

# AXA ACT Green Short Duration Bond Fund

Sustainable investment labels help investors find products that have a specific sustainability goal. This product does not have a UK sustainable investment label. Although it pursues a specific sustainability goal and considers environmental, societal and governance factors, it does not meet all the criteria for a sustainable investment label.

## Sustainability Goal

This fund aims to make a positive contribution to the environment by investing in bonds that finance projects which will generate an environmental benefit, known as 'green bonds'. We focus particularly on two UN Sustainable Development Goals (UN SDGs) - UN SDG 11 Sustainable Cities and Communities and UN SDG 13 Climate Action. We may also invest in other areas that help to solve urgent and important environmental problems reflected in the UN SDGs and their targets.

### United Nation's Sustainable Development Goals (SDGs)

The 17 SDGs were ratified by the United Nations in 2015 as part of the 2030 Agenda for Sustainable Development. Each SDG is a call for action as determined by the UN, providing a framework for addressing some of the most critical issues facing people and the planet today. For more information about the UN Sustainable Development Goals, please refer to: <https://sdgs.un.org/goals>

### What is a green bond?

A green bond is a bond that finances projects that benefit the environment.

We look for bonds with the following characteristics.

Addresses an environmental theme that contributes to one or more of the environmentally focused UN Sustainable Development Goals (UN SDG).

Doesn't significantly harm any UN SDG

The issuer can show a contribution to the UN SDGs through relevant environmental Key Performance Indicators (KPIs).

## Sustainability Approach

At least 75% of the fund's net asset value is invested in green bonds issued by companies or countries anywhere in the world. We use our proprietary Green Bonds Framework to evaluate bonds against four criteria.



How good are the issuer's environmental, social and governance (ESG) practices?



Do the projects undertaken and financed by the issuer generate an environmental benefit?



What controls are in place to ensure the proceeds of the bond goes to eligible projects?



How does the issuer demonstrate a bonds' contribution?

In parallel, we also perform a financial analysis on prospective investments to ensure they have the potential to meet the fund's financial performance objectives.

## Responsible Investing

In addition to applying the fund’s sustainability approach, AXA IM’s responsible investing and environmental, social and governance (ESG) approach is embedded in the investment process. Our approach is built around robustly integrating ESG assessment into our investment analysis and portfolio construction based around three pillars:

**ESG Research, Data & Tools** - ESG research helps us identify material ESG-related risks and opportunities. Our ESG research is based on quantitative ESG data as well as qualitative analysis from our own analysts on non-financial criteria of companies and issuers of bonds.

**Exclusions** - We apply our top-level screening policies and AXA IM ESG Standards policy to this fund.

- Top-level screening policies cover controversial weapons, climate risks, ecosystem protection & deforestation, soft commodities and tobacco.

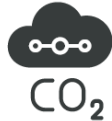
- AXA IM ESG Standards policy includes white phosphorus weapons, violations of international norms and standards, severe controversies and low ESG quality names.

**Stewardship** - Our responsible investing approach includes engaging with the management of companies where we own shares or bonds when we want to encourage good practice and/or maintain ongoing dialogue. We also use the voting rights that come with share ownership. We adopt an active and impactful approach to stewardship by using our scale as a global investment manager to influence company and market practices. If we don’t feel a company is responding to engagement, we have a range of escalation routes and can ultimately disinvest.

You can find a more detailed overview of our ESG policies on our website at <https://www.axa-im.com/our-policies-and-reports>

## Sustainability Metrics Source: AXA Investment Managers, as at 30 September 2024

These numbers show the outcomes for the previous 12 months if we’d been invested in the current holdings for the whole of that time. Because this is an actively managed fund, the actual outcomes could be different depending on changes we’ve made over the year.



### Avoided emissions

**84 tons/£1m invested**

Carbon emissions avoided by projects financed by the green bonds we hold in the portfolio compared to projected emissions if those projects didn’t go ahead, per £1m in relevant projects, where data is available.

### Renewable energy

**410 megawatt hours/£1m**

Renewable energy generated by renewable energy projects we invest in, per £1m in relevant projects, where data is available.

### Would You Like To Know More?

More detailed information on this Fund, such as the prospectus, the KIID, the annual report as well as the latest sustainability reports, can be obtained free of charge from the Fund’s Management Company, the Administrator, the Fund’s distributors, online at <https://funds.axa-im.co.uk/en/individual/> or by calling 0345 777 5511. These documents are available in English.

A glossary of some of the terms used in this document can be found online at <https://retail.axa-im.co.uk/glossary>

The Net Asset Value per share is available at <https://www.axa-im.co.uk> at the registered office of the Fund’s Management Company

Find out more about the FCA’s Sustainability Disclosure Regulations here:

<https://www.fca.org.uk/firms/climate-change-and-sustainable-finance/sustainability-disclosure-and-labelling-regime>

### Share Class ISIN

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