

SFDR PRODUCT DISCLOSURES
AXIOM EMERGING MARKETS
CORPORATE BONDS

(a) Summary

ESG strategy. The investment objective of the Fund is to achieve, over a minimum 5-year investment horizon, an annual gross return (before management fees) of 500 basis points above, for each share class, its reference rate (each a “Benchmark”). To achieve this, the Axiom AI relies mainly on a discretionary selection of bonds, without seeking to replicate the content of a particular index or benchmark and without any credit rating constraint.

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment. The ESG score of the Fund has to be higher than the score of the universe. At least 75% of the Fund’s investments are in companies for which Environmental and Social characteristics are considered in the selection. The ESG analysis covers at least 90% of the Fund's investments in the case of “Investment Grade” quality instruments and at least 75% in the case of “High Yield” quality instruments¹.

In addition, the Fund follows the Thematic and Sectoral exclusions policies of Axiom AI, which include policies around controversial and conventional weapons, fossil fuels, and sin stocks. The Level 1 exclusions are applied to this Fund. Most important to the Fund are the exclusions related to violations of the United Nation Global Compact principles and the OECD guidelines for multinational enterprises.

Monitoring. The monitoring of the environmental and social characteristics of the product is ensured in different forms. The pre-trade and post-trade system control for breaches regarding our exclusion list and the ESG thresholds of the Fund (ESG performance and coverage). The portfolio manager has an internal tool to simulate portfolio changes on these ESG constraints before the trading order is sent.

Data and data quality. The ESG scores are sourced from our data provider Sustainalytics. Consistency checks are carried out to identify potential data issues, this includes looking at outliers and changes from one reporting year to another.

Engagement. This Fund does not have a specific engagement policy, engagement with the issuers of this Fund can take place as part of company-wide engagements or on an ad-hoc basis as a result of monitoring exercises.

Benchmark. No ESG reference benchmark has been designated to meet the Environmental and Social characteristics of the Fund.

(b) No sustainable investment objective

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investments.

¹ Issuers in the "Investment Grade" category are those whose rating by the three main rating agencies (Moody's, S&P and Fitch) is strictly higher than BB+, and issuers in the "High Yield" category are those whose rating, by the three main rating agencies, is strictly lower than BBB-. The rating used applies the “second best” rule, which means that the rating used is the second best if there are two or three ratings available. Issuers without a credit rating are considered high yield or “High Yield” issuers.

The Principal Adverse Impacts (PAIs) on sustainability factors considered by the Fund consist of a set of indicators that are relevant for the issuers of our investment universe. The financial product takes into account and monitors the following PAIs:

1. Greenhouse gas emissions
2. Carbon footprint
3. Greenhouse gas emission intensity of invested companies
4. Exposure to companies operating in the fossil fuels sector
5. Share of consumption and production of non-renewable energy
6. Energy consumption intensity by sectors with high climate impact
7. Activities with negative impact on sectors with high climate impact
8. Water consumption
9. Ratio of hazardous waste
10. Violations of the principles of the United Nations Global Compact and the OECD Guideline for Multinational Enterprises
11. Absence of processes and mechanisms for monitoring compliance with the principles of the United Nations Global Compact and the OECD Guideline for Multinational Enterprises
12. Unadjusted gender pay gap
13. Gender diversity within the Board of Directors

The PAIs related to the exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons) are not monitored as they are addressed through Axiom AI's exclusion policy.

(c) Environmental or social characteristics of the financial product

The Fund promotes environmental and social characteristics through the use of ESG scores. The ESG scores make use of hundreds Environmental, Social and Governance factors to measure the non-financial performance of the issuer. Factors common to all sectors as well as sector specific are considered based on a materiality approach. Examples of the environmental issues assessed include carbon emissions, resource use, land use and biodiversity and effluents and waste. Examples of social issues assessed include, data privacy and security, product governance, human capital, occupational health & safety and labor practices.

(d) Investment strategy

The investment objective of the Fund is to achieve, over a minimum 5-year investment horizon, an annual gross return (before management fees) of 500 basis points above, for each share class, its reference rate (each a "Benchmark"). To achieve this, the Axiom AI relies mainly on a discretionary selection of bonds, without seeking to replicate the content of a particular index or benchmark and without any credit rating constraint.

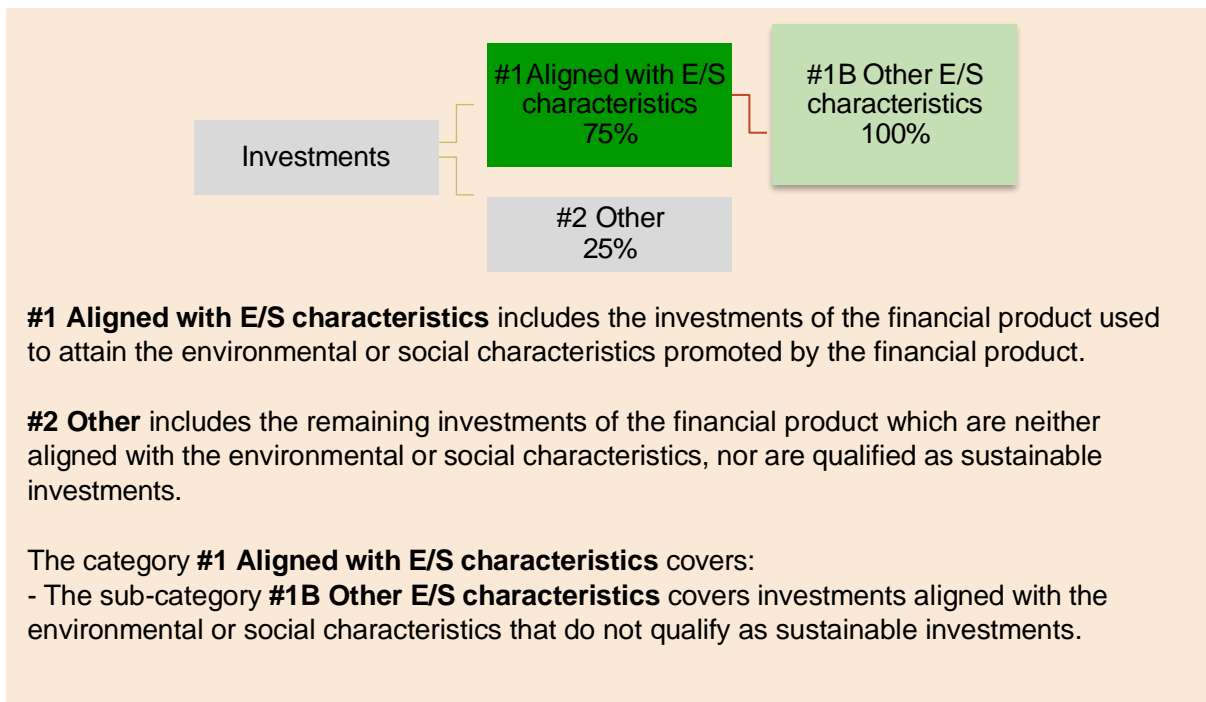
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In addition to the Environmental and Social characteristics described above, Axiom AI sources different data points to qualify the Governance of investee companies. Three types of information are analyzed: 1. Banks’ pillar 2 capital requirements; 2. Good Governance test result sourced from a data provider; 3. Sub-criteria scores related to companies’ management structures, employee relations, remuneration of staff and tax compliance taken from Axiom AI’s data providers’ ESG scores. Minimum performance thresholds are defined for each of the three data types. If a company does not meet any threshold or no information is available, Axiom AI sends a questionnaire. Companies that fail to respond the questionnaire or which provide answers that are unsatisfactory, as per the ESG Committee’s assessment, are excluded from the Fund’s investments.

(e) Proportion of investments



At least 75% of the Fund’s investment (excluding non single-name derivatives, cash and cash equivalents) will be used to attain the environmental and social characteristics promoted by the Fund. The remaining 25% will be in issuers for which ESG ratings are not available or for which all the environmental and social indicators cannot be assessed due to a lack of data. Minimum environmental and social safeguards are however covered through the application of the sectoral and thematic policies. Axiom AI’s ’s sectoral and thematic policies address companies in the coal power and mining sector, unconventional oil & gas, violations to United Nations Global Compact and the OECD Guidelines on multinational enterprises, and gender equality and diversity.

(f) Monitoring of environmental or social characteristics

The monitoring of the environmental and social characteristics of the product is ensured in different forms. The pre-trade and post-trade system control for breaches regarding our exclusion list and the ESG thresholds of the Fund (ESG performance and coverage). The portfolio manager has an internal tool to simulate portfolio changes on these ESG constraints before the trading order is sent.

(g) Methodologies

The ESG score of the Fund is compared against the ESG Score of the universe, and it must always be superior to that of its universe. The methodology of the ESG score can be found [here](#).

(h) Data sources and processing

i. Data sources

The ESG scores are sourced from our data provider Sustainalytics.

ii. Data quality and processing

Consistency checks are carried out to identify potential data issues, this includes looking at outliers and changes from one reporting year to another. Axiom AI's abstains from using sector averages to allocate missing ESG data points to an issuer.

Data processing differs according to the type data. In the case of the ESG scores, these are updated monthly in our internal IT system. The process is fully automated.

(i) Limitations to methodologies and data

- **Self-reported data:** Data disclosed directly by financial institutions, which is generally not audited, although this practice is becoming more common. The data provided is most of the time qualitative. Even if quantitative estimates are given, their use for comparisons with other financial institutions is very limited either because methodologies differ or because the disclosure on the scope and assumptions used is poor.
- **Data allocation:** ESG data of the parent company is allocated to the issuer whenever ESG scores are not available for that issuer. The impact of this choice at Fund level is generally quite low as positions in subsidiaries without data are rather rare.

(j) Due diligence

As mentioned in point f. and h.) Axiom AI has processes in place to ensure that the asset allocation at Fund level and at issuer level companies with the Fund's minimum standards.

(k) Engagement policies

This Fund does not have a specific engagement policy, engagement with the issuers of this Fund can take place as part of company-wide engagements or on an ad-hoc basis as a result of the monitoring exercises explained.

(l) Designated reference benchmark

No ESG reference benchmark has been designated to meet the Environmental and Social characteristics of the Fund.