



THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU DO NOT UNDERSTAND IT OR ARE IN DOUBT AS TO THE ACTION TO BE TAKEN, PLEASE CONSULT YOUR STOCKBROKER, ACCOUNTANT, SOLICITOR, FINANCIAL ADVISER OR WEALTH MANAGER IMMEDIATELY.

Date: 27 August 2026

Dear Investor,

A New Brand and Changes to AXA People & Planet Equity Fund (the "Fund")

We, AXA Investment Managers UK Limited, are writing to you in our role as the Authorised Fund Manager of the Fund.

The purpose of this letter is to inform you of some planned changes to the Fund. Although the changes do not require unitholder approval, and you are not required to take any action, we recommend that you read this letter carefully.

The Financial Conduct Authority ("FCA") has been notified of the changes and has confirmed that they will not affect the ongoing authorisation of the Fund. Under the FCA's Rules, you are entitled to a minimum of 60 days' advance notice of the changes because we regard the investment policy aspects of them as "significant" for the purposes of the Rules, and this letter constitutes that notice.

What is changing?

The name and the investment policy of the Fund will change as described below. As explained, however, the Fund's core investment philosophy, process and risk profile will remain unaltered after the changes take effect.

Branding and Name Changes

First, you may be aware that in July 2025 AXA Investment Managers was acquired by BNP Paribas. We have been operating within the enlarged BNP Paribas Asset Management group since the start of this year, using its branding on our fund literature, investor communications and website. We are now announcing that, as part of the next stage of the rebranding, AXA Investment Managers UK Limited's name will be changed to **"BNP PARIBAS ASSET MANAGEMENT (UK) Limited"**.

Also as part of the reorganisation, the names of the Funds which we manage are being changed so that they align with BNP Paribas branding and naming conventions. Consequently, the name of the Fund will change as set out below:

Current Name	New Name
AXA People & Planet Equity Fund	BNP Paribas AM(UK) People & Planet Fund

Following their implementation, these changes will be reflected in the Fund's legal documents and in our reporting and other communications with investors.

Investment Policy - ESG Criteria and Related Changes

Second, and as a consequence of our integration within the BNP Paribas Group, we are making some changes relating to the environmental, social and governance (**ESG**) criteria which are applied as part of the Fund's investment policy. These changes will update the description of the exclusions and screening methods used, including our ESG scoring framework, as we move to adopt the BNP Paribas Group standards for responsible investment (governed by its Responsible Business Conduct Policy) in place of the AXA Investment Managers guidelines which are currently followed.

The corresponding AXA Investment Managers and BNP Paribas Asset Management policies are closely aligned on ESG-based exclusions and standards. The exclusions applying to equity and fixed income corporates are very compatible in terms of the sectors and issues covered, including on the exclusion of companies based on norms-based screening and standards. There is also a nearly complete match (around 95% of the total number) between the sovereign issuers which are currently excluded and those that will continue to be excluded when the changes take effect. There are just two sovereign issuers which we exclude currently and which will become eligible, in certain restricted circumstances, but these are emerging markets in which the Fund is highly unlikely to invest.

Also, the aim and effect of the ESG scoring methodology will remain the same, with no change (under the BNP Paribas Asset Management policy) to the purpose or influence of a company's ESG score in the overall investment decision-making process. We will continue to use MSCI as the primary external data provider for scoring corporate issuers (equities and fixed income holdings), with Beyond Ratings (a new external provider) and internal fundamental analysis as the primary inputs for sovereign issuers' scores going forward.

In addition to the changes described above, we are making some minor updates regarding the assessment of companies for the purposes of the "Revenue Requirement" (as defined in the investment policy), which is linked to the "Outcomes" set out in the Fund's objectives. This includes a change of external data provider and, consequently, the adoption of a different assessment methodology. However, the new methodology is similar to the current approach, and the result will remain the provision of a quantitative screen to assess the proportion of a company's revenues which are aligned to the UN's Sustainable Development Goals. There will not be any change to the purpose or influence of the methodology in the Fund's overall investment process.

Details of the changes being made to the Fund's investment policy are provided for your review in the **Appendix** to this letter.

Will the investment policy changes result in a change to the Fund's investment objective or risk profile?

No, the changes described in this notification are being made to align the Fund with BNP Paribas Group processes, and there will be no material change in practice to how the Fund is managed. The existing investment strategy will continue to be followed, and the investment policy changes will not alter the Fund's investment objective or risk profile.

Please note also that the Fund will continue to use a "Sustainability Impact" label under the FCA's labelling regime for products which seek to achieve positive outcomes by investing in assets that have the potential to achieve a positive impact on environmental and / or social sustainability.

When will the changes take effect?

The name changes will take effect on **30 November 2026**. The amended investment policy of the Fund will be effective from **11 January 2027**.

What is the cost of making these changes?

We will meet the costs of amending the Fund's documentation to reflect the changes described in this letter and the costs associated with notifying unitholders.

It is expected that any realignment of the Fund's assets following the changes outlined above, and the resulting trading costs, will be minimal only. Any disinvestment required (for example, resulting from the adoption of the BNP Paribas Group exclusions) will be carried out in the ordinary management of the Fund, thereby reducing the impact to investors.

Further Information

The Prospectus for our range of Authorised Unit Trusts (the "**Prospectus**") and the Fund's Key Investor Information documents ("**KIIDs**") will be amended and republished to reflect the coming into effect of the changes described in this notification. Copies of the Prospectus, the KIIDs, and the Consumer Facing Disclosure document which provides investors with information regarding the sustainability characteristics of the Fund (the "**CFD**") are available on our website <https://www.axa-im.co.uk>.

Should you have any questions about the changes being made or any other aspect of the Fund, or would like to request a copy of the KIID(s) or the CFD, please contact our Customer Services team by phone on 0345 777 5511 (Monday to Friday 9.00am - 5.30pm) or via email on axa-im@uk.dstsyste.ms.com. Alternatively, please contact your usual local representative.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ouajnat', with a long, sweeping horizontal line underneath.

Ouajnat Karim, Director
For and on behalf of
AXA Investment Managers UK Limited

Appendix

Changes to the Investment Policy of the Fund

With effect from 11 January 2027, the investment policy of the Fund will be amended as set out below.

Current Investment Policy	Amended Investment Policy
The Fund invests at least 90% of its assets in listed companies of any size based in developed or emerging economies. The Fund will invest at least 70% of its gross asset value in a diversified portfolio of companies that demonstrate, as explained further below, a strategic commitment to provide innovative, impactful and commercially viable solutions to the environmental and/or social challenges addressed by one or more of the Outcomes. Public listed markets enable listed companies to access the capital and resources required and to reach the scale necessary to develop the expertise needed to provide the solutions to the Outcomes. Use may be made of borrowing and cash holdings for liquidity purposes. When defining the Fund's investment universe, the Manager will initially seek to exclude companies which the Manager considers present excessive degrees of environmental, social and governance ("ESG") risk by applying (i) AXA IM's sector specific investment guidelines, which exclude investment in soft commodity derivatives or exposure to certain companies based on their involvement in specific sectors (such as tobacco production, natural ecosystem conversion and deforestation, controversial weapons and climate risks), and (ii) applying the AXA Investment Managers ESG Standards policy, which excludes investment in companies based on (a) manufacture of white phosphorus weapons, certain criteria relating to human rights and anti-corruption as well as other ESG factors, (b) companies which cause, contribute, or are linked to violations of international norms and standards in a material manner or which are involved in incidents and/or events that pose a severe business or reputational risk to the relevant company due to the impact of its involvement on stakeholders or the environment and (c) companies with the lowest ESG score. The exclusion policies described	The Fund invests at least 90% of its assets in listed companies of any size based in developed or emerging economies. The Fund will invest at least 70% of its gross asset value in a diversified portfolio of companies that demonstrate, as explained further below, a strategic commitment to provide innovative, impactful and commercially viable solutions to the environmental and/or social challenges addressed by one or more of the Outcomes. Public listed markets enable listed companies to access the capital and resources required and to reach the scale necessary to develop the expertise needed to provide the solutions to the Outcomes. Use may be made of borrowing and cash holdings for liquidity purposes. When defining the Fund's investment universe, the Manager will initially seek to exclude companies which the Manager considers present excessive degrees of environmental, social and governance ("ESG") risk by systematically applying BNP Paribas Asset Management's firm-wide approach to ESG integration, including the Responsible Business Conduct Policy exclusions and scoring framework described below, and stewardship. BNP Paribas Asset Management's Responsible Business Conduct Policy (the "RBC Policy") excludes companies assessed to be in violation of norms and standards relating to human and labour rights, the environment, and / or corruption, as well as companies operating in sensitive sectors (e.g tobacco, coal, unconventional oil and gas, and excluded weapons), as these companies are deemed to cause unacceptable harm to society and / or the environment. The RBC Policy is subject to change. The latest version is accessible via the link provided in the "Responsible Investment" section and is also available from the Manager on request.

above are collectively termed in this investment policy as the “ESG Filter”.

The Manager then filters the investment universe to identify and ensure that the investment universe comprises of companies that derive at least 20% of their total current revenues from selling products and/or services which positively and materially impact one or more of the Outcomes (the “**Revenue Requirement**”). The Manager believes that 20% of a company’s total current revenues is a sufficient filter in the context of creating an investment universe as further detailed impact analysis is subsequently carried out by the Manager to assess the materiality of the company’s impact. The manager will not include a company in the investment universe of the Fund unless it reasonably believes that at least 20% of their total current revenues derives from selling products and/or services which positively and materially impact one or more of the Outcomes. When selecting investments for the Fund the Manager will apply its proprietary Impact Framework (the “**Impact Framework**”) described below which consider multiple factors beyond a company’s level of revenue.

To identify companies that meet the Revenue Requirement, the Manager will use the company’s ‘products and services’ scores (“**P&S Scores**”). P&S Scores are provided by the Manager’s selected third-party data provider and measure the amount of a company’s revenues generated by products and/or services that directly contribute to targets and achievement of one or more of the UN Sustainable Development Goals (“**UN SDGs**”). The UN SDGs provide a globally accepted framework through which companies can align their strategic goals, products and services to help solve the global environmental and social challenges faced by people and planet. The objectives of the Fund are mapped to those UN SDGs for which assessed products and services could potentially be relevant. For example, “*renewables and grid*” is relevant for SDG 7 - Affordable & Clean Energy, “*responsible production and consumption*” is relevant for SDG 12 - Responsible Production and Consumption and “*healthcare solutions*” is relevant for SDG 3 – Good Health and Well-Being. The P&S Score also includes

The Manager will generally exclude issuers with the lowest ESG scores, reflecting the worst ESG practices. ESG scores provide a standardized and holistic view on the performance of issuers on ESG factors, applying a scoring methodology based on a combination of criteria covering the most material risks. The Manager believes that issuers with higher or improving ESG scores may be expected to manage risk associated with ESG issues more effectively, which may be expected to contribute to the better ESG and financial performance of such issuers in the long term. ESG scores are obtained as detailed in the “Responsible Investment” section of this Prospectus.

The Manager then filters the investment universe to identify and ensure that the investment universe comprises of companies that derive at least 20% of their total current revenues¹ from selling products and/or services which positively and materially impact one or more of the Outcomes (the “**Revenue Requirement**”). The Manager believes that 20% of a company’s total current revenues is a sufficient filter in the context of creating an investment universe as further detailed impact analysis is subsequently carried out by the Manager to assess the materiality of the company’s impact. The manager will not include a company in the investment universe of the Fund unless it reasonably believes that at least 20% of their total current revenues derives from selling products and/or services which positively and materially impact one or more of the Outcomes. When selecting investments for the Fund the Manager will apply its proprietary Impact Framework (the “**Impact Framework**”) described below which consider multiple factors beyond a company’s level of revenue.

To determine that a company meets the Revenue Requirement, the Manager will use an assessment of the revenues generated by the company’s core products and services which are aligned to the UN Sustainable Development Goals (“**UN SDGs**”). The aligned revenue is provided by the Manager’s selected external data provider, which measures the proportion or amount of a company’s revenues which is generated by products and/or services that directly contribute to the targets and achievement of one or more of the 17 UN SDGs. The UN SDGs provide

any negative effects a company may have on the environment or society by considering the extent to which its products and services may obstruct the achievement of one or more of the UN SDGs. The significance of the scale of any negative effects of a company's products and services is assessed and scored as a negative. A company with a P&S Score of 2 or more meets the Revenue Requirement, and the Manager will therefore consider such companies which have at least one P&S Score of 2 or above. The higher a company's P&S Score, the greater the proportion of a company's revenue derived from products and services that are deemed to provide environmental and social benefits for the people and/or planet. P&S Scores can range from -10.0, where 100% of a company's revenues are generated by products and/or services classified as having a significant negative impact on the targets and achievement of one or more of the UN SDGs, to 10.0, where 100% of a company's revenues are generated by products and/or services classified as having a significant contributing impact on the targets and achievement of one or more of the UN SDGs. The Manager may include a company with P&S Scores of less than 2 in the investment universe where the Manager deems, through its own research, that at least 20% of the company's revenue is generated by products and/or services that contribute to the targets and achievement of one or more of the UN SDGs or Outcomes and it does not have a significant adverse impact on the Outcomes. Where a company does not have P&S Scores, the Manager may estimate the percentage of the company's total current revenue which contributes to one or more of the Outcomes.

In order to identify companies that the Fund will allocate capital to, the Manager then applies its Impact Framework. The Impact Framework seeks to identify companies that are sustainably generating a significant positive impact on the Outcomes ("**Impact Leaders**" and "**Impact Contributors**" as defined below) and companies which it deems to be contributing positively to the Outcomes ("**SDG-Aligned**" as defined below). The Manager will carry out an impact assessment on each company, under which it will evaluate the impact of a company's products and/or services and their operations management to select: (i) companies that demonstrate intentional, strategic commitment to

a globally accepted framework through which companies can align their strategic goals, products and services to help solve the global environmental and social challenges faced by people and the planet. The objectives of the Fund are mapped to those UN SDGs for which assessed products and services could potentially be relevant. For example, "*renewables and grid*" is relevant for SDG 7 - Affordable & Clean Energy, "*responsible production and consumption*" is relevant for SDG 12 - Responsible Production and Consumption, and "*healthcare solutions*" is relevant for SDG 3 - Good Health and Well-Being. The Manager's selected external data provider also assesses any negative effects which a company may have on the environment or society by considering the extent to which its products and services may obstruct the achievement of one or more of the UN SDGs. The Manager may include a company with revenue alignment of less than 20% in the investment universe of the Fund where the Manager deems, through its own research, that at least 20% of the company's revenue is generated by products and/or services that directly contribute to the targets and achievement of one or more of the UN SDGs and that it does not have a significant adverse impact on other SDGs or the Outcomes. Where a company does not have a revenue alignment assessment from the selected data provider, the Manager may estimate the percentage of the company's total current revenue which contributes to one or more of the UN SDGs or Outcomes.

In order to identify companies that the Fund will allocate capital to, the Manager then applies its Impact Framework. The Impact Framework seeks to identify companies that are sustainably generating a significant positive impact on the Outcomes ("**Impact Leaders**" and "**Impact Contributors**" as defined below) and companies which it deems to be contributing positively to the Outcomes ("**SDG-Aligned**" as defined below). The Manager will carry out an impact assessment on each company, under which it will evaluate the impact of a company's products and/or services and their operations management to select: (i) companies that demonstrate intentional, strategic commitment to generate positive impact on the Outcomes (*intentionality*); (ii) companies that offer solutions that are materially significant to their beneficiaries (especially to poorly served populations and

generate positive impact on the Outcomes (*intentionality*); (ii) companies that offer solutions that are materially significant to their beneficiaries (especially to poorly served populations and communities in developed, emerging and developing economies) and to the companies themselves (in terms of contribution to their revenue and growth potential) (*materiality*); and (iii) companies that offer the best and most accessible solutions, through innovation, affordability or broader distribution, and whose operational practices are driving progress in sustainability in their industries (*additionality*). The Manager will also assess how companies are addressing any negative impacts of their activities on the Outcomes (*negative externalities*) and how they measure and report KPIs on their impact on the Outcomes (*measurability*). To make its assessment under each of the above areas, the Manager will take into account a range of information, including the company's reports, relevant KPIs related to the company's products and/or services and operations, the company's relative performance compared to its industry peers and its performance over time. For each area (*materiality*, *additionality*, *intentionality*, *measurability*, *negative externalities*) the Manager will attribute a score of between 1 and 5 (1 being the best or highest and 5 the worst or lowest) to each area and calculate and weighted average overall score. The Manager attributes a greater weight to *materiality* and *additionality* as the Manager believes that these areas are indicative of the ultimate impact a product and/or service may provide. Based upon this score and the managers overall assessment, companies are rated as:

- (i) "Impact Leaders", being those companies which have the best scores (2.2 or lower) and are deemed by the Manager to be sustainably generating a significant and material net positive impact on the Outcomes. Companies categorised as Impact Leaders include companies which generate significant *additionality* to make their products and/or services widely accessible and at a cost that means they are available

communities in developed, emerging and developing economies) and to the companies themselves (in terms of contribution to their revenue and growth potential) (*materiality*); and (iii) companies that offer the best and most accessible solutions, through innovation, affordability or broader distribution, and whose operational practices are driving progress in sustainability in their industries (*additionality*). The Manager will also assess how companies are addressing any negative impacts of their activities on the Outcomes (*negative externalities*) and how they measure and report KPIs on their impact on the Outcomes (*measurability*). To make its assessment under each of the above areas, the Manager will take into account a range of information, including the company's reports, relevant KPIs related to the company's products and/or services and operations, the company's relative performance compared to its industry peers and its performance over time. For each area (*materiality*, *additionality*, *intentionality*, *measurability*, *negative externalities*) the Manager will attribute a score of between 1 and 5 (1 being the best or highest and 5 the worst or lowest) to each area and calculate and weighted average overall score. The Manager attributes a greater weight to *materiality* and *additionality* as the Manager believes that these areas are indicative of the ultimate impact a product and/or service may provide. Based upon this score and the managers overall assessment, companies are rated as:

- (i) "Impact Leaders", being those companies which have the best scores (2.2 or lower) and are deemed by the Manager to be sustainably generating a significant and material net positive impact on the Outcomes. Companies categorised as Impact Leaders include companies which generate significant *additionality* to make their products and/or services widely accessible and at a cost that means they are available to poorly served populations and communities in developed, emerging and developing economies.

to poorly served populations and communities in developed, emerging and developing economies. (ii) “Impact Contributors”, being those companies which score well (2.7 or lower) and are deemed by the Manager to be sustainably generating a significant net positive impact on the Outcomes, however the Manager has identified factors which adversely affect their score and impact, such as <i>negative externalities</i> or a lack of disclosure on their positive or negative impact; (iii) “SDG-Aligned”, being those companies whose score (3 or lower) does not merit a rating as “Impact Leader” or “Impact Contributor” but which are deemed by the Manager to be contributing positively to the Outcomes, however their net positive contribution considering the 5 areas of the impact assessment does not warrant a rating as an “Impact Contributor”; (iv) “Neutral”, being those companies whose positive and negative impact to the Outcomes are similar (whether limited or material), such that they cancel each other out; (v) “Detractor”, being those companies whose negative impact on the Outcomes exceeds their positive impact. The ratings attributed to companies under the Impact Framework are monitored regularly and are reviewed upon the emergence of any negative information that could reasonably be considered to affect the rating of a company, or otherwise at least every 2 years.	(ii) “Impact Contributors”, being those companies which score well (2.7 or lower) and are deemed by the Manager to be sustainably generating a significant net positive impact on the Outcomes, however the Manager has identified factors which adversely affect their score and impact, such as <i>negative externalities</i> or a lack of disclosure on their positive or negative impact; (iii) “SDG-Aligned”, being those companies whose score (3 or lower) does not merit a rating as “Impact Leader” or “Impact Contributor” but which are deemed by the Manager to be contributing positively to the Outcomes, however their net positive contribution considering the 5 areas of the impact assessment does not warrant a rating as an “Impact Contributor”; (iv) “Neutral”, being those companies whose positive and negative impact to the Outcomes are similar (whether limited or material), such that they cancel each other out; (v) “Detractor”, being those companies whose negative impact on the Outcomes exceeds their positive impact. The ratings attributed to companies under the Impact Framework are monitored regularly and are reviewed upon the emergence of any negative information that could reasonably be considered to affect the rating of a company, or otherwise at least every 2 years. The Fund invests at least 70% of its gross asset value in listed companies deemed to be Impact Leaders or Impact Contributors. The Fund will invest its remaining assets in: (a) for the purpose of achieving its financial objective, listed companies of any size
---	---

The Fund invests at least 70% of its gross asset value in listed companies deemed to be Impact Leaders or Impact Contributors. The Fund will invest its remaining assets in: (a) for the purpose of achieving its financial objective, listed companies of any size based in developed or emerging economies but deemed to be SDG-Aligned; or (b) for liquidity purposes, as otherwise permitted under this investment policy. The Fund will not invest in companies rated as Neutral or Detractor. The Manager will select companies which it deems will be able to sustainably generate the most material positive impact on the Outcomes, and/or will respond most favourably to the Manager's engagement to achieve the same based on an analysis of (i) the materiality of the company's impact using the Manager's Impact Framework; (ii) the company's long-term strategy, its market and growth opportunities; (iii) it's competitive advantage; (iv) its business model, cost structure and customer base; (v) the quality of its management team and ability of the same to execute; (vi) the company's financial status; and (vii) the company's market value. The Fund will typically seek to maintain its investment in a company for a period of 3 to 5 years. The Manager seeks to avoid investing in companies that conflict with the Outcomes and will ultimately divest from companies which it no longer believes are delivering a positive impact towards the Outcomes. By applying the ESG Filter the Manager seeks to exclude companies which it considers present excessive degrees of environmental, social and governance risk. Further, as part of its analysis of companies the manager will consider a company's sustainability policies and practices, including its operations, supply chain, the product's and/or service's use and end-of-useful life together with the consequences of its future decommissioning or retirement. Based on this analysis, the Investment Manager assesses the company's quality and suitability for the Fund and will not invest in assets that conflict with the sustainability objective of the fund. The Manager cannot guarantee that there will not be any negative impacts associated with investments it makes and there is always the possibility of ancillary unintended impacts resulting from pursuing the Outcomes, please refer to	based in developed or emerging economies but deemed to be SDG-Aligned; or (b) for liquidity purposes, as otherwise permitted under this investment policy. The Fund will not invest in companies rated as Neutral or Detractor. The Manager will select companies which it deems will be able to sustainably generate the most material positive impact on the Outcomes, and/or will respond most favourably to the Manager's engagement to achieve the same based on an analysis of (i) the materiality of the company's impact using the Manager's Impact Framework; (ii) the company's long-term strategy, its market and growth opportunities; (iii) it's competitive advantage; (iv) its business model, cost structure and customer base; (v) the quality of its management team and ability of the same to execute; (vi) the company's financial status; and (vii) the company's market value. The Fund will typically seek to maintain its investment in a company for a period of 3 to 5 years. The Manager seeks to avoid investing in companies that conflict with the Outcomes and will ultimately divest from companies which it no longer believes are delivering a positive impact towards the Outcomes. By applying the RBC Policy, the Manager seeks to exclude companies which it considers present excessive degrees of environmental, social and governance risk. Further, as part of its analysis of companies the manager will consider a company's sustainability policies and practices, including its operations, supply chain, the product's and/or service's use and end-of-useful life together with the consequences of its future decommissioning or retirement. Based on this analysis, the Investment Manager assesses the company's quality and suitability for the Fund and will not invest in assets that conflict with the sustainability objective of the fund. The Manager cannot guarantee that there will not be any negative impacts associated with investments it makes and there is always the possibility of ancillary unintended impacts resulting from pursuing the Outcomes, please refer to "<i>Adverse consequences linked to pursuit of the Outcomes</i>" sections below. The Manager will engage with at least 70% of all the companies in the Fund every 12 months, comprising of engagement with those companies deemed to be Impact Leaders or Impact Contributors. The Manager
--	--

“Adverse consequences linked to pursuit of the Outcomes” sections below.

The Manager will engage with at least 70% of all the companies in the Fund every 12 months, comprising of engagement with those companies deemed to be Impact Leaders or Impact Contributors. The Manager will also engage with companies that are deemed to be SDG Aligned. The Manager engagement will focus on companies where it believes engagement can provide the most material positive impact on the Outcomes and/or where it can encourage companies to take appropriate action to mitigate any negative impacts on the Outcomes. Through its engagement, the Manager may seek to encourage companies to, for example, increase the production capacity of impactful products and services or make products and services more affordable through differentiated pricing and/or product design. The Manager aims to increase the percentage of companies in the Fund that report impact KPIs, set targets for their impact KPIs and are on track to meeting these targets. The Manager believes that its engagement with such companies will positively impact the achievement of the Fund’s sustainability objective. As well as engaging with investee companies, the Manager will also support the boards of such companies by voting in favour of or against proposals in line with its corporate governance and voting policy which the Manager believes is consistent with achieving the Outcomes of the Fund.

For more detail on the Manager’s engagement and stewardship approach and our potential areas of engagement, please refer to the *“Stewardship and Engagement”* and *“Theory of Change”* sections below.

The *“Responsible Investment”* section of this Prospectus contains further details on the Manager’s selected external provider(s).

Adverse consequences linked to pursuit of the Outcomes

While the application of our exclusionary policies (the AXA IM sector specific investment guidelines and the AXA IM ESG Standards policy) aims to reduce the likelihood of exposure to poor ESG corporate practices and unsustainable business activities, nevertheless, there are some potential negative outcomes that could arise from pursuing the above

will also engage with companies that are deemed to be SDG Aligned. The Manager engagement will focus on companies where it believes engagement can provide the most material positive impact on the Outcomes and/or where it can encourage companies to take appropriate action to mitigate any negative impacts on the Outcomes. Through its engagement, the Manager may seek to encourage companies to, for example, increase the production capacity of impactful products and services or make products and services more affordable through differentiated pricing and/or product design. The Manager aims to increase the percentage of companies in the Fund that report impact KPIs, set targets for their impact KPIs and are on track to meeting these targets. The Manager believes that its engagement with such companies will positively impact the achievement of the Fund’s sustainability objective. As well as engaging with investee companies, the Manager will also support the boards of such companies by voting in favour of or against proposals in line with its corporate governance and voting policy which the Manager believes is consistent with achieving the Outcomes of the Fund.

For more detail on the Manager’s engagement and stewardship approach and our potential areas of engagement, please refer to the *“Stewardship and Engagement”* and *“Theory of Change”* sections below.

The *“Responsible Investment”* section of this Prospectus contains further details on the Manager’s selected external provider(s).

Adverse consequences linked to pursuit of the Outcomes

While the application of the RBC Policy aims to reduce the likelihood of exposure to poor ESG corporate practices and unsustainable business activities, nevertheless, there are some potential negative outcomes that could arise from pursuing the above investment strategy. The potential adverse consequences associated with addressing one or more of the Outcomes targeted by the Fund are:

- **Energy Transition:** While transitioning away from fossil fuels is key to reducing carbon emissions from the energy sector, renewable energy generation infrastructure may disrupt local marine and land ecosystems.

investment strategy. The potential adverse consequences associated with addressing one or more of the Outcomes targeted by the Fund are:

- **Energy Transition:** While transitioning away from fossil fuels is key to reducing carbon emissions from the energy sector, renewable energy generation infrastructure may disrupt local marine and land ecosystems.
- **Protection of biodiversity:** While sustainable land use projects are designed to protect biodiversity, some companies, such as engineering and construction companies, may have negative environmental impacts through, for example, air and noise pollution and waste generation.
- **Social Progress:** While healthcare solutions support the development of life saving treatments and medical advancements, they can be misused, administered improperly or their quality and safety standards may be compromised, leading to an increase in adverse health outcomes. The misuse of healthcare products can contribute to the development of drug-resistant strains of infections, decrease in efficacy of treatments and strained healthcare resources.

The Manager seeks to mitigate the risks associated with these trade-offs through (i) its qualitative impact assessments based on AXA IM's Proprietary Impact Framework; and (ii) engagement to ensure that companies are taking appropriate action to mitigate such risks and seeks to avoid investing in companies where it believes that the trade-off will have a significant negative impact on any of the Outcomes.

- **Protection of biodiversity:** While sustainable land use projects are designed to protect biodiversity, some companies, such as engineering and construction companies, may have negative environmental impacts through, for example, air and noise pollution and waste generation.
- **Social Progress:** While healthcare solutions support the development of life saving treatments and medical advancements, they can be misused, administered improperly or their quality and safety standards may be compromised, leading to an increase in adverse health outcomes. The misuse of healthcare products can contribute to the development of drug-resistant strains of infections, decrease in efficacy of treatments and strained healthcare resources.

The Manager seeks to mitigate the risks associated with these trade-offs through (i) its qualitative impact assessments based on BNP Paribas Asset Management's Proprietary Impact Framework; and (ii) engagement to ensure that companies are taking appropriate action to mitigate such risks and seeks to avoid investing in companies where it believes that the trade-off will have a significant negative impact on any of the Outcomes.

