payable by the investor deducted at the time of subscriptions and redemptions</b>	<b>Base</b>	<b>Rate scale</b>
Subscription fee not paid to the Fund	Net asset value x Number of units	Maximum rate: 1% incl. tax for RC EUR, RD EUR, IC EUR, ID EUR, NC EUR, ND EUR and SC EUR units 10% incl. tax for ZC EUR units
Subscription fee paid to the Fund	Net asset value x Number of units	N/A
Redemption fee not paid to the Fund	Net asset value x Number of units	Maximum rate: 10% incl. tax for ZC EUR units 1% incl. tax for RC EUR and RD EUR units N/A for other units
Redemption fee paid to the Fund	Net asset value x Number of units	N/A

#### Operating and management costs:

These costs cover all charges invoiced directly to the Fund, with the exception of transaction fees. Transaction fees include intermediation costs (brokerage, exchange taxes, etc.) and, where applicable, the activity fee that may be deducted in particular by the depositary and the management company.

The following may be added to the operating and management costs:

- performance fees. These reward the management company when the Fund exceeds its objectives. They are therefore charged to the Fund;
- activity fees charged to the Fund.

Costs charged to the Fund	Base	Rate scale
Management fees	Net assets	Maximum rate: RC EUR and RD EUR units: 1.25% incl. tax NC EUR and ND EUR units: 0.75% incl. tax IC EUR and ID EUR units: 0.75% incl. tax SC EUR units: 0.50% incl. tax ZC EUR units: 0.05% incl. tax
Maximum indirect costs (management fees and costs)	Net assets	Immaterial*
Activity fee	Maximum amount deducted from each transaction	N/A
Performance fee	Net assets	N/A

\* Given funds held in the portfolio account for less than 10% of net assets.

#### Description of the intermediary selection procedure:

Axiom Alternative Investments has adopted a multi-criteria approach to select intermediaries that guarantee the best possible execution of financial market orders.

The criteria used are both quantitative and qualitative and depend on the markets in which the intermediaries offer their services, in terms of both geographical areas and instruments.

The analysis criteria relate in particular to providers' availability and proactivity, their financial solidity, the speed and quality of order processing and execution, as well as intermediation costs.

## 4. COMMERCIAL INFORMATION

### 4.1. Distribution of information about the Fund

The Fund's prospectus, the latest annual report and the latest interim statement will be sent within one week upon written request by the unitholder to:

Axiom Alternative Investments  
39, avenue Pierre 1<sup>er</sup> de Serbie,  
75008 Paris.

Further explanations may be requested by calling +33 (0)1 44 69 43 90.

Unitholders can obtain the latest net asset value during the management company's opening hours by calling +33 (0)1 44 69 43 90 or emailing [information@axiom-ai.com](mailto:information@axiom-ai.com).

#### Information on environmental, social and governance (ESG) criteria:

Information on the consideration of environmental, social and governance (ESG) criteria will be available on the website [www.axiom-ai.com](http://www.axiom-ai.com) and be included in the annual report. Securities selection does not systematically or simultaneously incorporate environmental, social and governance quality criteria ("ESG criteria").

**Information on the exercise of voting rights:**

Axiom Alternative Investments' voting policy and the report on the exercise of voting rights are available on the website [www.axiom-ai.com](http://www.axiom-ai.com).

## **5. INVESTMENT RULES**

The Fund complies with the investment rules laid down by the French Monetary and Financial Code.

## **6. OVERALL RISK**

The method for calculating the overall risk ratio is the commitment method.

## **7. ASSET VALUATION RULES**

The net asset value of the units is calculated in accordance with the valuation rules specified below, the conditions of application being specified in the notes to the annual financial statements.

- securities traded on a regulated French or foreign market that operates regularly are valued using the most recent mid-range prices. Valuation at the reference market price is carried out in accordance with the procedures adopted by the management company and specified in the notes to the annual financial statements;
- negotiable debt securities and equivalent securities that are not the subject of significant transactions are valued using an actuarial method, the rate used being that of issues of equivalent securities, adjusted, where applicable, by a spread representing the intrinsic characteristics of the security's issuer. In the absence of any particular sensitivity, negotiable debt securities with a residual maturity of three months or less may however be valued using the straight-line method. The procedures for applying these rules are determined by the management company and specified in the notes to the annual financial statements;
- as regards transferable securities whose prices were not quoted on the valuation date and other balance sheet items, the management company adjusts their valuation based on changes that current events make probable, and informs the statutory auditor accordingly;
- SICAV shares and mutual fund units are valued on the basis of either the last known net asset value or, for listed UCITS, the last known quoted price on the valuation day;
- Futures are valued at their settlement price and options at the price of the underlying securities. The market value of futures contracts is equal to the price in euros multiplied by the number of contracts. The market value of options is calculated by converting them into the underlying equivalent.

The Fund complies with the accounting rules prescribed by the regulations in force, in particular the chart of accounts for funds.

Management fees are recognised in the Fund's income statement each time the net asset value is calculated.

The Fund has opted for the euro as its accounting reference currency.

Interest is recognised using the accrued interest method.

All transactions are recognised excluding costs.

## **8. REMUNERATION**

The remuneration policy applies to all control function managers, portfolio managers and members of the company's management board, as well as all the company's risk takers and any employees whose total remuneration puts them in the same pay bracket as managers and risk takers or whose professional activities have a material impact on their risk profile or the risk profile of the fund they manage (identified staff).

The remuneration of identified staff includes a variable component, whose terms of payment and, as applicable, retention, are intended to:

- eliminate any incentive to take risks incompatible with the risk profiles and specifications of the managed funds;
- protect investors by preventing any conflicts of interest between one or more identified staff and the managed funds;



An appropriate balance is maintained between the fixed and variable components of the total remuneration awarded to identified staff.

The remuneration policy implemented by Axiom Alternative Investments is updated annually to take into account regulatory changes.

In accordance with the principle of proportionality, the governance of remuneration at Axiom Alternative Investments is carried out directly by its management board, which determines the applicable remuneration policy principles.

Prospectus publication date: 18 December 2023

**Level 2 appendix** - Pre-contractual information for the financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and the first paragraph of Article 6 of Regulation (EU) 2020/852.

**Product name:**  
Axiom 2027

**Legal entity identifier:**  
969500EH9D33PP1JVW04

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that it does not cause significant harm to any of these objectives and that the companies benefiting from the investments apply good governance practices.

The **EU Taxonomy** is a classification system established by Regulation (EU) 2020/852 that lists **environmentally sustainable economic activities**. This 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 of **sustainable investments with an environmental objective:** \_\_\_%  
 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

It will make a minimum of **sustainable investments with a social objective:** \_\_\_%

It **promotes environmental and social (E/S) characteristics** and, although it does not have a sustainable investment objective, it will contain a minimum proportion of \_\_\_% sustainable investments  
 with an environmental objective in economic activities that are considered environmentally sustainable under the EU Taxonomy  
 with an environmental objective in economic activities that are not considered environmentally sustainable under the EU Taxonomy  
 with a social objective

It promotes E/S characteristics, but **will not make sustainable investments**



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

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

The Fund promotes the following environmental and social characteristics:

- Environmental:

Factors relating to the direct and indirect impact of banks' activities on the environment are taken into account. Among the direct factors, ESG scores reflect an assessment of banks' operational eco-efficiency, including greenhouse gas emissions, energy consumption, water use and water disposal. The assessment of indirect activities is also included in the ESG scores, particularly with

regard to the climate strategy of loan portfolios and risk assessment. This information is supplemented by an internal methodology called the “Axiom Climate Readiness Score”, which provides a more rigorous assessment of banks’ climate performance (see box below).

The reason for this additional analysis stems from Axiom’s conviction that the European banking sector plays a key role in meeting the Paris Agreement goals, as it finances more than 70% of the EU economy. The energy transition cannot therefore be achieved without the action of banks. It is thus necessary to use more robust methodologies that help to understand how banks steer their portfolios to finance the sector and activities needed for the energy transition.

- Social:

ESG scores include indicators related to banks’ practices in terms of developing human capital, attracting and retaining talent, financial inclusion, labour practices, human rights and occupational health and safety. In addition, the controversy database is used to analyse the soundness of banks’ sales practices, as it monitors their exposure to disputes and settlements resulting from poor customer relations practices.

No benchmark has been designated to gauge attainment of the environmental and social characteristics that the Fund promotes.

***Axiom Climate Readiness Score***

The Axiom Climate Readiness Score (ACRS) uses quantitative and qualitative analysis to assess financial institutions’ climate performance, based on three pillars:

1. The company’s commitment. This pillar aims to identify the level of priority a company places on climate change by observing its governance (e.g. board and senior management involvement in decision-making), its climate strategy and related objectives, as well as its communication on activities and resources deployed to better integrate climate change.
2. Management of climate risks and opportunities. This pillar assesses the processes and tools put in place by issuers to identify, measure and mitigate their exposure to climate risks, as well as their approach to seizing opportunities arising from the energy transition. A methodology is also applied to assess the physical and transition risk exposure of banks’ corporate loan portfolios, based on syndicated corporate loan data.
3. Contribution to the transition to a low-carbon economy. This pillar is designed to assess the contribution an issuer can make to the energy transition through its investments or corporate lending activities, as well as through the thematic products it offers. A methodology is applied to assess the compatibility of the temperature of its corporate loan portfolio (implied temperature increase) with the Paris Agreement temperature increase target of well below 2°C.

- ***What sustainability indicators are used to measure the achievement of each of the environmental or social characteristics that the financial product promotes?***

Subject to data availability, the following sustainability indicators are used to measure the attainment of each of the sustainability characteristics that this fund promotes:

**Sustainability indicators** are used to verify whether the financial product complies with the environmental or social characteristics that it promotes.

Specific environmental indicators:

- Axiom Climate Readiness Score (ACRS): score from 0 to 100%: the higher the score, the better the Fund’s climate performance.
- implied temperature rise (ITR): the ITR provides an indication of how the Fund aligns with global climate targets. Axiom estimates the temperature of the corporate loan portfolio based on syndicated loan data. The lower the ITR, the better the Fund’s climate performance.

Specific social indicators:

- Average ratio of the number of women to men on the boards of directors of investee companies. The higher the ratio, the greater the diversity.
- Number of active disputes concerning societal issues: this indicator includes both confirmed disputes and controversies that could lead to a dispute. A low indicator indicates a company with few (or no) disputes and/or controversies.

The Fund’s overall ESG score is also monitored and compared to its universe.

- ***What are the objectives of the specific sustainable investments that the financial product intends to pursue and how do these investments contribute to these objectives?***

This Fund does not undertake to invest a minimum proportion of its assets in sustainable investments within the meaning of the SFDR or the Taxonomy Regulation.

**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 the fight against corruption and bribery.

- ***To what extent do the specific sustainable investments that the financial product intends to pursue not cause significant harm to an environmentally or socially sustainable investment objective?***

This Fund does not undertake to invest a minimum proportion of its assets in sustainable investments within the meaning of the SFDR or the Taxonomy Regulation.

*The EU Taxonomy establishes a “do no significant harm” principle whereby investments aligned with said taxonomy should not cause significant harm to its objectives. It is accompanied by EU-specific criteria.*

The “do no significant harm” principle applies only to the 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.



### Does this financial product consider the principal adverse impacts on sustainability factors?

Yes

No

The principal adverse impacts (PAI) considered by the Fund consist of indicators that are the most relevant for the financial sector, including its direct and indirect impact on the environment and society.

Environmental indicators mainly concern indicators of greenhouse gas emissions and their reduction targets over time. While banks have a relatively low direct impact on the environment compared to other sectors, their indirect impact through lending is very high. For the time being, the only environmental PAIs that cover indirect activities (scope 3 downstream) are those concerning greenhouse gases. However, this is a retrospective indicator. To flag banks with a low level of commitment to decarbonisation, the Fund uses another indicator that offers a more forward-looking view. This is the share of investments in companies without carbon reduction initiatives aimed at aligning with the Paris Agreement.

As regards social PAIs, three main mandatory indicators are monitored as they are relevant to both the financial sector and the Fund: i. the unadjusted average gender pay gap; ii. the average ratio of women to men on boards of directors; and iii. the number of compliance processes and mechanisms for monitoring compliance with the principles of the UN Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. PAIs relating to the monitoring of violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises and exposure to controversial weapons (anti-personnel mines, cluster weapons, chemical weapons and biological weapons) are not monitored as they are covered by Axiom Alternative Investments' exclusion policy.

The Fund also monitors the number of convictions and the amount of fines for violations of anti-corruption laws.

Relevant information on the principal adverse impacts on sustainability factors will be published in due course in the Fund's annual report.



### What investment strategy does this financial product follow?

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

This fund's objective is to seek to offer a performance, net of management fees, of a portfolio made up of debt securities of private or public issuers, with no restrictions on average rating, duration or maturity, intended to be held until the Fund's maturity date of 31 December 2027. The investment objective differs depending on the unit class subscribed:

- For the RC EUR and RD EUR units, the investment objective is to achieve an annualised performance, net of fees, of more than 4% over an investment horizon starting on 29 December 2023 and ending on 31 December 2027;
- For the NC EUR and ND EUR units, the investment objective is to achieve an annualised performance, net of fees, of more than 4.25% over an investment horizon starting on 29 December 2023 and ending on 31 December 2027;

- For the IC EUR and ID EUR units, the investment objective is to achieve an annualised performance, net of fees, of more than 4.50% over an investment horizon starting on 29 December 2023 and ending on 31 December 2027;
- For the ZC EUR units, the investment objective is to achieve an annualised performance, net of fees, of more than 5.20% over an investment horizon starting on 29 December 2023 and ending on 31 December 2027.

The Fund takes into account companies that have a sound environmental, social, governance (ESG) and climate performance. The Fund's ESG score must be higher than that of its investment universe.

The ESG analysis covers at least 90% of the Fund's investments in the case of instruments issued by investment grade issuers and at least 75% in the case of instruments issued by high yield issuers.

Investment grade issuers are those rated at least BBB- by Standard and Poor's, Baa3 by Moody's or BBB- by Fitch Ratings (with the lowest rating being used), or which the management company deems of equivalent rank.

High yield issuers are those rated below BBB- by Standard and Poor's, Baa3 by Moody's or BBB- by Fitch Ratings (with the lowest rating being used), or which the management company deems of equivalent rank.

- ***What are the constraints defined in the investment strategy for selecting investments in order to attain each of the environmental or social characteristics that this financial product promotes?***

The Fund uses the following mandatory procedures to select investments that enable it to attain the environmental and social characteristics that it promotes:

**Exclusion filters:** these are used to exclude companies involved in prohibited activities, which are covered by Axiom Alternative Investments' thematic and sector policies and the associated exclusion list. Please click on the following link for more details: <http://axiom-ai.com/web/data/documentation/Thematic-And-Sectoral-Exclusions.pdf>

**ESG analysis:** the ESG data is sourced from an external provider. The criteria and associated weightings vary depending on the sector. Examples of areas assessed include:

- Environment: reporting and associated external validations, operational eco-efficiency, greenhouse gas emissions and water use.
- Social: development of human capital, attraction and retention of talent, and financial inclusion.

The Fund's average ESG rating (see 3) must be higher than that of its investment universe. The ESG analysis covers at least 90% of the Fund's investments in the case of instruments issued by investment grade issuers and at least 75% in the case of instruments issued by high yield issuers.

- ***To what minimum proportion does the financial product undertake to reduce its investment scope before applying this investment strategy?***

There is no planned commitment to reduce the scope of investments by a minimum amount before applying the investment strategy.

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



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

Governance practices are taken into account in ESG ratings at various levels, notably: i. at the management level, by reviewing the board of directors (e.g. gender diversity, structure (executive/non-executive), efficiency, diversity policy, average tenure, industry experience) and senior management (e.g. ratio between the CEO's and employees' salaries, CEO remuneration, management shareholding); ii. at the level of the policies and systems put in place to apply these policies (e.g. code of business conduct, anti-corruption policy); and iii. actual practices, by reviewing fines and transactions arising from anti-competitive practices, the company's involvement in corruption cases and its disclosure of breaches of the various good governance policies.



## What is the planned asset allocation for this financial product?

### Asset allocation

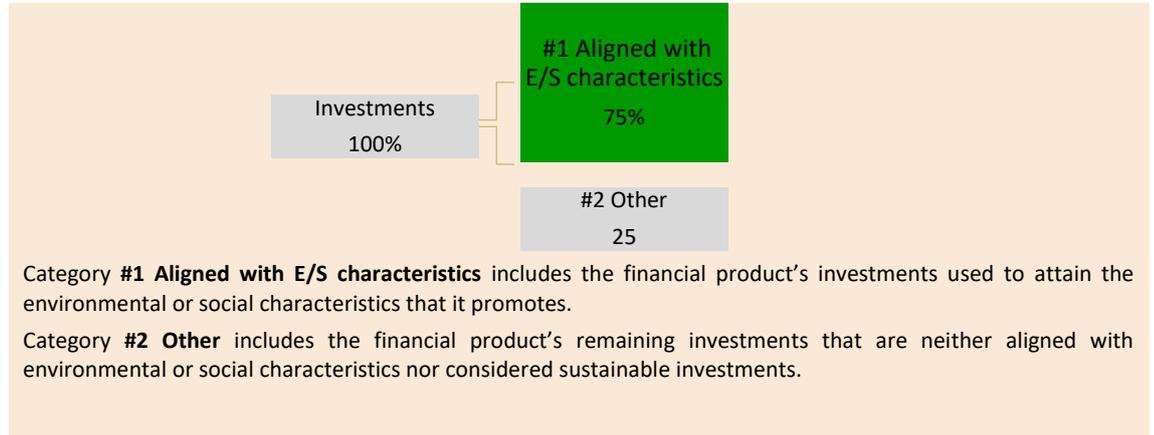
describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a %:

- **revenue** to reflect the share of revenue generated by green activities of the companies in which the financial product invests;

- **capex** (CapEx) to show the green investments made by the companies in which the financial product invests, for a transition to a green economy for example;

- **operating expenses** (OpEx) to reflect the green operational activities of the companies in which the financial product invests.



Category **#1 Aligned with E/S characteristics** includes the financial product's investments used to attain the environmental or social characteristics that it promotes.

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

At least 75% of the Fund's investments are used to attain the environmental and social characteristics that it promotes. The remaining 25% i. are invested in companies for which ESG ratings are not available or for which not all environmental and social indicators can be assessed due to a lack of data; ii. are used for hedging purposes (not related to ESG); or iii. relate to cash held on an ancillary basis. The minimum environmental and social safeguards are however covered by applying sector and thematic policies. Axiom Alternative Investments' sector and thematic policies cover companies in the energy and coal mining sectors, conventional and unconventional oil and gas, violations of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises, as well as gender equality and diversity.

The planned asset allocation is continuously monitored by the management team and assessed on an annual basis.

- ***How are derivatives used to attain the environmental or social characteristics that the financial product promotes?***

The Fund does not use derivatives to attain the environmental or social characteristics that it promotes.



### ***To what minimum proportion are the Fund's sustainable investments with an environmental objective aligned with the EU Taxonomy?***

At present, none of the investments made are considered to be aligned with the Taxonomy given the lack of information from banks and insurers. The alignment percentage will be reassessed in 2024, once banks have published their green asset ratios and insurers their Taxonomy-alignment data.

● **Does the financial product invest in natural gas and/or nuclear energy-related activities that are aligned with the EU Taxonomy<sup>1</sup>?**

Yes:

In natural gas  In nuclear energy

No

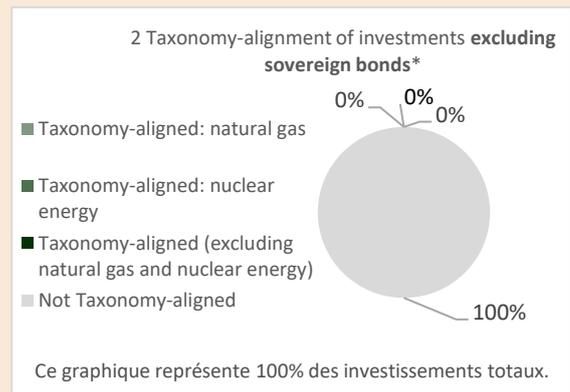
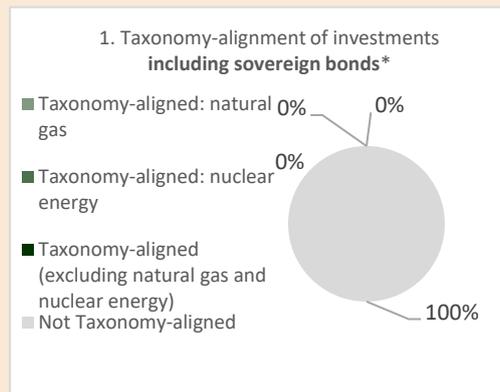
0% of the Fund’s investments are aligned with the Taxonomy. As banks will not disclose their data until 2024, the Fund will report a share of investments in Taxonomy-aligned activities of 0%. Axiom AI considers that data providers do not have enough visibility on banks’ loan portfolios, and that their estimates include several assumptions that do not allow them to be used.

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

To comply with the EU Taxonomy, the criteria for natural gas include emissions limits and a requirement to switch to renewable electricity or low-carbon fuels by the end of 2035. With regard to nuclear energy, the criteria include comprehensive rules on nuclear safety and waste management.

**Enabling activities** directly enable other activities to contribute substantially to the attainment of an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available, and which among other things have greenhouse gas emission levels corresponding to the best performance for their industry.



\*For the purpose of these graphs, “sovereign bonds” include all sovereign exposures. .

This graph represents 100% of the Fund’s total investments.

<sup>1</sup> Natural gas and/or nuclear energy-related activities will only comply with the EU Taxonomy if they help limit climate change (“climate change mitigation”) and do no significant harm to any EU Taxonomy objective – see explanatory note in the left margin. All the criteria applicable to economic activities in the natural gas and nuclear energy sectors that comply with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

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

At present, none of the investments made are considered transitional or enabling activities given the lack of information from data providers. The alignment percentage will be reassessed in 2024, once data providers have more visibility on banks' loan portfolios.



**What is the minimum proportion of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

At present, none of the investments made are considered to be aligned with the Taxonomy given the lack of information from banks and insurers. The Fund does not promote socially sustainable investments.



**What is the minimum proportion of socially sustainable investments?**

The Fund does not promote socially sustainable investments.



**What investments are included in category #2 "Other", what is their purpose and are they covered by any minimum environmental or social safeguards?**

Investments included in category #2 "Other" relate to companies for which ESG ratings are not available or for which not all environmental and social indicators can be assessed due to a lack of data. The Fund invests in high yield issuers, a category for which ESG data is not readily available. These investments are necessary i. to comply with the Fund's risk/return profile; ii. for hedging purposes; and iii. for cash held on an ancillary basis. The minimum environmental and social safeguards are however covered by applying sector and thematic policies.



**Is a specific index designated as a benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

No ESG benchmark is used.

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

**Benchmarks** are indexes used to gauge whether the financial product attains the environmental or social characteristics that it promotes.



**Where can I find more product-specific information online?**

Further information on the product is available on the website:

<https://axiom-ai.com/web/fr/fonds/axiom-2027/>

## REGULATIONS OF THE MUTUAL FUND

# Axiom 2027

### Title I - Assets and units

#### Article 1- Jointly owned units

The rights of joint owners are expressed in units, with each unit corresponding to the same fraction of the Fund's assets. Each unitholder is entitled to joint ownership of the Fund's assets in proportion to the number of units held.

The term of the Fund is 99 years from its approval, unless it is wound up early or extended pursuant to these regulations.

Unit classes:

The characteristics of the various unit classes and their eligibility conditions are set out in the Fund's prospectus.

The various unit classes may:

- Benefit from different income distribution regimes (distribution or accumulation);
- Be denominated in different currencies;
- Incur different management fees;
- Be subject to different subscription and redemption fees;
- Have a different nominal value;
- Be systematically hedged against risk, in whole or in part, as defined in the prospectus. This hedging is achieved using financial instruments that minimise the impact of hedging transactions on the Fund's other unit classes;
- Be reserved for one or more marketing networks.

Possibility of grouping or splitting units.

The management company may decide to split the units into tenths, hundredths, thousandths or ten-thousandths, referred to as fractional units.

The provisions of the regulations governing the issuance and redemption of units will apply to fractional units, the value of which will always be proportional to that of the unit that they represent. Unless otherwise stated, all other provisions of the regulations relating to units will apply to fractional units without any need to make a specific provision.

#### Article 2 - Minimum amount of assets

Units may therefore not be redeemed if the Fund's assets fall below €300,000. If the assets remain below this amount for 30 days, the asset management company will take the necessary measures to wind up the Fund, or to carry out one of the operations mentioned in Article 411-16 of the AMF's General Regulation (transfer of the Fund).

#### Article 3 - Issuance and redemption of units

Units may be issued at any time at the request of unitholders on the basis of their net asset value plus, where applicable, subscription fees.

Redemptions and subscriptions will be carried out under the conditions and in accordance with the procedures defined in the prospectus. The Fund's units may be listed for trading in accordance with the regulations in force.

Subscriptions must be fully paid up on the day the net asset value is calculated. They may be made in cash and/or by the contribution of financial instruments. The management company may turn down the securities tendered, in which case it must announce its decision within seven days of them being deposited. If accepted, the tendered securities will be valued in accordance with the rules set out in Article 4 and the subscription will be carried out on the basis of the first net asset value following acceptance of the securities concerned.

Redemptions may be made in cash and/or in kind. If a redemption in kind corresponds to a representative share of the assets in the portfolio, the Fund or the management company need only obtain the outgoing unitholder's written and signed agreement. If a redemption in kind does not correspond to a representative share of the assets in the portfolio, all the unitholders must provide their written agreement authorising the outgoing unitholder to redeem his/her/its units in exchange for certain specific assets, as explicitly defined in the agreement.

In general, the redeemed assets will be valued in accordance with the rules set out in Article 4 and the redemption in kind carried out on the basis of the first net asset value following acceptance of the securities concerned. Redemptions are settled by the account keeper within a maximum period of five days following the date of valuation of the unit.

However, if, under exceptional circumstances, the redemption requires the prior sale of Fund assets, this period may be extended but may not exceed 30 days.

Except in the case of inheritance or inter vivos distribution, the sale or transfer of units between unitholders, or from unitholders to a third party, is treated as a redemption followed by a subscription. If a third party is involved, the amount of the sale or transfer must, where applicable, be supplemented by the beneficiary to reach at least the minimum subscription amount required by the prospectus.

A minimum subscription may be applied, in accordance with the terms and conditions set out in the prospectus.

Pursuant to Article L. 214-8-7 of the French Monetary and Financial Code and Article 411-20-1 of the AMF's General Regulation, the management company may decide to cap redemptions when exceptional circumstances so require and if this is in the interest of unitholders or the public.

The operating procedures for the capping mechanism and for informing unitholders must be described in detail.

If the Fund's net assets fall below the amount set by the regulations, no units may be redeemed.

The Fund may cease to issue units pursuant to the third paragraph of Article L. 214-8-7 of the French Monetary and Financial Code, temporarily or permanently, partially or totally, in objective situations leading to the closure of subscriptions such as a maximum number of units issued, a maximum amount of assets reached or the expiry of a given subscription period. Existing unitholders will be informed by any means of this mechanism's activation, as well as of the threshold and objective situation that led to the partial or total closure decision. In the event of a partial closure, this notification by any means will explicitly specify the terms under which existing unitholders may continue to subscribe for the duration of this partial closure. Unitholders will also be informed by any means of the decision by the Fund or the management company either to end the total or partial closure of subscriptions (once they have fallen below the trigger point) or not to end it (in the event of a change of threshold or change in the objective situation leading to this mechanism's activation). A change of the objective situation put forward or of the mechanism's trigger point must always be made in the interest of the unitholders. The disclosure by any means must stipulate the exact reasons for such change(s).

#### **Article 4 - Calculation of the net asset value**

The net asset value of the units is calculated in accordance with the valuation rules set out in the prospectus.

Contributions in kind may consist only of securities, assets or contracts eligible for inclusion in the assets of UCITS, and contributions and redemptions in kind will be valued in accordance with the valuation rules applicable to the calculation of the net asset value.

## **Title 2 – Operation of the Fund**

### **Article 5 – Management company**

The Fund is managed by the management company in accordance with the investment strategy defined for the Fund.

The management company will act in all circumstances in the exclusive interest of the unitholders and alone may exercise the voting rights attached to the securities held by the Fund.

### **Article 5a – Operating rules**

The instruments and deposits eligible for inclusion in the Fund's assets as well as the investment rules are described in the prospectus.

### **Article 5b – Admission to trading on a regulated market and/or multilateral trading facility**

The units may be admitted to trading on a regulated market and/or multilateral trading facility in accordance with the regulations in force. If a fund whose units are admitted to trading on a regulated market has an investment objective based on an index, said fund must have put in place a system to ensure that the price of its units does not deviate significantly from its net asset value.

### **Article 6 – Depositary**

The depositary will perform the tasks for which it is responsible pursuant to the laws and regulations in force as well as those contractually entrusted to it by the management company. In particular, it must ensure that the management company's decisions are lawful. Where applicable, it must take any protective measures that it deems necessary. It will inform the AMF of any dispute it has with the management company.

### **Article 7 – Statutory auditor**

A statutory auditor will be appointed by the management company's governance body for a term of six financial years, after approval by the AMF.

The statutory auditor certifies that the financial statements are true and fair.  
Its term of office may be renewed.

The statutory auditor is required to inform the AMF, as soon as practicable, of any fact or decision concerning the Fund of which it has become aware in the performance of its duties that is likely to:

- 1° Constitute a breach of the laws or regulations applicable to said fund that could have a significant effect on its financial situation, earnings or assets;
- 2° Adversely affect the conditions or continuity of its operations;
- 3° Result in a qualified opinion or a refusal to certify the financial statements.

Asset valuations and the determination of exchange rates used in currency conversions, mergers and demergers will be audited by the statutory auditor, which will also be responsible valuing any contributions in kind, except in the case of redemptions in kind for an ETF on the primary market.

The statutory auditor will verify the asset inventory and other items before publication.

The statutory auditor's fees will be set by mutual agreement between itself and the management company's board of directors or management board, on the basis of a work schedule specifying the checks deemed necessary.

The statutory auditor will certify the financial statements used as a basis for distributing interim dividends.

### **Article 8 - Financial statements and management report**

At the end of each financial year, the management company will prepare the financial statements and a report on the management of the Fund during the past financial year.

At least once every six months and under the depositary's supervision, the management company will draw up an inventory of the Fund's assets.

The management company will make these documents available to unitholders within four months of the end of the financial year and inform them of the amount of income to which they are entitled. These documents will be either sent by post at the express request of unitholders, or made available to them at the management company's offices.

### **Title 3 - Appropriation of distributable amounts**

Distributable amounts consist of:

1° Net income plus retained earnings, plus or minus the balance of the accrued income account;

2° Realised gains, net of costs, less realised losses, net of costs, recognised during the financial year, plus net gains of the same type recorded in previous financial years that were not distributed or capitalised and plus or minus the balance of the accrued gains account.

The amounts referred to in 1° and 2° may be capitalised and/or distributed and/or carried forward, in whole or in part, independently of each other.

The appropriation of distributable amounts is decided each year by the management company.

Details of the specific procedures are provided in the "Appropriation of distributable income" section of the prospectus.

### **Title 4 – Merger – Demerger – Dissolution – Liquidation**

#### **Article 10 - Merger – Demerger**

The management company may either contribute all or part of the Fund's assets to another fund, or split the Fund into two or more other funds.

Such mergers or demergers may only be carried out after notification of the unitholders. They will result in the issuance of a new certificate stating the number of units held by each unitholder.

#### **Article 11 - Dissolution – Extension**

If the Fund's assets remain below the amount set in Article 2 above for 30 days, the management company will inform the AMF and either merge the Fund with another fund or dissolve it.

The management company may dissolve the Fund early, in which case it will inform the unitholders of its decision and, after the date of the decision, subscription and redemption requests will no longer be accepted.

The management company will also dissolve the Fund if it receives a request to redeem all its units, if the depositary ceases to operate and no other depositary has been appointed, or on expiry of the Fund's term, if it has not been extended.

The management company will inform the AMF by post of the planned dissolution date and procedure. It will then send the statutory auditor's report to the AMF.

The management company may, in agreement with the depositary, decide to extend the Fund's term. Said decision must be taken at least three months before expiry of the Fund's scheduled term, and reported to the unitholders and the AMF.

#### **Article 12 - Liquidation**

In the event of dissolution, the management company will assume the role of liquidator. If this is not possible, a liquidator will be appointed by the court at the request of any interested party. To perform its duties, the liquidator will be granted the broadest authority to sell the Fund's assets, pay any creditors and distribute the remaining balance among the unitholders in cash or securities.

The statutory auditor and the depositary will continue to perform their duties until all liquidation operations have been completed.

### **Title 5 – Disputes**

#### **Article 13 - Competence – Address for service**

Any disputes relating to the Fund that may arise during its operating term or at the time of its liquidation, either between unitholders or between the unitholders and the management company or the depositary will be subject to the jurisdiction of the competent courts.