

This document is a Supplement to the Prospectus dated 28 April 2023 issued by AXA IM ETF ICAV (the “ICAV”). This Supplement forms part of, and should be read in conjunction with, the Prospectus.

The value of Shares may go up or down and you may not get back the amount you invested. Investors’ attention is drawn to the risk warnings contained in the section headed Risk Factors in the Prospectus and, in particular, to the risk warnings contained in the section of this Supplement entitled “Risk Factors”.

Words and expressions defined in the Prospectus, unless the context otherwise requires, have the same meaning when used in this Supplement.

AXA IM ETF ICAV

(an open-ended Irish collective asset management vehicle which is constituted as an umbrella fund with variable capital and segregated liability between its sub-funds and registered in Ireland with registration number C-469468 and authorised by the Central Bank of Ireland as a UCITS)

SUPPLEMENT

Dated 28 September 2023

in respect of

AXA IM US High Yield Opportunities UCITS ETF

(a sub-fund of the ICAV, the “Fund”)

The Directors of the ICAV, whose names appear in the Directory in the Prospectus, accept responsibility for the information contained 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 document is in accordance with the facts and does not omit anything likely to affect the import of such information.

THE FUND

Investment Objective

The investment objective of the Fund is to seek high income and long-term growth, in USD, from an actively managed portfolio of high yield bonds.

There is no guarantee that the Fund will achieve its investment objective. It is recommended that an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

Investment Policy

The Fund is actively managed in reference to the ICE® BofA® US High Yield Index (the “**Benchmark**”) in order to capture opportunities in the US high yield bond market.

The Fund will invest in high yield corporate bonds (i.e. bonds which are rated sub-investment grade as determined by the Benchmark provider based on the average of Moody’s, Standard & Poor’s and Fitch) that are mainly issued by US companies and denominated in USD, such as fixed rate bonds (i.e. bonds that carry a predetermined interest rate which is known as coupon rate and interest is payable at specified dates before bond maturity), floating rate bonds (i.e. bonds that have a variable coupon, equal to a money market reference rate or federal funds rate, plus a rate that remains constant called quoted spread), convertible bonds (i.e. bonds that give the holder the option to exchange the bond for a predetermined number of shares in the issuing company) (not including contingent convertible bonds), callable bonds (i.e. bonds that may be redeemed prior to their maturity) and perpetual bonds (i.e. bonds without maturity date). The Fund may also invest in 144A securities where considered to offer the best opportunity for the Fund, and may be fully invested in these securities.

As part of the investment process, the Fund will invest at least 90% in securities which are components of the Benchmark excluding cash and cash equivalent (i.e. bank deposit, eligible money market instruments, US Treasury bills and money market funds) (the “**Initial Investment Universe**”). While the Investment Manager has the discretion when selecting the portfolio holdings to ensure that their characteristics are consistent with the Investment Manager’s convictions, the Fund is restricted in the extent to which its portfolio holdings can deviate from those of the Benchmark as it widely forms the Initial Investment Universe. Such deviation from the Benchmark is expected to be limited.

For further information on the Benchmark, please refer to the section of this Supplement titled “**The Benchmark**”.

Investment Strategy

The process of selection of securities from the Initial Investment Universe is based on a 2-step approach:

1/ the Investment Manager applies an exclusion filter, as described in AXA IM's Sectorial Exclusion Policies and ESG Standards Policy (the “**Policies**”). Such exclusions apply to: (i) issuers linked to controversial weapons, climate risks, soft commodities (which are based on food and basic agricultural or marine commodities) and unsustainable practices relating to ecosystem protection and deforestation (i.e. the AXA IM Sectorial Exclusions); and (ii) issuers involved in tobacco, the production of white phosphorus weapons, violations of international norms and standards such as the United Nations Global Compact and severe controversies or having a low ESG quality (i.e. the AXA IM ESG Standards). Further information can be found in the Policies can be found at axa.im.com and in the SFDR Annex to this Supplement.; and

2/ following the application of the exclusions, the Investment Manager applies a disciplined and documented analysis of the credit fundamentals, including cash flow analysis, leverage ratio, interest coverage ratios (used to assess, among other things, a firm’s ability to pay interest on its debt, term loan amortization, preferred and/or common dividends or any other fixed cash obligations) and trading liquidity of the securities, carried out by an internal and dedicated US high yield team.

The Fund may invest up to 10% of its net assets in the units/shares of Eligible Collective Investment Schemes where such investments satisfy the requirements of the Central Bank. The Fund may also hold and maintain ancillary liquid assets and money market instruments, including but not limited to commercial paper, bonds, US Treasury bills, deposits, certificates of deposits and cash in accordance with investment restrictions applicable to the Fund.

The Fund may use financial derivative instruments (“**FDI**”) including foreign exchange spot, forward contracts and swaps for hedging purposes. To the extent that the Fund uses FDI, there may be a risk that the volatility of the Fund may increase. However, the Fund is not expected to have an above average risk profile as a result of its use of or investment in FDI. FDI will be used within the limits stipulated by the Central Bank and as described in “**Investment Techniques and Instruments**” in the Prospectus.

The Fund may engage in securities lending subject to the requirements of the Securities Financing Transactions Regulation, the UCITS Regulations and the Central Bank UCITS Regulations. This is more particularly described in the Prospectus under the heading “**Securities Financing Transaction Regulations Disclosure**”. Up to 80% of the Fund’s net assets may be subject to securities lending arrangements at any time, however the amount subject to securities lending arrangements is not generally expected to exceed 0 – 30% of the Fund’s net assets. The Fund will not enter into total return swaps or instruments with similar characteristics neither engage in borrowing of securities or repurchase/reverse agreements within the meaning of the Securities Financing Transactions Regulation.

The Fund may invest up to 10% of its net assets in defaulted and/or distressed securities.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis which comprises an analysis of each issuer’s business lines and strategy, the quality and experience of the issuer’s management, governance, shareholder composition and stability over time, financial accounts, litigation risk and credit ratio analysis, amongst other things. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager, such as sector analysis, valuation and performance.

As the components of the Benchmark widely form the Initial Investment Universe, the Fund is restricted in the extent to which the components it is expected to invest in can deviate from those of the Benchmark and, in that regard, the deviation of the components of the Fund as compared to those of the Benchmark is expected to be limited. However, the Investment Manager will apply its investment process to the Initial Investment Universe and so the constitution of the portfolio of the Fund is expected to deviate from that of the Benchmark in terms of the level of holdings of any component.

The Fund is a financial product promoting environmental and/or social characteristics within the meaning of Article 8 of SFDR.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data (as set out above), and in some cases are internally developed. The data are subjective and may change over time. Despite several initiatives, the lack of a harmonised definitions of “sustainable investments” may result in ESG metrics applied and ESG scores assigned to the same company by different data providers varying widely. 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. The Investment Manager’s ESG methodologies described herein may evolve over time to take into account any improvements in data availability and reliability, or any developments of regulations or other external frameworks or initiatives, among other things.

More information about the promotion of environmental and/or social characteristics is available in the SFDR Annex to this Supplement.

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 and swaps subject to the conditions and within the limits laid down by the Central Bank. The Classes identified in the table set-out in the Appendix of this Supplement have “H” in their names. For further information, please see the section “Financial Derivative Instruments” and “Currency Hedged Share Classes” of the Prospectus.

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.

Base Currency

The Base Currency of the Fund is USD.

Taxonomy-related Disclosure

While the Fund is categorised as Article 8 under SFDR, the Fund does not commit to investing a minimum amount in underlying investments qualifying as environmentally sustainable under the Taxonomy Regulation. As such, as of the date of this Supplement, 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.

For further details on the Manager’s approach to SFDR and the Taxonomy Regulation, please refer to the section of the Prospectus titled “**Sustainability-related Disclosures**”.

THE BENCHMARK

The Initial Investment Universe is the ICE® BofA® US High Yield Index which tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody’s, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one-year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of \$250 million. In addition, qualifying securities must have risk exposure to countries that are members of the FX-G10, Western Europe or territories of the US and Western Europe. The FX-G10 includes all Euro members, the US, Japan, the UK, Canada, Australia, New Zealand, Switzerland, Norway and Sweden. Original issue zero coupon bonds, 144asecurities (both with and without registration rights), and pay-in-kind securities (including toggle notes) are included in the Benchmark. Callable perpetual securities are included provided they are at least one year from the first call date. Fixed-to-floating rate securities are included provided they are callable within the fixed rate period and are at least one year from the last call prior to the date the bond transitions from a fixed to a floating rate security.

The information set out above is a summary of the principal features of the Benchmark and does not purport to be an exhaustive description. The Benchmark is provided by ICE Data Indices, LLC. At the date of the Supplement, ICE Data Indices, LLC, as administrator of the Benchmark, is not listed on the ESMA register of benchmark administrators and benefits, as UK entity, from the transitional period which is currently scheduled to end on December 31, 2025.

Further information on the Benchmark can be found at: <https://www.theice.com/market-data/indices/fixed-income-indices>.

PROFILE OF A TYPICAL INVESTOR

A typical Investor would be one who is a private or institutional investor and is seeking long-term capital growth over a recommended holding period of 5 years. Such an Investor is also one that is able to assess the merits and risks of an investment in the Shares of the relevant Class of the Fund.

SHARE CLASSES

Details of the Classes available in the Fund, are set out in the Appendix hereto. Additional Classes may be created in accordance with the requirements of the Central Bank.

The Manager reserves the right to differentiate between persons who are subscribing for or redeeming Shares and to waive or reduce the Minimum Subscription Amount and Minimum Redemption Amount for any such person or to refuse an application for the subscription of Shares in their absolute discretion. The Minimum Subscription Amount and Minimum Redemption Amount may also be increased at the Manager's discretion provided that the Manager notifies the Shareholders.

DIVIDENDS

Where the ICAV intends to declare dividends with respect to one or more Classes of the Fund, the proposed frequency of such dividend declarations shall be as set out in the table in the section entitled "Share Classes".

It is not the intention of the Directors to declare dividends in respect of the Classes identified as "accumulating" classes in this Supplement. The income and earnings and gains of the Funds will be accumulated and reinvested. Any change to this dividend policy shall be set out in an updated version of the Supplement and notified to the Shareholders in advance.

It is intended to declare dividends in respect of the Classes identified as "distributing" classes in this Supplement. Distributions in respect of these Classes will be declared on each Distribution Date in each year provided that if such dates are not Business Days, the declaration date will be the Business Day immediately following such date respectively. The distribution may comprise net income (if any) and/or realised capital gains of the Fund.

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 relevant Shareholders.

Please refer to the "Distribution Policy" section in the Prospectus for further information.

DEALING IN SHARES OF THE FUND

Only the ETF Shares issued in respect of this Fund will be listed and/or traded on the Relevant Stock Exchanges. It is envisaged that ETF Shares will be bought and sold by private and institutional investors in the secondary market.

Only Authorised Participants may subscribe for and redeem ETF Shares in the Fund directly with the ICAV in accordance with the section of the Prospectus entitled "**Procedures for Subscriptions and Redemptions**" having regard to the information set out below. For the avoidance of doubt, subscriptions for and redemptions of ETF Shares *in specie* are permitted in respect of the Fund.

Business Day	means all normal business days in Ireland inclusive of all public /bank holidays other than the following – New Year's Day holiday; Good Friday and Easter Monday; Christmas Day and St. Stephen's Day holidays. In addition, Labour Day, National Day and Assumption Day in France are not Business Days.
Dealing Day	means, unless otherwise determined by the Directors and notified in advance to Shareholders, each Business Day. Business Days will not be Dealing Days where the Fund's underlying investment markets are closed; or where markets relevant to the Benchmark are closed; when, at the discretion of the Manager, such closure results in a substantial

	portion of the Fund that may not be appropriately traded. Business Days may also not be Dealing Days where the relevant market operator(s) or exchange(s) close the market(s) for trading and/or settlement (such closure may be made with little or no notice to the Investment Manager). The Manager maintains an up-to-date dealing calendars for the Fund, available from the Manager and on www.axa-im.com .
Initial Offer Period	means the period beginning at 9.00 a.m. (Dublin time) on 29 September 2023 and terminating at 5.00 p.m. (Dublin time) on 28 March 2024 or such other period determined by the Directors in accordance with the requirements of the Central Bank.
Minimum Redemption Amount	means 150,000 Shares.
Minimum Subscription Amount	means 150,000 Shares.
Redemption Fee	Up to 3%.
Settlement Time	means, in respect of subscriptions, two Business Days after the relevant Dealing Day (unless otherwise stipulated by the Manager or its delegate); and, in respect of redemptions, two Business Days after the relevant Dealing Day (unless otherwise agreed with the Manager or its delegate).
Subscription Fee	Up to 3%.
Trade Cut-Off Time	means 4:00 p.m. (Paris time) on the Dealing Day or such earlier or later time as may be determined by the Manager or the Investment Manager at their discretion with prior notice to Authorised Participants, which is the cut-off time in respect of any Dealing Day for receipt of applications for subscriptions and redemptions in the Fund.
Valuation Day	means the Business Day, which also equates to the Dealing Day, where the Net Asset Value per Share is calculated.
Valuation Point	means 11:59 p.m. (Irish time) on the 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.

As set out in the Prospectus, under the heading “**Conversion of Shares**”, Shareholders may apply to convert their Shares in the Fund for another Class of Shares in the Fund with the prior consent of the Directors. The minimum dealing amounts set out above do not apply to conversions of Shares. As of the date of the Supplement, Shareholders are not permitted to seek conversion of their Shares in the Fund with Shares in another Fund.

FEES AND EXPENSES

A TER will be paid out of the assets of each Class to the Manager. The TER for each for each Class is set out under the heading “TER” in the table included in the Appendix hereto.

This section should be read in conjunction with the section headed “**Fees, Costs and Expenses**” in the Prospectus.

RISK FACTORS

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the “**Risk Factors**” section of the Prospectus.

Moreover, the Fund is subject to the additional risk described below:

Interest rate risk: 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.

The Fund is particularly exposed to bonds and other debt securities; in the event of a rise in interest rates, the value of assets invested at a fixed rate may fall.

Credit risk: 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 invested may fall. In such case, the Net Asset Value of the Fund may fall.

Risk related to investments in high yield instruments: The Fund may be 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

Derivatives Risk and Leverage: The Fund may use both listed and OTC derivatives for hedging purposes. These instruments are volatile and may be subject to various types of risks, including but not limited to market risk, liquidity risk, credit risk, counterparty risk, legal risk and operations risks. In addition, the use of derivatives can involve significant economic leverage and may, in some cases, involve significant risks of loss. Furthermore, investments in OTC derivatives may have limited secondary markets liquidity and it may be difficult to assess the value of such a position and its exposure to risk. For these reasons, there can be no guarantee that strategies using derivatives instruments will meet their expected target.

Counterparty risk: This is the risk of default (or counterparty’s failure to perform any of its obligations) of any counterparties of the Fund to any OTC financial derivatives transactions. The counterparty’s default (or the counterparty’s failure to perform any of its obligations) under these transactions may have a material adverse effect on the Net Asset Value of the Fund.

144A securities risk: The Fund may invest in [recently issued] securities, in particular in 144A securities. 144A securities benefit from an exemption from the registration obligation laid down by the 1933 “Securities Act” of the United States of America. These securities are restricted for resale to Qualified Institutional Buyers (QIBs), as defined by the 1933 “Securities Act” of the United States of America; therefore, administrative expenses are reduced due to this exemption. While traded on Regulated Markets, the 144A securities may be traded between a limited number of QIBs, which may cause a higher price volatility and a lower asset liquidity of certain 144A securities.

Extension risk: An increase in interest rates could cause principal payments on a debt security, including perpetual bonds that have no maturity date, to be paid back slower than expected. For a callable security, an increase in interest rates may result that the security is not redeemed on its call date resulting in an extension of the expected maturity (increase of the effective duration), where the security may become more exposed and may face market value decrease.

Reinvestment risk: Reinvestment risk is the risk that proceeds from bond coupons or redemptions may be reinvested at lower yields than that of the previous investment, due to the market conditions at the

time that the proceeds are invested. The callability feature in corporate bonds, including perpetual bonds (bonds without maturity date), increases reinvestment risk as companies will call their bonds when they can issue bonds with a lower yield.

Defaulted Securities risk: The Fund may hold defaulted securities that may become illiquid. The risk of loss due to default may also be considerably greater with lower-quality securities because they are generally unsecured and are often subordinated to other creditors of the issuer. If the issuer of a security in the Fund's portfolio defaults, the Fund may suffer unrealised losses on the security, which may lower the Fund's Net Asset Value per Share. Defaulted securities typically exhibit prices that are highly discounted to their face value.

Distressed securities risk: The Fund may hold distressed securities. Distressed securities are speculative and involve significant risk. Distressed securities frequently do not produce income while they are outstanding and may require the Fund to bear certain extraordinary expenses in order to protect and recover its holding. Therefore, to the extent the Fund seeks capital appreciation, the Fund's ability to achieve current income for its Shareholders may be diminished by its holding of distressed securities. The Fund will also be subject to significant uncertainty as to when and in what manner and for what value the obligations evidenced by the distressed securities will eventually be satisfied (e.g., through a liquidation of the obligor's assets, an exchange offer or plan of reorganisation involving the distressed securities or a payment of some amount in satisfaction of the obligation). In addition, even if an exchange offer is made or a plan of reorganisation is adopted with respect to distressed securities held by the Fund, there can be no assurance that the securities or other assets received by the Fund in connection with such exchange offer or plan of reorganisation will not have a lower value or income potential than may have been initially anticipated. Moreover, any securities received by the Fund upon completion of an exchange offer or plan of reorganisation may be restricted as to resale. As a result of the Fund's participation in negotiations with respect to any exchange offer or plan of reorganisation with respect to an issuer of distressed securities, the Fund may be restricted from disposing quickly of such securities.

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.

SFDR classification: 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.

RISK MANAGEMENT

The ICAV will use the commitment approach for the purposes of calculating global exposure for the Fund. The Fund's total exposure will be limited to 100% of Net Asset Value using the commitment approach.

While it is not the Manager's intention to leverage the Fund, any leverage resulting from the use of FDIs will be done in accordance with the UCITS Regulations.

Further detail on the calculation of global exposure is set out in the financial derivative instrument risk management process of the Fund ("**RMP**"). The RMP employed enables the Manager to accurately measure, monitor and manage the various risks associated with FDI, including leverage.

TAXATION

German Investment Tax Act

The status for the Fund pursuant to Section 2 para. 6 and 7 of the German Investment Tax Act 2018 is "bond fund".

Investors should consult their own professional advisers as to the implications of the Fund maintaining "bond fund" status pursuant to the German Investment Tax Act 2018.

RELEVANT STOCK EXCHANGES

Application has been made in respect of the ETF Shares to Deutsche Börse Xetra for admission to trading.

Neither the admission of the ETF Shares to trading on the regulated market of Deutsche Börse Xetra nor the approval of the listing particulars pursuant to the listing requirements of the Deutsche Börse Xetra shall constitute a warranty or representation by Deutsche Börse Xetra as to the competence of service providers to or any other party connected with the ICAV, the adequacy of information contained in the listing particulars or the suitability of the ICAV or the Fund for investment purposes.

It is intended that the Shares will be listed and admitted for trading on a number of other stock exchanges but the ICAV does not warrant or guarantee that such listings will take place or continue to exist.

**APPENDIX TO THE SUPPLEMENT OF THE
AXA IM US High Yield Opportunities UCITS ETF**

SHARE CLASSES OF THE FUND

Share Class	Class Currency	Hedged/Unhedged	Initial Offer Period Status	Initial Offer Price per Share	Distribution Policy	Distribution Frequency	TER
USD Acc ETF	USD	Unhedged	New	USD 10	Accumulating	N/A	Up to 0.35%
EUR (H) Acc ETF	EUR	hedged	New	EUR 10	Accumulating	N/A	Up to 0.38%

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

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: AXA IM US High Yield Opportunities UCITS ETF **Legal entity identifier:** 2138008Y3CBYTN527V24 (The "Financial Product")

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?



YES



NO

It will make a minimum of **sustainable investments with an environmental objective:** ___%

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

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

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



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

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

The Financial Product promotes environmental and/or social characteristics by investing in securities that have implemented good practices in terms of managing their environmental, governance and social ("ESG") practices. The following environmental and/or social characteristics are promoted by the Financial Product: the ESG score consideration of the issuers, the selection of companies having implemented good ESG practices and implementation of ESG sectorial exclusions and ESG Standards (health with exclusion on tobacco, coal and oil sand, protection of ecosystem and prevention of deforestation, labor rights, society and human rights, business ethics, anti-corruption with exclusion of companies in violation of the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions and the OECD guidelines for Multinational Enterprises).

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 ESG reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this Financial Product. A broad market index, ICE® BofA® US High Yield Index (the "Benchmark"), has been designated by the Financial Product to define its initial investment universe (the "Investment Universe").

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

■ ***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 and described above is measured with the following sustainability indicator:

- The weighted average ESG Score of the Financial Product and of the benchmark ICE® BofA® US High Yield (the "Benchmark")

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's 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.

● ***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 has no objective of sustainable investments.

● ***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 Financial Product has no objective of sustainable investments.

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

The Financial product has no objective of sustainable investments.

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

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

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 investments must also not significantly harm any environmental or social objectives.

The Financial product has no objective of sustainable investments.



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 will 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
Climate and other environment related indicators	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
Social and employee respect for human rights, anti-corruption and anti bribery matters	Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity
	ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises
	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 Financial Product promotes environmental and/or social characteristics through the consideration of the issuer ESG score and the application of several exclusion policies.

As further detailed in the sections of the Supplement titled “Investment Policy” and “Investment Strategy”, the Financial Product invests in high yield corporate bonds issued mainly by US companies and denominated in USD and may also invest in 144A securities. The Financial Product invests at least 90% of securities which are components of the Benchmark which forms the Investment Universe (as defined above).

The Investment Manager selects securities from the Investment Universe by applying an extra-financial approach based on the exclusion filters as described in AXA IM's Sectorial Exclusion and ESG Standards Policies defined below. More details on those policies are available under the following link: [Policies and reports | AXA IM Corporate \(axa-im.com\)](#). The Investment Manager also applies a disciplined and documented analysis of credit fundamentals as further outlined in the Supplement.

● **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 elements described below.

The Investment Manager bindingly applies at all times its Sectorial Exclusion Policies and ESG Standards Policy as a first exclusion filter.

The Sectorial Exclusions Policies exclude companies linked to Controversial Weapons, Climate risks, Soft Commodities (based on food and basic agricultural or marine commodities) and unsustainable practices relating to Ecosystem Protection and Deforestation.

The ESG Standards Policy (the “ESG Standards”) encompass specific exclusions such as tobacco and white phosphorus weapons and exclude 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.

More details on the Investment Manager’s Sectorial Exclusion Policies and ESG Standards Policy are available under the following link: [Policies and reports | AXA IM Corporate \(axa-im.com\)](#).

● **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.

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

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

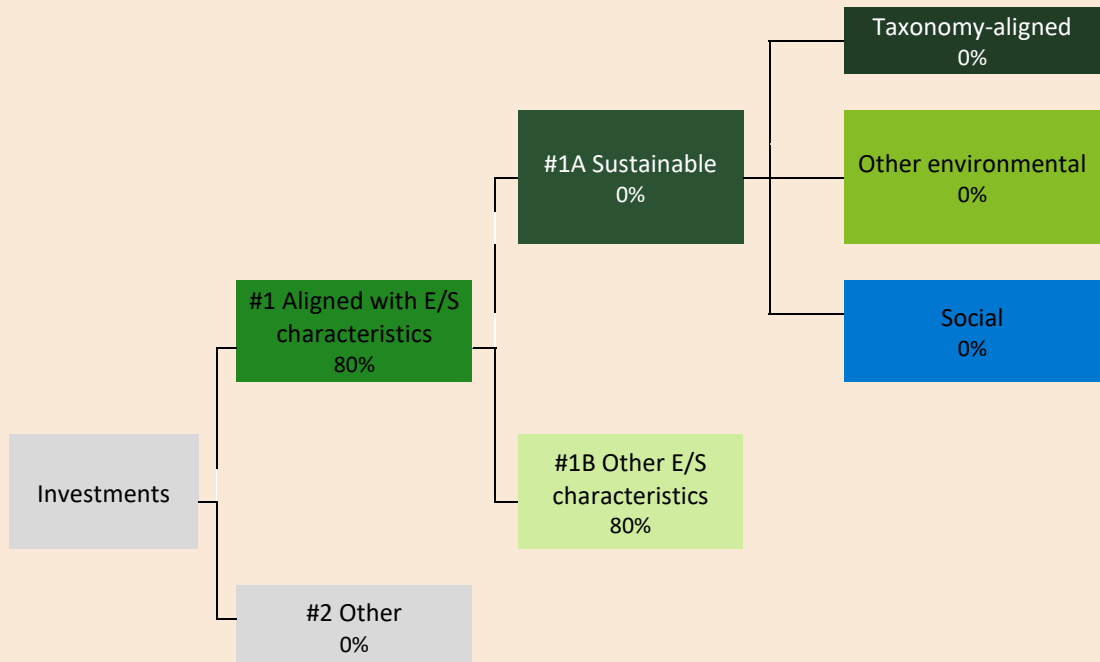


What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The Financial Product aims to plan its assets' allocation as presented in the graph above. 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% of the Financial Product Net Asset Value.

The planned minimum proportion of sustainable investments of the Financial Product is 0% of the Financial Product Net Asset Value as the Financial Product does not commit to making sustainable investments.

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 not significantly harm" criteria of the EU Taxonomy.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹ ?**

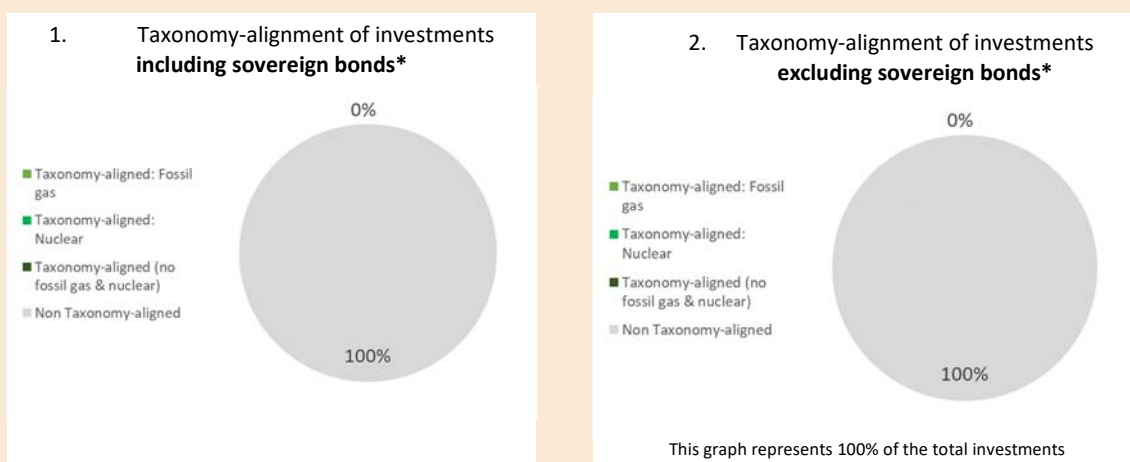
To comply with the EU taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

- Yes
- In fossil gas In nuclear energy
- No

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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



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

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

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

● **What is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with social objectives is 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 debt instruments, derivatives and investment collective schemes

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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 Eligible Collective Investment Schemes managed by other management company and **(iii)** on 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?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The designated Benchmark is a broad market index which is not aligned with the environmental and/or social characteristics promoted by the Financial Product.



Where can I find more product specific information online?

More details on AXA IM sustainable investment frameworks are available on [Sustainable Finance | SFDR | AXA IM Corporate \(axa-im.com\)](#)