

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA WORLD FUNDS - ACT HUMAN Entity LEI: 2138002K7PEDAMUO9B79  
CAPITAL (the "Financial Product")

## Sustainable investment objective

### Did this financial product have a sustainable investment objective?



YES



NO



It made **sustainable investments with an environmental objective**: 47.09%



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



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



It made **sustainable investments with a social objective**: 51.47%



It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% of sustainable investments



with an environmental objective in economic activities that 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 promoted E/S characteristics, but **did not make any sustainable investments**

#### 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.



### To what extent was the sustainable investment objective of this financial product met?

The Financial Product has met its sustainable investment objective for the reference period by investing in companies considering their:

- Human Capital Score

The financial product has met its sustainable investment objectives by investing in companies assessed as sustainable through the following dimension:

1. **UN Sustainable Development Goals alignment (SDG)** of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

a) the SDG scoring related to the “products and services” offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b) using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer’s operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer’s Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer’s “Operations” is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

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

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

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

● **How did the sustainability indicators perform?**

During the reference the period, the attainment of the sustainable objective of the Financial Product has been measured with the sustainability indicators mentioned below:

Sustainability KPI Name	Value
Human Capital Score	5.68 / 10

*N.B.: While Sustainability KPIs (including sustainable investments) are reported based on an average of the data available at each end of quarter, for technical reasons benchmarks are reported based on end of year data only. Therefore, the comparison should not be taken as such at face value and should not be interpreted as a breach of the binding elements disclosed into the Financial Product’s legal documentation, as figures disclosed for the benchmark are not based on the same accounting approach than for those disclosed for the Financial product.*

● **... And Compared to Previous Periods?**

Sustainability KPI Name	Year	Value	Benchmark	Coverage
Human Capital Score	2022	5.7 / 10	5.24 / 10	100 %

● **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

The application of the Do No Significant Harm Principle for the sustainable investments the Financial Product made means that the following companies cannot qualify as sustainable if they met any of the criteria listed below:

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

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

**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.

dedicated internal governance body.

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

*How were the indicators for adverse impacts on sustainability factors taken into account?*

The Financial Product has taken into consideration Principal Adverse Impacts (“PAIs”) indicators to ensure that the sustainable investments did not harm significantly any other sustainability objectives under SFDR.

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

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

Where relevant, Stewardship policies are an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Financial Product used its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors.

Voting at general meetings is also 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 invests and mitigate adverse impacts.

Environment:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)	Metric tonnes	Scope 1: 1618.345 Scope 2: 1078.505 Scope 3: 157745.672 Scope 1+2: 2696.851 Scope 1+2+3: 160003.125
Ecosystem Protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M\$)	Scope 1+2: 19.653 Scope 1+2+3: 1069.116
	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	Scope 1+2+3: 2143.273
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	6.04
Climate Risk policy (engagement only)	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	Energy Consumption: 51.44 Energy Production: 87.18
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption) <sup>1</sup>	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	Sector NACE C: 4.951 Sector NACE D: 4.322 Sector NACE E: 0.641

			Sector NACE F: 0.788 Sector NACE G: 0.021 Sector NACE L: 0.575
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	3.38
SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	0.03
SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested, expressed as a weighted average	1.304

Social and Governance:

Relevant AXA IM policies	PAI indicator	Units	Measurement
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	N/A
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) <sup>2</sup>	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	25.84 %
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	14.03%
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board gender diversity	Expressed as a percentage of all board members.	39.58
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	N/A

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

PAI calculation methodologies have been defined as consistently as possible with current regulatory guidelines. Furthermore, reporting on PAIs can be limited or may reflect reporting periods prior to the reference period mainly due to challenges with regards to both data availability and reliability. PAI definitions and calculation methodologies may still evolve in the future depending on any additional regulatory guidelines, or due to data evolution with, for instance, data provider's change in methodology, or change in data sets used in order to align different reporting frameworks whenever possible.

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

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

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

Any other sustainable investment must also not significantly harm any environmental or social objectives.



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

The Financial Product took into consideration the following Principal Adverse Impact indicators as presented below:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	Scope 1: 1618.345
Ecosystem protection & Deforestation policy			Scope 2: 1078.505 Scope 3: 157745.672 Scope 1+2: 2696.851 Scope 1+2+3: 160003.125
Climate Risk policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO <sub>2</sub> e/M€ or tCO <sub>2</sub> e/M\$)	Scope 1+2: 19.653
Ecosystem protection & Deforestation policy			Scope 1+2+3: 1069.116
Climate Risk policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	Scope 1+2+3: 2143.273
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	6.04
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	Energy Consumption: 51.44 Energy Production: 87.18
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	3.38
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	N/A
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity	Expressed as a percentage of all board members	39.58
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	N/A

PAI calculation methodologies have been defined as consistently as possible with current regulatory guidelines. Furthermore, reporting on PAIs can be limited or may reflect reporting periods prior to the reference period mainly due to challenges with regards to both data availability and reliability. PAI definitions and calculation methodologies may still evolve in the future depending on any additional regulatory guidelines, or due to data evolution with, for instance, data provider’s change in methodology, or change in data sets used in order to align different reporting frameworks whenever possible.

*N.B.: PAIs are reported based on an average of the impacts at each end of quarter where data is available.*



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2023-12-29

The top investments of the Financial Product are detailed below:

Top investments	Sector	Proportion	Country
SPIE SA XPAR EUR	Architectural and engineering activities; technical testing and analysis	3.59%	FR
INFRASTRUTTURE WIRELESS ITAL MTAA EUR	Civil engineering	3.02%	IT
ASR NEDERLAND NV XAMS EUR	Insurance, reinsurance and pension funding, except compulsory social security	2.96%	NL
ERSTE GROUP BANK AG XWBO EUR	Financial service activities, except insurance and pension funding	2.78%	AT
EIFFAGE XPAR EUR	Construction of buildings	2.74%	FR
ARCADIS NV XAMS EUR	Architectural and engineering activities; technical testing and analysis	2.61%	NL
PRYSMIAN SPA MTAA EUR	Manufacture of electrical equipment	2.6%	IT
ERG SPA MTAA EUR	Electricity, gas, steam and air conditioning supply	2.45%	IT
STOREBRAND ASA XOSL NOK	Insurance, reinsurance and pension funding, except compulsory social security	2.42%	NO
SIEGFRIED HOLDING AG-REG XSWX CHF	Manufacture of basic pharmaceutical products and pharmaceutical preparations	2.32%	CH
GALENICA AG XSWX CHF	Wholesale trade, except of motor vehicles and motorcycles	2.19%	CH
CRANSWICK PLC XLON GBP	Manufacture of food products	2.17%	GB
TELE2 AB-B SHS XSTO SEK	Telecommunications	2.16%	SE
CEMBRA MONEY BANK AG XSWX CHF	Financial service activities, except insurance and pension funding	2.14%	CH
AXFOOD AB XSTO SEK	Retail trade, except of motor vehicles and motorcycles	2.11%	SE

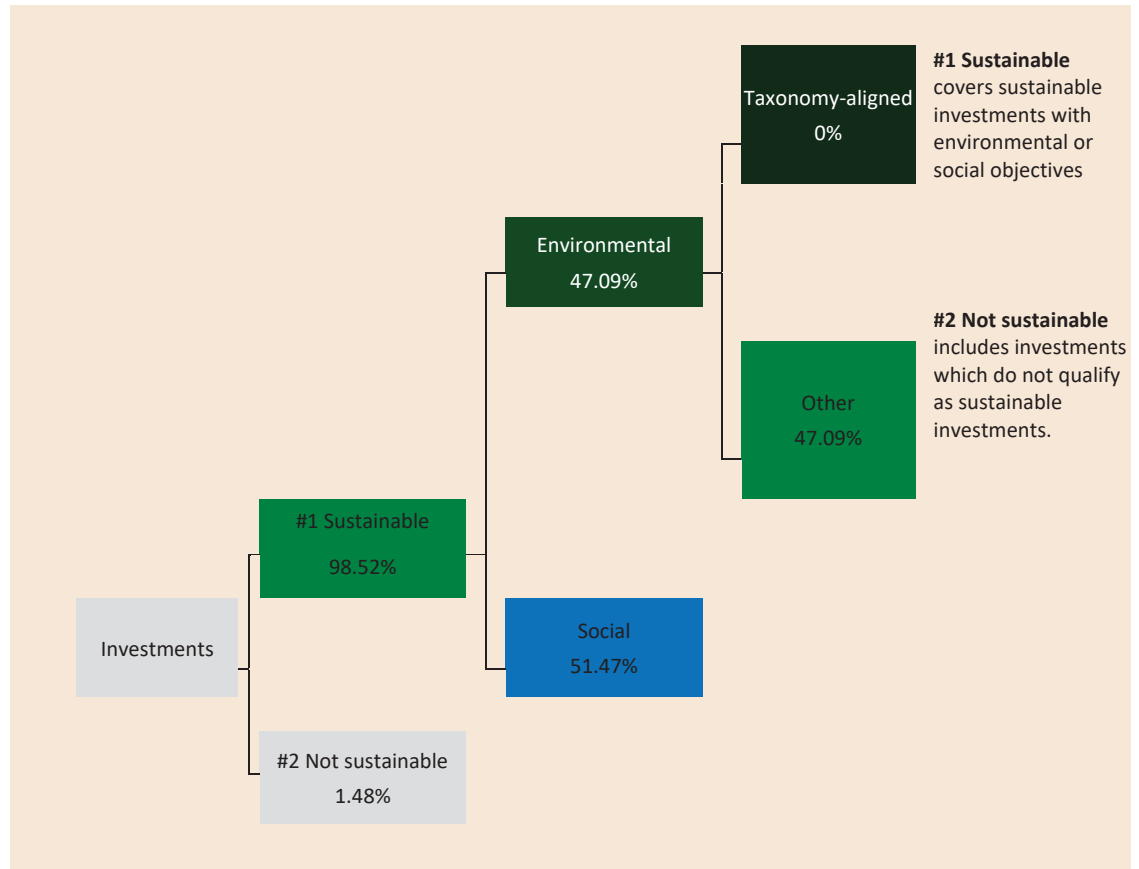
The portfolio proportions of investments presented above are an average over the reference period.



Asset allocation describes the share of investments in specific assets.

## What was the proportion of sustainability-related investments?

### What was the asset allocation?



The actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

### In which economic sectors were the investments made?

Financial product's investments were made in the economic sectors detailed below:

Top sector	Proportion
Financial service activities, except insurance and pension funding	10.3%
Manufacture of machinery and equipment n.e.c.	8.71%
Architectural and engineering activities; technical testing and analysis	8.17%
Wholesale trade, except of motor vehicles and motorcycles	7.61%
Publishing activities	5.85%
Insurance, reinsurance and pension funding, except compulsory social security	5.37%
Civil engineering	5.24%
Manufacture of electrical equipment	5.09%

Manufacture of basic pharmaceutical products and pharmaceutical preparations	4.06%
Construction of buildings	4.05%
Real estate activities	4.04%
Manufacture of computer, electronic and optical products	4%
Manufacture of paper and paper products	2.98%
Manufacture of chemicals and chemical products	2.78%
Manufacture of wearing apparel	2.71%
Computer programming, consultancy and related activities	2.69%
Electricity, gas, steam and air conditioning supply	2.45%
Manufacture of food products	2.17%
Telecommunications	2.16%
Retail trade, except of motor vehicles and motorcycles	2.11%
Manufacture of motor vehicles, trailers and semi-trailers	1.96%
Water collection, treatment and supply	1.93%
Manufacture of rubber and plastic products	1.03%
Manufacture of furniture	0.91%
Other	0.89%
Waste collection, treatment and disposal activities; materials recovery	0.72%

The portfolio proportions of investments presented above are an average over the reference period.



### **To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Financial Product did 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.



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

**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.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

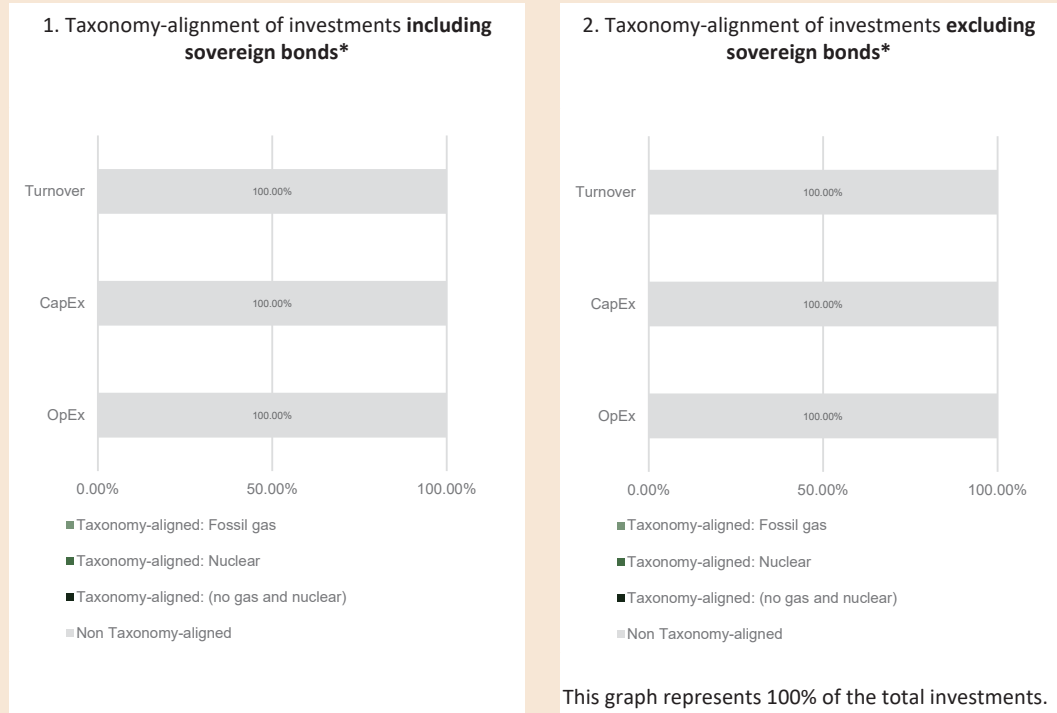
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

## Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes
- In fossil gas  In nuclear energy
- No

*The graphs below show in green the percentage of investments that were 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

The Taxonomy alignment of the Financial Product has been provided by an external data provider and has been consolidated to the portfolio level by AXA IM. Nevertheless, it has not been subject to an audit or a review by a third party.

## What was the share of investments made in transitional and enabling activities?


The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. Therefore, the share of investments made in transitional and enabling activities is 0%.

<sup>1</sup> 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.

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

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The Financial Product was not aligned to EU Taxonomy for the period of reference, nor for prior year period.


 **What was the share of sustainable investments with an environmental objective that were not aligned with the EU taxonomy?**

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 47.09% for this Financial Product during the reference period.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.

 **What was the share of socially sustainable investments?**

During the reference period, the Financial Product invested in 51.47 % of sustainable investments with a social objective.

 **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

Investments included under “not sustainable” represented 1.48% of the Net Asset Value of the product.

The “not sustainable” assets may have consisted in, as defined in the precontractual annex:

- derivatives used in hedging strategies or used for liquidity management purpose and,
- 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

Environmental or social safeguards are applied and assessed on all “Not Sustainable” assets except on (i) non single name derivatives and (ii) on cash and cash equivalent investments described above.



**What actions have been taken to attain the sustainable investment objective during the reference period?**

In 2023, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (iii) Arctic with divestment from companies deriving more than 10% of their production from Arctic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: <https://www.axa-im.com/our-policies-and-reports>



**How did this financial product perform compared to the reference sustainable benchmark?**

Not applicable.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable objective.