

If you are in any doubt about the contents of this Supplement, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

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### **Delegio Privilege Entrepreneurial Fund**

*(a sub-fund of AXA IM WORLD ACCESS VEHICLE ICAV)*

**This Supplement forms part of and should be read in conjunction with the general description of the ICAV contained in the current prospectus of the ICAV dated 19<sup>th</sup> July 2021 (the “Prospectus”) together with the most recent annual report and audited financial statements and if published after such report, a copy of the latest half-yearly report and unaudited financial statements. To the extent that there is any inconsistency between the Prospectus and this Supplement, the Supplement shall prevail.**

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Investors attention is directed to the section of this Supplement entitled “RISK FACTORS”.**

The Directors of the ICAV, whose names appear in the Prospectus under the heading “MANAGEMENT AND ADMINISTRATION”, accept responsibility for the information contained in the Prospectus and in this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of the information. The Directors accept responsibility accordingly.

The date of this Supplement is 1 December 2022.

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## DEFINITIONS

<b>“Annual Accounting Date”</b>	means 31 December, with the first such date being 31 December, 2020.
<b>“Base Currency”</b>	means the base currency of the Fund, which is EUR.
<b>“Business Day”</b>	means each day (except Saturday, Sunday and the 1 <sup>st</sup> of May) on which banks in France and Ireland are generally open for business or such other day or days as may be determined by the Manager and notified to Shareholders in advance. Additional Business Days may be created by the Directors, in consultation with the Manager, and notified to Shareholders in advance.
<b>“Dealing Day”</b>	means each Business Day and/or such other day or days as may be determined by the Directors in consultation with the Manager and notified to Shareholders in advance provided that there shall be at least two Dealing Days in every month occurring at regular intervals. See also the section entitled <b>“Suspension of Valuation of Assets”</b> in the <b>Prospectus</b> .
<b>“Dealing Deadline”</b>	shall mean 2:00 pm (Irish time) on the day preceding the relevant Valuation Day or such later time as any Director, in consultation with the Manager, may from time to time permit and notify in advance to Shareholders provided that applications will not be accepted after the Valuation Point in relation to a Valuation Day.
<b>“ESG”</b>	means Environmental, Social and Governance
<b>“Initial Offer Period”</b>	means the initial offering period starting at 9 a.m. (Irish time) on 29 <sup>th</sup> May 2020 and ending at 5 p.m. (Irish time) on 27 <sup>th</sup> November 2020, or such other period as may be determined by the Directors, in consultation with the Manager, in accordance with the requirements of the Central Bank.
<b>“Initial Offer Price”</b>	means the initial fixed price applicable to each relevant Share Class during the Initial Offer Period as is shown for each share class in the section entitled ‘Offer’

<b>“Institutional Investor”</b>	means, with respect to investors that are incorporated in the European Union, institutional investor means Eligible Counterparty and per se Professional Investors according to Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, amended by Directive (EU) 2016/1034 of 23 June 2016 and, with respect to other investors means institutional investors as determined by the Manager.
<b>“Sustainability Risk”</b>	means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.
<b>“Redemption Settlement Cut-off”</b>	means 3 Business Days after the relevant Valuation Day.
<b>“Semi-Annual Accounting Date”</b>	means June 30 of each year, commencing in 2020.
<b>“Subscription Settlement Cut-off”</b>	means 3 Business Days after the relevant Valuation Day.
<b>“Valuation Day”</b>	means each Business Day or such day or days as the Directors, in consultation with the Manager, may decide and notify to Shareholders in advance.
<b>“Valuation Point”</b>	means 11:59 pm (Irish time) on each Valuation Day or such time as the Directors, in consultation with the Manager, may decide and notify to Shareholders in advance, this time being the time of reference where all relevant available market closing prices are retrieved for NAV calculation.

All other defined terms used in this Supplement shall have the same meaning as in the Prospectus.

## INTRODUCTION

As at the date of this Supplement, the Directors of the ICAV intend to issue the Classes of Shares described under section “SUBSCRIPTIONS” below. The ICAV in respect of the Fund may issue additional Classes in the future in accordance with the requirements of the Central Bank.

This Supplement contains information relating specifically to Delegio Privilege Entrepreneurial Fund (the “**Fund**”), a sub-fund of AXA IM World Access Vehicle ICAV (the “**ICAV**”), an umbrella Irish collective asset-management vehicle with limited liability and segregated liability between sub-funds authorised by the Central Bank on August 19, 2016 as a UCITS pursuant to the UCITS Regulations. The ICAV currently has twelve other sub-funds in existence, namely, AXA IM Maturity 2022 Fund, AXA IM WAVE Cat Bonds Fund, AXA IM Sunshine 2023/1, AXA IM Maturity 2023 Fund, AXA IM US High Yield FMP 2022\*, AXA IM Sunshine 2023/2, AXA IM Multi Asset Target 2026, AXA IM Wave Biotech Fund, Delegio Privilege Balanced Fund, Delegio Privilege Cautious Fund, Delegio Privilege Ambitious Fund and Global Credit Maturity Fund.

*\*AXA IM US High Yield FMP 2022 is now closed to all further subscriptions pending a formal application being made to the Central Bank for withdrawal of its regulatory approval.*

**To the extent that there is any inconsistency between the Prospectus and this Supplement, the Supplement shall prevail.**

Investors’ attention is directed to the sections headed “INVESTMENT OBJECTIVE AND POLICY” and “RISK WARNINGS” and “FEES AND EXPENSES”.

The Directors of the ICAV whose names appear in the Prospectus under the heading “**Management and Administration**” accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

### **Profile of a Typical Investor**

The Fund may be suitable for retail and institutional investors who have a medium-high (entrepreneurial) risk appetite and who plan to invest over approximately a 5 year period through a diversified portfolio of global fixed income and equity asset classes measured in Euro. **An investment in the Fund should be viewed as a medium to long term investment.**

Investors should read and consider the section entitled “**Risk Factors**” before investing in the Fund.

### **Management**

AXA Investment Managers Paris (the “**Manager**”) acts as management company of the Fund and the ICAV. The biography of the Manager can be found in the section of the Prospectus headed “MANAGEMENT AND ADMINISTRATION” and the address of the Manager can be found in the section of the Prospectus headed “DIRECTORY”.

## INVESTMENT OBJECTIVE AND POLICY

### Investment Objective

The investment objective of the Fund is to seek to provide long term capital growth by investing a higher portion of the portfolio in equities.

### Investment Policy

The Fund will seek to achieve its investment objective by seeking new opportunities and investing directly or indirectly (in particular through the use of Eligible CIS and derivatives, as set out below in section “Financial Derivative Instruments”) in a diversified portfolio of global equity and fixed income securities. The Fund is expected to achieve an entrepreneurial style by investing a higher portion of the portfolio in equities and will seek to purchase securities when it believes the market has not already reflected these expectations for these securities in the current stock price, considering factors such as: growth that exceeds the wider economy; identifiable competitive advantages; ability to take market share from competitors; attractive and improving margins; and sustainable above-average revenue and earnings growth.

Specifically, the Fund will be exposed:

- between 55% and 77.5% of its net assets in equities;
- up to 45 % of its net assets in fixed income securities and Money Market Instruments;
- up to 15% of its net asset in equities from issuers operating in the real estate or infrastructure sector (listed real estate companies or indirectly via Eligible CIS which has underlying exposure to the real estate or infrastructure sector);
- up to 10% of its net assets in fixed income securities and Money Market Instruments issued by issuers from emerging market countries. The Fund’s total exposure to emerging markets is not expected to exceed 20% of its Net Asset Value.

The issuers of the securities in which the Fund invests may be incorporated in the OECD or outside the OECD. The Fund will not have a particular regional focus.

The fixed income portfolio will consist of global fixed income securities mainly rated investment grade (rating that falls within the range of Aaa to Baa3 from Moody's or AAA to BBB- for Standard & Poor's). The fixed income securities will be issued by public or private issuers incorporated anywhere in the world and will be fixed, floating or variable rate. The fixed income securities in which the Fund invests will primarily be listed or traded on Regulated Markets set out in Appendix II of the Prospectus and denominated in Euros. They may include bonds, medium term notes (i.e. notes that are unleveraged, which may be fixed rate or floating or variable rate, and shall generally be unsecured), green bonds (bonds issued in respect of sustainable and socially responsible projects), index-linked bonds (a bond in which payment of interest income is related to a specific price index), commercial paper, bills, certificates of deposit and other Money Market Instruments. The Manager will not be forced to sell the relevant security in case of downgrade as its investment analysis includes a certain number of other factors such as, amongst others, the issuer’s

financial condition, earnings, anticipated cash flows, payment history, etc.

The equity portfolio will consist of common stocks or preferred stocks. The issuers of the equity securities in which the Fund invests will be companies which are incorporated anywhere in the world. The equity securities in which the Fund invests will primarily be listed or traded on Regulated Markets set out in Appendix II of the Prospectus.

Equity securities are selected based on an active, fundamental and bottom-up analysis with an emphasis on equity securities of issuers which the Manager or Sub-Investment Manager considers are well placed to benefit from identified investment themes which the Manager or Sub-Investment Manager considers can lead to long-term growth. The Manager or Sub-Investment Manager takes into account a number of factors, including macroeconomic (global economic outlook), demographic (ageing and lifestyle), technological (existence, availability, and development of technology), environmental impact and consumption-related (adoption or use of underlying products) factors. The investment analysis relies on a deep understanding of corporate positioning (for example, company competitive advantages, company management team, legal and company structure), fundamental factors (for example, historical and projected growth in revenues, earnings, cash flows, return on invested capital and margin levels) and valuation indicators (for example, price to earnings ratio) and uses a combination of quantitative and judgmental approaches, respectively based on calculated metrics and forecasts, and on the Manager assessment.

The Fund may invest in equity securities without restriction as to the market capitalisation of the issuers or the economic sector in which they operate.

The Fund may invest up to 15% in A Shares listed in the Shanghai Hong Kong Stock Connect.

The Fund is actively managed in order to capture opportunities across a wide array of fixed income and equity assets, with an investment strategy that may use a combination of:

- strategic asset allocation (based on long term macroeconomic views and the Managers analysis of investments based on a proprietary analysis of the risk / return profile of a potential investment over a the life cycle of the Fund); and
- tactical asset allocation (based on the identification of short term market opportunities through the analysis of fundamental macroeconomic research and the economic cycle).

Tactical asset allocation is an active strategy involving dynamic allocation of the Fund between those asset classes in which the Fund is permitted to invest pursuant to its investment strategy, based on short-term economic and/or market (technical) factors. It involves overweighting those asset classes (for example equities, bonds, currencies) or sub-asset classes (corporate bonds or treasuries, growth stocks or value stocks and so on or individual currencies) that are expected to outperform others on a relative basis in the near-term and underweighting those expected to underperform in the near term. Tactical asset allocation is based on the premise that the returns of asset classes (or sub-asset classes) will diverge temporarily from their fundamental valuation because of these short-term economic or market factors before normalising, thereby allowing for an opportunity to generate return.

The Manager undertakes the portfolio allocation and selection of equity and fixed income securities, Eligible CIS and FDIs on a discretionary basis by combining qualitative decisions informed by robust quantitative inputs and assembling judgmental views of in-house experts that focus on macro economic, valuation, market sentiment and technical quantitative factors (such as price movement and volume). The analysis of macroeconomic fundamentals, the monetary policy environment and valuation factors provides insights into how attractive an investment the eligible asset classes are relative to each other (over the long term) whilst the portfolio manager's degree of conviction, combined with the analysis of market sentiment and technical quantitative factors (over the short term), shapes the positioning choices in the construction of the active portfolio.

For diversification purposes, the Fund may invest up to 20% of net assets in Eligible CIS (including Exchange Traded Funds (ETFs)) exposed to high yield fixed income securities, emerging market fixed income securities and/or equities that are exposed to issuers operating in the real estate or infrastructure sector. The infrastructure universe includes companies specialized in the development, the management and the operation of infrastructures to provide essential public services that facilitate economic growth such as energy, transportation, telecommunications, social infrastructure and utilities.

In the securities selection process, the Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/our-policies>.

The Fund may invest up to 100% of its Net Assets in Eligible CIS (including Exchange Traded Funds (ETFs)). The Manager invests in each Eligible CIS either as an investment in its own right (i.e. based on, inter alia, the performance of the collective investment scheme itself and/or the experience and/or investment approach of its manager) or as a means of taking an exposure to one or more asset classes, instruments and/or strategies (including equities, debt securities, Money Market Instruments, cash and cash equivalents (fixed or floating rate, rated corporate or Government bonds, notes, bills, deposits and/or certificates of deposits)) consistent with the Fund's investment policy. The split in the portfolio between Eligible CIS and direct investment in fixed income securities and equity securities also depends on the Fund's size and asset allocation decisions across asset classes. The aggregate maximum annual management fees that may be charged by a collective investment scheme in which the Fund will invest is 2% of its net asset value.

The Fund promotes environmental and/ or social characteristics within the meaning of Article 8 of the SFDR. It should be noted that the investments underlying this Fund do not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation and, as such, the Fund's portfolio alignment with such Taxonomy Regulation is not calculated. It follows that the Fund does not currently commit to investing more than 0% of its assets in investments aligned with the Taxonomy Regulation.

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

economic activities.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different. AXA IM's ESG different methodologies described herein may evolve in the future to take into account any improvements in data availability and reliability, or any developments of regulations or other external frameworks or initiatives -among others.

**More information about the promotion of environmental and/or social characteristics is available in the relative SFDR Annex of the Fund.**

The Fund may use listed derivative contracts (listed futures on currencies, equities and rates, in particular for hedging and efficient portfolio management (as set out below in the section “Financial Derivative Instruments”)).

#### *Financial Derivative Instruments*

The Fund may utilise listed futures on currencies, equities and rates (as described in the section of the Prospectus entitled “Permitted Investments and Investment Restrictions”) for hedging and efficient portfolio management purposes.

Examples of occasions where the Fund may invest in futures would be: (i) if a significant cash in-flow was received and a future could be used to gain exposure to the market immediately allowing the Fund to invest into securities over time; or (ii); if the Fund wished to gain exposure to a particular market, but felt that the amount to be invested would not give an adequate spread or would be too expensive or would involve the deployment of too much of the Fund's capital at that time or there may be local legal or tax reasons that favour investing through a future rather than making direct investments (iii) to hedge underlying currency and market risk exposure.

These derivatives may be listed or traded on the Regulated Markets as set out in Appendix II to the Prospectus. The ICAV employs a risk management process which enables it to accurately measure, monitor and manage the risks attached to financial derivative positions. The Fund will use derivatives in accordance with the limitations set down in Appendix I to the Prospectus and which are included in the Manager's risk management process. The derivatives referenced above are described in more detail in Appendix I. Collateral holdings, if any, may be invested by the Manager in accordance with the requirements of the Central Bank.

The Fund will not enter into total return swaps or instruments with similar characteristics. The Fund will not engage in securities financing transactions (lending/ borrowing of securities or repurchase/ reverse

repurchase agreements) within the meaning of EC Regulation 2015/2365.

#### *Currency hedging at Class level*

The Manager intends to hedge foreign exchange risk of all Classes that are denominated in a currency other than the Base Currency. The Manager will attempt to mitigate the risk of such fluctuation, by using forward currency contracts subject to the conditions and within the limits laid down by the Central Bank. The Classes identified in the table in the section of this Supplement headed "**SUBSCRIPTIONS**" having "Hedged" in their names. For further information, please see "Efficient Portfolio Management", "Financial Derivative Instruments" and "Hedged Classes" in the section of the Prospectus entitled "**THE ICAV**".

The successful execution of a hedging strategy which mitigates exactly this risk cannot be assured. The implementation of the hedging strategy described above may generate additional costs for the Fund and/or the relevant Share Class.

### **LEVERAGE AND GLOBAL EXPOSURE**

The Fund may only borrow on a temporary basis and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of the Fund. Please also refer to the section of the Prospectus entitled "Borrowing Powers" under the heading "THE ICAV".

The global exposure of the Fund will be measured and monitored using the so-called commitment approach. The Fund may have a global exposure of up to 100% of its Net Asset Value as a result of its use of FDI.

### **SUB-INVESTMENT MANAGER and SUB-INVESTMENT MANAGEMENT AGREEMENT**

The Manager has appointed AXA Investment Managers UK Limited (the "**Sub-Investment Manager**") as a discretionary sub-investment manager for the equity portfolio of the Fund. The Sub-Investment Manager is a company incorporated under the laws of England and Wales with registration number 013431068. Its registered office is at 22 Bishopsgate, London EC2N 4BQ, United Kingdom. The Sub-Investment Manager is authorised and regulated by the Financial Conduct Authority. The Sub-Investment Manager is an affiliate of the Manager. Its principal activity is to act as a fund manager primarily for large institutional clients around the world, through both separate accounts and collective investment schemes.

The Manager and the Sub-Investment Manager have entered into a sub-investment management agreement dated August 8, 2016 amended from time to time, whereby the Manager appointed the Sub-Investment Manager to provide discretionary investment management services in respect of the Fund

### **RISK FACTORS**

Shareholders and potential investors are specifically referred to the section headed "RISK FACTORS" in the Prospectus.

**The risks described below are not exhaustive; it remains incumbent upon the individual investors to assess the risk inherent in each one of their investments and then to forge their own opinions.**

Shareholders are exposed to the following main risks:

*Risk of capital loss*

The Fund is not a guaranteed fund and returns can be negative. The performance of the Fund may not be consistent with the objectives of investors and their investment may not be fully returned.

The Fund is intended to be held for an investment horizon of 5 years.

*Risks related to investment in Eligible CIS*

The Fund may purchase shares of Eligible CIS, including Exchange Traded Funds (ETFs) to the extent that such purchases are consistent with the Fund's investment objective and policy and are in accordance with the requirements of the UCITS Regulations and the Central Bank Regulations. As a shareholder of another collective investment scheme, a Fund would bear, along with other shareholders, its pro rata portion of the other collective investment scheme's expenses, including management fees. These expenses would be in addition to the expenses that the Fund would bear in connection with its own operations.

*Risk related to interest rate investments (direct investment or using Eligible CIS)*

This corresponds to the risk of depreciation in rate-based instruments over either the short or medium term stemming from interest rate variations. For purposes of illustration, the price of a fixed-rate bond tends to decrease as interest rates increase.

*Risk related to credit investments (direct investment or using Eligible CIS)*

In the event of default or deterioration of the quality of private bond issuers (for example, a reduction in rating), the value of debt securities in which the Fund is directly or indirectly invested may fall. In such case, the Net Asset Value of the Fund may fall.

*Risk related to equity investments (direct investment or using Eligible CIS)*

The Fund may be directly or indirectly exposed to a risk related to investments in equities. The value of the underlying stocks may increase or decrease depending on market, economic, political, regulatory and other conditions affecting such investments. Investment in stocks may be more volatile and risky than some other forms of investment.

*Risk related to investments in emerging markets (direct investment or using Eligible CIS)*

Legal infrastructure, in certain countries in which investments may be made, may not provide the same degree of investor protection or information to investors, as would generally apply to major securities markets (governments' influence, social, political and economic instability and different accounting, auditing and financial report practices which may not be as developed as those applying to companies operating in more developed countries).

Securities issued by issuers incorporated in non-OECD countries may also be less liquid and more volatile than similar securities available in major markets, and there are higher risks associated to transactions settlement, involving timing and pricing issues.

As the Fund may invest in securities issued by issuers incorporated in non-OECD countries where custodial and/or settlement systems are not fully developed, the assets of the Fund which are traded in such markets and which have been entrusted to safekeeping agents in circumstances where the use of such safekeeping agents is necessary, may be exposed to additional risk in such circumstances.

#### *Currency risk*

This is the risk of decline in the currency of the investment compared to the Base Currency.

The Fund's portfolio may be exposed to currency risk when some investments are made in a currency other than the Base Currency and in the event that these exposures are not hedged or are imperfectly hedged.

The Fund's assets may be invested in securities which are denominated in currencies other than those of developed countries and any income received by the Fund from those investments will be received in those currencies. Historically most of the non-developed countries' currencies have experienced significant depreciation against the currencies of developed countries. Some of the securities issued by Issuers incorporated in non-OECD countries currencies may continue to fall in value against currencies of developed countries.

#### *Risk related to investments in high yield instruments (using Eligible CIS)*

The Fund may be indirectly exposed to a risk related to investments in high yield financial instruments. These instruments present higher default risks than those of the investment grade category. In case of default, the value of these instruments may decrease significantly, which would affect the Net Asset Value of the Fund.

Lower-rated securities generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which respond primarily to fluctuations in the general level of interest rates. There are fewer investors in lower-rated securities and it may be harder to buy and sell such securities at an optimum time, accordingly, such securities carry liquidity risk.

#### *China market risk*

The Fund may invest in the Chinese domestic market. Investing in the securities markets in the PRC is subject to the risks of investing in emerging markets with a greater degree of risk than generally associated with similar investments in major securities markets, due, in particular, to political and regulatory factors, as described hereunder.

China domestic Securities may be substantially less liquid and more volatile than those of mature markets. This may adversely affect the timing and pricing of the Fund's acquisition or disposal of securities.

The existence of a liquid trading market for China A Shares may depend on whether there is a supply of, and demand for such China A Shares. Securities exchanges in China typically have the right to suspend or limit trading in any security traded on the relevant exchange. In particular, trading band are imposed by the stock exchanges in China on China A Shares, where trading in any China A share security on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Manager to liquidate positions and can thereby expose the concerned Fund to losses. Further, when the suspension is subsequently lifted, it may not be possible for the Manager to liquidate positions at a favorable price. The price at which securities may be purchased and sold by the Fund and the Net Asset Value of a Fund may be adversely affected if trading markets for China A Shares are limited or absent.

Many of the PRC economic reforms are subject to adjustment and modification that may not always have a positive effect on foreign investment in the PRC market.

The legal infrastructure in PRC may not provide with the same degree of investors' protection or information to investors, as would generally apply to major securities markets. The recognized accounting, auditing, financial reporting practices and regulatory requirements may be significantly different from those in developed markets. Further, regulations continue to develop and may change quickly which may further delay redemptions or restrict liquidity.

PRC government may also exercise substantial influence over the private economic sector and investments may be affected by political and economic instability. In the past the PRC Government applied nationalization, expropriation, confiscatory levels of taxation and currency blockage. Such event could adversely affect the interests of the Fund and there is no assurance that such events will not occur in the future.

Moreover, factors such as PRC government policy, fiscal policy, interest rates, inflation, investor sentiment, the availability and cost of credit, the liquidity of the PRC financial markets and the level and volatility of equity prices could significantly affect the value of the Fund's underlying investments and thus its share price.

Practices in relation to settlement of securities transactions involve higher risks than those in developed markets, in part because the Fund needs to use local brokers, depositary and counterparties subject to different regulations compared to the other international developed markets. However, the depositary is responsible for the proper selection and supervision of its correspondent banks in all relevant markets, in

accordance with Irish law and regulations. The Fund will seek, where possible, to use counterparties whose financial status is such that this risk is reduced.

Moreover, as securities purchase transactions in China markets may require cash to be available in the custody account before trading there may be a time lag before market exposure can be obtained after and the pricing point of a subscription; consequently the Fund may be under-exposed and subject to performance dilution risk. i.e. If markets rise between the day of the pricing point of the subscription into the Fund and the day the Fund is able to invest, shareholders may see their performance diluted. Conversely if markets fall between those two dates, shareholders may benefit.

The Shanghai securities market is in the process of development and change. This may lead to trading volatility, difficulty in the settlement and recording of transactions and difficulty in interpreting and applying the relevant regulations. The PRC government has been developing a comprehensive system of commercial laws and considerable progress has been made in the promulgation of laws and regulations dealing with economic matters such as corporate organization and governance, foreign investment, commerce, taxation and trade. Because these laws, regulations and legal requirements are relatively recent, their interpretation and enforcement involve uncertainties.

Investments in the PRC will be sensitive to any significant change in political, social or economic policy in the PRC. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments.

#### *Investment through the Stock Connect program risk*

The Fund may invest in the Chinese domestic market through the Stock Connect program.

#### Regulatory risk

The current regulations are subject to change and there can be no assurance that the Stock Connect will not be abolished. New regulations may be issued from time to time by the regulators/stock exchanges in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Stock Connect. The Fund may be adversely affected as a result of such changes.

#### Investment limitations

The Stock Connect is subject to quota limitations on daily basis. In particular, once the remaining balance of the relevant quota drops to zero or the daily quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance) and there is no certainty that the quota might be extended in the future. Therefore, quota limitations may restrict the Fund's ability to invest in A Shares through the Stock Connect on a timely basis, and the Fund may not be able to effectively pursue its investment strategy.

In addition stock may be recalled from the scope of eligible stocks for trading via the Stock Connect and in such a case the stock can only be sold but restricted from being bought. This may affect the ability of the Fund to implement its investment strategy.

It is contemplated that Hong Kong stock exchange and PRC stock exchanges markets would reserve the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension is affected, the Fund's ability to access the PRC market via Stock Connect will be adversely affected.

The Stock Connect will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding Settlement Days. So it is possible that there are occasions when it is a normal trading day for the PRC market but the Fund cannot carry out any A Shares trading via the Stock Connect where that day is not a trading day in Hong Kong. The Fund may be subject to a risk of price fluctuations in A Shares during the time when the Stock Connect is not trading as a result.

#### Pre-trade checking

PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise the Chinese Market Stock Exchange will reject the sell order concerned. Pre-trade checking will be carried out on A share sell orders to ensure there is no over-selling.

#### Operational risk

The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. The securities regimes and legal systems of Hong Kong stock exchange and PRC stock exchanges differ significantly and market participants may need to address issues arising from the differences on an on-going basis.

There is no assurance that the system of the Shanghai Hong Kong Stock Connect and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. The Fund's ability to access the A share market via the Stock Connect (and hence to pursue its investment strategy) may be adversely affected.

#### Execution issues

Stock Connect trades may, pursuant to the Stock Connect rules, be executed through one or multiple brokers. Given the pre-trade checking requirements, the Manager may determine that it is in the interest of the Fund that it only executes Stock Connect trades through a broker who is affiliated to the Fund's sub-

depository that is an exchange participant. In that situation, whilst the Manager will be cognizant of its best execution obligations, it will not have the ability to trade through multiple brokers and any switch to a new broker will not be possible without a commensurate change to the Fund's sub-custody arrangements.

#### Ownership of Stock Connect securities

The recognition of the Fund's ownership on the Stock Connect securities will be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign shareholding restriction. It is uncertain whether the Chinese courts would recognise the ownership interest of the investors to allow them standing to take legal action against the Chinese entities in case disputes arise.

#### *ESG Risk*

Sustainable finance is a relatively new field of finance. Currently, there is no universally accepted framework or list of factors to consider to ensure that investments are sustainable. Also, the legal and regulatory framework governing sustainable finance is still under development.

The lack of common standards may result in different approaches to setting and achieving ESG objectives. ESG factors may vary depending on investment themes, asset classes, investment philosophy and subjective use of different ESG indicators governing portfolio construction. The selection and weightings applied may to a certain extent be subjective or based on metrics that may share the same name but have different underlying meanings. ESG information, whether from an external and/or internal source, is, by nature and in many instances, based on a qualitative and the judgement of the Manager following an assessment of the ESG information in line with the Manager's ESG policy, especially in the absence of well-defined market standards and due to the existence of multiple approaches to sustainable investment. An element of subjectivity and discretion is therefore inherent to the interpretation and use of ESG data. It may consequently be difficult to compare strategies integrating ESG criteria. Investors should note that the subjective value that they may or may not assign to certain types of ESG criteria may differ substantially from that of a Sub-fund.

The lack of harmonised definitions in ESG investing may also potentially result in certain investments not benefitting from preferential tax treatments or credits which may otherwise be available as a result of investment in ESG projects. Applying ESG criteria to the investment process may exclude securities of certain issuers for non-financial reasons and, therefore, may forgo some market opportunities available to funds that do not use ESG or sustainability criteria.

ESG information from third-party data providers may be incomplete, inaccurate or unavailable. As a result, there exists a risk of incorrectly assessing a security or issuer, resulting in the incorrect inclusion or exclusion of a security. ESG data providers are private undertakings providing ESG data for a variety of issuers. The ESG data providers may change the evaluation of issuers or instruments, at their discretion and from time to time, due to ESG or other factors.

The approach to sustainable finance may evolve and develop over time, both due to a refinement of investment decision-making processes to address ESG factors and risks, and because of legal and regulatory developments.

## *Integration of Sustainability Risks into investment decision making process*

The Fund uses an approach to Sustainability Risks that is derived from the deep integration of ESG (environment, social and governance) criteria in its research and investment processes. The Fund has implemented a framework to integrate Sustainability Risks in investment decisions based on sustainability factors which relies notably on sectorial or/and normative exclusions and ESG scoring methodologies.

### **Sectorial and normative exclusions**

In order to manage ESG and sustainability tail-risks, the Fund has implemented a series of exclusion-based policies. These policies are aimed at managing ESG and sustainability tail-risks, with a focus on:

- E: climate (coal and tar sands), biodiversity (ecosystem protection and deforestation),
- S: health (tobacco) and human rights (controversial and white phosphorus weapons, violations of international norms and standards, countries with severe human rights violations)
- G: corruption (violations of international norms and standards, severe controversies and violations of United Nation Global Compact principles).

The Fund has implemented the following sectorial exclusion policies: controversial weapons, soft commodities, ecosystem protection and deforestation and climate risks and has implemented additional ESG exclusions on tobacco, white phosphorus weapons, violations of international norms and standards, breach of United Nation Global Compact principles, severe controversies, countries with severe human rights violations and low ESG quality.

All these exclusion policies aim to systematically address the most severe Sustainability Risks into the investment decision-making process. Such exclusion policies may evolve over time. For more details on the restrictions and related criteria, please refer to the Responsible Investment section of our website <https://www.axa-im.com/who-we-are/responsible-investing>.

### **ESG scoring**

AXA IM has implemented scoring methodologies to rate issuers on ESG criteria (corporates, sovereigns, green, social and sustainability bonds).

These scoring methodologies are based on quantitative data from several data providers and which are obtained from non-financial information published by issuers and sovereigns as well as internal and external research. The data used in these scoring methodologies include carbon emissions, water stress, health and safety at work, supply chain labour standards, business ethics, corruption and instability.

The corporate scoring methodology relies on the three-pillars, and several sub-factors that covers the main issues encountered by businesses, in the E, S and G fields. The frame of reference draws on fundamental principles, such as the United Nations Global Compact, 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 analysis is based on the most

material ESG risks and opportunities previously identified for each sector and company, with 10 factors: climate change, natural capital, pollution and waste, environmental opportunities, human capital, product liability, stakeholder opposition, social opportunities, corporate governance and corporate behaviour. The final ESG score also incorporates the 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 on external stakeholders as well as the underlying reputational risk arising from a poor grasp of major ESG issues.

In the corporate methodology, the severity of controversies are assessed and monitored on an ongoing basis to make sure that the most material risks are reflected in the final ESG Scores. The controversies with high severity will trigger large penalties on the sub-factor scores and ultimately on the ESG Scores.

These ESG Scores provide a standardised and holistic view on the performance of issuers on ESG factors and enable to both promote Environmental and Social factors and further incorporate ESG risks and opportunities in the investment decision.

One of the main limitations of this approach is related to the limited availability of data relevant to assess Sustainability Risks: such data is not yet systematically disclosed by issuers, may not be of a similar standard and may therefore impact the quality of information provided to third parties, and when disclosed may follow various methodologies. Investors should be aware that 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 ESG rating is fully integrated in the investment process of the Fund for taking into account ESG criteria in the investment strategy as well as to monitor the Sustainability Risk on the basis of the Fund's average ESG Scores.

Given the investment strategy of the Fund and its risk profile, the likely impact of Sustainability Risks on the Fund's returns is expected to be medium.

For more details on the approach of integration of Sustainability Risks in investment decisions and the assessment of the likely impact of Sustainability Risks on the Fund's returns, please refer to the Responsible Investment section of our website : <https://www.axa-im.com/our-policies>.

The Fund is a financial product that promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector. The classification of the Fund under SFDR may be subject to adjustments and amendments, since SFDR has come into force recently only and certain aspects of SFDR may be subject to new and/or different interpretations than those existing at the date of this Supplement. As part of the ongoing assessment and current process of classifying its financial products under SFDR, the ICAV reserves the right, in accordance with and within the limits of applicable regulations and of the Fund's legal documentation, to amend the classification of the Fund from time to time to reflect changes in market practice, its own interpretations, SFDR-related laws or regulations or currently-applicable delegated regulations, communications from national or European authorities or court decisions clarifying SFDR interpretations. Investors are reminded that they should not base their investment decisions on the information presented under SFDR only.

## INVESTMENT AND BORROWING RESTRICTIONS

The Fund is subject to the investment and borrowing restrictions set out in the UCITS Regulations, the Central Bank Regulations and in Appendix I to the Prospectus.

Where the Fund receives collateral as a result of trading in OTC FDI, the use of efficient portfolio management techniques or otherwise, the requirements of Appendix III of the Prospectus will apply.

## DISTRIBUTION POLICY

Classes are available as either Accumulation Classes or Distribution Classes (as indicated in the table in the section "**SUBSCRIPTIONS**" below). Accumulation Classes capitalise income. Distribution Classes may pay a dividend to the relevant Shareholders. In case of payment of dividends, payment frequency will be annual within 30 Business Days following the last Valuation Day of March of each year ("Distribution" Classes). In such case, dividends shall be paid out of the net investment income (i.e. investment income less expenses) available for distribution and realized capital gains.

Investors should be aware that any distributions involving payment of distributions out of the Fund's capital results in an immediate decrease in the Net Asset Value per Share and reduces the capital available for capital growth. As a result, such investors' investment in the Fund may be adversely affected.

The Directors may determine annually, after the end of the relevant accounting year, if and to what extent the Fund will pay dividends. Any dividend payments will be confirmed in writing to the Shareholders of Distribution Classes.

The Directors, in consultation with the Manager, may at any time determine to change the policy of the Fund with respect to dividends distribution. If the Directors, in consultation with the Manager, so determine, full details of any such change will be disclosed in an updated prospectus or supplement and Shareholders will be notified in advance.

To the extent made, distributions will be paid by wire transfer to the account(s) indicated by the Shareholder on its Application Form (as may be updated from time to time by signed, original notification from the Shareholder to the ICAV c/o the Administrator).

Please also refer to the "Distribution Policy" section in the Prospectus.

## SUBSCRIPTIONS

### Offer

The following Classes are currently available:

Class	Currency	Distribution Policy	Initial Offer Price	Minimum Initial Subscription	Minimum Holding
E	EUR	Accumulation	10 EUR	5 000 EUR	None
E	EUR	Distribution	10 EUR	5 000 EUR	None

- Class “E” are for all investors.

Please see the section entitled “**Application for Shares**” in the Prospectus in the section entitled “THE SHARES” for more information regarding the cost of shares.

The Net Asset Value will be calculated in accordance with the principles described under section “Net Asset Value and Valuation of Assets” in the Prospectus.

The Net Asset of the Fund will be published as often as the Net Asset Value is calculated promptly following its calculation.

The Manager intends to implement a swing pricing mechanism as described in the Prospectus under the heading “**Swing Pricing**” in the section entitled “**THE SHARES**”. The swing mechanism will be applied if the net subscriptions and redemptions based on the last available Net Asset Value on any Valuation Day exceed a certain threshold of the value of the Fund on that Valuation Day, as determined and reviewed on a periodic basis by the Manager. The extent of the price adjustment will be set by the Manager to reflect incurred or estimated dealing and other costs and will not exceed 2% of the Net Asset Value.

No Anti-Dilution Levy will apply for this Fund.

Please see the section headed “**Publication of Net Asset Value per Share**” in the Prospectus.

## REDEMPTIONS

Shareholders may request redemption of their Shares on and with effect from any Dealing Day. Shares will be redeemed at the Redemption Price per Share for that Class, calculated on or with respect to the relevant Dealing Day in accordance with the procedures described below (save during any period when the calculation of Net Asset Value is suspended).

For all redemptions, Shareholders will be paid the equivalent of the Redemption Price per Share for the relevant Dealing Day. This price could be less than the Net Asset Value per Share calculated for that Dealing Day due to the effect of Duties and Charges and other fees and levies. Potential Shareholders should note therefore that the payments received for Shares redeemed could be less than their value on the day of redemption.

If the redemption of only part of a Shareholder’s shareholding would leave the Shareholder holding less than the Minimum Holding for the Fund, the ICAV or its delegate may, if it thinks fit, redeem the whole of

that Shareholder's holding.

Please refer to the section headed "Redemption of Shares" in the section entitled "THE SHARES" in the Prospectus for further information on the redemption process.

#### *Timing of Payment*

Redemption proceeds in respect of Shares will normally be paid three Business Days following the relevant Valuation Day and in any event within ten Business Days of the relevant Dealing Deadline, provided that all the required documentation has been furnished to and received by the Administrator, provided the Directors have not invoked the ability to defer redemptions as set out below under "Redemption Limit" and provided that dealing in the Fund's Shares has not been suspended as described in the section below headed "Suspension of Dealing".

#### *Withdrawal of Redemption Requests*

Requests for redemption may not be withdrawn save with the written consent of the ICAV Directors in consultation with the Manager or its authorised agent or in the event of suspension of calculation of the Net Asset Value of the Fund.

#### *Redemption Limit*

Where the total requests for redemption on any Dealing Day exceed at least 10% of the total number of Shares in the Fund or at least 10% of the Net Asset Value of the Fund and the Directors decide to refuse to redeem any Shares in excess of 10% of the total number of Shares in the Fund or 10% of the Net Asset Value of the Fund or such higher percentage that the Directors may determine, the ICAV shall reduce pro rata any request for redemption on that Dealing Day and shall treat the redemption requests as if they were received on each subsequent Dealing Day until all the Shares to which the original request related have been redeemed.

### **CONVERSION OF SHARES**

Shareholders are not allowed to request conversion of some or all of their Shares to Shares in another Fund.

### **SUSPENSION OF DEALING**

Shares may not be issued, redeemed or converted during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described in the Prospectus under the heading "Suspension of Valuation of Assets". Unless withdrawn, applications for Shares will be considered and requests for redemption and/or conversion will be processed as at the next Dealing Day following the ending of such suspension.

### **FEEES AND EXPENSES**

The Fund shall bear its attributable portion of the fees and operating expenses of the ICAV. The fees and operating expenses of the ICAV are set out in detail in the section entitled “FEES, CHARGES AND EXPENSES” in the Prospectus.

#### *Establishment Expenses*

The Fund shall bear its pro-rata share of the fees and expenses attributable to the establishment and organisation of the ICAV as detailed in the section of the Prospectus entitled “Establishment Expenses”. The fees and expenses attributable to the establishment and organisation of the Fund are not expected to exceed €20,000. Such establishment expenses may be amortised over the first five Accounting Periods of the Fund.

#### *Subscription Fee*

Investors in Class E Shares will not be charged a subscription fee on the subscription of Shares in the Fund.

#### *Redemption Fee*

The ICAV shall not charge a redemption fee on the redemption of Shares in the Fund.

#### *Management Fee and Distribution Fee*

Pursuant to the Management Agreement, the Manager is entitled to charge a management fee equal to a per annum percentage of the Net Asset Value of each Class as set out in the table below (“**Management Fee**”).

The Manager is also entitled to charge a distribution fee paid out of mutual fund assets to cover expenses for marketing and selling fund shares, including advertising costs, compensation for brokers and others who sell fund shares, and payments for printing and mailing prospectuses to new investors and sales literature prospective investors. This fee equal to a per annum percentage of the Net Asset Value of each Class as set out in the table below (“**Distribution Fee**”).

<b>Class</b>	<b>Maximum annual Management Fees</b>	<b>Maximum Distribution fee</b>
E	1.00 %	1.00 %

Any Management or Distribution Fees levied will also be subject to the imposition of Value Added Tax (“**VAT**”) if required.

The fee will be calculated and accrued daily using the Management or Distribution Fee rate applied pro rata

to the Net Asset Value of each Class at the relevant Valuation Point after the deduction of all other operating and other expenses and liabilities of the Fund for that month. The Management or Distribution Fee is payable monthly in arrears within thirty (30) Business Days of the last Business Day of each calendar month.

The Management Fee and the Distribution Fee are charged separately against each Class, and may be waived or reduced by the Manager, in consultation with the Directors and the Manager may either waive or reduce its fee in respect of all Shares in a Class in which case the ICAV may apply a reduced Management or Distribution Fee rate to that Class or the Manager may rebate some or all of its Management or Distribution Fee in favour of one or more Shareholders.

The fees payable to the Sub-Investment Manager will be discharged out of the Management Fee. The Manager and the Sub-Investment Manager shall be entitled to be reimbursed by the Fund for reasonable out of pocket expenses incurred and any VAT on all fees and expenses payable to or by it.

#### *Administrator's and Depositary's Fee*

The Fund shall discharge the Administrator's and Depositary's fees and expenses (including any reasonable out of pocket expenses incurred on behalf of the Fund) (the "**Service Provider Fees**"). The total Service Provider Fees shall be assessed at the rates (the "**Service Fee Rates**") set forth below based on the Net Asset Value of the Fund:

<b>Net Asset Value</b>	<b>Maximum Service Fees Rates</b>
EUR 1,000,000,001 and above	0.020%
EUR 200,000,001 to EUR 1,000,000,000	0.030%
Up to EUR 200,000,000	0.050%

For the avoidance of doubt, each Service Fees Rate is a maximum rate and is applied only to that portion of the Net Asset Value indicated above opposite the relevant Service Fee Rate, so, for example, should the Fund have a Net Asset Value exceeding EUR 1,000,000,001, the rate actually charged to the Fund will be a blended rate made up of 0.050% of the Net Asset Value up to EUR 200,000,000, 0.030% of the Net Asset Value between EUR 200,000,001 and EUR 1,000,000,000 and 0.020% of the Net Asset Value from EUR 1,000,000,001 and above. The Service Fees shall accrue on and shall be reflected in the Net Asset Value calculated on each Valuation Point and shall be paid monthly in arrears.

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

Product name: Delegio Privilege Entrepreneurial Fund (the “Financial Product”) Legal entity identifier: 213800EOPYAC4A8N8826

## Environmental and / or social characteristics

**Does this financial product have a sustainable investment objective?**

<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> YES	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> NO
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective:</b> %  <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy  <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy  <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective:</b> %	<input checked="" type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10.0 % of sustainable investments  <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy  <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy  <input checked="" type="checkbox"/> with a social objective  <input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>



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

The environmental and social characteristics promoted by the Financial Product consist of investing in companies considering the ESG score further described below.

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

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this Financial Product.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The attainment of the environmental and social characteristics promoted by the Financial Product is measured with the following sustainability indicator:

- The weighted average ESG Score of the Financial Product.

The ESG score is based on ESG scoring from external data provider as primary inputs assessing data points across Environment, Social and Governance (ESG) dimensions that include the environmental and social characteristics described above and promoted by the Financial Product. AXA IM analysts can complement with a fundamental and documented ESG analysis in case of lack of coverage or disagreement on the ESG rating provided that it is approved by AXA IM's dedicated internal governance body.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The Financial Product intends to partially invest in instruments qualifying as sustainable investments with various social and environmental objectives (without any limitation) by assessing the positive contribution of investee companies through at least one of the following dimensions:

- 1. UN Sustainable Development Goals alignment (SDG)** of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:
  - a. the SDG scoring related to the "Products and Services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or
  - b. using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work),

SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

**2. Integration of issuers engaged in a solid Transition Pathway** consistently with the European Commission's ambition to help fund the transition to a 1.5°C world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

**3. I Investments in Green, Social or Sustainability Bonds (GSSB), Sustainability Linked Bonds:**

- a. Green, Social and Sustainability Bonds (GSSB) are instruments which aim to contribute to various sustainable objectives by nature. As such, investments in bonds issued by Corporates and Sovereigns that have been identified as green bonds, social bonds or sustainability bonds in Bloomberg data base are considered as "sustainable investments" under SFDR in AXA IM's framework.
- b. With regards to Sustainability Linked Bonds or Transition Bonds, an internal framework was developed to assess the robustness of those bonds that are used to finance general sustainable purpose and Transition Bonds that allow to finance shift to a low-carbon economy. As these instruments are newer leading to heterogeneous practices from issuers, only Sustainability Linked and Transition Bonds that get a positive or neutral opinion from AXA IM's internal analysis process are considered as "sustainable investments". This analysis framework draws on the ICMA guidelines with a stringent proprietary approach based on the following defined criteria: (i) issuer's sustainability strategy and key performance indicators relevance and materiality, (ii) Sustainability performance target's ambition, (iii) bond characteristics and (iv) sustainability performance target's monitoring & reporting.

Those methodologies may evolve in the future to take into account any improvements for example in data availability and reliability, or any developments of, but not limited to, regulations or other external frameworks or initiatives.

The Financial Product is not taking into consideration the criteria of the EU Taxonomy environmental objectives.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The application of the Do No Significant Harm Principle for the sustainable investments the Financial Product intends to make means that an investee company cannot qualify as sustainable if it meets any of the criteria listed below::

- The issuer causes harm along any of the SDGs when one of its SDG scores is below -5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significantly obstructing', unless the quantitative score has been qualitatively overridden.
- The issuer is in AXA IM's sectorial and ESG standards ban lists (as described below), which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- The issuer has a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology. The ESG score is based on ESG scoring from external data provider as primary inputs assessing data points across Environment, Social and Governance (ESG) dimensions. AXA IM analysts can complement with a fundamental and documented ESG analysis in case of lack of coverage or disagreement on the ESG rating provided that it is approved by AXA IM dedicated internal governance body.

Indicators for principal adverse impacts on sustainability factors are considered, including through the application of AXA IM’s exclusion and stewardship policies.

- **How have the indicators for adverse impacts on sustainability factors been taken into account?**

The Financial Product takes into consideration Principal Adverse Impacts (“PAIs”) indicators listed below to ensure that the sustainable investments are not harming significantly any other sustainability objectives under SFDR.

Principal adverse impacts are mitigated through sectorial exclusion policies and AXA IM ESG standards (as described below) that are applied bindingly at all times by the Financial Product, as well as through the filters based on UN Sustainable Development Goals scoring.

**Exclusion Policies:**

- **Environment:**

Relevant AXA IM policies	PAI indicator
Climate Risk policy Ecosystem Protection & Deforestation policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)
	PAI 2: Carbon Footprint
	PAI 3: GHG intensity of investee companies
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption) <sup>1</sup>	PAI 6: Energy consumption intensity per high impact climate sector
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas

- **Social and Governance:**

Relevant AXA IM policies	PAI indicator
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) <sup>2</sup>	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises

<sup>1</sup> The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables us to use the PAI more effectively. Not all high impact climate sectors are targeted by the exclusion policy for the time being.

<sup>2</sup> The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables us to use the PAI more effectively.

Controversial weapons policy	PAI 14: Exposure to controversial weapons
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**Filter based on UN SDGs:**

AXA IM also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to ‘significant contributing impact’ to – 10 corresponding to ‘significant obstructing impact’), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research. This approach enables us to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.

Data availability and quality is lower for the time being on certain sustainability factors related to biodiversity as an example, which may impact the coverage for the following PAI indicators: emissions to water (PAI 8), hazardous and radioactive waste ratio (PAI 9) and unadjusted gender pay gap (PAI 12). Those sustainability factors are part of the 17 objectives targeted by the United Nations SDGs (more specifically they are covered through SDG 5 “Gender equality”, SDGs 6 “Clean water and sanitation”, SDG 8 “Economic growth”, SDG 10 “Reduced inequalities”, SDG 12 “Responsible production and consumption” and SDG 14 “Life below water”) and AXA IM’s framework there enables to mitigate the worst impacts pending the increase on data availability and quality.

- ***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?***

The Financial Product doesn’t invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM relies on an external provider’s screening framework and excludes any companies that have been assessed as “non compliant” to UN’s Global Compact Principles, International Labor Organization’s (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria. The “do no significant harm” principle applies only to those investments underlying the Financial Product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this Financial Product do not take into account the EU criteria for environmentally sustainable economic activities. Any other sustainable investment must also not significantly harm any environmental or social objectives under SFDR.



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

Yes

No

Principal adverse impacts are considered with both (i) qualitative and (ii) quantitative approaches:

**(i)** Qualitative approach to consider principal adverse impact is based on exclusion and, where relevant, stewardship policies. Exclusion policies as part of the AXA IM ESG standards cover the most material sustainability factors' risks and are applied bindingly on a continuous basis. Where relevant, stewardship policies are an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through its engagement activities, the Financial Product use its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors. Voting at general meetings is an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Financial Product invest and mitigate adverse impacts.

Through those exclusion and stewardship policies the Financial Product takes into consideration potential negative impact on those specific PAI indicators:

	Relevant AXA IM policies	PAI indicator
<b>Climate and other environment related indicators</b>	Climate Risk policy	PAI 1: Green house Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 2: Carbon Footprint
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 3: GHG intensity of investee companies
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector
	Climate risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	
<b>Social and employee respect for human rights, anti-corruption and anti bribery matters</b>	ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises
	Voting and engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board gender diversity
	Controversial weapons policy	PAI 14: Exposure to controversial weapons

**(ii)** Principal adverse impacts are also considered quantitatively through the PAI indicators' measurement and reported annually in the SFDR annex in the periodic reporting. The objective is to provide transparency to investors on significant negative impact on other sustainability factors. AXA IM measures all the mandatory PAI indicators.



## What investment strategy does this financial product follow?

The Manager selects investments by applying an extra-financial approach based on the exclusion filters as described in AXA IM's Sectorial Exclusion and ESG Standards Policies.

The Financial Product is also managed using the binding elements of the investment strategy described below.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

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

The Manager bindingly applies at all times a first exclusion filter, encompassing areas such as Controversial Weapons, Climate risks, Soft Commodities and Ecosystem Protection & Deforestation. The Financial Product also apply the AXA IM's Environmental, Social and Governance standards policy ("ESG Standards") integrating the ESG Standards in the investment process by applying specific sectorial exclusions such as tobacco and white phosphorus weapons and by excluding investments in securities issued by companies in violation of international norms and standards such as the United Nations Global Compact Principles or the OECD guidelines for Multinational Enterprises ; as well as investments in companies which are involved in severe ESG-related incidents and investments in issuers with a Low ESG quality (which is, as of the date of this Prospectus, below 1.43 (on a scale of 0 to 10) – such number being subject to regular review and adaptation). Instruments issued by countries where serious specific categories of violations of Human Rights are observed are also banned.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third-party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar, but which should be distinguished because their calculation method may be different. AXA IM's ESG different methodologies described herein may evolve in the future to take into account any improvements in data availability and reliability, or any developments of regulations or other external frameworks or initiatives - among others.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no committed minimum rate to reduce the scope of the investments considered.

- **What is the policy to assess good governance practices of the investee companies?**

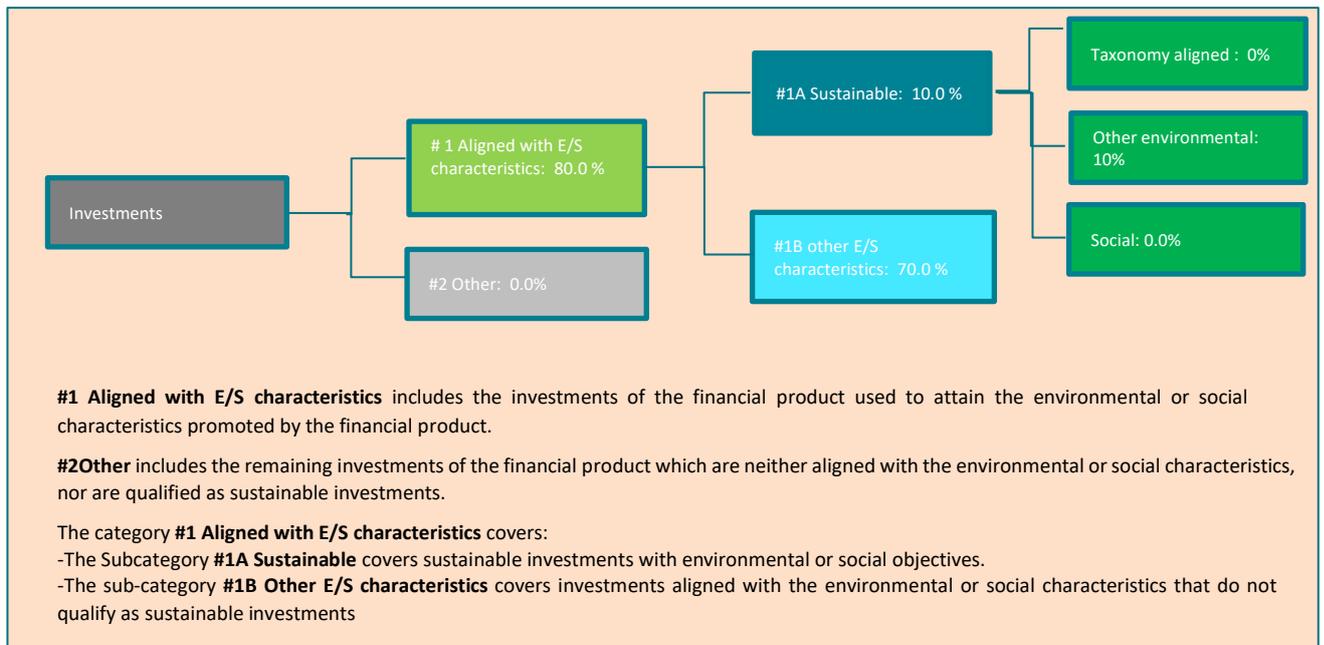
The Financial Product doesn't invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM relies on an external provider's screening framework and excludes any companies that have been assessed as "non compliant" to UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

In addition, ensuring good governance practices is also addressed by the engagement policies. AXA IM implemented a comprehensive active ownership strategy – engagement and voting – where AXA IM acts as stewards of investments made on the clients' behalf. AXA IM views engagement as a means for investors to influence, shape and shift investee company policies and practices to mitigate risks and secure long-term value. Governance practices of companies are engaged at first level by the portfolio managers and dedicated ESG analysts when meeting companies' management team. It is through the long-term investor status and in-depth knowledge of the investment targets that AXA IM feels legitimate to engage in a constructive but demanding dialogue with them.



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

The Financial Product aims to plan its assets' allocation as presented in the graph below. This planned asset allocation might deviate on a temporary basis.



The planned minimum proportion of the investments of the Financial Product used to meet the environmental or social characteristics promoted by the Financial Product is 80.0 % of the Financial Product Net Asset Value.

The planned minimum proportion of sustainable investments of the Financial Product where that Financial Product commits to making sustainable investments is 10.0 % of the Financial Product Net Asset Value.

The remaining “Other” investments will represent a maximum of 20% of the Financial Product Net Asset Value.

### ***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

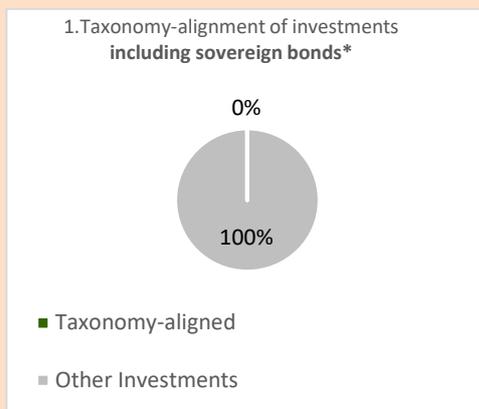
Derivatives are not used to attain the environmental or social characteristics promoted by the Financial Product except single names derivatives that apply exclusion policies.



## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Financial Product does not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product is not considering the “do no significant harm criteria” of the EU Taxonomy.

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 bond



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

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

The minimum share of investments in transitional and enabling activities is up to 0.0 % of the Financial Product Net Asset Value.



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

The Minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 0.0 % of the Financial Product Net Asset Value.



## What is the minimum share of socially sustainable investments?

The minimum share of sustainable investments with social objective is 0.0 % of the Financial Product Net Asset Value.



## What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The “other” assets may consist in:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product, and
- other instruments eligible to the Financial Product and that do not meet the Environmental and/or Social criteria described in this appendix. Such assets may be equity and equity related securities, transferable debt securities, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and/or for diversification and/or hedging purposes.

Environmental or social safeguards are applied and assessed on all “other” assets except on (i) non single name derivatives (ii) on UCITS and/or UCIs managed by other management company and (iii) cash and cash equivalent investments described above.



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

There is no specific index designated as a reference benchmark.



## Where can I find more product specific information online?

More information can be found on the AXA IM fund centre following that link: [Funds - AXA IM Global \(axa-im.com\)](https://www.axa-im.com/funds).

More details on AXA IM Net Zero and sustainable investment frameworks are available on [Sustainable Finance | SFDR | AXA IM Corporate \(axa-im.com\)](https://www.axa-im.com/sustainable-finance).