

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

### Clarification as regards the information contained in the annex below

This Euro Fund (hereinafter referred to as the "Financial Product") is a product which is managed by AXA France with the support of its delegated investment managers (AXA IM, and other asset managers outside the AXA Group).

The approach used by AXA France in order to comply with the SFDR as further described below, may evolve in future periods to take into account, *e.g.*, improvements to ESG (Environmental, Social and Governance) data availability and reliability, changes to applicable laws and regulations, or other external frameworks or initiatives. Any such changes to the above approaches may result in investments made by AXA France no longer being considered as sustainable investments.

One of the challenges faced by financial market participants, such as AXA France and AXA IM, when integrating ESG indicators and policies in their investment process is the limited availability of relevant data for that purpose: such data is not yet systematically disclosed by entities or, when disclosed by entities, may be incomplete, outdated or may follow different methodologies. In particular, most of the information used to apply the Exclusion Policies or determine UN SDG scores or AXA's ESG scores referred to below is based on historical data, which may not be complete or accurate or may not fully reflect the future ESG performance or risks of the investments. The methodologies used to apply the Exclusion Policies or determine UN SDG scores or AXA's ESG scores used by AXA France are regularly updated to take into account changes in the availability of relevant data or methodologies used by entities to disclose ESG-related information, but there is no assurance that such methodologies will be successful at capturing all relevant ESG information.

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

Product name: Lifinity Euro

Legal entity identifier: AXA Wealth Europe, referred to above and below as AXA France

Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

Yes
 
   No

<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b> : ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> : ___%	<input checked="" type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of <b>10%</b> of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>
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**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

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

The Financial Product promotes the following environmental and social characteristics, as set forth notably in AXA’s Responsible Investment Policy<sup>1</sup>.

- Environmental characteristics:
  - Climate change
  - Resources and ecosystems
  
- Social and governance characteristics:
  - Human capital
  - Social relations
  - Business ethics
  - Corporate governance

<sup>1</sup> The AXA Group’s Responsible Investment Policy is available on AXA’s website ([www.axa.com/en/about-us/investments#tab=responsible-investment](http://www.axa.com/en/about-us/investments#tab=responsible-investment)).

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this Financial Product.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The attainment of the environmental and social characteristics promoted by the Financial Product and described above is measured with the following sustainability indicators:

- the **weighted average ESG Score<sup>2</sup>** of the Financial Product;
- the **volume of Green Investments** (as defined below) comprised in the Financial Product, expressed in Euro million;
- the weighted average **Carbon Intensity** of the Financial Product, calculated based on the carbon footprint of each entity in which the Financial Product is invested, measured and tracked using the amount of GHG emissions per tons released into the atmosphere (*i.e.*, carbon dioxide equivalent (t.eq.CO<sub>2</sub>)) per Euro million invested. The carbon footprint of each entity is determined in accordance with the 2025 Target Setting Protocol defined by the Net-Zero Asset Owner Alliance (NZAOA) of which AXA is a member since 2019.
- **the portion of Sustainable Investments comprised in the Financial Product**, expressed as a percentage of AXA France's AuM in the General Account;

For purposes of the above, "**Green Investments**" means (i) green bonds, (ii) investments in infrastructure equity and debt, (iii) investments in AXA IM's Impact Funds (as defined below), (iv) real estate assets, and (v) commercial real estate loans, which satisfy certain external labels, certifications, and standards (as set forth in the AXA Group's internal framework), such as:

- for green bonds, Bloomberg's classification of the relevant bond as "green bond";
- for investments in infrastructure equity and debt, the project must be categorized in certain beneficial sectors defined by the Climate Bonds Initiative (CBI), which, as at the date hereof, include but are not limited to Solar, Wind, Bioenergy, Hydropower, Geothermal, Energy distribution, Energy storage;
- for investments in AXA IM's "Impact Funds", the relevant funds are managed by AXA IM (or one of its subsidiaries) and have an investment strategy targeting specific climate impacts using KPIs or, in the specific case of investments in forests, the relevant forest management is certified FSC or PEFC;
- for real estate assets, the [relevant asset] has received a high-level environmental certification (Minimum level BREEAM "Excellent" or LEED "Gold", or equivalent) and a minimum Energy Performance Certificate (EPC) rating of "B" (or equivalent);
- for commercial real estate loans, the relevant loan backs an underlying asset with the aforementioned environmental certification used for real estate assets.

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<sup>2</sup> The ESG score of a company is based on its ESG scoring from external data providers as primary inputs assessing data points across Environment, Social and Governance (ESG) dimensions. AXA IM analysts can complement with a documented ESG analysis in case of lack of coverage or disagreement on the ESG rating, provided that it is approved pursuant to a documented internal process. ESG data used for the foregoing purposes is based on ESG methodologies, which rely in part on third-party data, and in some cases is internally developed. Despite several initiatives, the lack of harmonized definitions can make ESG data heterogeneous. AXA's ESG different methodologies described herein may evolve in the future to take into account any improvements in data availability and reliability, or any developments of regulations or other external frameworks or initiatives, among others.

- *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?*

In order to determine whether, for purposes of the definition of Sustainable Investments, an investment in an economic activity **contributes to an environmental or social objective**, AXA France relies on the following approaches.

1. **UN Sustainable Development Goals (UN SDGs<sup>3</sup>):** companies which contribute positively to at least one UN SDG in accordance with that the UN SDG reference framework, either through the products and services they offer or the way they carry out their activities. The quantitative UN SDG results are sourced from external data providers.<sup>4</sup>
2. **Engagement in a robust transition pathway based on the framework developed by the Science Based Targets Initiative (SBTI)<sup>5</sup>:** entities following this approach have submitted their science-based targets to SBTI, which has reviewed and validated such targets against SBTI's science-based criteria.
3. **Investments in Green, Social or Sustainability Bonds, Sustainability-Linked Bonds:** the financial instruments qualifying as sustainable investments include bonds issued by corporates and sovereigns, identified in Bloomberg's database as green, social or sustainability bonds, or sustainability-linked bonds.

- **Green, social and sustainability bonds** issued in accordance with the International Capital Market Association (ICMA)'s Green Bond Principles, Social Bond Principles and/or Sustainability Bond Guidelines are bond instruments where the proceeds (or an equivalent amount) will be exclusively applied to eligible environmental and social projects (or a combination of both) as determined by the issuer. Such green, social and sustainability bonds can then be reviewed and evaluated against the UN SDGs, to identify to which UN SDG(s) their underlying projects are contributing (or are expected to contribute).<sup>6</sup> We rely on Bloomberg's classification to determine whether a bond qualifies as green, social or sustainability bond. However, as Bloomberg generally relies on the issuer's self-labelling in its issuance documentation and/or public disclosures for purposes of its own classification, there is no guarantee that the classification of a given bond will not be challenged or changed in the future.

- **Sustainability-linked bonds** are considered sustainable investments when they can be considered to draw on ICMA's Sustainability-Linked Bond Principles in accordance with AXA IM's proprietary approach, based on an assessment of the following: (i) the issuer's sustainability strategy and the related key performance indicators' relevance and materiality; (ii) the sustainability performance target's ambition; (iii) the specific bond characteristics; and (iv) the sustainability performance target's monitoring and reporting.

<sup>3</sup> Available on the United Nations' website ([sdgs.un.org/goals](https://sdgs.un.org/goals)).

<sup>4</sup> AXA IM analysts can complement with a documented ESG analysis in case of lack of coverage or disagreement on the UN SDG result, pursuant to a documented internal process.

<sup>5</sup> For additional information, please refer to SBTI's website ([www.sciencebasedtargets.org](http://www.sciencebasedtargets.org)).

<sup>6</sup> For additional information, please refer to the mapping methodology proposed by ICMA, available on its website ([www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/mapping-to-the-sustainable-development-goals/](http://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/mapping-to-the-sustainable-development-goals/)).

**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 do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Under the SFDR, and in accordance with its Article 2(17), a financial product cannot qualify as a Sustainable Investment if the investments “significantly harm” the relevant environmental or social objectives to which such financial product contributes. AXA France considers that an investment “significantly harms” relevant environmental or social objectives where the relevant entity:

- falls within the AXA Group’s **Exclusion Policies** (as defined below), or
- receives a “CCC” **ESG rating** according to AXA’s ESG scoring methodology<sup>7</sup>, or
- harms any of the **UN SDGs** based on a score determined by an external provider.

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

Indicators for adverse impacts on sustainability factors set out in Table 1 of Annex 1 are taken into account for purposes of the assessment of DNSH in the following manner:

- (i) **Exclusion Policies** (as defined below) that apply in ordinary course to investment made by AXA France;
- (ii) **AXA’s ESG scoring methodology**, which allows AXA France to exclude a potential investment as it would “significantly harm” relevant environmental or social objectives, if the entity in which this investment is envisaged has received a “CCC” ESG rating according to AXA’s ESG scoring methodology;
- (iii) **UN SDG scoring**: as noted above, with respect to the portion of the AuM of the Financial Product invested in financial products qualifying as Sustainable Investments, an external provider determines a score for each entity in which an investment is envisaged, based on whether such entity harms any of the UN SDGs; this scoring allows AXA France to exclude the relevant entity if the score it received in respect of any UN SDG is not considered satisfactory.<sup>8</sup>

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<sup>7</sup> Pursuant to that methodology, the ESG rating of a company is based on its ESG scoring from external data providers as primary inputs assessing data points across Environment, Social and Governance (ESG) dimensions. AXA IM analysts can complement with a documented ESG analysis in case of lack of coverage or disagreement on the ESG rating, provided that it is approved pursuant to a documented internal process. ESG data used for the foregoing purposes is based on ESG methodologies, which rely in part on third-party data, and in some cases is internally developed. Despite several initiatives, the lack of harmonized definitions can make ESG data heterogeneous. AXA’s ESG different methodologies described herein may evolve in the future to take into account any improvements in data availability and reliability, or any developments of regulations or other external frameworks or initiatives, among others.

<sup>8</sup> The filters apply to the following UN SDGs: (1) No Poverty, (2) Zero Hunger, (3) Good Health and Well-being, (4) Quality Education, (5) Gender Equality, (6) Clean Water and Sanitation, (7) Affordable and Clean Energy, (8) Decent Work and Economic Growth, (9) Industry, Innovation and Infrastructure, (10) Reduced Inequality, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production, (13) Climate Action, (14) Life Below Water, (15) Life on Land, (16) Peace and Justice Strong Institutions.

**Exclusion Policies<sup>9</sup>**

**- Environment:**

Relevant AXA policies	PAI indicator
AXA Group Energy Policy / AXA Group Ecosystems conversion & Deforestation policy	Indicator 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)
	Indicator 2: Carbon Footprint
	Indicator 3: GHG intensity of companies
AXA Group Energy policy	Indicator 4: Exposure to companies active in the fossil fuel sector
AXA Group Energy policy (engagement only)	Indicator 5: Share of non-renewable energy consumption and production
AXA Group Ecosystem Protection & Deforestation policy	Indicator 7: Activities negatively affecting biodiversity sensitive areas

**- Social and Governance:**

Relevant AXA policies	PAI indicator
Human Rights policy	Indicator 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises
Controversial weapons policy	Indicator 14: Exposure to controversial weapons

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

AXA IM relies on an external provider’s screening framework in order to exclude from its Sustainable Investments any entities that have been determined by such screening framework as “non-compliant” with the UN’s Global Compact Principles, International Labor Organization’s (ILO) Conventions, OECD Guidelines for Multinational Enterprises or 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 Union criteria.*

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

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

The investments underlying this Financial Product do not take into account the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy.

<sup>9</sup> The Exclusion Policies referred to below are available on AXA’s website ([www.axa.com/en/about-us/investments#tab=responsible-investment](http://www.axa.com/en/about-us/investments#tab=responsible-investment)).

**Does this financial product consider principal adverse impacts on sustainability factors?**

Yes



With respect to the Financial Product, AXA France considers the principal adverse impacts (PAIs) of investment decisions on sustainability factors. AXA France’s statement on due diligence policies with respect to those impacts is available on AXA France’s website under [Démarche Citoyenne AXA](#) (AXA Corporate Citizenship).

The Financial Product considers PAIs in the following manner:

- (i) **Exclusion Policies** that apply in ordinary course to any investment made by AXA France;
- (ii) **AXA’s ESG scoring methodology**, which allows AXA France to exclude a potential investment as it would “significantly harm” relevant environmental or social objectives;
- (iii) **UN SDG scoring**: as noted above, with respect to the portion of the AuM of the Financial Product invested in financial products qualifying as Sustainable Investments, an external provider determines a score for each entity in which an investment is envisaged, based on whether such entity harms any of the UN SDGs; this scoring allows AXA France to exclude the relevant entity if the score it received in respect of any UN SDG is not considered satisfactory.<sup>10</sup>

**Exclusion Policies<sup>11</sup>**

**- Environment:**

Relevant AXA policies	PAI indicator
AXA Group Energy Policy / AXA Group Ecosystems conversion & Deforestation policy	Indicator 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)
	Indicator 2: Carbon Footprint
	Indicator 3: GHG intensity of companies
AXA Group Energy policy	Indicator 4: Exposure to companies active in the fossil fuel sector
AXA Group Energy policy (engagement only)	Indicator 5: Share of non-renewable energy consumption and production
AXA Group Ecosystem Protection & Deforestation policy	Indicator 7: Activities negatively affecting biodiversity sensitive areas

<sup>10</sup> The filters apply to the following UN SDGs: (1) No Poverty, (2) Zero Hunger, (3) Good Health and Well-being, (4) Quality Education, (5) Gender Equality, (6) Clean Water and Sanitation, (7) Affordable and Clean Energy, (8) Decent Work and Economic Growth, (9) Industry, Innovation and Infrastructure, (10) Reduced Inequality, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production, (13) Climate Action, (14) Life Below Water, (15) Life on Land, (16) Peace and Justice Strong Institutions.

<sup>11</sup> The Exclusion Policies referred to below are available on AXA’s website ([www.axa.com/en/about-us/investments#tab=responsible-investment](http://www.axa.com/en/about-us/investments#tab=responsible-investment)).

- **Social and Governance:**

Relevant AXA policies	PAI indicator
Human Rights policy	Indicator 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises
Controversial weapons policy	Indicator 14: Exposure to controversial weapons

Where relevant, the application of **stewardship policies**, may contribute to the mitigation of certain PAIs through direct dialogue with companies on sustainability and governance issues.

In accordance with Article 11(2) of the SFDR, the information on principal adverse impacts on sustainability factors will be available in each client’s annual account statement.

• **What investment strategy does this financial product follow?**

**Good governance**

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

AXA France’s investment strategy in respect of the Financial Product, which includes the promotion, among other characteristics, of environmental and/or social characteristics, relies on three pillars:

- the promotion of Green Investments (as defined above);
- the application of Exclusion Policies;
- the investment of at least 10% of the AuM of the Financial Product in financial products qualifying as Sustainable Investments.



The above investment strategy is implemented in accordance with the AXA’s Responsible Investment strategy<sup>12</sup>.

• ***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 AXA France’s investment strategy with respect to the Financial Product are:

- the application of Exclusion Policies;
- the investment of at least 10% of the AuM of the Financial Product in financial products qualifying as Sustainable Investments.

**The investment strategy**

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

<sup>12</sup> The AXA Group’s Responsible Investment Policy is available on AXA’s website ([www.axa.com/en/about-us/investments#tab=responsible-investment](http://www.axa.com/en/about-us/investments#tab=responsible-investment)).

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

In relation to the Financial Product, there is no commitment to reduce the scope of the investments considered prior to the implementation of that investment strategy by a minimum rate.

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

AXA IM assesses the good governance practices of investee companies through its “Corporate Governance and Voting Policy”<sup>13</sup> as part of its proxy voting responsibilities.

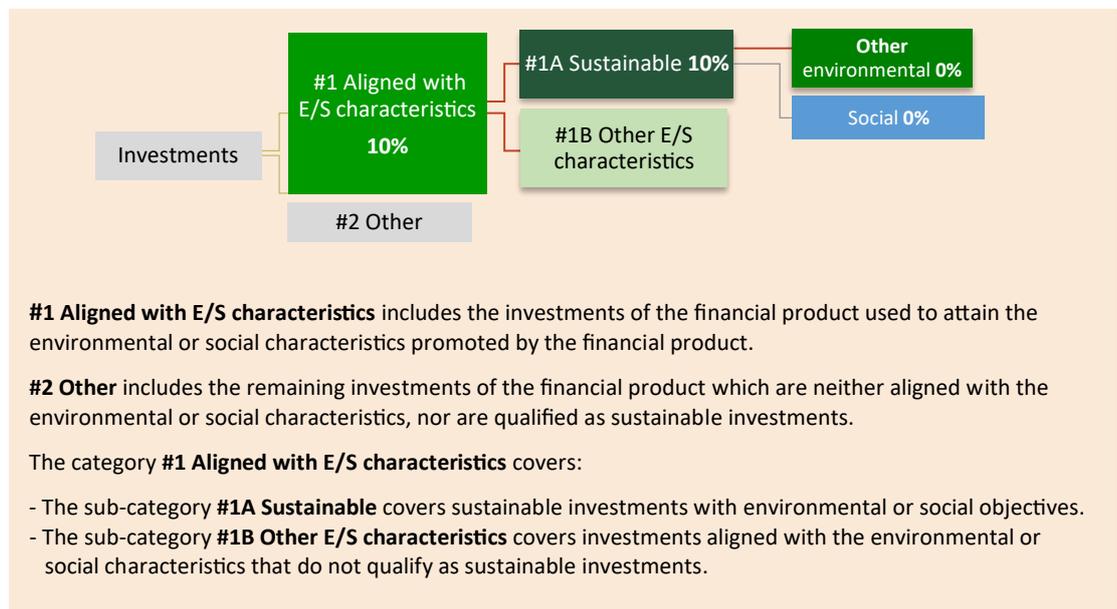


**What is the asset allocation planned for this financial product?**

AXA France intends for the Financial Product to be invested in the manner presented in the graph below.

The planned minimum proportion of the investments comprised in the Financial Product used to meet the **environmental or social characteristics** promoted by the Financial Product is 10% of AXA France’s AuM in the General Account.

The planned minimum proportion of the investments comprised in the Financial Product that qualify as **Sustainable Investments** is 10% of AXA France’s AuM in the General Account.



- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Derivatives are not used to attain the environmental or social characteristics promoted by AXA France’s Financial Product.

<sup>13</sup> AXA IM’s Corporate Governance and Voting Policy is available on AXA IM’s website ([www.axa-im.com/our-policies-and-reports#engagement](http://www.axa-im.com/our-policies-and-reports#engagement)).



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

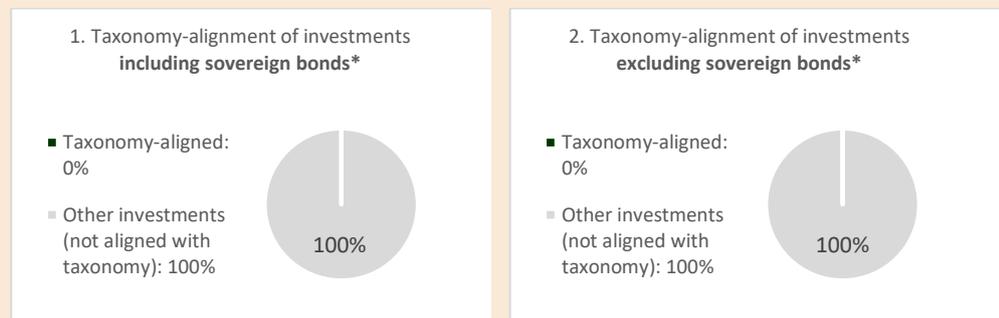
The investments underlying this Financial Product did not take into account the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>(14)</sup> ?**

Yes
  In fossil gas
  In nuclear energy  
 No

As stated above, we have not considered the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy in respect of the underlying investments of this financial product ; as a consequence we have not considered the extent to which the financial product invests (or does not invest) in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy.

*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

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

As stated above, we have considered the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy in respect of the underlying investments of this financial product ; as a consequence we have not considered the extent to which the financial product invests (or does not invest) in transitional and enabling activities. The minimum share of investments in transitional and enabling activities is thus zero



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

The planned minimum proportion of sustainable investments (with an environmental objective that is not aligned with the EU Taxonomy or with a social objective) that AXA France intends to make is 10% of AXA France’s AuM in the General Account. However, within the sustainable investments portion, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy varies from time to time. By way of illustration, if that minimum share is 0%, the minimum share of sustainable investments with a social objective will be 10%.

<sup>14</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 objective - 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.



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

The planned minimum proportion of sustainable investments (with an environmental objective that is not aligned with the EU Taxonomy or with a social objective) that AXA France intends to make is 10% of AXA France’s AuM in the General Account. However, within the sustainable investments portion, the minimum share of sustainable investments with a social objective varies from time to time. By way of illustration, if that minimum share is 0%, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy will be 10%.



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The “other” assets may comprise :

- sovereigns bonds (which are not green, social or sustainability bonds, nor sustainability-linked bonds) ;
- illiquid alternative asset classes, other than those referred to above as Green Investments ;
- cash and cash equivalents, such as bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product ; and
- other instruments in which the Financial Product may be invested, but that are not used to attain the environmental and social characteristics promoted by the Financial Product.

Exclusion Policies and ESG scoring are applied on all «#2 other» assets except on (i) non single-name derivatives, (ii) investments in undertakings for the collective investment in transferable securities (UCITS) and/or undertakings for collective investment (UCIs), and (iii) on cash and cash equivalents mentioned above.



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



**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

More details on sustainability-related information about the financial products are available on <https://www.axa-wealthurope.lu/fr/products-list>