Responsible Investment Policy
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Part I: Responsible Investment organisation at AXA IM

AXA IM has invested significant resources into recruiting RI experts and analysts who work with our investment teams to integrate ESG issues into their investment processes. The range of backgrounds includes fund management, sell-side research, quantitative analysis, strategy and project management, in addition to relevant RI experience; ensuring that RI issues are integrated using an investment-relevant approach. In total, more than 40 employees are involved at full-time in RI / ESG activities. There are other professionals who are not included but whose ESG work is embedded in their day-to-day routine.

More specifically, the RI research capabilities are organised as follows:

- **A RI Research team** responsible for thematic research with a focus on climate, biodiversity, human capital & diversity as well as health, nutrition and data privacy, ensuring it translates into implementable investment decisions across platforms. This team also leads shareholders engagement on those themes.

- **A RI Coordination and Governance team** responsible for transversal RI projects and corporate governance including voting policy on key themes mentioned above. The Active Ownership strategy is built and lead jointly with the RI Research team.

- **A RI Solutions, Tools and Models team** dedicated to the development of ESG quantitative solutions. As such, the team has developed a proprietary ESG framework and RI Search platform, providing portfolio managers and analysts with ESG raw quantitative data, KPIs, internal and external research and proprietary ESG scores.

- **ESG specialists within the investment platforms** conduct ESG analysis at company level, oversee product development and of the operational implementation of ESG processes.

RI Governance

For illustrative purposes only
AXA IM has established a strong governance around RI as explained below:

<table>
<thead>
<tr>
<th>Committee</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>AXA IM Management Board</td>
<td>• Ultimately validates the RI and CR strategies of AXA IM, with a <strong>Sustainability Forum</strong> convening Management Board member as well as key RI &amp; CR stakeholders</td>
</tr>
<tr>
<td>AXA IM RI Strategic Committee</td>
<td>• Leading body in charge of defining AXA IM’s strategy with regards to Responsible Investment and monitoring its delivery</td>
</tr>
<tr>
<td></td>
<td>• This notably includes the definition of sectorial policies and RI product framework as well as piloting efforts on selected themes such as climate change</td>
</tr>
<tr>
<td>AXA IM Corporate Responsibility Committee</td>
<td>• Define AXA IM CR strategy, taking into AXA Group strategy, with concrete roadmap</td>
</tr>
<tr>
<td></td>
<td>• Animate a community through communication and business actions</td>
</tr>
<tr>
<td>AXA IM Corporate Governance Committee</td>
<td>• Provide strategic oversight of AXA IM’s corporate governance, stewardship and voting activities in relation to investee companies and ensuring clients’ rights and obligations are exercised in a manner consistent with good practice standards</td>
</tr>
<tr>
<td>AXA IM ESG Monitoring and Engagement Committee</td>
<td>• Ensure views developed on ESG risks and opportunities, from exclusion to engagement topics are discussed collegially, considering possible implications for AXA IM</td>
</tr>
<tr>
<td></td>
<td>• Facilitate coordination between various stakeholders in the implementation of the engagement strategy</td>
</tr>
<tr>
<td></td>
<td>• Act as a gatekeeper of AXA IM exclusion policies</td>
</tr>
<tr>
<td></td>
<td>• Oversee the ESG scores override process</td>
</tr>
<tr>
<td>AXA IM ESG Scoring and Quantitative methodologies Committee</td>
<td>• Ensure coordination of ESG integration in a more operational manner</td>
</tr>
<tr>
<td></td>
<td>• Discuss industrialization topics</td>
</tr>
<tr>
<td>AXA IM Core Listed Impact Committee</td>
<td>• Review and Validate proposal of Listed Impact funds</td>
</tr>
<tr>
<td></td>
<td>• Build and promote AXA IM view on Impact in Listed Asset Classes</td>
</tr>
</tbody>
</table>
AXA IM is progressively incorporating ESG factors with respect to each class of assets it manages, and in the development of a range of innovative responsible- and impact-investment products. AXA IM has been involved in responsible investment for more than 20 years and believes that being a responsible asset-management company is crucial to our long-term success. We believe that ESG factors can influence, not just the management of investment portfolios across all asset classes, sectors, companies and regions, but also a range of interests affecting clients and other stakeholders.

Our investment philosophy is based on the conviction that issues relating to sustainability factors are and will remain a major concern for the coming years. We believe that combining fundamental ‘non-financial factors’ with traditional financial criteria will help us build more stable portfolios that perform better in the long term. The non-financial approach has become a necessity in more ways than one:

1. It is instrumental in removing investments or underlying assets from portfolios when they cause exposure to high levels of ESG risk, which would ultimately affect financial performance;

2. It focuses on investing into companies that have implemented best practices regarding the management of their environmental impacts, governance and social practices, and whose responsible practices leave them better prepared, in our view, to meet the major challenges of the future; and

3. It enables improved performance by means of active dialogue with companies on managing ESG concerns around investments and limiting our clients’ exposure to reputational risk.

Objective setting and high-level governance

Our ESG integration framework relies on the following dimensions:

- The annual target letters of each investment team head include an objective related to ESG integration
- The Management Board regularly reviews and validates AXA IM’s RI strategy and monitors the implementation of its roadmap
- AXA IM RI Strategic Committee meets on a quarterly basis to monitor integration, oversee related projects and address potential issues
- Regular training of all investment staff
- Starting from January 2021, individual and collective objectives will include elements related to the adherence to the sustainability risk framework to be embedded in investment processes

ESG integration across asset classes

Portfolio managers and financial analysts are provided with ESG information to ensure ESG risks and opportunities are incorporated in their analysis of a company. This includes:

- **ESG scores**: Calculated using proprietary methodologies for Corporates, Sovereigns, Leveraged Loans, Infrastructure and Real Estate. These scores are then made available to portfolio managers and analysts across the company. RI specialists within the research and investment teams are also able to support portfolio managers and financial analysts in their analysis of a company or investment

- **Internal and external ESG research**: Internal ESG research on themes with a focus on climate change, biodiversity, gender and health in particular. These analyses are supported by broker research, as well as regular meetings with companies, participation in conferences and industry events.

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1 To find out on our Remuneration policy: [Remuneration - AXA IM Global (axa-im.com)](https://www.axa-im.com/)

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Exclusion policies:\(^2\):

1. We monitor systematically and exclude strong ESG risks (controversial weapons, palm oil, soft commodities, climate risks) for all assets under management.

2. For ESG integrated and RI funds, we apply an additional screening, with the AXA IM ESG Standards, on tobacco, white phosphorus weapons as well as breach of UN Global Compact and we monitor with attention low ESG scores. Such exclusion policies are adapted and may be applied differently between direct or indirect investments.

In addition to this, AXA IM manages a range of RI funds for which the level of ESG integration is even more stringent, with specific ESG objectives, which are regularly monitored.

\(^2\) All our exclusion policies (RI sectorial policies and ESG Standards) are available on the AXA IM website.
**Scoring Methodologies**

**Corporates**

- **Key principles**

For companies, we have developed a three-pillar and six-factor frame of reference that covers the main issues encountered by businesses in the environmental, social and governance fields. The frame of reference draws on fundamental principles, such as the United Nations Global Compact[^3], the OECD Guidelines, the International Labour Organisation conventions, and other international principles and conventions that guide companies’ activities in the field of sustainable development and social responsibility. The same analysis methodology is applied to the equities and corporate bonds of all companies. The final ESG rating also incorporates the concept of industry-dependent factors and deliberately differentiates between sectors, to overweight the most material factors for each industry. Materiality is not limited to impacts relating to a company’s operations, it also includes the impacts of its stakeholders and the underlying reputational risk arising from a poor grasp of major ESG issues.

### Corporate ESG Framework

<table>
<thead>
<tr>
<th>Environment</th>
<th>Resources and Ecosystems</th>
<th>Use of natural resources in companies’ operations and protection of ecosystems by avoiding negative impacts.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Climate change</td>
<td>Impacts related to companies’ activities and products and services that resolve climate change challenges.</td>
</tr>
<tr>
<td>Social</td>
<td>Human Capital</td>
<td>Occupational health and safety, attraction power (recruitment) and retention (employee satisfaction), training, social dialogue, freedom of association, labour rights, compensation of employees, career management</td>
</tr>
<tr>
<td></td>
<td>Social Relations</td>
<td>Supply chain management, relations with customers, relations with suppliers, respect of Human Rights, impact on communities, non-discrimination, elimination of child labour.</td>
</tr>
<tr>
<td>Governance</td>
<td>Business Ethics</td>
<td>Prevention of corruption and anti-competitive practice.</td>
</tr>
<tr>
<td></td>
<td>Corporate Governance</td>
<td>Disclosure &amp; controls, traditional governance issues including board/management diversity, board independence, separate CEO/Chairman, shareholder rights, executives’ pay.</td>
</tr>
</tbody>
</table>

*Source: AXA IM*

[^3]: [United Nations](https://www.un.org) initiative launched in 2000, with a view to encouraging companies worldwide to adopt a socially responsible stance, by committing to incorporate and promote principles as regards human rights, international labour law and combating corruption.
Proprietary ESG scores are computed thanks to a methodology developed and maintained by the RI Solutions, Tools and Models team, and made available to investment professionals throughout the company. To ensure a greater coverage of our asset classes and to supplement our in-house research, we use Raw ESG company/country data from ESG research providers. We cover more than 8,800 companies and 190 countries with our quantitative scoring system replicating the ESG framework detailed above. We aggregate the raw quantitative data (percentage of women on the board, percentage of renewable energy, percentage of training budget / payroll, employment trends etc.) of specialized rating agencies as detailed below. This search is accessible by all managers of AXA IM and is based on a scorecard (scale from 0 to 10) on more than 8,800 companies. The managers have access to the individual scores of each company in the same sector, each dimension E, S, G and the score summarizing the overall rating of the portfolio, when relevant. An analytical tool is also available to help investment professionals investigate the score of a given issuer and its evolution.

- **Small and mid-cap**

To complement our corporate methodology for specific asset classes as small and mid-caps, we expanded our coverage in partnership with Ethifinance. It relies on 45 raw scores sourced from Ethifinance & Trucost, all rated on a scale from 0 to 10 and classified in the same 6 factors and 13 sub-factors as the corporate framework. The sectorial weighting is also the same, and there is no regional adjustment because over 99% of the companies scored through this new method belong to the same region (Europe developed). Thanks to this expansion, the ESG coverage of the funds targeted have improved significantly.

**Green, social and sustainability bonds**

A new methodology for green, social and sustainability bonds has been created. It has been designed to include the bonds’ qualitative assessment made by the RI Research team into the AXA IM’s proprietary ESG scoring frameworks. The scores integrate these qualitative inputs, whether it is a corporate or sovereign bond, to produce an enhanced ESG score for green, social and sustainability bonds issuances. Thus, the scores given to these instruments are a combination of both quantitative and qualitative assessments. The ESG score of the bond can either be the same as its issuer, or get a bonus depending on the qualitative assessment. It allows us to differentiate these impact bonds from common bonds through ESG scoring and to favour investments participating in climate and social transition.

**Sovereign issuers**

For governmental and quasi-governmental issuers, we have also developed a country-rating model based on data from public bodies, such as the World Bank, the OECD and the IMF. We currently cover 190 countries, classified in four groups: high income, upper middle income, lower middle income and low income. This approach makes countries’ ESG appraisal central to the notion of sustainable development. Key issues, such as the country’s stance on the major climate, social and political risks are assessed, taking account of each nation’s direction of travel and progress over the long term. Each of the 17 UN Sustainable Development Goals (SDGs) is now covered by at least one indicator. The ESG analysis criteria for sovereigns considered by the RI analysts are the nine factors below, based on 57 ESG indicators such as:

- **For environmental factors**: CO₂ emissions in relation to population and economic activity, the energy mix, renewable and pressure exerted on natural resources (water, forests, etc.).

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4 Distribution of the various primary energy resources consumed for the production of various energy types.
For **social factors**: population ageing, life expectancy, Gini index\(^5\) of income distribution, risk of poverty, the Program for International Student Assessment (PISA)\(^6\) and the youth unemployment rate.

For **governance factors**: World Bank’s indicators (government effectiveness, rule of law, political stability, corruption control, etc.), the proportion of the freedom of press rank, and the size of the shadow economy for instance.

### Sovereign framework’s factors

- Climate change
- Energy mix
- Natural resources and pollution
- Demographics and health
- Wealth and social inclusion
- Labour market
- Education
- Human rights and civil liberties
- Institutions efficiency

### Leverage loans and private debt

For new loans and bonds issued by corporates that are not rated by the previous methodology, another scoring methodology is put in place based on Ethifinance data provider.

This methodology relies on answers to 32 questions rated on a scale from 0 to 10 and classified in the same 6 factors and 13 sub-factors as the corporate framework. The sectorial weighting and regional adjustment are also the same.

The controversy level of the issuer is also evaluated by Ethifinance and integrated in the model in the same way as the corporate framework.

As ESG assessment is relatively new in this asset class, disclosure for some issuers is very low, therefore we add a penalty score for unanswered questions. This penalty also helps communicating to the loan market, the importance of looking at all these topics while it is at the start of these ESG considerations.

### ABS, Mortgages and NPL

For new investment in ABS, Mortgages and NPL, the investment team carries out an ESG analysis and evaluates:

- The counterparty;
- The assets (portfolio);
- The country.

Our methodology is based on research from internal and external data and providers:

- **Counterparty assessment** relies on either questionnaires sent by the investment team or on the ESG counterparty indicators performed by AXA IM RI teams when available;
- **Assets assessment** are based on portfolio data; and
- **Country-related** indicators form parts of the asset analysis and are based on MSCI country-data.

To reflect the most relevant ESG factors linked to each asset classes, we will use different weightings for counterparty, asset and country. These indicators determine the **overall ESG score**.

### CLOs /Hedge Funds

For new investments in CLOs and Hedge Funds, the investment team evaluates the overall commitments to responsible investment to the Manager and the level to which they integrate ESG factors into their investment process and more specifically to the portfolio.

**The manager assessment** which targets the seriousness of the manager (not only when contemplating portfolio investments) and its ESG approach is based on a questionnaire. **The Portfolio assessment** focuses more effectively on

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\(^5\) The Gini index, according to the French Statistics and Economic Studies Institute (INSEE): The Gini coefficient is an indicator summarising wage inequality. It ranges from 0 to 1. It is 0 in a situation of perfect equality, where all wages, incomes and living standards are the same. At the other extreme, it is 1 in a situation of the greatest possible inequality, where all wages, incomes and living standards, except for one, are zero. Between 0 and 1, the higher the Gini coefficient, the greater the inequality.

\(^6\) Study conducted by the OECD since the start of the 2000s to assess the level of 15-year-old students and, therefore, to measure the performance of the education systems of the Organisation’s 34 member countries.
ESG rules regarding loan pools in CLOs. This assessment still mainly relies on the CLO manager actions and convictions. These indicators determine the overall ESG score.

**ILS**
For new investment in ILS, the investment team carries out an ESG analysis and evaluates:

- The collateral;
- The sponsor;
- The Ultimate Beneficiary.

Our methodology is based on research from internal and external data and providers:

- **Collateral score**, is performed by AXA IM RI teams;
- **Sponsor assessment** relies on either questionnaires sent by the investment team or on the ESG counterparty indicators performed by AXA IM RI teams when available;
- Finally, we estimate the **Ultimate beneficiary** through to a dedicated questionnaire which is sent to the sponsor and we focus mainly on the Environment and Social pillars with limited questions on “Governance” component.

These indicators determine the overall ESG score.

**Reg Cap**
For new investment in Reg Cap, the investment team carries out an ESG analysis and evaluates:

- The originator,
- The underlying portfolio

Our methodology is based on research from internal and external data and providers:

- **Originator assessment** relies on either questionnaires sent by the investment team or on the ESG counterparty indicators performed by AXA IM RI teams when available;
- **Portfolios assessment** is based on Originating Bank’ ESG policies and exclusions in its underwriting process through a Questionnaire and if the portfolio is monocountry; and
- **Country-related** indicators form parts of the asset analysis and are based on MSCI country-data.

These indicators determine the overall ESG score.

**Real Assets**
Consistent with other AXA IM businesses, Real Assets uses proprietary methodologies for calculating an ESG score for each asset or loan across our Real Estate and Infrastructure businesses. In each instance, we use a questionnaire approach to identify the risks, performance and opportunities of each asset, while taking sector-specific ESG issues into account. A detailed written explanation is required to be provided by the investment team for any new investment proposal which scores below 2.0, and a remediation plan is required to be in place for any standing asset with an annual score below 2.0.

These scoring methodologies form one of the pillars of AXA IM’s approach to sustainability risks.

**Data Providers**
To complement our own internal analysis and proprietary tools, AXA IM has built partnerships with a variety of external sources. These partners are selected via a thorough RFP process and are subject to regular reviews. Our ESG data providers currently supply information on close to 8,000 companies and are as follows:

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7 To reach more on our approach to our approach to the Sustainability-related disclosure in the financial services sector ("SFDR")
<table>
<thead>
<tr>
<th>ESG Data Provider</th>
<th>Expertise</th>
<th>Description</th>
<th>ESG Scores and Company Research</th>
<th>ESG Raw Data &amp; KPIs</th>
<th>Start Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainalytics</td>
<td>Controversies Analysis</td>
<td>Controversies analysis</td>
<td>✓</td>
<td>✓</td>
<td>11/2012</td>
</tr>
<tr>
<td>Vigeo-EIRIS</td>
<td>Strong expertise in social issues and European small &amp; mid cap</td>
<td>Strong expertise in social issues and European small and mid-cap</td>
<td>✓</td>
<td></td>
<td>09/2007</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>07/2004</td>
</tr>
<tr>
<td>MSCI</td>
<td>Strong expertise in Governance issues</td>
<td>ESG research</td>
<td>✓</td>
<td>✓</td>
<td>04/2004</td>
</tr>
<tr>
<td>Trucost</td>
<td>Full range of Quantitative Environmental KPIs</td>
<td>Full range of quantitative environmental KPIs</td>
<td>✓</td>
<td></td>
<td>03/2012</td>
</tr>
<tr>
<td>Carbon 4</td>
<td>Offers a climate risk package</td>
<td>Measure the carbon impact of investments</td>
<td>Only used for Green Bonds reporting</td>
<td></td>
<td>01/2017</td>
</tr>
<tr>
<td>ISS - Ethix</td>
<td>Offers expertise across a full range of environmental, social and governance (ESG) issues</td>
<td>Ethical filters and controversial weapons</td>
<td>✓</td>
<td></td>
<td>01/2003</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>02/2011</td>
</tr>
<tr>
<td>ISS - Oekom</td>
<td>Expertise in Impact analysis</td>
<td>Impact research and UN SDG alignment assessment</td>
<td>✓</td>
<td></td>
<td>06/2018</td>
</tr>
<tr>
<td>Carbon Delta</td>
<td>Expertise in Climate analysis</td>
<td>Climate research for Corporates</td>
<td>✓</td>
<td>✓</td>
<td>11/2018</td>
</tr>
<tr>
<td>Beyond Ratings</td>
<td>Expertise in Climate analysis</td>
<td>Climate research for Sovereign</td>
<td>✓</td>
<td>✓</td>
<td>08/2018</td>
</tr>
<tr>
<td>Bloomberg ESG</td>
<td>ESG KPIs. Used for investment and reporting purposes.</td>
<td>ESG KPIs. Used for investment and reporting purposes.</td>
<td>✓</td>
<td></td>
<td>12/2018</td>
</tr>
<tr>
<td>Ethifinance</td>
<td>Strong expertise in European micro and small caps</td>
<td>ESG ratings used for Leverage Loans and private debt asset classes</td>
<td>✓</td>
<td>✓</td>
<td>03/2019</td>
</tr>
<tr>
<td>Iceberg Data Lab</td>
<td>Measurement of investors' investments impact on biodiversity</td>
<td>These two data providers joined forces to develop metric quantifying companies' impact on biodiversity and nature to help investors integrate into risk assessment and research</td>
<td>✓</td>
<td>✓</td>
<td>01/2021</td>
</tr>
<tr>
<td>I Care &amp; Consult</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: AXA IM

More than 100 ESG criteria are scored by a selection of these external ESG rating agencies, based on their specific areas of expertise. In this way, using multiple providers gives AXA IM the best and most timely information possible on ESG matters. Broker and academic research as well as other public information such as annual reports and sustainability reports also provide us with ESG information.

For sovereign investments, AXA IM uses external data from organisations such as the United Nations (UN), World Bank and the Organisation for Economic Co-operation and Development (OECD). Presently, AXA IM covers more than 190 countries, across both developed and emerging economies.
ESG integration approaches by platforms

As part of AXA IM’s fiduciary duties to its clients and long term, active investment approach, we have always strongly incorporated broad non-financial criteria and guided companies towards more responsible behaviour. This is how we integrate ESG in each investment platform:

Framlington Equities - Fundamental equity

Framlington Equities ensures a 360° approach to company evaluation through three different steps, explained below:

1. **Quantitative:** The first step is incorporating the internally-developed ESG scores into our front office tools, internal research models and risk reports. The score of each company in the portfolio is used as a starting point for understanding how the company is positioned on each of the ESG criteria/sub-criteria and how this score has been evolving through time.

The scoring also helps on the reporting side to communicate more broadly and more systematically to our clients on the overall ESG footprint of a portfolio and impact metrics such as water intensity or carbon footprint.

2. **Qualitative:** We go beyond pure quantitative scoring to gain a detailed knowledge of how a company is intending to deal with some of its ESG challenges. This type of “deep dive” qualitative focus forms the second pillar of our investment approach, as our goal is to incorporate ESG risks and opportunities more systematically in our portfolio construction and modelling as part of our risk/return/fair value assessment.

This type of analysis is undertaken when we visit companies; we meet them face-to-face to discuss and understand how their ESG and sustainability policies and practices are supporting their long-term strategic goals.

3. **Engagement:** This third aspect is how we see ourselves as key influencers towards better and more responsible corporate behaviour and disclosure, using our ongoing dialogue with company managements as an active engagement tool.

We view ESG integration as part of expressing our conviction as long-term responsible investors, avoiding negative issues that can damage portfolio returns but also influencing management to take the right steps towards enhancing their sustainability profile and practices.

Rosenberg – Quantitative equity

For aggregate company-level scores Rosenberg uses AXA IM corporate ESG framework, which provides a means to measure and analyse how companies are facing long-term trends. This framework is used in conjunction with carbon and water intensity data, as well as information on company-level controversies, to provide a holistic view of each company. In ‘downstream integration’ ESG scores and data are integrated into our investment process during the portfolio construction phase. Rosenberg does this using an optimiser, as this allows the portfolio to retain the risk/return attributes we seek while improving the overall ESG profile. This same approach is used for building our UNSDG-aligned portfolios that explicitly seek exposure to companies with goods and services aligned to societal and environmental goals.

ESG also enters our investment process in an ‘upstream’ fashion. Our fundamental research effort is aimed at understanding the relationship between ESG concepts and traditional drivers of risk and return within listed equities. We aim to improve our fundamental models through the inclusion of ESG ideas. An example of this is our use of board diversity to improve our prediction of forward change in earnings quality. We are also formally including carbon footprint in our modeling of fair value (valuation) and are experimenting with other ESG-related valuation concepts. Over time we expect that ‘upstream’ integration will play a larger role in our investment process.

Rosenberg has a strong preference not to divest from stocks or sectors, with a few limited exceptions. They currently exclude tobacco stocks,
as we believe regulatory and profitability risk to be under-represented in financial data. We also exclude the most severe controversy stocks as they present poor business practices, which we believe presents a risk to future operations. For stocks that are held, we vote proxies using our in-house policy and support the engagement activities of colleagues in AXA IM’s RI Research and RI Coordination & Governance teams.

Multi-Asset

The Multi-Asset platform believes that integrating ESG analysis leads to more effective investment solutions that address global challenges and create sustainable value for our clients. That is why we have decided to make ESG integration mainstream within the equity and fixed income platform, through two major pillars:

1. **Technology and quant solutions**
   Multi-Asset uses the AXA IM proprietary ESG scoring framework which fully covers our equity, fixed income and multi-asset classes. These scores are made available to portfolio managers and analysts across the company. We have invested in ensuring the integration of ESG scoring and key performance indicators (KPIs) in our IT systems. Our portfolio managers have access to the data in their decision-making tools and it also enables us to develop ESG reports on a vast majority of our portfolios and mandates.

2. **Research**
   **Credit research**
   Our approach to ESG integration into investment decisions also goes through more integration at the credit research level. That is why we have decided that all our credit analysts are now responsible for the integration of ESG factors in their financial recommendation that feed into our credit allocation/selection process.

   **Equity research**
   Our approach to incorporating ESG into our research is based on two complementary axes to ensure a comprehensive assessment of a company’s fundamental/ESG profile and a thorough understanding of the financial materiality of the ESG risks that can derail a company’s growth prospects.

   - Quantitative scoring on individual holding and on the whole portfolio
   - Complemented by stock by stock fundamental research

Fixed Income

Fixed Income mainstreams ESG integration, as we believe it helps deliver sustainable value for our clients. The integration of ESG criteria relies on:

1. **ESG analysis**
   AXA IM proprietary ESG scores are directly fed into the front office portfolio management system to allow managers to measure the ESG footprint of their portfolios. This is complimented by the fact that our credit research framework provides qualitative assessments of how companies are mitigating ESG risks. Oversight of corporate governance and engagement with company management is an integral part of the credit framework and ESG is increasingly the focus of meetings with companies. This allows our credit team to assess how companies are positioned within their sectors with respect to managing ESG, alongside traditional credit risks. We also perform a qualitative analysis on use of proceeds bonds (Green, Social and Sustainability bonds).

2. **Investment process**
   We are committed to integrating ESG criteria into our investment process. Portfolio managers are able to monitor the ESG footprint of their portfolio and dynamic adjustments to credit exposures take into account the impact on the overall ESG footprint. As part of the credit relative value process, which identifies investment opportunities in credit markets, ESG scores are integrated into financial considerations. All scores are integrated into our investment tools for issuer level analysis, sector comparisons and at the portfolio level influencing our issuer selection and portfolio construction. Senior managers within the fixed income team are full participants in the ESG governance framework and portfolio managers undergo regular training on ESG developments. A growing number of Fixed Income funds comply with the AXA IM ESG standards policy and reporting to clients integrates ESG information in a transparent way.
Our ESG integration approach is part of a global framework supported by AXA IM Management Board and our dedicated RI Experts.

Real Assets

For Real Assets, ESG is integrated across four asset classes – listed real assets, direct real estate, commercial real estate debt, direct infrastructure and infrastructure debt. The scoring for each asset class is based on a proprietary model that combines various relevant factors of ESG risks and opportunities.

1. **Listed real assets**
   As our Listed Real Estate business invests into more traditional equity in Real Estate companies, the Listed Real Estate team utilize the same ESG methodology deployed for corporate equity, as described above. This approach is augmented with ESG insights derived from our direct real estate investment activity which focuses our direct engagement with investee companies, providing a more detailed view of underlying performance.

2. **Direct real estate**
   Five key factors are considered as part of our investment review for direct real estate acquisitions. These include;
   - Transitional or Regulatory risk of the asset (based on the assets energy performance level)
   - Physical risk (based on its current and historical exposure to natural catastrophes such as flood, storm, earthquake etc)
   - Certification (providing us with a view or target in relation to independent certification such as BREEAM, LEED etc)
   - Counterparty risk (Controversy risk, Anti Money Laundering and KYC risk), and,
   - Our proprietary ESG score for the specific investment.

   These factors provide reasonable visibility into asset level risks and inform our underwriting and ESG action plans. Often, access to data may be limited at acquisition, so, in addition to our initial assessment, we integrate ESG factors into the annual strategic management plan for our assets.

   Our automated ESG tool collects and analyses energy, water and waste data for each asset in scope. We use it to create an ESG footprint that enables us to track KPIs including CO₂ emissions, and perform an ESG rating to benchmark asset performance and identify areas of improvement by setting action plans with short, medium and long-term goals.

3. **Commercial Real Estate (CRE) debt assets**
   During due diligence, we evaluate the ESG profile of underlying assets and loan sponsors and calculate ESG ratings for each loan in scope during due diligence. From 2020, in addition to our proprietary methodology, and leveraging on the experience of our direct real estate insights, we have increased the assessment and coverage of physical risk levels (likelihood of natural catastrophe) on many of the underlying assets within our loans, providing greater insight into climate related risk.

4. **Infrastructure debt assets**
   Our ESG evaluation accounts for criteria based on project sector, social utility, environmental impact in addition to the ESG commitments of shareholding companies. We use this to calculate ESG ratings for each loan during due diligence.

5. **Infrastructure equity**
   Our ESG evaluation accounts for criteria based on project’s sector categorization under the Climate Bonds Institute (CBI) Taxonomy and the draft EU Taxonomy, including any specific environmental impacts. In addition, we assess the ESG commitments of shareholding companies or partners and review performance against specific indicators such as Health and Safety, Board gender diversity and compliance with the OECD Guidelines on Multinational Enterprises.

   Investment specific performance targets which are aligned with the above assessments are incorporated into the active management of direct equity infrastructure investments.
AXA IM Real Assets’ ESG strategy is set by the Real Assets Global Sustainability Team, which also manages, co-ordinates and promotes ESG across the Real Assets business. The dedicated team is supported by local correspondents – key individuals located within Real Asset management teams worldwide. The team benefits from strategic advice from the Real Assets ESG Steering Committee, comprised of senior management representatives, including five members of the AXA IM Real Assets Management Board. Primary responsibility for delivering ESG performance on a day-to-day basis lies with individual fund and asset managers.
Exclusion Policies

Sectorial and normative exclusion policies are one of the pillars of AXA IM’s approach to sustainability risks and Principal Adverse Impact (PAI). Exclusion lists are based on data provided by third party providers and aim to enable AXA IM to exclude from its contemplated investments the assets exposed to significant sustainability risks or that may have a significant adverse impact on sustainability factors.

Our exclusion policies are focused on the following ESG factors:

- **E**: climate (coal mining and coal-based energy production; oil sands production and oil sands-related pipelines), biodiversity (palm oil production) or soft commodities (food commodities derivatives);
- **S**: health (tobacco manufacturing) and human rights (violations of United Nations Global Compact (“UNGC”); controversial weapons manufacturing);
- **G**: business ethics (UNGC breach).

**Sectorial policies**

AXA IM has set its own restrictions which apply to all its assets under management. These are set out in our controversial weapons, palm oil, soft commodities and climate risks policies, as described below.

**Controversial Weapons Policy**

A zero-tolerance principle is applied to the controversial weapons policy. In 2008, AXA IM implemented an investment exclusion policy for companies involved in anti-personnel landmines and cluster bombs. This exclusion policy has also been extended to exclude companies involved in the manufacture of depleted uranium, chemical and biological weapons, as well as companies in breach of the non-proliferation treaty for nuclear weapons. The scope of the AXA IM Controversial Weapons Policy involves all funds under AXA IM’s management, with a specific implementation mechanism for index funds.

**Palm Oil Policy**

In 2014, the AXA IM Management Board decided to implement a specific sector policy regarding palm oil. The acceleration of palm oil demand poses major environmental and social challenges. Therefore, with the support of external research providers, AXA IM is using the most recognised standards of good practice and has established an exclusion list of palm oil-producing companies that have not achieved or committed to Roundtable for Sustainable Palm Oil (RSPO) certification or other internationally recognized certification, and which derive more than 5% of their revenue from palm oil production. The policy applies in principle to all portfolios under AXA IM’s management, apart from index funds and funds of hedge funds. The policy includes dedicated funds and third-party mandates unless the client has given different instructions.

**Soft Commodities**

AXA IM has a policy not to invest in derivatives and exchange-traded funds based on food (‘soft’) commodities or enter into speculative transactions that may contribute to price inflation in basic agricultural or marine commodities such as wheat, meat, sugar, dairy and fish. Furthermore, the policy applies in principle to all portfolios under AXA IM’s management, including dedicated funds and third-party mandates unless the client gives different instructions for their mandate.

**Climate Risks Policy**

In 2016 we developed a specific policy to contribute to a lower carbon future by divesting from the most exposed companies related to coal activities (companies with more than 50% of their revenue coming from coal).

In 2017, we decided to reinforce this strategy, implementing our Climate Risks Policy, by integrating stricter criteria for coal activities and adding tar sands activities to our ESG standards (see

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For index funds under AXA IM’s management, the Soft Commodities policy applies to the extent that the objective of the fund is not compromised. The Climate Risks Policy does not apply to funds of funds composed of funds which are not under the management of AXA IM, index funds nor to funds of hedge funds. Please note that in respect of alternative assets (Real Assets, Structured Finance assets), AXA IM exclusion policies are adapted and may be applied differently between direct or indirect investments.
next section). The threshold for coal activities was reinforced (30% of revenue coming from thermal coal, 30% of coal in the energy mix, coal expansion plan of at least 3000 gigawatts and annual coal production above 20 million tons).

In 2019, we enlarged the application of our Climate Risks Policy to all open-ended funds, with implementation from September 2019.

In 2020, AXA IM took the decision of strengthening two of the following exclusion criteria with:
- A new ban on power generation companies with more than 10GW of installed coal-based power production;
- A new ban on the development of coal capacities with a more stringent threshold resulting in the exclusion of companies with coal power expansion plans of over 300MW (vs 3000MW previously). This new threshold rules out investments in most new coal projects around the world. In addition, mining companies developing new coal mining and coal industry partners developing significant new coal assets are now excluded.

Read more about our sector exclusion policies.

AXA IM ESG standards

As a responsible investor, AXA IM wants to encourage the best practices in ESG. Therefore, we have implemented minimum ESG criteria to our ESG & RI open-ended funds. Those open-ended funds are categorised as products which promote ESG characteristics (“Article 8”) or which have sustainable investment as their objective (“Article 9”) according to the Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (“SFDR”). The policy is also available to institutional clients on an opt-in basis. To encourage the dissemination of these ESG best practices, we will propose to third party mandates/dedicated funds that they adopt these guidelines.

The purpose of the AXA IM ESG standards is to apply a set of stricter policies to encourage ESG investments and be part of the growing pool of RI-labelled funds in specific markets. We have defined various major areas that we do not consider as ESG-compliant:

- Tobacco: We avoid financing the tobacco industry
- Defence: We avoid financing companies involved in the development, production, maintenance or sale of white phosphorus weapons
- United Nations Global Compact (UNGC) Principles: We avoid financing companies involved in severe violation of the 10 UNGC Principles
- ESG quality: We avoid financing companies with the worst ESG practices

**Tobacco**

AXA Investment Managers has excluded tobacco companies from its RI funds since 2005. The World Health Organisation (WHO) Framework Convention on Tobacco Control is the first international treaty negotiated at the initiative of the WHO in 2003 and signed by 181 parties covering more than 90% of the world population. It aims to tackle some of the causes of the epidemic, such as trade liberalisation, direct foreign investment, tobacco advertising, promotion and sponsorship and illicit trade in tobacco products. The Secretariat of the WHO said that engagement with tobacco industry conflicts with UN principles and values – notably, the sector uses child labour to produce tobacco. More than a decade after the ratification of the treaty, tobacco use remains the second cause of deadliest non-communicable disease worldwide causing 8 million deaths (WHO, 2020). As such, AXA IM wants to continue to promote divestment from this sector.

**Defence: White phosphorus weapons**

White phosphorus incendiary weapons are explosives which spontaneously ignite in the open air and continue to burn until they disappear. When they are used in populated areas, they cause horrific injuries, burning deep into the muscle and bone.

They are covered by Protocol III of the Convention on Certain Conventional Weapons (CCW) when the “weapons [are] primarily designed to set fire to objects or to cause burn injury to persons. It is prohibited in all circumstances to make the civilian population as such, individual civilians or civilian
objects the object of attack by incendiary weapons”.

White phosphorus can be used in other devices, such as illuminations, tracers, smoke or signalling systems. This use is not covered by Protocol III, where it is considered that such munitions “which may have incidental incendiary effects” are excluded from incendiary weapons. This type of device has been used more frequently in populated areas like Syria and Yemen. Given the evolution of the usage of white phosphorus and the impact on civilians, and to be consistent as a sustainable and responsible investor, we have included white phosphorus weapons in our ESG standard.

**Violations of United Nations Global Compact (UNGC) Principles**

AXA IM believes that the companies we invest in should be consistent with the standards and principles of the UNGC principles. We believe that a significant violation of UNGC principles by an investee company is prejudicial and should be addressed. As a first response, we encourage dialogue and engagement with the companies in case of violations of the UNGC principles. However, when some violations of the UNGC principles are very serious and verified as such, the investment in the company becomes unacceptable according to AXA IM’s RI philosophy. These companies are excluded until the violations are resolved.

**The UN Global Compact - 10 Principles**

*Human Rights: Businesses should...*

**Principle 1:** Support and respect the protection of internationally proclaimed human rights

**Principle 2:** Make sure that they are not complicit in human rights abuses

*Labour Standards: Businesses should uphold...*

**Principle 3:** The freedom of association and the effective recognition of the right to collective bargaining

**Principle 4:** The elimination of all forms of forced and compulsory labour

**Principle 5:** The effective abolition of child labour

**Principle 6:** The elimination of discrimination in respect of employment and occupation

*Environment: Businesses should...*

**Principle 7:** Support a precautionary approach to environmental challenges

**Principle 8:** Undertake initiatives to promote greater environmental responsibility

**Principle 9:** Encourage the development and diffusion of environmentally friendly technologies

*Anti-Corruption: Businesses should...*

**Principle 9:** Businesses should work against corruption in all its forms, including extortion and bribery.

**ESG quality**

AXA IM wishes to encourage robust ESG-integrated practices in companies where it is invested. As such we have decided to avoid investing in companies with the worst ESG performance. The RI Solutions, Tools and Models team has developed its own ESG scoring methodology, to evaluate the ESG performance of companies worldwide (see Scoring Methodologies, above). AXA IM has decided not to invest in the companies with the worst environmental, social and governance practices, i.e. the companies with an ESG score below 2 (scores range between 0 to 10).

Read more about our [AXA IM ESG Standards](#).

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9 Portfolio managers are authorised to keep some of the lower ESG scored issuers positions provided that a qualitative analysis was performed to ensure there is no severe ESG risk. This is overseen by a dedicated governance body.
Impact and the Sustainable Development Goals

Our Impact Investing strategies focus on directing capital to companies, businesses and projects designed to have intentional, positive and measurable impacts on society while simultaneously delivering financial market rate returns. Our objective is to catalyse solutions that directly address environmental and social challenges affecting the planet and under-served people.

The impact investing strategies of AXA IM started with private markets in 2013 focused on private equity, private debt and project finance. This was expanded in 2015 to include fixed income through green bond offerings. We now offer a range of impact strategies across the asset spectrum including alternative assets, green bonds and listed assets, providing our clients with a diverse route to impact investing. Through these strategies we contribute to closing the financing gap necessary to meet the objectives of the UN SDGs.

a. Impact framework
We have developed an overarching impact investing framework to enhance the credibility and rigour of our impact investing strategies and minimise the risk of ‘impact washing’. We ensure that our impact strategies go beyond ESG risk monitoring and integration to encompass positive contributions to the needs addressed by the SDGs. Our impact strategies are aligned with the following minimum criteria:

- **Fund Identity**: The Impact fund must have a clearly defined impact objective related to stated environmental or social challenges and impact outcomes. The fund’s objective must be aligned to relevant UN SDGs
- **Investments**: The fund identity and mission demonstrably guide the selection of underlying investments. Underlying investments will contribute to solutions through products, services or operations in a material way
- **Monitoring and Reporting**: The funds will actively monitor the progress of each investment relative to impact objectives and provide regular reporting on impact achieved relative to relevant key impact indicators

In addition to these minimum criteria, we have specific asset-class impact frameworks that take account of the specificities of each strategy.

b. Impact approaches on listed assets
In 2019, we have developed an approach to impact investing in listed assets based on five pillars. These pillars are what characterize impact investing and differentiate it from other approaches to responsible investing:

1. **Intentionality**: investments should be made with an upfront objective of positive social or environmental outcomes;
2. **Materiality**: invest in companies where the positive outcomes are of material significance to the beneficiaries, the company or both;
3. **Additionality**: the extent to which a company is making its ‘needed’ products and services more accessible or commercially viable, for example through innovative new solutions or lower pricing;
4. **Negative consideration**: company’s corporate practices, or products and services, may significantly undermine the positive impact it is generating elsewhere;
5. **Measurability**: there needs to be a clear methodology and commitment to measuring and reporting the social and environmental performance of investments.

On the other hand, to define the eligible universe, RI analysts rely on our internal green, social and sustainability bonds framework based on industry best practices.

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10 To reach more about our [AXA IM’s five pillars to impact investing](#)
11 To reach more about our [Green Bond Framework](#)
Our proprietary framework notably inspired by the Green and Social Bond Principles (GSBP) and the Climate Bonds Initiative (CBI) has 4 pillars:

1. **The first pillar** analyses the issuer’s profile. Not only the bonds, but the company issuing the bond in order to ensure green, social or sustainability bonds projects are aligned with a broader extra-financial strategy and that the issuer is not significantly harming other ESG objectives (such as being in breach with the UNGC principles for examples);

2. **The second pillar** is where we assess the funded projects. We analyse the projects and how they are selected. To do so we have developed our own project categories/taxonomy, based on the CBI Standards, such as the Greenfin label referential. We also look if any CBI certification which is something we appreciate but it is not a requirement;

3. **Pillar 3** has been developed to ensure the money raised through the green, social or sustainability bond effectively funds eligible projects;

4. **Pillar 4** verifies the reporting commitment. We expect allocation reporting but also impact reporting information. Green, social or sustainability bond investment being part of our Impact investing strategy, a,

at least estimated, measure of environmental and/or benefits is required.

c. **Alignment with external standards and bodies**
We play an active and leadership role in building and shaping the impact investing Industry. The initiatives where we are active are instrumental in upholding credibility and integrity of impact investing. These include:

- Operating Principles for **Impact** – Founding Signatory and Elected Member of Advisory Board. An initiative coordinated by the IFC and designed to push for robust impact management systems to underline credibility of impact funds
- Impact Management Project – Project Sponsor. Developing a common global consensus on how to describe, measure and manage social and environmental impact
- Global Impact Investing Network – Investor’s Council. The leading network for experienced impact investors to strengthen the practice of impact investing
- IRIS 2.0 – Part of the Working group to develop a catalog of generally-accepted performance metrics that the majority of impact investors use to measure social, environmental, and financial success
Stewardship: Engagement and voting

Stewardship is the concept where investors seek to promote the long-term success of companies so that the underlying beneficiaries - namely, our clients - also prosper. We believe effective stewardship benefits companies, investors and society as a whole.

AXA IM takes its stewardship responsibilities seriously and we devote significant resources and efforts to ensure our clients’ assets are protected and enhanced over time. There is a dedicated team that conducts engagement and voting around the world. We adopt an active and impactful approach to stewardship by using our scale as a global investment manager to influence company and market practices. In doing so, we strive to reduce investment risk and enhance returns as well as drive positive impacts for our society and the environment. These are key to achieving sustainable long-term value creation for our clients.

We do this through:

- Align our votes at general meetings with our engagement objectives

AXA IM is a signatory of the UN Principles for Responsible Investment and is committed to implementing its principles to incorporate and report on ESG activities.

Engagement

We consider shareholder engagement as a change process where investors seek to improve investee companies’ practices with a specific objective in mind. We can conduct it in a variety of ways but more often than not, it is based around long-term and constructive dialogue between two parties. We systematically track and record the progress of engagement. Where there is little progress, we will escalate the engagement in an appropriate fashion.

We take an active engagement approach, emphasising direct dialogue with companies on sustainability and governance issues that have a material impact on long-term financial performance. We also conduct engagement to contribute to the achievement of societal targets such as those defined by the United Nations’ SDGs.

We determine our engagement priorities based on our observation of global market developments and emerging ESG practices. Our engagements are linked to our key thematic focus areas and we principally engage in a proactive fashion. We use our research and analytical ability to identify issues and companies which most merit engagement. We engage with a view to a company acknowledging the issue and improving its practices before risks materialise or opportunities are lost. Where necessary, we also engage in a reactive fashion following controversies or breaches of international norms such as the United Nations Global Compact.

We will seek to meet and engage with representatives from all levels of the investee company. This includes the board, senior management and operational specialists, amongst others.
Below are the key ESG issues which our engagement program focuses on, but are not limited to:

- Climate change
- Biodiversity
- Environmental resource and eco-systems
- Human capital and diversity
- Public health
- Labour, customer, supply chain management
- Human rights
- Data privacy and security
- Business ethics
- Corporate governance and executive pay
- Controversies and breaches of international norms

**Voting**

We consider voting to be a crucial aspect of being an active shareholder. It is an important part of the investment process and an opportunity to influence the company. Our voting and engagement activities are closely aligned. We regularly engage companies before and after the vote. Our in-house Voting Policy is reviewed annually and signed off by the Corporate Governance Committee.

We vote against items at annual meetings where we consider that the specific proposals are not in the best interests of our clients. These include wide-ranging concerns such as suitability of individual directors, board oversight of key risks and strategy, executive pay, dividend and capital-related issues and diversity as well as transparency and reporting. We also vote against proposals as a method to escalate our engagement when it is not sufficiently progressing, especially as related to our key thematics.

While local best practice codes may adopt different approaches, we expect all companies to seek to closely align with our core global governance principles which set out the fundamentals of corporate governance. AXA IM considers these principles in conjunction with our region-specific policies in our voting and engagement activity, with all companies globally.

AXA IM publicly discloses its voting. It is updated on a quarterly basis and we provide the rationale for why we voted against management. Our full voting register is available publicly.

*Our voting and engagement policies, as well as our Active Ownership and Stewardship reports can be found on the Stewardship page on our website.*
Transparency and Reporting

AXA IM attaches great importance to communicating as transparently and comprehensively as possible to its clients in order to provide them with all the elements of analysis and assistance in understanding responsible investment.

All the main financial and non-financial information relating to ESG funds is available on our local websites in accordance with the regulations governing UCIs and Article 173 of the Transition Écologique et Énergétique law. We make available to our clients, on an ad hoc basis, the ESG report of our portfolios including ESG score as well as key ESG performance indicators.

At the level of the management company

The following contents are available on the website (www.axa-im.com):

- PRI Annual Report
- Annual stewardship report
- AXA IM RI policy
- AXA IM Corporate Governance and Voting policy
- AXA IM Engagement policy
- AXA IM sectorial exclusion and ESG Standards policies
- Carbon footprint of AXA IM (TCFD – Art 173 combined annual report)

- Full voting records (updated on a quarterly basis) – statistics at country and sectors level as well as vote against management rationale

At the fund level

For our Sustainable and Impact fund range, we publish additional reports on an annual basis to reflect and illustrate the outcomes of the funds’ sustainable strategy.

The following contents are available on the local websites in “Literature” section of funds’ individual pages (https://www.axa-im.com/fund-centre):

- Transparency codes
- Voting Reports (for equity and multi asset funds only) – with number of AGMs voted and rationales for any vote against the management
- ESG Reports
- Engagement Reports
- Legal documentation (prospectus, KIID, annual reports, semi-annual reports)
- Monthly: comments from the portfolio manager, integrated reporting within B to B and B to C

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12 Principles for Responsible Investment
AXA IM believes the active consideration of ESG risks and opportunities is an important aspect of delivering long-term investment returns for our clients. We consider that responsible investment is relevant across different asset classes. Our approach is built around robustly integrating ESG assessment into our investment analysis and portfolio construction. In addition, we utilise our investor rights by engaging investee companies in dialogue and by voting at shareholder meetings.
Disclaimer

Whilst reasonable care has been taken by AXA Investment Managers to ensure that this document is current at the date of issue, no warranty of accuracy is given and any information contained within it may be subject to change without notice. The ESG modelling process engaged in by AXA IM is complex and involves research embedding uncertainty. AXA IM also relies on information and data collected from third party data providers which may prove to be incorrect or incomplete. Although AXA IM applies a rigorous selection process of such third party provider and seeks to provide appropriate levels of oversight, its processes and proprietary ESG methodology may not necessarily capture appropriately the ESG risks. One of the challenge faced by investment managers to integrate sustainability risks or PAI in their investment process is the limited availability of data relevant for that purpose: such data is not yet systematically disclosed by issuers, may be incomplete and when disclosed may follow various methodologies. Most of the ESG factors information is based on historical data and that they may not reflect the future ESG performance or risks of the investments. The AXA IM assessment of the PAI on the fund’s return may not be accurate and a sustainability event may affect the fund’s performance.

The value of investments may fall as well as rise and investors may get back less than they put in. Nothing contained within this document shall constitute an offer to enter into, or a term or condition of, any contract with the recipient or any other party. This document shall not be deemed to constitute investment advice, or an offer for sale or solicitation to invest in any particular fund. Subscriptions to funds are accepted only from eligible investors on the basis of the relevant current prospectus or Information Memorandum.

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