**Note the following product is not registered in the UK and consequently not available for any investor in the UK.**

## **AXA IM expands** **PAB ETF range with emerging market debt ETF**

AXA Investment Managers (AXA IM) has launched a new passive product, the AXA IM Emerging Markets Credit PAB UCITS ETF, with credit exposure to the main emerging markets adding to its existing PAB (Paris Aligned Benchmark[[1]](#footnote-1)) range of ETFs.

This new indexed ETF aims to replicate the performance of the ICE® Emerging Markets Corporate Plus Paris Aligned Absolute Emissions Index (EMCBPABA), net of management fees, both upwards and downwards. This index offers exposure to the Investment Grade and High Yield bonds universes, denominated in USD and EUR, and issued by non-sovereign emerging markets issuers in the main domestic and Eurobond markets. With this ETF, investors will get access, in one single transaction, to the corporate debt of emerging markets while investing in companies that seek to meet carbon emission reduction targets as defined by the Paris Agreement[[2]](#footnote-2).

“*Strenghtening our fixed income ETF offering with a focus on ESG is a priority to meet our investors’ needs. With the AXA IM Emerging Markets Credit PAB UCITS ETF we offer a new building block which gives investors access to corporate debt from emerging markets in a simple and efficient way, including a decarbonisation objective. This exposure looks particularly relevant in the context of a year full of elections in this part of the globe*”, commented **Olivier Paquier, Global Head of ETF Sales at AXA IM.**

This ETF is managed in a physical manner and is classified as “Article 8” under the Sustainable Finance Disclosure Regulation (SFDR). The Total Expense Ratio (TER) will reach 0,34%[[3]](#footnote-3).

AXA IM Emerging Markets Credit PAB UCITS ETF (ticker : AICU and AQDU) is available in USD and EUR on Deutsche Boerse – XETRA and will be listed on Borsa Italiana and SIX Swiss Exchange soon.

At launch, the ETF will be available for the institutional as well as retail investors in Austria, Germany, Denmark, Finland, France, Italy (limited to institutional investors until its listing in Italy), Liechtenstein, Luxembourg, Netherlands, Norway, Spain and Sweden.

- ENDS -

**Notes to Editors**

**Risks**

**Index tracking risk:** there is no guarantee that the Fund will achieve perfect replication of its market index, and it may be subject to tracking error risk, i.e. the risk that its returns do not exactly follow those of its index at all times

**Risk of loss:** Investors may lose part of or entirely the invested capital depending on market conditions.

**Interest rate risk:** This corresponds to the risk of depreciation in rate-based instruments over either the short or medium term stemming from interest rate variations. For purposes of illustration, the price of a fixed-rate bond tends to decrease as interest rates increase. The Fund is particularly exposed to bonds and other debt securities; in the event of a rise in interest rates, the value of assets invested at a fixed rate may fall.

**Credit risk:** In the event of default or deterioration of the quality of private bond issuers (for example, a reduction in rating), the value of debt securities in which the Fund is invested may fall. In such case, the Net Asset Value of the Fund may fall.

**Emerging markets risk:** The ETF invests in emerging markets securities, which may be subject to additional risk factors such as political and economic factors, counterparty and liquidity risks, and legal risks.

The market price of an index ETF may not be identical to its net asset value at all times. The index ETF aims to replicate the performance of the index, and its trading price may differ from its net asset value and that of the index.

The fund share class is USD denominated and is subject to exchange rate fluctuations.

The list above of risk factors is not exhaustive. Please refer to the prospectus for full product details and complete information on the risks.

The ESG data used in the investment process is based on ESG methodologies that rely on data supplied by third parties. They are subjective and may evolve over time. Despite several initiatives, the absence of harmonized definitions can make ESG criteria heterogeneous. As a result, the various investment strategies that use ESG criteria and ESG reporting are difficult to compare with one another. Strategies that integrate ESG criteria and those that integrate sustainable development criteria may use ESG data that appear similar, but need to be distinguished because their calculation methods may be different.

For more information on ETFs, including net asset values, visit the local fund centre at ETFs | <https://core.axa-im.com/etf>.

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**About AXA Investment Managers**

AXA Investment Managers (AXA IM) is a leading global asset manager offering a diverse range of global investment opportunities in both alternative and traditional asset classes. Through our products we aim to diversify and grow portfolios, while delivering long-term investment performance and value for clients.

AXA IM manages approximately €859 billion in assets\*, and has €480 billion of ESG-integrated, sustainable or impact assets\*\*. Our purpose is to act for human progress by investing for what matters. As a responsible asset manager, we are committed to integrating ESG principles across our business, from stock selection to our corporate actions and culture.

Part of the AXA Group, a worldwide leader in insurance and asset management, AXA IM employs over 2,800 employees and operates from 23 offices in 18 countries globally\*\*.

*\*As at the end of June 2024, including non-consolidated entities.*

*\*\* As at the end of December 2023.*

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The characteristics of AXA IM Emerging Markets Credit PAB UCITS ETF do not protect investors from the potential effect of inflation over time. Investments and/or any income received during the period will not be revalued by the rate of inflation over the same period. As a result, the inflation-adjusted rates of return of the AXA IM Emerging Markets Credit PAB UCITS ETF could be negative. Consequently, inflation could adversely affect the performance and/or value of your investment.

Before making an investment, investors should read the relevant Prospectus and the Key Investor Information Document / scheme documents, which provide full product details including investment charges and risks. The information contained herein is not a substitute for those documents or for professional external advice.

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Summary of investor rights in English is available on AXA IM website https://www.axa-im.com/important-information/summary-investor-rights. Translations into other languages are available on local AXA IM entities’ websites.

For more information on sustainability-related aspects please visit <https://www.axa-im.com/what-is-sfdr>. The classification of AXA IM Emerging Markets Credit PAB UCITS ETF under SFDR may be subject to adjustments and amendments, since SFDR has come into force recently only and certain aspects of SFDR may be subject to new and/or different interpretations than those existing at the date of this [Prospectus]. As part of the ongoing assessment and current process of classifying its financial products under SFDR, [the Manager] reserves the right, in accordance with and within the limits of applicable regulations and of the AXA IM Emerging Markets Credit PAB UCITS ETF’s [legal documentation], to amend the classification of the Funds from time to time to reflect changes in market practice, its own interpretations, SFDR-related laws or regulations or currently-applicable delegated regulations, communications from national or European authorities or court decisions clarifying SFDR interpretations. Investors are reminded that they should not base their investment decisions on the information presented under SFDR only.

UCITS ETF’s units / shares purchased on the secondary market cannot usually be sold directly back UCITS ETF. Investors must buy and sell units / shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current net asset value when buying units / shares and may receive less than the current net asset value when selling them.

AXA IM Emerging Markets Credit PAB UCITS ETF is a sub-fund of the Irish-domiciled ICAV AXA IM ETF with registered address at 33 Sir John Rogerson’s Quay, Dublin 2, Ireland, and registered with the Central Bank of Ireland under the number C469468. AXA IM ETF ICAV is a collective asset-management vehicle under the European UCITS directive. It is managed by AXA Investment Managers Paris, a company incorporated under the laws of France, having its registered office located at Tour Majunga, 6 place de la Pyramide, 92800 Puteaux, registered with the Nanterre Trade and Companies Register under number 353 534 506, and a Portfolio Management Company, holder of AMF approval no. GP 92008, issued on 7 April 1992.

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1. Aligned with the objectives of the Paris Agreement [↑](#footnote-ref-1)
2. For more information, you can consult Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014. [↑](#footnote-ref-2)
3. ISIN codes of the share classes: ISIN IE00018U4PN8 (max TER: 0.34%), ISIN IE00066L6LB9 (max TER: 0.34%). Investment will be reduced by the costs mentioned. [↑](#footnote-ref-3)