

FOCUS ON ASIAN REGULATORY ESG REQUIREMENTS

WHAT IS THE DEFINITION OF AN ARTICLE 9 FUND?

An Article 9 Fund under SFDR is defined as “a Fund that has sustainable investment as its objective or a reduction in carbon emissions as its objective.”

Sustainable Investments are investments in companies engaging in economic activities that facilitate the achievement of at least one of the environmental (“E”) objectives as provided for in the EU Taxonomy Regulation and/or social (“S”) objectives as provided for in the EU regulation on sustainability-related disclosures in the financial services sector (“SFDR”).

WHAT IS THE ESG FOCUS OF THIS FUND?

When selecting the collective investment schemes (“CIS”) to invest in, the Manager and/or Investment Manager will invest only in CIS which are classified as Article 9 in line with the SFDR as defined above.

WHAT IS THE ALLOCATION OF THE FUND TO ARTICLE 9 FUND?

The CIS invested by the Fund will have a range of underlying investments which may reflect exposure to equities and/or equity-related securities, money market instruments, financial derivative instruments (“FDI”), financial indices and/or currencies.

Allocation date: 29/09/2023

Holdings Name	ISIN Code	Weight %
Candriam Sustainable Equity World V EUR (acc)	LU1434528672	18.25%
AB Sustainable Global Thematic S1	LU0462791079	17.63%
JPMorgan Carbon Transition Global Equity UCITS ETF USD (acc)	IE00BMDWYZ92	15.06%
RobecoSAM QI Global SDG & Clim	LU1520981892	11.93%
AXA World Funds - ACT Factors - Climate Equity Fund G Capitalisation EUR	LU2320549301	11.17%
RobecoSAM Smart Mobility Equities USD	LU2145466475	5.06%
BNP Paribas Funds Aqua (cap)	LU1165135952	5.02%
ROBECOSAM SMART ENERGY E-I U	LU2145463027	4.69%
Cash		4.45%
Natixis International Funds (Lux) I - Thematics Safety Fund	LU1923621996	3.36%
Baillie Gifford Worldwide Positive Change Fund Class B USD Acc	IE00BDCY2N73	2.91%
Aikya Global Emerging Markets Fund (acc)	IE00BMC5GD19	2.80%

During the reference period (01/10/22 – 29/09/23), all underlying funds of E.P.I.C. Global Equity Opportunities Fund are classified article 9. Four funds within E.P.I.C. Global Equity Opportunities Fund were eliminated, as they no longer met the classification criteria for Article 9.

WHAT IS THE ESG DUE DILIGENCE APPROACH SET UP BY AXA IM SELECT ASIA?

The Manager and/or Investment Manager will first carry out quantitative screening assessments on all Article 9 CIS for which E.P.I.C. Global Equity Opportunities may potentially invest in by utilising a proprietary approach designed to provide it with an understanding of how investment performance of an Article 9 CIS was achieved and to highlight consistency in delivering returns.

For Article 9 CIS which have passed the aforementioned quantitative screening assessments, the Manager and/or Investment Manager will then perform qualitative assessments including independent ESG due diligence as described below to select complementary Article 9 CIS investments that strike the best balance in its view between risk, as well as, financial and ESG performance in constructing the portfolio.

The independent ESG due diligence is mainly designed to assess an Article 9 CIS's ESG integration capabilities. The due diligence relies on detailed proprietary ESG questionnaire, followed by face-to-face due diligence meeting(s) with the Article 9 CIS's manager and cover:

- ESG policy and governance
- Integration of ESG consideration in investment decision process of the Article 9 CIS
- Engagement and voting
- Monitoring and reporting of the attainment of the Article 9 CIS's ESG focus and investment objectives

DOES THIS FUND HAS A BENCHMARK?

There is no reference benchmark for this fund.

WHAT ARE AXA IM SELECT ASIA'S VOTING POLICY AND SHAREHOLDERS RIGHT?

<https://select.axa-im.com.hk/professional-investors/responsible-investing/>

HOW WAS THIS PERIODIC REPORT ON ESG PRODUCED?

As E.P.I.C. Global Equity Opportunities Fund is a fund of funds, AXA IM Select collects on regular basis allocation and European ESG Template (EET) of underlying funds.

To calculate ESG metrics, a look-through on the allocation of the funds is performed to obtain allocation at direct investments level. Then, ESG metrics are calculated based on the aggregation of data at direct investments level provided by ESG specialist data provider.

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: E.P.I.C. Global Equity Opportunities Fund (the “Sub-Fund”)

Legal entity identifier: 213800NZSFBLVTZLKH92

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.

Sustainable investment objective

Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<input checked="" type="checkbox"/> It made sustainable investments with an environmental objective : 40.4% <ul style="list-style-type: none"> <input checked="" type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input type="checkbox"/> 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 <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input checked="" type="checkbox"/> It made sustainable investments with a social objective : 54.7%	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

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



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

During the reference period (01/10/22 – 29/09/23), the investment objective of the Sub-Fund was to provide long-term growth of capital with a medium to high volatility level from a diversified and actively managed portfolio of securities with a focus on Sustainable Investments.

“Sustainable Investments” are investments in economic activities that contribute to at least one of the environmental objectives as provided for in Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment, and amending the SFDR (the “Taxonomy Regulation”) and/or social objectives as provided for in the SFDR, do not significantly harm any of these environmental and/or social objectives, and where the issuer of each investment follows, in the Manager’s view, good governance practices.

While the fund has sustainable investment as its investment objective and commits to hold 100% of its Net Asset Value (excluding cash) in investments that the Manager believes are Sustainable Investments, the fund is not allocating a specific minimum threshold between environmental and/or social sustainable investments as this will depend on the availability of any given sustainable investment.

For the avoidance of doubt, when investing in underlying funds classified as article 9, the Manager considered such funds as sustainable investments.

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

The sustainability indicators used to assess the extra-financial performance of the fund were:

1. The percentage of investment in underlying funds classified as Article 9 (which have a sustainable objective) according to the SFDR regulation. This threshold of at least 90% of investments in products classified as Article 9 has been respected over the reference period (01/10/22 – 29/09/23). In order to verify compliance with this constraint, we calculated an annual average per fund of the investments in underlying funds being Article 9 at the end of each quarter. The result of this calculation shows the threshold of **97.9 %**.
2. The Investment Manager conducted an independent ESG due diligence process, which is a scored assessment, in respect of each target Eligible CIS (which is proprietary to the Investment Manager) which has covered :

- ESG policy and governance
- ESG Integration
- Engagement and stewardship
- Risk and Reporting

In the reporting year, all Eligible CIS met or exceeded the minimum ESG Score Threshold set by the Investment Manager which is a requirement to be investible.

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

All of the underlying assets comply with the Do No Significant Harm “DNSH” requirement, due to the fact they are all classified as Article 9.

Since Q4 2022, underlying funds' approach to the DNSH requirement has been assessed as part of the ESG Due Diligence of the fund.

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

The indicators for adverse impacts on sustainability factors were taken into account by the evaluation of the DNSH approach of the underlying funds, performed as part of the ESG due diligence. It should also be noted that the Fund only invests in Article 9 funds, which have sustainable investments as their objectives.

Where relevant, for direct investments (which are not expected to exceed 10% of the Net Asset Value of the Sub-Fund), the indicators for adverse impacts on sustainability factors are taken into account as part of the security selection process.

Environment:

PAI indicator	Units	Measurement
PAI 1: Green House Gas (GHG) emissions (scope 1, 2, 3)	Metric tons	Scope 1: 490,04 Scope 2: 298,79 Scope 3: 9 545,72 Scope 1+2: 788,83 Scope 1+2+3: 10 334,37
PAI 2: Carbon Footprint	Metric tons of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/MS)	Scope 1+2: 20,81 Scope 1+2+3: 308,38
PAI 3: GHG intensity of investee companies	Metric tons per EUR million revenue	848,04
PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	3%
PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	51%
PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	25,24
PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	2%
PAI 8: Emissions to water	Tons per million EUR invested, expressed as a weighted average	0,09
PAI 9: Hazardous waste and radioactive waste ratio	Tons per million EUR invested, expressed as a weighted average	14,60

Social and Governance:

PAI indicator	Units	Measurement
PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	0%
PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	37%
PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	14,70
PAI 13: Board gender diversity	Expressed as a percentage of all board members.	33%
PAI 14: Exposure to controversial weapons	% of investments	0%

All SFDR PAIs are calculated at the end of each quarter (average of 4 data points during the reference period: 01/10/2023 - 29/09/2023). Data source : Trucost

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

During the reference period, we evaluated human rights issues which may include alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

As part of the ESG due diligence process, we evaluated each underlying fund manager's approach to issues concerning human rights through the exclusion policies applied by each fund manager.

The underlying funds' exclusion policies were taken into account as part of the ESG Due Diligence for fund selection.

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 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.



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

The indicators for adverse impacts on sustainability factors have been taken into account by the evaluation of the DNSH approach of the underlying funds, performed as part of the ESG due diligence. It should also be noted that the Fund only invests in Article 9 funds, which have sustainable investments as their objectives.

Where relevant, for direct investments (which are not expected to exceed 10% of the Net Asset Value of the Sub-Fund), the indicators for adverse impacts on sustainability factors are taken into account as part of the security selection process.



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: 01/10/2022 - 29/09/2023

Largest Investments	Sector	% Assets	Country
Candriam Sustainable Equity World V EUR Acc	Equity	17.96	Global
AB FCP I- SUS GLB THEM-S1USD	Equity	15.82	Global
AXA World Funds - ACT Factors - Climate Equity Fund G Capitalisation EUR	Equity	15.23	Global
RobecoSAM QI Global SDG & Clim	Equity	9.68	Global
AXA WF ACT Clean Economy USD	Equity	7.8	Global
ROBECOSAM SMART MOBILITY-I U	Equity	5.16	Global

ROBECOSAM SMART ENERGY E-I U	Equity	4.92	Global
JPM Carb Transition Gbl Eq(CTB)ETF\$Acc	Equity	4.86	Global
BNP-AQUA-I EUR	Equity	3.62	Global
BG-WW POSTIVE CHNG-B USD ACC	Equity	2.99	Global
Aikya Global EM Mkts UCITS I USD Acc	Equity	2.84	Global Emerging Markets
NATIX-THEMATICS SAFETY-IAUSD	Equity	2.6	Global
GS GBL HLT&WELL EQ-ICAPUSD	Equity	2.28	Global
BNP Paribas Smart Food I USD Cap	Equity	1.98	Global

The table lists the main investments in this product during the reference period calculated at the end of each quarter (average of 4 data points during the reference period: 01/10/2023 - 29/09/2023). Source : MSCI



What was the proportion of sustainability-related investments?

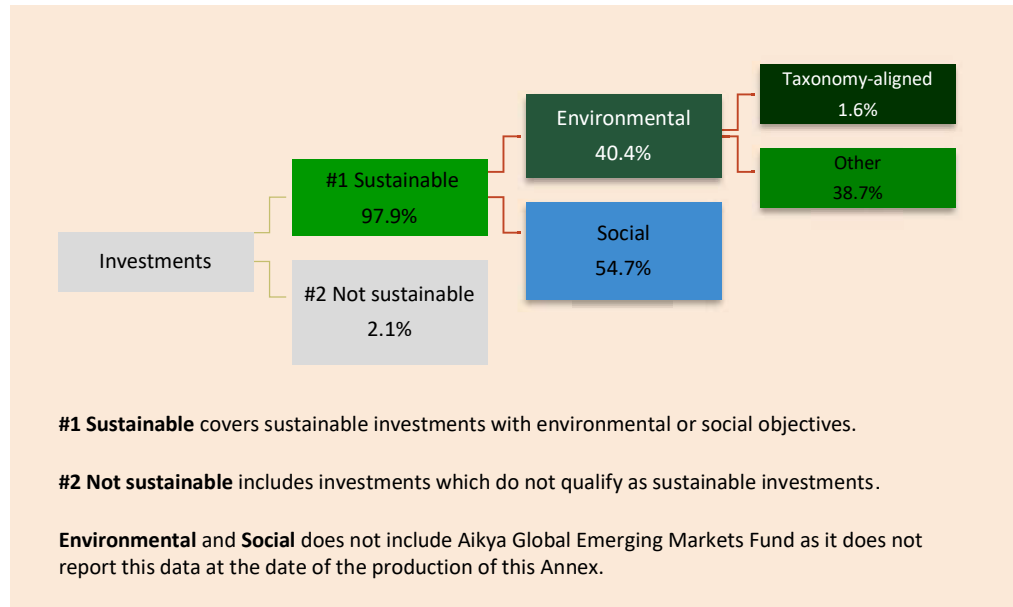
97.9 %

Asset allocation describes the share of investments in specific assets.

● *What was the asset allocation?*

During the reference period, the Sub-Fund held on average* 97.9 % of its Net Asset Value in Eligible CIS and direct investments that the Manager believes are Sustainable Investments.

*Calculation of an annual average per fund of investments in underlying funds being Article 9 at the end of each quarter.



Source : Bloomberg and Morningstar (EET - European ESG Template)

● ***In which economic sectors were the investments made?***

As the Fund is managed on a multi-management basis (fund-of-funds structure), investments have been made mainly in underlying funds (UCIs). In view of this structure, we cannot provide relevant answers.

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 economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.



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

1.6 %

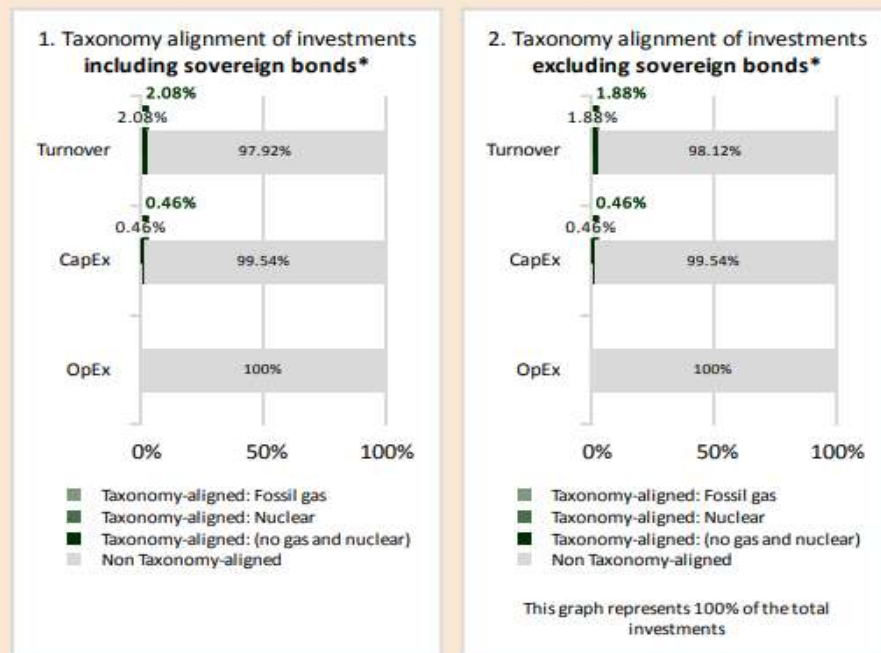
- Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with EU Taxonomy ?¹

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.



¹ 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.

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

0 %



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

38.7 %



What was the share of socially sustainable investments ?

54.7 %



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

"Not sustainable" included cash and money market instruments, for purposes such as general running of the fund and for liquidity. Cash and money market instruments are not subject to additional minimum environmental or social safeguards.



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

During the reference period, the Fund continued to be fully compliant with its sustainable investment objective as stated in the Annex II. It did so by holding 100% of its Net Asset Value (excluding cash) in investments that the Manager believes are Sustainable Investments. For the avoidance of doubt, when investing in underlying funds classified as article 9, the Manager considers such funds as sustainable investments.

In the instance that an underlying fund was considering reclassification i.e. an article 9 fund contemplating being reclassified as article 8, the Manager took proactive measures and made the necessary portfolio changes to continue to meet the sustainable investment objective. This included direct engagement with Fund Managers of underlying funds to understand current and future classification and the related rationale.



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.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.