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.

Product name:
AXA IM WAVe Cat Bonds Fund

(Sub-Financial Product of the Irish umbrella AXA IM WORLD ACCESS VEHICLE ICAV)

(the "Financial Product")

Legal entity identifier: 2138003OJPJBUG1SY484

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 _____% of sustainable investments
☐ 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 Taxonomy
☐ 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**

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Capitalised terms used but not defined in this document shall have the meaning given to them in the section DEFINITIONS of the Supplement to the Prospectus of the Financial Product.

What environmental and/or social characteristics are promoted by this Financial Product?

The Financial Product promotes environmental and social characteristics within the meaning of Article 8 of SFDR through the integration of Environmental, Social and Governance (**ESG**) consideration in its investment process as described in the paragraph below.

In that context, the Financial Product promotes specific environmental and social characteristics, mainly:

- preservation of climate with the consideration in our ESG Score of the Sponsor's exposure to Coal and Tar sand activities;

- protection of ecosystem and prevention of deforestation with the consideration in our ESG Score of the Sponsor's exposure to Palm Oil;

- better health with an exclusion on Tobacco companies and the consideration in our ESG Score of the Sponsor's exposure to this activity;

- labor rights, society and human rights, business ethics, anti-corruption with an exclusion on companies involved in the trade of Controversial Weapons or in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's conventions or the OECD guidelines for multinational enterprises. We also take into consideration in our ESG Score the Sponsor's exposure to companies active in the trade of Controversial Weapons and its involvement with such international standards.

Furthermore, as part of the due diligence process undertaken by the Manager in order to select investment opportunities for the Financial Product, the Manager shall use commercially reasonable efforts to take into account ESG considerations that are relevant to each investment of the Financial Product, primarily by performing at the time of investment an ESG scoring and analysis on the investments (hereinafter, the "**ESG Scoring Process**") based on a proprietary methodology.

The purpose of the ESG Scoring Process is to evaluate each investment with respect to certain Environmental (E), Social (S) and Governance (G) criteria selected by the Manager in its discretion, in each case based on the information available to the Manager during the investment process (including by collecting questionnaires-based information).

1- <u>For the ILS investments</u>

In determining the ESG Scoring Process for the ILS, the Manager shall aim to assess the outcome from an ESG perspective of the application of the ESG approach of notably the ILS Sponsor as an operating company, considering factors such as, without limitation, the environmental impact of the ILS Sponsor as a corporate through its carbon footprint, the quality of social relations within the firm through the promotion of employee diversity and the existence of a robust governance in relation to ethical matters, the selection of the assets held in a collateral account to secure the payments obligations under the ILS and any other outcome which the Manager considers relevant.

The Manager shall take into account factors such as, without limitation, the application by the ILS Sponsors of sectorial exclusions policies (e.g., Climate risks, Ecosystem protection & Deforestation, Soft Commodities, Controversial Weapons, etc.).

When computing the ESG Scoring Process for an ILS, the relevance and importance of each factor shall be assessed on a 0 to 10 scale and the ILS will be assigned a global scoring ranging from 0 to 10 based on the aggregation of the input for each factor. The Manager shall determine, in its discretion, the weighting of each assessed factor and the weighting of each score attributed to the ILS Sponsor and to the portfolio (i.e., collateral assets under the ILS) and/or the underlying ultimate beneficiary of the ILS respectively.

While such methodology will allow the Manager to weight each factor when determining the ESG score of the ILS, the weighting of each assessed factor shall be applied consistently to all ILS within the Financial Product Portfolio.

2- For the Money Market Instruments, Eligible CIS and other liquid financial instruments

As part of the due diligence undertaken by the Manager in order to select the investment opportunities of the Financial Product, the Manager will take into account the ESG considerations considered by the Manager as relevant for each investment mainly by carrying out at the time of the investment an evaluation with regard to certain ESG criteria selected at the discretion of the Manager, in each case on the basis of the information available to the Manager during the investment process (including by collecting information on the basis of questionnaires), in order to determine, according to the ESG Scoring Process, an ESG score on a scale ranging from 0 to 10.

At the level of the Financial Product, the ESG scores for the ILS and the Money Market Instruments, Eligible CIS and other liquid financial instruments shall be aggregated in order to have a synthetic view of the ESG score of the entire Financial Product's portfolio.

While the Manager will aim at performing its ESG Scoring Process with reasonable care, based on available data and relevant proxies and estimates, any assessment of the promotion of environmental or social characteristics by the Manager is necessarily indicative and subjective.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this Financial Product?

Sustainability indicators measure how the environmental or social characteristics promoted by the Financial Product are attained.

As of the date of the Supplement to the Issuing Document, the Manager intends to monitor the following sustainability indicators to measure the attainment of the environmental or social characteristics promoted by the Financial Product:

- the proportion of the investments comprised within the Financial Product's portfolio that have been granted an ESG score by the Manager,
- the proportion in the Financial Product's portfolio of ILS, for which an ESG score have been granted by the Manager, having an ESG score greater than 5 according to the ESG Scoring Process;
- the proportion in the Financial Product's portfolio of the ILS, for which an ESG score have been granted by the Manager, having an ESG score greater than 1.43 according to the ESG Scoring Process;
- the proportion in the Financial Product's portfolio of the ILS Sponsors having put in place an active program to limit its carbon footprint or have adhered to the Greenhouse gas (**GHG**) reduction related program such as the "Net-Zero Insurance Alliance" initiative following the twenty-first session of the Conference of the Parties ("COP 21") or to any equivalent program; and
- the proportion in the Financial Product of ILS under which ILS Sponsors meet the ESG Eligibility Criteria at the time of investment.

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?

Not applicable

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?

Not applicable

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

Not applicable

.

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*:*

Not applicable

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.

Does this Financial Product consider principal adverse impacts on sustainability factors?

- ✓ Yes,
- ☐ No

Principal adverse impacts ("**PAI**") are considered with both (i) qualitative and (ii) quantitative approaches:

(i) Qualitative approach

Qualitative approach to consider principal adverse impact is based on exclusion on direct investments. Exclusion policies as part of the AXA IM exclusions policies and sectorial exclusions cover the most material sustainability factors' risks and are applied bindingly on a continuous basis.

Exclusion policies:

- Sectorial exclusions: Climate risks, ecosystem protection &deforestation, Soft Commodities, Controversial Weapons;
- AXA IM exclusions policies on Tobacco, white phosphorus weapons, UNGC violations, Human Rights.

(ii) Quantitative approach

Principal adverse impacts are also considered quantitatively through the measurement and annual report of the following principal adverse impacts:

- GHG intensity - (PAI 3); and

- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) - (PAI 14)

Exclusion policies are applicable on direct investments and have specific limitations of application on alternative investments.

Additionally, the Manager is measuring and incorporating several ESG indicators, directly in its ESG Scoring Process with the objective to identify, assess and monitor principal adverse impact on sustainability factors.

The Manager will use its reasonable efforts to collect all mandatory above-mentioned PAIs..

Information on principal adverse impacts on sustainability factors considered by the Financial Product is available in the Financial Product's financial annual report.

What investment strategy does this Financial Product follow?

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

As part of the due diligence process undertaken by the Manager in order to select investment opportunities for the Financial Product, the Manager selects investments by applying an extra-financial approach based on the AXA IM's Environmental, Social and Governance exclusions policy in the investment process by applying specific sectorial exclusions.

Those sectorial exclusions cover areas such as Climate risks, ecosystem protection & deforestation, Soft Commodities, Controversial Weapons.
The AXA IM exclusions policies encompass exclusions such as Tobacco, white phosphorus weapons, United Nations Global Compact Principles violations, Human Rights.
Exclusion policies are applicable on direct investments and have specific limitations of application on alternative investments.

In addition, the Manager shall use commercially reasonable efforts to take into account ESG considerations that are relevant to each investment of the Financial Product by performing at the time of investment the ESG Scoring Process (as described above) based on a proprietary methodology, each investment being scored on a scale ranging from 0 to 10.

Specifically for the ILS, the Manager will take into consideration the application by the ILS sponsor of the sectorial exclusions and, in particular, for the ESG Scoring Process for the ILS, the environmental impact of the ILS Sponsor as a corporate through its carbon footprint, the quality of social relations within the firm through the promotion of employee diversity and the existence of a robust governance in relation to ethical matters.

- ***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 binding elements of the investment strategy consist in (i) the implementation of exclusion policies and (ii) the use of sustainability metrics:

(i) Exclusion policies

The Manager bindingly applies a first exclusion filter, encompassing areas such as Controversial Weapons, Climate risks, Soft Commodities and Ecosystem Protection & Deforestation. The Financial Product also applies the AXA IM's Environmental, Social and Governance exclusions policy in the investment process by applying specific sectorial exclusions such as Tobacco and White Phosphorus Weapons, as defined in the section DEFINITIONS of the Supplement to the Prospectus of the Financial Product.

Exclusion policies are applicable on direct investments and have specific limitations of application on alternative investments.

(ii) Metrics

As of the date of the Supplement to the Issuing Document, the Manager shall use commercially reasonable efforts to ensure that, until the first date where the Financial Product enters into its liquidation phase:

- at least, 75% of the investments comprised within the Financial Product's portfolio have been granted an ESG score by the Manager;
- 100% of the ILS comprised within the Financial Product's portfolio, which has been granted an ESG score by the Manager, have an ESG score equal or greater than 1.43 according to the ESG Scoring Process;
- at least, 50% of the ILS comprised within the Financial Product's portfolio which has been granted an ESG score by the Manager has an ESG score granted by the Manager equal to or greater than 5 according to the ESG Scoring Process; and
- at least, 70% of the ILS Sponsors of the invested ILS respect the ESG Eligibility Criteria as defined in the section DEFINITIONS of the Supplement to the Prospectus

These metrics are assessed based on the Financial Product's NAV.

At least, on an annual basis, the Manager shall review the ESG score of each investment and the aggregate ESG score of the Financial Product's portfolio on the basis of reasonably available data at the time of the assessment, using as appropriate relevant proxies and estimates when necessary.

While the Manager reserves the right to adjust from time to time and without notice the ESG Scoring Process, the ESG criteria taken into account, its processes and analyses, in order to better adapt them to its ESG objectives, the ESG Scoring Process shall be applied consistently to all investments comprised within the Financial Product's portfolio and any such adjustments shall ensure that the application of the ESG Scoring Process remains comparable through the lifecycle of the Financial Product.

The above metrics will be achieved until the date on which the Financial Product enters into its liquidation phase. While the Manager shall aim at achieving these metrics as described above, it may be affected notably by new subscription, repayment and prepayment of Investments, or delays in distributions. The Manager may also decide on a temporary basis to retain cash for reinvestment purposes. Therefore, the above metrics may temporarily deviate from the objectives described above, including before the liquidation phase. Should the Financial Product deviate from the above metrics, the Manager shall use reasonable efforts to bring the Financial Product back within these ratios except where the Manager reasonably believes that this would be against the interest of the Financial Product.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

This Financial Product does not commit to a minimum rate to reduce the scope of the investments.

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

What is the policy to assess good governance practices of the investee companies?

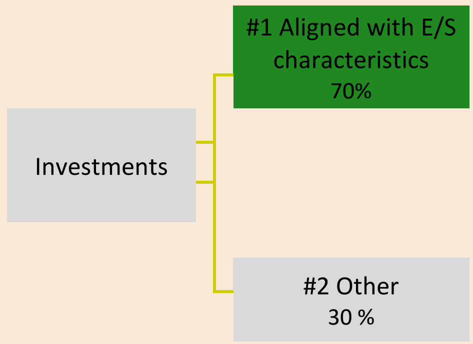
The Manager assesses the good practices of the investee companies through the application of the exclusions policies described above to direct investments.

However, as the exclusions policies described above are applied only to direct investments, the Manager, in determining the ESG Scoring Process for the ILS, shall aim also at assessing the quality and relevance of the ESG approach of the ILS Sponsor as an operating company, notably through the assessment of its good governance practices (in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance).
In doing so, the Manager will, as of the date of the Supplement, consider factors such as, the environmental impact of the ILS Sponsor as a corporate through its carbon footprint, the quality of social relations within the firm through the promotion of employee diversity and the existence of a robust governance in relation to ethical matters

What is the asset allocation planned for this Financial Product?

The Financial Product aims to plan its assets' allocation as presented in the graph below. The planned asset allocation indicated below may be revised from time to time at the discretion of the Manager.

Asset allocation describes the share of investments in specific assets.



#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 planned minimum proportion of the investments of the Financial Product aligned with Environmental or social characteristics in category #1 is expected to be 70% of the Financial Product's Net Asset Value.

The remaining "Other" investments in category #2 is expected not to represent more than 30% of the Financial Product's Net Asset Value.

The above planned asset allocation will be achieved until the date on which the Financial Product enters into its liquidation phase. While the Manager shall aim at achieving the planned asset allocation described above, it may be affected notably by any new subscription, repayment and prepayment of Investments, or delays in distributions. The Manager may also decide on a temporary basis to retain cash for reinvestment purposes. Therefore, the asset allocation may temporarily deviate from the planned asset allocation described above, including before the liquidation phase. Should the Financial Product deviate from the planned asset, the Manager shall use reasonable efforts to bring the Financial Product back within these ratios except where the Manager reasonably believes that this would be against the interest of the Financial Product.

***How does the use of derivatives attain the environmental or social characteristics promoted by the Financial Product*?**

The Financial Product does not use derivatives to attain the environmental or social characteristics it promotes; therefore this question is not applicable.

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

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 Taxonomy[1]?

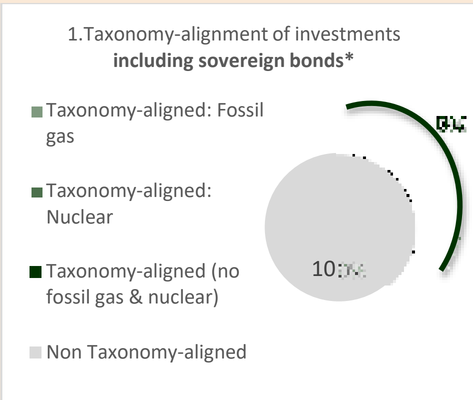
☐ Yes,

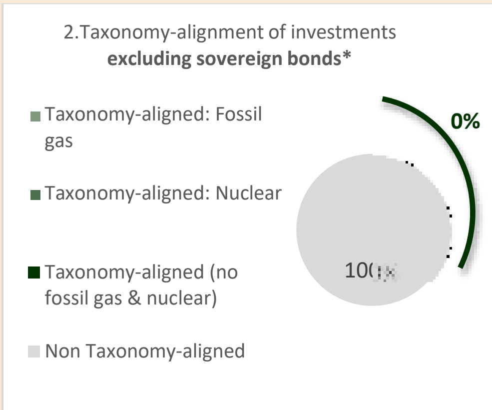
☐ In fossil gas ☐ In nuclear energy

☑ No

[1] *Fossil Gas and/or nuclear related activities will comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU taxonomy objective – see explanatory note in the left had 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.*

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's Net Asset value

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not applicable

What is the minimum share of socially sustainable investments?

Not applicable

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 deposits, eligible money market instruments and money market used for managing the liquidity of the Financial Product (being specified that any money market instrument with an ESG score of minimum 1.43 and any money market fund qualified as article 8 under SFDR shall be included under #1 Aligned E/S characteristics);
- derivatives (except derivatives used for hedging purpose);
- other instruments eligible to the Financial Product and that are not covered by the ESG Scoring Process mentioned above or the ESG score of which is < 1.43

Environmental or social safeguards (i.e., exclusion policies as part of the AXA IM exclusions policies) are applied and assessed on all "Other" assets except on (i) non single name derivatives and (ii) cash and cash equivalent investments described above.

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

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?

There is no specific index designated as a reference benchmark to determine whether this Financial Product is aligned with the environmental and/or social characteristics.

Where can I find more product specific information online?

More product-specific information can be found on the website: Sustainable Finance | SFDR | AXA IM Corporate (axa-im.com).