



## AXA-IM's Approach to Shareholder Engagement and Voting

This document sets out the requirements of the Shareholder Rights Directive II (SRD II) and describes how AXA-IM addresses them through our approach to shareholder engagement and voting.

### *As an asset manager, what is AXA-IM expected to do under the European Shareholder Rights Directive II?*

Institutional investors and asset managers shall disclose engagement policies describing:

- How they integrate shareholder engagement in their investment strategy;
- How they monitor investee companies with regards to strategy, financial and non-financial performance and risk, capital structure, environmental, social and governance (ESG) matters;
- How they engage with investee companies;
- How they exercise their shareholder rights, including voting rights;
- How they cooperate and communicate with other shareholders;
- How they manage actual and perceived conflicts-of-interest related to their engagement activities.

Moreover, institutional investors and asset managers shall annually disclose how they implement their engagement policies, including:

- A general description of their voting behavior at general meetings, including how they cast votes (with the possible exclusion of votes that are deemed insignificant due to the nature of the resolution or the size of the holding);
- An explanation of their most significant votes; and

- How they used the services of proxy advisors.

### *How does AXA IM respond to these new requirements?*

We **disclose engagement policies** through our [Corporate Governance & Voting policy](#), [Responsible Investment Policy](#) and [Engagement Policy](#), and the yearly [Active Ownership report](#). These are all compliant with SRD II and available on our website. All our voting records cast on behalf of clients who have given AXA IM full discretion to vote are public and [available here](#)<sup>1</sup>.

Our proprietary ESG scoring tool allows us to monitor company performance alongside traditional financial metrics research. The ESG score of our open funds is disclosed on their Factsheet.

Our Active Ownership report details how we **implement engagement policies**. It describes our voting and engagement philosophies and their application, and highlights our most significant votes.

Our [Conflict of Interests policy](#) as well as our Corporate Governance & Voting and Stewardship policies explain how we manage any conflicts of interest.

Proxy advisors help us to meet our ownership responsibilities, but our choice of advisors and our voting policy remain AXA-IM's ultimate

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<sup>1</sup> Votes cast on behalf of clients that do not follow AXA IM Corporate Governance & Voting policy are disclosed to each client on demand.

responsibility. Our approach is explained in our Corporate Governance & Voting Policy.

*Where local transposition of the European regulation requires a specific set-up, more information is available on demand.*

### ***How to obtain required information on risks, portfolio composition and turnover?***

- The key risks associated with investments in our open-ended funds are available in their Prospectus, Key Investor Information Document (KIID/KID) and Annual Reports. For segregated mandates, you can refer to the relevant legal agreements. In the UK, you can also consult the Risk Factors disclosure available [here](#).
- Portfolio Composition information is available in funds' annual and semi-annual reports. Likewise, for segregated mandates, this and other reporting agreed between us may also contain this information.
- Turnover data for our Equity open-ended funds is available in the relevant fund's monthly factsheet, available in our website. This data will progressively be added to funds from other investment platforms during 2021. For segregated mandates, it will be included in the reporting on costs and charges required under Mifid 2, available end-March and end-June.
- Turnover costs data will also be included in Mifid 2 reports on costs and charges, for all vehicles.
- If you require earlier communication of this data, please contact your local Client Services team.