

# AXA WORLD FUNDS SICAV

A LUXEMBOURG INVESTMENT FUND

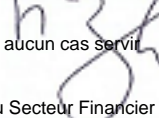


## Prospectus

January 2022



VISA 2021/167191-1979-0-PC  
L'apposition du visa ne peut en aucun cas servir  
d'argument de publicité  
Luxembourg, le 2021-12-30  
Commission de Surveillance du Secteur Financier



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| Euro Credit Total Return                  | 85  |  |     |
| Euro Government Bonds                     | 87  |  |     |
| Euro Inflation Bonds                      | 89  |  |     |
| Euro Inflation Plus                       | 91  |  |     |
| Euro Buy and Maintain Sustainable Credit  | 93  |  |     |
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# Sub-Fund Descriptions

All of the funds described on the following pages are sub-funds of AXA World Funds. AXA World Funds exists to provide investors, through the Sub-Funds, with access to a diverse range of investments, strategies and worldwide financial markets.

The investment objective and policy of each Sub-Fund begin on the next page. In addition, all Sub-Funds are subject to the general investment policies and restrictions that appear, at the end of this “Sub-Fund Descriptions” section, notably in “General Investment Rules for UCITS”.

The management company, which has overall management responsibility for AXA World Funds, and the investment managers, which handle the day-to-day management of the Sub-Funds, are all AXA Group companies. More information about AXA World Funds and other service providers can be found in sections “The SICAV” and “The Management Company”.

## Sustainable Investments and promotion of ESG characteristics

The SICAV and all its Sub-Funds comply with AXA Investment Managers’ (“AXA IM’s”) Sectorial Exclusion policies encompassing areas such as Controversial Weapons, Climate risks, Soft Commodities and Ecosystem Protection & Deforestation, as described in the policy document. Certain Sub-Funds also apply the AXA IM’s Environmental, Social and Governance standards policy (“ESG Standards”), according to which the Investment Manager aims at integrating the ESG Standards in the investment process by applying specific sectorial exclusions such as tobacco and white phosphorus weapons and by excluding investments in securities issued by companies in violation of international norms and standards such as the United Nations Global Compact Principles or the OECD guidelines for Multinational Enterprises ; as well as investments in companies which are involved in severe ESG-related incidents and investments in issuers with a Low ESG quality. Instruments issued by countries where serious specific categories of violations of Human Rights are observed are also banned. These policies (together “Policies”) are available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The Sub-Funds applying ESG Standards and/or having a non-financial objective of outperforming the ESG score of their respective benchmark or their investment universe and/or promoting ESG characteristics qualify as “Article 8 products” according to Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (“SFDR”). The Sub-Funds which have sustainable investment as their non-financial objective and are managed in line with a sustainable and/or thematic impact investing approach qualify as “Article 9 products” according to SFDR.

## A Word to Potential Investors

### All Investments Involve Risk

An investment in AXA World Funds involves risk, including the possibility that investors could lose money. AXA World Funds cannot guarantee the performance of, or any future return on, the Shares. For more information, see “Risk Descriptions”.

Before investing in any Sub-Fund, investors should assess how well its objective and risk characteristics align with their own financial circumstances and tolerance for investment risk. Investors should also inform themselves about all applicable legal, tax and foreign exchange considerations associated with their investment, such as those imposed by the jurisdictions in which investors live or have tax residence. We recommend that every investor consult an investment adviser and a tax adviser before investing.

### Who Can Invest in Sub-Funds of AXA World Funds

The Sub-Funds of AXA World Funds are only authorised or registered for public registration in some countries. Shares may not be offered or sold, and this Prospectus may not be distributed or published in any countries except under circumstances that will result in compliance with any applicable laws and regulations. The Shares are not registered in the US; thus they are not offered to US Persons, Benefit Plan Investors and Canadian Prohibited Investors, as defined in this Prospectus.

For more information on Shareholder restrictions, including which Sub-Funds and Share Classes investors may be eligible to invest in see “Available Share Classes” in section “Investing in the Sub-Funds”.

### Which Information to Rely On

In deciding whether to invest in any of these Sub-Funds, investors should rely only on the information in this Prospectus, the relevant KIID, the Articles of Incorporation and the most recent financial report(s). By buying Shares in any of these Sub-Funds, investors are considered to have accepted the terms described in these documents.

Together, all these documents contain the only approved information about AXA World Funds and the Sub-Funds. The Board is liable for any statements or information about AXA World Funds and its Sub-Funds that is contained in these documents. In case of any inconsistency in translations of this Prospectus, the English version will prevail.

All the sub-funds of the SICAV are categorized as “Article 8” or “Article 9” as set-out in the relevant Sub-Fund’s appendix, except for the sub-funds comprised in the below listed category that neither qualify as Article 8 or Article 9 products: AXA WF Chorus Multi Strategy; AXA WF Chorus Equity Market Neutral; AXA WF Chorus Systematic Macro; AXA WF Framlington Europe MicroCap; AXA WF Framlington Europe Ex-UK Microcap; AXA WF Framlington UK; ; AXA WF US Dynamic High Yield Bonds; and AXA WF Optimal Absolute.

The investments underlying the above Sub-Funds do not take into account the EU criteria for environmentally sustainable economic activities.

The table below indicates for each concerned Sub-Fund the classification “Article 8” or “Article 9” as per SFDR:

| Sub-Fund’s name  | SFDR Category | Sub-Fund’s name  | SFDR Category |
|--|---------------|--|---------------|
| AXA WF Global Sustainable Credit Bonds <sup>1</sup>                      | Article 9     | AXA WF ACT Factors – Climate Equity Fund               | Article 9     |
| AXA WF Global Strategic Bonds  | Article 8     | AXA WF ACT Eurozone Impact*                            | Article 9     |
| AXA WF Global Short Duration Bonds                                       | Article 8     | AXA WF Framlington Europe Small Cap                    | Article 9     |
| AXA WF Global Emerging Markets Bonds                                     | Article 8     | AXA WF Framlington Italy <sup>2</sup>                  | Article 8     |
| AXA WF ACT Emerging Markets Short Duration Bonds Low Carbon <sup>3</sup> | Article 9     | AXA WF Framlington Switzerland <sup>4</sup>            | Article 8     |
| AXA WF Emerging Markets Euro Denominated Bonds                           | Article 8     | AXA WF ACT Human Capital                               | Article 9     |
| AXA WF Asian High Yield Bonds <sup>5</sup>                               | Article 8     | AXA WF Framlington Next Generation                     | Article 9     |
| AXA WF Asian Short Duration Bonds  | Article 8     | AXA WF Framlington All China Evolving Trends           | Article 8     |
| AXA WF China Sustainable Short Duration Bonds                            | Article 8     | AXA WF Framlington Emerging Markets                    | Article 8     |
| AXA WF Euro Credit Plus  | Article 8     | AXA WF Framlington Evolving Trends                     | Article 9     |
| AXA WF Euro Sustainable Credit   | Article 9     | AXA WF ACT Clean Economy*                              | Article 9     |
| AXA WF Euro Credit Total Return  | Article 8     | AXA WF Framlington Longevity Economy                   | Article 8     |
| AXA WF Euro Bonds  | Article 8     | AXA WF Framlington Talents Global                      | Article 8     |
| AXA WF Euro Short Duration Bonds   | Article 8     | AXA WF ACT Social Progress                             | Article 9     |
| AXA WF Euro Strategic Bonds  | Article 8     | AXA WF Framlington Robotech                            | Article 8     |
| AXA WF Euro 7-10   | Article 8     | AXA WF Framlington Digital Economy                     | Article 8     |
| AXA WF Euro 10+LT  | Article 8     | AXA WF Framlington American Growth                     | Article 8     |
| AXA WF ACT Green Bonds**   | Article 9     | AXA WF Framlington Europe Real Estate Securities       | Article 8     |
| AXA WF Euro Sustainable Bonds  | Article 9     | AXA WF Framlington Global Real Estate Securities       | Article 8     |
| AXA WF Euro Credit Short Duration  | Article 8     | AXA WF Global Flexible Property                        | Article 8     |
| AXA WF Euro Government Bonds   | Article 8     | AXA WF Selectiv’ Infrastructure                        | Article 8     |
| AXA WF Euro Inflation Bonds  | Article 8     | AXA WF US Credit Short Duration IG                     | Article 8     |
| AXA WF Global Sustainable Aggregate                                      | Article 9     | AXA WF ACT US Corporate Bonds Low Carbon               | Article 9     |
| AXA WF Global Inflation Bonds  | Article 8     | AXA WF Global High Yield Bonds <sup>6</sup>            | Article 8     |
| AXA WF Global Inflation Short Duration Bonds                             | Article 8     | AXA WF US High Yield Bonds <sup>7</sup>                | Article 8     |
| AXA WF Global Inflation Bonds Redex                                      | Article 8     | AXA WF US Short Duration High Yield Bonds <sup>8</sup> | Article 8     |
| AXA WF Euro Inflation Plus   | Article 8     | AXA WF US Enhanced High Yield Bonds <sup>9</sup>       | Article 8     |

<sup>1</sup> This SFDR product classification is applicable for this Sub-Fund as from 18 February 2022. Until 18 February 2022, the Sub-Fund should be categorised as an Article 8 product.

<sup>2</sup> This SFDR product classification is applicable for this Sub-Fund as from 18 February 2022. Until 18 February 2022, the Sub-Fund should be categorised as a product that that neither qualifies as Article 8 or Article 9 product.

<sup>3</sup> This SFDR product classification is applicable for this Sub-Fund as from 18 February 2022. Until 18 February 2022, the Sub-Fund should be categorised as an Article 8 product.

<sup>4</sup> This SFDR product classification is applicable for this Sub-Fund as from 18 February 2022. Until 18 February 2022, the Sub-Fund should be categorised as a product that that neither qualifies as Article 8 or Article 9 product.

<sup>5</sup> This SFDR product classification is applicable for this Sub-Fund as from 18 February 2022. Until 18 February 2022, the Sub-Fund should be categorised as a product that that neither qualifies as Article 8 or Article 9 product.

<sup>6</sup> This SFDR product classification is applicable for this Sub-Fund as from 18 February 2022. Until 18 February 2022, the Sub-Fund should be categorised as a product that that neither qualifies as Article 8 or Article 9 product.

<sup>7</sup> This SFDR product classification is applicable for this Sub-Fund as from 18 February 2022. Until 18 February 2022, the Sub-Fund should be categorised as a product that that neither qualifies as Article 8 or Article 9 product.

<sup>8</sup> This SFDR product classification is applicable for this Sub-Fund as from 18 February 2022. Until 18 February 2022, the Sub-Fund should be categorised as a product that that neither qualifies as Article 8 or Article 9 product.

<sup>9</sup> This SFDR product classification is applicable for this Sub-Fund as from 18 February 2022.



|   |           |   |           |
|---|-----------|---|-----------|
| AXA WF Global Buy and Maintain Credit                     | Article 8 | AXA WF ACT US High Yield Bonds Low Carbon     | Article 9 |
| AXA WF Euro Buy and Maintain Sustainable Credit           | Article 9 | AXA WF Defensive Optimal Income               | Article 8 |
| AXA WF Framlington Global Convertibles                    | Article 8 | AXA WF Global Income Generation               | Article 8 |
| AXA WF Framlington Europe Opportunities                   | Article 8 | AXA WF Optimal Income                         | Article 8 |
| AXA WF Framlington Sustainable Eurozone                   | Article 9 | AXA WF Global Optimal Income                  | Article 8 |
| AXA WF Framlington Sustainable Europe                     | Article 9 | AXA WF ACT Multi Asset Optimal Impact*        | Article 9 |
| AXA WF Framlington Euro Selection                         | Article 9 | AXA WF Dynamic Optimal Income                 | Article 8 |
| AXA WF Global Factors - Sustainable Equity                | Article 9 | AXA WF ACT Dynamic Green Bonds**              | Article 9 |
| AXA WF ACT US Short Duration High Yields Bonds Low Carbon | Article 9 | AXA WF ACT Global High Yield Bonds Low Carbon | Article 9 |
| AXA WF ACT European High Yield Bonds Low Carbon           | Article 9 | AXA WF ACT Social Bonds                       | Article 9 |

Where the above Sub-Funds categorized as Article 8 promote environmental characteristic, it should be noted that they do not at this stage take into account the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy regulation and their portfolio alignment with such EU Taxonomy Regulation is not calculated. Therefore, the “do no significant harm” principle does not apply to any of the investments of these Sub-Funds at this stage.

Where the above Sub-Funds categorized as Article 9 do not have an environmental focus (i.e. AXA WF – ACT Social Progress, AXA WF – ACT Human Capital, AXA WF – Framlington Europe Small Cap and AXA WF – Framlington Next Generation), their underlying investments do not take into account the EU criteria for environmentally sustainable economic activities.

Where the above Sub-Funds categorized as Article 9 invest in an economic activity that contributes to an environmental objective, they are required to disclose certain information about the environmental objective(s) set out in the EU Taxonomy Regulation to which the investments of the Sub-Funds contribute and about the investments in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation.

These Sub-Funds consider the following environmental objective(s) set out in the Article 9 of the EU Taxonomy Regulation: the above Sub-Funds identified with an asterisk (\*) consider climate mitigation and the Sub-Funds identified with two asterisks (\*\*) consider climate mitigation and climate adaptation. In order to contribute to these objectives, it is expected that these Sub-Funds will make investments in EU Taxonomy-eligible economic activities, including but not limited to those reducing greenhouse gas emissions.

In line with the current state of the SFDR and/or the EU Taxonomy Regulation (before implementation of the relevant Regulatory Technical Standards), Investment Managers currently ensure that such investments of these Sub-Funds contribute to the abovementioned objective(s) while not significantly harming any other sustainable objective as follows:

- *With regards to SFDR:* These Sub-Funds apply sectorial exclusions, ESG standard policies and additional investments’ selectivity approach based on ESG Score, ESG indicators or United Nation Sustainable Development Goals in portfolio construction and investment processes as detailed in each Sub-Fund’s relevant Appendix. The “do no significant harm” principle is considered through exclusion policies of the most material ESG risks. Stewardship policies are an additional risk mitigation on Principal Adverse Impacts through direct dialogue with companies on sustainability and governance issues.
- *With regards to EU Taxonomy Regulation:* AXA IM relies on a third party provider to identify those economic activities that contribute substantially to climate mitigation or climate adaptation, “do no significant harm” to any of the other environmental objectives, comply with minimum social and governance safeguards and with technical screening criteria on climate mitigation or/and climate adaptation environmental objective(s).

While these Sub-Funds do not at this stage commit to a minimum underlying investments qualifying as environmentally sustainable as per Article 3 of the EU Taxonomy regulation, based on available data we estimate that such environmentally sustainable investments should represent 5 to 10% of each Sub-Fund’s assets, except for AWF - ACT Dynamic Green Bonds where such environmentally sustainable investments should represent less than 5% of its assets.

The other Sub-Funds categorized as article 9 do have a sustainable investment objective. While these Sub-Funds do not at this stage commit to a minimum underlying investments qualifying as environmentally sustainable as per Article 3 of the EU Taxonomy regulation, based on available data we estimate that such environmentally sustainable investments would represent less than 5% of each Sub-Fund’s assets.

# Global Flexible Property

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in USD, from an actively managed listed equity and debt securities portfolio in the global real estate market universe.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark. The Sub-Fund invests mainly in equities and bonds issued by REITs anywhere in the world.

Specifically, the Sub-Fund invests in equities, preferred shares, convertible bonds and bonds. The Sub-Fund may also invest in warrants and asset-backed securities.

The Sub-Fund invests mainly in Investment Grade transferable debt securities that are issued by governments, public or private companies and supranational entities anywhere in the world.

The Sub-Fund may also invest in such transferable debt securities rated Sub-Investment Grade. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest in equities from other sectors on an ancillary basis, and in money market instruments.

The Sub-Fund may invest up to 10% of its net assets in assets backed securities (ABS).<sup>10</sup>

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs. Exposure of the Sub-Fund's assets in non-USD currency may be partially hedged against USD.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as a strategic asset allocation constituted of 50% FTSE EPRA Nareit Developed + 50% ICE BofA Global Real Estate indices, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. The ESG analysis coverage rate within the portfolio is at least 85% of the net assets of the Sub-Fund, this rate being calculated according to the weighted average assets allocation mix within the investment universe between minimum 90% ESG analysis coverage rate for securities issued in developed countries and/or rated Investment Grade and minimum 75% ESG analysis coverage rate for securities issued in emerging countries and/or rated Sub-Investment Grade and/or equities issued of small and medium capitalization companies. For the sake of clarity, the above indices are broad market indices that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector->

investment-guidelines. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

For hedging purposes, the Sub-Fund may enter into CDS index transactions. Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated. The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are bonds and equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager combines a "bottom-up" research process for selecting securities and, to a lesser extent, a "top-down" approach for geographical and thematic asset allocation. Investment decisions are based on a combination of macroeconomic, sector and company specific analysis. Tactical allocation between equities and bonds is driven by economic analysis and portfolio construction considerations. The securities selection process relies on a rigorous analysis of the companies' business model, governance and risk/return profile.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- Emerging markets
- Investments in small and/or micro capitalisation universe
- ESG
- Global investments
- Investments in specific sectors or asset classes
- Investments in real estate securities and REITs

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

<sup>10</sup> This possibility for the Sub-Fund to invest up to 10% in ABS is applicable as from 18 February 2022.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Real Estate Investment Managers SGP.

**Inception** 18 December 2014.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.40%   | 0.50%               | —                |
| AX  | 5.50%        | 2.00%   | 0.50%               | —                |
| E   | —            | 1.40%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.70%   | 0.50%               | —                |
| I   | —            | 0.60%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| U   | 5.50%        | 0.70%   | 0.50%               | 0.70%            |
| ZF  | 2.00%        | 0.70%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Selectiv' Infrastructure

## Investment Objective and Strategy

**Objective** To achieve a mix of income and long-term capital growth measured in EUR through exposure to listed equities and debt securities issued in the global infrastructure market universe.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark.

The Sub-Fund invests mainly in listed equity (including REITs), equity-related and transferable debt securities issued by worldwide companies that are part of the infrastructure universe, including MLPs equity-related securities (up to 10% of the net assets) and MLPs-debt related securities. The infrastructure universe includes companies specialized in the development, the management and the operation of infrastructures to provide essential public services that facilitate economic growth such as Energy, Transportation, Telecommunications, Social infrastructure and Utilities.

MLPs-related securities are transferable securities publicly traded and listed on US regulated stock exchanges, issued by entities treated as partnerships for US federal income tax purposes. The asset of a MLP is the ownership of a limited partnership known as the operating entity which in turn owns subsidiaries and operating assets.

The instruments in which the Sub-Fund invests may include equities, bonds, preferred shares and on an ancillary basis, convertible bonds. The tactical allocation between equities and bonds (50/50) with a leeway of +/-10% may be done with an additional reduction of equity market exposure by 10%.

The Sub-Fund invests in transferable debt securities mainly rated Investment Grade issued by all types of issuers, including warrants and up to 10% of the net assets in asset-backed securities. The Sub-Fund may also invest in Sub-Investment Grade transferable debt securities. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below the minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to one third of its net assets in money markets instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

Exposure of the Sub-Fund's assets denominated in non-EUR currency may be hedged against EUR.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as a strategic asset allocation constituted of 50% MSCI World + 50% ICE BofA Global Corporate indices, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG analysis coverage rate within the portfolio is at least 85% of the net assets of the Sub-Fund, this rate being calculated according to the weighted average assets allocation mix within the investment universe between minimum 90% ESG analysis coverage rate for securities issued in developed countries and/or rated Investment Grade and minimum 75% ESG analysis coverage rate for securities issued in emerging countries and/or rated Sub-Investment Grade and/or equities issued of small and medium capitalization

companies. For the sake of clarity, the above indices are broad market indices that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment purposes. The main purpose for using derivatives is hedging, notably to cover interest rate risk, currency risk or equity market risk. The Sub-Fund may also use derivatives for investment purposes to gain exposure to the equity market.

For hedging purposes, the Sub-Fund may enter into CDS index transactions. Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated. The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The investment decisions are based on a combination of macroeconomic, sector and company specific analysis. Tactical allocation will be driven by economic analysis and portfolio construction considerations. The issuer selection process relies mainly on a rigorous analysis of the company's business model, its governance and its overall risk return profile.

This strategy combines a "bottom-up" research process which aims at selecting securities and to a lesser extent a "top-down" approach in view of geographical and sector asset allocation.

**Reference Currency** EUR.



## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Investments in specific sectors or asset classes
- Derivatives and leverage
- High yield debt securities
- ESG
- Emerging markets
- Global investments
- Investments in real estate securities and REITs
- Investments in MLPs

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Real Estate Investment Managers SGP.

**Inception** 4 December 2017.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.40%   | 0.50%               | —                |
| AX  | 5.50%        | 1.40%   | 0.50%               | —                |
| E   | —            | 1.40%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.70%   | 0.50%               | —                |
| ZF  | 2.00%        | 0.70%   | 0.50%               | —                |
| G   | —            | 0.60%   | 0.50%               | —                |
| I   | —            | 0.60%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the Management Company.

# ACT Clean Economy<sup>11</sup>

## Investment Objective and Strategy

**Objective** To seek both long-term growth of your investment, in USD, from an actively managed listed equity and equity-related securities portfolio, and a Sustainable Investment objective, in line with a socially responsible investment (SRI) approach.

**Investment Strategy** The Sub-Fund is actively managed and references MSCI AC World Total Return Net (the “Benchmark”) for comparative purposes only. The Investment Manager has full discretion over the composition of the portfolio of the Sub-Fund and can take exposure to companies, countries or sectors not included in the Benchmark. There are no restrictions on the extent to which the Sub-Fund’s portfolio and performance may deviate from the ones of the Benchmark. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the Sustainable Investment objective of the Sub-Fund, but is used as a reference for its financial objective.

The Sub-Fund seeks to deliver both a financial return, and a positive and measurable impact on society, and more specifically environmental issues.

The Sub-Fund aims to support on the long run the SDGs established by the United Nations with a focus on the environmental themes. Thus, the Sub-Fund bindingly applies at all times AXA IM’s Impact approach for listed assets available on <https://www.axa-im.com/responsible-investing/impact-investing/listed-assets>, according to which the Investment Manager applies an impact approach in the securities selection process, which considers five key pillars: intentionality (securities targeting a specific positive environmental or social outcome), materiality (investments in companies where the positive outcomes are of material significance to the beneficiaries, the company, or to both), additionality (decisions are judged on the likely ability to resolve unmet environmental or social needs), negative consideration (company’s corporate practices or products and services may significantly undermine the positive impact it is generating elsewhere) and measurability (clear methodology and commitment to measuring and reporting the social performance of investments).

The Sub-Fund seeks to achieve its objective through investments in sustainable securities by using a socially responsible investment ‘Best-in-Universe’ selectivity approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings with a focus on the Environment pillar (“E scores”). The ‘Best-in-Universe’ selectivity approach is bindingly applied and consists in reducing by, at least, 20% the investment universe as defined by the Benchmark, by excluding issuers based on their E scores, where applicable, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund invests in equities of worldwide companies in the clean economy that develop activities which allow the energy transition and resource optimization.

Specifically, the Sub-Fund invests at least two thirds of net assets in equities and equity-related securities of worldwide companies that seek to offer growth potential and are active in areas such as the sustainable transport, renewable energies, responsible agriculture, food and water production and supplies and also recycling and waste reduction. Investments may include companies of any market capitalization.

The Sub-Fund may invest up to 10% in A Shares listed in the Shanghai Hong Kong Stock Connect.

The Sub-Fund may also invest in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

### Derivatives and Efficient Portfolio Management techniques

The Sub-Fund may use listed derivatives (such as futures and options) for efficient portfolio management and hedging purposes.

The Sub-Fund will not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management and hedging, the Sub-Fund uses, as part of its daily investment management activity, the following technique(s) (as a % of net assets):

- Securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

<sup>11</sup> This name is applicable as from 10 January 2022. Until 10 January 2022, the following name shall instead be applicable: ACT Framlington Clean Economy.

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, followed by a second 'Best-in-Universe' filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology; 2/ a combination of macroeconomic sector and company specific analysis which relies on a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile, with a focus on medium to long-term benefits from companies that fill the social, environmental and governance criteria and respect the principles defined in the United Nations Global Compact Initiative.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Global investments
- Investments in small and/or micro-capitalisation universe
- ESG
- Emerging markets
- Investments in specific sectors or asset classes
- Impact investments

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, the United Kingdom and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Inception** 14 December 2018.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |           |
|---|--------------|---|---------------------|------------------|-----------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee | CDSC*     |
| A   | 5.50%        | 1.50%   | 0.50%               | —                | —         |
| BL**  | —            | 1.50%   | 0.50%               | 1.00%***         | 3.00%**** |
| BR  | —            | 0.60%   | 0.50%               | —                | —         |
| E   | —            | 1.50%   | 0.50%               | 0.75%            | —         |
| F   | 2.00%        | 0.75%   | 0.50%               | —                | —         |
| G   | —            | 0.60%   | 0.50%               | —                | —         |
| I   | —            | 0.60%   | 0.50%               | —                | —         |
| M   | —            | —   | 0.50%               | —                | —         |
| N**   | 2.00%        | 1.50%   | 0.50%               | 1.00%            | —         |
| U   | 5.50%        | 0.75%   | 0.50%               | 0.75%            | —         |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                | —         |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* Contingent Deferred Sales Charge – See "Notes on Sub-Fund's Costs" for more information.

\*\* These Share Classes will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

\*\*\* Payable monthly in arrears on the basis of the average daily Net Asset Value of the "BL" Share Class.

\*\*\*\* Decreases yearly, reaching zero 3 years after investment.

# Framlington Digital Economy

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in USD, from an actively managed listed equity and equity-related securities portfolio, in line with a socially responsible investment (SRI) approach<sup>12</sup>.

**Investment Strategy** The Sub-Fund is actively managed and references MSCI AC World Total Return Net (the "Benchmark") for comparative purposes only. The Investment Manager has full discretion over the composition of the portfolio of the Sub-Fund and can take exposure to companies, countries or sectors not included in the Benchmark. There are no restrictions on the extent to which the Sub-Fund's portfolio and performance may deviate from the ones of the Benchmark.

The Sub-Fund invests in equities of companies anywhere in the world that operate within the digital economy sector.

Specifically, at all times the Sub-Fund invests at least two thirds of its net assets in equities and equity-related securities of companies active in the overall value chain of the digital economy, from the customers' initial discovery of products and services, to the buying decision and then the final payment and delivery, and also in the technology enablers providing support and data analysis to develop companies' digital presence. Investments may include companies of any market capitalisation.

The Sub-Fund is not subject to any limitation on the portion of its net assets that may be invested in any one country or region, including emerging markets. The Sub-Fund seeks to achieve its objective through investments in securities that have implemented good practices in terms of managing their environmental impacts, governance and social ("ESG") practices, by using a socially responsible investment 'selectivity' approach which consists of selecting best issuers in the investable universe composed of equities listed on global markets, based on their extra-financial ratings with a focus on the Environmental pillar ("E scores"). The 'Best-in-universe' selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the initial investable universe, by excluding issuers based on their E scores.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and solidarity assets. The ESG rating method is

described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar, but which should be distinguished because their calculation method may be different.

The Sub-Fund may also invest up to 20% of net assets in money market instruments and up to 10% of net assets in Chinese A Shares listed in the Shanghai Hong-Kong Stock Connect.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.<sup>13</sup>

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and hedging.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos. All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager uses a strategy that combines macro-economic, sector and company specific analysis. The Investment Manager selects securities by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, followed by a second 'Best-in-universe' filter, designed to eliminate the worst issuers from the investable universe defined for ESG purposes on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology; 2/ a rigorous analysis and selection of high quality companies which typically include strong management teams, robust business models and where the expanding digital economy is expected to have a material positive impact on their financial results on a mid to long term basis.<sup>14</sup>

<sup>12</sup> The added wording "in line with a socially responsible investment (SRI) approach" is only applicable as from 18 February 2022.

<sup>13</sup> This investment strategy is applicable as from 18 February 2022. Until 18 February 2022, the following investment strategy shall instead be applicable: The Sub-Fund is actively managed and references MSCI AC World Total Return Net (the "Benchmark") for comparative purposes only. The Investment Manager has full discretion over the composition of the portfolio of the Sub-Fund and can take exposure to companies, countries or sectors not included in the Benchmark. There are no restrictions on the extent to which the Sub-Fund's portfolio and performance may deviate from the ones of the Benchmark.

The Sub-Fund invests in equities of companies anywhere in the world that operate within the digital economy sector.

Specifically, at all times the Sub-Fund invests at least two thirds of its net assets in equities and equity-related securities of companies active in the overall value chain of the digital economy, from the customers' initial discovery of products and services, to the buying decision and then the final payment and delivery, and also in the Prospectus Page 12 of 202

technology enablers providing support and data analysis to develop companies' digital presence. Investments may include companies of any market capitalisation.

The Sub-Fund may also invest in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

In the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

<sup>14</sup> This Management Process is applicable as from 18 February 2022. Until 18 February 2022, the following Management Process shall instead be applicable: The Investment Manager uses a strategy that combines macro-economic, sector and company specific analysis. The securities selection process relies on a rigorous analysis and selection of high quality companies which typically include strong management teams, robust business models and healthy competitive  
AXA World Funds

**Reference Currency** USD.

## Risks

**Risk Profile** risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Emerging markets
- Global investments
- Investments in small and/or micro capitalisation universe
- Investments in specific sectors or asset classes
- ESG
- Stock connect<sup>15</sup>

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, the United Kingdom and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Inception** 24 October 2017.

| Maximum one-off charges taken when you invest |       | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|-------|---|---------------------|------------------|
| Class   | Entry | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50% | 1.50%   | 0.50%               | —                |
| BR  | —     | 0.60%   | 0.50%               | —                |
| E   | —     | 1.50%   | 0.50%               | 0.50%            |
| F   | 2.00% | 0.75%   | 0.50%               | —                |
| G   | —     | 0.60%   | 0.50%               | —                |
| I   | —     | 0.60%   | 0.50%               | —                |
| M   | —     | —   | 0.50%               | —                |
| N   | 2.00% | 1.50%   | 0.50%               | 1.00%            |
| U   | 5.50% | 0.75%   | 0.50%               | 0.75%            |
| ZF  | 2.00% | 0.75%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the Management Company.



# Framlington Europe Real Estate Securities

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in EUR, from an actively managed listed equity, equity-related securities and derivatives on such securities portfolio.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in the Regulated European real estate markets, by mainly investing in equities of companies that are part of the FTSE EPRA/NAREIT Developed Europe Capped 10% Total Return benchmark index (the "Benchmark") universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund's portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries or companies compared to the Benchmark's composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund's portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund invests in equities of companies that are in the real estate sector.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in transferable securities of companies that are in the real estate sector, and are domiciled or do most of their business in Europe. The Sub-Fund invests mainly in securities that are negotiated on European regulated markets. On an ancillary basis, the Sub-Fund may invest on markets outside Europe. The Sub-Fund may invest in equity securities of any market capitalisation (including small and micro-sized companies).

The Sub-Fund may invest up to 5% of net assets in UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 80% of the net assets of the Sub-Fund, this rate being calculated according to the weighted average assets allocation mix within the investment universe between minimum 90% ESG analysis coverage rate for securities issued in developed countries and/or rated Investment Grade and minimum 75% ESG analysis coverage rate for securities issued in emerging countries, from small and micro-capitalization universe and/or rated Sub-Investment Grade.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and hedging.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager combines a "bottom-up" research process for selecting securities and, to a lesser extent, a "top-down" approach for geographical asset allocation. The Investment Manager uses a strategy that combines macro-economic, industry analysis and company selection. The securities selection process relies on a rigorous analysis of the companies' business model, growth prospects, underlying assets and risk/return profile.

**Reference Currency** EUR.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Investments in specific sectors or asset classes
- Investments in real estate securities and REITs
- ESG
- Investments in specific countries or geographical zones
- Investments in small and/or micro-capitalisation universe

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Real Estate Investment Managers SGP.

**Inception** 16 August 2005.

**Framlington Europe Real Estate Securities – Continued**

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%*       | 1.50%   | 0.50%               | —                |
| E   | —            | 1.50%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| I   | —            | 0.60%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company. I Capitalisation EUR Hedged Share Class will be hedged at least at 95 % against the currencies making up the reference indicator of the Sub-Fund i.e. FTSE Epra/Nareit Europe Capped (at 10%). Beside such hedging strategy, the Investment Manager may expose the portfolio to active currency trades which can differ significantly from the currency exposure of the reference indicator.

\* 5.25% maximum for Class A distribution quarterly USD hedged (95%) and Class A distribution quarterly HKD hedged (95%)

# Framlington Global Real Estate Securities

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in EUR, from an actively managed listed equity, equity-related securities and derivatives portfolio.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in the international real estate market, by mainly investing in equities of companies that are part of the FTSE EPRA/NAREIT Developed Total Return Net benchmark index (the "Benchmark") universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund's portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries or companies compared to the Benchmark's composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund's portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund invests in equities of real estate companies anywhere in the world.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in transferable securities issued by companies engaged in the real estate sector.

The Sub-Fund may invest in equity securities of any market capitalisation (including small and micro-sized companies).

The Sub-Fund is not subject to any limitation on the portion of its net assets that may be invested in any one country or region.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 80% of the net assets of the Sub-Fund, this rate being calculated according to the weighted average assets allocation mix within the investment universe between minimum 90% ESG analysis coverage rate for securities issued in developed countries and/or rated Investment Grade and minimum 75% ESG analysis coverage rate for securities issued in emerging countries, from small and micro-capitalization universe and/or rated Sub-Investment Grade.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. For the avoidance of doubt, the use of derivatives for investment purposes is limited to 50% of the net assets of the Sub-Fund.

The Sub-Fund may expose itself via derivatives to equities, equity-related securities, bonds and other fixed income instruments, indexes and currencies. The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager combines a "bottom-up" research process for selecting securities and, to a lesser extent, a "top-down" approach for geographical and thematic asset allocation. The securities selection process relies on a rigorous analysis of sector, companies' business model, management quality, growth prospects, underlying assets and risk/return profile.

**Reference Currency** EUR.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Emerging markets
- Investments in specific sectors or asset classes
- ESG
- Global investments
- Investments in real estate securities and REITs
- Investments in small and/or micro-capitalisation universe

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Real Estate Investment Managers SGP.

**Inception** 29 August 2006.

Framlington Global Real Estate Securities — Continued

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 2.00%   | 0.50%               | —                |
| E   | —            | 2.00%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 1.00%   | 0.50%               | —                |
| I   | —            | 0.80%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 1.00%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Framlington Sustainable Eurozone

## Investment Objective and Strategy

**Objective** To seek both long-term growth of your investment, in EUR, and a Sustainable Investment objective, from an actively managed listed equity, equity-related securities and derivatives portfolio, in line with a socially responsible investment approach.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in the Eurozone equity market, by mainly investing in equities of companies that are part of the EURO STOXX Total Return Net benchmark index (the "Benchmark") universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund's portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries, sectors or companies compared to the Benchmark's composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund's portfolio. Thus, the deviation from the Benchmark is likely to be significant. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the Sustainable Investment objective of the Sub-Fund, but is used as a reference for its financial objective.

The Sub-Fund seeks to achieve its objective through investments in sustainable securities that have implemented good practices in terms of managing their environmental impacts, governance and social ("ESG") practices, by using a socially responsible investment 'selectivity' approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings with a focus on the Climate Change scores. The 'Best-in-Universe' selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe as defined by the Benchmark, by excluding issuers based on their Climate Change scores, where applicable, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets. For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund invests in equities of companies of all sizes domiciled in the Eurozone.

Specifically, at all times the Sub-Fund invests at least 75% of net assets in PEA eligible securities and rights issued by companies registered in the EEA and 60% of those assets at the minimum are invested in Eurozone markets. The Sub-Fund may invest less than 25% of net assets in companies not incorporated in the EEA.

The Sub-Fund may invest less than 25% of net assets in money market instruments and up to 10% of net assets in bonds, including convertible bonds.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and investment.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are bonds and equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager combines a "bottom-up" approach with a thematic research by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, followed by a second 'Best-in-Universe' filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology; 2/ based on a combination of macro-economic, industry analysis and company selection, the securities selection process relies on a rigorous analysis of the companies' business model, underlying assets and balance sheet, whether the company meets Responsible Investment criteria and risk/return profile.

**Reference Currency** EUR.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Investments in specific countries or geographical zones
- Investments in small and/or micro capitalisation universe
- ESG

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.



## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg except 31 December.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Other** PEA eligible.

**Inception** 15 October 2008.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.50%   | 0.50%               | —                |
| E   | —            | 1.50%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| I   | —            | 0.70%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# ACT Eurozone Impact<sup>16</sup>

## Investment Objective and Strategy

**Objective** To seek both long-term growth of your investment, in EUR, and a Sustainable Investment objective, from an actively managed listed equity, equity-related securities and derivatives portfolio demonstrating a positive social and environmental impact.<sup>17</sup>

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in the Eurozone equities market, by investing at least 20% of its net assets in equities of companies that are part of the EURO STOXX Total Return Net benchmark index (the "Benchmark") universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund's portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries, sectors or companies compared to the Benchmark's composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund's portfolio. Thus, the deviation from the Benchmark is likely to be significant. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the Sustainable Investment objective of the Sub-Fund but is used as a reference for its financial objective.

The Sub-Fund seeks to invest in equities of companies listed in the Eurozone that create financial and societal value by fostering social progress and/or environmental positive impact.

The Sub-Fund mainly invests in equities which address the United Nations Sustainable Development Goals (SDGs) in their social and environmental dimensions.

Specifically, the Fund aims to target the areas of environmental and social progress highlighted by those SDGs such as: wellbeing & safety, healthcare solutions, housing & essential infrastructure, human capital & diversity, education and entrepreneurship, tech inclusion, recycling & waste reduction, sustainable production, smart energy and low carbon transport.

The Sub-Fund aims to support on the long run the SDGs established by the United Nations with a focus on the social and environmental themes. Thus, the Sub-Fund bindingly applies at all times AXA IM's Impact approach for listed assets available on <https://www.axa-im.com/responsible-investing/impact-investing/listed-assets>, according to which the Investment Manager applies an impact approach in the securities selection process, which considers five key pillars: intentionality (securities targeting a specific positive environmental or social outcome), materiality (investments in companies where the positive outcomes are of material significance to the beneficiaries, the company, or to both), additionality (decisions are judged on the likely ability to resolve unmet environmental or social needs), negative consideration (company's corporate practices or products and services may significantly undermine the positive impact it is generating elsewhere) and measurability (clear methodology and commitment to measuring and reporting the social performance of investments).

The SDGs supported by environment themes include to ensure access to affordable and clean energy (SDG 7), to develop sustainable and resilient infrastructure (SDG 9), to make cities and communities more sustainable (SDG 11), to ensure responsible consumption and production patterns (SDG 12), to take urgent action to combat climate change (SDG 13), to conserve and sustainably use the oceans, seas and marine resources (SDG 14) and to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss (SDG 15).

The SDGs supported by social themes include alleviating poverty and access to essential products and services (SDG 1), access to safe and nutritious food (SDG 2), the promotion of health, safety and well-being (SDG 3), the promotion of education and labour

upskilling (SDG 4), the attainment of gender equality (SDG 5), access to safe water and sanitation (SDG 6), access to modern and affordable electricity (SDG 7), the promotion of inclusive economic growth and decent work for all (SDG 8), the promotion of an industrialization inclusive of small businesses and fostering innovation (SDG 9), the reduction of social inequalities (SDG 10), the making of safe, resilient and affordable human settlements (SDG 11) and the promotion of peace and justice and the fight against all forms of organized crime (SDG 16).

The Sub-Fund bindingly commits to have at all times at least 70% of assets invested in companies which have been assessed internally through the above-mentioned impact assessment approach.

The Sub-Fund adopts an environmentally and socially responsible investment 'selectivity' approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe composed of equities listed in the Eurozone, based on their contribution to the SDGs. The 'Best-in-Universe' selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe described above (with the exception of cash held on an ancillary basis and solidarity assets), using a combination of external and internal SDGs alignment data.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The Sub-Fund invests in equities of companies of all sizes domiciled in the Eurozone.

<sup>16</sup> This name is applicable as from 18 February 2022. Until 18 February 2022, the following name shall instead be applicable: Framlington Eurozone RI.

<sup>17</sup> This investment objective is applicable as from 18 February 2022. Until 18 February 2022, the following investment objective shall instead be applicable: To seek both long-term growth of your investment, in EUR, and a Sustainable Investment objective, from an actively managed listed equity, equity-related securities and derivatives portfolio, in line with a socially responsible investment (SRI) approach.

## Eurozone Impact — Continued

Specifically, at all times the Sub-Fund invests at least 75% of net assets in PEA eligible securities and rights issued by companies registered in the EEA and 60% of those assets at the minimum are invested in the Eurozone markets. The Sub-Fund invests not more than 10% of net assets in equities of companies not based in the Eurozone, including emerging markets.

The Sub-Fund may invest up to 25% of net assets in money market instruments.

The Sub-Fund may invest up to 10% of net assets in units of UCITS and/or UCIs.<sup>18</sup>

### Derivatives and Efficient Portfolio Management Techniques

The Sub-Fund may use derivatives for efficient portfolio management.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** To demonstrate a positive and measurable social and environmental impact, the Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, followed by a second 'Best-in-Universe filter on SDGs indicators; 2/ using a

<sup>18</sup> This investment strategy is applicable as from 18 February 2022. Until 18 February 2022, the following investment strategy shall instead be applicable: The Sub-Fund is actively managed in order to capture opportunities in the Eurozone equities market, by mainly investing in equities of companies that are part of the EURO STOXX Total Return Net benchmark index (the "Benchmark") universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund's portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries, sectors or companies compared to the Benchmark's composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund's portfolio. Thus, the deviation from the Benchmark is likely to be significant. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the Sustainable Investment objective of the Sub-Fund but is used as a reference for its financial objective.

The Sub-Fund seeks to achieve its objective through investments in sustainable securities that have implemented good practices in terms of managing their environmental impacts, governance and social ("ESG") practices, by using a socially responsible investment 'selectivity' approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings ("ESG scores"). The 'Best-in-Class' selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe as defined by the Benchmark, by excluding issuers based on their ESG scores, where applicable, to the exception of bonds and other debt securities issued by public or quasi-public issuers, cash held on an ancillary basis and Solidarity Assets.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

strategy that combines macro-economic, sector and company specific analysis and a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile, with an emphasis on their capacity to offer higher growth potential as they focus on providing product and services across a range of ecological and social needs.<sup>19</sup>

**Reference Currency** EUR.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Investments in small and/or micro capitalisation universe
- ESG
- Investments in specific countries or geographical zones
- Impact<sup>20</sup>

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and France.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Other** PEA eligible

**Inception** 3 November 2010.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public or quasi-public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund invests in equities of companies of all sizes domiciled in the Eurozone.

Specifically, at all times the Sub-Fund invests at least 75% of net assets in PEA eligible securities and rights issued by companies registered in the EEA and 60% of those assets at the minimum are invested in the Eurozone markets. The Sub-Fund invests not more than 10% of net assets in companies not based in the Eurozone, including emerging markets.

The Sub-Fund may invest up to 25% of net assets in money market instruments.

The Sub-Fund may invest up to 10% of net assets in units of UCITS and/or UCIs.

<sup>19</sup> This management process is applicable as from 18 February 2022. Until 18 February 2022, the following management process shall instead be applicable: The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, followed by a second 'Best-in-Class' filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM proprietary ESG rating methodology; 2/ using a strategy that combines macro-economic, sector and company specific analysis and a rigorous analysis of the companies' business model, management quality, growth prospects, whether the company meets Responsible Investment criteria and risk/return profile.

<sup>20</sup> This specific risk is only applicable as from 18 February 2022.

**Eurozone Impact** — Continued

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.50%   | 0.50%               | —                |
| E   | —            | 1.50%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| I   | —            | 0.60%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Framlington Sustainable Europe

## Investment Objective and Strategy

**Objective** To seek both long-term growth of your investment, in EUR, and a Sustainable Investment objective, from an actively managed listed equity, equity-related securities and derivatives portfolio, in line with a socially responsible investment (SRI) approach.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in the European equities markets, by mainly investing in equities of companies that are part of the MSCI Europe Total Return Net benchmark index (the "Benchmark") universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund's portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries, sectors or companies compared to the Benchmark's composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund's portfolio. Thus, the deviation from the Benchmark is likely to be significant. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the Sustainable Investment objective of the Sub-Fund, but is used as a reference for its financial objective.

The Sub-Fund seeks to achieve its objective through investments in sustainable securities that have implemented good practices in terms of managing their environmental impacts, governance and social ("ESG") practices, by using a socially responsible investment 'selectivity' approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings with a focus on the Climate Change scores. The 'Best-in-Universe' selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe as defined by the Benchmark, by excluding issuers based on their Climate Change scores, where applicable, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund invests essentially in equities of companies of all sizes domiciled in Europe.

The Sub-Fund may invest less than 25% of net assets in money market instruments and up to 10% in bonds, including convertible bonds.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are bonds and equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, followed by a second 'Best-in-Universe' filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology; 2/ a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile.

**Reference Currency** EUR.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Investments in specific countries or geographical zones
- Investments in small and/or micro capitalisation universe
- ESG

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 15 October 2008.



**Framlington Sustainable Europe — Continued**

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.50%   | 0.50%               | —                |
| E   | —            | 1.50%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| I   | —            | 0.70%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Framlington Euro Selection

## Investment Objective and Strategy

**Objective** To seek both long-term growth of your investment, in EUR, and a Sustainable Investment objective, from an actively managed listed equity, equity-related securities and derivatives portfolio, in line with a socially responsible investment (SRI) approach.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in the Euro zone equities market, by mainly investing in equities of companies that are part of the EURO STOXX Total Return Net benchmark index (the "Benchmark") universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund's portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries, sectors or companies compared to the Benchmark's composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund's portfolio. Thus, the deviation from the Benchmark is likely to be significant. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the Sustainable Investment objective of the Sub-Fund, but is used as a reference for its financial objective.

The Sub-Fund seeks to achieve its objective through investments in sustainable securities that have implemented good practices in terms of managing their environmental impacts, governance and social ("ESG") practices, by using a socially responsible investment 'selectivity' approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings with a focus on the Environment pillar ("E scores"). The 'Best-in-Universe' selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe as defined by the Benchmark, by excluding issuers based on their E scores, where applicable, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund invests mainly in equities of large and medium sized companies based in the Eurozone.

Specifically, at all times the Sub-Fund invests at least 66% of net assets in equities that are denominated in EUR. The Sub-Fund may invest up to 10% of net assets in companies not based in the

Eurozone. The Sub-Fund may invest in equity securities of any market capitalisation (including small and micro-sized companies).

The Sub-Fund may invest up to one third of net assets in money market instruments and up to 10% in bonds, including convertible bonds and Sub-Investment Grade and/or unrated sovereign debt securities issued or guaranteed by any single country.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and hedging.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are bonds and equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, followed by a second 'Best-in-Universe' filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology; 2/ using a strategy that combines macro-economic, sector and company specific analysis that relies on a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile.

**Reference Currency** EUR.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Investments in small and/or micro capitalisation universe
- Investments in specific countries or geographical zones
- ESG

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

Framlington Euro Selection — Continued

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 1 April 1988.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.50%   | 0.50%               | —                |
| E   | —            | 1.50%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| I   | —            | 0.70%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Framlington Europe Opportunities

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in EUR, from an actively managed listed equity, equity-related securities and derivatives portfolio.

**Investment Strategy** The Sub-Fund seeks to capture opportunities in European equity markets, primarily investing in securities which are part of the MSCI Europe Total Return Net benchmark index (the “Benchmark”) universe. The Investment Manager also considers the allocation in terms of country and sector in the Benchmark. However, as the portfolio is invested in a relatively small number of equities and the Investment Manager can take, based on its investment convictions, large overweight or underweight positions on the sectors and countries compared to the Benchmark’s composition and also invest in securities that are not part of the Benchmark, the deviation from the Benchmark is likely to be significant. The Sub-Fund invests essentially in companies domiciled or listed in the European geographical area.

The Sub-Fund may invest in equity securities of any market capitalisation (including small and micro-sized companies).

The Sub-Fund may invest up to 10% of net assets in units of UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager’s decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and hedging.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager uses a strategy that combines macro-economic, sector and company specific analysis. The portfolio is relatively concentrated and based on companies’ outlook rather than on a country or sector basis. The securities selection process relies on a rigorous analysis of the companies’ business model, management quality, growth prospects and risk/return profile. On a tactical basis, a portion of the Sub-Fund is invested in companies offering opportunities presented by merger & acquisition, management change, spin-off and asset disposal activities.

**Reference Currency** EUR.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Investments in specific countries or geographical zones
- Investments in small and/or micro-capitalisation universe
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 9 March 2001.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.50%   | 0.50%               | —                |
| E   | —            | 1.50%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Framlington Europe Small Cap

## Investment Objective and Strategy

**Objective** To seek both long-term growth of your investment, in EUR, and a Sustainable Investment objective, from an actively managed listed equity, equity-related securities and derivatives portfolio, in line with a socially responsible investment (SRI) approach.

**Investment Strategy** The Sub-Fund is actively managed and references STOXX Europe Small 200 Total Return Net (the "Benchmark") for comparative purposes only. The Investment Manager has full discretion over the composition of the portfolio of the Sub-Fund and can take exposure to companies not included in the Benchmark. There are no restrictions on the extent to which the Sub-Fund's portfolio and performance may deviate from the ones of the Benchmark. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the sustainable investment objective of the Sub-Fund, but is used as a reference for its financial objective.

The Sub-Fund seeks to achieve its objective through investments in sustainable securities that have implemented good practices in terms of managing their environmental impacts, governance and social ("ESG") practices, by using a socially responsible investment 'selectivity' approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings with a focus on the Governance pillar ("G scores"). The 'Best-in-Universe' selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe as defined by the Benchmark, by excluding issuers based on their G scores, where applicable, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and solidarity assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund invests essentially in equities of small and medium capitalisation companies domiciled in Europe, while ensuring sector diversification.

At all times the Sub-Fund invests at least two thirds of net assets in small cap companies listed on European markets.

The Sub-Fund may invest less than 25% of net assets in money market instruments and up to 10% in bonds, including convertible bonds.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are bonds and equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, followed by a second 'Best-in-Universe' filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology; 2/ using a strategy that combines macro-economic, sector and company specific analysis that relies on a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile.

**Reference Currency** EUR.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Investments in small and/or micro capitalisation universe
- Investments in specific countries or geographical zones
- ESG

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Initiation** 9 March 2001.



Framlington Europe Small Cap — Continued

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |           |
|---|--------------|---|---------------------|------------------|-----------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee | CDSC*     |
| A   | 5.50%        | 1.75%   | 0.50%               | —                | —         |
| BL**  | —            | 1.75%   | 0.50%               | 1.00%***         | 3.00%**** |
| E   | —            | 1.75%   | 0.50%               | 0.50%            | —         |
| F   | 2.00%        | 0.90%   | 0.50%               | —                | —         |
| I   | —            | 0.70%   | 0.50%               | —                | —         |
| M   | —            | —   | 0.50%               | —                | —         |
| U   | 5.50%        | 0.875%  | 0.50%               | 0.875%           | —         |
| ZF  | 2.00%        | 0.90%   | 0.50%               | —                | —         |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* Contingent Deferred Sales Charge – See "Notes on Sub-Fund's Costs" for more information.

\*\* These Share Classes will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

\*\*\* Payable monthly in arrears on the basis of the average daily Net Asset Value of the "BL" Share Class.

\*\*\*\* Decreases yearly, reaching zero 3 years after investment.

# Framlington Europe MicroCap

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in EUR, from an actively managed listed equity, equity-related securities and derivatives portfolio.

**Investment Strategy** The Sub-Fund is actively managed and references MSCI Europe MicroCap Total Return Net (the "Benchmark") for both comparative purposes and performance fees' calculation of the performance fee share class against it. The Investment Manager has full discretion over the composition of the portfolio of the Sub-Fund and can take exposure to companies, countries or sectors not included in the Benchmark. There are no restrictions on the extent to which the Sub-Fund's portfolio and performance may deviate from the ones of the Benchmark.

While ensuring sector diversification, the Sub-Fund invests essentially in equities of small and micro-cap companies, the latter being companies with a market capitalisation of less than 1 billion EUR, domiciled or listed in Europe.

The Sub-Fund may invest up to 10% of net assets in units of UCITS and/or UCIs.

The Sub-Fund bindingly applies at all times AXA IM's Sectorial Exclusion Policy, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager uses a strategy that combines macro-economic, sector and company specific analysis. The securities selection process relies on a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile.

**Reference Currency** EUR.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Investments in small and/or micro capitalisation universe
- Investments in specific countries or geographical zones

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Benchmark for performance fee** MSCI Europe Microcap denominated in USD for USD Share Classes; MSCI Europe Microcap denominated in USD converted in the currency of the Share Class for non-USD Share Classes.

The performance fee only applies to the outperformance of the benchmark according to the benchmark model.

**Inception** 7 March 2005.

| Class | Maximum one-off charges taken when you invest | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  | Charges taken from the Sub-Fund under specific conditions |
|-------|---|---|---------------------|------------------|---|
|       | Entry Charge                                  | Management Fee  | Applied Service Fee | Distribution Fee | Performance Fee   |
| A     | 5.50%   | 2.40%   | 0.50%               | —                | 20%   |
| F     | 2.00%   | 1.20%   | 0.50%               | —                | 20%   |
| M     | —   | —   | 0.50%               | —                | 20%   |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Framlington Europe ex-UK MicroCap

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in EUR, from an actively managed listed equity, equity-related securities and derivatives portfolio.

**Investment Strategy** The Sub-Fund is actively managed and references MSCI Europe ex UK MicroCap Total Return Net (the "Benchmark") for both comparative purposes and performance fees' calculation of the performance fee share class against it. The Investment Manager has full discretion over the composition of the portfolio of the Sub-Fund and can take exposure to companies, countries or sectors not included in the Benchmark. There are no restrictions on the extent to which the Sub-Fund's portfolio and performance may deviate from the ones of the Benchmark.

While ensuring sector diversification, the Sub-Fund invests in equities of small and micro-cap companies, the latter being companies with a market capitalisation of less than 1 billion EUR, domiciled or listed in Europe.

Specifically, at all times the Sub-Fund invests at least 75% of net assets in PEA and PEA/PME eligible securities and rights issued by companies that are registered in EEA.

On an ancillary basis, the Sub-Fund may invest in equities of companies domiciled or listed in the United Kingdom.

The Sub-Fund may invest up to 10% of net assets in units of UCITS and/or UCIs.

The Sub-Fund bindingly applies at all times AXA IM's Sectorial Exclusion Policy, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager uses a strategy that combines macro-economic, sector and company specific analysis. The securities selection process relies on a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile.

**Reference Currency** EUR.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Investments in small and/or micro capitalisation universe

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Benchmark for performance fee** MSCI EUROPE ex UK MICRO CAP denominated in USD for USD Share Classes; MSCI EUROPE ex UK MICRO CAP denominated in USD converted in the currency of the Share Class for non-USD Share Classes.

The performance fee only applies to the outperformance of the benchmark according to the benchmark model.

**Other** PEA and PEA/PME eligible.

**Inception** 11 March 2019.

| Class | Maximum one-off charges taken when you invest | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  | Charges taken from the Sub-Fund under specific conditions |
|-------|---|---|---------------------|------------------|---|
|       | Entry Charge                                  | Management Fee  | Applied Service Fee | Distribution Fee | Performance Fee   |
| A     | 5.50%   | 2.40%   | 0.50%               | —                | 20%   |
| AX    | 5.50%   | 1.50%   | 0.50%               | —                | 20%   |
| F     | 2.00%   | 1.20%   | 0.50%               | —                | 20%   |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Framlington American Growth

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in USD, from an actively managed listed equity, equity-related securities and derivatives portfolio.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in North American equities market, by investing at least one third of its net assets in equities of companies that are part of the S&P 500 Total Return Net benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, large overweight or underweight positions on the sectors or companies compared to the Benchmark’s composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund invests in equities of American companies (including companies in the United States of America, Canada and Mexico) of any capitalisation, that, the Investment Manager believes, appear to offer above-average profitability and growth prospects.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in equities and equity-related securities of companies that are domiciled or do most of their business in the Americas.

The Sub-Fund may invest up to one third of net assets in money market instruments and up to 10% in bonds, including convertible bonds and Sub-Investment Grade and/or unrated sovereign debt securities issued or guaranteed by any single country.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

In the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and hedging.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are bonds and equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager uses a strategy that combines macro-economic, sector and companies’ specific analysis. The securities selection process relies on a rigorous analysis of the companies’ business model, management quality, profitability, growth prospects and risk/return profile.

**Reference Currency** USD.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Investments in small and/or micro-capitalisation universe
- Investments in specific countries or geographical zones
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Inception** 1 October 2009.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.70%   | 0.50%               | —                |
| E   | —            | 1.70%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.85%   | 0.50%               | —                |
| I   | —            | 0.70%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.85%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Framlington Emerging Markets

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in USD, from an actively managed listed equity, equity-related securities and derivatives portfolio.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in emerging market equities worldwide, by mainly investing in equities of companies that are part of the MSCI Emerging Markets Total Return Net benchmark index (the "Benchmark") universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund's portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries, sectors or companies compared to the Benchmark's composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund's portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund invests in equities of companies in emerging markets. Specifically, the Sub-Fund invests at least two thirds of net assets in equities and equity-related securities of companies that are domiciled or do most of their business in emerging countries. Emerging countries are generally considered low or middle income countries by the World Bank or countries included in any recognised emerging market index. Investment is made in developing countries in companies which in the Investment Manager's opinion, show above average profitability, management quality and growth. The Sub-Fund may invest in equity securities of any market capitalisation (including small and micro-sized companies).

The Sub-Fund may invest up to one third of net assets in money market instruments, up to 10% in A Shares listed in the Shanghai Hong Kong Stock Connect and up to 10% in bonds, including convertible bonds and Sub-Investment Grade and/or unrated sovereign debt securities that might be issued or guaranteed by any single country (including its government and any public or local authority there).

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and hedging.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are bonds and equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager uses a strategy that combines macro-economic, sector and companies' specific analysis. The securities selection process relies on a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile.

**Reference Currency** USD.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Emerging markets
- ESG
- Investments in small and/or micro-capitalisation universe

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and Hong-Kong.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Asia Ltd (Hong Kong SAR).

**Inception** 27 November 2007.



Framlington Emerging Markets — Continued

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |           |
|---|--------------|---|---------------------|------------------|-----------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee | CDSC*     |
| A   | 5.50%        | 1.70%   | 0.50%               | —                | —         |
| BL*   | —            | 1.70%   | 0.50%               | 1.00%***         | 3.00%**** |
| E   | —            | 1.70%   | 0.50%               | 0.75%            | —         |
| F   | 2.00%        | 0.85%   | 0.50%               | —                | —         |
| I   | —            | 0.70%   | 0.50%               | —                | —         |
| M   | —            | —   | 0.50%               | —                | —         |
| ZF  | 2.00%        | 0.85%   | 0.50%               | —                | —         |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* Contingent Deferred Sales Charge – See "Notes on Sub-Fund's Costs" for more information.

\*\* These Share Classes will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

\*\*\* Payable monthly in arrears on the basis of the average daily Net Asset Value of the "BL" Share Class.

\*\*\*\* Decreases yearly, reaching zero 3 years after investment.

# Framlington Evolving Trends

## Investment Objective and Strategy

**Objective** To seek both long-term growth of your investment, in USD, and a sustainable investment objective, from an actively managed listed equity, equity-related securities and derivatives portfolio, in line with a socially responsible investment (SRI) approach.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in worldwide equity markets, by mainly investing in equities of companies that are part of MSCI AC World Total Return Net benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries, sectors or companies compared to the Benchmark’s composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the sustainable investment objective of the Sub-Fund, but is used as a reference for its financial objective.

The Sub-Fund seeks to achieve its objective through investments in sustainable securities that have implemented good practices in terms of managing their environmental impacts, governance and social (“ESG”) practices, by using a socially responsible investment ‘selectivity’ approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings with a focus on the Environment pillar (“E scores”). The ‘Best-in-Universe’ selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe as defined by the Benchmark, by excluding issuers based on their E scores, where applicable, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund invests essentially in equities of companies anywhere in the world.

Specifically, the Sub-Fund invests essentially in equities and equity-related securities of worldwide companies of any capitalisation and in any market or sector. The Sub-Fund may invest up to 10% in

convertible securities and up to 10% in A Shares listed in the Shanghai Hong Kong Stock Connect.

The Sub-Fund’s cash flow is invested with the objective of achieving liquidity, security and performance. The Sub-Fund may invest in money market instruments, monetary UCITS and deposits.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM’s Sectorial Exclusion and ESG Standards Policies, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology, followed by a second ‘Best-in-Universe’ filter; 2/ using a strategy that combines macro-economic, sector and company specific analysis that relies on a rigorous analysis of the companies’ business model, management quality, growth prospects and risk/return profile, driven by sector specialists.

**Reference Currency** USD.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Emerging markets
- Global investments
- Investments in small and/or micro-capitalisation universe
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, Japan and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Framlington Evolving Trends** — Continued

**Investment Manager** AXA Investment Managers UK Limited (London).

**Inception** 1 July 2010.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.50%   | 0.50%               | —                |
| E   | —            | 1.50%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| G   | —            | 0.60%   | 0.50%               | —                |
| I   | —            | 0.60%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| U   | 5.50%        | 0.75%   | 0.50%               | 0.75%            |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Framlington All China Evolving Trends

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in USD, from an actively managed listed equity and equity-related securities portfolio.

**Investment Strategy** The Sub-Fund is actively managed and seeks to achieve its investment objective by mainly investing in equities of companies that are domiciled or do most of their business in China and listed globally and are part of the MSCI China All share NR benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, large overweight or underweight positions on the sectors or companies compared to the Benchmark’s composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund invests in equities of companies that are domiciled or do most of their business in China and listed globally. The Sub-Fund may invest in equities traded on regulated markets outside of the People’s Republic of China.

Specifically, the Sub-Fund invests essentially in equities and equity-related securities of Chinese companies of any capitalization and in any market or sector, including Chinese A Shares listed in Shanghai and Shenzhen stock exchanges and traded via the Hong-Kong Stock Connect.

The Sub-Fund may also invest up to 10% of net assets in convertible bonds.

The Sub-Fund may invest up to 20% of net assets in money market instruments, monetary UCITS and deposits.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager’s decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. For the avoidance of doubt, the use of derivatives for investment purposes is limited to 10% of the net assets of the Sub-Fund.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager uses a strategy that combines macro-economic, sector and company specific analysis. The securities selection process relies on a rigorous analysis of the companies’ business model, management quality, growth prospects and risk/return profile, driven by sector specialists.

**Reference Currency** USD.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- China market
- Emerging markets
- Investments in specific countries or geographical zones
- Investment through the Stock Connect program
- PRC tax consideration
- Foreign exchange and currency
- RMB currency
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and that is a full Business Day on which the Shanghai and Shenzhen stock exchanges are opened.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Inception** 28 November 2019.

**Investment Manager** AXA Investment Managers Asia Ltd (Hong-Kong SAR).

**Framlington All China Evolving Trends — Continued**

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.00%        | 1.75%   | 0.50%               | —                |
| E   | —            | 1.75%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.90%   | 0.50%               | —                |
| G   | —            | 0.80%   | 0.50%               | —                |
| I   | —            | 0.80%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.90%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.



# Framlington Global Convertibles

## Investment Objective and Strategy

**Objective** To seek medium to long-term growth of your investment from an actively managed convertible security portfolio.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in convertible securities, by investing at least one third of its net assets in securities that are part of the Thomson Reuters Convertible Global Focus Hedged Net (the “Benchmark”) universe. The Benchmark is also used for the purpose of performance fees’ calculation of the performance fee share class against it. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries, sectors or companies compared to the Benchmark’s composition and/or take exposure to companies, countries or sectors not included in the Benchmark. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund invests in convertible securities of issuers anywhere in the world that, the Investment Manager believes, appear to have undervalued credit ratings.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in convertible securities of which the underlying shares may be issued by companies of any capitalisation or sector. The Sub-Fund invests at least 51% of net assets in Investment Grade convertible securities, taking into account that the Sub-Fund may invest up to 49% of net assets in Sub-Investment Grade securities.

However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor’s or equivalent rating by Moody’s or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below the minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to one third of net assets in sovereign debt securities but does not invest more than 10% in securities issued or guaranteed by a single country (including its government and any public or local authority there) that are Sub-Investment Grade or are unrated.

The Sub-Fund may invest in listed equities and equity-related securities, and up to one third of net assets in money market instruments.

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund is not subject to any limitation on the portion of its net assets that may be invested in any one country or region.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager’s decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. For the avoidance of doubt, the use of derivatives for investment purposes is limited to 50% of the net assets of the Sub-Fund.

The Sub-Fund uses derivatives for partially hedging the currency risk. Derivatives may also be used for such purposes as:

- adjusting credit exposures (credit default swaps (CDSs))
- gain exposure to or hedge against equities, equity-related securities, bonds and other fixed income instruments, indices and currencies

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are bonds and equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager uses a strategy that combines macro-economic, sector and issuer selection. The securities selection process relies on a rigorous analysis of the companies’ business model, management quality, growth prospects and risk/return profile.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Convertible securities
- Global investments
- Emerging markets
- Sovereign debt
- Derivatives and leverage
- High yield debt securities
- 144A securities
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Framlington Global Convertibles – Continued**

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Benchmark for performance fee** Thomson Reuters Convertible Global Focus Hedged denominated in EUR for EUR Share Classes; Thomson Reuters Convertible Global Focus Hedged denominated in EUR converted in the currency of the Share Class for non-EUR Share Classes; Thomson Reuters Convertible Global Focus Hedged denominated in the currency of the Share Class for non-EUR hedged Share Classes.

The performance fee only applies to the outperformance of the benchmark according to the benchmark model.

**Inception** 3 November 2010.

| Class | Maximum one-off charges taken when you invest | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  | Charges taken from the Sub-Fund under specific conditions |
|-------|---|---|---------------------|------------------|---|
|       | Entry Charge                                  | Management Fee  | Applied Service Fee | Distribution Fee | Performance Fee   |
| A     | 3.00%   | 1.50%   | 0.50%               | —                | 10%   |
| E     | —   | 1.50%   | 0.50%               | 0.50%            | 10%   |
| F     | 2.00%   | 0.75%   | 0.50%               | —                | 10%   |
|       | 2.00%   | 0.85%   | 0.50%               | —                | —   |
| I     | —   | 0.50%   | 0.50%               | —                | 10%   |
|       | —   | 0.60%   | 0.50%               | —                | —   |
| HK    | 3.00%   | 1.50%   | 0.50%               | —                | —   |
| ZF    | 2.00%   | 0.75%   | 0.50%               | —                | 10%   |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Framlington Next Generation

## Investment Objective and Strategy

**Objective** To seek both long-term growth of your investment, in USD, and a sustainable investment objective, from an actively managed portfolio of listed equity and equity-related securities of innovative companies, in line with a socially responsible investment approach.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in worldwide equity markets, by mainly investing in equities of companies that are part of the S&P Global Small Cap Total Return Net benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries, sectors or companies compared to the Benchmark’s composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the sustainable investment objective of the Sub-Fund, but is used as a reference for its financial objective.

The Sub-Fund seeks to achieve its objective through investments in sustainable securities that have implemented good practices in terms of managing their environmental impacts, governance and social (“ESG”) practices, by using a socially responsible investment ‘selectivity’ approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings with a focus on the Governance pillar (“G scores”). The ‘Best-in-Universe’ selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe as defined by the Benchmark, by excluding issuers based on their G scores, where applicable, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different. The Sub-Fund invests essentially in equities of small capitalisation companies anywhere in the world, including equities that are part of the Benchmark.

Specifically, the Sub-Fund invests in equities and equity-related securities of small capitalisation companies of any sector and listed on financial markets worldwide.

The Sub-Fund may invest, in total, up to 10% of net assets in money market Instruments, convertible bonds and exchange-traded funds (ETFs).

The Sub-Fund does not invest more than 10% of net assets in units of UCITS and/or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are bonds and equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** Investment decisions are based on a combination of macroeconomic, industry analysis and company selection. The Investment Manager selects securities by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM’s Sectorial Exclusion and ESG Standards Policies, followed by a second ‘Best-in-Universe’ filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology; 2/ an analysis of the companies’ business model, management quality, growth prospects, quality of technical edge and innovation and risk/return profile.

**Reference Currency** USD.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Emerging markets
- Global investments
- Investments in small and/or micro-capitalisation universe
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 7 January 2013

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.75%   | 0.50%               | —                |
| E   | —            | 1.75%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.90%   | 0.50%               | —                |
| G   | —            | 0.70%   | 0.50%               | —                |
| I   | —            | 0.70%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| U   | 5.50%        | 0.875%  | 0.50%               | 0.875%           |
| ZF  | 2.00%        | 0.90%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# ACT Human Capital<sup>21</sup>

## Investment Objective and Strategy

**Objective** To seek both long-term growth of your investment, in EUR, and a sustainable investment objective, from an actively managed listed equity, equity-related securities and derivatives portfolio, by selecting companies that create financial and societal value, in line with an impact and socially responsible investment (SRI) approach.

**Investment Strategy** The Sub-Fund is actively managed with a Responsible Investment (RI) process in order to capture opportunities in European equity market, by mainly investing in equities of companies that are part of a benchmark index composed of 50% STOXX Europe Small 200 Total Return Net + 50% STOXX Europe Mid 200 Total Return Net (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries, sectors or companies compared to the Benchmark’s composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the sustainable investment objective of the Sub-Fund, but is used as a reference for its financial objective.

The Sub-Fund aims to support on the long run the SDGs established by the United Nations with a focus on the social themes, such as the promotion of education and labour upskilling (SDG 4) and the promotion of inclusive economic growth and decent work for all (SDG 8). Thus, the Sub-Fund bindingly applies at all times AXA IM’s Impact approach for listed assets available on <https://www.axa-im.com/responsible-investing/impact-investing/listed-assets>, according to which the Investment Manager applies an impact approach in the securities selection process, which considers five key pillars: intentionality (securities targeting a specific positive environmental or social outcome), materiality (investments in companies where the positive outcomes are of material significance to the beneficiaries, the company, or to both), additionality (decisions are judged on the likely ability to resolve unmet environmental or social needs), negative consideration (company’s corporate practices or products and services may significantly undermine the positive impact it is generating elsewhere) and measurability (clear methodology and commitment to measuring and reporting the social performance of investments).

The Sub-Fund seeks to achieve its objective through investments in sustainable securities that have implemented good practices in terms of managing their environmental impacts, governance and social (“ESG”) practices, by using a socially responsible investment ‘selectivity’ approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings with a focus on the Human Capital score composed of three equally weighted factors, which are Career Management, Working Conditions and Social Dialogue. The ‘Best-in-Universe’ selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe as defined by the Benchmark, by excluding issuers based on their Human Capital score, where applicable, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect with a focus on best human capital practices.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion

and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund invests essentially in equities of small and medium capitalisation companies domiciled or listed in the European geographical area that, the Investment Manager believes, appear to have above-average performance in human capital management.

The Sub-Fund may invest up to one third of net assets in money market instruments and up to 10% in bonds and convertible bonds.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are bonds and equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects securities by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM’s Sectorial Exclusion and ESG Standards Policies, followed by a second ‘Best-in-Universe’ filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology and using environmental, social and corporate governance (Responsible Investment) criteria with a focus on best human capital practices such as job’s stability and creation, training and development, performance management and reward systems, precariousness and turnover; 2/ a rigorous analysis of the companies’ business model, management quality, growth prospects and risk/return profile.

**Reference Currency** EUR.

<sup>21</sup> This name is applicable as from 10 January 2022. Until 10 January 2022, the following name shall instead be applicable: Framlington Human Capital. Prospectus Page 43 of 208 AXA World Funds



## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Investments in small and/or micro capitalisation universe
- Investments in specific countries or geographical zones
- ESG
- Impact investments

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis

**Investment Manager** AXA Investment Managers Paris.

**Inception** 30 October 2007.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 2.00%   | 0.50%               | —                |
| E   | —            | 2.00%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 1.00%   | 0.50%               | —                |
| I   | —            | 0.80%   | 0.50%               | —                |
| ZF  | 2.00%        | 1.00%   | 0.50%               | —                |
| ZI  | —            | 0.50%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Framlington Italy

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in EUR, from an actively managed listed equity, equity-related securities and derivatives portfolio.

**Investment Strategy** The Sub-Fund is actively managed and mainly invests in equities of companies of any capitalization domiciled or listed in Italy that are part of the FTSE Italia All-share NT Index benchmark index (the "Benchmark") universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund's portfolio and can take, based on its investment convictions, large overweight or underweight positions on the sectors or companies compared to the Benchmark's composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund's portfolio. Thus, the deviation from the Benchmark is likely to be significant.

Specifically, at all times the Sub-Fund invests at least:

- 75% of net assets in PEA eligible securities and rights issued by companies that are registered in the EEA;

- 70% of net assets, directly or indirectly, in securities, including those not traded in regulated markets or Multilateral Trading Facilities (MTFs), issued or entered into with companies domiciled in Italy, as provided for by art. 73 of the consolidated law on income tax, under Presidential Decree 22 December 1986, no. 917, or in an EU or EEA Member State with permanent establishment in Italy.

Within this limit and during at least 2/3 of the calendar year, the aforesaid 70% must be invested as follows:

- at least 25% in securities of companies which are not listed in the FTSE MIB index of Borsa Italiana or any other equivalent indices of other regulated markets;

- at least 5% in securities which are not listed in the FTSE MIB and FTSE Mid Cap indices of Borsa Italiana or any other equivalent indices of other regulated markets.

The Sub-Fund cannot invest (i) more than 10% of net assets in securities or rights issued or entered with the same company and (ii) in securities issued by companies that are not resident in countries that allow an adequate exchange of information with Italy.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs.<sup>22</sup>

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** Investment decisions are based on a combination of macroeconomic, sectors and company specific analysis. The securities selection process relies on a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile.

**Reference Currency** EUR.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Investments in specific countries or geographical zones
- Investments in small and/or micro-capitalisation universe
- ESG<sup>23</sup>

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.<sup>24</sup>

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and in Italy except 31 December.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Other** PEA eligible. The Sub-Fund is classified as "qualified investments" intended to *piani individuali di risparmio a lungo termine* (PIR) pursuant to art. 1, paragraphs 100 to 114, of Law no. 232 of 11 December 2016, established until 31st December 2018 or, pursuant to Law no. 157 of 19 December 2019, established as of 1st January 2020.

**Inception** 10 January 1997.

<sup>22</sup> The application of additional ESG criteria (ESG Standards Policies is applicable as from 18 February 2022.

<sup>23</sup> This specific risk is only applicable as from 18 February 2022.

<sup>24</sup> This categorisation of the Sub-Fund as Article 8 product is applicable as from 18 February 2022.

Framlington Italy — Continued

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.50%   | 0.50%               | —                |
| E   | —            | 1.50%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| I   | —            | 0.70%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Framlington Longevity Economy

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in USD, from an actively managed listed equity, equity-related securities and derivatives portfolio, in line with a socially responsible investment (SRI) approach.<sup>25</sup>

**Investment Strategy** The Sub-Fund is actively managed and references MSCI AC World Total Return Net (the “Benchmark”) for comparative purposes only. The Investment Manager has full discretion over the composition of the portfolio of the Sub-Fund and can take exposure to companies, countries or sectors not included in the Benchmark. There are no restrictions on the extent to which the Sub-Fund’s portfolio and performance may deviate from the ones of the Benchmark.

The Sub-Fund invests in equities of companies anywhere in the world that are linked to the ageing of the population and increasing life expectancy.

Specifically, at all times the Sub-Fund invests at least two thirds of its net assets in equities and equity-related securities of companies that focus on aged care, wellness and medical treatments. The Sub-Fund also aims at benefiting from the increasing silver spending (including leisure activities, financial planning and aesthetics).

The Sub-Fund may invest in equity securities of any market capitalisation.

The Sub-Fund is not subject to any limitation on the portion of its net assets that may be invested in any one country or region.

The Sub-Fund seeks to achieve its objective through investments in securities that have implemented good practices in terms of managing their environmental impacts, governance and social (“ESG”) practices, by using a socially responsible investment ‘selectivity’ approach which consists of selecting best issuers in the investable universe composed of equities listed on global markets, based on their extra-financial ratings with a focus on the Environmental pillar (“E scores”). The ‘Best-in-universe’ selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the initial investable universe, by excluding issuers based on their E scores.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an

ancillary basis, and solidarity assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund may invest up to 10% of net assets in Chinese A Shares listed in the Shanghai Hong-Kong Stock Connect.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.<sup>26</sup>

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and hedging.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”

**Management Process** The Investment Manager uses a strategy that combines macro-economic, sector and company specific analysis. The Investment Manager selects securities by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM’s Sectorial Exclusion and ESG Standards Policies, followed by a second ‘Best-in-universe’ filter, designed to eliminate the worst issuers from the investable universe defined for ESG purposes on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology; 2/ a rigorous analysis of the companies’ business model, management quality, growth prospects and risk/return profile with a focus on medium to long-term benefits from the expanding long-term demographic trend of the ageing of the population.<sup>27</sup>

<sup>25</sup> The added wording “in line with a socially responsible investment (SRI) approach” is only applicable as from 18 February 2022.

<sup>26</sup> This investment strategy is applicable as from 18 February 2022. Until 18 February 2022, the following investment strategy shall instead be applicable: The Sub-Fund is actively managed and references MSCI AC World Total Return Net (the “Benchmark”) for comparative purposes only. The Investment Manager has full discretion over the composition of the portfolio of the Sub-Fund and can take exposure to companies, countries or sectors not included in the Benchmark. There are no restrictions on the extent to which the Sub-Fund’s portfolio and performance may deviate from the ones of the Benchmark.

The Sub-Fund invests in equities of companies anywhere in the world that are linked to the ageing of the population and increasing life expectancy.

Specifically, at all times the Sub-Fund invests at least two thirds of its net assets in equities and equity-related securities of companies that focus on aged care, wellness and medical treatments. The Sub-Fund also aims at benefiting from the

increasing silver spending (including leisure activities, financial planning and aesthetics).

The Sub-Fund may invest in equity securities of any market capitalisation.

The Sub-Fund is not subject to any limitation on the portion of its net assets that may be invested in any one country or region.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

In the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

<sup>27</sup> This Management Process is applicable as from 18 February 2022. Until 18 February 2022, the following Management Process shall instead be applicable: The Investment Manager uses a strategy that combines macro-economic, sector and company specific analysis. The securities selection process relies on a

**Reference Currency** USD.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Global investments
- Investments in small and/or micro-capitalisation universe
- Investments in specific sectors or asset classes
- ESG
- Stock Connect<sup>28</sup>

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Inception** 12 January 2007.

| Class | Maximum recurrent charges taken from the Sub-Fund over a year |                |                     |                  |
|-------|---|----------------|---------------------|------------------|
|       | Entry Charge  | Management Fee | Applied Service Fee | Distribution Fee |
| A     | 5.50%   | 1.75%          | 0.50%               | —                |
| E     | —   | 1.75%          | 0.50%               | 0.50%            |
| F     | 2.00%   | 0.90%          | 0.50%               | —                |
| G     | —   | 0.70%          | 0.50%               | —                |
| I     | —   | 0.70%          | 0.50%               | —                |
| M     | —   | —              | 0.50%               | —                |
| N     | 2.00%   | 1.75%          | 0.50%               | —                |
| U     | 5.50%   | 0.875%         | 0.50%               | 0.875%           |
| ZF    | 2.00%   | 0.90%          | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

rigorous analysis of the companies’ business model, management quality, growth prospects and risk/return profile with a focus on medium to long-term benefits from the expanding long-term demographic trend of the ageing of the population.  
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<sup>28</sup> This specific risk is only applicable as from 18 February 2022.

# Framlington Robotech

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in USD, from an actively managed listed equity and equity-related securities portfolio, in line with a socially responsible investment (SRI) approach.<sup>29</sup>

**Investment Strategy** The Sub-Fund is actively managed and references MSCI AC World Total Return Net (the “Benchmark”) for comparative purposes only. The Investment Manager has full discretion over the composition of the portfolio of the Sub-Fund and can take exposure to companies, countries or sectors not included in the Benchmark. There are no restrictions on the extent to which the Sub-Fund’s portfolio and performance may deviate from the ones of the Benchmark.

The Sub-Fund invests in equities of companies anywhere in the world that are in the robotics technology sector.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in equities and equity-related securities of companies in the robotics technology sector and/or companies making a large use of that technology in their business such as companies in transport, healthcare, semi-conductors or software industries. Investments may include companies of any market capitalisation.

The Sub-Fund seeks to achieve its objective through investments in securities that have implemented good practices in terms of managing their environmental impacts, governance and social (“ESG”) practices, by using a socially responsible investment ‘selectivity’ approach which consists of selecting best issuers in the investable universe composed of equities listed on global markets, based on their extra-financial ratings with a focus on the Environmental pillar (“E scores”). The ‘Best-in-universe’ selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the initial investable universe, by excluding issuers based on their E scores.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and solidarity assets. The ESG rating method is

described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund may also invest in money market instruments and up to 10% of net assets in Chinese A Shares listed in the Shanghai Hong-Kong Stock Connect.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.<sup>30</sup>

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and hedging.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”. For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager uses a strategy that combines macro-economic, sector and company specific analysis. The Investment Manager selects securities by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM’s Sectorial Exclusion and ESG Standards Policies, followed by a second ‘Best-in-universe’ filter, designed to eliminate the worst issuers from the investable universe defined for ESG purposes on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology; 2/ a rigorous analysis of the companies’ business model, management quality, growth prospects and risk/return profile, with a focus on medium to long-term benefits from the design, production and/or use of robotics technology.<sup>31</sup>

<sup>29</sup> The added wording “in line with a socially responsible investment (SRI) approach” is only applicable as from 18 February 2022.

<sup>30</sup> This investment strategy is applicable as from 18 February 2022. Until 18 February 2022, the following investment strategy shall instead be applicable: The Sub-Fund is actively managed and references MSCI AC World Total Return Net (the “Benchmark”) for comparative purposes only. The Investment Manager has full discretion over the composition of the portfolio of the Sub-Fund and can take exposure to companies, countries or sectors not included in the Benchmark. There are no restrictions on the extent to which the Sub-Fund’s portfolio and performance may deviate from the ones of the Benchmark.

The Sub-Fund invests in equities of companies anywhere in the world that are in the robotics technology sector.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in equities and equity-related securities of companies in the robotics technology sector and/or companies making a large use of that technology in their business such as

companies in transport, healthcare, semi-conductors or software industries. Investments may include companies of any market capitalisation.

The Sub-Fund may also invest in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

In the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

<sup>31</sup> This Management Process is applicable as from 18 February 2022. Until 18 February 2022, the following Management Process shall instead be applicable: The Investment Manager uses a strategy that combines macro-economic, sector and company specific analysis. The securities selection process relies on a rigorous analysis of the companies’ business model, management quality, growth



Reference Currency USD.

## Risks

**Risk Profile** risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Emerging markets
- Investments in specific sectors or asset classes
- Stock Connect<sup>32</sup>
- Global investments
- Investments in small and/or micro capitalisation universe
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, Japan, the United Kingdom and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Inception** 13 December 2016.

| Class | Maximum one-off charges taken when you invest | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|-------|---|---|---------------------|------------------|
|       | Entry Charge                                  | Management Fee  | Applied Service Fee | Distribution Fee |
| A     | 5.50%   | 1.50%   | 0.50%               | —                |
| BR    | —   | 0.60%   | 0.50%               | —                |
| E     | —   | 1.50%   | 0.50%               | 0.75%            |
| F     | 2.00%   | 0.75%   | 0.50%               | —                |
| G     | —   | 0.60%   | 0.50%               | —                |
| I     | —   | 0.60%   | 0.50%               | —                |
| M     | —   | —   | 0.50%               | —                |
| N*    | 2.00%   | 1.50%   | 0.50%               | 1.00%            |
| U     | 5.50%   | 0.75%   | 0.50%               | 0.75%            |
| ZF    | 2.00%   | 0.75%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* N Share Class will be available for subscription on inception date or on the date of the first following subscription in these Share Classes at an initial price of USD 100 and EUR 100

# Framlington Switzerland

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in CHF, from an actively managed listed equity, equity-related securities and derivatives portfolio.

**Investment Strategy** The Sub-Fund is actively managed and mainly invests in order to capture opportunities in equities issued by listed or domiciled Swiss companies that are part of a benchmark index composed of 60% SPI Middle Caps Total Return and 40% SPI Large Caps Total Return (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, large overweight or underweight positions on the sectors or companies compared to the Benchmark’s composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

Specifically, the Sub-Fund invests mostly in equities of companies of any capitalisation that are domiciled or listed in Switzerland.

The Sub-Fund may invest up to 10% of net assets in money market instruments, convertible bonds and exchange-traded funds (ETFs).

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs.<sup>33</sup>

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-40%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager uses a strategy that combines macro-economic, sector and company specific analysis. The securities selection process relies on a rigorous analysis of the companies’ business model, management quality, growth prospects and risk/return profile.

**Reference Currency** CHF.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Investments in specific countries or geographical zones
- ESG<sup>34</sup>

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.<sup>35</sup>

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and Switzerland.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 20 June 1990.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.50%   | 0.50%               | —                |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

<sup>33</sup> The application of additional ESG criteria (ESG Standards Policies) is applicable as from 18 February 2022.

<sup>34</sup> This specific risk is only applicable as from 18 February 2022.

<sup>35</sup> This categorisation of the Sub-Fund as Article 8 product is applicable as from 18 February 2022.

# Framlington Talents Global

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in EUR, from an actively managed listed equity, equity-related securities and derivatives portfolio.

**Investment Strategy** The Sub-Fund is actively managed, by mainly investing in equities of the best Talents-rated entrepreneurial companies in each industry that are part of MSCI AC World Total Return Net benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries, sectors or companies compared to the Benchmark’s composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

At all times, the Sub-Fund invests at least 51% of net assets in equities of companies anywhere in the world and of any capitalisation that, the Investment Manager believes, are led by entrepreneurs who own a significant stake in the business.

Specifically, the Investment Manager considers that entrepreneurs are more capable of creating long-term value given their experience and capabilities, have capacity for action, are reactive and focus on long-term performance as the best route to maximising financial rewards.

The Sub-Fund may invest up to 10% of net assets in Chinese A Shares listed in the Shanghai Hong-Kong Stock Connect.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

In the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and hedging and may expose itself to equities, equity-related securities, bonds, any fixed income instruments, indexes and currencies.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”. For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities. The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects the best Talents-rated entrepreneurial companies in each industry. The Investment Manager focuses on entrepreneurs with a strong track-record in creating value for the minority shareholders and with a significant stake in their respective companies. These leaders are often ready to make heavy short term investments to generate long term growth.

**Reference Currency** EUR.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- Global investments
- ESG
- Emerging markets
- Investments in small and/or micro capitalisation universe

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**Reference Currency** EUR.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and in the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Inception** 30 April 2004.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.50%   | 0.50%               | —                |
| E   | —            | 1.50%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| S   | 5.50%        | 1.75%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| U   | 5.50%        | 0.75%   | 0.50%               | 0.75%            |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Framlington UK

## Investment Objective and Strategy

**Objective** To seek long-term growth of your investment, in GBP, from an actively managed listed equity, equity-related securities and derivatives on such securities portfolio.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in the United Kingdom equity market, by mainly investing in equities of companies that are part of the FTSE All Share Total Return benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, large overweight or underweight positions on the sectors or companies compared to the Benchmark’s composition and/or take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

Specifically, the Sub-Fund invests mainly in companies of any capitalisation that are domiciled or listed in the United Kingdom.

The Sub-Fund may invest in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund bindingly applies at all times AXA IM’s Sectorial Exclusion Policy, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager uses a strategy that combines macro-economic, sector and company specific analysis. The securities selection process relies on a rigorous analysis of the companies’ business model, management quality, growth prospects and risk/return profile.

**Reference Currency** GBP.

## Risks

**Risk Profile** High risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Investments in specific countries or geographical zones
- Investments in small and/or micro-capitalisation universe

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and in the United Kingdom.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Inception** 18 November 2015.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.50%   | 0.50%               | —                |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| I   | —            | 0.60%   | 0.50%               | —                |
| G   | —            | 0.60%   | 0.50%               | —                |
| L   | —            | 0.60%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# ACT Social Progress<sup>36</sup>

## Investment Objective and Strategy

**Objective** To seek both long-term growth of your investment, in USD, and a sustainable investment objective, from an actively managed listed equity and equity-related securities portfolio, by selecting companies that create financial and societal value by fostering social progress.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in the equity market, by investing at least 20% of its net assets in equities of companies that are part of the MSCI AC World Total Return benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries, sectors or companies compared to the Benchmark’s composition and/or take exposure to companies, countries or sectors not included in the Benchmark. Thus, the deviation from the Benchmark is likely to be significant. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the sustainable investment objective of the Sub-Fund but is used as a reference for its financial objective.

The Sub-Fund seeks to deliver both a financial return, and a positive and measurable impact on society, and more specifically social issues. The Sub-Fund mainly invests in worldwide listed equities which address the United Nations Sustainable Development Goals (SDGs) in their social dimension. The following SDGs have a direct social dimension: alleviating poverty and access to essential products and services (SDG 1), access to safe and nutritious food (SDG 2), the promotion of health, safety and well-being (SDG 3), the promotion of education and labour upskilling (SDG 4), the attainment of gender equality (SDG 5), access to safe water and sanitation (SDG 6), access to modern and affordable electricity (SDG 7), the promotion of inclusive economic growth and decent work for all (SDG 8), the promotion of an industrialization inclusive of small businesses and fostering innovation (SDG 9), the reduction of social inequalities (SDG 10), the making of safe, resilient and affordable human settlements (SDG 11) and the promotion of peace and justice and the fight against all forms of organized crime (SDG 16). Specifically, the Fund aims to target the areas of social progress highlighted by those SDGs such as: housing and essential infrastructure, financial and technology inclusion, healthcare solutions, well-being and safety, education and entrepreneurship.

The Sub-Fund aims to support on the long run the SDGs established by the United Nations with a focus on the social themes. Thus, the Sub-Fund applies AXA IM’s Impact approach for listed assets available on <https://www.axa-im.com/responsible-investing/impact-investing/listed-assets>, according to which the Investment Manager applies an impact approach in the securities selection process, which considers five key pillars: intentionality (securities targeting a specific positive environmental or social outcome), materiality (investments in companies where the positive outcomes are of material significance to the beneficiaries, the company, or to both), additionally (decisions are judged on the likely ability to resolve unmet environmental or social needs), negative consideration (company’s corporate practices or products and services may significantly undermine the positive impact it is generating elsewhere) and measurability (clear methodology and commitment to measuring and reporting the social performance of investments). The Sub-Fund bindingly commits to have at all times at least 70% of assets invested in companies which have been assessed internally through the above-mentioned impact assessment approach.

The Sub-Fund adopts a socially responsible investment ‘Best-in-Universe selectivity approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their contribution to the socially-focused United Nations Sustainable Development Goals (“social UN SDGs”). The selectivity approach consists in reducing by, at least, 20% the

investment universe described above (with the exception of cash held on an ancillary basis and solidarity assets), using a combination of external and internal SDGs alignment data.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of cash held on an ancillary basis and solidarity assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

Investments may include companies of any sector and market capitalisation.

The Sub-Fund may invest up to 30% of net assets in money market instruments and up to 5% of net assets in Chinese A Shares listed in the Shanghai Hong-Kong Stock Connect.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

### Derivatives and Efficient Portfolio Management Techniques

The Sub-Fund may use derivatives for efficient portfolio management and hedging.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

The Sub-Fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

<sup>36</sup> This name is applicable as from 10 January 2022. Until 10 January 2022, the following name shall instead be applicable: ACT Framlington Social Progress. Prospectus Page 54 of 208



**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, followed by a second 'Best-in-Universe' filter on SDGs indicators; 2/ using a combination of macro-economic, sector and company specific analysis that relies on rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile, with a focus on medium to long-term benefits from the companies which demonstrate a strong commitment to promote social progress. The process also relies on responsible investments filters and analysis as well as impact appraisal, monitoring and measurement to verify and demonstrate that the desired outcome could be attained.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Emerging markets
- Global investments
- ESG
- Impact

- Investments in small and/or micro capitalisation universe
- Investments in specific sectors or asset classes

**Sustainability risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the sustainability risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Investment Advisor** AXA Investment Managers Paris

**Inception** 20 February 2017.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.50%   | 0.50%               | —                |
| E   | —            | 1.50%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| G   | —            | 0.60%   | 0.50%               | —                |
| I   | —            | 0.60%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                |
| ZI  | —            | 0.60%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.



# Global Factors - Sustainable Equity

## Investment Objective and Strategy

**Objective** To seek to achieve long-term growth above that of the MSCI World Total Return Net Index (the “Benchmark”), with lower volatility and a sustainable investment objective that seeks significantly improved ESG metrics and lower carbon intensity than the Benchmark, by using a socially responsible investment approach.

**Investment Strategy** The Sub-Fund is actively managed in reference to the Benchmark and seeks to achieve its financial goal by primarily investing in a well-diversified basket of equity securities of issuers that comprise the Benchmark. The investment universe of the Sub-Fund may extend to equity securities listed in countries of the Benchmark that are not constituents of the Benchmark.

The Investment Manager may take, based on its investment convictions, overweight or underweight positions compared to the Benchmark, meaning that deviation from the Benchmark is likely to be significant. However, in certain market conditions, the Sub-Fund’s performance may be close to the Benchmark. This could occur, for example, when share performances are closely aligned to earnings growth, there is a low level of macroeconomic risk and the performance of the equity market aligns closely with the performance of the low volatility and quality factors targeted by the Investment Manager. For the sake of clarity, the Sub-Fund’s Benchmark is a broad market index that has neither an explicit investment nor sustainability objective, but is used to measure the success of the Sub-Fund’s investment and sustainability objectives.

The Investment Manager uses proprietary quantitative models that incorporate both financial and non-financial data to select securities for the Sub-Fund. The Investment Manager’s approach to portfolio construction is largely systematic, and an optimiser is used to structure the portfolio in a way that is intended to meet the investment objective. The optimiser is designed to consider each stock’s factor exposure alongside its ESG rating and carbon footprint (measured in CO2 Tonnes/Million \$ revenue).

The Investment Manager applies an ESG ‘rating upgrade’ approach, which requires the ESG rating of the Sub-Fund to be higher than the rating of the investment universe after omitting the worst 20% of the rated securities, excluding liquid assets held on an ancillary basis and Solidarity Assets.

This process tilts the portfolio toward stocks with higher ESG scores and lower carbon intensity while maintaining the desired factor exposure. The decision to hold, buy or sell a security is based on both financial and non-financial data. The ESG approach in place for the Sub-Fund is described in detail in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies, with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, except for cash held on an ancillary basis and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but

which should be distinguished because their calculation method may be different.

Specifically, the Sub-Fund invests in equities and equity-related securities of companies of any capitalisation, with a minimum of investment of 51% of net assets in equities, at all times.

The Sub-Fund may invest in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and hedging.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

Main types of assets in scope are equities.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** In selecting individual securities, the Investment Manager uses a proprietary quantitative process designed to identify fundamental drivers of risk and return while seeking to significantly improve the Sub-Fund’s ESG profile compared to that of the Benchmark.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Global investments
- Method and model
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Inception** 25 July 2013.

Global Factors – Sustainable Equity – Continued

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 0.45%   | 0.50%               | —                |
| AX  | —            | 0.90%   | 0.50%               | —                |
| E   | —            | 0.45%   | 0.50%               | 0.25%            |
| F   | 2.00%        | 0.25%   | 0.50%               | —                |
| I   | —            | 0.19%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| N*  | 2.00%        | 0.90%   | 0.50%               | 1.00%            |
| U   | 5.50%        | 0.55%   | 0.50%               | 0.55%            |
| ZF  | 2.00%        | 0.25%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* This Share Class will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

# ACT Factors – Climate Equity Fund

## Investment Objective and Strategy

**Objective** To seek to achieve long-term growth above that of the MSCI World Climate Change Index (the “Benchmark”) with a lower volatility profile than the Benchmark. The Sub-Fund seeks a sustainable investment objective by: (i) using a socially responsible investment approach that upgrades portfolio ESG scores when compared to its investible universe and ii) gaining exposure to companies helpful to the mitigation of climate change or energy transition towards greener sources.

**Investment Strategy** The Sub-Fund is actively managed and seeks to achieve its financial goal by primarily investing in a well-diversified basket of global equity securities issued in countries that comprise the Benchmark. The investment universe of the Sub-Fund may extend to equity securities listed in eligible countries of the Benchmark that are not constituents of the Benchmark.

The Investment Manager may take, based on its investment convictions, overweight or underweight positions compared to the Benchmark, meaning that deviation from the Benchmark is likely to be significant. However, in certain market conditions, the Sub-Fund’s performance may be close to the Benchmark. This could occur, for example, when share performances are closely aligned to earnings growth, there is a low level of macroeconomic risk and the performance of the equity market aligns closely with the performance of the low volatility and quality factors targeted by the Investment Manager. For the sake of clarity, the Sub-Fund’s Benchmark qualifies as an EU Climate Transition Benchmark under Chapter 3a of Title III of Regulation (EU) 2016/1011 and the methodology used for its calculation can be found at:

[https://www.msci.com/eqb/methodology/meth\\_docs/MSCI\\_Climate\\_Change\\_Indexes\\_Methodology\\_Jun2019.pdf](https://www.msci.com/eqb/methodology/meth_docs/MSCI_Climate_Change_Indexes_Methodology_Jun2019.pdf)

The Investment Manager uses proprietary quantitative models that incorporate both financial and non-financial data to select securities for the Sub-Fund. The Investment Manager’s approach to portfolio construction is largely systematic, and an optimiser is used to structure the portfolio in a way that is intended to meet the investment objective. The optimiser is designed to consider each stock’s factor exposure alongside its ESG rating and carbon footprint (measured in CO2 Tonnes/Million \$ revenue). The Investment Manager applies an ESG ‘rating upgrade’ approach, which requires the ESG rating of the Sub-Fund to be higher than the rating of the investment universe after omitting the worst 20% of the rated securities, excluding liquid assets held on an ancillary basis and Solidarity Assets.

In addition, the Investment Manager balances decarbonisation with investments into the low carbon economy by targeting exposure into low carbon leaders, transition opportunities and green enablers to ensure that the Sub-Fund holds positions in companies helpful to the mitigation of climate change or energy transition towards greener sources.

This process tilts the portfolio toward stocks with higher ESG scores and lower carbon intensity, together with exposures to low carbon leaders and green enablers while maintaining the desired factor exposure. The decision to hold, buy or sell a security is based on both financial and non-financial data. The ESG approach in place for the Sub-Fund is described in detail in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies, with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, except for cash held on an ancillary basis and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised

definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different. Specifically, the Sub-Fund invests in equities and equity-related securities of companies of any capitalisation, with a minimum of investment of 51% of net assets in equities, at all times.

The Sub-Fund may invest in money market instruments. The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and hedging. The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-25%; max, 90%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). Main types of assets in scope are equities.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** In selecting individual securities, the Investment Manager uses a proprietary quantitative process designed to identify fundamental drivers of risk and return while seeking to significantly improve the Sub-Fund’s ESG profile compared to that of the investible universe.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Global investments
- Method and model
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR Category** Article 9.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.d

**Investment Manager** AXA Investment Managers UK Limited (London).

**Inception** 16 August 2021

**ACT Factors – Climate Equity Fund – Continued**

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  | Charges taken from the Sub-Fund under specific conditions |
|---|--------------|---|---------------------|------------------|---|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee | Performance Fee   |
| A   | 5.50%        | 0.70%   | 0.50%               | —                | —   |
| AX  | 5.50%        | 0.44%   | 0.50%               | —                | —   |
| E   | —            | 0.70%   | 0.50%               | 0.25%            | —   |
| F   | 2.00%        | 0.50%   | 0.50%               | —                | —   |
| G   | —            | 0.44%   | 0.50%               | —                | —   |
| I   | —            | 0.44%   | 0.50%               | —                | —   |
| M   | —            | 0.20%   | 0.50%               | —                | —   |
| ZI  | —            | 0.44%   | 0.50%               | —                | —   |
| ZF  | 2.00%        | 0.50%   | 0.50%               | —                | —   |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Asian High Yield Bonds

## Investment Objective and Strategy

**Objective** To seek performance, in USD, through dynamic exposure to the Asian fixed income market.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in transferable debt securities issued in the Asian fixed income market, by mainly investing in securities that are part of the JP Morgan Asia Credit Non-Investment Grade benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, exposure to companies, countries or sectors not included in the Benchmark or take different positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund invests in Sub-Investment Grade bonds (high yield bonds) from Asia that are denominated in Hard Currency.

Specifically, the Sub-Fund invests at least 70% of net assets in Sub-Investment Grade transferable debt securities that are issued by governments, supranational entities, public or private companies in Asia.

The Sub-Fund may invest up to 100% of net assets in sovereign debt securities but does not invest more than 10% in securities issued or guaranteed by a single country (including its government and any public or local authority there) that are Sub-Investment Grade.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund’s investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of credit instruments is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell assets is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest less than 30% of net assets in Investment Grade transferable debt securities that may include bonds denominated in CNY (through the RQFII quota or indirectly through investments in other Sub-Funds) or in other local currencies.

The Sub-Fund may also invest in the following, in the portion of net assets shown:

- money market instruments: less than 30%
- convertible bonds: up to 10%
- equity instruments: up to 5%.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to 10% of net assets in units of UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies, as described in the document available on <https://www.axa-im.com/responsible-investing/sector-investment-guidelines> website, with the exception of derivatives and underlying eligible UCIs. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager’s decision making.<sup>37</sup>

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. For the avoidance of doubt, the use of derivatives for investment purposes is limited to 50% of the net assets of the Sub-Fund.

The Sub-Fund may invest in Over the Counter (OTC) financial derivative instruments including, but not limited to, options, swaps, credit derivatives such as credit default swap (single name CDS or CDS index), futures and Non deliverable and Forex forwards. Under no circumstances shall these operations cause the Sub-Fund to diverge from its investment objective.

Such derivatives with underlying indexes will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund’s exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indexes are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives and Efficient Portfolio Management”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds and equities.

It is the current intention of the Investment Manager to enter into securities lending and repos/reverse repos for less than 30% of net assets in aggregate.

The Sub-fund does not use securities borrowing.

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Sub-Fund’s credit curve positioning and its exposure to different geographical areas, sectors and types of instruments.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

<sup>37</sup> These last three paragraphs shall be applicable as from 18 February 2022. Until 18 February 2022, the following paragraph shall be applicable instead: The Sub-Fund bindingly applies at all times AXA IM’s Sectorial Exclusion Policy, as Prospectus Page 60 of 202

described in the document available on <https://www.axa-im.com/responsible-investing/sector-investment-guidelines> website, with the exception of derivatives and underlying eligible UCIs.

## Asian High Yield Bonds – Continued

- Derivatives and leverage
- High yield debt securities
- Contingent convertible bonds
- Defaulted Securities
- Emerging markets
- Investments in specific countries or geographical zones
- Distressed Securities
- ESG<sup>38</sup>

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.<sup>39</sup>

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and Hong Kong.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Asia Ltd (Hong-Kong SAR).

**Inception** 28 November 2016.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 1.25%   | 0.50%               | —                |
| E   | —            | 1.25%   | 0.50%               | 0.25%            |
| F   | 2.00%        | 0.60%   | 0.50%               | —                |
| G   | —            | 0.55%   | 0.50%               | —                |
| I   | —            | 0.55%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.60%   | 0.50%               | —                |

See "Notes on Sub-Fund Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

<sup>38</sup> This specific risk is only applicable as from 18 February 2022.

<sup>39</sup> This categorisation of the Sub-Fund as Article 8 product is applicable as from 18 February 2022.



# Asian Short Duration Bonds

## Investment Objective and Strategy

**Objective** To seek performance of your investment, in USD, from an actively managed Asian short duration bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark.

The Sub-Fund invests in Asian short duration bonds issued by Asian governments, public or private companies and supra-national entities that are denominated in Hard Currency.

Specifically, the Sub-Fund invests at least two thirds of net assets in Asian transferable debt securities. The Sub-Fund may invest up to 15% of net assets in bonds denominated in local currency and, out of this limit, up to 10% of net assets in securities denominated in offshore RMB.

The Investment Manager anticipates that the average duration of the Sub-Fund will generally be 3 years or less.

The Sub-Fund invests mainly in Investment Grade securities. The Sub-Fund may also invest in Sub-Investment Grade securities. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent ratings by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 100% of net assets in sovereign debt securities but does not invest more than 10% in securities issued or guaranteed by a single country (including its government and any public or local authority there) that are Sub-Investment Grade.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to one third of net assets in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as being that of J.P. Morgan Asia Credit Markets (JACI) index, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the above index is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sectorial-exclusion>

[investment-guidelines](#). The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. For the avoidance of doubt, the use of derivatives for investment purposes is limited to 50% of the net assets of the Sub-Fund.

Derivatives may include options, swaps, credit derivatives (such as credit default swaps (CDS), futures and Forex forwards). The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, ≈ 0-20%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

It is the current intention of the Investment Manager to enter into securities lending transactions and repos/reverse repos for less than 30% of net assets in aggregate. All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the yield curve positioning and the exposure to different geographical areas.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- Investments in specific countries or geographical zones
- Sovereign debt
- Defaulted securities
- Emerging markets
- High yield debt securities
- Contingent convertible bonds
- ESG
- Distressed securities

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and Hong Kong.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Asia Ltd (Hong-Kong SAR).

**Inception** 10 March 2015.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 1.00%   | 0.50%               | —                |
| E   | —            | 1.00%   | 0.50%               | 0.25%            |
| F   | 2.00%        | 0.60%   | 0.50%               | —                |
| G   | —            | 0.55%   | 0.50%               | —                |
| I   | —            | 0.55%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| N*  | 1.00%        | 1.00%   | 0.50%               | 1.00%            |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* This Share Class will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

# China Sustainable Short Duration Bonds<sup>40</sup>

## Investment Objective and Strategy

**Objective** To seek performance of your investment, in CNH, through dynamic exposure to the Chinese fixed income market, in line with a socially responsible investment (SRI) approach.<sup>41</sup>

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark.

The Sub-Fund invests in Chinese short duration bonds.

Specifically, the Sub-Fund invests at least two-thirds of net assets in transferable debt securities issued by Chinese governments, public institutions, supra-national entities and companies that are denominated in CNY, CNH or USD. The Sub-Fund invests between 30% and 70% of net assets in bonds denominated in CNY (through the RQFII quota and through Bond Connect), and between 30% and 70% of net assets in bonds denominated in CNH and USD.

These investments are essentially Investment Grade Securities. Investment Grade Securities are rated at least BBB- by Standard & Poor's or equivalent rating by Moody's, Fitch, Chengxin, Dagong, and Lianhe agencies or if unrated then deemed to be so by the Investment manager. For bonds denominated in CNH, the highest of available ratings from Standard and Poor's and Moody's or Fitch is considered. For bonds denominated in CNY, the lowest of available ratings from Chengxin, Dagong, and Lianhe agencies is considered.

The Sub-Fund may also, and up to 5%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of credit instruments is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell assets is also based on other analysis criteria of the Investment Manager.

The Sub-Fund seeks to achieve its extra-financial objective by bindingly applying an ESG 'rating upgrade' approach, which requires the ESG rating of the Sub-Fund to be higher than the rating of the investable universe below after omitting the worst 20% of the rated securities, on a weighted average basis, excluding bonds and other debt securities issued by public issuers, cash or cash equivalent held on an ancillary basis liquid assets held on an ancillary basis and Solidarity Assets. The investable universe internally defined by the Investment Manager for ESG purposes is composed of 50% JP Morgan Asia Credit Markets China and 50% Icc BofA 1-5 Year China Broad Market indices. For the sake of clarity, the above indices are broad market indices that have neither an explicit sustainability objective nor are used for financial performance comparison purpose, but are only used as a reference for the Sub-Fund for applying the ESG 'rating upgrade' approach. The ESG approach in place for the Sub-Fund is described in detail in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and

underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and solidarity assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

In addition, the Sub-Fund invests or is exposed to at least 50% of its net assets in Green Bonds, Social Bonds and Sustainability Bonds.

The Investment Manager has defined a proprietary green, social and sustainability bonds assessment framework, mainly based on the ICMA Green and Social Bond Principles ("GSBP") and the Climate Bonds Initiative ("CBI") guidelines. The Investment Manager employs a rigorous internal green, social and sustainability bond selection process by filtering out bonds which are not in line with our internal green, social and sustainability bonds requirements. AXA IM's green, social and sustainability bond framework is composed of four pillars: 1/ the environmental, social and governance (ESG) quality of the issuer (a firm needs to demonstrate minimum ESG commitments, to ensure that corporations properly deal with environmental and social risks in the projects financed and that the green projects being financed are strategic activities); 2/ the use of proceeds of a green, social or sustainability bond should reflect the issuer's efforts towards improving the environment and society and its overall sustainability strategy, full transparency regarding the projects financed and tracking the proceeds being essential; 3/ management of proceeds (an issuer must have sufficient guarantees in place to ensure the proceeds of the bond will effectively finance the eligible projects); 4/ ESG impact (particular attention is paid to impact reporting, where both qualitative and quantitative indicators are expected, allowing to demonstrate the positive impact of a bond on the environment and society).

The Sub-Fund may also invest in the following, up to the portion of net assets shown:

- money market instruments: one-third
- Sub-Investment Grade corporate debt securities: 20%
- contingent convertible bonds (CoCos): 5%.

The anticipated average duration of the Sub-Fund is 3 years or less.

The Sub-Fund may invest up to 10% of net assets in units of UCITS and/or UCIs.<sup>42</sup>

<sup>40</sup> This name is applicable as from 18 February 2022. Until 18 February 2022, the following name shall instead be applicable: China Short Duration Bonds.

<sup>41</sup> This investment objective is applicable as from 18 February 2022. Until 18 February 2022, the following investment objective shall instead be applicable: To seek performance of your investment, in CNH, through dynamic exposure to the Chinese fixed income market.

<sup>42</sup> This investment strategy is applicable as from 18 February 2022. Until 18 February 2022, the following investment strategy shall instead be applicable: The Sub-Fund is actively managed without reference to any benchmark.

The Sub-Fund invests in Chinese short duration bonds.

## China Sustainable Short Duration Bonds – Continued

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

The Sub-Fund may invest in Over the Counter (OTC) financial derivative instruments including, but not limited to, options, swaps, credit derivatives (such as credit default swap), futures and Forex forwards. Under no circumstances shall these operations cause the Sub-Fund to diverge from its investment objective. The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives and Efficient Portfolio Management”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-fund does not use securities borrowing.

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after omitting the worst 20% of the rated securities composing the comparison portfolio, followed by the application of a second exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, and of a green, social and sustainability bond filter, and 2/ analysis of the market based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Sub-Fund's sensitivity to interest rate variations, the yield curve positioning and the exposure to different geographical areas.<sup>43</sup>

**Reference Currency** RMB (CNH).

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

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Specifically, the Sub-Fund invests at least two-thirds of net assets in transferable debt securities issued by Chinese governments, public institutions, supra-national entities and companies that are denominated in CNY, CNH or USD. The Sub-Fund invests between 30% and 70% of net assets in bonds denominated in CNY (through the RQFII quota), and between 30% and 70% of net assets in bonds denominated in CNH and USD.

These investments are essentially Investment Grade Securities. Investment Grade Securities are rated at least BBB- by Standard & Poor's or equivalent rating by Moody's, Chengxin, Dagong, and Lianhe agencies or if unrated then deemed to be so by the Investment manager. For bonds denominated in CNH, the highest of available ratings from Standard and Poor's and Moody's is considered. For bonds denominated in CNY, the lowest of available ratings from Chengxin, Dagong, and Lianhe agencies is considered.

The Sub-Fund may also, and up to 5%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of credit instruments is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell assets is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may also invest in the following, up to the portion of net assets shown:

- money market instruments: one-third
- Sub-Investment Grade corporate debt securities: 20%
- contingent convertible bonds (CoCos) : 5%.

- China market
- Derivatives and leverage
- Foreign exchange and currency
- Investments in specific countries or geographical zones
- RQFII Quota
- Defaulted Securities
- Bond Connect<sup>44</sup>
- Chinese credit agencies
- Emerging markets
- High yield debt securities
- PRC tax consideration
- RMB currency
- Contingent convertible bonds
- ESG
- Distressed Securities

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**NAV Calculation Frequency** Daily.

**SFDR category** Article 8 product

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, Hong Kong, Shanghai and France.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Sub-Investment Manager** AXA Investment Managers Asia Ltd (Hong-Kong SAR).

**Investment Advisor** AXA SPDB Investment Managers Company Limited for Mainland China securities. By way of exception, AXA Investment Managers Asia Ltd (Hong-Kong SAR) will be responsible for the payment of the fees to AXA SPDB Investment Managers Company Limited.

**Inception** 6 September 2017.

The Sub-Fund invests or is exposed to at least 10% of its net assets in Green Bonds, Social Bonds and Sustainable Bonds.

The anticipated average duration of the Sub-Fund is 3 years or less.

The Sub-Fund may invest up to 10% of net assets in units of UCITS and/or UCIs. The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as a strategic asset allocation constituted of 50% JP Morgan Asia Credit Markets China and 50% Ice BofA 1-5 Year China Broad Market Index, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the above indexes are broad market indexes that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

<sup>43</sup> This management is applicable as from 18 February 2022. Until 18 February 2022, the following management process shall instead be applicable: The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Sub-Fund's sensitivity to interest rate variations, the yield curve positioning and the exposure to different geographical areas.

<sup>44</sup> This specific risk is only applicable as from 18 February 2022.

China Sustainable Short Duration Bonds – Continued

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 1.25%   | 0.50%               | —                |
| E   | —            | 1.25%   | 0.50%               | 0.25%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| G   | —            | 0.70%   | 0.50%               | —                |
| I   | —            | 0.70%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.



# Euro Credit Short Duration

## Investment Objective and Strategy

**Objective** To seek performance of your investment, in EUR, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in reference to the ICE BofA Euro Corporate 1-3 Yrs index (the "Benchmark") in order to capture opportunities in the Euro investment grade corporate and government bonds market. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio's sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund's positioning on the above indicators may be close to the Benchmark.

The Sub-Fund invests in Investment Grade bonds that are denominated in EUR. The Sub-Fund is managed with an Interest Rate Sensitivity ranging from 0 to 4.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in Investment Grade transferable debt securities issued by governments, companies or public institutions and denominated in EUR.

The Sub-Fund may invest up to 10% of net assets in Sub-Investment Grade transferable debt securities based on arithmetical average of available ratings from Standard & Poor's, Moody's and Fitch. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lowest of available ratings. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The Sub-Fund may invest up to 10% of net assets in Investment Grade mortgage and asset backed securities based on ratings from Standard & Poor's, Moody's and Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to one third of net assets in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and

underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and investment.

Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the exposure to different geographical areas, sectors and types of instruments.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- ESG
- Contingent convertible bonds

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.



## Additional Features

**Designed for** Investors who plan to invest for at least 2 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 6 September 2005.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.65%   | 0.50%               | —                |
| E   | —            | 0.65%   | 0.50%               | 0.40%            |
| F   | 2.00%        | 0.50%   | 0.50%               | —                |
| I   | —            | 0.25%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| X   | —            | 0.15%   | 0.50%               | —                |
| ZF  | 2.00%        | 0.50%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Euro Short Duration Bonds

## Investment Objective and Strategy

**Objective** To seek performance of your investment, in EUR, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in reference to the FTSE Euro Broad Investment-Grade Bond Index 1-5y benchmark index (the “Benchmark”) in order to capture opportunities in the Euro corporate and government bonds market. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio’s sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund’s positioning on the above indicators may be close to the Benchmark.

The Sub-Fund invests mainly in Investment Grade debt securities, including Investment Grade only mortgage and asset backed securities up to 10% of the Sub-Fund’s net assets, that are denominated in EUR. The Sub-Fund is managed with an Interest Rate Sensitivity ranging from 0 to 5.

Specifically, the Sub-Fund invests at least two thirds of net assets in transferable debt securities issued by governments, public institutions and companies, and denominated in EUR.

In order to achieve this sensitivity target, the Sub-Fund invests across the entire yield curve.

The Sub-Fund may invest in Investment Grade and Sub-Investment Grade Securities. However, the Sub-Fund does not invest in Sub-Investment Grade Securities rated CCC+ or below by Standard & Poor’s or equivalent rating by Moody’s or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sectorial-exclusion>

[investment-guidelines](#). The ESG criteria contribute to, but are not a determining factor in, the Investment Manager’s decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and investment.

Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund’s exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 030%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the yield curve positioning and the exposure to different geographical areas.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- Contingent convertible bonds
- 144A securities
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 2 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Euro Short Duration Bonds – Continued**

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 6 September 2005.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.60%   | 0.50%               | —                |
| E   | —            | 0.60%   | 0.50%               | 0.25%            |
| F   | 2.00%        | 0.45%   | 0.50%               | —                |
| I   | —            | 0.30%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.45%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Euro Strategic Bonds

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in EUR, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark.

The Sub-Fund invests in bonds of any type, including inflation-linked bonds, and any credit quality from issuers anywhere in the world.

Specifically, the Sub-Fund mainly invests in Investment Grade debt securities denominated in EUR and issued by governments, public institutions and companies. The Sub-Fund's average duration is expected to be from - 2 to 8 years.

The Sub-Fund may invest in Sub-Investment Grade Securities up to 20% of its net assets. However, the Sub-Fund does not invest in Sub-Investment Grade Securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the investment manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The Sub-Fund may also invest up to 30% of net assets in subordinated debt securities issued by banks, insurance companies and non-financial corporates and up to 100% of net assets in callable bonds<sup>45</sup>.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the investment manager.

The Sub-Fund may invest up to 30% of net assets in bonds issued by emerging markets issuers.

The Sub-Fund may invest up to 5% in asset backed securities and up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager as a strategic asset allocation constituted of 90% FTSE EuroBIG All Mat +10% ICE BofA Euro High Yield Index, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

For the sake of clarity, the above indices are broad market indices that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs as the frequency of the rebalancing is generally quarterly or semi-annually depending on the nature of the CDS. The most representative indices used within the Sub-Fund are iTraxx Europe Main and iTraxx Crossover. The methodology of these indices is available on the following website: <https://ihsmarkit.com/index.html>. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-40%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The investment manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The investment manager also manages the Interest Rate Sensitivity, the yield curve positioning and the exposure to different geographical areas.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- Inflation-linked bonds
- Emerging markets
- High yield debt securities
- Subordinated debts
- Contingent convertible bonds
- 144A securities
- ESG
- Global investments
- Extension
- Reinvestment

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

<sup>45</sup> This maximum limit of investments in callable bonds of 100% is applicable as from 18 February 2022. Until 18 February 2022, a limit of 30% shall be applicable instead.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 6 September 2005.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.60%   | 0.50%               | —                |
| E   | —            | 0.60%   | 0.50%               | 0.25%            |
| F   | 2.00%        | 0.45%   | 0.50%               | —                |
| I   | —            | 0.30%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.45%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# AXA World Funds — Euro 7-10

## Investment Objective and Strategy

**Objective** To seek performance of your investment, in EUR, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in reference to the FTSE EuroBig 7-10 Yr benchmark index (the "Benchmark") in order to capture opportunities in the Euro corporate and government bonds market. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio's sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund's positioning on the above indicators may be close to the Benchmark.

The Sub-Fund invests mainly in Investment Grade debt securities, including Investment Grade only mortgage and asset backed securities up to 5% of the Sub-Fund's net assets, that are mainly denominated in EUR. The Sub-Fund is managed with an Interest Rate Sensitivity ranging from 5 to 10.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in transferable debt securities issued by governments, public institutions, companies and are denominated in EUR. In order to achieve this sensitivity target, the Sub-Fund invests across the entire yield curve.

The Sub-Fund may invest in Investment Grade and Sub-Investment Grade Securities. However, the Sub-Fund does not invest in Sub-Investment Grade Securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market indices that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sectorial-exclusion>

[investment-guidelines](#). The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and investment.

Derivatives may include credit default swaps (single name CDS or CDS index). Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-40%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the yield curve positioning and the exposure to different geographical areas.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- 144A securities
- Contingent convertible bonds
- ESG

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Insertion** 6 September 2005.



**Euro 7-10 – Continued**

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.60%   | 0.50%               | —                |
| E   | —            | 0.60%   | 0.50%               | 0.25%            |
| F   | 2.00%        | 0.45%   | 0.50%               | —                |
| I   | —            | 0.30%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.45%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# AXA World Funds — Euro 10 + LT

## Investment Objective and Strategy

**Objective** To seek performance of your investment, in EUR, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in reference to the FTSE EuroBig 10+ Yrs EUR benchmark index (the "Benchmark") in order to capture opportunities in the Euro corporate and government bonds market. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio's sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund's positioning on the above indicators may be close to the Benchmark.

The Sub-Fund invests mainly in Investment Grade debt securities, including Investment Grade only mortgage and asset backed securities up to 5% of the Sub-Fund's net assets, that are denominated in EUR. The Sub-Fund is managed with an Interest Rate Sensitivity ranging from 9 to 18.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in transferable debt securities issued by governments, public institutions and companies and are denominated in EUR.

In order to achieve this sensitivity target, the Sub-Fund invests across the entire yield curve.

The Sub-Fund may invest in Investment Grade and Sub-Investment Grade Securities. However, the Sub-Fund does not invest in Sub-Investment Grade Securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sectorial-exclusion>.

[investment-guidelines](#). The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and investment. Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives". For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the yield curve positioning and the exposure to different geographical areas.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- 144A securities
- Contingent convertible bonds
- ESG

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 4 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 6 September 2005.

**Euro 10 + LT – Continued**

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.60%   | 0.50%               | —                |
| E   | —            | 0.60%   | 0.50%               | 0.25%            |
| F   | 2.00%        | 0.45%   | 0.50%               | —                |
| I   | —            | 0.30%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.45%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# AXA World Funds — Euro Bonds

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in EUR, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in reference to the FTSE EUROBIG EUR benchmark index (the “Benchmark”) in order to capture opportunities in the Euro corporate and government bonds market. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio’s sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund’s positioning on the above indicators may be close to the Benchmark.

The Sub-Fund invests mainly in Investment Grade debt securities, including Investment Grade only mortgage and asset backed securities up to 5% of the Sub-Fund’s net assets, that are denominated in EUR.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in fixed and floating rate transferable debt securities issued by governments, public institutions and companies and are denominated in EUR.

The Sub-Fund may invest in Investment Grade and Sub-Investment Grade Securities. However, the Sub-Fund does not invest in Sub-Investment Grade Securities rated CCC+ or below by Standard & Poor’s or equivalent rating by Moody’s or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager’s decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and investment. Derivatives may include credit default swaps (single name CDS or CDS index). The use of credit default swaps for investment purpose does not exceed 20% of net assets.

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund’s exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated. The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-40%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the credit curve positioning, and the exposure to different geographical areas, sectors and types of instruments.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- 144A securities
- Contingent convertible bonds
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 22 January 1997.

**Euro Bonds – Continued**

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.75%   | 0.50%               | —                |
| BX  | 3.00%        | 0.80%   | 0.50%               | —                |
| E   | —            | 0.75%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.50%   | 0.50%               | —                |
| I   | —            | 0.30%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.50%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Euro Sustainable Bonds

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in EUR, and a sustainable investment objective, from an actively managed bond portfolio, in line with a socially responsible investment approach.

**Investment Strategy** The Sub-Fund is actively managed in reference to the FTSE EuroBig all Mat benchmark index (the “Benchmark”) in order to capture opportunities in the Euro corporate and government bonds market. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio’s sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund’s positioning on the above indicators may be close to the Benchmark. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the sustainable investment objective of the Sub-Fund, but is used as a reference for its financial objective.

The Sub-Fund seeks to achieve its objective through investments in sustainable securities that have implemented good practices in terms of managing their environmental impacts, governance and social (“ESG”) practices, by using a socially responsible investment ‘selectivity’ approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings (“ESG scores”). The ‘Best-in-Class’ selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe as defined by the Benchmark, by excluding issuers based on their ESG scores, where applicable, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that

incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund invests mainly in Investment Grade debt securities, including Investment Grade only mortgage and asset backed securities up to 5% of the Sub-Fund’s net assets, that are denominated in EUR.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in fixed and floating rate transferable debt securities issued by governments, public institutions and companies and are denominated in EUR. On an ancillary basis, the Sub-Fund may be exposed to securities not denominated in EUR and to exchange rate risk.

The Sub-Fund may invest in Investment Grade and Sub-Investment Grade Securities, the latter up to 10% of net assets. However, the Sub-Fund does not invest in Sub-Investment Grade Securities rated CCC+ or below by Standard & Poor’s or equivalent rating by Moody’s or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may also invest in money market instruments.

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include options, swaps, credit derivatives such as futures, Forex forwards and credit default swaps (single name CDS or CDS index) listed on any regulated market or traded OTC. The use of credit default swaps for investment purpose does not exceed 20% of net assets.

One of the most representative indices used within the Sub-Fund is the Markit iTraxx Europe Main Index. The methodology of this index is available on the following website: <http://https://ihsmarkit.com/index.html>. Such CDS with underlying indices will not have significant rebalancing costs as the frequency of the rebalancing is generally quarterly or semi-annually depending on the nature of the CDS.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.



## Euro Sustainable Bonds – Continued

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, followed by a second 'Best-in-Class' filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology; 2/ using a strategy that combines macro-economic, sector and company specific analysis and a rigorous analysis of the companies' business model, management quality, growth prospects, whether the company meets Responsible Investment criteria and risk/return profile.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- ESG
- Derivatives and leverage
- 144A securities
- Contingent convertible bonds

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 10 February 2020.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.75%   | 0.50%               | —                |
| E   | —            | 0.75%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.35%   | 0.50%               | —                |
| SP  | 2.00%        | 0.20%   | 0.50%               | —                |
| I   | —            | 0.30%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.30%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Euro Sustainable Credit

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in EUR, and a sustainable investment objective, from an actively managed bond portfolio invested in sustainable securities.

**Investment Strategy** The Sub-Fund is actively managed in reference to the ICE BofA Euro Corporate 1-10 Yrs benchmark index (the "Benchmark") in order to capture opportunities in the Euro corporate and government bonds market. The Sub-Fund invests in Investment Grade fixed and floating rate debt securities that are denominated in EUR and are part of the components of the Benchmark by at least 50% of its net assets. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund's positioning on the above indicators may be close to the Benchmark. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the sustainable investment objective of the Sub-Fund, but is used as a reference for its financial objective.

The Sub-Fund seeks to achieve its objective through investments in sustainable securities that have implemented good practices in terms of managing their environmental impacts, governance and social ("ESG") practices, by using a socially responsible investment 'selectivity' approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings ("ESG scores"). The 'Best-in-Class' selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe as defined by the Benchmark, by excluding issuers based on their ESG scores, where applicable, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that

incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in Investment Grade transferable debt securities issued by governments, public institutions and companies, and denominated in EUR.

The Sub-Fund may hold up to 5% of net assets in Sub-Investment Grade Securities based on the arithmetical average of available ratings from Standard & Poor's, Moody's and Fitch, provided that they were Investment Grade when purchased. However, the Sub-Fund may not hold securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lowest of available ratings. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months. The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund invests or is exposed to at least 10% of its net assets in Green Bonds, Social Bonds and Sustainability Bonds.

The Sub-Fund may invest up to 10% of net assets in Investment Grade mortgage and asset backed securities based on ratings from Standard & Poor's, Moody's and Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available.

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to one third of net assets in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and investment.

Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, followed by a second ‘Best-in-Class’ filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology; 2/selecting investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers and management of the credit curve positioning, and the exposure to different geographical areas, sectors and types of instruments.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- ESG
- Contingent convertible bonds

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 24 July 2008

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.75%   | 0.50%               | —                |
| E   | —            | 0.75%   | 0.50%               | 0.75%            |
| F   | 2.00%        | 0.50%   | 0.50%               | —                |
| I   | —            | 0.30%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.50%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Euro Credit Plus

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in EUR, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in reference to the BofA Merrill Lynch Emu Corporate index (the "Benchmark") in order to capture opportunities in the Euro investment grade and high yield market. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio's sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund's positioning on the above indicators may be close to the Benchmark.

The Sub-Fund invests in corporate and sovereign bonds that are principally issued in the OECD and are denominated in EUR.

Specifically, the Sub-Fund invests in fixed and floating rate transferable debt securities issued by governments, public institutions and companies. The Sub-Fund invests at least two thirds of net assets in bonds denominated in EUR.

The Sub-Fund may invest up to 30% in Sub-Investment Grade Securities based on the arithmetic average of available ratings from Standard & Poor's, Moody's and Fitch. The Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent ratings by Moody's or Fitch. Ratings are based on the lowest of available ratings. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The Sub-Fund may also invest up to 30% of net assets in subordinated debts issued by banks, insurance companies and non-financial corporates.

The Sub-Fund may also, and up to 5%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may also invest in the following, up to the portion of net assets shown:

- money market instruments: one third
- convertible securities: one tenth<sup>46</sup>
- equities and equity-related securities: one tenth

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores

of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 88% of the net assets of the Sub-Fund, this rate being calculated according to the weighted average assets allocation mix in the Sub-Fund between minimum 90% ESG analysis coverage rate for securities rated Investment Grade and minimum 75% ESG analysis coverage rate for a median exposure of 15% to securities rated Sub-Investment Grade.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and investment.

Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds and equities.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the credit curve positioning and the exposure to different geographical areas, sectors and types of instruments.

**Reference Currency** EUR.

<sup>46</sup> This possibility for the Sub-Fund to invest up to one tenth of its net assets in convertible securities is applicable as from 18 February 2022. Until 18 February Prospectus Page 83 of 208

2022, the Sub-Fund may invest up to one quarter of its net assets in such securities.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- Contingent convertible bonds
- Defaulted Securities
- High yield debt securities
- ESG
- Distressed Securities
- Subordinated debts

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 4 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg except 31 December.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 28 February 2003.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.90%   | 0.50%               | —                |
| E   | —            | 0.90%   | 0.50%               | 1.00%            |
| F   | 2.00%        | 0.50%   | 0.50%               | —                |
| I   | —            | 0.35%   | 0.50%               | —                |
| J   | 2.00%        | 0.35%   | 0.50%               | 0.15%            |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.50%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.



# Euro Credit Total Return

## Investment Objective and Strategy

**Objective** To maximise total return (income and capital growth), in EUR, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark.

The Sub-Fund is exposed mainly, directly or indirectly through credit derivatives, to Investment Grade corporate and sovereign bonds issued in the OECD.

Specifically, the Sub-Fund is exposed mainly to Investment Grade corporate and sovereign transferable debt securities that are mainly denominated in EUR.

The Sub-Fund's average duration is expected to be from -2 to 6 years.

The Sub-Fund may invest in Sub-Investment Grade Securities based on ratings from Standard & Poor's, Moody's and Fitch. The Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The Sub-Fund may also invest up to 60% of net assets in subordinated debts issued by banks, insurance companies and non-financial corporates.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 20% in contingent convertible bonds (CoCos), up to 15% of net assets in bonds issued by emerging markets issuers and up to 5% of net assets in asset backed securities.<sup>47</sup> The Sub-Fund may also invest in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as a moving strategic asset allocation constituted of BofA Merrill Lynch Euro Corporate Index and ICE BofA Euro High Yield Index, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the above indices are broad market indices that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is moving in accordance with the moving asset allocation composition as decided by the Investment Manager from time to time, this rate being calculated according to the weighted average assets allocation mix in the Sub-Fund between minimum 90% ESG analysis coverage rate for

securities issued in developed countries and/or rated Investment Grade, and minimum 75% ESG analysis coverage rate for securities issued in emerging countries and/or rated Sub-Investment Grade.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the credit curve positioning and the exposure to different geographical areas, sectors and types of instruments.

**Reference Currency** EUR.

<sup>47</sup> This possibility for the Sub-Fund to invest up to 5% of its net assets in asset backed securities is applicable as from 18 February 2022. Until 18 February 2022, the Sub-Fund may invest up to 10% of its net assets in such securities.



## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- Global investments
- Contingent convertible bonds
- Defaulted Securities
- Emerging markets
- High yield debt securities
- ESG
- Distressed Securities
- Subordinated debts

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 26 February 2015.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.95%   | 0.50%               | —                |
| E   | —            | 0.95%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.55%   | 0.50%               | —                |
| G   | —            | 0.45%   | 0.50%               | —                |
| I   | —            | 0.45%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.55%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Euro Government Bonds

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in EUR, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in reference to the JP Morgan EMU Investment Grade index (the “Benchmark”) in order to capture opportunities in the Euro investment grade government bonds market. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio’s sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund’s positioning on the above indicators may be close to the Benchmark.

The Sub-Fund invests in fixed and floating rate debt securities. The Sub-Fund is managed with an Interest Rate Sensitivity ranging from 0 to 10.

Specifically, the Sub-Fund invests essentially in Investment-Grade government bonds issued or guaranteed by European countries, including non-Eurozone countries, and that are denominated in EUR.

On an ancillary basis, the Sub-Fund may invest in Investment-Grade covered bonds and other debt securities that are issued by governments and supranational agencies.

The Sub-Fund may hold up to 10% of net assets in debt securities that are Sub-Investment Grade provided that they were Investment Grade when purchased. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor’s or equivalent rating by Moody’s or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

In the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include credit default swaps (single name CDS or CDS index). The use of CDS for investment purpose does not exceed 20% of net assets in term of inherent commitment.

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund’s exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-50%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis. The Investment Manager also manages the Interest Rate Sensitivity, the yield curve positioning, the exposure to different geographical areas and types of instruments.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- Contingent convertible bonds
- 144A securities
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 2 February 2010.

**Euro Government Bonds – Continued**

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.50%   | 0.50%               | —                |
| E   | —            | 0.50%   | 0.50%               | 0.25%            |
| F   | 2.00%        | 0.30%   | 0.50%               | —                |
| I   | —            | 0.20%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.30%   | 0.50%               | —                |
| ZI  | —            | 0.15%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Euro Inflation Bonds

## Investment Objective and Strategy

**Objective** To seek performance of your investment, in EUR, from an actively managed inflation-linked bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in reference to the BCEURGVTINFL index (the “Benchmark”) in order to capture opportunities in the Euro inflation-linked bond market. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio’s sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund’s positioning on the above indicators may be close to the Benchmark.

The Sub-Fund invests mainly in inflation-linked bonds denominated in EUR. The Sub-Fund is managed with an Interest Rate Sensitivity ranging from 5 to 15.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in inflation-linked bonds and any other related debt securities issued by public institutions and companies in the Eurozone and denominated in EUR.

The Sub-Fund invests at least 90% of net assets in Investment Grade debt securities and less than 10% in Sub-Investment Grade debt securities. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor’s or equivalent rating by Moody’s or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months. The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to one third of net assets in debt securities that are not inflation-linked and up to one third of net assets in money market instruments.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

In the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In case of rebalancing of the underlying index, the costs will not be significant.

In exceptional market conditions, the Sub-Fund’s exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 20%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and inflation trends. The Investment Manager also manages the Interest Rate Sensitivity, the inflation-linked yield curve positioning and the exposure to different geographical areas.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- Contingent convertible bonds
- 144A securities risk
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg except 31 December.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 13 September 2005.

## Additional Features of the RedEx Share Class

**Objective** To achieve the same objective as the Sub-Fund while mitigating a parallel global increase or decrease of the EUR interest rates curve at Share Class level.

**Use of Derivatives** The RedEx Share Class may use interest rate listed derivatives to reduce exposure to parallel shifts in different interest rates.

All derivatives use will be consistent with the terms in “More about Derivatives and Efficient Portfolio Management”.

### Specific Risks

- RedEx (ShareClass) risk relating to interest rate

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |           |
|---|--------------|---|---------------------|------------------|-----------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee | RedEx Fee |
| A   | 3.00%        | 0.50%   | 0.50%               | —                | —         |
| E   | —            | 0.50%   | 0.50%               | 0.25%            | —         |
| F   | 2.00%        | 0.40%   | 0.50%               | —                | —         |
| I*  | —            | 0.25%   | 0.50%               | —                | 0.05%     |
| M   | —            | —   | 0.50%               | —                | —         |
| ZF  | 2.00%        | 0.40%   | 0.50%               | —                | —         |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* Since 31 July 2017, the Redex Share Classes are closed to subscriptions to new investors. From 31 July 2018, the Redex Share Classes will be closed to any subscriptions, including those from existing investors.

# Euro Inflation Plus

## Investment Objective and Strategy

**Objective** To seek to outperform, in EUR, on a yearly basis the Euro area inflation expressed by the Harmonised Indices of Consumer Prices Excluding Tobacco (the “Benchmark”), net of ongoing charges.

This annualized target outperformance is an objective and is not guaranteed.

**Investment Strategy** The Sub-Fund is actively managed and references the Benchmark by seeking to outperform it. As the Benchmark is a rate notably used by European Central Bank for assessing price stability for monetary policy purposes and the Sub-Fund’s investment allocation or holdings’ composition is not constituted in relation to the Benchmark, the deviation from the Benchmark is likely to be significant. The methodology for Euro area inflation calculation can be found on the European Commission website

([https://ec.europa.eu/eurostat/statistics-explained/index.php/HICP\\_methodology#A\\_harmonised\\_methodology\\_for\\_the\\_HICP](https://ec.europa.eu/eurostat/statistics-explained/index.php/HICP_methodology#A_harmonised_methodology_for_the_HICP)). The Benchmark is produced and published using a methodology that is similar to the one existing for inflation linked bonds following the standard model (the Canadian model) such as French, German, Italian and US sovereign inflation linked securities. Inflation-linked bonds notably apply appropriate lags for determining their coupon and redemption based on a daily linear interpolated inflation rate as price indices are not immediately available at the end of each month. The Investment Manager considers for benchmarking a similar interpolation method to that of the major inflation-linked bonds markets such as French sovereign bonds linked to inflation. An example of such methodology can be found on the French Treasury’s website (<https://www.aft.gouv.fr/en/oatis-characteristics>).

The Investment Manager actively manages inflation breakevens by using inflation swaps (long or short position depending on its anticipation of the inflation perspectives), inflation-linked bonds and/or futures.

The Sub-Fund may invest up to 100% of net assets in debt securities and up to 100% of net assets in inflation-linked bonds, both issued by governments, public institutions and companies in OECD countries only (including emerging). However, the Sub-Fund does not invest more than 20% of net assets in corporate bonds. Exposure of the Sub-Fund’s assets denominated in non-EUR currency will be hedged against EUR.

The Sub-Fund invests only in Investment Grade debt securities. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such rating, securities will be sold within 6 months. The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund is managed with an inflation duration ranging from -10 to 10 years and an interest rates duration from 0 to 5 years.

The Sub-Fund may invest up to one third of net assets in money market instruments.

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as a strategic asset allocation constituted of 80% Bloomberg World Govt Inflation-Linked All Maturities 1-5yr + 20% ICE BofA 1-5 Year Global Corporate Index,

both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the above indices are broad market indices that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager’s decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include Forex forwards, futures, listed options, credit default swaps (single name CDS or CDS index), interest rate swaps and inflation swaps listed on regulated market or traded OTC.

One of the most representative CDS indexes used within the Sub-Fund is Markit iTraxx Europe Main Index. The methodology of this index is available on the following website: <https://ihsmarkit.com/index.html>. Such CDS with underlying indexes will not have significant rebalancing costs as the frequency of the rebalancing is generally quarterly or semi-annually depending on the nature of the CDS.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-50%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and inflation trends. The Investment Manager also manages the inflation sensitivity, the Interest Rate Sensitivity, the inflation-linked yield curve positioning and the exposure to different geographical areas.

**Reference Currency** EUR.



## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- Inflation-linked bonds
- Emerging markets
- 144A securities risk
- ESG
- Sovereign debt risk

**Sustainability risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the sustainability risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR Category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 4 October 2021.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.70%   | 0.50%               | —                |
| E   | —            | 0.70%   | 0.50%               | 0.35%            |
| F   | 2.00%        | 0.40%   | 0.50%               | —                |
| G   | —            | 0.35%   | 0.50%               | —                |
| I   | —            | 0.35%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.40%   | 0.50%               | —                |
| ZI  | —            | 0.30%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Euro Buy and Maintain Sustainable Credit

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in EUR, and a sustainable investment objective, from an actively managed bond portfolio, in line with a socially responsible investment (SRI) approach.

**Investment Strategy** The Sub-Fund is actively managed in order to capture the credit premium offered by the corporate credit market in an economical manner, by investing at minimum one third of its net assets in securities that are part of the BofA Merrill Lynch Emu Corporate benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, exposure to companies, countries or sectors not included in the Benchmark or take different positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the sustainable investment objective of the Sub-Fund, but is used as a reference for its financial objective.

The Sub-Fund seeks to achieve its objective through investments in sustainable securities that have implemented good practices in terms of managing their environmental impacts, governance and social (“ESG”) practices, by using a socially responsible investment ‘selectivity’ approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings (“ESG scores”). The ‘Best-in-Class’ selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe as defined by the Benchmark, by excluding issuers based on their ESG scores, where applicable, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund seeks to capture the credit premium in an economical manner by investing in debt securities issued anywhere in the world and mainly denominated in EUR.

Specifically, the Sub-Fund invests essentially in fixed and floating rate transferable debt securities issued by governments, public institutions

and companies, and rated Investment Grade based on the arithmetic average of available ratings from Standard & Poor’s, Moody’s and Fitch.

The Sub-Fund may hold up to 5% of net assets in debt securities that are Sub-Investment Grade provided that they were Investment Grade when purchased. Sub-Investment Grade Securities are based on the arithmetic average of available ratings from Standard & Poor’s, Moody’s and Fitch. The Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor’s or equivalent rating by Moody’s or Fitch. Ratings are based on the lowest of available ratings. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may also invest in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for hedging.

These may be listed or OTC derivatives. The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM’s Sectorial Exclusion and ESG Standards Policies, followed by a second ‘Best-in-Class’ filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology; 2/ selecting investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers and a rigorous analysis of the companies’ business model, management quality, growth prospects, whether the company meets Responsible Investment criteria and risk/return profile. The Investment Manager also manages the credit curve positioning and the exposure to different geographical areas, sectors and types of instruments.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- Global investments
- Contingent convertible bonds
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and France.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 8 January 2015.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.35%   | 0.50%               | —                |
| F   | 2.00%        | 0.18%   | 0.50%               | —                |
| I   | —            | 0.13%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.18%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# European High Yield Bonds

## Investment Objective and Strategy

**Objective** To seek a high level of income, in EUR, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in the European government and corporate debt market, primarily investing in securities that are part of the ICE BofA European Currency High Yield BB-B Rated Constrained Hedged EUR benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, exposure to companies, countries or sectors not included in the Benchmark or take different positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund invests in Sub-Investment Grade fixed and floating rate debt securities (high yield bonds) issued by public or private companies.

Specifically, the Sub-Fund invests mainly in Sub-Investment Grade fixed income transferable debt securities issued by public or private companies and that are denominated in a European currency.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund’s investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.<sup>48</sup>

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-fund bindingly applies at all times AXA IM’s Sectorial Exclusion Policy, as described in the document available on <https://www.axa-im.com/responsible-investing/sector-investment-guidelines> website, with the exception of derivatives and underlying eligible UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and investment.

Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund’s exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps. All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the credit curve positioning and the exposure to different sectors.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- Contingent convertible bonds
- Defaulted Securities
- High yield debt securities
- Distressed Securities

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United Kingdom.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Inception** 30 October 2012.

European High Yield Bonds — Continued

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 1.50%   | 0.50%               | —                |
| E   | —            | 1.50%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 1.00%   | 0.50%               | —                |
| I   | —            | 1.00%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 1.00%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# ACT European High Yield Bonds Low Carbon

## Investment Objective and Strategy

**Objective** To seek a high level of income, in EUR, from an actively managed bond portfolio whose carbon footprint, measured as carbon intensity, is at least 30% lower than that of the ICE BofA European Currency High Yield Hedged EUR index (the "Benchmark"). As a secondary 'extra-financial objective', the water intensity of the portfolio aims also at being at least 30% lower than the Benchmark.

The Sub-Fund's objective to invest in lower carbon emissions intensive exposures than the Benchmark is not performed in view of achieving the long-term global warming objectives of the Paris Agreement.

**Investment Strategy** The Sub-Fund is actively managed and references the Benchmark in order to capture opportunities in the European corporate debt market, primarily investing in securities that are part of the Benchmark universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund's portfolio and can take, based on its investment convictions, exposure to companies, countries or sectors not included in the Benchmark or take different positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund's portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund also references the Benchmark by seeking to achieve its extra-financial objectives. For the sake of clarity, the Sub-Fund's Benchmark is a broad market index that has neither an explicit investment nor sustainability objective but is used to measure the success of the Sub-Fund's investment and sustainability objectives.

The Investment Manager uses an 'extra-financial indicator improvement' approach in relation to the investable universe, the average of each extra-financial indicator - carbon intensity and water intensity - calculated at Sub-Fund's level being at least 30% better than that calculated for the Benchmark.

The Sub-Fund adopts a sustainable investment approach according to which the Investment Manager bindingly applies at all times carbon intensity and water intensity in the securities selection process. The Sub-Fund excludes from its investment universe the majority of securities within carbon intensive sub-sectors. These sub-sectors include Metals, Mining and Steel Producers and most sub-sectors within the Energy and Utility sectors.

The scope of the eligible securities is reviewed at least every 6 months, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The coverage rate for the carbon intensity indicator and the ESG analysis rating within the portfolio are each at least 90% of the net assets of the Sub-Fund, while the coverage rate for the water intensity indicator within the portfolio will be at least 70% of the net assets of the Sub-Fund. These coverage rates exclude bonds and other debt securities issued by sovereign issuers, and cash or cash equivalent held on an ancillary basis. The carbon intensity and water intensity indicators will be obtained from an external provider. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third-party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar, but which should be distinguished because their calculation method may be different.

The Sub-Fund invests in Sub-Investment Grade fixed and floating rate debt securities (high yield bonds) issued by public or private companies. If securities are unrated, they must be judged equivalent to those levels by the investment manager.

Specifically, the Sub-Fund invests mainly in Sub-Investment Grade fixed income transferable debt securities issued by public or private companies mainly located in Europe (and on an ancillary basis, in other jurisdictions, including in the US or in emerging markets such as Latin America or Asia) and that are denominated in a European currency.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may also invest in the following, up to the portion of net assets shown:

- money market instruments: one third
- convertible securities: one quarter
- contingent convertible bonds (CoCos): up to 10%

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

### Derivatives and Efficient Portfolio Management Techniques

The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indexes will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indexes are highly concentrated.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%



By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ analysing carbon intensity and water intensity data to ensure that the average of KPI carbon intensity and water intensity calculated at Sub-Fund's level is at least 30% better than that calculated for the investable universe, followed by the application of a second exclusion filter, described in AXA IM's Sectorial Exclusion Policies and ESG Standards Policies; 2/ economic, valuation, technical analysis of the markets based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers, and management of the credit curve positioning and the exposure to different sectors.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- High yield debt securities
- ESG
- Extension
- Reinvestment
- Contingent convertible bonds
- Defaulted Securities
- Distressed Securities
- Emerging Markets

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United Kingdom.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London)

**Inception** 11 March 2022.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 1.20%   | 0.50%               | —                |
| E   | —            | 1.20%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.60%   | 0.50%               | —                |
| G   | —            | 0.50%   | 0.50%               | —                |
| I   | —            | 0.50%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.60%   | 0.50%               | —                |
| ZI  | —            | 0.40%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* Share Classes will be available for subscription on inception date or on the date of the first following subscription in these Share Classes at an initial price of USD 100 and EUR 100

# Global Sustainable Aggregate

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in EUR, and a sustainable investment objective, from an actively managed bond portfolio, in line with a socially responsible investment approach.

**Investment Strategy** The Sub-Fund seeks to achieve its objective through investments in sustainable securities that have implemented good practices in terms of managing their environmental impacts, governance and social (“ESG”) practices, by using a socially responsible investment ‘selectivity’ approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings (“ESG scores”). The ‘Best-in-Class’ selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe as defined by Bloomberg Global Aggregate OECD Currencies benchmark index (the “Benchmark”), by excluding issuers based on their ESG scores, where applicable, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The Investment Manager also applies specific exclusions as follows:

- an exclusion list based on ethical criteria, as further described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>; and
- a specific companies ban list, based on the Norges Bank Investment Management exclusion list ([Observation and exclusion of companies \(nbim.no\)](https://www.nbim.no)), excluding certain investments in companies on the basis of their conduct or sector. This list is updated by the Investment Manager every 6 months at the latest and should divestments be needed as a consequence, the Investment Manager will use its best efforts to sell these securities within 1 month.<sup>49</sup>

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund is actively managed in reference to the Benchmark in order to capture opportunities in the bonds market. The Sub-Fund invests in fixed and floating rate debt securities issued by OECD governments and Investment Grade companies or public institutions, and that are denominated in any freely convertible currencies and are part of the components of the Benchmark by at least 50% of its net assets. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund’s positioning on the above indicators may be close to the Benchmark. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the sustainable investment objective of the Sub-Fund, but is used as a reference for its financial objective.

The Sub-Fund also invests in mortgage and asset backed securities from issuers anywhere in the world.

Specifically, the Sub-Fund invests in fixed and floating rate transferable debt securities issued by governments, public institutions and companies in OECD countries. On an ancillary basis, the Sub-Fund may invest in securities issued in non-OECD countries. At all times, the Sub-Fund invests at least two thirds of net assets in bonds from issuers located anywhere in the world.

These securities are primarily rated Investment Grade, though the Sub-Fund may be exposed directly or indirectly through units of UCITS and/or other UCIs (within the limit set out below) less than 20%<sup>50</sup> to Sub-Investment Grade Securities. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor’s or equivalent rating by Moody’s or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund invests or is exposed to at least 10% of its net assets in Green Bonds, Social Bonds and Sustainability Bonds.

The Sub-Fund may invest in the following, up to the portion of net assets shown:

- mortgage and asset backed securities: one third
- money market instruments: one third
- convertible securities: 10%, including maximum 5% in contingent convertible bonds (CoCos)

The Sub-Fund may invest up to 10% of its net assets in equities and equity-related securities in aggregate.

The Sub-Fund’s portfolio has a weighted average duration of no less than one year.

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

Securities denominated in a non-EUR currency are primarily hedged against EUR while allowing for tactical currency exposure at the discretion of the Investment Manager.

<sup>49</sup> These specific exclusions are applicable as from 18 February 2022.

<sup>50</sup> This maximum limit of investment in Sub-Investment Grade Securities is applicable as from 18 February 2022. Until 18 February 2022, the limit is set at 30% instead.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and investment.

Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-fund does not use securities borrowing.

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, followed by a second 'Best-in-Class' filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology, followed by the specific exclusions lists referred to above<sup>51</sup>; 2/ selecting investments based on a number of factors, including macro-

and microeconomic analysis and credit analysis of issuers and the management of the Interest Rate Sensitivity, the yield curve positioning and the exposure to different geographical areas.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- High yield debt securities
- Contingent convertible bonds
- Global investments
- 144A securities
- ESG

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Sub-Investment Manager** AXA Investment Managers US Inc. (USA) for American securities.

**Inception** 1 April 1988.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |           |
|---|--------------|---|---------------------|------------------|-----------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee | CDSC*     |
| A   | 3.00%        | 0.75%   | 0.50%               | —                | —         |
| BL**  | —            | 0.75%   | 0.50%               | 1.00%***         | 3.00%**** |
| E   | —            | 0.75%   | 0.50%               | 0.50%            | —         |
| F   | 2.00%        | 0.45%   | 0.50%               | —                | —         |
| I   | —            | 0.40%   | 0.50%               | —                | —         |
| J   | 2.00%        | 0.40%   | 0.50%               | 0.20%            | —         |
| M   | —            | —   | 0.50%               | —                | —         |
| U   | 5.50%        | 0.45%   | 0.50%               | 0.45%            | —         |
| ZF  | 2.00%        | 0.45%   | 0.50%               | —                | —         |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* Contingent Deferred Sales Charge – See "Notes on Sub-Fund's Costs" for more information.

\*\* This Share Class will be available for subscription on 1 January or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

\*\*\* Payable monthly in arrears on the basis of the average daily Net Asset Value of the "BL" Share Class.

\*\*\*\* Decreases yearly, reaching zero 3 years after investment.

# Global Sustainable Credit Bonds<sup>52</sup>

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in USD, and a sustainable investment objective, from an actively managed bond portfolio in line with a socially responsible investment approach.<sup>53</sup>

**Investment Strategy** The Sub-Fund is actively managed in reference to the BofA Merrill Lynch Global Large Cap Hedged USD benchmark index (the “Benchmark”) in order to capture opportunities in global corporate credit markets. The Sub-Fund invests at minimum 20% of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio's sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund's positioning on the above indicators may be close to the Benchmark. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The Sub-Fund seeks to achieve its objective through investments in sustainable securities that have implemented good practices in terms of managing their environmental impacts, governance and social (“ESG”) practices, by using a socially responsible investment ‘selectivity’ approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings (“ESG scores”). The ‘Best-in-Class’ selectivity approach, which is bindingly applied at all times, consists in reducing by, at least, 20% the investment universe as defined by the Benchmark, by excluding issuers based on their ESG scores, where applicable, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an

ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund invests in fixed and floating rate debt securities issued anywhere in the world by governments and Investment Grade companies or public institutions, and that are denominated in any freely convertible currencies. The Sub-Fund also invests in mortgage and asset backed securities from issuers anywhere in the world.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in bonds from issuers located anywhere in the world. The Sub-Fund may invest up to 15% in Sub-Investment Grade Securities. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 10% of net assets in assets backed securities (ABS) and up to 10% in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to one third of net assets in money market instruments.

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.<sup>54</sup>

<sup>52</sup> This name is applicable as from 18 February 2022. Until 18 February 2022, the following name shall instead be applicable: Global Credit Bonds.

<sup>53</sup> This investment objective is applicable as from 18 February 2022. Until 18 February 2022, the following investment objective shall instead be applicable: To seek both income and growth of your investment, in USD, from an actively managed bond portfolio.

<sup>54</sup> This investment strategy is applicable as from 18 February 2022. Until 18 February 2022, the following investment strategy shall instead be applicable: The Sub-Fund is actively managed in reference to the BofA Merrill Lynch Global Large Cap Hedged USD benchmark index (the “Benchmark”) in order to capture opportunities in global corporate credit markets. The Sub-Fund invests at minimum 20% of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio's sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund's positioning on the above indicators may be close to the Benchmark.

The Sub-Fund invests in fixed and floating rate debt securities issued anywhere in the world by governments and Investment Grade companies or public institutions, and that are denominated in any freely convertible currencies. The Sub-Fund also invests in mortgage and asset backed securities from issuers anywhere in the world.



### Derivatives and Efficient Portfolio Management Techniques

The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
  - repos/reverse repos: expected, 0-10%; max, 20%
- By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies, followed by a second 'Best-in-Class' filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology; 2/ selecting investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the credit curve positioning and the exposure to different geographical areas, sectors and types of instruments.<sup>55</sup>

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- High yield debt securities
- Contingent convertible bonds
- Defaulted Securities
- Global investments
- 144A securities
- ESG<sup>56</sup>
- Distressed Securities

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low<sup>57</sup>.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 4 years.

**SFDR category Article 9 product**<sup>58</sup>

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, France, the United Kingdom and the United States of America except 31 December.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Sub-Investment Manager** AXA Investment Managers US Inc. (USA) for American non-government fixed income securities.

**Inception** 18 March 2011.

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Specifically, at all times the Sub-Fund invests at least two thirds of net assets in bonds from issuers located anywhere in the world. The Sub-Fund may invest up to 15% in Sub-Investment Grade Securities. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to one third of net assets in money market instruments.

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

<sup>55</sup> This management process is applicable as from 18 February 2022. Until 18 February 2022, the following management process shall instead be applicable: The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the credit curve positioning and the exposure to different geographical areas, sectors and types of instruments.

<sup>56</sup> This specific risk is only applicable as from 18 February 2022.

<sup>57</sup> This sustainability risk profile is applicable as from 18 February 2022. Until 18 February 2022, the following sustainability risk profile shall instead be applicable: medium.

<sup>58</sup> This SFDR product classification is applicable for this Sub-Fund as from 18 February 2022. Until that date, the Sub-Fund should be categorised as an Article 8 product.

Global Sustainable Credit Bonds — Continued

| Class | Maximum one-off charges taken when you invest | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|-------|---|---|---------------------|------------------|
|       | Entry Charge                                  | Management Fee  | Applied Service Fee | Distribution Fee |
| A     | 3.00%   | 0.90%   | 0.50%               | —                |
| E     | —   | 0.90%   | 0.50%               | 0.50%            |
| F     | 2.00%   | 0.60%   | 0.50%               | —                |
| G     | —   | 0.45%   | 0.50%               | —                |
| I     | —   | 0.45%   | 0.50%               | —                |
| M     | —   | —   | 0.50%               | —                |
| U     | 5.50%   | 0.50%   | 0.50%               | 0.50%            |
| ZF    | 2.00%   | 0.60%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.



# ACT Green Bonds<sup>59</sup>

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in EUR, and a sustainable investment objective, from an actively managed bonds portfolio contributing to financing of the energy and ecology transition and demonstrating a positive environmental impact.

**Investment Strategy** The Sub-Fund is actively managed in reference to the BofA Merrill Lynch Green Bond Hedged benchmark index (the “Benchmark”) in order to capture opportunities in the investment grade government, institutions - such as supranational, agencies and quasi-government – and corporate bonds markets. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio’s sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund’s positioning on the above indicators may be close to the Benchmark. The Benchmark is aligned with the sustainable investment objective of the Sub-Fund, as it tracks the performance of securities issued for qualified “green” purposes which must have a clearly designated use of proceeds solely applied toward projects or activities that promote climate change mitigation or adaptation or other environmental sustainability purposes as outlined by the ICMA Green Bond Principles. The methodology used for the calculation of the index is available on: [https://www.theice.com/publicdocs/Green\\_Bond\\_Index.pdf](https://www.theice.com/publicdocs/Green_Bond_Index.pdf)

The Sub-Fund invests in a diversified portfolio of fixed and floating rate transferable debt securities issued by Investment Grade governments, public institutions or corporations anywhere in the world, and that are denominated in any freely convertible currencies.

The Sub-Fund invests minimum 75% of its net assets in bonds financing environmental projects (Green Bonds). The Sub-Fund adopts a green and social impact investing approach that aims to support on the long run the Sustainable Development Goals (SDGs) established by the United Nations with a focus on the environmental themes (green buildings, low carbon transport, smart energy solutions, sustainable ecosystem etc.) and involves purchasing bonds where the proceeds are earmarked for projects which support a low carbon economy or the basic needs of underserved populations and communities, by financing initiatives such as renewable energy, pollution prevention, access to healthcare, affordable housing and women empowerment.

In the securities selection process, the Investment Manager applies a proprietary green, social and sustainability bonds assessment framework, mainly based on the ICMA Green and Social Bond Principles (“GSBP”) and the Climate Bonds Initiative (“CBI”) guidelines. The Investment Manager employs a rigorous internal green, social and sustainability bond selection process by filtering out bonds which are not in line with our internal green, social and sustainability bonds requirements.

AXA IM’s green bond framework is composed of four pillars: 1/ the environmental, social and governance (ESG) quality of the issuer (a firm needs to demonstrate minimum ESG commitments, to ensure that corporations properly deal with environmental and social risks in the projects financed and that the green projects being financed are strategic activities); 2/ the use of proceeds of a green or social bond should reflect the issuer’s efforts towards improving the environment and society and its overall sustainability strategy, full transparency regarding the projects financed and tracking the proceeds being essential; 3/ management of proceeds (an issuer must have sufficient guarantees in place to ensure the proceeds of the bond will effectively finance the eligible projects); 4/

ESG impact (particular attention is paid to impact reporting, where both qualitative and quantitative indicators are expected, allowing to demonstrate the positive impact of a bond on the environment and society).

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

Specifically, the Sub-Fund invests at least two thirds of net assets in fixed income securities, including asset-backed securities representing less than 10% of net assets<sup>60</sup>, from issuers anywhere in the world. These securities are mainly rated Investment Grade (direct or indirect exposure through units of UCITS and/or other UCIs within the limit set out below).

The Sub-Fund may invest up to 30% of net assets in Sub-Investment Grade Securities. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor’s or equivalent rating by Moody’s or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest in the following, up to the portion of net assets shown:

- money market instruments: one third
- convertible bonds: one tenth<sup>61</sup>
- inflation-linked bonds: one quarter

The Sub-Fund may invest up to 10% of net assets in securities traded on the CIBM through Bond Connect.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

<sup>59</sup> This name is applicable as from 10 January 2022. Until 10 January 2022, the following name shall instead be applicable: ACT Global Green Bonds.

<sup>60</sup> This new limit is applicable as from 18 February 2022. Until that date, the Sub-Fund may invest up to 20% of its net assets in such securities.

<sup>61</sup> This new limit is applicable as from 18 February 2022. Until that date, the Sub-Fund may invest up to one quarter of its net assets in such securities.

## ACT Green Bonds – Continued

Exposure of the Sub-Fund's assets denominated in non-EUR currency will be hedged against EUR.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a 2-step approach: 1/ defining the eligible universe after application of a green and social impact filter, and 2/ using a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the yield curve positioning and the exposure to different geographical areas.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- High yield debt securities
- ESG
- Impact investments
- Global investments
- Contingent convertible bonds

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 4 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Sub-Investment Manager** AXA Investment Managers Asia Ltd. (Hong Kong SAR) for securities traded on the CIBM through Bond Connect.

**Inception** 6 October 2015.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.75%   | 0.50%               | —                |
| E   | —            | 0.75%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.45%   | 0.50%               | —                |
| G   | —            | 0.40%   | 0.50%               | —                |
| I   | —            | 0.40%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.45%   | 0.50%               | —                |
| ZI  | —            | 0.40%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# ACT Dynamic Green Bonds

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in USD, and a sustainable investment objective, from an actively managed bonds portfolio contributing to financing of the energy and ecology transition and demonstrating a positive environmental impact.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark.

The Sub-Fund invests in a diversified portfolio of fixed and floating rate transferable debt securities issued by governments, public institutions or corporations anywhere in the world, and that are denominated in any freely convertible currencies.

The Sub-Fund invests minimum 75% of its net assets in bonds financing environmental projects (Green Bonds) and Sustainability Bonds. The Sub-Fund adopts a green impact investing approach that aims to support on the long run the Sustainable Development Goals (SDGs) established by the United Nations with a focus on the environmental themes (green buildings, low carbon transport, smart energy solutions, sustainable ecosystem etc.) and involves purchasing bonds where the proceeds are earmarked for projects which support a low carbon economy or the basic needs of underserved populations and communities, by financing initiatives such as renewable energy, pollution prevention, access to healthcare, affordable housing and women empowerment.

In the securities selection process, the Investment Manager applies a proprietary green, social and sustainability bonds assessment framework, mainly based on the ICMA Green and Social Bond Principles (“GSBP”) and the Climate Bonds Initiative (“CBI”) guidelines. The Investment Manager employs a rigorous internal green, social and sustainability bond selection process by filtering out bonds which are not in line with our internal green, social and sustainability bonds requirements.

AXA IM’s green bond framework is composed of four pillars: 1/ the environmental, social and governance (ESG) quality of the issuer (a firm needs to demonstrate minimum ESG commitments, to ensure that corporations properly deal with environmental and social risks in the projects financed and that the green projects being financed are strategic activities); 2/ the use of proceeds of a green or social bond should reflect the issuer’s efforts towards improving the environment and society and its overall sustainability strategy, full transparency regarding the projects financed and tracking the proceeds being essential; 3/ management of proceeds (an issuer must have sufficient guarantees in place to ensure the proceeds of the bond will effectively finance the eligible projects); 4/ ESG impact (particular attention is paid to impact reporting, where both qualitative and quantitative indicators are expected, allowing to demonstrate the positive impact of a bond on the environment and society).

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but

which should be distinguished because their calculation method may be different.

Specifically, the Sub-Fund invests at least two thirds of net assets in fixed income securities, from issuers anywhere in the world, including emerging markets (up to maximum 50% of its net assets). These securities are mainly rated Investment Grade (direct or indirect exposure through units of UCITS and/or other UCIs within the limit set out below).

The Sub-Fund may invest less than 50% of net assets in Sub-Investment Grade Securities (high yield bonds). However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor’s or equivalent rating by Moody’s or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The Sub-Fund may also invest less than 50% of net assets in subordinated debt securities (including perpetual bonds, i.e. bonds without a maturity date, up to 30%) issued by banks, insurance companies and non-financial corporates.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest in the following, up to the portion of net assets shown:

- money market instruments: one quarter

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos). The Sub-Fund may also invest up to 10% of net assets in securities traded on the CIBM through Bond Connect.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

Exposure of the Sub-Fund’s assets denominated in non-USD currency will be hedged against USD.

### Derivatives and Efficient Portfolio Management Techniques

The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indexes will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund’s exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indexes are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

## ACT Dynamic Green Bonds – Continued

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a 2-step approach: 1/ defining the eligible universe after application of a green impact filter, and 2/ using a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the yield curve positioning and the exposure to different geographical areas.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- High yield debt securities
- ESG
- Impact investments
- Reinvestment risk
- Extension risk
- Global investments
- Contingent convertible bonds
- Emerging markets
- Subordinated debt
- Bond Connect

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 4 years.

**SFDR category** Article 9 product

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 24 January 2022

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.80%   | 0.50%               | —                |
| E   | —            | 0.80%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.50%   | 0.50%               | —                |
| G   | —            | 0.45%   | 0.50%               | —                |
| I   | —            | 0.45%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2%           | 0.50%   | 0.50%               | —                |
| ZI  | —            | 0.35%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

Share Classes will be available for subscription on inception date or on the date of the first following subscription in these Share Classes at an initial price of USD 100 and EUR 100.



# ACT Social Bonds

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in EUR, and a sustainable investment objective, from an actively managed bonds portfolio contributing to financing of projects demonstrating a positive social impact.

**Investment Strategy** The Sub-Fund is actively managed in reference to the ICE Social Bond benchmark index (the "Benchmark") in order to capture opportunities in the investment grade government, institutions – such as supranational, agencies and quasi-government – and corporate bonds markets. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio's sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund's positioning on the above indicators may be close to the Benchmark. The Benchmark is aligned with the sustainable investment objective of the Sub-Fund, as it tracks the performance of securities issued for qualified "social" purposes which must have a clearly designated use of proceeds solely applied toward projects or activities that promote social sustainability purposes as outlined by the ICMA Green and Social Bond Principles ("GSBP"). The methodology used for the calculation of the index is available on: <https://www.theice.com/>.

The Sub-Fund invests in a diversified portfolio of fixed and floating rate transferable debt securities issued by Investment Grade governments, public institutions or corporations anywhere in the world (including emerging markets up to 25% of its net assets), and that are denominated in any freely convertible currencies.

The Sub-Fund adopts a social and a mix of social and sustainable impact investing approach that aims to support on the long run the Sustainable Development Goals (SDGs) established by the United Nations such as alleviating poverty and access to essential products and services (SDG 1), access to safe and nutritious food (SDG 2), the promotion of health, safety and well-being (SDG 3), the promotion of education and labour upskilling (SDG 4), access to safe water and sanitation (SDG 6), the promotion of inclusive economic growth and decent work for all (SDG 8), the promotion of an industrialization inclusive of small businesses and fostering innovation (SDG 9) and the making of safe, resilient and affordable human settlements (SDG 11). Specifically, the Sub-Fund aims to focus on the social themes highlighted by those SDGs such as food security, access to healthcare, employment generation, socioeconomic advancement and empowerment, access to education and inclusion through access to affordable housing, financial services and basic infrastructure.

Specifically, the Sub-Fund invests minimum 75% of its net assets in Social Bonds and Sustainability Bonds from issuers with credible sustainable strategies that finance meaningful social projects. For this bucket, the selectivity approach consists in reducing by at least 20% the social and sustainability bond component of the investment universe that include both components of the Benchmark and outside of the Benchmark if the latter have undergone a qualitative ESG analysis carried out according to AXA IM's impact bond methodology as described on: <https://www.axa-im.com/responsible-investing/impact-investing/green-and-social>.

In the securities selection process, the Investment Manager applies a proprietary social and sustainability bonds assessment framework, mainly based on the ICMA GSBP guidelines. The Investment Manager employs a rigorous internal social and sustainability bond selection process by filtering out bonds which are not in line with our internal social and sustainability bonds requirements.

AXA IM's green and social bond framework is composed of four pillars: 1/ the environmental, social and governance (ESG) quality of the issuer (a firm needs to demonstrate minimum ESG commitments, to ensure

that corporations properly deal with environmental and social risks in the projects financed and that the projects being financed are strategic activities); 2/ the use of proceeds of a green or social bond should reflect the issuer's efforts towards improving the environment and society and its overall sustainability strategy, full transparency regarding the projects financed and tracking the proceeds being essential; 3/ management of proceeds (an issuer must have sufficient guarantees in place to ensure the proceeds of the bond will effectively finance the eligible projects); 4/ ESG impact (particular attention is paid to impact reporting, where both qualitative and quantitative indicators are expected, allowing to demonstrate the positive impact of a bond on the environment and society).

For the remaining part invested in other types of bonds, the Sub-Fund targets issuers that have high ESG standards and contribute positively to the above social SDGs. A business ethics incident exclusion filter is also applied. For this bucket, the Investment Manager applies an ESG "Best-in-Class" selectivity approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on a combination of internal and external data with a focus on Social dimensions and SDGs alignment. The selectivity approach is bindingly applied at all times and consists in reducing by, at least, 20% the investable universe composed for ESG purposes of ICE Global Large Cap Corporate Index, by excluding issuers based on Social dimensions and SDGs alignment, to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets. For the sake of clarity, this index is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

Specifically, the Sub-Fund invests at least two thirds of net assets in fixed income securities, from issuers anywhere in the world. These securities are rated Investment Grade (direct or indirect exposure through units of UCITS and/or other UCIs within the limit set out below), the investment in/ exposure to Sub-Investment Grade Securities being limited at 10% of net assets. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest in the following, up to the portion of net assets shown:

- money market instruments: one third
- convertible bonds: one quarter.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

Exposure of the Sub-Fund's assets denominated in non-EUR currency will be hedged against EUR.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include bonds futures, FX forward, interest rate swaps and credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%.

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a 2-step approach: 1/ defining the eligible universe after application of a sustainable and social impact filter, and a selectivity ESG approach filter designed to eliminate the worst issuers from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA IM ESG rating methodology and 2/ using a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the yield curve positioning and the exposure to different geographical areas.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- ESG
- Impact investments
- Global investments
- Contingent convertible bonds
- Emerging Markets

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 31 January 2022.



ACT Global Social Bonds – Continued

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.75%   | 0.50%               | —                |
| E   | —            | 0.75%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.45%   | 0.50%               | —                |
| G   | —            | 0.40%   | 0.50%               | —                |
| I   | —            | 0.40%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.45%   | 0.50%               | —                |
| ZI  | —            | 0.25%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company. Share Classes will be available for subscription on inception date or on the date of the first following subscription in these Share Classes at an initial price of USD 100 and EUR 100

# Global Buy and Maintain Credit

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in USD, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in order to capture the credit premium offered by the global corporate credit market in an economical manner, by investing at minimum one third of its net assets in securities that are part of the BofA Merrill Lynch Global Corporate Hedged USD benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, exposure to companies, countries or sectors not included in the Benchmark or take different positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund seeks to capture the credit premium in an economical manner. The Sub-Fund invests essentially in bonds from issuers anywhere in the world that are rated Investment Grade based on the arithmetic average of available ratings from Standard & Poor’s, Moody’s and Fitch.

Specifically, the Sub-Fund invests in fixed and floating rate transferable debt securities issued by governments, public institutions and companies located anywhere in the world, and that are denominated in any freely convertible currencies. The Sub-Fund may hold up to 5% of net assets in Sub-Investment Grade securities or unrated securities.

However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor’s or equivalent rating by Moody’s or Fitch. Ratings are based on the lowest of available ratings. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may also invest up to one third of net assets in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager’s decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for hedging purposes.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the credit curve positioning and the exposure to different geographical areas.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Emerging markets
- Global investments
- Contingent convertible bonds
- ESG

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 4 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, France, the United Kingdom and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis

**Investment Manager** AXA Investment Managers Paris.

**Sub-Investment Manager** AXA Investment Managers UK Limited (London) for GBP-denominated securities.

**Inception** 15 January 2013.

**Global Buy and Maintain Credit – Continued**

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.40%   | 0.50%               | —                |
| F   | 2.00%        | 0.20%   | 0.50%               | —                |
| I   | —            | 0.15%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.20%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Global Emerging Markets Bonds

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in USD, from an actively managed, risk-adjusted emerging markets bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in reference to the JP Morgan EMBIG Diversified Hedged USD benchmark index (the “Benchmark”) in order to capture opportunities in emerging markets debt, while limiting its credit risk. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio’s sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund’s positioning on the above indicators may be close to the Benchmark.

The Sub-Fund invests mainly in debt securities from emerging markets.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in transferable debt securities issued by governments, public institutions and companies in emerging markets.

The Sub-Fund may also invest up to one third of net assets in money market instruments and up to 20% in debt securities denominated in local currencies, unhedged.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund’s investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The Sub-Fund may also invest in or be exposed to securities traded on the CIBM through Bond Connect (up to 10% of its net assets).<sup>62</sup>

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund does not invest in equity and equity-related instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager’s decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

The Investment Manager hedges part of the currency risks. In an effort to enhance the portfolio’s risk/reward profile, the Sub-Fund may attempt to hedge the risk exposures that are not expected to contribute to the portfolio’s performance.

Derivatives may include credit default swaps (single name CDS and CDS index).

Any derivatives with underlying indices that rebalance will not have significant costs. In exceptional market conditions, the Sub-Fund’s exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the yield curve positioning and the exposure to different geographical areas

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- |                                |                              |
|--------------------------------|------------------------------|
| • Emerging markets             | • Derivatives and leverage   |
| • High yield debt securities   | • ESG                        |
| • Contingent convertible bonds | • Bond Connect <sup>63</sup> |
| • Defaulted Securities         | • Distressed Securities      |

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

<sup>62</sup> This possibility for the Sub-Fund to invest securities traded on the CIBM through Bond Connect is applicable as from 18 February 2022.  
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<sup>63</sup> This specific risk is only applicable as from 18 February 2022.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Sub-Investment Manager** AXA Investment Managers Asia Ltd (Hong-Kong SAR) for Asian securities.

**Inception** 13 September 2005.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 1.25%   | 0.50%               | —                |
| E   | —            | 1.25%   | 0.50%               | 1.00%            |
| F   | 2.00%        | 0.85%   | 0.50%               | —                |
| G   | —            | 0.70%   | 0.50%               | —                |
| I   | —            | 0.70%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| N*  | 1.00%        | 1.25%   | 0.50%               | 1.00%            |
| ZF  | 2.00%        | 0.85%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* This Share Class will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

# Global High Yield Bonds

## Investment Objective and Strategy

**Objective** To seek high income, in USD, from an actively managed bond portfolio. Capital growth is a secondary objective.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in international high yield corporate debt market, primarily investing in securities that are part of the ICE BofA Developed Markets High Yield Constrained benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, exposure to companies, countries or sectors not included in the Benchmark or take different positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund invests in international fixed and floating rate securities mainly issued by European or American companies.

Specifically, the Sub-Fund invests in fixed income debt securities issued by companies that are mainly rated Sub-Investment Grade or if unrated then deemed to be so by the Investment Manager. The Sub-Fund will not invest more than 10% of net assets in securities issued or guaranteed by a single country (including its government and any public or local authority there) that are Sub-Investment Grade.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund’s investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 5% of net assets in units of UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following

link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager’s decision making.<sup>64</sup>

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. For the avoidance of doubt, the use of derivatives for investment purposes is limited to 50% of the net assets of the Sub-Fund.

Derivatives may include credit default swaps (single name CDS and CDS index). The use of CDS not used for hedging purpose does not exceed 20% of net assets.

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund’s exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives and Efficient Portfolio Management”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-fund does not use securities borrowing.

<sup>64</sup> This investment strategy is applicable as from 18 February 2022. Until 18 February 2022, the following investment strategy shall instead be applicable: The Sub-Fund is actively managed in order to capture opportunities in international high yield corporate debt market, primarily investing in securities that are part of the ICE BofAML Global High Yield Hedged USD benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, exposure to companies, countries or sectors not included in the Benchmark or take different positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund invests in international fixed and floating rate securities mainly issued by European or American companies.

Specifically, the Sub-Fund invests in fixed income debt securities issued by companies that are mainly rated Sub-Investment Grade or if unrated then deemed to be so by the Investment Manager. The Sub-Fund will not invest more than 10% of net assets in securities issued or guaranteed by a single country (including its government and any public or local authority there) that are Sub-Investment Grade.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund’s investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos). The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 5% of net assets in units of UCITS and/or UCIs.

The Sub-Fund bindingly applies at all times AXA IM’s Sectorial Exclusion Policy, as described in the document available on <https://www.axa-im.com/responsible-investing/sector-investment-guidelines> website, with the exception of derivatives and underlying eligible UCIs.



## Global High Yield Bonds – Continued

It is the current intention of the Investment Manager to enter into securities lending transactions and repos/ reverse repos for less than 30% of net assets in aggregate.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the credit curve positioning and the exposure to different geographical areas, sectors and types of instruments.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- High yield debt securities
- Contingent convertible bonds
- Global investments
- 144A securities
- Distressed Securities
- ESG<sup>65</sup>

- Defaulted Securities

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.<sup>66</sup>

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers US Inc. (USA) .

**Sub-Investment Manager** AXA Investment Managers UK Limited for European fixed income securities.

**Inception** 12 March 2001.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 1.25%   | 0.50%               | —                |
| E   | —            | 1.00%   | 0.50%               | 1.00%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| I   | —            | 0.55%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| U   | 5.50%        | 0.625%  | 0.50%               | 0.625%           |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

<sup>65</sup> This specific risk is only applicable as from 18 February 2022.

<sup>66</sup> This categorisation of the Sub-Fund as Article 8 product is applicable as from 18 February 2022.

# ACT Global High Yield Bonds Low Carbon

## Investment Objective and Strategy

**Objective** To seek high income, in USD, from an actively managed bond portfolio whose carbon footprint, measured as carbon intensity, is at least 30% lower than that of the ICE BofA Developed Markets High Yield Constrained USD Hedged index (the “Benchmark”). As a secondary ‘extra-financial objective’, the water intensity of the portfolio aims also at being at least 30% lower than the Benchmark.

The Sub-Fund’s objective to invest in lower carbon emissions intensive exposures than the Benchmark is not performed in view of achieving the long-term global warming objectives of the Paris Agreement. Capital growth is a secondary objective.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in the international high yield corporate debt market, primarily investing in securities that are part of the Benchmark universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, exposure to companies, countries or sectors not included in the Benchmark or take different positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund also references the Benchmark by seeking to achieve its extra-financial objectives. For the sake of clarity, the Sub-Fund’s Benchmark is a broad market index that has neither an explicit investment nor sustainability objective but is used to measure the success of the Sub-Fund’s investment and sustainability objectives.

The Investment Manager uses an ‘extra-financial indicator improvement’ approach in relation to the investable universe, the average of each extra-financial indicator - carbon intensity and water intensity - calculated at Sub-Fund’s level being at least 30% better than that calculated for the Benchmark.

The Sub-Fund adopts a sustainable investment approach according to which the Investment Manager bindingly applies at all times carbon intensity and water intensity in the securities selection process. The Sub-Fund excludes from its investment universe the majority of securities within carbon intensive sub-sectors. These sub-sectors include Metals, Mining and Steel Producers and most sub-sectors within the Energy and Utility sectors.

The scope of the eligible securities is reviewed at least every 6 months, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The coverage rate for the carbon intensity indicator and the ESG analysis rating within the portfolio are each at least 90% of the net assets of the Sub-Fund, while the coverage rate for the water intensity indicator within the portfolio will be at least 70% of the net assets of the Sub-Fund. These coverage rates exclude bonds and other debt securities issued by sovereign issuers, and cash or cash equivalent held on an ancillary basis. The carbon intensity and water intensity indicators will be obtained from an external provider. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third-party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised

definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar, but which should be distinguished because their calculation method may be different.

The Sub-Fund invests in international fixed and floating rate securities mainly issued by European or US companies.

Specifically, the Sub-Fund invests mainly in fixed income debt securities issued by companies that are rated Sub-Investment Grade or if unrated then deemed to be so by the Investment Manager. The Sub-Fund will not invest more than 10% of net assets in securities issued or guaranteed by a single country (including its government and any public or local authority there) that are Sub-Investment Grade. The Sub-Fund may occasionally and in a very limited portion (less than 10% of its net assets) invest in debt securities issued by a company located in an emerging market country.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund’s investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may also invest in the following, up to the portion of net assets shown:

- money market instruments: one third
- equities: up to 10%
- convertible securities: one quarter
- contingent convertible bonds (CoCos): up to 10%

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in units of UCITS and/or UCIs (including ETFs).

### Derivatives and Efficient Portfolio Management Techniques

The Sub-Fund may use derivatives for efficient portfolio management and hedging.

Derivatives may include Forex forwards.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

## ACT Global High Yield Bonds Low Carbon – Continued

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ analysing carbon intensity and water intensity data to ensure that the average of KPI carbon intensity and water intensity calculated at Sub-Fund’s level is at least 30% better than that calculated for the investable universe, followed by the application of a second exclusion filter, described in AXA IM’s Sectorial Exclusion Policies and ESG Standards Policies; 2/ economic, valuation, technical analysis of the markets based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the credit curve positioning and the exposure to different geographical areas, sectors and types of instruments.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- High yield debt securities
- Contingent convertible bonds
- Defaulted Securities
- Reinvestment
- ESG
- Global investments
- 144A securities
- Distressed Securities
- Extension

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers US Inc. (USA) .

**Sub-Investment Manager** AXA Investment Managers UK Limited for European (for the avoidance of doubt, including the United Kingdom) fixed income securities.

**Inception** 1 February 2022.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 1.20%   | 0.50%               | —                |
| E   | —            | 1.20%   | 0.50%               | 1.00%            |
| F   | 2.00%        | 0.60%   | 0.50%               | —                |
| G   | —            | 0.50%   | 0.50%               | —                |
| I   | —            | 0.50%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.60%   | 0.50%               | —                |
| ZI  | —            | 0.40%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

Share Classes will be available for subscription on inception date or on the date of the first following subscription in these Share Classes at an initial price of USD 100 and EUR 100

# Global Inflation Bonds

## Investment Objective and Strategy

**Objective** To seek performance of your investment, in EUR, from an actively managed inflation-linked bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in reference to the Bloomberg World Inflation-Linked Hedged EUR benchmark index (the "Benchmark") in order to capture opportunities in the inflation-linked bonds market. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio's sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund's positioning on the above indicators may be close to the Benchmark.

The Sub-Fund invests mainly in inflation-linked bonds issued in the OECD.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in inflation-linked bonds issued by governments, public institutions or companies in the OECD countries. The remaining part of the portfolio may be invested in debt securities that are not inflation-linked to reduce its exposure to inflation-linked bonds in anticipation of periods of lower inflation.

The Sub-Fund invests at least 90% of net assets in Investment Grade securities and less than 10% in Sub-Investment Grade securities. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 100% of net assets in sovereign debt securities but does not invest more than 10% in securities issued or guaranteed by a single country (including its government and any public or local authority there) that are Sub-Investment Grade or unrated.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to one third of net assets in money market instruments.

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund is managed within an Interest Rate Sensitivity ranging from 5 to 15 years.

Exposure of the Sub-Fund's assets denominated in a currency other than the Sub-Fund's Reference Currency is systematically hedged. There is no guarantee that such hedging be a perfect hedge at 100% of the net assets at all times.

In the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying

eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. For the avoidance of doubt, the use of derivatives for investment purposes is limited to 50% of the net assets of the Sub-Fund.

The Sub-Fund may use derivatives for such purposes as:

- hedging currency risk within the portfolio (futures, currency forwards, currency swaps). The Sub-Fund does not take any active currency exposure and uses foreign exchange derivatives for currency hedging only.
- adjusting exposure to various types or maturities of bonds and sectors (futures, buying calls and puts on interest rate futures, interest rate swaps)
- adjusting exposure to inflation (inflation swaps)
- adjusting specific credit exposures (single-name or index credit default swaps (single name CDS and CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-60%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and inflation trends. The Investment Manager also manages the positioning on the inflation-linked yield curve, the Interest Rate Sensitivity and the exposure to different geographical areas.

**Reference Currency** EUR.

**Global Inflation Bonds – Continued**

**Risks**

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- Inflation-linked bonds
- 144A securities
- ESG
- Global investments
- Sovereign debt
- Contingent convertible bonds

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

**Additional Features**

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, the United States of America and the United Kingdom except 31 December.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Inception** 13 September 2005.

**Investment Manager** AXA Investment Managers Paris.

**Additional Features of the RedEx Share Class**

**Objective** To achieve the same objective as the Sub-Fund while mitigating a parallel global increase or decrease of interest rates curves at Share Class level.

**Use of Derivatives** The RedEx Share Class may use exchange-traded interest rate derivatives to reduce exposure to parallel shifts in different interest rates.

All derivatives use will be consistent with the terms in “More about Derivatives and Efficient Portfolio Management”.

**Specific Risks**

- RedEx (Share Class) risk relating to interest rate risk

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |           |
|---|--------------|---|---------------------|------------------|-----------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee | RedEx Fee |
| A*  | 3.00%        | 0.60%   | 0.50%               | —                | 0.05%     |
| E   | —            | 0.60%   | 0.50%               | 0.65%            | —         |
| F*  | 2.00%        | 0.45%   | 0.50%               | —                | 0.05%     |
| I*  | —            | 0.30%   | 0.50%               | —                | 0.05%     |
| M   | —            | —   | 0.50%               | —                | —         |
| N**   | 1.00%        | 0.90%   | 0.50%               | 1.00%            | —         |
| U   | 5.50%        | 0.45%   | 0.50%               | 0.45%            | —         |
| ZF  | 2.00%        | 0.45%   | 0.50%               | —                | —         |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* Since 31 July 2017, the Redex Share Classes are closed to subscriptions to new investors. From 31 July 2018, the Redex Share Classes will be closed to any subscriptions, including those from existing investors.

\*\* This Share Class will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency



# Global Inflation Bonds Redex

## Investment Objective and Strategy

**Objective** To seek performance of your investment, in EUR, from an actively managed inflation-linked bond portfolio while mitigating a parallel global increase or decrease of interest rates curves.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark. The Sub-Fund invests mainly in inflation-linked bonds issued in the OECD.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in inflation-linked bonds issued by governments, public institutions or companies in the OECD countries.

The Sub-Fund invests at least 90% of net assets in Investment Grade Securities and less than 10% in Sub-Investment Grade Securities. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 100% of net assets in sovereign debt securities but does not invest more than 10% in securities issued or guaranteed by a single country (including its government and any public or local authority there) that are Sub-Investment Grade or unrated.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to one third of net assets in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund is managed within an Interest Rate Sensitivity ranging from 0 to 4.

The Sub-Fund's exposure to nominal rates parallel shift will particularly be mitigated through the management of an interest rate listed derivatives overlay. The overlay strategy is implemented at the Sub-Fund's level. Thus, the Sub-Fund will proceed to the systematic sale of EUR, GBP and USD 10-year bond futures.

Exposure of the Sub-Fund's assets denominated in non-EUR currency will be hedged against EUR.

In the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. The Sub-Funds may use exchange-traded interest rate derivatives to reduce exposure to parallel shifts in different interest rates.

The Sub-Fund may use derivatives for such purposes as:

- mitigating the interest rate exposure through the systematic sale of bond futures
- hedging currency risk within the portfolio (futures, currency forwards, currency swaps)
- adjusting exposure to various types or maturities of bonds and sectors (futures, buying calls and puts on interest rate futures, interest rate swaps)
- adjusting exposure to inflation (inflation swaps)
- adjusting specific credit exposures (single-name or index credit default swaps (single name CDS and CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-50%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and inflation trends. The Investment Manager also manages the positioning on the inflation-linked yield curve, the Interest Rate Sensitivity and the exposure to different geographical areas.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- RedEx (strategy) risk relating to interest rate
- Global investments
- ESG
- Derivatives and leverage
- Contingent convertible bonds

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.



## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, the United States of America and the United Kingdom except 31 December

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 30 July 2018.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.65%   | 0.50%               | —                |
| E   | —            | 0.65%   | 0.50%               | 0.65%            |
| F   | 2.00%        | 0.50%   | 0.50%               | —                |
| I   | —            | 0.35%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.50%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Global Inflation Short Duration Bonds

## Investment Objective and Strategy

**Objective** To seek performance of your investment, in USD, from an actively managed inflation-linked bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in reference to the Bloomberg World Govt Inflation-Linked 1-5 Yrs Hedged USD benchmark index (the “Benchmark”) in order to capture opportunities in the short duration inflation-linked bonds market. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio’s sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund’s positioning on the above indicators may be close to the Benchmark.

The Sub-Fund invests mainly in inflation-linked bonds with short duration issued in the OECD.

Specifically, the Sub-Fund invests mainly in inflation-linked bonds issued by governments, public institutions or companies in the OECD countries. The remaining part of the portfolio may be invested in debt securities that are not inflation-linked to reduce its exposure to inflation-linked bonds in anticipation of periods of lower inflation. The Sub-Fund’s average duration is expected to be five years or less.

The Sub-Fund invests at least 90% of net assets in Investment Grade Securities and less than 10% in Sub-Investment Grade Securities. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor’s or equivalent rating by Moody’s or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest up to 100% of net assets in sovereign debt securities but does not invest more than 10% in securities issued or guaranteed by a single country (including its government and any public or local authority there) that are Sub-Investment Grade or are unrated.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest in money market instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

In the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

The Sub-Fund may use derivatives for such purposes as:

- hedging currency risk within the portfolio (futures, currency forwards, currency swaps)
- adjusting exposure to various types or maturities of bonds and sector (futures, buying calls and puts on interest rate futures, interest rate swaps)
- adjusting exposure to inflation (inflation swaps)
- adjusting specific credit exposures (single-name or index credit default swaps).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund’s exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and inflation trends. The Investment Manager also manages the positioning on the inflation-linked yield curve, the Interest Rate Sensitivity and the exposure to different geographical areas.

**Reference Currency** USD.

## Global Inflation Short Duration Bonds - Continued

### Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- Inflation-linked bonds
- ESG
- Global investments
- Contingent convertible bonds

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

### Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, the United States of America and the United Kingdom.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 16 February 2016.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.50%   | 0.50%               | —                |
| E   | —            | 0.50%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.30%   | 0.50%               | —                |
| I   | —            | 0.25%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| N*  | 1.00%        | 0.80%   | 0.50%               | 1.00%            |
| U   | 5.50%        | 0.40%   | 0.50%               | 0.40%            |
| ZF  | 2.00%        | 0.30%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* This Share Class will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

# Global Short Duration Bonds

## Investment Objective and Strategy

**Objective** Over a 2-year rolling period, to seek to generate income, in EUR, through dynamic exposure to the global short duration fixed income universe and an annualized return, net of fees, of the overnight rate of the share class currency capitalized or any successor or equivalent benchmark + spread (the "Benchmark"), i.e. +110 basis points for share classes of reference (I shares and G shares), and another spread which has been set up taking into consideration exclusively the respective approximate level of the ongoing charges applicable to each share class (i.e. respectively, +70 bps for A shares, +30 bps for E shares, +95 bps for F and ZF shares, 135 bps for M shares, +25 bps for U shares and +40 bps for N shares).

This annualized return is an objective and is not guaranteed.

**Investment Strategy** The Sub-Fund is actively managed and references the Benchmark by seeking to outperform it. As part of the investment process, the Investment Manager has full discretion over the composition of the Sub-Fund's portfolio. There are no restrictions on the extent to which the Sub-Fund's performance may deviate from the one of the Benchmark. The Sub-Fund invests in a diversified portfolio of short duration transferable Investment Grade Securities or Sub-Investment Grade Securities including inflation-linked bonds, issued by governments, corporations or institutions located anywhere in the world, including emerging markets countries, denominated in Hard Currency and money market instruments.

The Sub-Fund may invest up to 60% of its net assets in Sub-Investment Grade Securities. However, at all times, the Sub-Fund will have an average Investment Grade rating.

The Sub-Fund may also invest up to 25% of net assets in subordinated debts issued by banks, insurance companies and non-financial corporates.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The Sub-Fund may invest up to 10% of its net assets in assets issued by securitization vehicles or equivalent (such as assets backed securities (ABS), Collateralized Debt Obligations (CDO), Collateralized Loan Obligations (CLO) or any similar assets).

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in units of UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as a moving strategic asset allocation constituted of ICE BofA G7 Government Index + ICE Global Large Cap Corporate Index + ICE BofA Global High Yield Index, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

For the sake of clarity, the above indices are broad market indices that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is moving in accordance with the moving asset allocation composition as decided by the Investment Manager from time to time, this rate being calculated according to the weighted average assets allocation mix in the Sub-Fund between minimum 90% ESG analysis coverage rate for securities issued in developed countries and/or rated Investment Grade, and minimum 75% ESG analysis coverage rate for securities issued in emerging countries and/or rated Sub-Investment Grade.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sectorial-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and hedging.

Derivatives used for hedging may include futures, currency forwards, interest rate swaps and credit default swaps (CDS index).

One of the most representative CDS indexes used within the Sub-Fund is the Markit iTraxx Europe Main Index. The methodology of this index is available on the following website: <https://ihsmarkit.com/index.html>. Such CDS indexes will not have significant rebalancing costs as the frequency of the rebalancing is generally every six months.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The asset allocation of the Sub-Fund will be driven by the AXA IM Fixed Income global investment process in order to create a diversified portfolio of short duration fixed income securities. This global investment process aims to establish a strong top-down strategy complemented by rigorous bottom-up credit research in order to exploit market opportunities while mitigating downside risk.

The Investment Manager selects investments based on a number of factors, including macro and micro economic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the yield curve positioning and the exposure to different geographical areas.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- High yield debt securities
- Global investments
- 144A securities
- ESG
- Defaulted Securities
- Subordinated debts
- Emerging markets
- Inflation-linked bonds
- Contingent convertible bonds
- Distressed Securities

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 2 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, the United States of America and the United Kingdom.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Sub-Investment Manager** AXA Investment Managers US Inc. for certain US transferable debt securities.

**Inception** 6 July 2017.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.55%   | 0.50%               | —                |
| E   | —            | 0.55%   | 0.50%               | 0.40%            |
| F   | 2.00%        | 0.30%   | 0.50%               | —                |
| G   | —            | 0.25%   | 0.50%               | —                |
| I   | —            | 0.25%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| N*  | 1.00%        | 0.80%   | 0.50%               | 1.00%            |
| U   | 5.50%        | 0.50%   | 0.50%               | 0.50%            |
| ZF  | 2.00%        | 0.30%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* This Share Class will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

# Global Strategic Bonds

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in USD, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark.

The Sub-Fund invests in bonds of any type, credit quality and currency from issuers anywhere in the world, including emerging markets, and in money market instruments.

Specifically, the Sub-Fund invests mainly in fixed and floating rate Investment Grade and Sub-Investment Grade transferable debt securities, including inflation-linked bonds, debt securities issued by governments, public institutions and companies. It is expected that the Sub-Fund will invest at least two-thirds of its net assets in such securities under normal circumstances. The Sub-Fund may invest up to 100% of net assets in debt securities that are rated Sub-Investment Grade or if unrated (i.e. neither the security itself nor its issuer has a credit rating) then deemed to be so by the Investment Manager. The Sub-Fund may invest up to 25% of net assets in securities issued or guaranteed by a single sovereign issuer that are Sub-Investment Grade.<sup>67</sup>

The Sub-Fund may also invest up to 25% of net assets in subordinated debts issued by banks, insurance companies and non-financial corporates.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The Sub-Fund may invest less than 20% of net assets in securitisation vehicles or equivalent such as asset-backed securities, collateralised debt obligations (CDO), collateralised loan obligations (CLO) or similar assets.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in units of UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as a moving strategic asset allocation constituted of ICE BofA G7 Government Index + ICE Global Large Cap Corporate Index + ICE BofA Global High Yield Index, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

For the sake of clarity, the above indices are broad market indices that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is moving in accordance with the moving asset allocation composition as decided by the Investment Manager from time to time, this rate being calculated according to the weighted average assets allocation mix in the Sub-Fund between minimum 90% ESG analysis coverage rate for securities issued in developed countries and/or rated Investment

Grade, and minimum 75% ESG analysis coverage rate for securities issued in emerging countries and/or rated Sub-Investment Grade.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. Derivatives may include credit default swaps (single name CDS and CDS index). Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-50%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds. The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a number of factors, including macroeconomic analysis, core strategies of the AXA Fixed Income expertise and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity and the exposure to different geographical areas and types of instruments.<sup>68</sup>

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- Global investments
- Securitised assets and collateralised debt
- Contingent convertible bonds
- Defaulted securities
- Emerging markets
- High yield debt securities
- 144A securities
- ESG
- Distressed Securities
- Subordinated debts

<sup>67</sup> This paragraph is applicable as from 18 February 2022. Until 18 February 2022, the following paragraph shall be applicable instead: Specifically, the Sub-Fund invests in Investment Grade and Sub-Investment Grade transferable debt securities, including inflation-linked bonds, issued by governments, public institutions and companies.

<sup>68</sup> This management process is applicable as from 18 February 2022. Until 18 February 2022, the following management process shall be applicable instead: Prospectus Page 127 of 208

The Investment Manager selects investments based on a number of factors, including macroeconomic analysis, best ideas of the AXA Fixed Income expertise and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity and the exposure to different geographical areas and types of instruments.



**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, the United States of America and the United Kingdom.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Sub-Investment Manager(s)** AXA Investment Managers Paris for securitized assets, AXA Investment Managers US Inc. (USA) for US credit securities and AXA Investment Managers Asia Ltd (Hong-Kong SAR) for Asian securities.

**Inception** 2 May 2012.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 1.00%   | 0.50%               | —                |
| E   | —            | 1.00%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| I   | —            | 0.50%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| N*  | 1.00%        | 1.00%   | 0.50%               | 1.00%            |
| U   | 5.50%        | 0.50%   | 0.50%               | 0.50%            |
| ZF  | 2.00%        | 0.75%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* This Share Class will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

# ACT US Corporate Bonds Low Carbon

## Investment Objective and Strategy

**Objective** To seek both income and growth of your investment, in USD, from an actively managed bond portfolio, whose carbon footprint, measured as carbon intensity, is at least 30%<sup>69</sup> lower than that of the Bloomberg US Corporate Investment Grade index (the "Benchmark"). As a secondary 'extra-financial objective', the water intensity of the portfolio aims also at being at least 30%<sup>70</sup> lower than the Benchmark.

The Sub-Fund's objective to invest in lower carbon emissions intensive exposures than the Benchmark is not performed in view of achieving the long-term global warming objectives of the Paris Agreement.

**Investment Strategy** The Sub-Fund is actively managed and references the Benchmark by both primarily investing in securities that are part of the Benchmark's universe and seeking to achieve its extra-financial objective. As part of the investment process, the Investment Manager has full discretion over the composition of the Sub-Fund's portfolio and may take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund's portfolio. Thus, the deviation from the Benchmark is likely to be significant. For the sake of clarity, the Sub-Fund's Benchmark is a broad market index that has neither an explicit investment nor sustainability objective but is used to measure the success of the Sub-Fund's investment and sustainability objectives. The Investment Manager uses an 'extra-financial indicator improvement' approach in relation to the investable universe, the average of each extra-financial indicator - carbon intensity and water intensity - calculated at Sub-Fund's level being at least 30%<sup>71</sup> better than that calculated for the Benchmark.

The Sub-Fund adopts a sustainable investment approach according to which the Investment Manager bindingly applies at all times carbon intensity and water intensity in the securities selection process. The Sub-Fund excludes from its investment universe the majority of securities within carbon intensive sub-sectors. These sub-sectors include Metals, Mining and Steel Producers and most sub-sectors within the Energy and Utility sectors.

The scope of the eligible securities is reviewed at least every 6 months, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The coverage rate for the carbon intensity indicator and the ESG analysis rating within the portfolio are each at least 90% of the net assets of the Sub-Fund, while the coverage rate for the water intensity indicator within the portfolio will be at least 70% of the net assets of the Sub-Fund. These coverage rates exclude bonds and other debt securities issued by sovereign issuers, and cash or cash equivalent held on an ancillary basis. The carbon intensity and water intensity indicators will be obtained from an external provider. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third-party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonized definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that

incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar, but which should be distinguished because their calculation method may be different.

The Sub-Fund invests in corporate and government bonds.

Specifically, the Sub-Fund invests essentially in Investment Grade transferable debt securities issued by governments, public institutions and companies, and that are denominated in USD. The Sub-Fund may also invest on an ancillary basis in Sub-Investment Grade securities at the time of their purchase. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the investment manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment manager.

The Sub-Fund invests or is exposed to at least 10% of its net assets in Green Bonds, Social Bonds and Sustainability Bonds.

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest in money market instruments.

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include credit default swaps (CDS).

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

<sup>69</sup> 30% is applicable as from 18 February 2022. Until that date, 20% should be applicable instead.

<sup>70</sup> 30% is applicable as from 18 February 2022. Until that date, 20% should be applicable instead.

<sup>71</sup> 30% is applicable as from 18 February 2022. Until that date, 20% should be applicable instead.

## ACT US Corporate Bonds Low Carbon – Continued

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ analysing carbon intensity and water intensity data to ensure that the average of KPI carbon intensity and water intensity calculated at Sub-Fund's level is at least 30%<sup>72</sup> better than that calculated for the investable universe, followed by the application of a second exclusion filter, described in AXA IM's Sectorial Exclusion Policies and ESG Standards Policies; 2/ evaluation of market views: of economic, valuation, technical analysis of the markets based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the credit curve positioning and the exposure to different sectors and types of instruments.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- High yield debt securities
- ESG
- 144A securities
- Contingent convertible bonds

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers US Inc.

**Inception** 25 October 2016.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.75%   | 0.50%               | —                |
| E   | —            | 0.75%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.40%   | 0.50%               | —                |
| G   | —            | 0.25%   | 0.50%               | —                |
| I   | —            | 0.25%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| U   | 5.50%        | 0.45%   | 0.50%               | 0.45%            |
| ZF  | 2.00%        | 0.40%   | 0.50%               | —                |
| ZI  | —            | 0.20%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

<sup>72</sup> 30% is applicable as from 18 February 2022. Until that date, 20% should be applicable instead.  
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# US Credit Short Duration IG

## Investment Objective and Strategy

**Objective** To seek performance of your investment, in USD, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark.

The Sub-Fund invests mainly in Investment Grade corporate debt securities with short duration that are denominated in USD.

Specifically, the Sub-Fund invests in Investment Grade short duration transferable debt securities issued by companies and denominated in USD. The remaining part of the assets may be invested in transferable debt securities other than short duration. The Sub-Fund is managed with an interest rate duration ranging from 0 to 4.

The Sub-Fund may invest up to 15% of net assets in Sub-Investment Grade short duration debt securities issued by governments, public institutions or companies, and that are denominated in USD. However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment manager.

The Sub-Fund may invest up to 15% of net assets in Investment Grade mortgage and asset backed securities and in transferable debt securities issued by governments or public institutions, and non-USD denominated bonds.<sup>73</sup>

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest in money market instruments.

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Investment Manager hedges the currency risk.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as being that of the ICE BofA 1-3 Yr US Corporates index, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the above index is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and investment.

Derivatives may include Credit default swaps (single name CDS or CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the yield curve positioning and the exposure to different sectors and types of instruments.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- High yield debt securities
- 144A securities
- Contingent convertible bonds
- ESG
- Distressed securities
- Defaulted Securities

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

<sup>73</sup> This new limit is applicable as from 18 February 2022. Until that date, the Sub-Fund may invest up to 20% of its net assets in such securities.  
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## Additional Features

**Designed for** Investors who plan to invest for at least 2 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers US Inc.

**Inception** 3 September 2013.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 0.65%   | 0.50%               | —                |
| E   | —            | 0.65%   | 0.50%               | 0.40%            |
| F   | 2.00%        | 0.35%   | 0.50%               | —                |
| I   | —            | 0.25%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| N*  | 1.00%        | 0.90%   | 0.50%               | 1.00%            |
| U   | 5.50%        | 0.45%   | 0.50%               | 0.45%            |
| ZF  | 2.00%        | 0.35%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* This Share Class will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

# US Dynamic High Yield Bonds

## Investment Objective and Strategy

**Objective** To seek high income, in USD, from an actively managed bond portfolio. Capital growth is a secondary objective.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in US debt market, primarily investing in securities that are part of the ICE BofA US High Yield Master II benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, exposure to companies, countries or sectors not included in the Benchmark or take different positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund invests in Sub-Investment Grade fixed and floating rate debt securities (high yield bonds) issued in the United States.

Specifically, the Sub-Fund invests essentially in Sub-Investment Grade fixed income transferable debt securities issued by private or public companies in the US domestic market, and in credit default swaps referencing such bonds. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. The net market exposure of the Sub-Fund will be between 75% and 150% of net assets.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund’s investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment manager.

The Sub-Fund may also invest in the following, up to the portion of net assets shown:

- money market instruments: one third
- convertible securities: less than 20%<sup>74</sup>
- equities: one tenth

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund bindingly applies at all times AXA IM’s Sectorial Exclusion Policy, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for investment.

Derivatives may include credit default swaps (CDS).

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds and equities.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the credit curve positioning and the exposure to different sectors.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Derivatives and leverage
- 144A securities
- Defaulted Securities
- High yield debt securities
- Contingent convertible bonds
- Distressed securities

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers US Inc.

**Inception** 15 January 2014.

<sup>74</sup> This new limit is applicable as from 18 February 2022. Until that date, the Sub-Fund may invest up to one quarter of its net assets in such securities  
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US Dynamic High Yield Bonds — Continued

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 1.30%   | 0.50%               | —                |
| BR  | —            | 0.60%   | 0.50%               | —                |
| E   | —            | 1.30%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.70%   | 0.50%               | —                |
| I   | —            | 0.60%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| N*  | 1.00%        | 1.30%   | 0.50%               | 1.00%            |
| U   | 5.50%        | 0.65%   | 0.50%               | 0.65%            |
| ZF  | 2.00%        | 0.70%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* This Share Class will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

# US Enhanced High Yield Bonds

## Investment Objective and Strategy

**Objective** To seek high income, in USD, mainly through exposure to short duration securities of US-domiciled companies.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark.

The Sub-Fund is exposed to Sub-Investment Grade corporate bonds and floating rate debt securities (high yield bonds) with short duration issued by US companies.

Specifically, the Sub-Fund mainly invests in or is exposed through derivatives to Sub-Investment Grade corporate bonds and floating rate debt securities that are issued primarily by companies domiciled in the US. The Sub-Fund may be exposed up to 25% of net assets to transferable debt securities issued by non-OECD domiciled issuers.

The implementation of leverage is a core element of the Sub-Fund's investment strategy. Leverage may be used by the Sub-Fund through total return swaps (TRS) referencing single securities. The TRS will be dynamically managed to gain exposure to underlying single-name short duration corporate high yield bonds primarily issued by US companies. Leverage may vary over time depending on the market conditions. Therefore, there is no guarantee that the leverage is consistent during the minimum recommended investment period of the Sub-Fund.

The anticipated average expected time to maturity or redemption of investments is three years or less, although the Investment Manager may vary this approach if market conditions warrant.

The Sub-Fund may invest in or be exposed through derivatives to a significant extent to securities rated CCC or below by Standard & Poor's or equivalent rating by Moody's. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

To a lesser extent, the Sub-Fund may invest in or be exposed to preferred shares from corporate issuers domiciled inside or outside the US.

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest in or be exposed to 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as being that of the ICE BofA US High Yield index, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the above index is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.<sup>75</sup>

**Derivatives and Efficient Portfolio Management techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives will include TRS based on single name securities. The Sub-Fund may enter into transactions where the purpose is to transfer to a counterparty, or receive from such counterparty, the total return from a broad type of single assets on short duration corporate bonds. When entering TRS, the Sub-Fund expect to use between 0-150% of the net assets; the maximum percentage of the net assets that can be allocated to TRS is 225%.

All derivatives usage will be consistent with the terms in "More about Derivatives".

<sup>75</sup> This investment objective is applicable as from 18 February 2022. Until 18 February 2022, the following investment objective shall instead be applicable: The Sub-Fund is actively managed and uses for some share classes as reference the benchmark index specified in the section "Benchmark for performance fee" below (the "Benchmark"), for the purpose of performance fees' calculation of the performance fee share class against it. As the Benchmark is a rate notably used for performance measurement and the Sub-Fund's investment allocation or holdings' composition is not constituted in relation to the Benchmark, the deviation from the Benchmark is likely to be significant.

The Sub-Fund is exposed to Sub-Investment Grade corporate bonds and floating rate debt securities (high yield bonds) with short duration issued by US companies. Specifically, the Sub-Fund mainly invests in or is exposed through derivatives to Sub-Investment Grade corporate bonds and floating rate debt securities that are issued primarily by companies domiciled in the US. The Sub-Fund may be exposed up to 25% of net assets to transferable debt securities issued by non-OECD domiciled issuers.

The implementation of leverage is a core element of the Sub-Fund's investment strategy. Leverage may be used by the Sub-Fund through total return swaps (TRS) referencing single securities. The TRS will be dynamically managed to gain exposure to underlying single-name short duration corporate high yield bonds primarily issued by US companies. Leverage may vary over time depending on the market conditions. Therefore, there is no guarantee that the leverage is consistent during the minimum recommended investment period of the Sub-Fund.

The anticipated average expected time to maturity or redemption of investments is three years or less, although the Investment Manager may vary this approach if market conditions warrant.

The Sub-Fund may invest in or be exposed through derivatives to a significant extent to securities rated CCC or below by Standard & Poor's or equivalent rating by Moody's. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

To a lesser extent, the Sub-Fund may invest in or be exposed to preferred shares from corporate issuers domiciled inside or outside the US.

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest in or be exposed to 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund bindingly applies at all times AXA IM's Sectorial Exclusion Policy, as described in the document available on <https://www.axa-im.com/responsible-investing/sector-investment-guidelines> website, with the exception of derivatives and underlying eligible UCIs.

## US Enhanced High Yield Bonds – Continued

The Sub-Fund will not use securities lending, securities borrowing, repos/reverse repos.

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis (including earning prospects, anticipated cash flow, interest or dividend coverage and payment history, asset coverage, debt maturity schedules and borrowing requirements) and credit analysis of issuers. The Investment Manager also manages the credit curve positioning and the exposure to different sectors.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risks Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- High yield debt securities
- 144A securities
- Reinvestment
- Extension
- Defaulted Securities
- ESG<sup>76</sup>
- Derivatives and leverage
- Emerging markets
- Leverage provider
- Contingent convertible bonds
- Distressed Securities

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Value at Risk (VaR).

**VaR Calculated for The Sub-Fund** The Investment Manager monitors the market risk below a VaR limit of 7% of the Sub-Fund's

NAV, under normal market conditions. The VaR used by the Investment Manager will have a 5 Business Days horizon and 95% confidence level parameters. This means that there is a probability of 5% that the Sub-Fund's NAV may lose more than 7% of its value within a 5 Business Days horizon.

Such VaR corresponds to a 1% probability, under normal market conditions, that the Sub-Fund's NAV may lose more than 20% of its value within a 20 Business Days.

*Value-at-Risk calculations assume normal market conditions and are statistical calculations, not guaranteed. For more information, see "Monitoring of Global Exposure".*

**Expected level of leverage** Between 0 and 2.25.

*Not guaranteed. The effective level of leverage may be higher or lower than the expected level of leverage from time to time due to market conditions.*

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years. The Sub-Fund has an investment strategy which employs leverage through the use of derivatives and therefore potentially leads to a higher level of volatility in returns. Investors must be aware that they bear the risk of losing a part of their investment.

**SFDR category** Article 8 product.<sup>77</sup>

**NAV Calculation Frequency** Daily

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Triple Forward Pricing Basis.

**Investment Manager** AXA Investment Managers US Inc. (USA).

**Inception** 3 December 2018.

| Class | Maximum one-off charges taken when you invest | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|-------|---|---|---------------------|------------------|
|       | Entry Charge                                  | Management Fee  | Applied Service Fee | Distribution Fee |
| A     | 3.00%   | 1.80%   | 0.50%               | —                |
| E     | —   | 1.80%   | 0.50%               | 0.35%            |
| F     | 2.00%   | 1.40%   | 0.50%               | —                |
| G     | —   | 1.30%   | 0.50%               | —                |
| I     | —   | 1.30%   | 0.50%               | —                |
| L     | 3.00%   | 0.95%   | 0.50%               | —                |
| M     | —   | —   | 0.50%               | —                |
| N*    | 1.00%   | 1.80%   | 0.50%               | 1.00%            |
| U     | 5.50%   | 0.90%   | 0.50%               | 0.90%            |
| UI    | —   | 0.95%   | 0.50%               | —                |
| ZF    | 2.00%   | 1.35%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* This Share Class will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

<sup>76</sup> This specific risk is only applicable as from 18 February 2022.

<sup>77</sup> This categorisation of the Sub-Fund as Article 8 product is applicable as from 18 February 2022.

# AXA World Funds — US High Yield Bonds

## Investment Objective and Strategy

**Objective** To seek high income and long-term growth of your investment, in USD, from an actively managed bond portfolio.

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in the US high yield debt market, primarily investing in securities that are part of the ICE BofA US High Yield Master II benchmark index (the “Benchmark”) universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, exposure to companies, countries or sectors not included in the Benchmark or take different positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund invests in Sub-Investment Grade corporate bonds (high yield bonds) that are issued by US companies.

Specifically, at all times the Sub-Fund invests at least two thirds of net assets in Sub-Investment Grade fixed income transferable debt securities issued by private or public companies domiciled in the United States. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager.

The Sub-Fund may invest up to one third of net assets in sovereign debt securities but does not invest more than 10% in securities issued or guaranteed by a single country (including its government and any public or local authority there) that are Sub-Investment Grade or are unrated.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund’s investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment manager.

The Sub-Fund may invest up to one third of net assets in securities domiciled or listed in Canadian or European markets.

The Sub-Fund may also invest in the following, up to the portion of net assets shown:

- money market instruments: one third
- convertible securities: less than 20%<sup>78</sup>
- equities: one tenth

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the Benchmark is a

broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager’s decision making.<sup>79</sup>

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. For the avoidance of doubt, the use of derivatives for investment purposes is limited to 40% of the net assets of the Sub-Fund.

Derivatives may include credit default swaps (single name CDS and CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund’s exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds and equities.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the credit curve positioning and the exposure to different sectors.

**Reference Currency** USD.

<sup>78</sup> This new limit is applicable as from 18 February 2022. Until that date, the Sub-Fund could invest up to one quarter of its net assets in such securities.

<sup>79</sup> These last three paragraphs shall be applicable as from 18 February 2022. Until 18 February 2022, the following paragraph shall be applicable instead: The Sub-Prospectus Page 137 of 208

Fund bindingly applies at all times AXA IM’s Sectorial Exclusion Policy, as described in the document available on <https://www.axa-im.com/responsible-investing/sector-investment-guidelines> website, with the exception of derivatives and underlying eligible UCIs.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- High yield debt securities
- Investments in specific countries or geographical zones
- Derivatives and leverage
- Defaulted Securities
- Convertible securities
- Sovereign debt
- 144A securities
- Contingent convertible bonds
- Distressed Securities
- ESG<sup>80</sup>

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.<sup>81</sup>

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers US Inc. (USA).

**Inception** 29 November 2006.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |           |
|---|--------------|---|---------------------|------------------|-----------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee | CDSC*     |
| A   | 3.00%        | 1.50%   | 0.50%               | —                | —         |
| BL**  | —            | 1.20%   | 0.50%               | 1.00%***         | 3.00%**** |
| BR  | —            | 1.00%   | 0.50%               | —                | —         |
| E   | —            | 1.50%   | 0.50%               | 0.50%            | —         |
| F   | 2.00%        | 1.00%   | 0.50%               | —                | —         |
| I   | —            | 1.00%   | 0.50%               | —                | —         |
| T   | 3.00%        | 1.50%   | 0.50%               | —                | —         |
| M   | —            | —   | 0.50%               | —                | —         |
| N**   | 1.00%        | 1.20%   | 0.50%               | 1.00%            | —         |
| U   | 5.50%        | 0.60%   | 0.50%               | 0.60%            | —         |
| ZF  | 2.00%        | 1.00%   | 0.50%               | —                | —         |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* Contingent Deferred Sales Charge – See “Notes on Sub-Fund’s Costs” for more information.

\*\* This Share Class will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

\*\*\* Payable monthly in arrears on the basis of the daily Net Asset Value of the “BL” Share Class.

\*\*\*\* Decreases yearly, reaching zero 3 years after investment.

<sup>80</sup> This specific risk is only applicable as from 18 February 2022.

<sup>81</sup> This categorisation of the Sub-Fund as Article 8 product is applicable as from 18 February 2022.



# ACT US High Yield Bonds Low Carbon

## Investment Objective and Strategy

**Objective** To seek to achieve high income, in USD, from an actively managed bond portfolio whose carbon footprint, measured as carbon intensity, is at least 30%<sup>82</sup> lower than that of the ICE BofA US High Yield Index (the “Benchmark”). As a secondary ‘extra-financial objective’, the water intensity of the portfolio aims also at being at least 30%<sup>83</sup> lower than the Benchmark.

The Sub-Fund’s objective to invest in lower carbon emissions intensive exposures than the Benchmark is not performed in view of achieving the long-term global warming objectives of the Paris Agreement.

**Investment Strategy** The Sub-Fund is actively managed and references the Benchmark by seeking to achieve its extra-financial objectives. As part of the investment process, the Investment Manager has full discretion over the composition of the Sub-Fund’s portfolio and may take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant. For the sake of clarity, the Sub-Fund’s Benchmark is a broad market index that has neither an explicit investment nor sustainability objective but is used to measure the success of the Sub-Fund’s investment and sustainability objectives.

The Investment Manager uses an ‘extra-financial indicator improvement’ approach in relation to the investable universe, the average of each extra-financial indicator - carbon intensity and water intensity - calculated at Sub-Fund’s level being at least 30%<sup>84</sup> better than that calculated for the Benchmark.

The Sub-Fund adopts a sustainable investment approach according to which the Investment Manager bindingly applies at all times carbon intensity and water intensity in the securities selection process. The Sub-Fund excludes from its investment universe the majority of securities within carbon intensive sub-sectors. These sub-sectors include Metals, Mining and Steel Producers and most sub-sectors within the Energy and Utility sectors.

The scope of the eligible securities is reviewed at least every 6 months, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The coverage rate for the carbon intensity indicator and the ESG analysis rating within the portfolio are each at least 90% of the net assets of the Fund, while the coverage rate for the water intensity indicator within the portfolio will be at least 70% of the net assets of the Fund. These coverage rates exclude bonds and other debt securities issued by sovereign issuers, and cash or cash equivalent held on an ancillary basis. The carbon intensity and water intensity indicators will be obtained from an external provider. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third-party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG

reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar, but which should be distinguished because their calculation method may be different.

Specifically, the Sub-Fund invests at least two-thirds of net assets in Sub-investment Grade fixed income transferable debt securities denominated in USD-issued by US or non-US private or public companies. If securities are unrated, they must be judged equivalent to those levels by the investment manager. In addition, the Sub-Fund may invest up to one third of its net assets in investment grade transferable debt securities denominated in USD issued by US or non-US private or public companies.

The Sub-Fund may invest up to one-third of net assets in US Treasury securities.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment manager.

The Sub-Fund may also invest in the following, up to the portion of net assets shown:

- money market instruments: one third
- convertible securities: less than 20%<sup>85</sup>
- contingent convertible bonds (CoCos): up to 10%.

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund does not use derivatives.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10% ; max, 90%
- repos/ reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ Analysing carbon intensity and water intensity data to ensure that the average of KPI carbon intensity and water intensity calculated at Sub-Fund’s level is at least 30%<sup>86</sup> better than that calculated for the investable universe, followed by the application of a second exclusion filter, described in AXA IM’s Sectorial Exclusion Policies and ESG Standards Policies; 2/ evaluation of market views: of economic, valuation, technical analysis of the markets based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers, and management of the credit curve positioning and the exposure to different sectors.

**Reference Currency** USD.

<sup>82</sup> 30% is applicable as from 18 February 2022. Until 18 February 2022, 20% should be applicable instead.

<sup>83</sup> 30% is applicable as from 18 February 2022. Until 18 February 2022, 20% should be applicable instead.

<sup>84</sup> 30% is applicable as from 18 February 2022. Until 18 February 2022, 20% should be applicable instead.

<sup>85</sup> This new limit is applicable as from 18 February 2022. Until 18 February 2022, the Sub-Fund may invest up to one quarter of its net assets in such securities.

<sup>86</sup> 30% is applicable as from 18 February 2022. Until 18 February 2022, 20% should be applicable instead.



## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- High yield debt securities
- Investments in specific countries or geographical zones
- Convertible securities
- Sovereign debt
- ESG
- 144A securities
- Contingent convertible bonds

**Sustainability risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the sustainability risks on the Sub-Fund’s returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers US Inc.

**Inception** 29 March 2021.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 1.20%   | 0.50%               | —                |
| E   | —            | 1.20%   | 0.50%               | 0.25%            |
| F   | 2.00%        | 0.60%   | 0.50%               | —                |
| G   | —            | 0.50%   | 0.50%               | —                |
| I   | —            | 0.50%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZI  | —            | 0.40%   | 0.50%               | —                |
| ZF  | 2.00%        | 0.60%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# US Short Duration High Yield Bonds

## Investment Objective and Strategy

**Objective** To seek high income, in USD, through exposure to short duration securities of US domiciled companies.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark. The Sub-Fund invests in Sub-Investment Grade corporate bonds (high yield bonds) with short duration issued by US companies.

Specifically, the Sub-Fund invests mainly in Sub-Investment Grade fixed income debt securities that are issued primarily by companies domiciled in the United States.

For Sub-Fund's investments, the anticipated average expected time to maturity or redemption is three years or less, although the Investment Manager may vary this approach if market conditions warrant.

The Sub-Fund may invest to a significant extent in securities rated below CCC by Standard & Poor's or equivalent rating by Moody's. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

To a lesser extent, the Sub-Fund may invest in preferred shares and in bonds from public or corporate issuers domiciled outside the United States.

The Sub-Fund may invest up to 10% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as being that of the ICE BofA US High Yield index, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the above index is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.<sup>87</sup>

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include credit default swaps (single name CDS and CDS index).

Such derivatives with underlying indices will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds and equities.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis (including earning prospects, anticipated cash flow, interest or dividend coverage and payment history, asset coverage, debt maturity schedules and borrowing requirements) and credit analysis of issuers. The Investment Manager also manages the credit curve positioning and the exposure to different sectors.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- High yield debt securities
- Contingent convertible bonds
- Defaulted Securities
- 144A securities
- Distressed Securities
- ESG<sup>88</sup>

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

<sup>87</sup> These last three paragraphs shall be applicable as from 18 February 2022. Until 18 February 2022, the following paragraph shall be applicable instead: The Sub-Fund bindingly applies at all times AXA IM's Sectorial Exclusion Policy, as described in the document available on <https://www.axa-im.com/responsible-prospectus> Page 141 of 208

[investing/sector-investment-guidelines](https://www.axa-im.com/responsible-investing/sector-investment-guidelines) website, with the exception of derivatives and underlying eligible UCIs.

<sup>88</sup> This specific risk is only applicable as from 18 February 2022.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers US Inc. (USA).

**Inception** 10 June 2016.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 8 product.<sup>89</sup>

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

| Class | Maximum one-off charges taken when you invest |                | Maximum recurrent charges taken from the Sub-Fund over a year |                  |  |
|-------|---|----------------|---|------------------|--|
|       | Entry Charge                                  | Management Fee | Applied Service Fee   | Distribution Fee |  |
| A     | 3.00%   | 1.00%          | 0.50%   | —                |  |
| E     | —   | 1.00%          | 0.50%   | 0.35%            |  |
| F     | 2.00%   | 0.75%          | 0.50%   | —                |  |
| I     | —   | 0.75%          | 0.50%   | —                |  |
| M     | —   | —              | 0.50%   | —                |  |
| N*    | 1.00%   | 1.00%          | 0.50%   | 1.00%            |  |
| U     | 5.50%   | 0.60%          | 0.50%   | 0.60%            |  |
| UA    | 2.00%   | 0.75%          | 0.50%   | —                |  |
| UF    | —   | 0.75%          | 0.50%   | —                |  |
| ZF    | 2.00%   | 0.75%          | 0.50%   | —                |  |
| ZI    | —   | 0.70%          | 0.50%   | —                |  |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* This Share Class will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

<sup>89</sup> This categorisation of the Sub-Fund as Article 8 product is applicable as from 18 February 2022.

# ACT US Short Duration High Yield Bonds Low Carbon

## Investment Objective and Strategy

**Objective** To seek high income, in USD, from an actively managed short duration bonds portfolio whose carbon footprint, measured as carbon intensity, is at least 30% lower than that of the ICE BofA US High Yield Index (the “Benchmark”). As a secondary ‘extra-financial objective’, the water intensity of the portfolio aims also at being at least 30% lower than the Benchmark.

The Sub-Fund’s objective to invest in lower carbon emissions intensive exposures than the Benchmark is not performed in view of achieving the long-term global warming objectives of the Paris Agreement.

**Investment Strategy** The Sub-Fund is actively managed and references the Benchmark by seeking to achieve its extra-financial objectives. As part of the investment process, the Investment Manager has full discretion over the composition of the Sub-Fund’s portfolio and may take exposure to companies, countries or sectors not included in the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant. For the sake of clarity, the Sub-Fund’s Benchmark is a broad market index that has neither an explicit investment nor sustainability objective but is used to measure the success of the Sub-Fund’s investment and sustainability objectives.

The Investment Manager uses an ‘extra-financial indicator improvement’ approach in relation to the investable universe, the average of each extra-financial indicator - carbon intensity and water intensity - calculated at Sub-Fund’s level being at least 30% better than that calculated for the Benchmark.

The Sub-Fund adopts a sustainable investment approach according to which the Investment Manager bindingly applies at all times carbon intensity and water intensity in the securities selection process. The Sub-Fund excludes from its investment universe the majority of securities within carbon intensive sub-sectors. These sub-sectors include Metals, Mining and Steel Producers and most sub-sectors within the Energy and Utility sectors.

The scope of the eligible securities is reviewed at least every 6 months, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The coverage rate for the carbon intensity indicator and the ESG analysis rating within the portfolio are each at least 90% of the net assets of the Sub-Fund, while the coverage rate for the water intensity indicator within the portfolio will be at least 70% of the net assets of the Sub-Fund. These coverage rates exclude bonds and other debt securities issued by sovereign issuers, and cash or cash equivalent held on an ancillary basis. The carbon intensity and water intensity indicators will be obtained from an external provider. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third-party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies

that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar, but which should be distinguished because their calculation method may be different.

The Sub-Fund invests in Sub-Investment Grade corporate bonds (high yield bonds) with short duration issued by US or non-US companies.

Specifically, the Sub-Fund invests mainly in Sub-Investment Grade fixed income debt securities denominated in USD issued by US private and public companies and, on an ancillary basis, by non-US private and public companies, including emerging markets.

For Sub-Fund’s investments, the anticipated average expected time to maturity or redemption is three years or less, although the Investment Manager may vary this approach if market conditions warrant.

The Sub-Fund may invest to a significant extent in securities rated below CCC by Standard & Poor’s or equivalent rating by Moody’s. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager.

The Sub-Fund may invest up to one third of net assets in US Treasury bonds.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund’s investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may also invest in the following, up to the portion of net assets shown:

- money market instruments: one third
- convertible securities: one quarter
- contingent convertible bonds (CoCos): up to 10%

The Sub-Fund may invest its net assets in 144A securities, in a substantial way depending on the opportunity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

**Derivatives and Efficient Portfolio Management Techniques**  
The Sub-Fund does not use derivatives.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-Fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

## ACT US Short Duration High Yield Bonds Low Carbon – Continued

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ Analysing carbon intensity and water intensity data to ensure that the average of KPI carbon intensity and water intensity calculated at Sub-Fund's level is at least 30% better than that calculated for the investable universe, followed by the application of a second exclusion filter, described in AXA IM's Sectorial Exclusion Policies and ESG Standards Policies, 2/ economic, valuation, technical analysis of the markets based on a number of factors, including macro- and microeconomic analysis (including earning prospects, anticipated cash flow, interest or dividend coverage and payment history, asset coverage, debt maturity schedules and borrowing requirements) and credit analysis of issuers. The Investment Manager also manages the credit curve positioning and the exposure to different sectors.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- High yield debt securities
- Contingent convertible bonds
- Defaulted Securities
- Extension
- Reinvestment
- 144A securities
- ESG
- Investments in specific countries or geographical zones
- Distressed Securities
- Emerging Markets

**Sustainability risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the sustainability risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 9 product

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers US Inc. (USA).

**Inception** 28 February 2022.

| Class* | Maximum one-off charges taken when you invest |                | Maximum recurrent charges taken from the Sub-Fund over a year |                  |  |
|--------|---|----------------|---|------------------|--|
|        | Entry Charge                                  | Management Fee | Applied Service Fee   | Distribution Fee |  |
| A      | 3.00%   | 1.20%          | 0.50%   | —                |  |
| E      | —   | 1.20%          | 0.50%   | 0.35%            |  |
| F      | 2.00%   | 0.60%          | 0.50%   | —                |  |
| G      | —   | 0.50%          | 0.50%   | —                |  |
| I      | —   | 0.50%          | 0.50%   | —                |  |
| M      | —   | —              | 0.50%   | —                |  |
| ZF     | 2.00%   | 0.60%          | 0.50%   | —                |  |
| ZI     | —   | 0.40%          | 0.50%   | —                |  |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company. Share Classes will be available for subscription on inception date or on the date of the first following subscription in these Share Classes at an initial price of USD 100 and EUR 100.

# ACT Emerging Markets Short Duration Bonds Low Carbon<sup>90</sup>

## Investment Objective and Strategy

**Objective** To seek performance, in USD, from an actively managed short duration emerging debt securities portfolio whose carbon footprint, measured as carbon intensity, is at least 30% lower than that of the index composed of 75% J. P. Morgan Corporate Emerging Market Bond Index Broad Diversified + 25% J. P. Morgan Emerging Market Bond Index Global Diversified (the “Benchmark”). As a secondary ‘extra-financial objective’, the water intensity of the portfolio aims also at being at least 30% lower than the Benchmark.

The Sub-Fund’s objective to invest in lower carbon emissions intensive exposures than the Benchmark is not performed in view of achieving the long-term global warming objectives of the Paris Agreement.<sup>91</sup>

**Investment Strategy** The Sub-Fund is actively managed in order to capture opportunities in emerging short duration bonds market, primarily investing in securities that are part of the Benchmark universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, exposure to companies, countries or sectors not included in the Benchmark or take different positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

The Sub-Fund also references the Benchmark in order to achieve its extra-financial objectives. For the sake of clarity, the Sub-Fund’s Benchmark is a broad market index that has neither an explicit investment nor sustainability objective but is used to measure the success of the Sub-Fund’s investment and sustainability objectives.

The Investment Manager uses an ‘extra-financial indicator improvement’ approach in relation to the investable universe, the average of each extra-financial indicator - carbon intensity and water intensity - calculated at Sub-Fund’s level being at least 30% better than that calculated for the Benchmark.

The Sub-Fund adopts a sustainable investment approach according to which the Investment Manager bindingly applies at all times carbon intensity and water intensity assessments in the securities selection process. The Sub-Fund completely excludes from its investment universe the securities of all issuers exceeding 800 CO<sub>2</sub>s tons/mn\$ revenue and non-green steel and oil sovereign owned entities. The Sub-Fund aims at excluding securities within the most carbon-intensive sectors such as utilities and basic industries (e.g. metals and protein producers). The Sub-Fund has the opportunity to invest in issuers who are transitioning to a more carbon sustainable path in sectors such as renewable energy and basic industry issuers who are focusing on de-carbonising their process and supply-chain.

The scope of the eligible securities is reviewed at least every 6 months, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The coverage rate for the carbon intensity indicator and the ESG analysis rating within the portfolio are each at least 90% of the net assets of the Sub-Fund, while the coverage rate for the water intensity indicator within the portfolio will be at least 70% of the net assets of the Sub-Fund. These coverage rates exclude bonds and other debt securities issued by sovereign issuers, and cash or cash equivalent held on an ancillary basis. The carbon intensity and water intensity indicators will be obtained from an external provider. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third-party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar, but which should be distinguished because their calculation method may be different.

The Sub-Fund invests in short duration bonds from emerging markets.

Specifically, the Sub-Fund invests mainly in transferable debt securities, including warrants, that are issued by governments, supranational entities, private or public companies in emerging countries in non-local currencies. The Sub-Fund may invest up to 100% of net assets in debt securities rated Sub-Investment Grade or unrated (i.e. neither the security itself nor its issuer has a credit rating).

The Sub-Fund may invest up to 100% in sovereign debt securities but it is not the current intention that the Sub-Fund will invest more than 10% of net assets in Sub-Investment Grade securities issued or guaranteed by any single country (including its government, public or local authority of that country).

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund’s investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to one-third of net assets in money market instruments and up to 49% of net assets in anticipation of or during unfavourable market conditions.

The Sub-Fund’s average duration is expected to be three years or less.

The Sub-Fund does not invest in equity and equity related instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.<sup>92</sup>

<sup>90</sup> This name is applicable as from 18 February 2022. Until 18 February 2022, the following name shall instead be applicable: Emerging Markets Short Duration Bonds.

<sup>91</sup> This investment objective is applicable as from 18 February 2022. Until 18 February 2022, the following investment objective shall instead be applicable: To seek performance, in USD, from an actively managed short duration emerging debt securities portfolio.

<sup>92</sup> This investment strategy is applicable as from 18 February 2022. Until 18 February 2022, the following investment strategy shall instead be applicable: The Sub-Fund is actively managed without reference to any benchmark.

The Sub-Fund invests in short duration bonds from emerging markets.



## ACT Emerging Markets Short Duration Bonds Low Carbon – Continued

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. For the avoidance of doubt, the use of derivatives for investment purposes is limited to 50% of the net assets of the Sub-Fund.

Derivatives may include credit default swaps (single name CDS and CDS index).

Such derivatives with underlying indexes will not have significant rebalancing costs. In exceptional market conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indexes are highly concentrated.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

It is the current intention of the Investment Manager to enter into securities lending transactions and repos/reverse repos for less than 30% of net assets in aggregate.

**Management Process** The Investment Manager selects investments by applying a 2-step approach: 1/ Analysing carbon intensity and water intensity data to ensure that the weighted average of KPI carbon intensity and water intensity calculated at Sub-Fund's level is at least 30% better than that calculated for the investable universe, followed by the application of a second exclusion filter, described in AXA IM's Sectorial Exclusion and ESG Standards Policies; 2/ Evaluation of market views: of economic, valuation, technical analysis of the markets based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate

Sensitivity, the yield curve positioning and the exposure to different geographical areas.<sup>93</sup>

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- High yield debt securities
- Contingent convertible bonds
- Defaulted Securities
- Emerging markets
- Sovereign debt
- ESG
- Distressed Securities

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low<sup>94</sup>.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 9 product<sup>95</sup>

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Sub-Investment Manager** AXA Investment Managers Asia Ltd (Hong-Kong SAR) for Asian securities.

**Inception** 6 September 2012.

Specifically, the Sub-Fund invests mainly in transferable debt securities, including warrants, that are issued by governments, supranational entities, private or public companies in emerging countries in non-local currencies. The Sub-Fund may invest up to 100% of net assets in debt securities rated Sub-Investment Grade or unrated (i.e. neither the security itself nor its issuer has a credit rating).

The Sub-Fund may invest up to 100% in sovereign debt securities but it is not the current intention that the Sub-Fund will invest more than 10% of net assets in Sub-Investment Grade securities issued or guaranteed by any single country (including its government, public or local authority of that country). The Sub-Fund may invest up to 15% of net assets in local currency bonds.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to one-third of net assets in money market instruments and up to 49% of net assets in anticipation of or during unfavourable market conditions.

The Sub-Fund's average duration is expected to be three years or less.

The Sub-Fund does not invest in equity and equity related instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as a strategic asset allocation constituted of 75% J. P. Morgan Corporate

Emerging Market Bond Index Broad Diversified + 25% J. P. Morgan Emerging Market Bond Index Global Diversified, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the above indexes are broad market indexes that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

<sup>93</sup> This management process is applicable as from 18 February 2022. Until 18 February 2022, the following management process shall instead be applicable: The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the yield curve positioning and the exposure to different geographical areas.

<sup>94</sup> This sustainability risk profile is applicable as from 18 February 2022. Until 18 February 2022, the following sustainability risk profile shall instead be applicable: medium.

<sup>95</sup> This SFDR product classification is applicable for this Sub-Fund as from 18 February 2022. Until that date, the Sub-Fund should be categorised as an Article 8 product.

**ACT Emerging Markets Short Duration Bonds Low Carbon – Continued**

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 3.00%        | 1.00%   | 0.50%               | —                |
| E   | —            | 1.00%   | 0.50%               | 0.25%            |
| F   | 2.00%        | 0.75%   | 0.50%               | —                |
| G*  | —            | 0.55%   | 0.50%               | —                |
| I   | —            | 0.55%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| N*  | 1.00%        | 1.00%   | 0.50%               | 1.00%            |
| U   | 5.50%        | 0.50%   | 0.50%               | 0.50%            |
| ZF*   | 2.00%        | 0.75%   | 0.50%               | —                |
| ZI*   | —            | 0.40%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* These Share Classes will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

# Emerging Markets Euro Denominated Bonds

## Investment Objective and Strategy

**Objective** To seek performance, in EUR, from an emerging debt securities portfolio.

**Investment Strategy** The Sub-Fund is actively managed and uses a benchmark index composed of 50% ICE BofA Euro Emerging Markets External Sovereign Index and 50% ICE BofA Euro Emerging Markets Corporate Plus Index (the "Benchmark") for comparative purposes only. The Investment Manager has full discretion over the composition of the portfolio of the Sub-Fund and may take exposure to companies, countries or sectors not included in the Benchmark. There are no restrictions on the extent to which the Sub-Fund's portfolio and performance may deviate from the ones of the Benchmark.

The Sub-Fund invests in bonds from emerging markets that are issued by governments, supranational entities, private or public companies in emerging countries.

Specifically, the Sub-Fund invests at least 80% of net assets in transferable debt securities denominated in EUR.

The Sub-Fund may invest up to 20% of net assets in USD denominated transferable debt securities including, but not limited to, 144A securities. Exposure of the Sub-Fund's assets denominated in non-EUR currency will be hedged against EUR.

The Sub-Fund may invest up to 100% of net assets in debt securities rated Sub-Investment Grade or unrated (i.e. neither the security itself nor its issuer has a credit rating). However, the Sub-Fund does not invest in securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch. Ratings are based on the lower of two ratings or the second highest of three ratings depending on how many ratings are available. If securities are unrated, they must be judged equivalent to those levels by the Investment Manager. In case of a credit downgrade below such minimum, securities will be sold within 6 months. The Sub-Fund may also invest in transferable debt securities rated Investment Grade.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The selection of credit instruments is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell assets is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may invest in money market instruments on an ancillary basis.

The Sub-Fund does not invest in equity and equity related instruments.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs that are managed by an AXA IM group entity and will then themselves not invest in securities rated in accordance with the above rating limits. The Sub-Fund may not invest in external UCITS or UCIs.

The Sub-Fund always aims at outperforming the ESG rating of the investment universe as defined by the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the above indices in the Benchmark are broad market indices that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis

coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management and hedging.

The Sub-Fund may invest in Over the Counter (OTC) financial derivatives instruments exclusively limited to Forex forwards. Under no circumstances shall these operations cause the Sub-Fund to diverge from its investment objective.

The Sub-Fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%
- repos/ reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the credit spread sensitivity, the yield curve positioning and the exposure to different geographical areas.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Emerging markets
- Sovereign debt
- 144A securities
- Defaulted Securities
- High yield debt securities
- ESG
- Distressed Securities

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers UK Limited (London).

**Inception** 3 March 2020.

| Class | Maximum one-off charges taken when you invest |                | Maximum recurrent charges taken from the Sub-Fund over a year |                  |  |
|-------|---|----------------|---|------------------|--|
|       | Entry Charge                                  | Management Fee | Applied Service Fee   | Distribution Fee |  |
| A     | 3.00%   | 1.00%          | 0.50%   | —                |  |
| E     | —   | 1.00%          | 0.50%   | 0.25%            |  |
| F     | 2.00%   | 0.75%          | 0.50%   | —                |  |
| G     | —   | 0.55%          | 0.50%   | —                |  |
| I     | —   | 0.55%          | 0.50%   | —                |  |
| M     | —   | —              | 0.50%   | —                |  |
| ZF    | 2.00%   | 0.75%          | 0.50%   | —                |  |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Global Income Generation

## Investment Objective and Strategy

**Objective** To seek both regular income and growth of your investment in the medium term, in EUR, through asset class diversification.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark. The Sub-Fund invests mainly in bonds of any type and credit rating or unrated, including high income bonds, in equities, including high dividend equities, through fundamental approach and/or the use of a proprietary quantitative process, and in money market instruments. These securities may be from issuers anywhere in the world. The Sub-Fund may also seek exposure to other asset classes, such as commodities (notably through commodity indices, exchange-traded funds, exchange-traded commodities, equities, units or shares of UCITS and/or UCIs), volatility of equity markets and real estate.

Specifically, the proportion of the Sub-Fund's assets that can be invested in equities and/or in commodities or commodity indices is flexible and may vary from 0% to 50%. However, over the long term, a high proportion of the Sub-Fund's net assets will be invested in fixed income and money market instruments.

The allocation between the various asset classes in which the Sub-Fund may invest is decided in a flexible and discretionary manner.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund's exposure to fixed income denominated in non-EUR currency will be partially hedged against EUR.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The Sub-Fund's comparison portfolio internally defined by the Investment Manager for ESG purposes is composed of 30% ICE BofA Global Large Cap Hedged EUR + 15% ICE BofA Europe High Yield Hedged EUR + 15% JP Morgan EMBIG Diversified Hedged EUR + 15% MSCI World High Dividend Net Total Return + 7,5% FTSE EPRA Nareit Developed Total Return Net + 5% Bloomberg World Inflation-Linked Hedged EUR + 5% MSCI Emerging Markets Total Return Net + 5% MSCI World Healthcare Total Return Net + 1,5% MSCI ACWI Commodity Producers Total Return Net + 1% S&P GSCI Energy & Metals Capped Component 35/20 Total Return Gross. For the sake of clarity, the above indices are broad market indices that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 85% of the net assets of the Sub-Fund, this rate being calculated according to the weighted average assets allocation mix within the investment universe between minimum 90% ESG analysis coverage rate for securities issued in developed countries and/or rated Investment Grade and minimum 75% ESG analysis coverage rate for securities issued in emerging countries and/or rated Sub-Investment Grade.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sectorial-exclusion>

[investment-guidelines](#). The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. Derivatives may include:

- total return swaps (TRS) or other financial derivative transactions with similar characteristics: the Sub-Fund may enter into transactions the purpose of which is to transfer to a counterparty, or receive from such counterparty, the total return of a specified reference index including equity index (such as MSCI All Countries World Total Return Net) or commodity indices (such as S&P GSCI Energy & Metals Capped Components 35/20 and Bloomberg Commodity ex-Agriculture and Livestock Capped Index) in exchange of the total return of interest rate payments

For the purpose of achievement of the management objective, the Sub-Fund may use the following techniques (as a % of net assets):

- total return swaps (unfunded): expected, 0%; max, 35%

Main types of assets in scope are indices.

- forward contracts on foreign exchange
- futures or options on equity, interest rate, foreign currency or commodity index or sub-index listed on any regulated market or traded over-the-counter

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds and equities.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager uses macroeconomic analysis to develop a long-term strategic allocation of assets, while also making short-term tactical allocations to capture market opportunities. The Investment Manager aims to flexibly maintain a widely diversified portfolio, with moderate volatility. Decisions on equity investments are made using fundamental analysis and/or a proprietary quantitative process.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- Global investments
- Investments in specific sectors or asset classes
- ESG
- Defaulted Securities
- Emerging markets
- High yield debt securities
- Contingent convertible bonds
- Distressed Securities

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Commitment approach.

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**NAV Calculation Frequency** Daily.

**SFDR category** Article 8 product.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Sub-Investment Manager** AXA Investment Managers UK Limited (London) for high yield and emerging debt, and global high dividend equities.

**Other** The Sub-Fund seeks to deliver an annual dividend between 2% and 6%, subject to market conditions. There is no guarantee that the investment objective of the Sub-Fund will be achieved and, in particular, that any income will be generated for distribution or capitalisation in any given year.

**Inception** 28 October 2013.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.25%   | 0.50%               | —                |
| E   | —            | 1.25%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.60%   | 0.50%               | —                |
| I   | —            | 0.60%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| U   | 5.50%        | 0.625%  | 0.50%               | 0.625%           |
| ZF  | 2.00%        | 0.60%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company. All non-EUR Share Classes will be partially hedged against the currency exchange risk related to the Reference Currency for the fixed income exposure of the Sub-Fund.



# Defensive Optimal Income

## Investment Objective and Strategy

**Objective** To seek growth of your investment in the medium term, in EUR, by investing across a broad range of asset classes while adopting a defensive approach.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark. The Sub-Fund aims at not exceeding a 5% annual volatility. The Sub-Fund invests in equities and debt securities of any type. The Sub-Fund is managed with an Interest Rate Sensitivity ranging from minus 2 to 8.

Specifically, the Sub-Fund invests/ is exposed to up to 35% of net assets in equities and/or invests in or is exposed to up to 100% of its net assets in one or more of the following asset classes: transferable debt securities issued by governments, Investment Grade corporate securities and/or money market instruments.

The Sub-Fund may invest up to 40% of net assets in securities from emerging markets. Investments in equities may include small capitalisation companies up to 20% of net assets.

The Sub-Fund may also invest in or be exposed to (in % of its net assets):

- up not more than 20% in Sub-Investment Grade Securities,
- up to 15%: securities traded on the CIBM through Bond Connect,
- up to 10% in securitisation vehicles or equivalent such as asset backed securities (ABS), collateralised debt obligations (CDO), collateralised loan obligations (CLO) or any similar assets of any currency and of any rating (or unrated),
- up to 5% in contingent convertible bonds (CoCos),
- up to 10%: Chinese A Shares listed in the Shanghai Hong-Kong Stock Connect

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

Investment Grade and Sub-Investment Grade ratings are based on the linear average of Standard & Poor's, Moody's and Fitch ratings. If securities are unrated, they must be judged equivalent to the respective applicable level by the Investment Manager.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the Investment Manager.

The Sub-Fund may also invest in/ be exposed to commodities through commodity indices, exchange-traded funds, exchange-traded commodities, equities, units or shares of UCITS and/or UCIs up to 15% of its net assets.

The Sub-Fund may invest all its assets in cash, cash equivalent and/or money market instruments when the risk of adverse market conditions is deemed significant.

The Sub-Fund invests not more than 10% of net assets in units of UCITS and/or UCIs, including units of regulated open-ended hedge funds which are submitted to an equivalent supervision.

At least 50% of the Sub-Fund's net assets will be hedged against EUR.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The Sub-Fund's comparison portfolio internally defined by the Investment Manager for ESG purposes is composed of 5% MSCI EMU Net Total Return EUR + 15% MSCI World ex EMU Net Total Return EUR + 80% MSCI Emerging Market + 30% ICE BofA 1-10 Year Euro Corporate + 15% Bloomberg Global Aggregate + 15% Global High Yield ICE BofA + 15% JP Morgan GBI EM Global Diversified.

For the sake of clarity, the above indices are broad market indices that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 85% of the net assets of the Sub-Fund, this rate being calculated according to the weighted average assets allocation mix within the investment universe between minimum 90% ESG analysis coverage rate for securities issued in developed countries and/or rated Investment Grade and minimum 75% ESG analysis coverage rate for securities issued in emerging countries and/or rated Sub-Investment Grade.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include:

- total return swaps (TRS including TRS index transaction) or other financial derivative transactions with similar characteristics to transfer to a counterparty, or receive from such counterparty, the total return from worldwide broad type of single or basket assets on equities, indices, government bonds, corporate bonds, convertible bonds, commodities, real property, commodity indices and volatility indices in exchange of the total return of interest rate payments

For the purpose of achievement of the management objective, the Sub-Fund may use the following techniques (as a % of net assets):

- total return swaps (unfunded): expected, 0%; max, 35%

Main types of assets in scope are single or basket assets on equities, indices, government bonds, corporate bonds, convertible bonds, commodities, real property, commodity indices (such as Bloomberg Commodity ex-Agriculture and Livestock Capped Index) and volatility indices.

- credit default swaps (CDS): single name and basket and CDS on indices.

Such derivatives with underlying indices will not have significant rebalancing costs as the frequency of the rebalancing is quarterly or semi-annually depending on the nature of the derivative. The most representative indices used within the Sub-Fund are the S&P 500, and Eurostoxx 50 for equity, and iTraxx Europe Main and iTraxx Crossover for credit indices. The methodology of these indices is available on the following websites: <https://www.spglobal.com/spdji/en/index-finder>, <https://qontigo.com> and <https://ihsmarkit.com/indx.html>. In cases of exceptional markets conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

## Defensive Optimal Income — Continued

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds and equities.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager builds his investments portfolio based on a conviction-based and flexible multi-asset allocation approach. The Investment Manager aims to flexibly maintain a widely diversified portfolio, while maintaining a low volatility.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- Global investments
- Investments in small and/or micro-capitalisation universe
- ESG
- Defaulted Securities
- Emerging markets
- Hedge funds
- Contingent convertible bonds
- Bond Connect
- High yield debt securities
- Distressed Securities

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Absolute Value at Risk (VaR).

**VaR Calculated for the Sub-Fund** The Investment Manager monitors the market risk below a VaR limit of 7% of the Sub-Fund's NAV, under normal market conditions. The VaR used by the Investment Manager will have a 5 Business Days horizon and 95% confidence level parameters. This means that there is a probability of 5% that the Sub-Fund's NAV may lose more than 7% of its value within a 5 Business Days horizon. Such VaR corresponds to a 1% probability, under normal market conditions, that the Sub-Fund's NAV may lose more than 20% of its value within a 20 Business Days.

*Value-at-Risk calculations assume normal market conditions and are statistical calculations, not guaranteed. For more information, see "Monitoring of Global Exposure".*

**Expected level of leverage** Between 0 and 3

*Not guaranteed. The effective level of leverage may be higher or lower than the expected level of leverage from time to time due to market conditions.*

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 18 January 1999.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.00%   | 0.50%               | —                |
| E   | —            | 1.00%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.50%   | 0.50%               | —                |
| I   | —            | 0.40%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.50%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Global Optimal Income

## Investment Objective and Strategy

**Objective** To seek growth of your investment in the long term, in EUR, together with stable income. The income yields are of secondary importance.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark. The Sub-Fund invests in equities and debt securities of any type and aims at not exceeding a 15% annual volatility.

The Sub-Fund is managed with an Interest Rate Sensitivity ranging from minus 4 to 8.<sup>96</sup>

Specifically, the Sub-Fund invests in or is exposed to up to 100% of its net assets in one or more of the following asset classes : equities (including high dividend equities), fixed income securities issued by governments, Investment Grade corporate securities and/or money market instruments.

The Sub-Fund may also invest in or be exposed to (in % of its net assets) :

- up to 40% : securities from emerging markets;
- up to 20%: Sub-Investment Grade securities;
- up to 15%: securities traded on the CIBM through Bond Connect;
- up to 10%: securitisation vehicles or equivalent such as asset backed securities (ABS), collateralised debt obligations (CDO), collateralised loan obligations (CLO) or any similar assets of any currency and of any rating (or unrated);
- up to 5%: contingent convertible bonds (CoCos);
- up to 10%: Chinese A Shares listed in the Shanghai Hong-Kong Stock Connect.

Investment Grade and Sub-Investment Grade ratings are based on the linear average of Standard & Poor's, Moody's and Fitch ratings. If securities are unrated, they must be judged equivalent to the respective applicable level by the Investment Manager.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The Sub-Fund may also invest in/ be exposed to commodities through commodity indices, exchange-traded funds, exchange-traded commodities, equities, units or shares of UCITS and/or UCIs up to 35% of its net assets.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs, including regulated open-ended hedge funds.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The Sub-Fund's comparison portfolio internally defined by the Investment Manager for ESG purposes is composed of 10% MSCI EMU Net Total Return EUR + 30% MSCI World ex EMU Net Total Return EUR + 10% MSCI EM Market Total Return EUR + 15% ICE BofA 1-10 Year Euro Corporate + 10% Bloomberg Global Aggregate + 15% Global High Yield ICE BofA + 10% JP Morgan GBI EM Global Diversified. For the sake of clarity, the above indices are broad market indices that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 85% of the net assets of the Sub-Fund, this rate being calculated according to the weighted average assets allocation mix within the investment universe between minimum 90% ESG analysis coverage rate for securities issued in developed countries and/or rated Investment Grade and minimum 75% ESG analysis coverage rate for securities issued in emerging countries and/or rated Sub-Investment Grade.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include:

- total return swaps (TRS including TRS index transaction) or other financial derivative transactions with similar characteristics to transfer to a counterparty, or receive from such counterparty, the total return from worldwide broad type of single or basket assets on equities, indices, government bonds, corporate bonds, convertible bonds, commodities, real property, commodity indices and volatility indices in exchange of the total return of interest rate payments

For the purpose of achievement of the management objective, the Sub-Fund may use the following techniques (as a % of net assets):

- total return swaps (unfunded): expected, 0%; max, 35%

Main types of assets in scope are single or basket assets on equities, indices, government bonds, corporate bonds, convertible bonds, commodities, real property, commodity indices (such as Bloomberg Commodity ex-Agriculture and Livestock Capped Index) and volatility indices.

- credit default swaps (CDS): single name and basket and CDS on indices
- forward foreign currency contracts
- derivative instruments relating to commodity indices
- equity index futures, bond futures, interest rate futures
- equity options, bond options, interest rate options
- interest rate and inflation swaps

Such derivatives with underlying indices will not have significant rebalancing costs as the frequency of the rebalancing is quarterly or semi-annually depending on the nature of the derivative. The most representative indices used within the Sub-Fund are the S&P 500, and Eurostoxx 50 for equity, and iTraxx Europe Main and iTraxx Crossover for credit indices. The methodology of these indices is available on the following websites: <https://www.spglobal.com/spdji/en/index-finder>, <https://qontigo.com> and <https://ihsmarkit.com/index.html>. In exceptional markets conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-20%; max, 90%

<sup>96</sup> This Interest Rate Sensitivity is applicable as from 18 February 2022. Until 18 February 2022, a range of minus 2 to 8 shall be applicable instead.  
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## Global Optimal Income — Continued

· repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds and equities.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The investment manager uses macroeconomic, sector and company specific analysis. The securities selection process relies on a rigorous analysis of the companies' business model, management quality, growth prospects and overall risk/return profile. The fixed income allocation is managed in order to mitigate the volatility of equity returns.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- Global investments
- Contingent convertible bonds
- Bond Connect
- Distressed Securities
- High Yield debt securities
- Emerging markets
- Hedge funds
- ESG
- Defaulted Securities

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Absolute Value at Risk (VaR).

**VaR Calculated for The Sub-Fund** The Investment Manager monitors the market risk below a VaR limit of 7% of the Sub-Fund's NAV, under normal market conditions. The VaR used by the investment manager will have a 5 Business Days horizon and 95% confidence level parameters. This means that there is a probability of 5% that the Sub-Fund's NAV may lose more than 7% of its value within a 5 Business Days horizon. Such VaR corresponds to a 1% probability, under normal market conditions, that the Sub-Fund's NAV may lose more than 20% of its value within a 20 Business Days.

*Value-at-Risk calculations assume normal market conditions and are statistical calculations, not guaranteed. For more information, see "Monitoring of Global Exposure".*

**Expected level of leverage** Between 0 and 3.

*Not guaranteed. The effective level of leverage may be higher or lower than the expected level of leverage from time to time due to market conditions.*

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 15 February 2013.

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.20%   | 0.50%               | —                |
| AX  | 5.50%        | 2.00%   | 0.50%               | —                |
| BX  | 5.50%        | 1.25%   | 0.50%               | —                |
| E   | —            | 1.20%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.60%   | 0.50%               | —                |
| I   | —            | 0.60%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| U   | 5.50%        | 0.675%  | 0.50%               | 0.675%           |
| ZF  | 2.00%        | 0.60%   | 0.50%               | —                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.



# Optimal Income

## Investment Objective and Strategy

**Objective** To seek growth of your investment in the long term, in EUR, together with stable income. The income yields are of secondary importance.

**Investment Strategy** The Sub-Fund is actively managed and uses, for some share classes, as reference the benchmark index specified in the section “Benchmark for performance fee” below (the “Benchmark”), for the purpose of performance fees’ calculation of the performance fee share class against it. As the Benchmark is a rate notably used for performance measurement and the Sub-Fund’s investment allocation or holdings’ composition is not constituted in relation to the Benchmark, the deviation from the Benchmark is likely to be significant.

The Sub-Fund invests in equities and debt securities of any type from European issuers and aims at not exceeding a 15% annual volatility. The Sub-Fund is managed with an Interest Rate Sensitivity ranging from minus 4 to 8.<sup>97</sup>

Specifically, the Sub-Fund invests in or is exposed to up to 100% of its net assets in one or more of the following asset classes: equities including high dividend equities (with a minimum of investment of 25% of net assets in equities, at all times), fixed income securities issued by governments, Investment Grade Securities issued by companies that are domiciled or listed in Europe and/or money market instruments.

The Sub-Fund may invest in or be exposed to (in % of its net assets):

- up to 20%: equities from issuers based outside Europe, including Chinese A Shares listed in the Shanghai Hong-Kong Stock Connect;
- up to 20%: Sub-Investment Grade Securities;
- up to 40%: securities from emerging markets;
- up to 15%: securities traded on the CIBM through Bond Connect;
- up to 10% : securitisation vehicles or equivalent such as asset-backed securities (ABS), collateralised debt obligations (CDO) or collateralised loan obligations (CLO) or any similar assets of any currency and of any rating (or unrated);
- up to 5%: contingent convertible bonds (CoCos).

Investment Grade and Sub-Investment Grade ratings are based on the linear average of Standard & Poor’s, Moody’s and Fitch ratings. If securities are unrated, they must be judged equivalent to the respective applicable level by the Investment Manager.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund’s investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The Sub-Fund may also invest in/ be exposed to commodities through commodity indices, exchange-traded funds, exchange-traded commodities, equities, units or shares of UCITS and/or UCIs up to 35% of its net assets.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs, including regulated open-ended hedge funds.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The Sub-Fund’s comparison portfolio internally defined by the Investment Manager for ESG purposes is composed of 30% MSCI EMU Net Total Return EUR + 10% MSCI World ex EMU Net Total Return + 10% MSCI Emerging Market + 25% ICE BofA 1-10 Year Euro Corporate + 10% Bloomberg Global Aggregate + 15% Global High Yield ICE BofA. For the sake of clarity, the above indices are broad market indices that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 86% of the net assets of the Sub-Fund, this rate being calculated according to the weighted average assets allocation mix within the investment universe between minimum 90% ESG analysis coverage rate for securities issued in developed countries and/or rated Investment Grade and minimum 75% ESG analysis coverage rate for securities issued in emerging countries and/or rated Sub-Investment Grade.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM’s Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager’s decision making.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. For the avoidance of doubt, the use of derivatives for investment purposes is limited to 40% of the net assets of the Sub-Fund.

Derivatives may include:

- total return swaps (TRS including TRS index transaction) or other financial derivative transactions with similar characteristics to transfer to a counterparty, or receive from such counterparty, the total return from worldwide broad type of single or basket assets on equities, indexes, government bonds, corporate bonds, convertible bonds, commodities, real property, commodity indices and volatility indices in exchange of the total return of interest rate payments

For the purpose of achievement of the management objective, the Sub-Fund may use the following techniques (as a % of net assets):

- total return swaps (unfunded): expected, 0%; max, 35%

Main types of assets in scope are single or basket assets on equities, indices, government bonds, corporate bonds, convertible bonds, commodities, real property, commodity indices (such as Bloomberg Commodity ex-Agriculture and Livestock Capped Index) and volatility indices.

- credit default swaps (CDS).

Such derivatives with underlying indices will not have significant rebalancing costs as the frequency of the rebalancing is quarterly or semi-annually depending on the nature of the derivative. The most representative indices used within the Sub-Fund are the S&P 500, and Eurostoxx 50 for equity, and iTraxx Europe Main and iTraxx Crossover for credit indices. The methodology of these indices is available on the following websites: <https://www.spglobal.com/spdji/en/index-finder>, <https://qontigo.com> and <https://ihsmarket.com/index.html>. In exceptional market condition, the Sub-Fund’s exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

<sup>97</sup> This Interest Rate Sensitivity is applicable as from 18 February 2022. Until 18 February 2022, a range of minus 2 to 8 shall be applicable instead.  
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## Optimal Income — Continued

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds and equities.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The investment manager uses macroeconomic, sector and company specific analysis. The securities selection process relies on a rigorous analysis of the companies' business model, management quality, growth prospects and overall risk/return profile. The fixed income allocation is managed in order to mitigate the volatility of equity returns.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- Hedge funds
- ESG
- High yield debt securities
- Defaulted Securities
- Bond connect
- Global investments
- Contingent convertible bonds
- Distressed securities
- Emerging Market

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Absolute Value at Risk (VaR).

**VaR Calculated for The Sub-Fund** The Investment Manager monitors the market risk below a VaR limit of 7% of the Sub-Fund's NAV, under normal market conditions. The VaR used by the investment manager will have a 5 Business Days horizon and 95% confidence level parameters. This means that there is a probability of 5% that the Sub-Fund's NAV may lose more than 7% of its value within a 5 Business Days horizon. Such VaR corresponds to a 1% probability, under normal market conditions, that the Sub-Fund's NAV may lose more than 20% of its value within a 20 Business Days.

*Value-at-Risk calculations assume normal market conditions and are statistical calculations, not guaranteed. For more information, see "Monitoring of Global Exposure".*

**Expected level of leverage** Between 0 and 3.

*Not guaranteed. The effective level of leverage may be higher or lower than the expected level of leverage from time to time due to market conditions.*

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Benchmark for performance fee** the maximum between zero and €STR + 8.5 bps cap + 200 bps denominated in EUR for EUR Share Classes and US Federal Funds (Effective) – Middle Rate Capi +200bps for USD Share Classes.

The performance fee only applies to the outperformance of the benchmark according to the Absolute High Water Mark formula. This performance fee model is appropriate as the Sub-Fund (i) aims to use its full flexibility for its allocation between assets classes as equity, fixed income or other, (ii) can have a maximum exposure to equities up to 75%, a sensitivity to rates between -4 to 8 years, can be exposed or not to foreign currencies (EUR is the main currency) and (iii) should deliver positive performance on a medium / long term average period which should not be compared to a specific benchmark.

**Inception** 19 November 2003.



Optimal Income — Continued

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |           | Charges taken from the Sub-Fund under specific conditions |
|---|--------------|---|---------------------|------------------|-----------|---|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee | CDSC*     | Performance Fee   |
| A   | 5.50%        | 1.20%   | 0.50%               | —                | —         | 20%   |
| BL**  | —            | 1.20%   | 0.50%               | 1.00%***         | 3.00%**** | 20%   |
| E   | —            | 1.20%   | 0.50%               | 0.75%            | —         | 20%   |
| F   | 2.00%        | 0.60%   | 0.50%               | —                | —         | 20%   |
| I   | —            | 0.45%   | 0.50%               | —                | —         | 20%   |
| M   | —            | —   | 0.50%               | —                | —         | 20%   |
| ZF  | 2.00%        | 0.60%   | 0.50%               | —                | —         | 20%   |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

\* Contingent Deferred Sales Charge – See "Notes on Sub-Fund's Costs" for more information

\*\* This Share Class will be available for subscription on 1 January 2022 or on the date of the first following subscription in these Share Classes at an initial price of EUR 100 or USD 100, depending on the Reference Currency.

\*\*\* Payable monthly in arrears on the basis of the average daily Net Asset Value of the "BL" Share-Class.

\*\*\*\* Decreases yearly, reaching zero 3 years after investment.

# Dynamic Optimal Income

## Investment Objective and Strategy

**Objective** To seek growth of your investment in the long term, in USD, together with stable income.

**Investment Strategy** The Sub-Fund is actively and discretionarily managed without reference to any benchmark in order to capture opportunities in equities and debt securities of any type in the international market and aims at not exceeding a 20% annual volatility.

The Sub-Fund is managed with an Interest Rate Sensitivity ranging from minus 4 to 8.

Specifically, the Sub-Fund invests in or is exposed to up to 100% of its net assets in the following asset classes: equities (including, but not limited to, high dividend equities, cash equities, equity index futures, equity index options), fixed income securities issued by governments, Investment Grade corporate debt securities and/or money market instruments. Exposure to Asian countries may be up to 100% of the net assets of the Sub-Fund. The Sub-Fund's equity exposure ranges between minimum 10% and maximum 90% and the direct investments to both equities and fixed income assets (including money market instruments and money market funds) is of at least 70%. The exposure to China onshore assets, such as China A shares and China onshore fixed income, is limited to maximum 20%.

The Sub-Fund may also invest in or be exposed to (in % of its net assets):

- up to 100%: securities from emerging markets;
- up to 30%: Sub-Investment Grade debt securities;
- up to 20%: securities traded on the CIBM through Bond Connect;
- up to 20%: China A Shares listed in the Shanghai Hong-Kong Stock Connect;
- up to 10%: securitisation vehicles or equivalent such as asset backed securities (ABS), collateralised debt obligations (CDO), collateralised loan obligations (CLO) or any similar assets of any currency and of any rating (or unrated);
- up to 10%: contingent convertible bonds (CoCos);
- up to 10%: commodities through commodity indices, exchange-traded funds, exchange-traded commodities (that are transferable securities not embedding derivatives, in accordance with the Grand Ducal Regulation of 8 February 2008 relating to certain definitions of the amended law of 20 December 2002 on undertakings for collective investment), units or shares of open-ended UCITS and/or UCIs;
- up to 10%: real estate through UCIs, exchange-traded funds and equities (including REITs).

Investment Grade and Sub-Investment Grade ratings are based on the linear average of Standard & Poor's, Moody's and Fitch ratings. If securities are unrated, they must be judged equivalent to the respective applicable level by the Investment Manager.

The Sub-Fund may also invest less than 50% of net assets in subordinated debt securities and/or perpetual bonds (i.e. bonds without a maturity date) issued by banks, insurance companies and non-financial corporates.

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The Sub-Fund may invest in aggregate up to 10% of net assets in UCITS and/or UCIs, including regulated open-ended hedge funds.

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as a moving strategic asset allocation constituted of MSCI All China Net Total Return USD + MSCI ACWI ex China index + JP Morgan Asia Credit Non Investment Grade + Bloomberg Emerging Markets Asia Total Return Index Value Unhedged USD + ICE BofA Global Corporate Index + ICE BofA US High Yield Index + ICE BofA China Govt + ICE BofA US Treasury Index, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the above indices are broad market indices that do not necessarily consider in their composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is moving in accordance with the moving asset allocation composition as decided by the Investment Manager from time to time, this rate being calculated according to the weighted average assets allocation mix in the Sub-Fund between minimum 90% ESG analysis coverage rate for securities issued in developed countries and/or rated Investment Grade, and minimum 75% ESG analysis coverage rate for securities issued in emerging countries and/or rated Sub-Investment Grade.

In the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>. The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

### Derivatives and Efficient Portfolio Management Techniques

The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment. For the avoidance of doubt, the use of derivatives for investment purposes is limited to 40% of the net assets of the Sub-Fund.

Derivatives may include:

- total return swaps (TRS including TRS index transaction) or other financial derivative transactions with similar characteristics to transfer to a counterparty, or receive from such counterparty, the total return from worldwide broad type of single or basket assets on equities, indices, government bonds, corporate bonds, convertible bonds, commodities, real property, commodity indices and volatility indexes in exchange of the total return of interest rate payments

For the purpose of achievement of the management objective, the Sub-Fund may use the following techniques (as a % of net assets):

- total return swaps (unfunded): expected, 0%; max, 35%

Main types of assets in scope are single or basket assets on equities, indices, government bonds, corporate bonds, convertible bonds, commodities, real property, commodity indices (such as [BBUXALCT Quote - Bloomberg Commodity ex-Agriculture and Livestock Capped Total Return Index - Bloomberg Markets](#)) and volatility indices.

- credit default swaps (CDS): single name and basket and CDS on indices
- forward foreign currency contracts
- derivative instruments relating to commodity indices
- equity index futures, bond futures, interest rate futures
- equity options, bond options, interest rate options
- interest rate and inflation swaps

## Dynamic Optimal Income – Continued

Such derivatives with underlying indexes will not have significant rebalancing costs as the frequency of the rebalancing is quarterly or semi-annually depending on the nature of the derivative. The most representative indices used within the Sub-Fund are the S&P 500, and Eurostoxx 50 for equity, and iTraxx Europe Main and iTraxx Crossover for credit indices. The methodology of these indices is available on the following websites: <https://www.spglobal.com/spdji/en/index-finder>, <https://qontigo.com> and <https://ihsmarkit.com/index.html>. In exceptional markets conditions, the Sub-Fund's exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, hedging and/or investment, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds and equities.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The investment manager uses macroeconomic, sector and company specific analysis. The securities selection process relies on a rigorous analysis of the companies' business model, management quality, growth prospects and overall risk/return profile. The fixed income allocation is managed in order to mitigate the volatility of equity returns.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Derivatives and leverage
- Investments in specific countries or geographical zones
- China market
- RMB currency
- Chinese credit agencies
- PRC tax consideration
- Investment through the Stock Connect program
- Bond Connect
- High Yield debt securities
- Contingent convertible bonds
- Emerging markets
- Hedge funds
- ESG
- Distressed Securities
- Defaulted Securities
- Reinvestment risk
- Subordinated debt
- Extension risk

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be medium.

**Method for Calculating Global Exposure** Absolute Value at Risk (VaR).

**VaR Calculated for The Sub-Fund** The Investment Manager monitors the market risk below a VaR limit of 7% of the Sub-Fund's NAV, under normal market conditions. The VaR used by the investment manager will have a 5 Business Days horizon and 95% confidence level parameters. This means that there is a probability of 5% that the Sub-Fund's NAV may lose more than 7% of its value

within a 5 Business Days horizon. Such VaR corresponds to a 1% probability, under normal market conditions, that the Sub-Fund's NAV may lose more than 20% of its value within a 20 Business Days.

*Value-at-Risk calculations assume normal market conditions and are statistical calculations, not guaranteed. For more information, see "Monitoring of Global Exposure".*

**Expected level of leverage** Between 0 and 3.

*Not guaranteed. The effective level of leverage may be higher or lower than the expected level of leverage from time to time due to market conditions.*

## Additional Features

**Designed for** Investors who plan to invest for at least 5 years.

**SFDR category** Article 8 product

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, the United States of America, Hong-Kong and Shanghai.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Sub-Investment Managers:** AXA Investment Managers US Inc. for US high yield securities and AXA Investment Managers Asia Ltd. (Hong Kong SAR) for Asian high yield securities, when the AUM of the Sub-Fund reach a certain threshold.

**Inception** 7 February 2022.

Dynamic Optimal Income – Continued

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.40%   | 0.50%               | —                |
| E   | —            | 1.40%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.70%   | 0.50%               | —                |
| I   | —            | 0.70%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| G   | —            | 0.70%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

Share Classes will be available for subscription on inception date or on the date of the first following subscription in these Share Classes at an initial price of USD 100, EUR 100 and SGD 100.

# Optimal Absolute

## Investment Objective and Strategy

**Objective** To seek a positive return over any consecutive 12-month period, in EUR, in any market conditions (absolute return). The income yields are of secondary importance.

**Investment Strategy** The Sub-Fund is actively managed and uses, for some share classes, as reference the benchmark index specified in the section “Benchmark for performance fee” below (the “Benchmark”), for the purpose of performance fees’ calculation of the performance fee share class against it. As the Benchmark is a rate notably used for performance measurement and the Sub-Fund’s investment allocation or holdings’ composition is not constituted in relation to the Benchmark, the deviation from the Benchmark is likely to be significant. The Sub-Fund aims at not exceeding a 10% annual volatility.

The Sub-Fund invests, directly or through derivatives, in fixed income securities, equities, commodities and currencies anywhere in the world, including emerging markets. The Sub-Fund may take long and short net exposure on any of these asset classes.

Specifically, the Sub-Fund may invest in commodities through commodity indices, exchange-traded funds, exchange-traded commodities, equities, units or shares of UCITS and/or UCIs.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund’s investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund bindingly applies at all times AXA IM’s Sectorial Exclusion Policy, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include:

- total return swaps (TRS including TRS index transaction) or other financial derivative transactions with similar characteristics to transfer to a counterparty, or receive from such counterparty, the total return from worldwide broad type of single or basket assets on equities, indexes, government bonds, corporate bonds, convertible bonds, commodities, real property, commodity indices and volatility indices in exchange of the total return of interest rate payments.

For the purpose of achievement of the management objective, the Sub-Fund may use the following techniques (as a % of net assets):

- total return swaps (unfunded): expected, 0%; max, 35%

Main types of assets in scope are single or basket assets on equities, indices, government bonds, corporate bonds, convertible bonds, commodities, real property, commodity indices and volatility indices.

- futures and forward contracts on a wide range of assets including equities, currencies, fixed income securities and any specified commodity index or sub-index, either listed on any regulated market (in the case of futures) or traded over the counter (in the case of forwards)
- options and other structured products on securities or indices, on all asset classes, including commodity indices (such as Bloomberg

Commodity ex-Agriculture and Livestock Capped Index), or a basket of equities, fixed income securities and currencies and on any specified commodity index or sub-index futures listed or any regulated market or traded over the counter transferable securities in the form of certificates and other structured products (including exchange traded commodities) relating to commodities, commodity indices and/or their sub-indices. The Sub-Fund would invest exclusively in certificates and other structured products issued (or guaranteed) by financial institutions that specialise in such transactions and with sufficient liquidity, transparent valuation and settlement in cash as prerequisites.

Such derivatives with underlying indices will not have significant rebalancing costs as the frequency of the rebalancing is quarterly or semi-annually depending on the nature of the derivative. The most representative indices used within the Sub-Fund are the S&P 500, and Eurostoxx 50 for equity, and iTraxx Europe Main and iTraxx Crossover for credit indices. The methodology of these indices is available on the following websites: <https://www.spglobal.com/spdji/en/index-finder>, <https://qontigo.com> and <https://ihsmarkit.com/index.html>. In exceptional market condition, the Sub-Fund’s exposure to a single issuer in an underlying index may be over 20%, and up to 35% of net assets, especially when underlying indices are highly concentrated.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-30%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds and equities.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** The investment manager combines a “bottom-up” research process that aims at identifying opportunities within each asset class together with a “top-down” approach for an evaluation of asset classes in terms of risk/return profile. The investment manager seeks to invest across asset classes that have low correlations with each other through security picking, asset allocation, thematic and relative value opportunities. The investment manager selects investments based on a number of factors, including macroeconomic, sector and company specific analysis. The Investment manager manages the Sub-Fund in accordance with a yearly risk budget at the overall portfolio level and at each individual strategy level.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- Absolute return strategies
- Emerging markets
- Contingent convertible bonds
- Distressed Securities
- Derivatives and leverage
- Global investments
- Defaulted Securities

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Absolute Value at Risk (VaR).

**VaR Calculated for The Sub-Fund** The Investment Manager monitors the market risk below a VaR limit of 7% of the Sub-Fund’s NAV, under normal market conditions. The VaR used by the investment manager will have a 5 Business Days horizon and 95% confidence level parameters. This means that there is a probability of 5% that the Sub-Fund’s NAV may lose more than 7% of its value within a 5 Business Days horizon. Such VaR corresponds to a 1% probability, under normal market conditions, that the Sub-Fund’s NAV may lose more than 20% of its value within a 20 Business Days.

*Value-at-Risk calculations assume normal market conditions and are statistical calculations, not guaranteed. For more information, see “Monitoring of Global Exposure”.*

**Expected level of leverage** Between 0 and 5. *Not guaranteed. The effective level of leverage may be higher or lower than the expected level of leverage from time to time due to market conditions.*

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, France, and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Benchmark for performance fee** the maximum between zero and: €STR + 8.5 bps cap for EUR A, E, F and M Share Classes, €STR + 8.5 bps cap + 400 bps for AX Share Class and US Federal Funds (Effective) – Middle Rate Capi for USD hedged Share Classes.

The performance fee only applies to the outperformance of the benchmark according to the Absolute High Water Mark formula (as the Sub-Fund does pursue an absolute return objective, this performance fee mechanism is the most appropriate model and is aligned with the risk-reward profile of the Sub-Fund).

**Inception** 11 July 2011.

| Class | Maximum one-off charges taken when you invest | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  | Charges taken from the Sub-Fund under specific conditions |
|-------|---|---|---------------------|------------------|---|
|       | Entry Charge                                  | Management Fee  | Applied Service Fee | Distribution Fee | Performance Fee   |
| A     | 5.50%   | 1.50%   | 0.50%               | —                | 10%   |
| AX    | 5.50%   | 1.75%   | 0.50%               | —                | 10%   |
| E     | —   | 1.50%   | 0.50%               | 0.50%            | 10%   |
| F     | 2.00%   | 0.75%   | 0.50%               | —                | 10%   |
| M     | —   | —   | 0.50%               | —                | 10%   |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.



# ACT Multi Asset Optimal Impact

## Investment Objective and Strategy

**Objective** To seek both growth of your investment in the long term, in EUR, and a sustainable investment objective, by investing across a broad range of asset classes in securities demonstrating a positive social and environmental impact.

**Investment Strategy** The Sub-Fund is actively managed without reference to any benchmark.

The Sub-Fund aims to support on the long run the Sustainable Development Goals (SDGs) established by the United Nations with a focus on the environment and the social themes. Thus, when investing in equities, the Sub-Fund bindingly applies at all times AXA IM's Impact approach for listed assets available on <https://www.axa-im.com/responsible-investing/impact-investing/listed-assets>, according to which the Investment Manager bindingly applies at all times an impact approach in the securities selection process, which considers five key pillars: intentionality (securities targeting a specific positive environmental or social outcome), materiality (investments in companies where the positive outcomes are of material significance to the beneficiaries, the company, or to both), additionality (decisions are judged on the likely ability to resolve unmet environmental or social needs), negative consideration (company's corporate practices or products and services may significantly undermine the positive impact it is generating elsewhere) and measurability (clear methodology and commitment to measuring and reporting the social or environmental performance of investments).

The SDGs supported by environment themes include to ensure access to affordable and clean energy (SDG 7), to develop sustainable and resilient infrastructure (SDG 9), to make cities and communities more sustainable (SDG 11), to ensure responsible consumption and production patterns (SDG 12), to take urgent action to combat climate change (SDG 13), to conserve and sustainably use the oceans, seas and marine resources (SDG 14) and to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss (SDG 15).

The SDGs supported by social themes include alleviating poverty and access to essential products and services (SDG 1), access to safe and nutritious food (SDG 2), the promotion of health, safety and well-being (SDG 3), the promotion of education and labour upskilling (SDG 4), the attainment of gender equality (SDG 5), access to safe water and sanitation (SDG 6), access to modern and affordable electricity (SDG 7), the promotion of inclusive economic growth and decent work for all (SDG 8), the promotion of an industrialization inclusive of small businesses and fostering innovation (SDG 9), the reduction of social inequalities (SDG 10), the making of safe, resilient and affordable human settlements (SDG 11) and the promotion of peace and justice and the fight against all forms of organized crime (SDG 16).

With regards to debt securities, the Sub-Fund invests in green bonds, social bonds and sustainability bonds. The Investment Manager has defined a proprietary green, social and sustainability bonds assessment framework, mainly based on the ICMA Green and Social Bond Principles ("GSBP") and the Climate Bonds Initiative ("CBI") guidelines. The Investment Manager employs a rigorous internal green, social and sustainability bond selection process by filtering out bonds which are not in line with our internal green, social and sustainability bonds requirements.

The Sub-Fund seeks to achieve its objective through investments in sustainable securities by using a socially responsible investment "Best-in-Universe" selectivity approach taking into account non-financial criteria which consists of selecting best issuers in the investable universe based on their extra-financial ratings with a focus on the Environment pillar ("E scores") for the equity bucket.

The selectivity approach is bindingly applied at all times and consists in reducing by, at least, 20% the equity investment universe composed for ESG purposes of the S&P Global BMI (Broad Market Index) and MSCI Emerging Market index, by excluding issuers based on their E scores. For the bond bucket, the selectivity approach consists in reducing by at least 20% the Green bond component of the investment universe composed for ESG purposes of the ICE BofA Global Green Bond Index on the basis of a qualitative ESG analysis. Other Impact (Social and Sustainable) bonds can also be included in the Sub-Fund if these have

undergone a qualitative ESG analysis. The qualitative ESG analysis of Green, Social and Sustainability bonds is carried out according to AXA IM's impact bond methodology as described on: <https://www.axa-im.com/responsible-investing/impact-investing/green-and-social>.

The resulting investment universe for ESG purposes of the Sub-Fund is composed of 20% S&P Global BMI + 20% MSCI Emerging Markets + 60% ICE BofA Green Bond Index. For the sake of clarity, the S&P Global BMI (Broad Market Index) and MSCI Emerging Index are broad market indices which are not aligned with the sustainable investment objective of the Sub-Fund but are used as a reference for applying the selectivity approach for the equity bucket. For the bond bucket, the ICE BofA Green Bond Index, which methodology used for its calculation is available on:

[https://www.theice.com/publicdocs/Green\\_Bond\\_Index.pdf](https://www.theice.com/publicdocs/Green_Bond_Index.pdf)

is aligned with the sustainable investment objective of the Sub-Fund, as it tracks the performance of securities issued for qualified "green" purposes which must have a clearly designated use of proceeds solely applied toward projects or activities that promote climate change mitigation or adaptation or other environmental sustainability purposes as outlined by the ICMA Green Bond Principles.

For illustrative purpose only, the ESG criteria may be carbon footprint and/or water intensity for the environmental aspect, health, safety and/or management of human resources and gender equality for the social aspect, remuneration policy and/or global ethics for the governance aspect.

The scope of the eligible securities is reviewed every 6 months at the latest, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies with the exception of derivatives and underlying eligible UCIs, as described in the documents available on the website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>.

The ESG analysis coverage rate within the portfolio is at least 90% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>.

The ESG data used in the investment process are based on ESG methodologies which rely in part on third party data, and in some cases are internally developed. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions can make ESG criteria heterogeneous. As such, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare with each other. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appear similar but which should be distinguished because their calculation method may be different.

The Sub-Fund invests up to 75% of its net assets in equities (including high dividend equities) and/or up to 100% of its net assets in debt securities, including inflation-linked bonds (essentially green bonds, social bonds and sustainability bonds) issued by governments and companies that are primarily domiciled or listed in OECD countries and that may be, up to 30%, Sub-Investment Grade. The Sub-Fund aims at not exceeding a 10% annual volatility. The Sub-Fund is managed with an Interest Rate Sensitivity ranging from minus 2 to 8.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the investment manager.

The Sub-Fund may invest up to 30% of net assets in securities from non-OECD issuers.

## ACT Multi Asset Optimal Impact — Continued

The Sub-Fund may also, and up to 10%, hold Distressed and Defaulted Securities as a result of holding bonds which rating would have been downgraded to be defaulting or distressing, if, in the opinion of the Investment Manager, such bonds are consistent with the Sub-Fund's investment objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their liquidity.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos) and up to 10% of net assets in Chinese A Shares listed in the Shanghai Hong-Kong Stock Connect.

The Sub-Fund may invest in money market instruments and up to 10% of net assets in UCITS and/or UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment.

Derivatives may include forward foreign currency contracts, currency options and futures, equity index futures, bond futures, interest rate futures, equity options, bond options, interest rate options, interest rate and inflation swaps, volatility index futures and options and also

- total return swaps (TRS including TRS index transaction) or other financial derivative transactions with similar characteristics to transfer to a counterparty, or receive from such counterparty, the total return from worldwide broad type of single or basket assets on equities, indexes, government bonds, corporate bonds, convertible bond and volatility indexes in exchange of the total return of interest rate payments.

For the purpose of achievement of the management objective, the Sub-Fund may use the following techniques (as a % of net assets):

- total return swaps (unfunded): expected, 0%; max, 10%

Main types of assets in scope are single or basket assets on equities, indices, government bonds, corporate bonds, convertible bonds and volatility indices.

- credit default swaps (CDS): single name and basket and CDS on indices.

Such derivatives with underlying indices will not have significant rebalancing costs as the frequency of the rebalancing is quarterly or semi-annually depending on the nature of the derivative. The most representative indices used within the Sub-Fund are the S&P 500, and Eurostoxx 50 for equity, and iTraxx Europe Main and iTraxx Crossover for credit indices. The methodology of these indices is available on the following websites: <https://www.spglobal.com/spdji/en/index-finder>, <https://qontigo.com> and <https://ihsmarkit.com/index.html>. All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

The assets in scope are bonds.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** The Investment Manager combines judgement-led convictions with quantitative insight within a multi-tiered

approach to risk. To benefit from market opportunities across a highly diversified investment universe focused on impact investments and demonstrate a positive and measurable social and environmental impact, the Investment Manager holds convictions at both asset allocation and security selection level. In addition, the Investment Manager uses a flexible allocation with the aim to navigate through evolving market conditions in order to capture the global market growth while mitigating the drawdown. The Investment Manager notably considers a variety of market signals on items such as macro, valuation, sentiment and technicals. The securities selection process relies on a rigorous analysis of the companies' business model, management quality, growth prospects and overall risk/return profile with an emphasis on their capacity to create a positive impact.

**Reference Currency** EUR.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in "General Risks", as well as to the following specific risks (described in "Specific Risks"):

- Impact investments
- ESG
- Derivatives and leverage
- Global investments
- Emerging markets
- Defaulted Securities
- High yield debt securities
- Contingent convertible bonds
- Inflation-linked bonds
- Distressed Securities

**Sustainability Risks** Given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low.

**Method for Calculating Global Exposure** Absolute Value at Risk (VaR).

**VaR Calculated for The Sub-Fund** The Investment Manager monitors the market risk below a VaR limit of 7% of the Sub-Fund's NAV, under normal market conditions. The VaR used by the investment manager will have a 5 Business Days horizon and 95% confidence level parameters. This means that there is a probability of 5% that the Sub-Fund's NAV may lose more than 7% of its value within a 5 Business Days horizon. Such VaR corresponds to a 1% probability, under normal market conditions, that the Sub-Fund's NAV may lose more than 20% of its value within a 20 Business Days.

*Value-at-Risk calculations assume normal market conditions and are statistical calculations, not guaranteed. For more information, see "Monitoring of Global Exposure".*

**Expected level of leverage** Between 0 and 3.

*Not guaranteed. The effective level of leverage may be higher or lower than the expected level of leverage from time to time due to market conditions.*

## Additional Features

**Designed for Investors** who plan to invest for at least 5 years.

**SFDR category** Article 9 product.

**NAV Calculation Frequency** Daily

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Paris.

**Inception** 15 June 2020.

**ACT Multi Asset Optimal Impact — Continued**

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  |
|---|--------------|---|---------------------|------------------|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee |
| A   | 5.50%        | 1.20%   | 0.50%               | —                |
| E   | —            | 1.20%   | 0.50%               | 0.50%            |
| F   | 2.00%        | 0.60%   | 0.50%               | —                |
| G   | —            | 0.60%   | 0.50%               | —                |
| I   | —            | 0.60%   | 0.50%               | —                |
| M   | —            | —   | 0.50%               | —                |
| ZF  | 2.00%        | 0.60%   | 0.50%               | —                |

See “Notes on Sub-Fund’s Costs” following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Chorus Equity Market Neutral

## Investment Objective and Strategy

**Objective** To seek positive absolute return over the medium term that has low correlation with equity markets.

**Investment Strategy** The Sub-Fund is actively managed and uses, for some share classes, as reference the benchmark index specified in the section “Performance charges taken from the Sub-Fund” below (the “Benchmark”), for the purpose of performance fees’ calculation of the performance fee share class against it. As the Benchmark is a rate notably used for performance measurement and the Sub-Fund’s investment allocation or holdings’ composition is not constituted in relation to the Benchmark, the deviation from the Benchmark is likely to be significant.

The Sub-Fund deploys a market-neutral strategy composed of long and short positions. The strategy aims to identify overvalued, undervalued or mispriced equity using a set of proprietary ranking techniques (the “Indicators”). The universe of potential Indicators includes, but is not limited to, stock-price valuation, balance-sheet quality, analysts and investors’ sentiment, technical metrics (such as based on volume and past price movements), and supply and demand dynamics.

The Sub-Fund provides its exposure through long and short derivatives positions on equities and equities related instruments; the long exposure may also be achieved by holding such underlying instruments. The use of derivatives instruments allows to gain exposure to the selected equities while mitigating the directional risk of equity markets.

The Sub-Fund provides long and short investment exposure to equities and equities related instruments of companies located in global markets (including emerging markets up to 15%). At least 40% of the gross notional of equities and equity related instruments are expected to reference issuers incorporated or listed in the United States and Canada.<sup>98</sup>

The Sub-Fund may also hold cash, cash equivalents or highly liquid fixed income securities including, but not limited to, money market instruments, sovereign and corporate debt. A portion of those assets may be used for derivatives’ margining and collateral.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund bindingly applies at all times AXA IM’s Sectorial Exclusion Policy, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs.

**Derivatives and Efficient Portfolio Management Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment by entering into a wide range of financial derivatives instruments, listed on any regulated market or traded over-the-counter such as:

- futures (including on equity indices and single name equities);
- forward contracts (including currency forwards);
- options (including currency options and index options);
- swaps (including equity swaps, total return swaps (TRS), contracts for difference (CFD)).

For the purpose of achievement of the management objective, hedging and/or investment, the Sub-Fund may use the following techniques (as a % of net assets):

- total return swaps (unfunded): expected, 400%; max, 800%<sup>99</sup>. Main types of assets in scope are either single equities and equities related instruments.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are equities and equities related instruments.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** Indicators are designed and selected by the Investment Manager on the basis of both quantitative and qualitative criteria (such as the persistence of simulated returns, the underlying economic rationale and correlation with other Indicators). The portfolio is determined through a proprietary model that takes into account the combined Indicators as well as constraints such as portfolio risks, diversification, liquidity and turnover.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• AXA Investment Managers Chorus Limited model and data</li> <li>• Derivatives and leverage</li> <li>• High leverage</li> <li>• Limited operating history</li> </ul> | <ul style="list-style-type: none"> <li>• Correlation</li> <li>• High portfolio turnover</li> <li>• No assurance of positive returns and/or successful Strategy</li> <li>• Synthetic short position</li> <li>• Emerging markets<sup>100</sup></li> </ul> |
|---|---|

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Absolute Value at Risk (VaR).

<sup>98</sup> This paragraph is applicable as from 18 February 2022. Until 18 February 2022, the following paragraph shall be applicable instead: The Sub-Fund provides long and short investment exposure to equities and equities related instruments of companies located in global developed markets. At least 60% of the gross notional

of equities and equity related instruments are expected to reference issuers incorporated or listed in the United States and Canada.

<sup>99</sup> This maximum exposure to TRS is applicable as of 18 February 2022. Until 18 February 2022, the limit is set at 600% instead.

<sup>100</sup> This specific risk is only applicable as from 18 February 2022.



**VaR Calculated for the Sub-Fund** The Investment Manager monitors the market risk below a VaR limit of 7% of the Sub-Fund's NAV, under normal market conditions. The VaR used by the Investment Manager will have a 5 Business Days horizon and 95% confidence level parameters. This means that there is a probability of 5% that the Sub-Fund's NAV may lose more than 7% of its value within a 5 Business Days horizon. Such VaR corresponds to a 1% probability, under normal market conditions that the Sub-Fund's NAV may lose more than 20% of its value within a 20 Business Days.

*Value-at-Risk calculations assume normal market conditions and are statistical calculations, not guaranteed. For more information, see "Monitoring of Global Exposure".*

**Leverage** The sum of notional approach defines the leverage as the sum of the absolute value of the notional of all financial derivatives instruments in the Sub-Fund. The level of gross notional leverage results from inter alia:

- (i) the long/synthetic short equity positions;
- (ii) the currency-hedging related to the investment of the cash available; and
- (iii) the inclusion of risk reducing positions which while reducing economic exposure increase contribution to the gross notional leverage.

Expected level of leverage of the equity exposure: Between 2 and 8.

Expected total level of leverage: Between 3 and 10.<sup>101</sup>

Not guaranteed. The effective level of leverage may be higher or lower than the expected level of leverage from time to time due to market conditions (e.g. low market volatility) and the investment allocation. The Portfolio requires long and short positions on large notional in order to achieve meaningful risk exposure.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years. The Sub-Fund employs an investment strategy which is complex, involves numerous risks, employs leverage through the use of derivatives and therefore potentially leads to high levels of volatility in returns. The Sub-Fund is intended only for those investors who understand these strategies and associated risks. Investors must be aware that they bear the risk of losing a substantial part of their investment.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank and relevant stock exchange business day in Luxembourg, Japan and the United States.<sup>102</sup>

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.<sup>103</sup>

**Investment Manager** AXA Investment Managers Chorus Limited

**Inception** 21 May 2019.

## Performance charges taken from the Sub-Fund

### USD Share Classes:

The outperformance is defined as the difference, floored at zero, between the Share Classes' asset value, net of all fees and costs but accrued performance fees and highest value between the hurdle level and the High Water Mark value. The hurdle level is equal to the Share Class' NAV at the implementation date of this performance fee calculation formula and has the same performance as the

Benchmark. The Benchmark is the maximum between zero and the US Federal Funds rate capitalized.

The High Water Mark reflects the highest level reached by the Share Class' NAV at which a performance fee was paid (or the initial Share Class' NAV if no performance fee has ever been paid).

This performance fee calculation and determination of outperformance as described above will apply as from 21 May 2019.

On any Valuation Day, the following has to be replicated in the hurdle level and the High Water Mark value:

- the same variation of subscription as the Share Class,
- in case of redemption or dividend payment, the hurdle level value and the High Water Mark value are reduced according to the following ratio: amount redeemed or distributed divided by the total NAV of the Share Class.

At the end of the Calculation Period, provided that a performance fee provision is retained, performance fees are rightly kept by the management company. The hurdle level value and the High Water Mark value are adjusted to the Share class' NAV for the following period. If no provision remains at the end of the Calculation Period, no performance fee is kept by the management company and the value of the hurdle level and the High Water Mark value are kept unchanged for the following period.

In case of redemption of Shares or dividend payment, a proportion of the performance fee provision is rightly kept by the management company, corresponding to the ratio of amount redeemed or distributed divided by the total Share class' NAV. Investors must be aware that under certain circumstances, a global outperformance of the Sub-Fund would imply a performance fee payment to the management company while individual performance of some investors lags.

### Hedged Share Classes:

The outperformance is defined as the difference, floored at zero, between the Share Classes' asset value, net of all fees and costs but accrued performance fees and highest value between the hurdle level and the High Water Mark value. The hurdle level is equal to the Share Class' NAV at inception and has the same performance as the Benchmark. The Benchmark is the maximum between zero and:

- €STR + 8.5 bps capitalized for EUR denominated Hedged Share Classes,
- overnight depot bank in Swiss Franc capitalized for CHF denominated Hedged Share Classes, and
- SONIA Capitalized for GBP denominated Hedged Share Classes.

The High Water Mark reflects the highest level reached by the Share Class' NAV at which a performance fee was paid (or the initial Share Class' NAV if no performance fee has ever been paid).

On any Valuation Day, the following has to be replicated in the hurdle level and the High Water Mark value:

- the same variation of subscription as the Share Class,
- in case of redemption or dividend payment, the hurdle level value and the High Water Mark value are reduced according to the following ratio: amount redeemed or distributed divided by the total NAV of the Share Class.

At the end of the Calculation Period, provided that a performance fee provision is retained, performance fees are rightly kept by the management company. The hurdle level value and the High Water Mark value are adjusted to the Share class' NAV for the following period. If no provision remains at the end of the Calculation Period, no performance fee is kept by the management company and the value of the hurdle level and the High Water Mark value are kept unchanged for the following period.

<sup>101</sup> This expected leverage is applicable as from 18 February 2022. Until 18 February 2022, the following disclosures shall be applicable instead: Expected level of leverage of the equity exposure: Between 2 and 6.

Expected total level of leverage: Between 3 and 8.

<sup>102</sup> This description of the Business Day is applicable as from 18 February 2022. Until 18 February 2022, the following disclosures shall be applicable instead: Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day

(i) that is a full bank and relevant stock exchange business day in Luxembourg, Japan and the United States and (ii) for which there is no holiday on an exchange which is a market for significant part of the Sub-Fund's investment, as determined by the Investment Manager.

<sup>103</sup> This process is applicable as from 18 February 2022. Until 18 February 2022, the orders are processed on a Forward Pricing Basis.

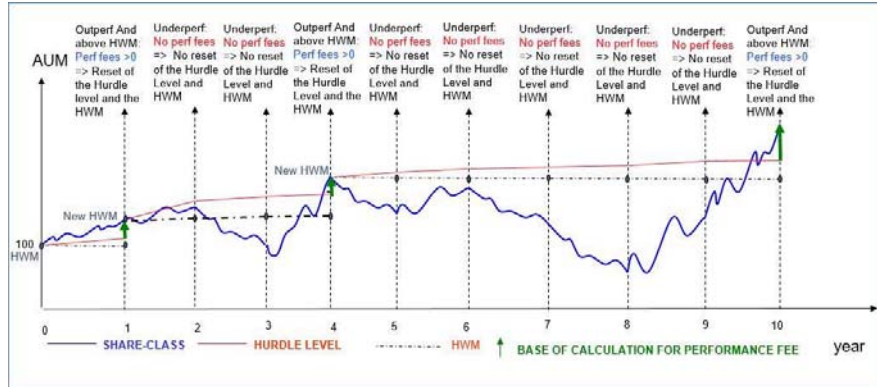
**Dynamic Optimal Income – Continued**

In case of redemption of Shares or dividend payment, a proportion of the performance fee provision is rightly kept by the management company, corresponding to the ratio of amount redeemed or distributed divided by the total Share class' NAV. Investors must be aware that under certain circumstances, a global outperformance of the Sub-Fund would imply a

performance fee payment to the management company while individual performance of some investors lags.

As the Sub-Fund does pursue an absolute return objective, the performance fee mechanism, using a High Water Mark mechanism and including a risk free rate hurdle, is the most appropriate model and is aligned with the risk-reward profile of the Sub-Fund.

The below chart illustrates the High Water Mark scheme used by the Sub-Fund:



At the end of each Calculation Period:

- If the NAV exceeds the Hurdle Level AND the HWM (years 0-1, 3-4 and 9-10):
  - o a performance fee shall be paid by the Sub-Fund to the Management Company using the following formula:  $[\text{percentage of performance fee}] \times \text{Max} [0; \text{NAV} - \text{Max} (\text{HWM}; \text{Hurdle Level})]$ ; and
  - o the Hurdle Level and the HWM are aligned with the outperformance level of the sub-fund (reset of the Hurdle Level and of the HWM)
- If the NAV falls below the Hurdle Level but exceeds the HWM ( year 1-2) or falls below the Hurdle Level for and the HWM (years 2-3 and 4-5 to 8-9), no performance fee shall be paid and the Hurdle Level and HWM shall not be realigned (no reset of the Hurdle Level and of the HWM)

The above chart is for general illustrative purposes and does not take into account certain specific parameters as may be applicable for certain classes of shares (e.g. floor at 0).

**Examples** – to be read independently from the graph (for a performance fee percentage of 20%):

- > Hurdle Level= 110, HWM = 105 and NAV at the end of the Calculation Period= 100:
  - Performance fees = 20% x Max (0; 100 – Max (110; 105)) = 0
  - No reset of the Hurdle Level for the following period
  - No reset of the HWM for the following period
- > Hurdle Level = 100, HWM = 110 and NAV at the end of the Calculation Period= 105:
  - Performance fees = 20% x Max (0; 105 – Max (100; 110)) = 0

- No reset of the Hurdle Level for the following period
- No reset of the HWM for the following period
- > Hurdle Level = 100, HWM = 105 and NAV at the end of the Calculation Period= 110:
  - Performance fees = 20% x Max (0; 110 – Max (100; 105)) = 1
  - Reset of the Hurdle Level for the following period, hurdle = 110
  - Reset of the HWM for the following period, HWM = 110

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  | Charges taken from the Sub-Fund under specific conditions |  |
|---|--------------|---|---------------------|------------------|---|--|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee | Performance Fee   |  |
| A   | 5.50%        | 1.60%   | 0.50%               | —                | maximum 15%   |  |
| EX  | —            | —   | 0.50%               | —                | —   |  |
| F   | 2.00%        | 1.10%   | 0.50%               | —                | maximum 15%   |  |
| I   | —            | 1.00%   | 0.50%               | —                | maximum 15%   |  |
| IX  | —            | 0.85%   | 0.50%               | —                | maximum 15%   |  |
| M   | —            | —   | 0.50%               | —                | maximum 15%   |  |
| ZI  | —            | 0.85%   | 0.50%               | —                | maximum 15%   |  |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.



# Chorus Multi Strategy

## Investment Objective and Strategy

**Objective** To seek positive returns over the medium term that have low correlation with traditional asset classes.

**Investment Strategy** The Sub-Fund is actively managed and uses, for some share classes as reference the benchmark index specified in the section "Performance charges taken from the Sub-Fund" below (the "Benchmark"), for the purpose of performance fees' calculation of the performance fee share class against it. As the Benchmark is a rate notably used for performance measurement and the Sub-Fund's investment allocation or holdings' composition is not constituted in relation to the Benchmark, the deviation from the Benchmark is likely to be significant.

The Sub-Fund deploys a set of strategies, including, but not limited to, equity market neutral and systematic macro strategies, by taking long and short positions in various asset classes, including equities, interest rates and currencies.

Some of the strategies deployed aim to identify overvalued, undervalued or mispriced equities, others to arbitrage the relative value across different maturities for interest rates, and across different countries for both interest rates and currencies.

The universe of potential strategies considered by the Sub-Fund includes but is not limited to Fundamental, Carry, Market Dynamics, Imbalance and Sentiment as follows:

- Fundamental strategies aim to capture value from assets viewed as having stronger fundamentals than other assets;
- Carry strategies aim to capture value from assets expected to produce higher yields than other lower-yielding assets;
- Market Dynamics strategies aim to capture value from assets exhibiting past prices and volume patterns that can be viewed as indicative of future asset returns;
- Imbalance strategies aim to capture value from market imbalances in supply and demand (often coming from investor's structural constraints), translating into abnormal returns;
- Sentiment strategies aim to capture value from signals based on positive or negative market sentiment coming from consumers, professionals or other economic actors and which may impact future asset price.

The strategies are based on proprietary models that aim to generate returns by using a set of data (the "Indicators") including, but not limited to, balance sheet quality, macroeconomic data, analysts, economists and investors' sentiment, technical metrics (such as based on past volume and price patterns), and flow and positioning dynamics. The portfolio construction is also based on these proprietary models that use risk management techniques. Such construction process is dynamic and takes into account constraints related to, amongst others, risk exposures, transaction costs, liquidity and leverage.

The Sub-Fund may also hold cash, cash equivalents or highly liquid fixed income securities including, but not limited to, money market instruments, sovereign and corporate debt. A portion of these assets may be used for derivatives' margining and collateral.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-fund bindingly applies at all times AXA IM's Sectorial Exclusion Policy, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs.

**Derivatives and Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment by entering into a wide range of financial derivative instruments, listed on any regulated market or traded over-the-counter such as:

- futures (including on index, bonds, interest rates, foreign exchange, single name equities, equity indices);

- forward contracts (including currency forwards and non-deliverable forwards);

- options (including currency options, index options, futures options and swaptions);

- swaps (including equity swaps, swaps on index, total return swaps (TRS), interest rate swaps, credit default swaps (CDS), and contracts for difference (CFD).

One of the most representative indices that can be considered by the Sub-Fund is the S&P 500 index. The methodology of this index is available on the following website: <https://www.spglobal.com/spdji/en/index-finder>. Such derivatives with underlying indices will not have significant rebalancing costs as the frequency of the rebalancing is generally quarterly or semi-annually depending on the nature of the derivative.

The Sub-Fund may enter into TRS transactions the purpose of which is to transfer to a counterparty, or receive from such counterparty, the total return from a broad range of Asset Classes including either single asset or basket of assets on equities, indices, bonds, currencies or interest rates in exchange for payments based on the return of different Asset Classes. Total return paid or received includes income generated and any capital gains. Such TRS transactions will allow the Sub-Fund to obtain exposure on or hedging against the Asset Classes. TRS transactions may have a rebalancing of the underlying assets: in such case the rebalancing costs will not be significant.

Before entering into a TRS on a strategy with embedded synthetic rebalancing costs, the Sub-Fund will analyze such costs together with the rebalancing frequency of such strategy. The TRS will be traded with regulated and recognized financial institutions and under market agreements to mitigate counterparty risk. The counterparty will have no discretion over the composition or management of the underlying assets referenced in the strategy. In any case, the Investment Manager will look-through the TRS and the underlying strategies as if the underlying assets were held directly by the Sub-Fund, so as to be able to value the position, manage risk and calculate relevant guidelines and risk spreading limits appropriately. The Investment Manager will have the discretion to increase and decrease daily the exposure to the strategy.

For the purpose of achievement of the management objective, efficient portfolio management, hedging and/or investment, the Sub-Fund may use the following techniques (as a % of net assets):

- total return swaps (unfunded): expected, 0%; max, 600%

Main types of assets in scope are either single asset or basket of assets on equities, indexes, bonds, currencies or rates.

All derivatives usage will be consistent with the terms in "More about Derivatives".

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds and equity indices.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "More about Efficient Portfolio Management".

**Management Process** Indicators are designed and selected by the Investment Manager on the basis of both quantitative and qualitative criteria (such as the persistence of simulated returns, the underlying economic rationale and correlation with other Indicators). The portfolio is determined through a proprietary model that takes into account the combined Indicators as well as constraints such as target volatility, portfolio risks, diversification, liquidity and turnover.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- AXA Investment Managers Chorus Limited model and data
- Derivatives and leverage
- High leverage
- Limited operating history
- Correlation
- Emerging markets
- High portfolio turnover
- No assurance of positive returns and/or successful Strategy
- Synthetic short position

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Absolute Value at Risk (VaR).

**VaR Calculated for The Sub-Fund** The Investment Manager monitors the market risk below a VaR limit of 7% of the Sub-Fund’s NAV, under normal market conditions. The VaR used by the Investment Manager will have a 5 Business Days horizon and 95% confidence level parameters. This means that there is a probability of 5% that the Sub-Fund’s NAV may lose more than 7% of its value within a 5 Business Days horizon. Such VaR corresponds to a 1% probability, under normal market conditions that the Sub-Fund’s NAV may lose more than 20% of its value within a 20 Business Days.

*Value-at-Risk calculations assume normal market conditions and are statistical calculations, not guaranteed. For more information, see “Monitoring of Global Exposure”.*

**Expected level of leverage** Between 15 and 29.

The portfolio requires long and short positions on large notional in order to achieve meaningful risk exposure. The sum of the notional approach defines the leverage as the sum of the absolute value of the notional of all financial instruments in the Sub-Fund. The level of gross notional leverage results from inter-alia:

- (i) the long/short equity strategies;
- (ii) the long/short interest rate strategies;
- (iii) the long/short currency strategies;
- (iv) the long/short equity index strategies;
- (v) the currency hedging; and
- (vi) the inclusion of risk reducing positions which while reducing economic exposure increase contribution to the gross notional leverage.

Not guaranteed. The effective level of leverage may be higher or lower than the expected level of leverage from time to time due to market conditions (e.g. low market volatility) and the investment allocation (e.g. rebalancing between the Strategies and the Asset Classes). The Strategies require long and short positions on large notional in order to achieve meaningful exposure to Asset Classes. Therefore, the high level of leverage is not necessarily representative of the economic risk in the Sub-Fund.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years. The Sub-Fund employs an investment strategy which is complex, involves numerous risks, employs leverage through the use of derivatives and therefore potentially leads to high levels of volatility in returns. The Sub-Fund is intended only for those investors who understand these strategies and associated risks. Investors must be aware that they bear the risk of losing a substantial part of their investment.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank and relevant stock exchange business day in Luxembourg, Japan and the United States of America.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Chorus Limited

**Inception** 20 April 2017.

## Performance charges taken from the Sub-Fund

### USD Share Classes:

The outperformance is defined as the difference between the Share Classes’ asset value, net of all fees and costs but accrued performance fees and highest value between the hurdle level with a floor at zero and the High Water Mark value. The hurdle level is equal to the Share Class’ NAV at the implementation date of this performance fee calculation formula and has the same performance as the benchmark index. The Benchmark is the maximum between zero and the US Federal Funds rate capitalized.<sup>104</sup>

The High Water Mark reflects the highest level reached by the Share Class’ NAV at which a performance fee was paid (or the initial Share Class’ NAV if no performance fee has ever been paid).

On any Valuation Day, the following has to be replicated in the hurdle level and the High Water Mark value:

- the same variation of subscription as the Share Class,
- in case of redemption or dividend payment, the hurdle level value and the High Water Mark value are reduced according to the following ratio: amount redeemed or distributed divided by the total NAV of the Share Class.

At the end of the Calculation Period, provided that a performance fee provision is retained, performance fees are rightly kept by the management company. The hurdle level value and the High Water Mark value are adjusted to the Share class’ NAV for the following period. If no provision remains at the end of the Calculation Period, no performance fee is kept by the management company and the value of the hurdle level and the High Water Mark value are kept unchanged for the following period.

In case of redemption of Shares or dividend payment, a proportion of the performance fee provision is rightly kept by the management company, corresponding to the ratio of amount redeemed or distributed divided by the total Share class’ NAV. Investors must be aware that under certain circumstances, a global outperformance of the Sub-Fund would imply a performance fee payment to the management company while individual performance of some investors lags.

The performance fee only applies to the outperformance of the High Water Mark value according to the absolute High Water Mark formula.

<sup>104</sup> The US Federal Funds rate capitalized is applicable as from 18 February 2022. Until that date, the US Federal Funds rate minus 1% capitalized is applicable.  
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**Hedged Share Classes:**

The outperformance is defined as the difference, floored at zero, between the Share Classes' asset value, net of all fees and costs but accrued performance fees and highest value between the hurdle level and the High Water Mark value. The hurdle level is equal to the Share Class' NAV at inception and has the same performance as the Benchmark. The Benchmark is the maximum between zero and:

- €STR + 8.5 bps capitalized for EUR denominated Hedged Share Classes,
- overnight depot bank in Swiss Franc capitalized for CHF denominated Hedged Share Classes and

The High Water Mark reflects the highest level reached by the Share Class' NAV at which a performance fee was paid (or the initial Share Class' NAV if no performance fee has ever been paid).

This performance fee calculation and determination of outperformance as described above will apply for IX EUR Hedged Share Classes as from the launch date of the Sub-Fund.

On any Valuation Day, the following has to be replicated in the hurdle level and the High Water Mark value:

- the same variation of subscription as the Share Class,
- in case of redemption or dividend payment, the hurdle level value and the High Water Mark value are reduced according to the

following ratio: amount redeemed or distributed divided by the total NAV of the Share Class.

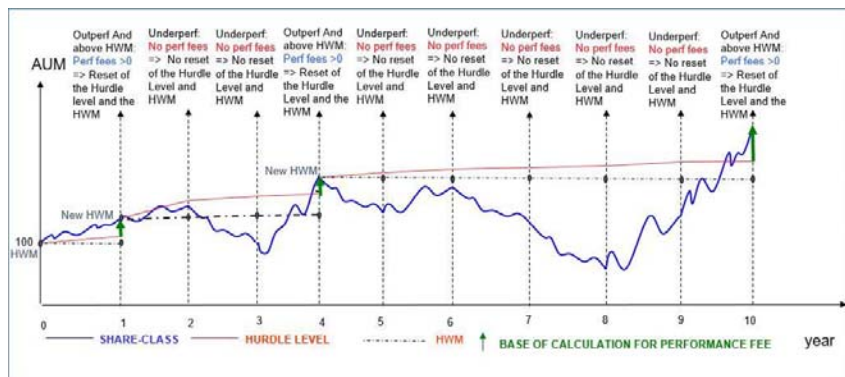
At the end of the Calculation Period, provided that a performance fee provision is retained, performance fees are rightly kept by the management company. The hurdle level value and the High Water Mark value are adjusted to the Share class' NAV for the following period. If no provision remains at the end of the Calculation Period, no performance fee is kept by the management company and the value of the hurdle level and the High Water Mark value are kept unchanged for the following period.

In case of redemption of Shares or dividend payment, a proportion of the performance fee provision is rightly kept by the management company, corresponding to the ratio of amount redeemed or distributed divided by the total Share class' NAV. Investors must be aware that under certain circumstances, a global outperformance of the Sub-Fund would imply a performance fee payment to the management company while individual performance of some investors lags.

The performance fee only applies to the outperformance of the High Water Mark value according to the absolute High Water Mark formula.

As the Sub-Fund does pursue an absolute return objective, the performance fee mechanism, using a High Water Mark mechanism and including a risk free rate hurdle, is the most appropriate model and is aligned with the risk-reward profile of the Sub-Fund.

The below chart illustrates the High Water Mark scheme used by the Sub-Fund:



The above chart is for general illustrative purposes and does not take into account certain specific parameters as may be applicable for certain classes of shares (e.g. floor at 0).

At the end of each Calculation Period:

- If the NAV exceeds the Hurdle Level AND the HWM (years 0-1, 3-4 and 9-10):
  - o a performance fee shall be paid by the Sub-Fund to the Management Company using the following formula:  $[percentage\ of\ performance\ fee]\% \times Max\ [0;\ NAV - Max\ (HWM;\ Hurdle\ Level)]$ ; and
  - o the Hurdle Level and the HWM are aligned with the outperformance level of the sub-fund (reset of the Hurdle Level and of the HWM)
- If the NAV falls below the Hurdle Level but exceeds the HWM (year 1-2) or falls below the Hurdle Level and the HWM (years 2-3 and 4-5 to 8-9), no performance fee shall be paid and the Hurdle Level and HWM shall not be realigned (no reset of the Hurdle level and of the HWM)

**Examples** – to be read independently from the graph (for a performance fee percentage of 20%):

- Hurdle Level = 110, HWM = 105 and NAV at the end of the Calculation Period = 100:
  - Performance fees = 20% x Max (0; 100 – Max (110; 105)) = 0
  - No reset of the Hurdle Level for the following period
  - No reset of the HWM for the following period
- Hurdle Level = 100, HWM = 105 and NAV at the end of the Calculation Period = 110:
  - Performance fees = 20% x Max (0; 110 – Max (100; 105)) = 1
  - Reset of the Hurdle Level for the following period, hurdle = 110
  - Reset of the HWM for the following period, HWM = 110
- Performance fees = 20% x Max (0; 105 – Max (100; 110)) = 0
- No reset of the Hurdle Level for the following period
- No reset of the HWM for the following period

| taken when you invest |              | the Sub-Fund over a year |                     |                  | conditions  |
|-----------------------|--------------|--------------------------|---------------------|------------------|---|
| Class                 | Entry Charge | Management Fee           | Applied Service Fee | Distribution Fee | Performance Fee   |
| A                     | 5.50%        | 2.30%                    | 0.50%               | —                | <u>Non Hedged Share Classes:</u><br>- maximum 18% <sup>105</sup> corresponding to an annualized performance of the Share Class ranging from 0 and 10%<br>- maximum 20% corresponding to an annualized performance of the Share Class above 10%<br><u>Hedged Share Classes:</u><br>maximum 20% |
| EX                    | —            | —                        | 0.50%               | —                | —   |
| F                     | 2.00%        | 1.40%                    | 0.50%               | —                | <u>Non Hedged Share Classes:</u><br>- maximum 18% corresponding to an annualized performance of the Share Class ranging from 0 and 10%<br>- maximum 20% corresponding to an annualized performance of the Share Class above 10%<br><u>Hedged Share Classes:</u><br>maximum 20%                |
| I                     | —            | 1.30%                    | 0.50%               | —                | <u>Non Hedged Share Classes:</u><br>- maximum 18% corresponding to an annualized performance of the Share Class ranging from 0 and 10%<br>- maximum 20% corresponding to an annualized performance of the Share Class above 10%<br><u>Hedged Share Classes:</u><br>maximum 20%                |
| ZI                    | —            | 1.10%                    | 0.50%               | —                | <u>Non Hedged Share Classes:</u><br>- maximum 18% corresponding to an annualized performance of the Share Class ranging from 0 and 10%<br>- maximum 20% corresponding to an annualized performance of the Share Class above 10%<br><u>Hedged Share Classes:</u><br>maximum 20%                |
| IX                    | —            | 1.10%                    | 0.50%               | —                | <u>Non Hedged Share Classes:</u><br>- maximum 18% corresponding to an annualized performance of the Share Class ranging from 0 and 10%<br>- maximum 20% corresponding to an annualized performance of the Share Class above 10%<br><u>Hedged Share Classes:</u><br>maximum 20%                |
| M                     | —            | —                        | 0.50%               | —                | <u>Non Hedged Share Classes:</u><br>- maximum 18% corresponding to an annualized performance of the Share Class ranging from 0 and 10%<br>- maximum 20% corresponding to an annualized performance of the Share Class above 10%<br><u>Hedged Share Classes:</u><br>maximum 20%                |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

<sup>105</sup> This maximum performance fee corresponding to an annualized performance of the Share Classes ranging from 0 and 10% of 18% of applicable as from 18 February 2022. Until 18 February 2022, the maximum is set at 15%.  
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# Chorus Systematic Macro

## Investment Objective and Strategy

**Objective** To seek positive returns over the medium term that have low correlation with traditional asset classes.

**Investment Strategy** The Sub-Fund is actively managed and uses for some share classes, as reference the benchmark index specified in the section “Performance charges taken from the Sub-Fund” below (the “Benchmark”), for the purpose of performance fees’ calculation of the performance fee share class against it. As the Benchmark is a rate notably used for performance measurement and the Sub-Fund’s investment allocation or holdings’ composition is not constituted in relation to the Benchmark, the deviation from the Benchmark is likely to be significant.

The Sub-Fund deploys, on all global markets (including emerging markets), a systematic macro strategy by taking long and short derivatives positions mainly in interest rates and currencies. Some of the strategies deployed aim to arbitrage the relative value across different maturities for interest rates, and across different countries for both interest rates and currencies, while maintaining an overall market neutral position. The investment strategy may also be achieved by using derivatives on equity indices.

The systematic macro strategy is based on a proprietary model that aims to generate returns by using a set of data (the “Indicators”) including, but not limited to, macroeconomic, forecasts, price, technical and sentiment data (such as based on carry, volume, past price movements or economists and investors sentiment). The portfolio construction is also based on this proprietary model that uses risk management techniques. Such construction process is dynamic and takes into account constraints related to, amongst others, transaction costs, liquidity, leverage and other risk constraints.

The Sub-Fund may also hold cash, cash equivalents or highly liquid fixed income securities including, but not limited to, money market instruments, sovereign and corporate debt. A portion of these assets may be used for derivatives’ margining and collateral.

The Sub-Fund may invest up to 10% of net assets in UCITS and/or UCIs.

The Sub-Fund bindingly applies at all times AXA IM’s Sectorial Exclusion Policy, as described in the document available on the following website: <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs.

**Derivatives and Techniques** The Sub-Fund may use derivatives for efficient portfolio management, hedging and investment by entering into a wide range of financial derivatives instruments, listed on any regulated market or traded over-the-counter such as:

- swaps (including interest rate swaps);
- forward contracts (including currency forwards and non-deliverable forwards);
- futures (including on equity indices);
- options (including currency options, swaptions and index options).

One of the most representative indices used within the Sub-Fund is the S&P 500 index. The methodology of this index is available on the following website: <https://www.spglobal.com/spdji/en/index-finder>. Such derivatives with underlying indices will not have significant rebalancing costs as the frequency of the rebalancing is generally quarterly or semi-annually depending on the nature of the derivative.

All derivatives usage will be consistent with the terms in “More about Derivatives”.

For the purpose of efficient portfolio management, the Sub-Fund uses, as part of its daily investment management activity, the following techniques (as a % of net assets):

- securities lending: expected, 0-10%; max, 90%
- repos/reverse repos: expected, 0-10%; max, 20%

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Sub-Fund). When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

Main types of assets in scope are bonds and equity indices.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

**Management Process** Indicators are designed and selected by the Investment Manager on the basis of both quantitative and qualitative criteria (such as the persistence of simulated returns, the underlying economic rationale and correlation with other Indicators). The portfolio is determined through a proprietary model that takes into account the combined Indicators as well as constraints such as portfolio risks, diversification, liquidity and turnover.

**Reference Currency** USD.

## Risks

**Risk Profile** Risk of capital loss.

**Risk Factors** The Sub-Fund is subject to the risks described in “General Risks”, as well as to the following specific risks (described in “Specific Risks”):

- AXA Investment Managers Chorus Limited model and data
- Derivatives and leverage
- High leverage
- Limited operating history
- Correlation
- Emerging markets
- High portfolio turnover
- No assurance of positive returns and/or successful Strategy
- Synthetic Short position

**Sustainability Risks** Given the Sub-Fund’s Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund’s returns is expected to be medium.

**Method for Calculating Global Exposure** Absolute Value at Risk (VaR).

**VaR Calculated for the Sub-Fund** The Investment Manager monitors the market risk below a VaR limit of 7% of the Sub-Fund’s NAV, under normal market conditions. The VaR used by the Investment Manager will have a 5 Business Days horizon and 95% confidence level parameters. It means that there is a probability of 5% that the Sub-Fund’s NAV may lose more than 7% of its value within a 5 Business Days horizon. Such VaR corresponds to a 1% probability, under normal market conditions that the Sub-Fund’s NAV may lose more than 20% of its value within a 20 Business Days.

*Value-at-Risk calculations assume normal market conditions and are statistical calculations, not guaranteed. For more information, see “Monitoring of Global Exposure”.*



## Chorus Systematic Macro — Continued

### Expected average level of gross leverage: between 20 and 30.

The portfolio requires long and short positions on large notional in order to achieve meaningful risk exposure. The sum of notional approach defines the leverage as the sum of the absolute value of the notional of all financial derivatives instruments in the Sub-Fund and does not allow for offsets of portfolio rebalancing, roll-over, hedging transactions and other risk mitigation strategies involving derivatives. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

The level of gross notional leverage results from inter alia:

- (i) the long/short interest rate strategies;
- (ii) the long/short currency strategies;
- (iii) the long/short equity index strategies;
- (iv) the currency hedging; and
- (v) the inclusion of risk reducing positions which while reducing economic exposure increase contribution to the gross notional leverage.

Under certain circumstances, the effective level of gross leverage may temporarily exceed significantly the expected average level indicated above, without exceeding a maximum of 60. Such circumstances relate notably to situations where derivatives transactions are executed as part of the roll-over of derivatives positions (which requires trading offsetting short-term transactions to close-out the existing exposure and trading new transaction to roll-over the exposure, thereby increasing the gross notional for a period of around 15 trading days), for risk exposure's reduction purpose or to maintain a similar level of Sub-Fund's economic exposure upon subscriptions and/or redemptions where the Investment Manager expects trading offsetting/additional transactions rather than unwinding/amending the existing ones.

## Additional Features

**Designed for** Investors who plan to invest for at least 3 years. The Sub-Fund employs an investment strategy which is complex, involves numerous risks, employs leverage through the use of derivatives and therefore potentially leads to high levels of volatility in returns. The Sub-Fund is intended only for those investors who understand these strategies and associated risks. Investors must be aware that they bear the risk of losing a substantial part of their investment.

**NAV Calculation Frequency** Daily.

**Sub-Fund Business Day** Orders to subscribe, switch or redeem Sub-Fund Shares are processed every day that is a full bank Business Day in Luxembourg, Japan and the United States.

**Subscription, Switching and Redemption Orders** All orders are processed on a Forward-Forward Pricing Basis.

**Investment Manager** AXA Investment Managers Chorus Limited

**Inception** 24 October 2019.

## Performance charges taken from the Sub-Fund

### USD Share Classes

The outperformance is defined as the difference, floored at zero, between the Share Classes' asset value, net of all fees and costs but accrued performance fees and highest value between the hurdle level and the High Water Mark value. The hurdle level is equal to the Share Class' NAV at the implementation date of this performance fee calculation formula and has the same performance as the Benchmark. The Benchmark is the maximum between zero and the US Federal Funds rate capitalized.

The High Water Mark reflects the highest level reached by the Share Class' NAV at which a performance fee was paid (or the initial Share Class' NAV if no performance fee has ever been paid).

## Chorus Systematic Macro — Continued

As the Sub-Fund does pursue an absolute return objective, the performance fee mechanism, using a High Water Mark mechanism and including a risk free rate hurdle, is the most appropriate model and is aligned with the risk-reward profile of the Sub-Fund.

This performance fee calculation and determination of outperformance as described above will apply as from the relevant Share Class' initial investment.

On any Valuation Day, the following has to be replicated in the hurdle level and the High Water Mark value:

- the same variation of subscription as the Share Class,
- in case of redemption or dividend payment, the hurdle level value and the High Water Mark value are reduced according to the following ratio: amount redeemed or distributed divided by the total NAV of the Share Class.

At the end of the Calculation Period, provided that a performance fee provision is retained, performance fees are rightly kept by the management company. The hurdle level value and the High Water Mark value are adjusted to the Share class' NAV for the following period. If no provision remains at the end of the Calculation Period, no performance fee is kept by the management company and the value of the hurdle level and the High Water Mark value are kept unchanged for the following period.

In case of redemption of Shares or dividend payment, a proportion of the performance fee provision is rightly kept by the management company, corresponding to the ratio of amount redeemed or distributed divided by the total Share class' NAV. Investors must be aware that under certain circumstances, a global outperformance of the Sub-Fund would imply a performance fee payment to the management company while individual performance of some investors lags.

### Hedged Share Classes

The outperformance is defined as the difference, floored at zero, between the Share Classes' asset value, net of all fees and costs but accrued performance fees and highest value between the hurdle level and the High Water Mark value. The benchmark

fund is equal to the Share Class' NAV at inception and has the same performance as the Benchmark. The benchmark is the maximum between zero and:

- €STR + 8.5 bps capitalized for EUR-denominated Hedged Share Classes,
- overnight depot bank in Swiss Franc capitalized for CHF-denominated Hedged Share Classes, and
- SONIA Capitalized for GBP-denominated Hedged Share Classes.

The High Water Mark reflects the highest level reached by the Share Class' NAV at which a performance fee was paid (or the initial Share Class' NAV if no performance fee has ever been paid).

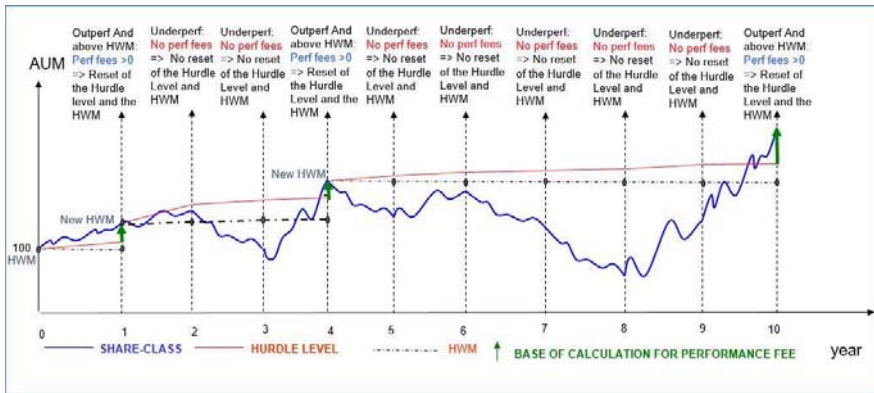
On any Valuation Day, the following has to be replicated in the hurdle level and the High Water Mark value:

- the same variation of subscription as the Share Class,
- in case of redemption or dividend payment, the hurdle level value and the High Water Mark value are reduced according to the following ratio: amount redeemed or distributed divided by the total NAV of the Share Class.

At the end of the Calculation Period, provided that a performance fee provision is retained, performance fees are rightly kept by the management company. The hurdle level value and the High Water Mark value are adjusted to the Share class' NAV for the following period. If no provision remains at the end of the Calculation Period, no performance fee is kept by the management company and the value of the hurdle level and the High Water Mark value are kept unchanged for the following period.

In case of redemption of Shares or dividend payment, a proportion of the performance fee provision is rightly kept by the management company, corresponding to the ratio of amount redeemed or distributed divided by the total Share class' NAV. Investors must be aware that under certain circumstances, a global outperformance of the Sub-Fund would imply a performance fee payment to the management company while individual performance of some investors lags.

The below chart illustrates the High Water Mark scheme used by the Sub-Fund:



The above chart is for general illustrative purposes and does not take into account certain specific parameters as may be applicable for certain classes of shares (e.g. floor at 0).

At the end of each Calculation Period:

- If the NAV exceeds the Hurdle Level AND the HWM (years 0-1,3-4 and 9-10):
  - o a performance fee shall be paid by the Sub-Fund to the Management Company using the following formula:  
 $[\text{percentage of performance fee}] \times \text{Max} [0; \text{NAV} - \text{Max} (\text{HWM}; \text{Hurdle Level})]$ ; and
  - o the Hurdle Level and the HWM are aligned with the outperformance level of the sub-fund (reset of the Hurdle Level and of the HWM)
- If the NAV falls below the Hurdle Level but exceeds the HWM (year 1-2) or falls below the Hurdle Level and the HWM (years 2-3 and 4-5 to 8-9), no performance fee shall be paid and the Hurdle Level and HWM shall not be realigned (no reset of the Hurdle Level and of the HWM).

**Examples** – to be read independently from the graph (for a performance fee percentage of 20%):

- Hurdle Level = 110, HWM = 105 and NAV at the end of the Calculation Period = 100:
  - Performance fees = 20% x Max (0; 100 – Max (110; 105)) = 0
  - No reset of the Hurdle Level for the following period
  - No reset of the HWM for the following period
- Hurdle Level = 100, HWM = 105 and NAV at the end of the Calculation Period = 110:
  - Performance fees = 20% x Max (0; 110 – Max (100; 105)) = 1
  - Reset of the Hurdle Level for the following period, hurdle = 110
  - Reset of the HWM for the following period, HWM = 110
- Performance fees = 20% x Max (0; 105 – Max (100; 110)) = 0
- No reset of the Hurdle Level for the following period
- No reset of the HWM for the following period

| Maximum one-off charges taken when you invest |              | Maximum recurrent charges taken from the Sub-Fund over a year |                     |                  | Charges taken from the Sub-Fund under specific conditions |  |
|---|--------------|---|---------------------|------------------|---|--|
| Class   | Entry Charge | Management Fee  | Applied Service Fee | Distribution Fee | Performance Fee   |  |
| EX  | —            | —   | 0.50%               | —                | —   |  |
| G   | —            | 1.10%   | 0.50%               | —                | maximum 15%   |  |
| I   | —            | 1.60%   | 0.50%               | —                | maximum 18%   |  |
| IX  | —            | 1.40%   | 0.50%               | —                | maximum 18%   |  |
| M   | —            | —   | 0.50%               | —                | maximum 18%   |  |
| ZI  | —            | 1.40%   | 0.50%               | —                | maximum 18%   |  |

See "Notes on Sub-Fund's Costs" following the last Sub-Fund Description. This table describes the types of Share Classes in existence as at the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

# Notes on Sub-Fund's Costs

**General** The charges below reduce the performance of the Shareholder's investment.

**One-off charges taken before or after investors invest** The most investors will pay for entry, switching and exit charges are shown in the one-off charges in the "Sub-Fund Descriptions". Investors could be eligible to pay less than the maximum amounts shown; they should consult their financial advisor or distributor. These charges may be payable to financial advisors or distributors.

There is no charge for redemptions. While there is no switching charge in itself, investors could be charged up to 1% of the NAV of the switched Shares for additional switch in excess of 4 switches during a 12-month period. Also, if investors switch into a Sub-Fund with a higher entry charge within the first 12-month period following initial investment in the Sub-Fund, they might be charged any percentage rate difference between the entry charge they initially paid and the applicable entry charge on the Sub-Fund they are switching into.

**Recurrent charges taken from the Sub-Fund over a year** These charges are shown in the "Sub-Fund Descriptions". They reflect the management fees, the distribution fee and the applied service fee. The management company is responsible for the payment of the fees to the investments managers and/or service providers to the Sub-Fund.

## Indirect fees

In addition to above fees, some Sub-Funds may also be subject to indirect fees (see "Additional Features" in "Sub-Fund Descriptions"). In such case, the SICAV will pay fees of the target UCITS and/or UCIs. No subscription or redemption fee may be charged on account of a Sub-Fund's investment in the units of other UCITS and/or UCIs that are managed directly or by delegation by the management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding. In any other case, the Sub-Fund will not invest in underlying UCIs which levy a subscription or a redemption fee higher than 1% and which are submitted to a management fee exceeding 3%.

## Applied service fee

In order to pay its ordinary operating expenses and to seek to protect the investors from fluctuations in these ordinary operating expenses, the SICAV will pay an applied service fee to the management company out of the assets of the relevant Share Class. The level of effective applied service fee might be set-out below the maximum level set-out in the "Sub-Fund Descriptions" with different fixed effective applied service fee rates applicable across Share Classes. The effective level of the applied service fee per Sub-Fund and per Share Class is defined taking into account different criteria such as, but not limited to, the costs charged to the Share Class and the variation of costs linked to a change of the NAV in respect of the relevant Share Class that might be due to market effects and/or dealing in Shares. By way of a resolution, the Board (i) may modify in its sole discretion the level of effective applied service fee and (ii), may amend at any time upon prior notice to relevant Shareholders, the maximum level of the applied service fee applicable to all Share Classes.

The applied service fee is fixed in the sense that the management company will bear the excess in actual ordinary operating expenses to any such applied service fee charged to the Share Classes. Conversely, the management company will be entitled to retain any amount of applied service fee charged to the Share Classes exceeding the actual ordinary operating expenses incurred by the respective Share Classes. The effective applied service fee is accrued at each calculation of the NAV and included in the ongoing charges of each Share Class disclosed in the relevant KIID. In return of the applied service fee received from the SICAV, the management company then provides and/or procures, on behalf of the SICAV, the following services and bears all expenses (including any reasonable out-of-pocket expenses) incurred in the day-to-day operations and administration of the Share Classes, including but not limited to:

- depositary fees except transaction related fees;

- auditor's fees;
- directors' fees and expenses, and remuneration of officers and employees of the SICAV: any director of the SICAV will be entitled to a fee in remuneration for his services as a director or in his capacity as a member of any committee of the Board;
- the Luxembourg "*Taxe d'abonnement*";
- Share Class currency hedging cost;
- the registrar agent, the domiciliary and administrative agent, any paying agent, the depositary of already issued bearer shares, and of any representatives in jurisdictions where the Shares are qualified for sale, and of all other agents employed on behalf of the SICAV; such remuneration may be based on the net assets of the SICAV or on a transaction basis or may be a fixed sum;
- the cost of preparing, printing and publishing in such languages as are necessary, and distributing offering information or documents concerning the SICAV, annual and semi-annual reports and such other reports or documents, as may be allowed or required under the applicable laws or regulations of the jurisdictions or the authorities where the Shares are qualified for sale;
- registrar's fees;
- the cost of printing certificates and proxies;
- the cost of preparing and filing the Articles of Incorporation and all other documents concerning the SICAV, including registration statements and offering circulars with all authorities (including local securities dealers' associations) having jurisdiction over the SICAV or the offering of Shares;
- the cost of qualifying the SICAV or the sale of Shares in any jurisdiction or of a listing on any exchange;
- the cost of accounting and bookkeeping;
- legal fees;
- the cost of preparing, printing, publishing and distributing public notices and other communications to the Shareholders;
- the cost of calculating the NAV of each Share Class;
- insurance, postage, telephone and telex and any communication mean;
- distribution and sales support costs (including costs charged by local routing order platforms, local transfer agent costs, local representative agent and the translation costs); and
- all similar charges and expenses.

In the cases where any of the ordinary operating expenses listed above might be directly paid out of the assets of the SICAV the applied service fee amount due by the SICAV to the management company will be reduced accordingly.

The applied service fee does not cover any cost or expense incurred by a Share Class or Sub-Fund in respect of:

- all taxes which may be due on the assets and the income of the SICAV (to the exception of the Luxembourg "*Taxe d'abonnement*" listed above);
- the cost of investment dealing (including usual banking and brokerage fees due on transactions involving portfolio securities of each Sub-Fund, the latter to be included in the acquisition price and to be deducted from the selling price);
- fees linked to reduction of duration exposure of RedEx Share Classes paid to the investment manager;
- Correspondent and other banking charges;
- Securities lending fees - the agent carrying out securities lending and repurchase agreement activities for its services. The details of the remuneration will figure out in the annual report of the SICAV relative to the relevant Sub-Fund;
- extraordinary expenses including but not limited to expenses that would not be considered as ordinary expenses: litigation expenses, exceptional measures, particularly legal, business or tax expert appraisals or legal proceedings undertaken to protect shareholders' interests, any expense linked to non-routine arrangements made by

the domiciliary agent, the registrar and transfer agent and the listing agent in the interests of the investors and all similar charges and expenses.

All expenses that are paid from Shareholders' assets are reflected in NAV calculations, and the actual amounts paid are documented in the SICAV's annual reports.

Each Sub-Fund pays all costs it incurs directly and also pays, based on the NAV of the SICAV, a *pro rata* portion of costs not attributable to a specific Sub-Fund. For each Share Class whose currency is different from the Reference Currency of the Sub-Fund (with the exception of BR Share Classes that offer currency exposure to the BRL), all costs associated with maintaining the separate Share Class currency (such as currency hedging and foreign exchange costs) will be charged to that Share Class.

Each Sub-Fund may amortise its own launch expenses over the first five years of its existence. All launch expenses of the SICAV have been fully amortized.

The management fee, applied service fee and distribution fee are calculated based on each Sub-Fund's NAV and are paid monthly in arrears to the management company.

M Share Class

Although M Share Class does not carry a management fee, investors in these Shares pay for the costs of management through

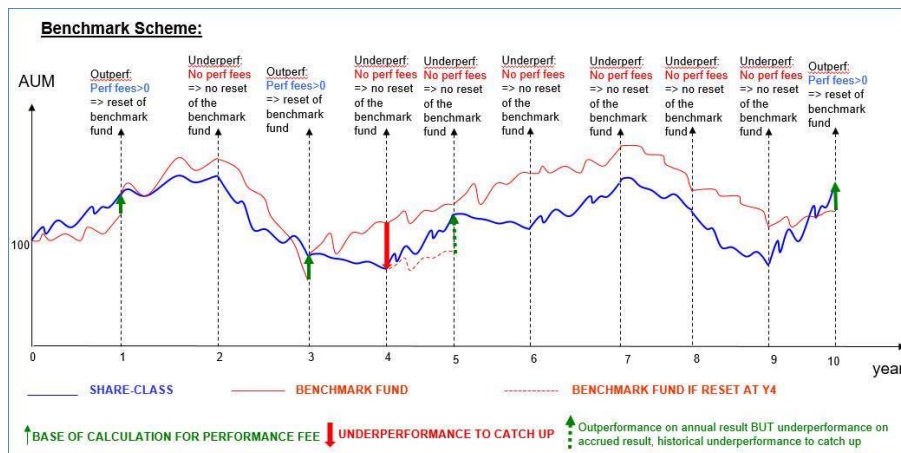
management fee agreements or, when appropriate, indirectly through institutional investment management agreements.

### Performance charges taken from the Sub-Fund

For each Sub-Fund that is indicated in "Sub-Fund Descriptions" as having a performance fee, that fee is calculated and crystalized on an annual reference period corresponding to each accounting year (1 January – 31 December) except for the first calculation period that starts at the inception date of the Sub-Fund until the end of the SICAV following accounting year, i.e. such calculation period shall not last less than 12 months (the "Calculation Period"). The Sub-Fund's Performance Fee and the benchmark for performance fee for comparison are indicated in "Sub-Fund Descriptions". Performance fees, if any, will be paid after the audit of the annual accounts of the SICAV.

This performance fee may be calculated either as per a benchmark model or an absolute High Water Mark formula. The performance reference period (i.e. the period during which the performance is measured and compared to the benchmark or the high water mark and at the end of which the mechanism for the compensation for past underperformance can be reset) is the lifetime of the relevant Sub-Fund, as more detailed below.

### Benchmark model:



At the end of each Calculation Period:

- In case the net asset value of the sub-fund exceeds the Benchmark Fund (year 0-1, and 9-10), even in case of negative performance during the calculation period (end of year 3):

o A performance fee shall be paid by the Sub-Fund to the Management Company using the following formula:

$$[\text{percentage of performance fee}] \times \text{Max} (0; [\text{NAV} - \text{Benchmark Fund}])$$

o The Benchmark Fund level shall be aligned with the outperformance level of the sub-fund (reset of the Benchmark Fund).

- In case the net asset value of the sub-fund falls below the Benchmark Fund or no catch up of the previous losses (see years 1-2, 3-4 to 8-9):

o No performance fee shall be paid by the Sub-Fund; and  
o The Benchmark Fund shall not be updated (no reset of the Benchmark Fund).

The performance fee is calculated as per a benchmark model as detailed below for Sub-Funds as follows:

- Framlington Europe Microcap,
- Framlington Europe ex-UK MicroCap,
- Framlington Global Convertibles.

Performance calculation: Performance fees are calculated and accrued on any Valuation Day. If the outperformance is positive, a performance fee provision amounting to the performance fee percentage of the outperformance is retained. If the outperformance is positive but lower than that of the previous Valuation Day, this provision is adjusted through write-backs up to the total of existing provisions.

**Examples** – to be read independently from the graph (for a performance fee percentage of 20%):

At the end of the period:

- Benchmark Fund = 110 and NAV at the end of the Calculation Period = 100:
  - Performance fees = 20% x Max (0; 100 – 110) = 0
  - No reset of the Benchmark Fund for the following period
- Benchmark Fund = 100 and NAV at the end of the Calculation Period = 110 (no matter if there is a negative performance since the beginning of the Calculation Period):
  - Performance fees = 20% x Max (0; 110 – 100) = 2

- Reset of the Benchmark Fund for the following period, new Benchmark Fund = 110

The outperformance is defined as the difference between the Sub-Fund's asset value, net of all fees and costs but before accrued performance fees on the one hand, to that of a benchmark fund, which performance is equal to the performance of the benchmark for performance fee ("Benchmark Fund"). The following has to be replicated in the Benchmark Fund:

- The same variation of subscription as the Sub-Fund
- In case of redemption or dividend payment, the Benchmark Fund's value is reduced according to the following ratio: amount redeemed or distributed divided by the total NAV of the Sub-Fund's Share Class.

At the end of the Calculation Period, provided that a performance fee provision is retained, performance fees are rightly kept by the management company and the Benchmark Fund value is adjusted to that of the Sub-Fund's NAV for the following period. If no provision remains at the end of the Calculation Period, no performance fees are kept by the management company, and the Benchmark Fund's value is kept unchanged for the following Calculation Period(s) (during the whole life of the Sub-Fund applying a benchmark model, prior losses shall be absorbed before paying a new performance fee, i.e. there is no reset of the Benchmark Fund in case of underperformance).



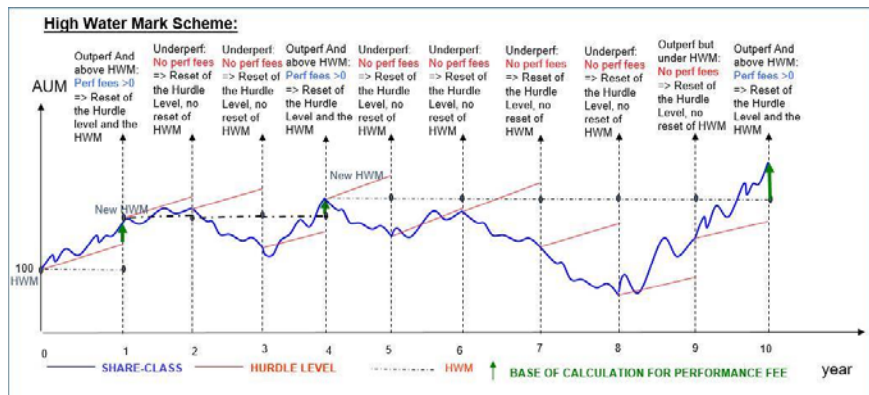
Attention of investors is drawn to the fact that in the case of a benchmark model, a performance fee may apply even in case of negative performance of the Fund.

In case of redemption of Shares or dividend payment, a proportion of the performance fee provision is rightly kept by the management

company, corresponding to the ratio of amount redeemed or distributed divided by the total NAV of the Sub-Fund's Share Class.

### Absolute High Water Mark

The High Water Mark ("HWM") represents (i) the last NAV at which a performance fee has been paid or (ii) the initial NAV either at the end of year 1 or after if no performance fee has been paid.



At the end of each Calculation Period:

- If the NAV exceeds the Hurdle Level AND the HWM (years 0-1, 3-4 and 9-10), a performance fee shall be paid by the Sub-Fund to the Management Company using the following formula:

$$[\text{percentage of performance fee}] \times \text{Max} [0; \text{NAV} - \text{Max} (\text{HWM}; \text{Hurdle Level NAV})]$$

- If the NAV exceeds the Hurdle Level but falls below the HWM (years 5-6 and 8-9), no performance fee shall be paid.

- If the NAV falls below the Hurdle Level but exceeds the HWM (year 1-2), no performance fee shall be paid.

- If the NAV falls below the Hurdle Level and the HWM (years 2-3, 4-5, 6-7 and 7-8), no performance fee shall be paid.

In each case, at the end of the Calculation Period, the Hurdle Level shall be aligned with the outperformance level of the sub-fund (reset of the Hurdle Level).

The performance fee is calculated as per an absolute High Water Mark formula as detailed below for the Sub-Funds as follows:

- Optimal Income,
- Optimal Absolute,
- Chorus Multi Strategy (please refer only to "Performance charges taken from the Sub-Fund" of the relevant Sub-Fund's Description for the specific performance calculation of such Sub-Fund),
- Chorus Equity Market Neutral (please refer only to "Performance charges taken from the Sub-Fund" of the relevant Sub-Fund's Description for the specific performance calculation of such Sub-Fund),
- Chorus Systematic Macro (please refer only to "Performance charges taken from the Sub-Fund" of the relevant Sub-Fund's Description for the specific performance calculation of such Sub-Fund).

Performance calculation: Performance fees are calculated and accrued on any Valuation Day for all the sub-funds using a High Water Mark formula (as listed above). If the outperformance is positive, a performance fee provision amounting to performance fee percentage of the outperformance is retained. If the outperformance is positive but lower than that of the previous Valuation Day, this provision is adjusted through write-backs up to the total of existing provisions.

The outperformance is defined as the difference between the Sub-Fund's asset value, net of all fees and costs but before accrued performance fees, and the highest value between the Hurdle Level and the "High Water Mark Fund". In the case that the Hurdle Level value is inferior to the High Water Mark Fund value, the outperformance calculation will be based on the difference between the Sub-Fund's asset value and the High Water Mark Fund's value. The Hurdle Level's performance is equal to the performance of the benchmark for performance fee. The High Water Mark Fund reflects the highest level reached by the Sub-Fund's NAV at which a performance fee was paid.

Examples – to be read independently from the graph (for a performance fee percentage of 20%):

- Hurdle Level = 110, HWM = 105 and NAV at the end of the Calculation Period = 100:
  - Performance fees = 20% x Max (0; 100 – Max (110; 105)) = 0
  - Reset of the Hurdle Level for the following period, Hurdle Level = 100
  - no reset of HWM

- Hurdle Level = 100, HWM = 110 and NAV at the end of the Calculation Period = 105:
  - Performance fees = 20% x Max (0; 105 – Max (100; 110)) = 0
  - Reset of the Hurdle Level for the following period, Hurdle Level = 105
  - no reset of HWM
- Hurdle Level = 100, HWM = 105 and NAV at the end of the Calculation Period = 110:
  - Performance fees = 20% x Max (0; 110 – Max (100; 105)) = 1
  - Reset of the Hurdle Level for the following period, hurdle = 110
  - Reset of the HWM for the following period, HWM = 110

Moreover, the following has to be replicated in the Hurdle Level and in the High Water Mark Fund:

- The same variation of subscription as the Sub-Fund,
- In case of redemption or dividend payment, the Hurdle Level's and High Water Mark Fund's value are reduced according to the following ratio: amount redeemed or distributed divided by the total NAV of the Sub-Fund.

At the end of the Calculation Period, provided that a performance fee provision is retained, performance fees are rightly kept by the management company. The Hurdle Level's and High Water Mark Fund's value are adjusted to the Sub-Fund's NAV for the following period. If no provision remains at the end of the Calculation Period, no performance fee is kept by the management company, the value of the High Water Mark Fund's is kept unchanged and the Hurdle Level's value is adjusted to the Sub-Fund's NAV for the following period. Accordingly, the High Water Mark Fund's value remains equal to the Sub-Fund's NAV as recorded at the date of the last payment of performance fees, or at the initial Sub-Fund's NAV if no performance fee has ever been paid (i.e. during the whole life of a sub-fund using the Absolute High Water Mark scheme, there is no reset of the High Water Mark until the next payment of a performance fee). In case of redemption of Shares or dividend payment, a proportion of the performance fee provision is rightly kept by the management company, corresponding to the ratio of amount redeemed or distributed divided by the total Sub-Fund's NAV. The benchmark for performance fee for comparison is indicated in "Sub-Fund Descriptions".

Under certain circumstances, a global outperformance of the Sub-Fund would imply a performance fee payment to the management company while individual performance of some investors lags that of the benchmark for performance fee.



Where the selected benchmark for performance fee is not available at the calculation point of the NAV, an appropriate substitute, which the Management Company has deemed best represents the performance of such benchmark may be used in calculating the performance of the benchmark.

### Other charges taken from the Sub-Fund

The other costs or expense incurred by a Share Class or Sub-Fund are in respect of:

- all taxes which may be due on the assets and the income of the SICAV (to the exception of the Luxembourg “*Taxe d’abonnement*” listed above);
- the cost of investment dealing (including usual banking and brokerage fees due on transactions involving portfolio securities of each Sub-Fund, the latter to be included in the acquisition price and to be deducted from the selling price);
- fees linked to reduction of duration exposure of Redex Share Classes paid to the investment manager;
- correspondent and other banking charges;
- securities lending fees for the services of the agent carrying out securities lending and repurchase agreement activities. The details of the remuneration will figure out in the annual report of the SICAV relative to the relevant Sub-Fund;
- extraordinary expenses including but not limited to expenses that would not be considered as ordinary expenses: litigation expenses, exceptional measures, particularly legal, business or tax expert appraisals or legal proceedings undertaken to protect Shareholders’ interests, any expense linked to non-routine arrangements made by the domiciliary agent, the registrar and transfer agent and the listing agent in the interests of the investors and all similar charges and expenses.

A portion of commissions paid to selected brokers for certain portfolio transactions may be repaid to the Sub-Funds which generated the commissions with these brokers and may be used to offset expenses.

### Costs relating to the use of financial indices

The costs relating to the use of financial indices (if any), including the fees accounted at index level, are borne by the relevant Investment Manager(s).

### Specific cost information

Austria and Germany: Regular savings plans are available for the benefit of residents of Austria and Germany. At a future date, the regular savings plan may be extended to certain other countries in which the SICAV is authorised, the details of which may be obtained at any time at the registered office of the SICAV upon request. Shareholders who have subscribed for regular savings plan may be charged additional costs for the processing and maintenance of the plan with the registrar agent. However, in the first year, only one third of the costs of processing and maintenance will be charged to Shareholders subscribing for Shares or additional Shares in the context of the regular saving plan.

## TAXES

**Taxes Paid from Sub-Fund’s Assets** The SICAV is subject to a “*Taxe d’abonnement*” at the following rates:

- “Liquidity” Sub-Funds (the portfolio of which is composed of any debt securities and instruments, irrespective of whether they are transferable securities or not, including bonds, certificates of deposits, deposit receipts and all other similar instruments, provided that, at the time of their acquisition by the relevant Sub-Fund, their initial or residual maturity does not exceed twelve months, taking into account the financial instruments connected therewith, or the terms and conditions governing those securities provided that the interest rate applicable thereto is adjusted at least annually on the basis of market conditions) and institutional Sub-Funds or Share Classes as per Luxembourg Tax regulation: 0.01%
- All other Sub-Funds or Share Classes: 0.05%

This tax is calculated and payable quarterly, on the aggregate NAV of the outstanding Shares of the Sub-Fund or Share Class at the end of each quarter. The SICAV is not currently subject to any Luxembourg taxes on income, withholding or capital gains. However, the SICAV

may be subject to non-recoverable withholding taxes on dividend and interest the SICAV receives from their countries of origin and it may be subject to other taxation levied by foreign tax authorities where the SICAV or the Sub-Funds are registered or distributed.

Any amendments to the Articles of Incorporation are as a rule subject to a fixed registration duty of €75.

**Taxes Paid Directly by Shareholders** Investors who are not Luxembourg taxpayers are not currently subject to any Luxembourg capital gains, income, withholding, gift, estate, inheritance or other taxes. Investors whom Luxembourg considers to be residents or otherwise to have permanent establishment there, either currently or in the past, may be subject to Luxembourg taxes.

Investors who live outside of Luxembourg should be aware that under EU regulation, any money received from the SICAV (including proceeds from redeeming Sub-Fund Shares) must either be reported to their home country or be subject to withholding tax.

A list of Share Classes having obtained the UK reporting fund status can be obtained on the website of HM Revenue & Customs ([www.hmrc.gov.uk](http://www.hmrc.gov.uk)). Relevant data pertaining to those Share Classes with UK reporting fund status can be found in the annual or semi-annual reports of the SICAV.

**Foreign Account Tax Compliance Act** The foreign account tax compliance provisions (“FATCA”) of the Hiring Incentives to Restore Employment Act 2010 (“HIRE Act”) which apply to certain payments are essentially designed to require reporting of US tax person’s direct and indirect ownership of non-US accounts and non-US entities to the US Internal Revenue Service (“IRS”), with any failure to provide the required information resulting in a 30% US withholding tax on direct US investments (and possibly indirect US investments). In order to avoid being subject to US withholding tax, both US investors and non-US investors are likely to be required to provide information regarding themselves and their investors. In this regard, the Luxembourg and US Governments signed an intergovernmental agreement with respect to the implementation of FATCA designed to facilitate compliance with FATCA by Foreign Financial Institutions (“FFI”) in Luxembourg.

The basic terms of FATCA provisions currently appear to include the SICAV as a FFI, such that in order to comply, the SICAV may require all shareholders to provide mandatory documentary evidence of their US and/or non-US status and may thus be required to, inter alia, disclose the name, address and taxpayer identification number of certain US tax persons that own, directly or indirectly, an interest in the SICAV, as well as certain other information relating to such interest, including amounts paid by the SICAV, to the United States IRS.

While the SICAV will attempt to satisfy any obligations imposed on it to avoid the imposition of the 30% withholding tax, no assurance can be given that the SICAV will be able to satisfy all obligations imposed by FATCA. If the SICAV is not able to comply with the requirements imposed by FATCA and the SICAV may become subject to a withholding tax on its US investments (if any) as a result of FATCA, the value of Shares held by all Shareholders may be materially affected and Shareholders may suffer significant loss as a result.

A Shareholder that fails to provide the documentation evidencing its US and/or non-US tax status as requested by the SICAV may lead to a payment of taxes (including US withholding tax) by the SICAV attributable to such Shareholder’s non-compliance under the HIRE Act and such tax liability may be re-charged to such non-compliant Shareholder. Provided that the SICAV is acting in good faith and on reasonable grounds, the SICAV may compulsorily redeem the shares owned by such Shareholders pursuant to the Articles of Incorporation of the SICAV. In addition, the SICAV will have the right to withhold, set-off or deduct any reasonable amounts (including any tax obligations) from the redemption proceeds as permitted by applicable laws and regulations.

Each Shareholder and prospective investor should consult its own tax advisers regarding the requirements under FATCA and the possible implication of FATCA on their investment in the SICAV. In particular, Shareholders who hold their shares through intermediaries should confirm the FATCA compliance status of those intermediaries to ensure that they do not suffer US withholding tax on their investment returns.

**Common Reporting Standard** Capitalised terms used in this section should have the meaning as set forth in the Luxembourg law dated 18 December 2015 (the “CRS Law”), unless provided otherwise herein.

On 9 December 2014, the Council of the EU adopted the Directive 2014/107/EU amending the Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation which now provides for an automatic exchange of financial account information between EU member states (“DAC Directive”). The adoption of the aforementioned directive implements the OECD’s CRS and generalizes the automatic exchange of information within the EU as of 1 January 2016.

In addition, Luxembourg signed the OECD’s multilateral competent authority agreement (“Multilateral Agreement”) to automatically exchange information under the CRS. Under this Multilateral Agreement, Luxembourg will automatically exchange financial account information with other participating jurisdictions as of 1 January 2016. The CRS Law implements the DAC Directive introducing the CRS in Luxembourg law.

Under the terms of the CRS Law, the SICAV may be required to annually report to the Luxembourg tax authorities the name, address, member state(s) of residence, TIN(s), as well as the date and place of birth of i) each Reportable Person that is an Account Holder within the meaning of CRS Law, ii) and, in the case of a Passive NFE within the meaning of the CRS Law, of each Controlling Person(s) that is a Reportable Person. Such information may be disclosed by the Luxembourg tax authorities to foreign tax authorities.

The SICAV’s ability to satisfy its reporting obligations under the CRS Law will depend on each Shareholder providing the SICAV with the

information, including information regarding direct or indirect owners of each Shareholder, along with the required supporting documentary evidence. Upon request of the SICAV, each Shareholder shall agree to provide the SICAV such information.

Although the SICAV will attempt to satisfy any obligation imposed on it to avoid any fines or penalties imposed by the CRS Law, no assurance can be given that the SICAV will be able to satisfy these obligations. If the SICAV becomes subject to a fine or penalty as result of the CRS Law, the value of the Shares held by the Shareholders may suffer material losses.

Any Shareholder that fails to comply with the SICAV’s documentation requests may be charged with any fines and penalties imposed on the SICAV attributable to such Shareholder’s failure to provide the information and the SICAV may, in its sole discretion, redeem the Shares of such Shareholder.

Shareholders should consult their own tax advisor or otherwise seek professional advice regarding the impact of the CRS Law on their investment.

## **POOLING OF ASSETS**

In pursuing management efficiency, the SICAV may choose to pool some or all assets of a Sub-Fund with assets of other Sub-Funds or of other Luxembourg investment funds to lower SICAV costs and increase diversification.

The pooling is likely to be beneficial to Shareholders overall, but there is no guarantee that this will be the case over any given period of time.

# Risk Descriptions

Consistent with the 2010 Law and applicable regulations, the SICAV uses a risk-management process that enables it to assess each Sub-Fund's exposure to market, liquidity and counterparty risks, and to all other risks that are material for the Sub-Funds (for example, operational risk). The internal auditor of the SICAV and the management company verify the risk management procedures used by the SICAV and the management control framework.

Any of these risks could cause a Sub-Fund to lose money, to perform less well than similar investments, to experience high volatility (ups and downs in the NAV), or to fail to meet its objective over any given period of time. In general, the greater the potential reward from an investment, the higher the level of risk.

Any of these risks may be present in normal market conditions. Unusual market conditions or large unpredictable events can amplify the risks of ordinary market conditions. In addition, certain risks may change in nature and in relative importance during unusual market conditions.

All Sub-Funds are potentially exposed to the general risks referred to below. For specific risk considerations relating to any Sub-Fund, see "Specific Risk".

## GENERAL RISKS

**Capital Erosion** Dividends of Distribution "gr", Distribution "fl", Distribution "st" and Distribution "ird" Share(s) carry the risk of capital erosion since expenses may be taken from the capital. Where the expenses taken are greater than the income generated by the relevant Share Class, these expenses will be taken from the capital of concerned Share(s). Investors in such Share(s) should be aware that any payment of distributions out of the capital of a Share Class results in a decrease in the NAV per Share and further reduces the capital available for capital growth.

**Cash** Under the UCITS V Directive, cash is to be considered as a third category of assets beside financial instruments and other assets, where the UCITS V Directive related obligations are only those covered by the cash flow monitoring obligations. On the other side, non-short term cash deposits could be considered as an investment and consequently should fall within the category of other assets.

**Central securities depositories** In accordance with the UCITS Directive, entrusting the custody of the SICAV's assets to the operator of a securities settlement system (SSS) is not considered as a delegation by the depository. Therefore the depository is exempted from the strict liability of restitution of assets. A central securities depository (CSD) being a legal person that operates a SSS and provides in addition other core services should not be considered as a delegate of the depository irrespective of the fact that the custody of the SICAV's assets have been entrusted to it. There is however some uncertainty around the meaning to be given to such exemption, the scope of which may be interpreted narrowly by some supervisory authorities, notably the European supervisory authorities.

**Collateral management** Counterparty risk arising from investments in OTC financial derivative instruments and securities lending, repurchase and reverse repurchase agreements is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. However, transactions may not be fully collateralised. Fees and returns due to the Sub-Fund may not be collateralised. If a counterparty defaults, the Sub-Fund may need to sell non-cash collateral received at prevailing market prices. In such a case the Sub-Fund could realise a loss due, inter alia, to inaccurate pricing or monitoring of the collateral, adverse market movements, deterioration in the credit rating of issuers of the collateral or illiquidity of the market on which the collateral is traded. Difficulties in selling collateral may delay or restrict the ability of the Sub-Fund to meet redemption requests.

A Sub-Fund may also incur a loss in reinvesting cash collateral received, where permitted. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty as required by the terms of the transaction. The Sub-Fund would be required to cover the

difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund.

**Concentration risk** Sub-Funds may focus their investments in certain companies, groups of companies, sectors of the economy, countries or geographical regions, or ratings. This may lead to adverse consequences for such a Sub-Fund when such companies, sectors, countries or ratings become less valued.

**Counterparty risk** Some Sub-Funds are exposed to a counterparty risk associated to counterparties with which, or brokers, dealers and exchanges through which, they deal, whether they engage in exchange-traded or OTC transactions. This is the risk of default (or counterparty's failure to perform any of its obligations) of any counterparties of the Sub-Funds. The counterparty's default (or the counterparty's failure to perform any of its obligations) under these transactions may have a material adverse effect on the NAV of the Sub-Funds. In the case of insolvency or failure of any such party, such a Sub-Fund might recover, even in respect of property specifically traceable to it, only a pro rata share of all property available for distribution to all of such party's creditors and/or customers. Such an amount may be less than the amounts owed to the Sub-Fund. The Sub-Fund may suffer significant losses.

**Credit risk** The ability of the issuer of securities to honor its commitments depends on the financial condition of the issuer. An adverse change in the financial condition of the issuer could lower the quality of the securities, leading to greater price volatility of the securities. The Sub-Fund may be subject to the risk that the issuer of securities is not making payment on interest and principal of the securities, causing the value of the investment to go down. If a security issuer defaults, the Sub-Fund may experience both delays in liquidating the securities and losses resulting from a decline in value of the securities during the period when the Sub-Fund seeks to enforce its rights leading to the Sub-Fund potentially suffering substantial losses.

Issuers include but are not limited to corporates, banks, sovereign or special purpose vehicles depending on the security. Securities include but are not limited to obligations, notes, Asset Backed Securities, Collateralized Debt Obligations, etc.

**Cross-class liabilities for all Share Classes (Standard and Redex) risk** Although there is an accounting attribution of assets and liabilities to the relevant Share Class, there is no legal segregation with respect to Share Classes of the same Sub-Fund. Therefore, if the liabilities of a Share Class exceed its assets, creditors of said Share Class of the Sub-Fund may seek to have recourse to the assets attributable to the other Share Classes of the same Sub-Fund.

As there is an accounting attribution of assets and liabilities without any legal segregation amongst Share Classes, a transaction relating to a Share Class could affect the other Share Classes of the same Sub-Fund.

**Derivative transactions risk** Each Sub-Fund may engage in derivative transactions as part of its investment strategy for hedging and efficient portfolio management purpose. These strategies currently include the use of listed and OTC derivatives, including but not limited to futures and forward contracts, swaps, options and warrants.

Derivatives are volatile and may be subject to various types of risks such as market, liquidity, credit, counterparty, legal and operations risks.

Furthermore, there may be an imperfect correlation between derivative instruments used as hedging vehicles and the investments or market sectors to be hedged. This might result in an imperfect hedge of these risks and a potential loss of capital.

In addition, the use of derivatives can involve significant economic leverage and may, in some cases, involve significant risk of loss. The low initial margin deposits normally required to establish a position in such instruments permits leverage. As a result, a relatively small movement in the price of the underlying contract may result in a profit or a loss that is high in proportion to the amount of assets actually placed as initial margin and may result in unlimited further loss

exceeding any margin deposited. The global exposure to the said instruments may not exceed 100 % of the NAV of the relevant Sub-Fund in the case of Sub-Funds using the commitment approach in order to control the market risk associated with the use of derivative instruments. Accordingly, the global risk associated with the investments of the Sub-Fund may amount to 200 % of the NAV of the Sub-Fund. As temporary borrowings may be allowed up to a maximum of 10%, the global risk may never exceed 210 % of the NAV of the relevant Sub-Fund. For Sub-Funds using the Value-at-Risk approach, the risk associated with the use of derivative instruments may not exceed the level of Value-at-Risk indicated in the relevant "Sub-Fund Descriptions" section of each Sub-Fund in order to control the risk associated with the use of said instruments.

Also, the ability to use these strategies may be limited by market conditions and regulatory limits and there can be no guarantee that any of these strategies will meet their expected target.

**Equity risk** Shares' prices on equity markets may fluctuate namely pursuant to investor's expectations or anticipations, causing high potential volatility risk. Volatility on equity markets has historically been much greater than the volatility of fixed income markets. Should the price of Shares fall within the Sub-Fund's portfolio, the NAV of the Sub-Fund will also fall.

**Foreign exchange and currency risk** *At portfolio level:* Many Sub-Funds invest in foreign securities, i.e. securities denominated in currencies different from the Reference Currency in which Sub-Funds are denominated.

Movements of foreign exchange rates affect the value of securities held by such a Sub-Fund, as expressed in the Sub-Fund's Reference Currency, and bring additional volatility. If the currency in which a security is denominated appreciates in relation to the Reference Currency of the Sub-Fund, the exchange value of the security in the Reference Currency will appreciate; conversely, a depreciation of the denomination currency will lead to a depreciation in the exchange value of the security and may adversely affect the NAV of the Sub-Fund.

In the circumstances when the investment manager intends to hedge the currency exchange risk of a transaction, there is no guarantee that such hedging strategy will be effective and that such hedging be a perfect hedge. In an adverse situation, the Sub-Fund may suffer significant losses.

The successful execution of a hedging strategy which mitigates exactly this risk cannot be assured. The implementation of the hedging strategy described above may generate additional costs for the Sub-Fund.

*At share class level:* Many Sub-Funds have either Share Classes denominated in currencies different from the Sub-Fund's Reference Currency or Share Classes denominated in Sub-Fund's Reference Currency but offering currency hedging through exposure to the base currency of the Shareholders (i.e. BRL in the case of the BR share class). When the concerned Share Class is not hedged, its value follows fluctuations of the exchange rate between the Share Class currency and the Sub-Fund's Reference Currency. Therefore, this can generate additional volatility at Share Class level. For currency hedged Share Classes, there is no guarantee that the hedging strategy will be effective and will be a perfect hedge.

**Contagion risk:** Currency hedged Share Classes may incur losses due to their specific hedging strategy, which will primarily be borne by their Shareholders but may, in specific adverse scenario and despite mitigation procedures in place, impact the other Shareholders in the Sub-Fund.

The Share Class aims at hedging the foreign exchange risk resulting from the divergence between the Reference Currency of the Sub-Fund and the currency of this Share Class or the divergence between the currency of the Share Class and the base currency of the Shareholders (i.e. BRL in the case of the BR share class) by using derivative instruments, which may generate additional costs. The successful execution of a hedging strategy which mitigates exactly the risk cannot be assured.

Where the SICAV seeks to hedge against currency fluctuations, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the SICAV. However, over-hedged positions will not exceed 105%, and under-hedged position will not fall short of 95% of the NAV of the Share

Class. Hedged positions will be kept under review to ensure that over-hedged positions do not exceed and under-hedged positions do not fall short the permitted level. This review will also incorporate a procedure to ensure that positions materially in excess of 100% of NAV of the Share Class will not be carried forward from month to month.

**Interest rate risk** The market value of financial instruments and, therefore, the NAV of the concerned Sub-Funds may change in response to fluctuations in interest rates.

Interest rate risk involves the risk that, when interest rates increase, the market value of fixed income securities tends to decline. Conversely, when interest rates decline, the market value of fixed income securities tends to increase. As a result, the NAV of the Sub-Funds may be adversely affected. Long-term fixed income securities will normally have more price volatility caused by this risk than short-term securities.

**Liquidity risk** Some markets, on which Sub-Funds may invest, may prove at time to be insufficiently liquid. This affects the market price of such a Sub-Fund's securities and therefore its NAV.

Furthermore, there is a risk that, because of a lack of liquidity and efficiency in certain markets due to unusual market conditions or unusual high volumes of repurchase requests or other reason, Sub-Funds may experience some difficulties in purchasing or selling holdings of securities and, therefore, meeting subscriptions and redemptions in the time scale indicated in the Prospectus.

In such circumstances, the management company may, in accordance with the Articles of Incorporation and in the investors' interest, suspend subscriptions and redemptions or extend the settlement timeframe.

**Loss of capital risk** Except where the Prospectus explicitly references the existence of a capital guarantee at a given date, and subject to the terms thereof, no guarantee is made or supplied to investors with respect to the restitution of their initial or subsequent investments in a Sub-Fund.

Loss of capital may be due to direct exposure, counterparty exposure or indirect exposure (e.g. exposure to underlying assets through the use of derivative instruments, securities lending and borrowing or repurchase agreement).

**Management risk** For any given Sub-Fund, there is a risk that investment techniques and or strategies are unsuccessful and may incur losses for the Sub-Fund. Shareholders will have no right or power to participate in the day-to-day management or control of the business of the Sub-Funds, nor an opportunity to evaluate the specific investments made by the Sub-Funds or the terms of any of such investments.

Past performance is not a reliable indicator as to future performance. The nature of and risks associated with the Sub-Fund's future performance may differ materially from those investments and strategies historically undertaken by the investment manager. There can be no assurance that the investment manager will realise returns comparable to those achieved in the past or generally available on the market.

**Market risk** Some markets in which Sub-Fund may invest may prove at times to be highly volatile or insufficiently liquid. This may affect significantly the market price of such a Sub-Fund's securities and, therefore its NAV.

**Political, regulatory, economic and convertibility risk** Some geographical areas in which the Sub-Funds may invest (including but not limited to Asia, the Eurozone and the US) may be affected by economic or political events or measures, changes in government policies, laws or tax regulations, currency convertibility, or by currency redenomination, restrictions on foreign investments, and more generally by economic and financial difficulties. In such contexts, volatility, liquidity, credit, and currency risks may increase and adversely impact the NAV of the Sub-Fund.

**Rating downgrade risk** Downgrades of a rating of securities issue or issuer may lead to a drop in the value of securities in which the Sub-Fund has invested and subsequently experiencing a drop in the NAV of the Sub-Funds. Such securities may have less liquidity, making it more difficult to sell and their values may be more volatile.

**Securities financing transactions (temporary purchase and sale of securities, total return swaps) risk and financial guarantees**



**(collateral) risk** Securities financing transactions (SFT) and related collateral may create risks for the Sub-Fund such as (i) counterparty risk (as described above), ii) legal risk, iii) custody risk, iv) liquidity risk (i.e. risk resulting from the difficulty to buy, sell, terminate or value an asset or a transaction due to a lack of buyers, sellers, or counterparties), and, if relevant, v) risks arising from the reuse of such collateral (i.e. mainly the risk that such collateral posted by the Sub-Fund might not be returned due to the failure of the counterparty for example).

**Securities lending and repurchase or reverse repurchase agreement transactions risk** The Sub-Fund may enter into securities lending and repurchase or reverse repurchase agreement transactions, and may be subject to counterparty risk. The loaned securities may not be returned or returned in a timely manner and/or at a loss of rights in the collateral if the borrower or the lending agent defaults or fails financially. The Sub-Fund may suffer significant losses.

### Sustainability Risks

The SICAV uses an approach to Sustainability Risks that is derived from the deep integration of ESG (environment, social and governance) criteria in its research and investment processes. For all the Sub-Funds within the SICAV and according to the investment strategy of each Sub-Fund, it has implemented a framework to integrate Sustainability Risks in investment decisions based on sustainability factors which relies notably on:

- Sectorial or/and normative exclusions
- ESG scoring methodologies

**Sectorial and normative exclusions** In order to manage ESG and sustainability tail-risks, the SICAV has implemented a series of exclusion-based policies. These policies are aimed at managing ESG and sustainability tail-risks, with a focus on:

- E: Climate (coal and tar sands), Biodiversity (ecosystem protection and deforestation),
- S: Health (Tobacco) and Human Rights (Controversial and White Phosphorus Weapons, violations of international norms and standards, countries with severe human rights violations)
- G: corruption (violations of international norms and standards, severe controversies and violation of United Nation Global Compact principles).

All Sub-Funds have implemented the following sectorial exclusion policies: Controversial Weapons, Soft Commodities, Ecosystem Protection and Deforestation and Climate Risks.

Sub-Funds which have ESG characteristics or which have sustainable investment as their objective have implemented additional ESG exclusions (Tobacco, White Phosphorus Weapons, violations of international norms and standards, breach of United Nation Global Compact principles, severe controversies, countries with severe human rights violations, low ESG quality).

All these exclusion policies aim to systematically address the most severe Sustainability Risks into the investment decision-making process. They may evolve over time. Detail of the restrictions and related criteria is available at : [Exclusion policies - AXA IM Global \(axa-im.com\)](https://www.axa-im.com/exclusion-policies)

**ESG scoring** AXA IM has implemented scoring methodologies to rate issuers on ESG criteria (corporates, sovereigns, green, social and sustainability bonds).

These methodologies are based on quantitative data from several data providers and have been obtained from non-financial information published by issuers and sovereigns as well as internal and external research. The data used in these methodologies include carbon emissions, water stress, health and safety at work, supply chain labour standards, business ethics, corruption and instability. AXA IM rates issuers on ESG criteria (corporates and sovereigns) based on quantitative data and/or qualitative assessment from internal and external research including data on carbon emissions, water stress, health and safety at work, supply chain labour standards, business ethics, corruption and instability. These ESG scores provide a standardized and holistic view on the performance of issuers on ESG factors and enable to both promote Environmental and Social factors and further incorporate ESG risks and opportunities in the investment decision.

The corporate scoring methodology relies on a three-pillar and several sub-factors that covers the main issues encountered by businesses in the E, S and G fields. The frame of reference draws on fundamental principles, such as the United Nations Global Compact, the OECD Guidelines, the International Labour Organisation conventions, and other international principles and conventions that guide companies' activities in the field of sustainable development and social responsibility. The analysis is based on the most material ESG risks and opportunities previously identified for each sector and company, with 10 factors: Climate Change, Natural Capital, Pollution and Waste, Environmental Opportunities, Human Capital, Product Liability, Stakeholder Opposition, Social Opportunities, Corporate Governance and Corporate Behavior. The final ESG score also incorporates the concept of industry-dependent factors and deliberately differentiates between sectors, to overweight the most material factors for each industry. Materiality is not limited to impacts relating to a company's operations, it also includes the impacts on external stakeholders as well as the underlying reputational risk arising from a poor grasp of major ESG issues.

In the corporate methodology, the severity of controversies are assessed and monitored on an ongoing basis to make sure that the most material risks are reflected in the final ESG score. The controversies with high severity will trigger large penalties on the sub-factor scores and ultimately on the ESG scores.

These ESG scores provide a standardized and holistic view on the performance of issuers on ESG factors, and enable to further incorporate ESG risks in the investment decision.

One of the main limitations of this approach is related to the limited availability of data relevant to assess Sustainability Risks: such data is not yet systematically disclosed by issuers, and when disclosed may follow various methodologies. The investor should be aware that most of the ESG factors information is based on historical data and that they may not reflect the future ESG performance or risks of the investments.

For more details on the approach of integration of Sustainability Risks in investment decisions and the assessment of the likely impact of Sustainability Risks on each Sub-Fund's returns, please refer to the SFDR section of [www.axa-im.lu/important-information](https://www.axa-im.lu/important-information).

### SPECIFIC RISKS

For specific risk considerations applicable to any Sub-Fund, please refer to the "Sub-Fund Descriptions" section.

**144A securities risk** Some Sub-Funds may invest in restricted securities, in particular in 144A securities. 144A securities benefit from an exemption from the registration obligation laid down by the 1933 "Securities Act" of the United States of America. These securities are restricted for resale to Qualified Institutional Buyers (QIBs), as defined by the 1933 "Securities Act" of the United States of America; therefore, administrative expenses are reduced due to this exemption. The 144A securities are traded between a limited number of QIBs, which may cause a higher price volatility and a lower asset liquidity of certain 144A securities.

**Absolute return strategies risk** Absolute return strategies consist of several possible sub-strategies such as, but not restricted to, (i) attempts to take advantage of realised (or anticipated) market inefficiencies or discrepancies between markets and/or sectors and/or currencies and/or other financial instruments or (ii) taking directional positions on markets and/or sectors and/or currencies and/or other financial instruments. The volatility of the markets and/or sectors and/or currencies and/or other financial instruments that are used in pursuing those strategies allows for the possibility that the implemented strategies do not always perform as interpreted by the investment manager. In this case, the NAV of the Sub-Fund may decrease. Additionally, those strategies may use leverage, hence magnifying gains and losses, and/or gains and losses from derivatives. Moreover, these strategies may imply use of instruments, having a more limited liquidity or investments within less liquid markets such as emerging markets. As such, the Sub-Fund may be exposed to a liquidity risk by investing in these types of absolute return strategies.

**Bond Connect risk** A Sub-Fund may purchase fixed income securities which trade on CIBM through Bond Connect ("Bond Connect Securities"). To the extent that a Sub-Fund's investments on



the CIBM are made through Bond Connect, such investments may be subject to additional risk factors.

Under the prevailing regulations in the PRC, eligible foreign investors who wish to invest in Bond Connect Securities may do so via an offshore custody agent approved by the Hong Kong Monetary Authority ("Offshore Custody Agent"), who will be responsible for the account opening with the relevant onshore custody agent approved by the PBOC. As the account opening for investment in the CIBM market via Bond Connect has to be carried out via an Offshore Custody Agent, the relevant Sub-Fund is subject to the risks of default or errors on the part of the Offshore Custody Agent.

Trading in Bond Connect Securities may be subject to clearing and settlement risk. If the PRC clearing house defaults on its obligation to deliver securities/make payment, the Sub-Fund may suffer delays in recovering its losses or may not be able to fully recover its losses.

Investments through Bond Connect are not subject to any quota but the relevant authorities may suspend account opening or trading via Bond Connect, and in the absence of CIBM Direct Access or an RQFII Quota, the relevant Sub-Fund's ability to invest in CIBM will be limited, and the relevant Sub-Fund may not be able to effectively pursue its investment strategy or it may have an adverse effect on the relevant Sub-Fund's performance. The relevant Sub-Fund may also suffer losses as a result.

A Sub-Fund's Bond Connect Securities will be held in accounts maintained by the Central Money Markets Units ("CMU") as central securities depository in Hong Kong and nominee holder. Because CMU is only a nominee holder and not the beneficial owner of Bond Connect Securities, in the unlikely event that CMU becomes subject to winding up proceedings in Hong Kong, investors should note that Bond Connect Securities will not be regarded as part of the general assets of CMU available for distribution to creditors even under PRC law. However, CMU will not be obliged to take any legal action or enter into court proceedings to enforce any rights on behalf of investors in Bond Connect Securities in the PRC. A failure or delay by the CMU in the performance of its obligations may result in a failure of settlement, or the loss, of Bond Connect Securities and/or monies in connection with them and a Sub-Fund and its investors may suffer losses as a result. Neither the SICAV, the Management Company, nor the Investment Manager and/or the Sub-Investment Manager shall be responsible or liable for any such losses.

A Sub-Fund's title or interests in, and entitlements to Bond Connect Securities (whether legal, equitable or otherwise) will be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign bondholding restriction, if any. It is uncertain whether the Chinese courts would recognise the ownership interest of the investors to allow them standing to take legal action against the Chinese entities in case disputes arise.

Bond Connect Securities may be recalled from the scope of eligible bonds for trading through Bond Connect for various reasons, and in such event such Bond Connect Securities can only be sold but are restricted from being bought. This may affect the investment portfolio or strategies of the Sub-Fund.

Transactions using Bond Connect are not subject to the Hong Kong investor compensation fund or the China Securities Investor Protection Fund.

Investments in Bond Connect Securities are subject to various risks associated with the legal and technical framework of Bond Connect. Due to differences in public holidays between Hong Kong and the PRC or other reasons such as bad weather conditions, there may be a difference in trading days and trading hours in the markets accessible through Bond Connect. Bond Connect will only operate on days when those markets are open for trading and when banks in those markets are open on the corresponding settlement days. As such, it is possible that there are occasions when it is a normal trading day for the PRC CIBM market but it is not possible to carry out any Bond Connect Securities trading in Hong Kong.

**China market risk** Some Sub-Funds may invest in the Chinese domestic market. Investing in the securities markets in the PRC is subject to the risks of investing in emerging markets with a greater degree of risk than generally associated with similar investments in major securities markets, due, in particular, to political and regulatory factors, as described hereunder.

China domestic Securities may be substantially less liquid and more volatile than those of mature markets. This may adversely affect the timing and pricing of the Sub-Fund's acquisition or disposal of securities.

The existence of a liquid trading market for China A Shares may depend on whether there is a supply of, and demand for such China A Shares. Securities exchanges in China typically have the right to suspend or limit trading in any security traded on the relevant

exchange. In particular, trading band are imposed by the stock exchanges in China on China A Shares, where trading in any China A share security on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the investment manager to liquidate positions and can thereby expose the concerned Sub-Fund to losses. Further, when the suspension is subsequently lifted, it may not be possible for the investment manager to liquidate positions at a favorable price. The price at which securities may be purchased and sold by the Sub-Fund and the Net Asset Value of a Sub-Fund may be adversely affected if trading markets for China A Shares are limited or absent.

Many of the PRC economic reforms are subject to adjustment and modification that may not always have a positive effect on foreign investment in the PRC market.

The legal infrastructure in PRC may not provide with the same degree of investors' protection or information to investors, as would generally apply to major securities markets. The recognized accounting, auditing, financial reporting practices and regulatory requirements may be significantly different from those in developed markets. Further, regulations continue to develop and may change quickly which may further delay redemptions or restrict liquidity.

PRC government may also exercise substantial influence over the private economic sector and investments may be affected by political and economic instability. In the past the PRC Government applied nationalization, expropriation, confiscatory levels of taxation and currency blockage. Such event could adversely affect the interests of the SICAV and there is no assurance that such events will not occur in the future.

Moreover, factors such as PRC government policy, fiscal policy, interest rates, inflation, investor sentiment, the availability and cost of credit, the liquidity of the PRC financial markets and the level and volatility of equity prices could significantly affect the value of the SICAV's underlying investments and thus its share price.

Practices in relation to settlement of securities transactions involve higher risks than those in developed markets, in part because the SICAV needs to use local brokers, depository and counterparties subject to different regulations compared to the other international developed markets. However, the depository is responsible for the proper selection and supervision of its correspondent banks in all relevant markets, in accordance with Luxembourg law and regulations. The SICAV will seek, where possible, to use counterparties whose financial status is such that this risk is reduced.

Moreover, as securities purchase transactions in China markets may require cash to be available in the custody account before trading there may be a time lag before market exposure can be obtained after and the pricing point of a subscription; consequently the Sub-Fund may be under-exposed and subject to performance dilution risk. i.e. If markets rise between the day of the pricing point of the subscription into the fund and the day the fund is able to invest, shareholders may see their performance diluted. Conversely if markets fall between those two dates, shareholders may benefit.

Both the Shanghai and Shenzhen securities markets are in the process of development and change. This may lead to trading volatility, difficulty in the settlement and recording of transactions and difficulty in interpreting and applying the relevant regulations. The PRC government has been developing a comprehensive system of commercial laws and considerable progress has been made in the promulgation of laws and regulations dealing with economic matters such as corporate organization and governance, foreign investment, commerce, taxation and trade. Because these laws, regulations and legal requirements are relatively recent, their interpretation and enforcement involve uncertainties.

Investments in the PRC will be sensitive to any significant change in political, social or economic policy in the PRC. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments.

**Chinese rating agencies risk** Ratings assigned by a rating agency are not absolute standards of credit quality. Rating agencies may fail to make timely changes in credit ratings and an issuer's current financial condition may be better or worse than a rating indicates. As the credit ratings of the Chinese domestic debt instruments are largely assigned by the credit agencies in the PRC, the methodologies adopted by the local rating agencies might not be consistent with the

other international rating agencies. As a result, such rating system may not provide an equivalent standard for comparison with securities rated by international credit rating agencies.

**Collateralized debt obligations securities markets risk** Securities issued by Collateralized Debt Obligations (“CDO Securities”) are generally limited recourse obligations of the issuers thereof payable solely from the underlying assets (“CDO Assets”) of the relevant issuers or proceeds thereof. Consequently, holders of CDO Securities including the SICAV must rely solely on distributions on the CDO Assets or proceeds thereof for payment in respect thereof. In addition, interest payments on CDO Securities (other than the most senior tranche or tranches of a given issue) are generally subject to deferral. If distributions on the CDO Assets (or, in the case of a market value CDO Securities - as explained hereinafter) - proceeds from the sale of the CDO Assets are insufficient to make payments on the CDO Securities, no other assets will be available for payment of the deficiency and following realization of the underlying assets, the obligations of the issuers of the related CDO Securities to pay such deficiency including to the SICAV will be extinguished.

With a market value CDO deal, principal and interest payments to investors come from both collateral cash flows as well as sales of collateral. Payments to tranches are not contingent on the adequacy of the collateral's cash flows, but rather the adequacy of its market value. Should the market value of collateral drop below a certain level, payments are suspended to the equity tranche. If it falls even further, more senior tranches are impacted. An advantage of a market value CDO is the added flexibility they afford to the investment manager. It is not constrained by a need to match the cash flows of collateral to those of the various tranches.

CDO Assets consist primarily of Sub-Investment Grade loans, interests in Sub-Investment Grade loans, Sub-Investment Grade debt securities and other debt instruments, which are subject to liquidity, market value, credit, interest rate, reinvestment and certain other risks. The CDO Assets will generally be subject to greater risks than Investment Grade corporate obligations. Such investments are normally considered speculative by nature. CDO Assets are typically actively managed by an investment manager and, as a result, CDO Assets will be traded, subject to rating agencies and other constraints, by such investment managers. The aggregate return on the CDO Assets will depend in part on the ability of the relevant investment manager to actively manage the related portfolio of the CDO Assets.

The CDO Assets will be subject to certain portfolio restrictions as set forth herein. However, the concentration of the CDO Assets in any one securities type subjects the holders of CDOs to a greater degree of risk with respect to defaults on the CDO Assets.

The CDO Assets are subject to credit, liquidity, market value, interest rate and certain other risks. These risks could be exacerbated to the extent that the portfolio is concentrated in one or more particular CDO Assets.

CDO Securities are in general privately placed and offer less liquidity than other Investment Grade or Sub-Investment Grade corporate debt. They are also generally issued in structured transactions with risks different from regular corporate debt. In addition, the assets collateralizing market value CDO Securities are subject to liquidation upon the failure of certain tests, and it is likely that any such liquidation would result in a substantial loss of value of the related market value CDO Securities.

Prices of the CDO Assets may be volatile and will generally fluctuate due to a variety of factors that are inherently difficult to predict, including but not limited to changes in interest rates, prevailing credit spreads, general economic conditions, financial market conditions, domestic and international economic or political events, developments or trends in any particular industry, and the financial condition of the obligors of the CDO Assets. In addition, the ability of the issuer to sell CDO Assets prior to maturity is subject to certain restrictions set forth in the offering and constitutive documents of the relevant CDO.

**Convertible securities risk** Certain Sub-Funds may invest in convertible securities which are corporate securities generally offering fixed interest or dividend yields which may be converted either at a stated price or rate for common or preferred stock at specified times during the life of the convertible securities. Although to a lesser extent than with fixed income securities generally, the market value of convertible securities tends to decline as interest rates rise. Because

of the conversion feature, the market value of convertible securities also tends to vary with fluctuations in the market value of the underlying common or preferred stock. Convertible bonds may also have call provisions and other features which may give rise to the risk of a call. The value and performance of the Sub-Fund may also be adversely affected as a result.

Investments in convertible securities are subject to the same interest rate risk, credit and prepayment risks associated with comparable conventional corporate bonds. Price changes in fixed interest securities are influenced significantly by interest rate developments in the capital markets, which in turn are influenced by macro-economic factors. The value of convertible securities also may be affected by changes in the credit rating, liquidity or financial condition of the issuer. The Sub-Fund may also be exposed to the credit and insolvency risks of the issuers of the securities. The NAV of the Sub-Fund may be adversely affected.

**Derivatives and leverage risk** A Sub-Fund may use both listed (including but not limited to futures and options) and OTC derivatives (including but not limited to options, forwards, interest rate swaps and credit derivatives) as part of its investment strategy for investment, hedging or efficient portfolio management purposes, but also repurchase, reverse repurchase or securities lending agreement. These instruments are volatile and may be subject to various types of risks, including but not limited to market risk, liquidity risk, credit risk, counterparty risk, legal risk and operations risks. In addition, the use of derivatives can involve significant economic leverage and may, in some cases, involve a significant risk of loss. The low initial margin deposits normally required to establish a position in such instruments permits leverage. As a result, a relatively small movement in the price of the contract and/or of one of its parameters may result in a profit or a loss that is high in proportion to the amount of assets actually placed as initial margin and may result in unlimited further loss exceeding any margin deposited. Investments in OTC derivatives may have limited secondary market liquidity and it may be difficult to assess the value of such a position and its exposure to risk. There can be no guarantee that strategies using derivative instruments will meet this expected target. Furthermore, when used for hedging purposes, there may be an imperfect correlation between these instruments and the investments or market sectors being hedged.

Transactions in OTC derivatives, such as credit derivatives, may involve additional risk, as there is no exchange market on which to close out an open position. It may be difficult to assess the value of a position and its exposure to risk or to liquidate an existing position.

In addition to derivative instruments, the investment manager may use repurchase or securities lending agreements in the investment program of the Sub-Fund. These techniques may increase the leverage of the Sub-Fund and its volatility. Moreover, the costs associated with leverage and borrowings will affect the operating results of the Sub-Fund.

Whether any margin deposit will be required for OTC options and other OTC instruments, such as currency forwards, swaps and certain other derivative instruments will depend on the credit determinations and specific agreements of the parties to the transaction, which are individually negotiated.

**Defaulted Securities risk** A Sub-Fund may hold Defaulted Securities that may become illiquid. The risk of loss due to default may also be considerably greater with lower-quality securities because they are generally unsecured and are often subordinated to other creditors of the issuer. If the issuer of a security in a Sub-Fund's portfolio defaults, the Sub-Fund may suffer unrealised losses on the security, which may lower the Sub-Fund's Net Asset Value per Share. Defaulted Securities typically exhibit prices that are highly discounted to their face value.

**Distressed Securities risk** A Sub-Fund may hold Distressed Securities. Distressed Securities are speculative and involve significant risk. Distressed Securities frequently do not produce income while they are outstanding and may require a Sub-Fund to bear certain extraordinary expenses in order to protect and recover its holding. Therefore, to the extent the Sub-Fund seeks capital appreciation, the Sub-Fund's ability to achieve current income for its Shareholders may be diminished by its holding of distressed securities. The Sub-Fund will also be subject to significant uncertainty as to when and in what manner and for what value the obligations evidenced by the distressed securities will eventually be satisfied

(e.g., through a liquidation of the obligor's assets, an exchange offer or plan of reorganisation involving the distressed securities or a payment of some amount in satisfaction of the obligation). In addition, even if an exchange offer is made or a plan of reorganisation is adopted with respect to distressed securities held by the Sub-Fund, there can be no assurance that the securities or other assets received by the Sub-Fund in connection with such exchange offer or plan of reorganisation will not have a lower value or income potential than may have been initially anticipated. Moreover, any securities received by the Sub-Fund upon completion of an exchange offer or plan of reorganisation may be restricted as to resale. As a result of the Sub-Fund's participation in negotiations with respect to any exchange offer or plan of reorganisation with respect to an issuer of distressed securities, the Sub-Fund may be restricted from disposing quickly of such securities.

**Downgrading of securities into Sub-Investment Grade and/or unrated debt securities risk** A Sub-Fund may invest in Investment Grade debt securities. Investment Grade debt securities which the Sub-Fund acquired may subsequently be downgraded to Sub-Investment Grade. Downgrading of such debt securities will lead to reduced value of the securities concerned thereby causing losses to the Sub-Fund. The market of Sub-Investment Grade and/or unrated debt securities may be less active, making it more difficult to sell the securities. Larger credit spreads will generally be adopted in the valuation of securities issued by issuers with lower credit rating. Valuation of such securities is more difficult and thus the Sub-Fund's price may be more volatile. The investment value of such securities held by the Sub-Funds may be adversely affected.

**Emerging markets risk** Some of the securities held in the concerned Sub-Fund may involve a greater degree of risk than generally associated with similar investments in major securities markets, due, in particular, to political and regulatory factors, as described hereunder.

The prospects for economic growth in a number of these markets are considerable and returns have the potential to exceed those in mature markets where growth is achieved. Investments in emerging markets offer diversification opportunities as correlations between those markets and major markets are generally quite low. However, price and currency volatility are generally higher in emerging markets.

Emerging markets securities may be substantially less liquid and more volatile than those of mature markets. Securities of companies located in emerging markets may be held by a limited number of persons. This may adversely affect the timing and pricing of the Sub-Funds' acquisition or disposal of securities.

Practices in relation to settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because the Sub-Funds will need to use brokers and counterparties, which are less well capitalised, and custody and registration of assets in some countries may be unreliable. However, the depositary is responsible for the proper selection and supervision of its correspondent banks in all relevant markets, in accordance with Luxembourg laws and regulations.

The SICAV will seek, where possible, to use counterparties, whose financial status is such that this risk is reduced. However, there can be no certainty that the SICAV will be successful in eliminating this risk for the Sub-Funds, particularly as counterparties operating in emerging markets frequently lack the substance or financial resources of those in developed countries.

The legal infrastructure in certain countries in which investments may be made may not provide the same degree of investors' protection or information to investors as would generally apply to major securities markets. Generally accepted accounting, auditing and financial reporting practices in emerging markets may be significantly different from those in developed markets. Compared to mature markets, some emerging markets may have a low level of regulations, enforcement of regulations and monitoring of investors' activities. Those activities may include practices such as trading on material non-public information.

Some governments exercise substantial influence over the private economic sector and investments may be affected by political and economic instability. In adverse social and political circumstances, governments have been involved in policies of expropriation, confiscatory taxation, nationalization, intervention in the securities market and trade settlement and imposition of foreign investment

restrictions and exchange controls, and these could be repeated in the future. In addition to withholding taxes on investment income, some emerging markets may impose differential capital gain taxes on foreign investors.

For example, in the Russian Federation, registrars are not subject to effective government supervision, nor are they always independent from issuers. The possibility of fraud, negligence, undue influence being exerted by the issuer or refusal to recognize ownership exists, which, along with other factors, could result in the registration of a shareholding being completely lost. Therefore, investors should be aware that the Sub-Funds may suffer loss arising from this type of registration problem and may have no successful claim for compensation.

**Equity volatility strategies risk** Generally, the use of equity volatility products or products which incorporate exposure to implied volatility as part of an investor's portfolio is complex and requires sophisticated analysis. Unsophisticated investors should not invest in equity volatility products without seeking professional advice and unless they are prepared to lose the entire sum they invested. By taking long exposure to implied volatility of equity markets (for example using forward variance swaps) whilst aiming to partially mitigate the carrying costs associated with such long position (for example using short exposure on near-term implied volatility) there is a risk that the cost mitigation technique will not be efficient.

**ESG risk** Applying ESG and sustainability criteria to the investment process may exclude securities of certain issuers for non-investment reasons and therefore some market opportunities available to funds that do not use ESG or sustainability criteria may be unavailable for the Sub-Fund, and the Sub-Fund's performance may at times be better or worse than the performance of comparable funds that do not use ESG or sustainability criteria. The selection of assets may in part rely on an ESG scoring process or ban lists that rely partially on third party data. The lack of common or harmonised definitions and labels integrating ESG and sustainability criteria at EU level may result in different approaches by managers when setting ESG objectives and determining that these objectives have been met by the funds they manage. This also means that it may be difficult to compare strategies integrating ESG and sustainability criteria to the extent that the selection and weightings applied to select investments may to a certain extent be subjective or based on metrics that may share the same name but have different underlying meanings. Investors should note that the subjective value that they may or may not assign to certain types of ESG criteria may differ substantially from the Investment Manager's methodology. The lack of harmonised definitions may also potentially result in certain investments not benefitting from preferential tax treatments or credits because ESG criteria are assessed differently than initially thought.

**Extension risk** An increase in interest rates could cause principal payments on a debt security, including perpetual bonds that have no maturity date, to be paid back slower than expected. For a callable security, an increase in interest rates may result that the security is not redeemed on its call date resulting in an extension of the expected maturity (increase of the effective duration), where the security may become more exposed and may face market value decrease.

**Flexible asset class risk** The investment manager may apply investment process, techniques and quantitative risk analyses in making investment decisions regarding the strategy of the Sub-Fund. The Sub-Fund's allocation of its investments across the asset classes and sectors may vary significantly over time; that may involve higher turnover (higher transaction costs) however there can be no guarantee that these will produce the aimed results.

**Fund of funds risk** A Sub-Fund, which is established as a fund of funds will invest in funds as part of its investment policy. These investments may result in the Sub-Fund being subject to multiple layers of management fees or other fees. Furthermore, such a Sub-Fund may be subject to valuation risk due to the manner in which the Sub-Fund's target investments are themselves valued.

**Global investments risk** Investments in foreign securities, i.e. securities denominated in a currency different from the Sub-Fund's Reference Currency, offer potential benefits not available from investments solely in securities denominated in the Sub-Fund's Reference Currency. However, it also involves significant risks that are not typically associated with investing in securities denominated in the Sub-Fund's Reference Currency. Indeed, foreign investments may be affected by movements of exchange rates, changes in laws



or restrictions applicable to such investments and changes in exchange control regulations (e.g. currency blockage).

In addition, if a Sub-Fund offers unhedged currency Share Classes denominated in a currency different from the Sub-Fund's Reference Currency, the investor is exposed to foreign exchange risks at Share Class level as the value of this kind of Shares depends on the prevailing spot foreign exchange rate between the two currencies.

Issuers are generally subject to different accounting, auditing and financial reporting standards in different countries throughout the world. The volume of trading, the volatility of prices and the liquidity of issuers may vary in the markets of different countries. In addition, the level of government supervision and regulation of securities exchanges, securities dealers and listed and unlisted companies is different throughout the world. The laws of some countries may limit the Sub-Fund's ability to invest in securities of certain issuers located in those countries.

Different markets have different clearance and settlement procedures. Delays in settlement could result in temporary periods when a portion of the Sub-Fund's assets is uninvested and no return is earned thereon. The inability of the Sub-Fund to make intended securities purchases due to settlement problems could cause the Sub-Fund to miss attractive investments opportunities. Inability to dispose of Sub-Fund's securities due to settlement problems could result either in losses to the Sub-Fund, due to subsequent declines in value of the Sub-Fund's securities, or, if the Sub-Fund has entered into a contract to sell the securities, could result in possible liability to the purchaser.

With respect to certain countries, there is a possibility of expropriation or confiscatory taxation, imposition of withholding taxes on dividend or interest payments, limitations on the removal of Sub-Funds or other assets of the Sub-Funds, political or social instability or diplomatic developments, which could affect investments in those countries.

An issuer of securities may be domiciled in a country other than a country in which currency the instrument is denominated.

The values and relative yields of investments in the securities markets of different countries, and their associated risks, are expected to change independently of each other. Investments in sovereign debt obligations by the Sub-Funds involve risks not present in debt obligations of corporate issuers. The issuer of the debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or interest, when due in accordance with the terms of such debt, and the Sub-Funds may have limited recourse to compel payment in the event of a default.

Periods of economic uncertainty may result in volatility of market prices of sovereign debt and in turn the Sub-Fund's NAV. A sovereign debtor's willingness or ability to repay principal and pay interests in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign currency reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the sovereign debtor's policy toward international lenders and the political constraints to which a sovereign debtor may be subject.

**Hedge funds risk** A limited part of the assets of a Sub-Fund (maximum 10%) may be exposed to funds pursuing alternative strategies. Investments in alternative funds imply certain specific risks linked, for example, to the valuation of the assets of such funds and to their poor liquidity.

**Hedging and income enhancement strategies risk** Each Sub-Fund may engage in various portfolio strategies to attempt to reduce certain risks of its investments and to attempt to enhance return or may hold financial derivative instruments for hedging only. These strategies currently include the use of options, warrants, forward currency exchange contracts, swap and futures contracts and options on futures contracts. The ability to use these strategies may be limited by market conditions and regulatory limits and there can be no assurance that any of these strategies will meet the expected target. The success of the Sub-Fund's hedging strategy will depend, in part, on the investment manager's ability to assess correctly the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Sub-Fund's hedging strategy will also be subject to the investment manager's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Sub-Fund may enter into

hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Sub-Fund than if it had not engaged in such hedging transactions.

The adverse consequences of the use of options, warrants, foreign currency, swap and futures contracts and options on futures contracts may cause a loss to the Sub-Funds higher than the amount invested in these instruments. The global exposure to said instruments may not exceed 100 % of the NAV of the relevant Sub-Fund in the case of Sub-Funds using the commitment approach. Accordingly, the global risk associated with the investments of a Sub-Fund may amount to 200 % of the NAV of the Sub-Fund. As temporary borrowing is allowed up to a maximum of 10%, the global risk can never exceed 210 % of the NAV of the relevant Sub-Fund.

For Sub-Funds using the *Value-at-Risk* approach, the risk associated with the use of derivative instruments may not cause the Sub-Fund to exceed the level of Value-at-Risk indicated in the relevant "Sub-Fund Descriptions" section.

If the investment manager's predictions of movements in the direction of the securities, foreign currency and interest rate markets are inaccurate, the adverse consequences to a Sub-Fund may leave the Sub-Fund in a worse position than if such strategies were not used.

For a variety of reasons, the investment manager may not seek to establish a perfect correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imperfect correlation may prevent the Sub-Fund from achieving the intended hedge or expose the Sub-Fund to a risk of loss. The investment manager may not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because it does not foresee the occurrence of the risk. In adverse situation, the Sub-Fund's use of financial derivative instruments may become ineffective in hedging and the Sub-Fund may suffer significant losses.

Where a Sub-Fund enters into swap transactions it is exposed to a potential counterparty risk. In the case of insolvency or default of the swap counterparty, such event would affect the assets of the Sub-Fund.

**Impact investments risk** Certain Sub-Funds implement AXA IM Impact approach for listed assets and their investment universe is limited to assets that meet specific criteria in relation with the Sustainable Development Goals established by the United Nations (intentionality, materiality, additionality, negative externality and measurability). As a result, their respective performance may be different from a fund implementing a similar investment strategy without Impact approach. The selection of assets may in part rely on third party data appreciated at the time of investment that may evolve over time.

**Low carbon emission concentration risk** Sub-Funds may focus their investments in low carbon emission. This may lead to adverse consequences for such a Sub-Fund when such companies, sectors, countries or ratings with low carbon emission focus become less valued. For the Sub-Funds that have a concentration in investments with a low carbon emission focus, the value of such Sub-Funds may be more volatile than that of a fund having a more diverse portfolio of investments.

**Inflation-linked bonds risk** Inflation-linked bonds are special types of indexed bonds that are tied to indices that are calculated based on the rates of inflation for prior periods. The value of inflation-linked bonds generally fluctuates in response to changes in real interest rates. Real interest rates are tied to the relationship between nominal interest rates and the rate of inflation. If nominal interest rates increases at a faster rate than inflation, real interest rates might rise, leading to a decrease in value of inflation-linked bonds. Conversely, if inflation rises at a faster rate than nominal interest rates, real interest rates might decline and result in an increase in value of inflation-linked bonds.

If the Sub-Fund purchases inflation-linked bonds in the secondary market whose principal values have been adjusted upward due to inflation since issuance, the Sub-Fund may experience a loss if there is a subsequent period of deflation. Additionally, if the Sub-Fund purchases inflation-linked bonds in the secondary market which price has been adjusted upward due to real interest rates increasing, the Sub-Fund may experience a loss if real interest rates subsequently increase. If inflation is lower than expected during the period the Sub-

Fund holds an inflation-linked bond, the Sub-Fund may earn less on the security than on a conventional bond.

If real interest rates rise (i.e. if interest rates rise for reasons other than inflation), the value of the inflation-linked bonds in the Sub-Fund's portfolio and the NAV of the Sub-Fund will decline. Moreover, because the principal amount of inflation-linked bonds would be adjusted downward during a period of deflation, the Sub-Fund will be subject to deflation risk with respect to its investments in these securities and the NAV of the Sub-Fund may be adversely affected. There can be no assurance that such indices will accurately measure the real rate of inflation.

Additionally, the market for inflation-linked bonds may be less developed or liquid, and more volatile, than certain other securities markets. There are a limited number of inflation-linked bonds that are currently available for the Sub-Funds to purchase, thus making the market less liquid and more volatile.

**Contingent convertible bonds risk** In the framework of new banking regulations, banking institutions are required to increase their capital buffers and have therefore issued certain types of financial instrument known as subordinated contingent capital securities (often referred to as "CoCo" or "CoCos"). The main feature of a CoCo is its ability to absorb losses as required by banking regulations, but other corporate entities may also choose to issue them.

Under the terms of a CoCo, the instruments become loss absorbing upon certain triggering events, including events under the control of the management of the CoCo issuer which could cause the permanent write-down to zero of principal investment and / or accrued interest, or a conversion to equity that may coincide with the share price of the underlying equity being low. These triggering events may include (i) a deduction in the issuing bank's capital ratio below a pre-set limit, (ii) a regulatory authority making a subjective determination that an institution is "non-viable" or (iii) a national authority deciding to inject capital.

Furthermore, the trigger event calculations may also be affected by changes in applicable accounting rules, the accounting policies of the issuer or its group and the application of these policies. Any such changes, including changes over which the issuer or its group has a discretion, may have a material adverse impact on its reported financial position and accordingly may give rise to the occurrence of a trigger event in circumstances where such a trigger event may not otherwise have occurred, notwithstanding the adverse impact this will have on the position of holders of the CoCos.

CoCos are valued relative to other debt securities in the issuer's capital structure, as well as equity, with an additional premium for the risk of conversion or write-down. The relative riskiness of different CoCos will depend mainly on the distance between the current capital ratio and the effective trigger level, which once reached would result in the CoCo being automatically written-down or converted into equity.

It is possible in certain circumstances for interest payments on certain CoCos to be cancelled in full or in part by the issuer, without prior notice to bondholders. Therefore, there can be no assurances that investors will receive payments of interest in respect of CoCos. Unpaid interest may not be cumulative or payable at any time thereafter,

Notwithstanding that interest not being paid or being paid only in part in respect of CoCos or the principal value of such instruments may be written down to zero, there may be no restriction on the issuer paying dividends on its ordinary shares or making pecuniary or other distributions to the holders of its ordinary shares or making payments on securities ranking pari passu with the CoCos resulting in other securities by the same issuer potentially performing better than CoCos.

CoCos generally rank senior to common stock in an issuer's capital structure and are consequently higher quality and entail less risk than the issuer's common stock; however, the risk involved in such securities is correlated to the solvency level and / or the access of the issuer to liquidity of the issuing financial institution.

The structure of CoCos is yet to be tested and there is some uncertainty as to how they may be impacted in regards to liquidity challenges and industry concentration in a stressed environment of deteriorating financial condition.

**Investments in MLPs risk** As compared to common stockholders of a corporation, holders of MLP units have more limited control and

limited rights to vote on matters affecting the partnership. In addition, there are certain tax risks associated with an investment in MLP units and conflicts of interest may exist between common unit holders and the general partner, including those arising from incentive distribution payments.

A change in current tax law, or a change in the business of a given MLP, could result in an MLP being treated as a corporation for US federal income tax purposes, which would result in such MLP being required to pay US federal income tax on its taxable income. Thus, if any of the MLPs owned by the Fund were treated as corporations for US federal income tax purposes, the after-tax return to the Fund with respect to its investment in such MLPs would be materially reduced, which could cause a decline in the value of the common stock.

To the extent that the Fund invests in the equity securities of an MLP, the Fund will be a partner in such MLP. Accordingly, the Fund will be required to include in its taxable income the Fund's allocable share of the income, gains, losses, deductions and expenses recognised by each such MLP, regardless of whether the MLP distributes cash to the Fund. The Fund will incur a current tax liability on its allocable share of an MLP's income and gains that is not offset by the MLP's tax deductions, losses and credits, or its net operating loss carryforwards, if any. The portion, if any, of a distribution received by the Fund from an MLP that is offset by the MLP's tax deductions, losses or credits is essentially treated as a return of capital. The percentage of an MLP's income and gains that is offset by tax deductions, losses and credits will fluctuate over time for various reasons. A significant slowdown in acquisition activity or capital spending by MLPs held in the Fund's portfolio could result in a reduction of accelerated depreciation generated by new acquisitions, which may result in increased current tax liability for the Fund.

Because of the Fund's investments in equity securities of MLPs, the Fund's earnings and profits may be calculated using accounting methods that are different from those used for calculating taxable income. Because of these differences, the Fund may make distributions out of its current or accumulated earnings and profits, which will be treated as dividends, in years in which the Fund's distributions exceed its taxable income. In addition, changes in tax laws or regulations, or future interpretations of such laws or regulations, could adversely affect the Fund or the MLP investments in which the Fund invests.

MLPs owning several properties or businesses (or own interests) that are related to in energy and natural resource industries. Accordingly, MLPs will be negatively impacted by economic events adversely impacting the oil and gas or other natural resource industries to which its business relates.

**Investments in real estate securities and REITs risk** The value of real estate securities and REITs may be affected by the condition of the economy as a whole and by the changes related to the state and valuation of the real estate businesses which is of a cyclical nature, mainly sensitive to interest rate level and rental income. The REITs are impacted by the creditworthiness of the issuer of the investments and the level of taxes, liquidity of the credit markets and the real estate regulatory environment.

**Investments in small and/or micro capitalisation universe risk** Investing in the small and/or micro capitalisation universe implies specific liquidity risk. The possible lack of a liquid market may inhibit the ability of the relevant Sub-Funds to purchase or sell such investment at an advantageous price. The NAV of the Sub-Funds may be adversely affected.

**Investments in specific countries or geographical zones risk** Sub-Funds concentrating their investments in certain countries or geographical regions are therefore subject to the risks associated with concentrating investments in regions. This type of strategy may lead to adverse consequences when target markets drop or encounter liquidity issues.

**Investments in specific sectors or asset classes risk** Certain Sub-Funds concentrate their investments in certain asset classes (commodities, real estate) or in companies of certain sectors of the economy (such as healthcare, consumer staples and services, telecommunications or real estate) and are therefore subject to the risks associated with concentrating investments in such classes and



sectors. This type of strategy may lead to adverse consequences when such asset classes or sectors become less valued or less liquid.

**Investment through the Stock Connect program risk** Some Sub-Funds may invest in the Chinese domestic market through the Stock Connect program.

#### Regulatory risk

The current regulations are subject to change and there can be no assurance that the Stock Connect will not be abolished. New regulations may be issued from time to time by the regulators/stock exchanges in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Stock Connect. The concerned Sub-Fund may be adversely affected as a result of such changes.

#### Investment limitations

The Stock Connect is subject to quota limitations on daily basis. In particular, once the remaining balance of the relevant quota drops to zero or the daily quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance) and there is no certainty that the quota might be extended in the future. Therefore, quota limitations may restrict the concerned Sub-Fund's ability to invest in A Shares through the Stock Connect on a timely basis, and the concerned Sub-Fund may not be able to effectively pursue its investment strategy.

In addition stock may be recalled from the scope of eligible stocks for trading via the Stock Connect and in such a case the stock can only be sold but restricted from being bought. This may affect the ability of the Sub-Fund to implement its investment strategy.

It is contemplated that Hong Kong stock exchange and PRC stock exchanges markets would reserve the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension is affected, the concerned Sub-Fund's ability to access the PRC market via Stock Connect will be adversely affected.

The Stock Connect will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding Settlement Days. So it is possible that there are occasions when it is a normal trading day for the PRC market but the concerned Sub-Fund cannot carry out any A Shares trading via the Stock Connect where that day is not a trading day in Hong Kong. The concerned Sub-Fund may be subject to a risk of price fluctuations in A Shares during the time when the Stock Connect is not trading as a result.

#### Pre-trade checking

PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise the Chinese Market Stock Exchange will reject the sell order concerned. Pre-trade checking will be carried out on A share sell orders to ensure there is no over-selling.

#### Operational risk

The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. The securities regimes and legal systems of Hong Kong stock exchange and PRC stock exchanges differ significantly and market participants may need to address issues arising from the differences on an on-going basis.

There is no assurance that the system of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. The concerned Sub-Fund's ability to access the A share market via the Stock Connect (and hence to pursue its investment strategy) may be adversely affected.

#### Execution issues

Stock Connect trades may, pursuant to the Stock Connect rules, be executed through one or multiple brokers. Given the pre-trade checking requirements, the Investment manager may determine that it is in the interest of the concerned Sub-Fund that it only executes

Stock Connect trades through a broker who is affiliated to the SICAV's sub-depositary that is an exchange participant. In that situation, whilst the Investment manager will be cognizant of its best execution obligations, it will not have the ability to trade through multiple brokers and any switch to a new broker will not be possible without a commensurate change to the SICAV's sub-custody arrangements.

#### Ownership of Stock Connect securities

The recognition of the concerned Sub-Fund's ownership on the Stock Connect securities will be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign shareholding restriction. It is uncertain whether the Chinese courts would recognise the ownership interest of the investors to allow them standing to take legal action against the Chinese entities in case disputes arise.

**Leverage provider risk** The provision of the leverage to the Sub-Fund by the counterparty(ies) is an important component of the Sub-Fund's strategy. If for specific, systemic, or operational reasons the counterparty(ies) used for the set-up of the leverage is not able to do so or if market conditions evolve and generate too expensive funding costs of the setup of the leverage, this could notably lead, under certain circumstances, to underperformance, forced deleverage or liquidation of the sub-fund. As such, this (these) counterparty(ies) is (are) a key dependency for the Sub-fund. Attention of the shareholders is drawn to the fact that the number of counterparties may be limited to one.

#### Method and model risk

##### Systematic model risk

Allocation, selection and weighting of assets in certain Sub-Funds are performed by systematic models managed by the AXA IM Equity QI team. It is possible that the design of the model may not result in the selection of the best performing assets.

##### AXA Investment Managers Chorus Limited model and data risk

Certain Sub-Funds may use AXA Investment Managers Chorus Limited proprietary models for the design and implementation of its investment strategy. The research and modeling process engaged in by the investment manager is complex and involves financial, economic, econometric and statistical theories, research and modeling embedding uncertainty. The models used are evolving and may be adapted, rectified or updated from time to time. Although the investment manager seeks to provide appropriate levels of oversight, its processes and proprietary models may not necessarily capture the opportunities they were designed for and expected to capture and hence could adversely affect the Sub-Fund's performance. Moreover, the investment manager relies heavily on quantitative financial, information and data supplied by third parties. When such quantitative models, information and data prove to be incorrect or incomplete, any decisions made in reliance thereon expose the Sub-Fund to potential risks and losses.

**Net Asset Value fall risk** Under certain market conditions, the NAV variation of certain Sub-Funds may be very low or even negative.

**PRC tax consideration risk** Regarding the investment in the Chinese domestic market, some Sub-Funds may be affected by some tax considerations.

Under the prevailing PRC tax policy, there are certain tax incentives available to PRC companies with foreign investments. There can be no assurance, however, that the aforesaid tax incentives will not be abolished in the future. In addition, the SICAV may be subject to withholding and other taxes imposed in the PRC. The value of the SICAV's investments will be affected by taxation levied through the Investment manager's RQFII Quota or through the Stock Connect, which the SICAV will be required to reimburse to the investment manager.

The tax laws, regulations and practice in the PRC are subject to change, and may be changed with retrospective effect. The interpretation and applicability of the tax law and regulations by PRC tax authorities are not as clear and transparent as those of more developed countries and may vary from region to region. In particular, effective from 17 November 2014 the PRC tax authorities have temporarily suspended the income tax payable on capital gains arising from securities trading of RQFII's and of the Stock Connect. Relevant tax authorities may in the future re-activate such a tax or withholding tax on realised gains by the RQFII's Sub-Fund and through the Stock Connect from dealing in PRC securities. In light of

this uncertainty and in order to meet this potential tax liability for capital gains, the management company reserves the right to provide for the tax on such gains and withhold the tax for the account of the SICAV. With respect to any provisions for tax which may become payable by the SICAV, the assessment of the likelihood of materializing and activating such provisions is performed by the management company at its sole discretion. The amount of any such tax provision will be disclosed in the accounts of the SICAV. If the actual applicable tax levied by PRC tax authorities is greater than that provided for by the SICAV so that there is a shortfall in the tax provision amount, investors should note that the NAV of the SICAV may suffer more than the tax provision amount as the SICAV will ultimately have to bear the additional tax liabilities. In this case, the existing and new shareholders will be disadvantaged. On the other hand, if the actual applicable tax levied by PRC tax authorities is less than that provided for by the SICAV so that there is an excess in the tax provision amount, shareholders who have redeemed the shares before PRC tax authorities' ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the SICAV's overprovision. In this case, the existing and new shareholders may benefit if the difference between the tax provision and the actual taxation liability can be returned to the account of the SICAV as assets thereof. In addition, the value of the SICAV's investment in the PRC and the amount of its income and gains could also be adversely affected by an increase in rates of taxation or changes in the basis of taxation.

#### Bond Connect

According to the Caishui 2018 No. 108, effective from 7th November 2018 to 6th November 2021, there is a three-year tax exemption (including withholding tax, VAT and local surcharges) on bond interest income derived by qualified non PRC tax residents through Bond Connect. Except for the above, there is no specific regulation released regarding the tax treatment on capital gains through Bond Connect. Without further clarification, Chinese tax authorities may levy withholding tax, VAT as well as the surcharges on bond capital gains.

In light of the legal and regulatory uncertainties in China, the SICAV reserves the right to make any provision for taxes or to deduct or to withhold an amount on account of taxes (which may be payable by the Sub-Fund to the Chinese tax authorities in respect of its investments in China) from assets of the Sub-Fund. The amount of provision (if any) will be disclosed in the financial statements of the SICAV. In this regard, the SICAV has, as at the date of this Prospectus, determined that no tax provision will be made on the capital gains derived from PRC investments. Any provision for taxes made by the SICAV may be more or less than the Sub-Fund's actual Chinese tax liabilities. If the Sub-Fund does not set aside enough to meet these tax obligations, then the shortfall may be debited from the Sub-Fund's assets to meet its actual Chinese tax liabilities. As a result, the income from, and/or the performance of the Sub-Fund may be reduced/adversely affected and the impact/degree of impact on the individual shareholders may vary, depending on factors such as the level of the Sub-Fund's provision for taxes and the amount of the shortfall at the relevant time and when the relevant shareholders subscribed for and/or redeemed their Shares in the Sub-Fund.

#### Absolute return strategies risk

Certain Sub-Funds may use absolute return strategies (the "Strategies").

##### High portfolio turnover risk

Such Strategies may involve high portfolio turnover. More frequent trading is likely to result in higher levels of brokerage fees, commissions and market impact which may adversely affect the level of the relevant Strategy and therefore the value of and return on the Sub-Fund.

##### No assurance of positive returns and/or successful Strategy risk

The results that may be obtained from investing in any financial instrument linked to a Strategy or otherwise participating in any transaction linked to a Strategy may well be significantly different from the results that could theoretically be obtained from a direct investment in the relevant components of such Strategy or any related derivatives thereto.

##### Correlation risk

The performance of certain Strategies may become highly correlated from time to time, including, but not limited to, periods in which there is a substantial decline in a particular sector or asset type represented by a Strategy. High correlation during periods of negative returns may

have a significant adverse effect on the value of and return on the Sub-Fund.

##### Limited operating history risk

Some Strategies are relatively new and no historical performance data may exist with respect to these Strategies. Investment in such Strategies may involve greater risk than investments linked to a strategy with a proven track record. The limited track record with respect to a Strategy is particularly significant because the algorithm underlying each Strategy is based on historical data referencing returns to date that may or may not be repeated in the future.

##### High leverage risk

Investors should be aware that the Sub-Fund will use high level of leverage to meet its investment objective. Such high leverage may accentuate falls in the Sub-Fund's NAV where the markets move against the Sub-Fund and thereby increase losses. The cumulative effect of the use of leverage by the Sub-Fund, directly or indirectly, in a market that moves adversely to the investments of the entity employing the leverage, could result in a loss to the Sub-Fund that would be greater than if leverage were not employed by such Sub-Fund. The Sub-Fund might lose a significant part or all of its initial investment.

The use of leverage is integral of the Sub-Fund's Strategies, and the Sub-Fund may depend on the availability of leveraging agreements with banks, dealers or other counterparties. There can be no assurance that the Sub-Fund will be able to maintain adequate leveraging arrangements under all market circumstances. As a general matter, the banks, dealers and other counterparties that provide leverage to the Sub-Fund can apply essentially discretionary margin, haircut, financing, security and collateral valuation policies. Changes by banks, dealers and other counterparties in such policies, or the imposition of other credit limitations or restrictions, whether due to market circumstances or governmental, regulatory or judicial action, may result in margin calls, loss of financing, forced liquidation of positions at disadvantageous prices, termination of swap agreements and cross-defaults to agreements with other dealers. Any such adverse effects may be exacerbated in the event that such limitations or restrictions are imposed suddenly and/or by multiple market participants at or about the same time. The imposition of such limitations or restrictions could compel the Sub-Fund to liquidate all or a portion of its portfolio at disadvantageous prices. During the prevailing "financial crisis," the availability of financing and leveraging has been materially restricted. In addition, many dealers have materially increased the cost and margin requirements applicable to outstanding financing and leveraging, materially adversely affecting certain funds.

##### "Non-capturing" of absolute return Strategies risk

There is no guarantee that the Sub-Fund will be successful at capturing absolute return Strategies or that any such absolute return will persist in any particular market over time. Furthermore, as a result of changes in market structure and/or due to increased investment in products attempting to capture the absolute return Strategies or other similar investment themes, the underlying factors of absolute return Strategies may change, cease to exist, and/or lead to negative expected returns over any time period.

##### Synthetic Short position risk

The Sub-Fund may employ certain derivative techniques (such as contracts for difference) designed to produce the same economic effect as a short sale (a "synthetic short") and establish both "long" and "short" positions in individual stocks, assets and markets. As a result, as well as holding assets that may rise or fall with markets, the Sub-Fund may also hold positions that will rise as the market value falls, and fall as the market value rises. Taking synthetic short positions involves trading on margin and accordingly can involve greater risk than investments based on a long position.

**Redex (share class/strategy) risk relating to interest rate** Interest rate risk involves the risk that, when interest rates increase along the curve, as the market value of fixed-income securities tends to decline, as a result the NAV of standard Shares/global inflation bonds sub-funds tends to decrease. Conversely, when interest rates decline along the curve, the market value of fixed-income securities tends to increase, as a result, the NAV of the standard Shares/global inflation bonds sub-funds tend to increase. Long-term fixed-income securities will normally have more price volatility because of this risk than short-

term securities. The aim of the listed derivatives overlay strategy implemented at the Redex Share Class/Sub-Fund's level is to reduce the exposure to interest rates parallel shifts along the curves. Therefore, the impact of interest rates parallel shifts on the Redex Share/Sub-Fund's NAV tends to be reduced compared to the impact of such move on the standard Shares/ global inflation bonds sub-funds. When interest rates increase, as the market value of fixed-income securities tends to decline, the market value of the overlay strategy tends to increase, as a result the impact of the interest rates increase on the value of the Redex Share Classes/Sub-Funds tends to be more limited. Conversely, when interest rates decline, the market value of fixed-income securities tends to increase, and the market value of the overlay strategy tends to decrease as a result the impact of the interest rates decrease on the value of the Redex Share Classes/Sub-Funds tends to be more limited. There might be costs of carry associated with such strategies should inflation remain too low.

**Reinvestment risk** Reinvestment risk is the risk that proceeds from bond coupons or redemptions may be reinvested at lower yields than that of the previous investment, due to the market conditions at the time that the proceeds are invested. The callability feature in corporate bonds, including perpetual bonds (bonds without maturity date), increases reinvestment risk as companies will call their bonds when they can issue bonds with a lower yield.

**RMB Currency risk** A majority of the concerned Sub-Fund's assets will be invested into investments denominated in RMB. There can be no assurance that RMB will not be subject to devaluation or revaluation. These may expose the Sub-Fund to exchange rate fluctuation and currency risk. RMB is currently not a freely convertible currency and subject to exchange controls and restrictions, the concerned Sub-Fund may be subject to higher transaction costs associated with currency conversion.

**RQFII Quota risk** Some Sub-Fund may invest directly in the Chinese domestic market via the RQFII Quota.

#### Quota risk

Under the prevailing regulations in the PRC, the SICAV's investment will be made through the RQFII Quota granted to AXA Investment Managers Paris qualified as "RQFII Quota holder". The RQFII regime is governed by rules and regulations as promulgated and amended from time to time by the mainland Chinese authority, i.e. the CSRC, the SAFE and the PBOC. The Investment Managers has obtained a RQFII license and has been granted a RQFII Quota through which the SICAV may invest in Chinese domestic securities (Chinese "A" shares, debt instruments securities traded on the PRC's interbank bond market and other domestic securities as permitted). There can however be no assurance that additional RQFII Quota can be obtained to fully satisfy subscription requests in the relevant Sub-Fund. This may result in a need to reject and/or (pending receipt of additional RQFII Quota) defer all or part of any new subscription requests, subject to the terms of this Prospectus. On the other hand, the size of the quota may generally be reduced or cancelled by the relevant Chinese authorities if the RQFII is unable to use its RQFII Quota effectively within one (1) year since the quota is granted. Also, regulatory sanctions may be imposed on RQFII holders if the latter (or the RQFII local depositary) breach any provision of the RQFII regulations, which could potentially result in the revocation of the RQFII quota or other regulatory sanctions that may impact on the portion of the RQFII quota made available for investment by the RQFII Sub-Funds. Should the "RQFII Quota holder" lose its RQFII status or retire or be removed, or its RQFII Quota be revoked or reduced, the SICAV may not be able to invest in the PRC market, and the SICAV may be required to dispose of its holdings, which would likely have a material adverse effect on the SICAV. There can be no assurance that redemption requests can be processed in a timely manner due to adverse changes in relevant laws or regulations, including changes in RQFII repatriation restrictions. Such restrictions may result in suspension of dealings of the SICAV.

#### RQFII Regulations

The application of the RQFII regulations is subject to interpretation. The CSRC and the SAFE have been given wide discretions in the RQFII regulations and there is no precedent or certainty as to how these discretions might be exercised. Moreover, the RQFII regulations may be subject to further revisions in the future, there is no assurance whether such revisions will prejudice the RQFII quota of AXA Investment Managers Paris used by the SICAV which is subject to

review from time to time by CSRC and SAFE and which may be removed substantially or entirely. The RQFII regulations impose strict investment guidelines such as investments restrictions or limitation on foreign ownership of holdings that might impact the performance and/or liquidity of the RQFII Sub-Funds. Repatriations by RQFII holders in respect of an open-ended RQFII fund, such as the RQFII Sub-Funds, conducted in RMB are currently conducted daily and are not subject to repatriation restrictions or prior approval. There is no assurance, however, that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Any restrictions on repatriation of the invested capital and net profits may impact on the RQFII Sub-Funds' ability to meet redemption requests from the Shareholders. In extreme circumstances, the SICAV may incur significant loss due to limited investment capabilities, or may not be able to fully implement or pursue its investment objectives or strategy, due to RQFII investment restrictions.

#### PRC Broker

As RQFII holder, the Investment manager will also select brokers ("PRC Brokers") to execute transactions for the SICAV in the PRC markets. There is a possibility that the SICAV may only appoint one PRC Broker.

If a single PRC Broker is appointed, the concerned Sub-Fund may not always pay the lowest commission available in the market. However, the SICAV shall, in the selection of PRC brokers, have regard to factors such as the competitiveness of commissions rates, size of the relevant orders and execution standards. The SICAV may incur losses due to the acts or omissions of the PRC Brokers or the PRC depositary in the execution or settlement of any transaction or in the transfer of any funds or securities.

#### Depositary

The Depositary has appointed a sub-depositary for the SICAV (the "PRC Sub-Depositary"), where the PRC Sub-Depositary will hold the assets of the SICAV invested in the PRC through the RQFII quota held by AXA Investment Managers Paris. Subject to the PRC investment regulations, RQFII quota holder could be the party entitled to the securities in such securities account(s) (albeit that this entitlement does not constitute an ownership interest or preclude the RQFII Quota holder from purchasing the securities on behalf of the SICAV), such securities may not be as well protected as if they were registered solely in the name of the SICAV. Investors should note that cash deposited in the cash account of the SICAV with the PRC sub-depositary will not be segregated but will be a debt owing from the PRC sub-depositary to the SICAV as a depositor. Such cash will be co-mingled with cash belonging to other clients of the PRC sub-depositary. In the event of bankruptcy or liquidation of the PRC sub-depositary, the SICAV will not have any proprietary rights to the cash deposited in such cash account, and the SICAV will become an unsecured creditor, ranking *pari passu* with all other unsecured creditors of the PRC sub-depositary. The SICAV may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the SICAV will suffer losses.

**Securitised assets or CDO assets risk** Securitised assets or CDO assets (CLO, ABS, RMBS, CMBS, CDO, etc.) are subject to credit, liquidity, market value, interest rate and certain other risks. Such financial instruments require complex legal and financial structuring and any related investment risk is heavily correlated with the quality of underlying assets which may be of various types (leveraged loans, bank loans, bank debt, debt securities, etc.), economic sectors and geographical zones.

**Sovereign debt risk** The Sub-Funds may invest in sovereign debt. Certain countries are especially large debtors to commercial banks and foreign governments. Investment in such debt obligations, i.e. sovereign debt, issued or guaranteed by such governments or governmental entities involves a higher degree of risk. The governmental entity that controls the repayment of sovereign debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. The value of investments of the Sub-Funds may be adversely affected. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a

whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest on their debt. In addition, there are no bankruptcy proceedings for such sovereign debt on which money to pay the debt obligations may be collected in whole or in part. Holders may be requested to participate in the rescheduling of such sovereign debt and to extend further loans to the issuers.

Certain Sub-Funds may be further subject to the risk of high concentration in debt securities issued by and/or guaranteed by a single sovereign issuer which is Sub-Investment Grade and/or unrated which is also subject to higher credit / default risk. In the event of a default of the sovereign issuer, these Sub-Funds may suffer significant loss.

**Sub-Investment Grade debt securities (High Yield) risk** Some of the Sub-Investment Grade securities held in the Sub-Funds may involve increased credit and market risk; such securities are subject to the risk of an issuer's inability to meet principal and interest payments on its obligations (credit risk) and may also be subject to price volatility due to such factors as Interest Rate Sensitivity, market perception of the creditworthiness of the issuer and general market liquidity. The NAV of the Sub-Funds may be adversely affected. In

selecting securities, the Sub-Funds will consider among other things, the price of the securities, and the issuer's financial history, condition, management and prospects. The Sub-Funds will endeavor to mitigate the risks associated with Sub-Investment Grade securities, by diversifying their holdings by issuer, industry and credit quality.

**Subordinated debts risk** A Sub-Fund may invest in subordinated debt, including perpetual debts that have no maturity date. Subordinated debt is debt which, in the case of insolvency of the issuer, ranks after other debts in relation to repayment. Because subordinated debt is repayable after senior debts have been re-paid, the chance of receiving any repayment on insolvency is reduced and therefore subordinated debt represents a greater risk to the investor. These securities generally have a lower rating than senior debt issued by the same issuer.

Depending on the jurisdiction of the issuer, a financial regulator with supervisory authority may use statutory powers and deem the issuer of subordinated debt to have reached a point of non-viability, meaning that public intervention would be necessary. Under such conditions, subordinated debt securities may absorb losses prior to bankruptcy.

The liquidity for such investments in stressed market environments may be limited, negatively impacting the price they may be sold at, which in turn may negatively impact the Fund's performance.



# More about Derivatives

## TYPES OF DERIVATIVES THE SUB-FUNDS USE

Although the Sub-Funds do not rule out the use of any type of derivative, they generally expect to use the following types, among others:

- financial futures and options, such as futures or options on equities, interest rates, indices, bonds, currencies, commodity indices or other instruments
- forwards, such as foreign exchange contracts (currency forwards)
- swaps (contracts where two parties exchange the returns from two different assets, indices, or baskets of the same), such as foreign exchange, commodity index, interest rate, volatility and variance swaps
- total return swaps (contracts where one party transfers to another party the total performance of a reference obligation, including all interest, fee income, market gains or losses, and credit losses)
- credit derivatives, such as credit default derivatives, credit default swaps (contracts where a bankruptcy, default, or other “credit event” triggers a payment from one party to the other) and credit spread derivatives
- warrants
- mortgage TBAs (securities based on a pool of mortgages that has not yet been finalised but whose overall characteristics are specified)
- structured financial derivatives, such as credit-linked and equity-linked securities

Futures are generally exchange-traded. All other types of derivatives are generally OTC. For any index-linked derivatives, the index provider determines the rebalancing frequency. The cost is not significant to a Sub-Fund when an index is rebalanced.

In deciding when to use derivatives, and which ones to use, a Sub-Fund will consider such factors as liquidity, cost, efficiency, capacity to trade quickly, size, maturity of the investment and other relevant factors.

Any possible use of a total return swap or similar derivative by any Sub-Fund is described in “Sub-Fund Descriptions.”

## PURPOSES OF DERIVATIVES USE

Each Sub-Fund can use derivatives for the following purposes:

- hedging against market risk and currency risk
- gaining exposure to market, securities or issuer as described in the Sub-Fund’s “Objective and Investment Strategy” section
- efficient portfolio management (described below in “More About Efficient Portfolio Management”)
- any other legally permissible purpose that is described in the Sub-Fund’s “Objective and Investment Strategy” section, along with information about the general extent, nature and conditions of the usage.

## RISKS ASSOCIATED WITH INVESTMENTS IN FINANCIAL DERIVATIVE INSTRUMENTS (“FDI”)

**General risk** Certain Sub-Funds may use both listed (including but not limited to futures and options) and OTC derivatives (including but not limited to options, forwards, interest rate swaps and credit derivatives) extensively for investment purposes as well as for hedging or efficient portfolio management purposes. No specific strategy relating to FDI is adopted by the management company and the investment managers of the Sub-Funds.

Should the extensive use of derivatives be incorrect, ineffective or unsuccessful due to market conditions, the Sub-Fund may suffer a substantial loss or even a total loss, which will lead to an adverse effect on the NAV of the Sub-Fund. The prices of derivative instruments, including futures and options prices, are highly volatile.

Price movements of forward contracts, futures contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations.

The Sub-Funds may be invested in certain derivative instruments, which may involve the assumption of obligations as well as rights and assets. Assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

The Sub-Funds may from time to time utilize both exchange-traded, such as collateralized debt obligations, and OTC credit derivatives, such as credit default swaps as part of its investment policy and for hedging purposes. These instruments may be volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a profit or a loss that is high in proportion to the amount of funds actually placed as initial margin and may result in loss substantially exceeding any margin deposited. Furthermore, when used for hedging purposes, there may be an imperfect correlation between these instruments and the investments or market sectors being hedged. Transactions in OTC derivatives, such as credit derivatives, may involve additional risk as there is no exchange market on which to close out an open position. The relevant Sub-Funds’ ability to use derivatives may be limited by market conditions, regulatory limits and tax considerations. These instruments involve certain special risks and may expose investors to a high risk of loss. Should the use of FDI be incorrect, ineffective or unsuccessful due to market conditions, the relevant Sub-Funds may suffer a substantial loss, having an adverse effect on the NAV of the relevant Shares.

**Counterparty risk** Some transactions in FDI by the Sub-Funds may be entered into with counterparties on an off exchange basis, more commonly referred to as OTC transactions. It should be noted that all OTC transactions expose the investor to the credit risk of the counterparty. In the event that the counterparty to the transaction is unable to meet or otherwise defaults on its obligations (for example due to bankruptcy or other financial difficulties), the relevant Sub-Funds may be exposed to significant losses greater than the cost of the FDI. The risk of default of the counterparty is directly linked to the creditworthiness of that counterparty. In respect of a default on a foreign exchange transaction, it is possible that the entire principal of a transaction could be lost in the event of a counterparty default.

Since the Sub-Funds are UCITS IV compliant, the relevant Sub-Funds’ exposure to single individual counterparty may not exceed 10% of the relevant Sub-Funds’ FDI exposure on an aggregated basis. Counterparty risk may be further mitigated through the use of collateral agreements. However, collateral arrangement is still subject to the insolvency risk and credit risk of the issuers of the collateral. The management company ensures that a rigorous counterparty assessment and approval process is followed.

**Volatility risk** The relevant Sub-Funds may invest in FDIs with different degree of volatility. The prices of derivative instruments, including futures and options prices, can be highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time



intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention is often intended to directly influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations.

**Valuation risk** Investors should note that the relevant Sub-Funds may invest in FDIs which can be difficult to value and may entail increased market risk. Incorrect valuation or pricing of derivatives may occur as many derivatives are complex and frequently valued subjectively. Independent pricing information may not at times be available. Such investments could expose the relevant Sub-Funds to losses greater than the cost of the FDI and may increase substantially the Sub-Funds' volatility, compared with a corresponding Sub-Fund which only uses FDIs for hedging purposes.

**Leverage risk** The use of FDIs may lead to a leverage effect. Higher degree of leverage may be inherent in trading of derivatives (i. e. the loan margin deposits normally required in derivative trading means that the derivative trading may be highly leveraged). Accordingly, a relatively small price movement in derivatives may result in an immediate and substantial loss to the relevant Sub-Funds; and may result in greater fluctuations and volatility of the NAV of the relevant Sub-Funds.

**Liquidity risk** The possible absence of a liquid market for any particular instrument at any particular time may inhibit the ability of the relevant Sub-Funds to value and liquidate the derivatives at an advantageous price.

**Other risks** The use of techniques and instruments also involves certain special risks, including:

1. dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates, securities prices and currency markets,
2. imperfect correlation between the price movements of the derivatives and price movements of related investments,
3. the fact that skills needed to use these instruments are different from those needed to select the Sub-Funds' securities
4. the possible absence of a liquid market for any particular instrument at any particular time,
5. possible impediments to effective portfolio management or the ability to meet redemptions,
6. the possible inability of the Sub-Funds to purchase or to sell a portfolio security at a time that otherwise would be favourable for it to do so,
7. possible losses arising from an unexpected application of law or regulation or arising as a result of the unenforceability of a contract,
8. possible legal risks arising in relation to derivative contract documentation, particularly issues arising relating to enforceability of contracts and limitations thereto and
9. settlement risk as when dealing with futures, forwards, swaps, contracts for differences the relevant Sub-Funds' liability may be potentially unlimited until the position is closed.

A list of FDIs most commonly used and the additional risks involved are set out below:

- **Liquidity of futures contracts risk** Futures positions, such as bond futures contracts, may be illiquid because certain exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a Sub-Fund from liquidating unfavourable positions.
- **Credit Default Swap risk** Sub-Funds may in particular engage in the credit derivatives market by entering, i.e., into credit default swaps in order to sell or buy protection. A credit default swap ("CDS") is a bilateral financial contract in which one counterparty (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a

reference issuer. The protection buyer acquires the right to sell a particular bond or other designated reference obligations issued by the reference issuer for its par value or the right to receive the difference between par value and market price of the said bond or other designated reference obligations (or some other designated reference or strike price) when a credit event occurs. A credit event is commonly defined as bankruptcy, insolvency, receivership, material adverse restructuring of debt, or failure to meet payment obligations when due. The International Swap and Derivatives Association (ISDA) have produced standardized documentation for these derivatives transactions under the umbrella of its ISDA Master Agreement. The Sub-Fund may use credit derivatives in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection. In addition, the Sub-Fund may, provided it is in its exclusive interest, buy protection under credit derivatives without holding the underlying assets. Provided it is in its exclusive interest, the Sub-Fund may also sell protection under credit derivatives in order to acquire a specific credit exposure. The Sub-Fund will only enter into OTC credit derivatives transactions with highly rated financial institutions specialized in this type of transaction and only in accordance with the standard terms laid down by the ISDA Master Agreement. The maximum exposure of the Sub-Fund may not exceed 100% of its net assets in the case it is using the commitment approach. For Sub-Funds using the *Value-at-Risk* approach, the risk associated with the use of derivative instruments may not cause the Sub-Fund to exceed the level of Value-at-Risk indicated in the relevant "Sub-Fund Descriptions" section of each Sub-Fund using the Value-at-Risk approach in order to control the risk associated with the use of said instruments.

**Total return swaps (TRS) risk** The Sub-Fund may enter into TRS or other financial derivative transactions with similar characteristics. TRS are bilateral financial contracts whose purpose is to swap specific periodic payments over a certain period of time. The purpose of these transactions is set out in the Sub-Fund's Descriptions.

The Sub-Fund may enter into these contracts with any eligible financial institutions as selected in accordance with the order execution policy/ conflicts of interest policy details of which are available on our website.

In maintaining the Redex Share Classes, the SICAV may use any of the following derivatives and techniques:

- listed or OTC futures
- repurchase agreements
- securities lending.

Redex Share Classes carry specific risks as described in "Specific Risks" section.

# More about Efficient Portfolio Management

## GENERAL

The Management Company has appointed AXA Investment Managers GS Limited as the securities lending and repurchase agent pursuant to a delegation agreement dated 15 February 2013. AXA Investment Managers GS and the management company are affiliates companies belonging to AXA IM group. In order to prevent any conflicts of interest and ensure Best Execution, AXA IM group has put in place a conflicts of interest policy and a Best Execution policy, details of which are available on [https://www.axa-im.lu/Our internal Policies](https://www.axa-im.lu/Our%20internal%20Policies), and which provides respectively that (i) conflict of interests are mitigated in maintaining appropriate analyses mechanisms, controls and in ensuring that securities lending and repurchase agent are kept separate from the Investment Manager teams and (ii) that best execution is ensured by considering the best price achievable under current market conditions (including but not limited to size, relative demand of the transaction, duration of the trade), the nature of the transaction (including whether or not such transactions are subject to any regulatory requirements, underlying portfolio characteristics and objectives, client characteristics, type of financial instrument to be traded) and cost effectiveness of any related operational setup (e.g. triparty agent) and settlement; availability of execution venues or counterparties.

## Instruments and Techniques

In conducting efficient portfolio management operations, the Sub-Funds may use securities financing transactions (SFTs) such as securities lending, securities borrowing, repurchase and reverse repurchase transactions, and (as noted above) may use any allowable derivatives (including without limitation listed and OTC derivatives such as total return swaps), provided that such transactions and instruments are specifically described in the Sub-Fund Descriptions and are used under the conditions set out in this section "More about Efficient Portfolio Management" and CSSF circulars. The assets subject to SFTs and total return swaps and collateral received are safe-kept with the Depositary or, failing that, by any third-party depositary (such as Euroclear Bank SA/NV) which is subject to a prudential supervision.

The Sub-Fund shall enter into any SFT or financial derivative instruments (including total return swaps) with counterparties subject to prudential supervision considered by the CSSF as equivalent to those prescribed by EU law and selected by the management company in accordance with its order execution policy available on its internet website. In this context, the management company will enter into any SFT or financial derivative instruments (including total return swaps) with credit institutions established under any legal form in an OECD member state having a long-term debt rated at least BBB- according to the ratings scale of Standard & Poor's (or deemed equivalent by the management company).

Under no circumstances shall efficient portfolio management operations cause a Sub-Fund to diverge from its investment objective nor shall they entail any substantial supplementary risk.

The use of SFTs may incur fixed or variable brokerage fees and transaction costs relative to such techniques that will be disclosed in the annual report.

## Revenues

Any revenues from efficient portfolio management techniques will be returned to the SICAV, minus direct and indirect operational costs.

- Direct operational cost is defined as the cost directly attributable to the implementation of efficient portfolio management techniques (e.g. agent lender staff cost, trading platform cost, market data, custody and safekeeping costs, collateral management and SWIFT messaging costs);

- Indirect cost is defined as the operational cost not directly attributable to the implementation of efficient portfolio management techniques (e.g. insurance fee, premises and facilities).

Repurchase and reverse repurchase: 100% of the gross revenue generated by the repurchase (if any) and the reverse repurchase activities will benefit to the SICAV.

Securities lending: Each Sub-Fund pays 35 % of the gross revenues generated from securities lending activities as costs / fees to AXA Investment Managers GS Limited in its capacity of lending agent and retain 65% of the gross revenues generated from securities lending activities. All costs / fees of running the programme are paid from the lending agent's portion of the gross income (35%). This includes all direct and indirect costs / fees generated by the securities lending activities. AXA Investment Managers GS Limited is a related party to the Management Company and the Investment Manager of the Sub-Fund.

Additional information on costs and fees incurred by each Sub-Fund in this respect, as well as the identity of the entities to which such costs and fees are paid and any affiliation they may have with the depositary or the investment manager or the management company, if applicable, will be available in the annual report.

## Risks

Securities lending and repurchase transactions can carry risks, as described in "Risk Descriptions", notably (i) counterparty risk, (ii) legal risk, (iii) custody risk, (iv) liquidity risk, (v) collateral management and, if relevant, (vi) risks arising from the reuse of such collateral. In addition, when entering into securities lending and repurchase transactions the Sub-Fund may be exposed to settlement risk (i.e. the possibility that one or more parties to the transactions will fail to deliver the assets at agreed-upon time). Repurchase transactions also have risks similar to those of derivative transactions. The risks associated with derivatives are described in other risk languages to be found in many places throughout this prospectus.

## SECURITIES LENDING AND BORROWING

Unless further restricted by the investment policy of a specific Sub-Fund as described in the Sub-Fund Descriptions and provided that it complies with the following rules and the relevant CSSF circulars, each Sub-Fund may enter into securities lending and borrowing transactions governed by an agreement whereby a party transfers securities subject to a commitment that the borrower will return equivalent securities on a future date or when requested to do so by the transferor, that transaction being considered as a securities lending for the counterparty transferring the securities and being considered as securities borrowing for the counterparty to which they are transferred.

### Securities lending

All the securities lending transactions carried out on behalf of the SICAV will be on arm's length basis and that transactions will be limited to 90% of each Sub-Fund's NAV in any Valuation Day. Such limit could be reached when there is a high demand for the lendable assets available in the relevant Sub-Fund (e.g. change in the market volatility).

By entering into securities lending, the Sub-Fund seeks to enhance the return on a daily basis (the assets on loan will generate an incremental return for the Sub-Fund).

The expected percentage of net assets of securities lending is specified in the details of each Sub-Fund.

A Sub-Fund may only enter into securities lending transactions provided that (i) it is entitled at all times to request the return of the securities lent or to terminate any securities lending transactions and (ii) that these transactions do not jeopardize the management of the Sub-Fund's assets in accordance with its investment policy.

The risk exposure to a counterparty generated through a securities lending transaction or other efficient portfolio management techniques and OTC financial derivatives must be combined when calculating the limits referred to below under "Limits to Promote Diversification".

## Securities borrowing

The Sub-Fund may enter into any securities lending transaction with counterparties selected on the basis of the following combined criteria: regulatory status, protection provided by local legislation, operational processes, available credit spreads and analysis and/or external credit ratings.

The securities borrowed by the Sub-Fund may not be disposed of during the time they are held by the Sub-Fund, unless they are covered by sufficient financial instruments which enable the Sub-Fund to reconstitute the borrowed securities at the close of the transaction.

The Sub-Fund may borrow securities under the following circumstances in connection with the settlement of a sale transaction: (a) during a period where the securities have been sent out for re-registration; (b) when the securities have been loaned and not returned in time and (c) to avoid a failed settlement when the depositary fails to make delivery.

## REPURCHASE AGREEMENT TRANSACTIONS

### Repurchase/reverse repurchase agreement transactions (repos/reverse repos)

Unless further restricted by the investment policy of a specific Sub-Fund as described in the Sub-Fund Descriptions, a Sub-Fund may within the limit set out in the relevant CSSF circulars enter into repurchase agreement transactions which consist of transactions governed by an agreement whereby a party sells securities or instruments to a counterparty, with a clause reserving the counterparty or the Sub-Fund the right to repurchase or substitute securities or instruments of the same description, from respectively the Sub-Fund or the counterparty to a specified price on a future date specified, or to be specified, by the transferor.

Where a Sub-Fund uses repos/reverse repos, the expected and the maximum percentage of net assets of repo/reverse repos is specified in the details of each Sub-Fund. The maximum level may be attained when the portfolio manager, in the course of managing the Sub-Fund, needs to borrow cash (repo transaction) for example to cover margin call or when all remaining cash in the portfolio is temporary lent out (reverse repo) to generate additional return and lower custody cost.

Such transactions are commonly referred to as temporary purchases and sales of securities (also known as SFTs).

These transactions shall be conducted in accordance with the limit set out in the relevant circulars issued by the CSSF. They shall be carried out as part of the achievement of the management objective of the Sub-Fund, hedging, cash management and/or efficient portfolio management.

The Sub-Fund may enter into any repurchase agreement or reverse repurchase agreement with a counterparty selected on the basis of the following combined criteria: regulatory status, protection provided by local legislation, operational processes, available credit spreads and analysis and/or external credit ratings.

A Sub-Fund may only enter into a repurchase agreement and/or a reverse repurchase agreement provided that it shall be able at any time (i) to recall any securities subject to the repurchase agreement respectively the full amount of cash in case of reverse repurchase agreement or (ii) to terminate the agreement in accordance with the relevant CSSF circulars being understood that fixed-term repurchase and reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Sub-Fund.

Securities purchased with a repurchase option or through a reverse repurchase agreement transaction must be compliant with the relevant CSSF circulars and the Sub-Fund's investment policy and must together with the other securities that the Sub-Fund holds in its portfolio, globally respect the Sub-Fund's investment restrictions.

The risk exposure to a counterparty generated through those transactions or other efficient portfolio management techniques and OTC financial derivatives must be combined when calculating the limits referred to below "Limits to Promote Diversification".

See also the sub-section "Collateral Policies" below.

## TOTAL RETURN SWAPS

Unless further restricted by the investment policy of a specific Sub-Fund as described in the Sub-Fund Descriptions above, the SICAV may enter into total return swaps which are swap agreements in which one party (total return payer) transfers the total economic performance of a reference obligation to the other party (total return receiver). Total economic performance includes income from interest and fees, gains or losses from market movements, and credit losses. These instruments will be carried out as part of the achievement of the management objective of the Sub-Fund, hedging, cash management and/or efficient portfolio management.

Each Sub-Fund may incur costs and fees in connection with total return swaps, upon entering into total return swaps and/or any increase or decrease of their notional amount. The SICAV may pay fees and costs, such as brokerage fees and transaction costs, to agents or other third parties for services rendered in connection with total return swaps. Recipients of such fees and costs may be affiliated with the SICAV, the management company or the investment manager, as may be applicable, as permitted by applicable laws. Fees may be calculated as a percentage of revenues earned by the SICAV through the use of such total return swaps. The overall revenues or losses generated by the total return swaps agreements will be for the benefit of the Sub-Fund only. Details on these revenues/losses, the fees and costs incurred by the use of such total return swaps as well as the identity of the recipients thereof are contained in the SICAV's annual report.

The expected range of the proportion of the Sub-Fund's NAV subject to these instruments and disclosed in the Sub-Fund Descriptions is expressed as the mark-to-market value of the total return swap divided by the relevant Sub-Fund's NAV.

## COLLATERAL POLICIES

As part of OTC financial derivative transactions and securities lending and repurchase agreement transactions, a Sub-Fund may receive collateral with a view to reduce its counterparty risk.

### Eligible collateral

#### General principles

Collateral received by a Sub-Fund may be used to reduce its counterparty risk exposure with a counterparty if it complies with the criteria listed in circulars issued by the CSSF from time to time in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:

- Any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation.
- It should be valued on a daily basis on a mark-to-market price basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place. Margin calls will be implemented in accordance with the terms negotiated in the collateral arrangements.
- It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- It should be sufficiently diversified in terms of country, markets and issuers and shall not entail on an aggregate basis an exposure to a given issuer for more than 20% of its NAV. By way of derogation, a Sub-Fund may be fully collateralised in different transferable securities or money market instruments issued or guaranteed by any of the member states, one or more of their local authorities, a third party sovereign country such as Canada, Japan, Norway, Switzerland and the United States of America, or any public international body to which one or more member state(s) belong(s) such as the European Investment Bank, provided that it receives such securities from at least six different issues and that securities from any single issue should not account for more than 30% of such Sub-Fund's Net Asset Value. The collateral shall further comply with the limits in relation to "Limits to Prevent Concentration of Ownership" below.

- The financial guarantees received by the Sub-Fund will be kept by the depository or, failing that, by any third party depository (such as Euroclear Bank SA/NV) which is subject to a prudential supervision and that has no link with the guarantee provider.
- It should be capable of being fully enforced by the SICAV for the account of the Sub-Fund at any time without reference to or approval from the counterparty.

#### Eligible assets

As long as it complies with the above-mentioned conditions, the collateral may consist of (i) sovereign OECD bonds; and/or (ii) direct investment in bonds issued or guaranteed by first class issuers offering an adequate liquidity or shares listed or dealt on a regulated market of a member state of the EU or on a stock exchange of a member state of the OECD provided that they are included in a main index.

#### Level of collateral

The management company will determine the required level of collateral for OTC financial derivative transactions and stock lending and repurchase agreement transactions according to the nature and the characteristics of the executed transactions, the counterparties and the market conditions.

The management company may carry out OTC financial derivative transactions with a level of collateral lower than 100% subject to be compliant with the counterparty risk authorised by the applicable regulations. For certain types of transactions such as, but not limited to, foreign exchange forward, the level of collateral may be equal to zero.

As part of its lending transactions, the Sub-Fund must in principle receive previously or simultaneously to the transfer of the securities lent a guarantee the value of which must at the conclusion of and constantly during the contract be at least equal to 90% of the global valuation of the securities lent.

#### Reinvestment of collateral

The Sub-Fund will be able to reinvest the financial guarantees received in cash in accordance with the applicable regulation. The financial guarantees other than cash cannot be sold, reinvested or pledged. The counterparty will be able to reinvest the financial

guarantee received from the Sub-Fund in accordance with any regulation applicable to the counterparty. In particular, reinvested cash collateral must comply with the diversification requirements set forth here above under the section "Eligible collateral" and may only be (i) placed or deposited with entities eligible for deposit, (ii) invested in high-quality government bonds, (iii) used for the purpose of reverse repurchase transactions entered into with credit institutions subject to prudential supervision or (iv) invested in short term money market funds.

#### Haircut policy

In accordance with its internal policy relating to the management of the collateral, the management company shall determine:

- the required level of collateral; and
- the level of haircut applicable to the assets received as collateral, taking into account in particular the type of assets, the credit standing of the issuers, the maturity, the currency, the liquidity and the price volatility of the assets.

Despite the creditworthiness of the issuer of the assets received as collateral or the assets acquired by the Sub-Fund on the basis of cash collateral re-invested, the Sub-Fund may be subject to a risk of loss in case of default of the issuers of such assets or in case of default of the counterparties to transactions in which such cash has been re-invested.

Haircuts typically applied:

- OTC derivatives and repurchase agreements transactions:

| Collateral Instrument Type | Haircut  |
|----------------------------|----------|
| Cash                       | 0%       |
| Sovereign debt             | 0 to 20% |

- Securities lending transactions:

| Collateral Instrument Type | Haircut |
|----------------------------|---------|
| Cash                       | 0%      |
| Equities                   | 10%     |
| Sovereign debt             | 2 to 5% |

AXA IM's Global Risk Management will specifically authorise any other type of collateral instruments and applicable haircuts.

# General Investment Rules for UCITS

This section summarises the rules for all UCITS concerning the assets in which they may legally invest and the limits and restrictions that they must follow. For more complete information, see the Articles of Incorporation or the 2010 Law itself.

Except to the extent that more restrictive rules are provided for in connection with a specific Sub-Fund as described in the relevant "Sub-Fund Descriptions" section, the investment policy of each Sub-Fund will comply with the rules described here.

Except where noted, all percentages and restrictions apply to each Sub-Fund individually, and all asset percentages are measured as a percentage of total net assets of the specific Sub-Fund.

Each Sub-Fund and any sub-fund of target UCITS/UCI referred to below shall be considered as a separate UCITS/UCI provided that segregation of assets is ensured at the level of the Sub-Fund or the sub-fund of the target UCITS/UCI.

## **Eligible Securities and Transactions**

Each Sub-Fund's usage of any security, derivative, technique or transaction must be consistent with its investment strategy and must comply with applicable Luxembourg laws and regulations. No Sub-Fund can acquire assets that come with unlimited liability attached. No Sub-Fund can underwrite securities of other issuers. No Sub-Fund may issue warrants or other rights to subscribe for Shares in such Sub-Fund. No Sub-Fund may grant loans or guarantees in favor of a third party.

Sub-Funds may, within the limits set out in the 2010 Law, invest in other UCIs (including REITs, commodities funds, exchange-traded funds, hedged funds) provided that they are eligible securities in accordance with applicable Luxembourg laws and regulations. In particular, such UCIs shall be regulated and be compliant with article 2 (2) and article 41 (1) e) of the 2010 Law.



| Security/Transaction   | Requirements   |  |
|--|--|--|
| <b>1. Transferable securities and money market instruments</b>   | <ul style="list-style-type: none"> <li>• Must be listed or traded on a regulated market as defined in the Council Directive 2004/39/EC dated 21 April 2004 on investment services in the securities field or on another regulated stock exchange that operates regularly and is recognized and open to the public, namely, a market (i) that meets the following cumulative criteria: liquidity; multilateral order matching; transparency ; (ii) on which the securities are dealt in at a certain fixed frequency, (iii) which is recognized by a state or by a public authority which has been delegated by that state or by another entity which is recognized by that State or by that public authority such as a professional association and (iv) on which the securities dealt in are accessible to the public.</li> <li>• Must be admitted to official listing on a stock exchange in an Other State or dealt in on another regulated stock exchange (as defined in the point above) in an Other State.</li> <li>• Recently issued securities must pledge to seek a listing on an official stock exchange or another regulated stock exchange satisfying to the conditions set out at left, and must receive it within 12 months of issue.</li> </ul>   |  |
| <b>2. Money market instruments that do not meet the requirements in row 1</b>                                    | <ul style="list-style-type: none"> <li>• Must be subject (either at the instrument level or the issuer level) to investor protection and savings regulation.</li> <li>• Must be one of the following: <ul style="list-style-type: none"> <li>○ issued or guaranteed by the central bank of the EU or any sovereign power, any EU State's regional or local authority, or any international authority to which at least one EU State belongs</li> <li>○ issued by an issuer or undertaking whose securities qualify under row 1 above</li> <li>○ issued or guaranteed by any establishment that is subject to EU prudential supervision rules or to other prudential rules the CSSF considers to be at least as stringent</li> </ul> </li> <li>○ issued by an issuer that belongs to a category recognized by the CSSF, that offers an investor protection equivalent and that meets the following criteria: <ul style="list-style-type: none"> <li>– it has at least EUR 10 million in capital and reserves and publishes annual accounts consistent with fourth Directive 78/660/EEC</li> <li>– it is dedicated to financing a group of companies at least one of which is publicly listed</li> <li>– it is dedicated to financing securitization vehicles that benefit from a banking liquidity line</li> </ul> </li> </ul>                            |  |
| <b>3. Transferable securities and money market instruments that do not meet the requirements in rows 1 and 2</b> | <ul style="list-style-type: none"> <li>• Limited to 10% of the Sub-Fund's assets</li> </ul>  |  |
| <b>4. Shares of UCITS or UCIs</b>  | <ul style="list-style-type: none"> <li>• UCIs must meet the following cumulative criteria: <ul style="list-style-type: none"> <li>○ must be authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured</li> <li>○ the target UCITS/UCI is prohibited from investing more than 10% of its assets in another UCITS/UCI</li> <li>○ must issue yearly and half-yearly financial reports</li> <li>○ must offer investor protections that are equivalent to those of a UCITS</li> </ul> </li> <li>• The SICAV will pay fees of the target UCITS and/or UCI but the Sub-Fund will not invest in underlying UCIs which levy a subscription or a redemption fee higher than 1%. The Sub-Fund will not invest in underlying UCIs which are themselves submitted to a management fee exceeding 3%.</li> </ul>   |  |
| <b>5. Units of other Sub-Funds of the SICAV</b>  | <ul style="list-style-type: none"> <li>• The target Sub-Fund cannot invest in the acquiring Sub-Fund (reciprocal ownership) and must limit investments in other target Sub-Funds to 10% of its net assets.</li> <li>• Voting rights of the relevant Shares are suspended for as long as those Shares are held by the acquiring Sub-Fund.</li> <li>• The target Sub-Fund cannot charge a Sub-Fund any fees for management, buying or redeeming Shares.</li> <li>• The value of the relevant target Sub-Fund's Shares do not count as assets of the acquiring Sub-Fund when determining whether the SICAV meets its minimum asset level.</li> </ul>  |  |
| <b>6. Derivatives and equivalent cash-settled instruments (exchange-traded or OTC)</b>                           | <ul style="list-style-type: none"> <li>• The underlying instruments must be the investments described in rows 1 - 5 and row 10, or must be financial indexes, interest rates, foreign exchange rates or currencies that are in scope for the Sub-Fund's investments.</li> <li>• Global derivatives exposure must not exceed 100% of the net assets of the relevant Sub-Fund in the case it is using the commitment approach. For Sub-Funds using the Value-at-Risk approach, the risk associated with the use of derivative instruments may not cause the Sub-Fund to exceed the level of Value-at-Risk indicated in the relevant "Sub-Fund Descriptions" section.</li> <li>• OTC derivatives (those that do not trade on an eligible market for transferable securities, as defined above) must have reliable and verifiable daily valuation and must be able to be sold, liquidated or closed by an offsetting transaction at any time at fair value at the SICAV's initiative.</li> <li>• Counterparties to OTC derivative transactions are institutions subject to prudential supervision and belonging to the categories approved by the CSSF.</li> <li>• Under no circumstances shall these operations cause the Sub-Funds to diverge from their investment objectives</li> <li>• See also the sub-section "Collateral Policies" above.</li> </ul> |  |
| <b>7. Real estate</b>  | <ul style="list-style-type: none"> <li>• Investment exposure is allowed only through investments described in rows 1 - 7.</li> <li>• The SICAV may directly purchase real estate or other movable or immovable property only if it is directly necessary to its business.</li> </ul>   |  |
| <b>8. Precious metals and commodities</b>  | <ul style="list-style-type: none"> <li>• Investment exposure is allowed only through investments described in rows 1 - 7.</li> <li>• Ownership, directly or through certificates, is prohibited.</li> </ul>  |  |
| <b>9. Deposits with credit institutions</b>  | <ul style="list-style-type: none"> <li>• Must be repayable on demand or have the right to be withdrawn.</li> <li>• Must mature in 12 months or less.</li> <li>• Credit institutions either must be located in an EU State or be subject to prudential rules the CSSF considers being at least as stringent as European law.</li> </ul>   |  |

- 10. Cash and cash equivalent assets**
- Allowed on an ancillary basis. Such restriction may exceptionally and temporarily be exceeded if the Board considers this to be in the best interest of the Shareholders.

|  |  |   |
|--|--|---|
| <b>11. Securities borrowing and lending, sale with right of repurchase, repurchase agreement, reverse repurchase agreement</b> | <p>Securities lending and repurchase agreements:</p> <ul style="list-style-type: none"> <li>• up to 100% of Sub-Fund's net assets.</li> </ul> <p>Securities borrowing:</p> <ul style="list-style-type: none"> <li>• Borrowing transactions may not exceed 50 % of the global valuation of the securities portfolio of the Sub-Fund.</li> </ul> | <p>Reverse repurchase agreement transactions:</p> <ul style="list-style-type: none"> <li>• up to 100% of Sub-Fund's net assets.</li> </ul> <p>See the sub-section "More about Efficient Portfolio Management" and the sub-section "Collateral Policies".</p>  |
| <b>12. Techniques and instruments for efficient portfolio management</b>   | <ul style="list-style-type: none"> <li>• See the sub-section "Efficient Portfolio Management" above.</li> </ul>  |   |
| <b>13. Borrowing and foreign currency</b>  | <ul style="list-style-type: none"> <li>• The SICAV may acquire foreign currency by means of back-to-back loans.</li> <li>• Other than this, the SICAV can borrow only on a temporary basis</li> </ul>  | <p>The direct pursuit of its business. No Sub-Fund can borrow more than 10% of total assets for either of these purposes or more than 15% of total assets for both purposes combined. Collateral arrangements regarding the writing of options or the purchase or sale of forward or future contracts do not constitute borrowings.</p> |
| <b>14. Uncovered short sales</b>   | <ul style="list-style-type: none"> <li>• Direct short sales are prohibited</li> </ul>  | <ul style="list-style-type: none"> <li>• Short exposure is allowed only through derivatives described in row 6.</li> </ul>  |

### Feeder funds

The SICAV can create one or more Sub-Funds that qualify as a master fund or a feeder fund. The rules below apply to any Sub-Fund that is a feeder fund.

| Security  | Investment Requirements | Other Terms and Requirements   |
|---|-------------------------|--|
| <b>Shares/Units of the master fund</b>  | At least 85% of assets. | The master fund must be a UCITS or a Sub-Fund of such UCITS, which shall neither itself be a feeder fund nor hold units/shares of a feeder fund and has, among its shareholders, at least one feeder UCITS. The master fund cannot charge any fees for buying or redeeming shares/units. |
| <b>Derivatives, ancillary liquid assets and movable or immovable property only if it is directly necessary to the SICAV's business.</b> | Up to 15% of assets.    | Derivatives must only be used for hedging. In measuring derivatives exposure, the feeder fund must combine its own direct exposure with either the actual or potential maximum global exposure of its holdings in the master UCITS.  |

### Limits to Prevent Concentration of Ownership

These limits are intended to prevent a Sub-Fund from the risks that could arise for the Sub-Fund and the issuer if the Sub-Fund were to own a significant percentage of a given security or issuer. For purposes of this table and the next, companies that share consolidated accounts in accordance with Directive 2013/34/UE or with recognized international rules are considered a single issuer.

| Category of securities  | Maximum ownership, as a % of the total value of the securities issue   |
|---|--|
| <b>Shares carrying voting rights</b>  | Less than would allow the Sub-Fund's significant management influence. |
| <b>Non-voting shares of any one issuer</b>                                    | 10%  |
| <b>Debt securities of any one issuer</b>                                      | 10%  |
| <b>Money market instruments of any one issuer</b>                             | 10%  |
| <b>Shares/units of any one UCITS /UCI (per Article 2 (2) of the 2010 Law)</b> | 25%  |

These limits can be disregarded at purchase if the amount of securities in issue are not calculable at that time.

These rules do not apply to:

- securities described in row A (next table)
- shares of non-EU companies that represent the only way to indirectly invest in securities of issuers of the non-EU country
- Shares created by local paying agents to enable investors in their country to invest in the Sub-Fund

### Limits to Promote Diversification

To help ensure diversification, a Sub-Fund cannot invest more than a defined percentage of its net assets in one issuer or one category of securities. These rules of diversification do not apply during the first six months following a Sub-Fund's launch, although the principle of risk spreading remains. The ceilings set forth below may be disregarded by each Sub-Fund when exercising subscription rights attaching to securities in such Sub-Fund's portfolio. If such ceilings are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as its priority objective in its sale transactions the remedying of such situation, taking due account of the best interests of its Shareholders. The Board has the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Shares of the SICAV are offered or sold. The limits in vertical brackets indicate the maximum total investment in any one issuer or body for all bracketed rows.

Investment in financial derivative instruments shall only be made provided that the exposure to the underlying assets does not exceed in aggregate the limits below.

**Maximum investment, as a % of Sub-Fund's net assets:**

| Category of securities  | In any one issuer           | Other  |
|---|-----------------------------|--|
| <b>A. Transferable securities and money market instruments issued or guaranteed by an EU State, a public local authority within the EU, an OECD (Organisation for Economic Cooperation and Development) or G20 (Group of Twenty) member state or Singapore or Hong Kong, an international body to which at least one EU member belongs, or any other non-EU member state recognized in this context by the CSSF</b> | 35%                         | <ul style="list-style-type: none"> <li>• 100% in at least six issues provided that:                             <ul style="list-style-type: none"> <li>○ the issues are transferable securities or money market instruments being at least one of the categories listed in A</li> <li>○ the Sub-Fund invests no more than 30% in any one single issue</li> </ul> </li> </ul>   |
| <b>B. Bonds subject to special public supervision designed to protect bondholders* and issued by a credit institution domiciled in the EU</b>   | 25%                         |  |
| <b>C. Transferable securities and money market instruments other than those described in rows A and B</b>   | 10%**                       | <ul style="list-style-type: none"> <li>• 80% in total in such bonds if a Sub-Fund has invested more than 5% of its net assets in such bonds issued by a single issuer.</li> </ul>  |
| <b>D. Credit institution deposits</b>   | 20%                         |  |
| <b>E. OTC derivatives and efficient portfolio management techniques with a counterparty that is a credit institution as defined in row 9. Above</b>   | 10% exposure                | <ul style="list-style-type: none"> <li>• 20% in all companies belonging to the same single issuer group.</li> <li>• 40% in those issuers or bodies in which a Sub-Fund has invested more than 5% of its net assets.</li> </ul>   |
| <b>F. OTC derivatives and efficient portfolio management techniques with any other counterparty</b>   | 5% exposure                 |  |
| <b>G. Units of UCITS or UCIs as defined in rows 4 and 5 above</b>   | 20% in any one UCITS or UCI | <ul style="list-style-type: none"> <li>• If investing more than 10% in any UCITS or UCI:                             <ul style="list-style-type: none"> <li>○ there is an aggregate limit of 30% in all UCIs , and</li> <li>○ an aggregate limit of 100% in all UCITS</li> </ul> </li> <li>• Target sub-funds whose assets are segregated are each considered a separate UCITS or UCI.</li> <li>• Assets held by the UCITS or UCIs do not count for purposes of complying with rows A - F of this table.</li> <li>• For master-feeder exception, see table above.</li> </ul> |

\* Bonds must invest the proceeds from their offerings to maintain full liability coverage during the entire life of the bond and to give priority to the obligations to bond investors in case of issuer bankruptcy.

\*\* The Sub-Funds for which the investment strategy is to replicate the composition of a certain stock or bond index may increase to 20%, so long as the index is a published, sufficiently diversified index that is adequate as a benchmark for its market and is recognized by the CSSF. This 20% increases to 35% (but for one issuer only) in exceptional circumstances, such as when the security is highly dominant in the regulated market in which it trades.

**Monitoring of the Global exposure**

The management company uses a risk-management process that enables it to monitor and measure the risk profile of each Sub-Fund. As part of the risk management process, the SICAV uses the commitment approach to monitor and measure the global exposure of each Sub-Fund unless otherwise provided for under the relevant “Sub-Fund Description”. This approach measures the global exposure related to positions on financial derivative instruments and other efficient portfolio management techniques, which may not exceed the total net value of the portfolio of the relevant Sub-Fund.

When otherwise provided for under the relevant “Sub-Fund Descriptions”, the SICAV uses the Value-at-Risk (VaR) approach which is the percentage of NAV that a portfolio may lose on a given time horizon, at a given confidence level. The VaR used by the investment manager will have a five Business Days horizon and 95% confidence level parameters; where the VaR is complemented with the monitoring of the leverage, based on the sum of the notional approach which is defined as the sum of the absolute value of the notional of all financial derivatives in the Sub-Fund.

# Investing in the Sub-Funds

## SHARE CLASSES

### Available Share Classes

The table below describes all of the Share Classes currently in existence within the SICAV. All variants of a particular Share Class, such as the hedged, different distribution frequencies, capitalisation vs distribution or Redex versions, are considered to be included in that Share Class for purposes of the table. The currency of the minimums is the Reference Currency of the Sub-Fund except otherwise set out below. For Share Classes denominated in a different currency than the one in which minimums are indicated, the minimum amount is the equivalent value in the Share Class currency unless indicated otherwise in "Sub-Fund Descriptions". For all the share classes using a performance fee the acronym "pf" will accompany the denomination of the relevant share class in its KIID.

Not all Share Classes are available in all Sub-Funds, and some Share Classes and Sub-Funds that are available in certain jurisdictions or through certain distribution channels may not be available in others. The "Sub-Fund Descriptions" section shows which Share Classes are available for each Sub-Fund and provides information about costs and other characteristics. All information in this Prospectus about Share Class availability is as of the Prospectus date. For the most current information on available Share Classes, go to <http://www.axa-im.com> or request a list free of charge from the management company.

### Dividend Policy

Capitalisation Shares do not declare any dividends and accordingly the income attributable to these Shares will be accumulated in their respective NAV.

Distributing Shares declare dividends at the discretion of the Board. Dividends may be paid out of the investment income and/or realised capital gains, or out of any other funds available for distribution. Dividends are paid annually and where relevant subject to Shareholders general meeting approval. Distribution monthly "m" or Distribution quarterly "q" or Distribution semi-annually "s" Shares declare dividends on a monthly, quarterly or semi-annual basis respectively. Additional interim dividends may also be declared at the discretion of the Directors and as permitted by Luxembourg law.

Whilst it is intended that Distributing Share Classes will declare and distribute dividends, investors should be aware that there may be circumstances when the level of the dividends declared is reduced or even when no distribution is made at all. They may carry a risk of capital erosion. Potential investors should carefully read the "Capital Erosion" Risk under "General Risks" in "Risk Descriptions". All potential investors are encouraged to seek tax advice before investing in Distributing Shares.

The Distributing Shares types are mentioned in the "Distributing Shares" table below.

Dividends are paid in cash or reinvested in Shares of the same Sub-Fund and Share Class. Investors will receive a statement note detailing all cash payment or reinvestments in their account. Investors should be aware that certain intermediaries, such as Euroclear or Clearstream, do not support dividend reinvestment and will therefore receive their dividends in cash.

If investors do receive dividends in cash, they can have them converted to a different currency, at their own expense and risk and subject to approval by the Management Company. Normal banking rates are used for calculating currency exchange values. Unclaimed dividend payments will be returned to the SICAV after five years. Dividends are paid only on Shares owned as at the record date.

No Sub-Fund will make a dividend payment if the assets of the SICAV are below the minimum capital requirement, or if paying the dividend would cause that situation to occur.

The Management Company may apply an equalization accounting technique to ensure that the level of income attributable to each Share is not affected by the issue, conversion or redemption of those Shares during the distribution period. Investors should seek professional advice on the possible tax consequences of subscribing, redeeming

or converting Shares, or the effects of any equalization policy relevant in respect of Shares.



| Share class Identifier | Dividend Basis  | Description and Objective   |
|------------------------|---|---|
| Distribution           | Net Income  | Aims to pay all income generated during the period after deduction of expenses from the NAV of the relevant Share.  |
| Distribution "gr"      | Gross Income  | Aims to pay all income generated during the period before deduction of expenses from the NAV of the relevant Share.   |
| Distribution "ird"     | Determined on the basis of gross income and interest rate differential of Currency Hedged Share Classes | Aims to pay an amount or rate (pro-rated according to the relevant distribution frequency) over the fiscal year determined on the basis of gross income and positive interest rate differential.                    |
| Distribution "fl"      | Determined on the basis of a fixed amount or rate per annum   | Aims to pay a fixed amount or rate (pro-rated according to the relevant distribution frequency) over the fiscal year regardless of the actual level of income generated during the period of the relevant Sub-fund. |
| Distribution "st"      | Determined on the basis of gross income   | Aims to pay a stable amount or rate (pro-rated according to the relevant distribution frequency) over the fiscal year without sustained excessive capital erosion.  |

Dividend Policy Exceptions: Share Classes dedicated only to certain investors may operate a different distribution policy than those described above.

### Currency Hedged Share Classes

Any Sub-Fund can issue any Share Class in currency hedged form, meaning that the hedged version of the Share Class is denominated in a currency that is different from the Sub-Fund's Reference Currency, and is hedged to that currency (with the exception of BR Share Classes that offer currency exposure to the BRL). The currency risk between the Sub-Fund's NAV and the currency of the hedged Share Class will be hedged at least at 95%. Hedged Share Classes are designated with a "Hedged".

All costs specifically associated with offering each hedged Share Class (such as currency hedging and foreign exchange costs) will be charged to that Share Class.

If investors invest in a hedged Share Class, they could experience losses from currency exchange fluctuations to the extent that the Share Class' hedging is incomplete, and they will give up any potential gains from currency exchange fluctuations to the extent that hedging is effective.

BR Share Classes: Due to currency controls in Brazil, the access to the BRL is restricted and therefore BR Share Classes will adopt a different hedging model to the standard model outlined above.

BR Share Classes are designed to offer a currency hedging solution to the investors domiciled in Brazil. BR Share Classes will be denominated in the Reference Currency of the relevant Sub-Fund and will systematically expose the NAV of the Share Class to BRL through financial derivative instruments including FX forwards. The NAV of the BR Share Classes will fluctuate in line with changes in the exchange rate between the BRL and the Sub-Fund's Reference Currency and

performance may therefore differ significantly from that of other Share Classes in the same Sub-Fund.

### Other Share Class Policies

Each whole Share gets one vote in all matters brought before a general meeting of Shareholders. A Sub-Fund may issue fractional Shares of as little as one thousandth of a Share (three decimal places). Fractional Shares do not have voting rights but do receive their pro rata portion of any dividends, reinvestments and liquidation proceeds.

Shares are issued in registered form (meaning that their ownership is recorded in the SICAV's register of Shareholders).

Shares carry no preferential or preemptive rights.

The Board reserves the right to list any Shares on the Luxembourg Stock Exchange or any other stock exchange. Information on whether a class of Shares is listed on the Luxembourg or other stock exchange can be obtained from the administrative agent or on the website of the relevant Stock Exchange.

The SICAV reserves the authority to re-allocate the assets and liabilities of that class to those of one or several other classes within the Company and to re-designate the shares of the class(es) concerned as shares of such other share class(es) (following a split or consolidation, if necessary, and the payment to Shareholders of the amount corresponding to any fractional entitlement) if, for any reason, the value of the net assets of any Share Class within a Sub-Fund has decreased to, or has not reached, an amount determined by the Board to be the minimum level for such Share Class, to be operated in an economically efficient manner or as a matter of economic rationalisation. Such decision will be subject to the right of the relevant Shareholders to request, without any charge, the redemption of their Shares or, where possible, the conversion of those Shares into Shares of other Share Classes within the same Sub-Fund or into Shares of same or other Share Classes within another Sub-Fund. The Shareholders of the class of shares concerned will be informed of the reorganisation by way of a notice and/or in any other way as required or permitted by applicable laws and regulations.

Notwithstanding the powers conferred on the Board by the preceding paragraph, the shareholders may decide on such reorganisation by resolution taken by the general meeting of shareholders of the share class concerned. The convening notice to the general meeting of shareholders will indicate the reasons for and the process of the reorganisation. Such general meeting will decide by resolution taken with no quorum and adopted by a simple majority of the votes validly cast at the meeting.

### Seed Money

Shares of a Sub-Fund may be held (i) by a French fund in which AXA Investment Managers is a majority Shareholder (hereinafter the "AXA IM Fund") and/or (ii) by companies which are part of the AXA Group and/or (iii) by investment funds which are managed by investment management companies in which AXA IM group directly or indirectly holds a shareholding ("AXA IM Group Managed Funds") for the purposes of building a track record or a specific marketing action on the Sub-Fund.

AXA IM Fund and/or companies of the AXA Group and/or AXA IM Group Managed Funds may, at any time, choose to redeem their Shares in the Sub-Fund which may result in a material decrease in the total assets of the Sub-Fund and/or a restructuring of the Sub-Fund including but not limited to restructuring causing the winding up of the Sub-Fund or its merger with another Sub-Fund. Specific rules have been established by the management company with a view to preserve an equal treatment between the Shareholders of the Sub-Fund and will be applied in such case.

The foregoing does not prevent Shares of a Sub-Fund from being held by other investors including external seed investors.

### Subscription, conversion and redemption of Shares via financial intermediaries / other electronic means / use of nominee services

Investors may incur fees as a result of investing through their financial intermediaries, such as, but not limited to, platforms, or by other

electronic means or for the use of nominee services. Such fees are not fees payable to the management company in respect of a subscription, conversion or redemption of Shares.

#### **Minimum Subscriptions and Holdings**

Amounts expressed in the Reference Currency of the Sub-Fund or the equivalent in the currency of the Share Class unless otherwise mentioned in the “Minimum Subscription and Holding Exceptions – Currency” table below. However, in particular cases and at its own

discretion, the Board reserves the right to reduce or waive any stated minimum investments or account balances for any Share Class of any Sub-Fund. The Board also reserves the right to close a RedEx Share Class of any Sub-Fund if the value of this RedEx Share Class falls below EUR 5 million or the equivalent value in another currency and the Board believes this Share Class will not be able to properly achieve its investment objective.<sup>106</sup>

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<sup>106</sup> This wording according to which the Board may close a RedEx Share Class of any Sub-Fund if the value of this RedEx Share Class falls below EUR 5 million or equivalent value in another currency (instead of 2 million for any RedEx Share Prospectus Page 206 of 231

Class of AXA World Funds – Global Inflation Bonds and 1 million for any RedEx Share Class of any other relevant Sub-Fund) is applicable as from 18 February 2022.

| Class                          | Designed For  | Minimum Initial Investment   | Minimum Additional Investment  | Minimum Total Balance in All Sub-Funds | Minimum Balance in any Share Class of any one Sub-Fund   | Notes  |
|--------------------------------|---|--|--|--|--|--|
| <b>A (including A Redex**)</b> | All investors   | None except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below | None except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below | None                                   | None except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below |  |
| <b>AX</b>                      | AXA Group   | None   | None   | None                                   | None   |  |
| <b>BL</b>                      | All investors. Only available through distributors that entered into specific distribution arrangements with the Management Company subject to a Contingent Deferred Sales Charge ("CDSC"). | None except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below | None except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below | None                                   | None except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below | Conversion into a BL Share Class of another Sub-Fund requires SICAV's approval. Shares of the "BL" Share Classes will automatically be converted into Shares of a "A" Share-Class of the same Sub-Fund, with equivalent features in terms of capitalization/distribution policy and hedging, after three years at no cost. |
| <b>BR</b>                      | Only offered to funds domiciled in Brazil   | 5 million  | 1 million  | None                                   | 1 million  |  |
| <b>BX</b>                      | AXA Luxembourg Fund's Shareholders*   | None   | None   | None                                   | None   |  |
| <b>E (including E Redex**)</b> | All investors   | None except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below | None   | None                                   | None except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below | Conversion into another Share Class requires SICAV's approval.   |
| <b>EX</b>                      | Only offered to AXA Investment Managers Chorus' staff (excluding directors)   | None   | None   | None                                   | None   | No conversion into any other share class of the Sub-Fund or any other Sub-Fund.<br><br>If a shareholder is no longer part of AXA Investment Managers Chorus' staff, it may remain invested into the share class even though it will no longer be eligible to make any new investments in the share class after that date.  |

|   |   |   |   |             |   |  |
|---|---|---|---|-------------|---|--|
| <b>F***<br/>(including<br/>F Redex**)</b> | <p>Only offered: (i) through financial intermediaries which according to either regulatory requirements (e.g. in the European Union, financial intermediaries providing discretionary portfolio management or investment advice on an independent basis) or separate fee arrangements with their clients, are not allowed to keep trail commissions, and/ or (ii) to Institutional investors investing on their own behalf.</p> | <p>None except Share Classes listed in the “Minimum Subscription and Holding Exceptions – Amount” table below</p> | <p>None except Share Classes listed in the “Minimum Subscription and Holding Exceptions – Amount” table below</p> | <p>None</p> | <p>None except Share Classes listed in the “Minimum Subscription and Holding Exceptions – Amount” table below</p> |  |
|---|---|---|---|-------------|---|--|

| Class                          | Designed For   | Minimum Initial Investment  | Minimum Additional Investment   | Minimum Total Balance in All Sub-Funds | Minimum Balance in any Share Class of any one Sub-Fund  | Notes   |
|--------------------------------|--|---|---|--|---|---|
| <b>G</b>                       | All investors. Only available (i) through certain distributors who have separate fee arrangements with their clients and (ii) to other investors at the management company's discretion. | 1 million except Share Class listed in the "Minimum Subscription and Holding Exceptions – Amount" table below   | None  | None                                   | None  | The Share Class will be closed to subscriptions the day after the threshold of 100 million EUR or equivalent* in all the G Share Class currencies is reached or exceeded at the Sub-Fund's level. The SICAV also reserves the right to close subscriptions before the threshold of 100 million* in all the G Share Class currencies is reached at the Sub-Fund's level.<br>* By exception, the threshold in all the G Share Class currencies of:<br>(i) AXA World Funds – US Enhanced High Yield Bonds and AXA World Funds ACT Factors – Climate Equity Fund is set at 150 million;<br>(ii) AXA World Funds – ACT US High Yield Bonds Low Carbon, AXA World Funds – Framlington Evolving Trends, AXA World Funds – ACT US Corporate Bonds Low Carbon, AXA World Funds - ACT European High Yield Bonds Low Carbon, AXA World Funds – ACT Global High Yield Bonds Low Carbon, AXA World Funds - ACT US Short Duration High Yield Bonds Low Carbon, AXA World Funds - ACT Social Bonds, AXA World Funds - ACT Dynamic Green Bonds, AXA World Funds – Euro Inflation Plus and AXA World Funds - Dynamic Optimal Income is set at 300 million. |
| <b>HK</b>                      | Distributors and investors in Hong Kong  | None  | None  | None                                   | None  |   |
| <b>I (including I Redex**)</b> | Only offered to Institutional investors investing directly or indirectly on their own behalf and/or financial intermediaries providing discretionary portfolio management service        | 5 million except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below | 1 million except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below | None                                   | 1 million except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below | If the minimum initial investment is not reached within 1 year, I Shares might be converted into F Shares at the Board's discretion.  |
| <b>IX</b>                      | Institutional investor of AXA Group  | 1 million   | None  | None                                   | None  |   |
| <b>J</b>                       | Institutional investors resident in Japan  | 1 million   | 100,000   | 1 million                              | 100,000   |   |



|   |  |            |      |      |      |  |
|---|--|------------|------|------|------|--|
| L | Only offered through financial intermediaries in the United Kingdom which according to either regulatory requirements or separate fee arrangements with their clients, are not allowed to keep trail commissions | 30 million | None | None | None |  |
|---|--|------------|------|------|------|--|

| Class     | Designed For   | Minimum Initial Investment | Minimum Additional Investment | Minimum Total Balance in All Sub-Funds | Minimum Balance in any Share Class of any one Sub-Fund | Notes   |
|-----------|--|----------------------------|-------------------------------|--|--|---|
| <b>M</b>  | Only subscribed with the prior approval of the Board and (i) held by AXA Investment Managers or its subsidiaries for use in institutional mandates or investment management agreements for a dedicated fund contracted with the AXA Group or (ii) held by Institutional investors investing directly or indirectly on their own behalf and/or to financial intermediaries providing discretionary portfolio management service | 10 million                 | None                          | 10 million                             | None   | Investment minimums are waived for the AXA IM group. For others investors, investment minimums can be waived or modified at the Board's discretion. This class is subject to custom-made management fees agreements or remuneration agreements. |
| <b>N</b>  | Offered only to distributors based in the Americas (South and North America regions, including the United States)  | None                       | None                          | None                                   | None   |   |
| <b>S</b>  | Investors in Asia investing through HSBC Private Bank (Suisse) S.A Singapore and Hong-Kong offices   | 100,000                    | None                          | None                                   | None   |   |
| <b>SP</b> | Only offered to the employees savings funds managed by the AXA Group   | None                       | None                          | None                                   | None   |   |
| <b>T</b>  | Distributors and investors in Taiwan   | 15,000                     | None                          | None                                   | 15,000   |   |
| <b>U</b>  | Offered only to distributors based in the Americas (South and North America regions, including the United States)  | None                       | None                          | None                                   | None   |   |
| <b>UA</b> | Offered only through larger financial intermediaries belonging to a financial group with a predominance of its business in the US and which are expressly prior authorized by the Management Company   | None                       | None                          | None                                   | None   |   |
| <b>UF</b> | Offered only through larger financial intermediaries belonging to a financial group with a predominance of its business in the US and which (i) are expressly prior authorized by the Management Company and (ii) according to either regulatory requirements or separate fee arrangements with their clients, are not allowed to keep trail commissions   | 30 million                 | None                          | None                                   | None   |   |

| Class | Designed For   | Minimum Initial Investment   | Minimum Additional Investment   | Minimum Total Balance in All Sub-Funds | Minimum Balance in any Share Class of any one Sub-Fund  | Notes |
|-------|--|--|---|--|---|-------|
| UI    | Only offered to larger institutional investors investing directly or indirectly on their own behalf and/or as part of providing discretionary portfolio management services, where such investor belongs to a financial group with a predominance of its business in the US and which are expressly prior authorized by the Management Company   | 30 million   | None  | None                                   | None  |       |
| X     | Only offered to larger Institutional investors investing directly or indirectly on their own behalf and/or financial intermediaries providing discretionary portfolio management service and with a high amount of minimum initial subscription  | 300 million  | 1 million   | None                                   | None  |       |
| ZF    | Only offered through larger financial intermediaries which (i) are expressly prior authorized by the Management Company and (ii) according to either regulatory requirements (e.g. in the European Union, financial intermediaries providing discretionary portfolio management or investment advice on an independent basis) or separate fee arrangements with their clients, are not allowed to keep trail commissions | 250,000  | 10,000  | 250,000                                | 10,000  |       |
| ZI    | Only offered to larger Institutional investors investing directly or indirectly on their own behalf and/or financial intermediaries providing discretionary portfolio management service   | 30 million except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below | 1 million except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below | None                                   | 1 million except Share Classes listed in the "Minimum Subscription and Holding Exceptions – Amount" table below |       |

\* Class BX Shares are only offered to AXA Luxembourg Fund's shareholders further to the merger with the SICAV effective as of 12 December 2014.

\*\* Since 31 July 2017, the Redex Share Classes are closed to subscriptions from new investors. Since 31 July 2018, the Redex Share Classes are closed to any subscriptions, including those from existing investors.

\*\*\* Investments made in F Share Class before 03/01/2018 may continue to be held after that date, even though they are no longer accessible for new subscriptions by the investors who no longer meet at least one of the eligibility criteria described in (i) or (ii) above as from this date.

Minimum Subscription and Holding Exceptions – Amount

Amounts expressed in the Reference Currency of the Sub-Fund or the equivalent in the currency of the Share Class unless otherwise mentioned in the “Subscriptions and Holdings Exceptions – Currency” table below.

| Class | Sub-Funds   | Minimum Initial Investment | Minimum Additional Investment | Minimum Balance in any one Sub-Fund |
|-------|---|----------------------------|-------------------------------|-------------------------------------|
| A     | Chorus Multi Strategy   | 100,000                    | 5,000                         | 5,000                               |
| A     | Chorus Equity Market Neutral  | 10,000                     | 5,000                         | 5,000                               |
| F     | Chorus Equity Market Neutral  | 100,000                    | 5,000                         | 5,000                               |
| F     | Chorus Multi Strategy   | 500,000                    | 5,000                         | 5,000                               |
| G     | Chorus Systematic Macro   | 3,000,000                  | None                          | None                                |
| I     | Euro Short Duration Bonds, Euro Strategic Bonds, Euro 7-10, Euro 10+LT, Euro Inflation Bonds, Global Inflation Bonds and Global Inflation Bonds Redex | 100,000                    | 10,000                        | 10,000                              |
| I     | US Short Duration High Yield Bonds  | 5 million                  | 1 million                     | None                                |
| I     | Chorus Multi Strategy, Chorus Equity Market Neutral and Chorus Systematic Macro   | 5 million                  | 1 million                     | None                                |
| IX    | Chorus Equity Market Neutral and Chorus Systematic Macro  | 1 million                  | 1 million                     | None                                |
| ZI    | Chorus Multi Strategy, Chorus Equity Market Neutral and Chorus Systematic Macro   | 30 million                 | 1 million                     | None                                |
| ZI    | Euro Government Bonds   | 100 million                | 1 million                     | 1 million                           |

Minimum Subscription and Holding Exceptions – Currency

| Sub-Funds                  | Reference Currency | Minimum Subscription and Holding Currency |
|----------------------------|--------------------|---|
| China Short Duration Bonds | RMB (CNH)          | USD                                       |

## BUYING, SWITCHING, REDEEMING AND TRANSFERRING SHARES

### Information that Applies to All Transactions Except Transfers of Shares

Investors can place requests to buy, switch or redeem Shares on any Business Day through a financial adviser or financial intermediary qualified to act in that capacity. Investors can also place requests directly with the registrar agent (or with their country's agent, if one is identified in "Country-Specific Information"), by FTP, SWIFT, fax or post. Instructions to buy, switch or redeem Shares may also be posted through BNP Paribas Securities Services, 60, avenue J.F. Kennedy, L-1855, Luxembourg, provided that investors, agreed by the management company at its own discretion as eligible to the "One" platform, have completed an Application Form with BNP Paribas Securities Services Luxembourg.

Different procedures and time limits may apply if applications for Shares are made through a financial adviser or a financial intermediary. In such instances, investors should obtain from such financial adviser or financial intermediary information about the procedure relevant to their application together with any time limit by which the order must be received. Investors should note that subscription, redemption or conversion of Shares through a financial advisor or financial intermediary may not be possible on days that such financial advisor and financial intermediary are not open for business.

Subscriptions, redemptions and conversions are dealt with at an unknown NAV. Any request received in good order is deemed irrevocable after the Sub-Funds cut-off.

Each request will be processed at the next NAV to be calculated after the request has been accepted (meaning that the request has arrived at the registrar agent and is considered complete and authentic). Orders received and accepted by the registrar agent by 15:00 Luxembourg time on a Business Day will be traded at the Dealing Price applicable to such Valuation Day (Forward Pricing Basis) or the following Valuation Day thereafter (Forward-Forward Pricing Basis) or the second following Valuation Day thereafter (Triple Forward Pricing Basis) as indicated in "Sub-Fund Descriptions". All requests received by the registrar agent after 15:00 Luxembourg time shall be deemed to have been received on the following Business Day. The registrar agent processes all requests in the sequence in which they are received. A confirmation notice will be sent to Shareholders or their financial advisers in the form of a contract note after completion of each transaction.

If a request to buy, switch or redeem is placed a day which is not a Valuation Day, the request will be dealt with on the next day which is a Valuation Day.

Investors must deliver full payment for Shares within three (3) Business Days after the Valuation Day or they may be charged interest.

Investors who seek an in-kind purchase or redemption of Shares must obtain Board approval and such transaction is subject to all applicable laws, namely with respect to a special audit report prepared by the auditor of the SICAV, confirming the value of the assets in kind and their compliance with the investment policy and restrictions of the SICAV and the relevant Sub-Fund. Any costs incurred in connection with a redemption in kind of securities shall be borne by the relevant investor.

When placing any request, investors must include all necessary information and instructions as to the Sub-Fund, Share Class, account, and size and direction of transaction (buying, redeeming or switching). Investors must promptly inform the SICAV of any changes in personal or bank information.

Any transaction may involve fees, such as an entry charge or certain other fees. See "Sub-Fund Descriptions" for more information or ask a financial adviser. Investors are responsible for all costs and taxes associated with each request placed on their account.

In the event that the order has been made in a currency other than the Reference Currency of the relevant Sub-Fund and/or Share Class, the registrar agent will perform the necessary foreign exchange transactions. Investors should be aware that the amount of currency involved and the time of day at which such foreign exchange is

transacted will affect the rate of exchange. No liability shall be accepted by the depositary, registrar agent or the SICAV for any losses arising from adverse currency fluctuations. Foreign exchange transactions may be carried out by a company within AXA.

The SICAV will not issue (or effect any switching into) Shares Classes restricted to Institutional Investors to any investor who may not be considered as an Institutional Investor. The Board may, at its discretion, delay the acceptance of any subscription for Share Classes restricted to Institutional Investors until such date as the registrar agent has received sufficient evidence on the qualification of the relevant investor as an Institutional Investor. If it appears at any time that a holder of Share Classes restricted to Institutional Investors is not an Institutional Investor, the Board will instruct the registrar agent to propose that the said holder convert its Shares into Shares of a Share Class within the relevant Sub-Fund which is not restricted to Institutional Investors (provided that there exists such a Share Class with similar characteristics). In the event that the Shareholder refuses such switching, the Board will, at its discretion, instruct the registrar agent to redeem the relevant Shares in accordance with the provisions under this section.

The SICAV reserves the right to do any of the following at any time:

- **Reject any request to buy, redeem or switch Shares as well as forcibly switch or redeem Shares of which an ineligible or unqualified investor is a beneficial owner** (whether sole or partial). This applies if the SICAV knows or believes any of the following to be true:
  - the investor is a US Person or a Restricted Person in the terms provided within the Articles of Incorporation (including, but not limited to, Canadian Prohibited Investors);
  - the investor has failed to make the representations and warranties required by the Board;
  - the investor has failed to supply any information or declarations required by the Board with respect to corruption, anti-money laundering and terrorism financial matters;
  - the investor has made certain prohibited practices such as market timing and late trading;
  - the investor has failed to remain true to representations and warranties that were made.
- **In any case where it appears that, a non-institutional investor has come to hold Shares designated for institutional investors**, the SICAV will either forcibly redeem the Shares or switch them for retail Shares of the same Sub-Fund (which Shares may have higher fees and expenses) depending on whether a retail Share Class is available or not.

US Persons, Benefit Plan Investors and Canadian Prohibited Investors

In order to invest in the SICAV, any prospective investor must certify that, except as otherwise authorised by the Board, (i) it is not a US Person, (ii) it is a Non-US Person, (iii) it is not a Canadian Prohibited Investor, and (iv) it is not subscribing for Shares on behalf of US Persons or Canadian Prohibited Investors. In order to invest in the SICAV, any prospective investor must also certify that it is not subject to Title 1 of ERISA or the prohibited transactions provisions of Section 4975 of the US Internal Revenue Code, and does not qualify as a Benefit Plan Investor.

Shareholders are required to notify the SICAV through the distributors, immediately in the event that they become US Persons, Benefit Plan Investors (or become subject to Title 1 of ERISA) or Canadian Prohibited Investors, or they cease to be a Non-US Person, or they hold Shares on behalf of US Persons, Benefit Plan Investors or Canadian Prohibited Investors and their Shares may be compulsorily redeemed by the SICAV, or they may otherwise be required by the SICAV to dispose of their Shares in the manner outlined below.

In addition, the Board may authorise the purchase by or transfer of Shares to a US Person resident outside the US if the US Person declares that they are making their application for the beneficial account of a person who is not a US Person. The Board may also authorise the purchase by or transfer of Shares to a Canadian investor resident outside Canada if it declares that it is making its application for the beneficial account of a person who is not a Canadian Prohibited Investor.



Each prospective investor (incl. a prospective transferee) who is a US Person or a Canadian Prohibited Investor will be required to provide such representations, warranties or documentation, including opinion of counsel, as may be required by the SICAV to ensure that such requirements are met prior to approval of such sale or transfer by the SICAV. The Board shall determine from time to time the number of US Persons or Canadian Prohibited Investors (if any) who may be admitted into the SICAV.

### Buying Shares

To make an initial investment, investors or their intermediary must submit a completed Application Form in writing to the registrar agent. Orders to buy Shares may be indicated in a currency amount or a Share amount.

The allotment of Shares is conditional upon receipt by the depository of monies on the Settlement Day. Settlement may be made by electronic funds transfer or by Euroclear or Clearstream.

At the Shareholder's request, the SICAV may accept subscription in kind, having due regard to all applicable laws and regulations, all Shareholders' interest and each relevant Sub-Fund's appendix. In such case of subscription in kind, the auditor of the SICAV shall deliver, if applicable, an audit report in accordance with applicable laws. Any costs incurred in connection with a subscription in kind of securities shall be borne by the relevant shareholder.

### Contingent Deferred Sales Charges (CDSC)

On BL Shares, a deferred sales charge is levied on Shares that are redeemed within a certain amount of time after purchase. The rate for the BL Shares is calculated based on the length of the investment, as follows: 3% if redeemed within the first year of purchase, 2% if redeemed within the second year and 1% if redeemed within the third year, without any pro-rata within the year. No CDSC will apply after the end of the third year of investment.

Shareholders should note that for the purpose of determining the number of years BL Shares have been held:

- (a) the anniversary of the date of subscription shall be used.
- (b) the BL Shares held the longest period are redeemed first.
- (c) the BL Shares which a Shareholder receives upon a conversion from a BL Share from another Sub-Fund carry the holding period(s) which corresponds to the holding period(s) of the BL Shares which were converted.
- (d) when a Shareholder converts BL Shares which have been subscribed at different times to BL Shares of another Sub-Fund, the Registrar and Transfer Agent will convert the BL Shares held for the longest period.

Shares acquired by reinvestment of dividends or distributions will be subject to the same characteristics as shares eligible for such dividends or distributions. Shares acquired by reinvestment of dividends or distributions will be exempt from the deferred sales charge.

The amount of any deferred sales charge is based on the purchase price of the Shares being redeemed, as following:  $CDSC = Redeemed\ Shares * Subscription\ Price * Payable\ \%$  depending on the length of investment.

In case of merger or of any material amendment requiring a one month notice period allowing shareholders to request the redemption of their shares free of charge, the CDSC will apply only if the investors decide to opt for a redemption while he/she/it has been provided with an option to stay in the existing sub-fund or to switch to another sub-fund having similar characteristics. In case of liquidation of the concerned sub-funds, no CDSC will apply if the investors stay until the liquidation date (the CDSC will apply in case of redemption prior to the liquidation date).

In determining whether a deferred sales charge is payable on any redemption, the Sub-Fund will first redeem Shares not subject to any deferred sales charge, and then Shares held longest during the deferred sales charge period. Any deferred sales charge due will be retained by the Management Company, which is entitled to such deferred sales charge

### Switching Shares

Investors can switch (convert) Shares of any Sub-Fund and Share Class into Shares of any other Sub-Fund and Share Class, with the following conditions:

- investors must meet all eligibility requirements for the Share Class into which they are requesting to switch
- their switch must meet the minimum investment amount of the Sub-Fund and Share Class being switched into, and if it is a partial switch, must not leave less than the minimum investment amount in the Sub-Fund and Share Class being switched out of

- the switch must be consistent with any restrictions stated in "Sub-Fund Descriptions" or in the table above
- the switch of Shares of a Sub-Fund calculating its NAV on a weekly basis into Shares of another Sub-Fund calculating its NAV on a weekly basis is not authorised.
- a switch from a BL share class may only be made to a BL share class of another Sub-Fund.

The SICAV switches Shares on a value-for-value basis, based on the NAVs of the two investments (and, if applicable, any currency exchange rates) at the time the SICAV processes the request.

There is no fee for switching in itself, although there are fees for excessive switching, and investors may need to pay the difference in any fees for buying Shares. See "Notes on Sub-Fund's Costs".

Any request for a conversion of Shares of any Sub-Fund into Shares of another Sub-Fund received by the registrar agent prior to 3 pm on any Valuation Day (D) will be traded as follows:

- the redemption of the Shares to be converted will be traded on that Valuation Day (D); and
- the corresponding subscription of Shares in the other Sub-Fund will be traded on the Valuation Day of such other Sub-Fund immediately following the Valuation Day (D+1) on which the redemption has been traded.

Any outstanding credit cash balance due to the Shareholder in question arising from one or more 'conversion' transactions will be forwarded to Euroclear or Clearstream for the account of the relevant Shareholder.

In some jurisdictions a conversion of Shares of one Share Class or Sub-Fund for Shares of another Share Class or Sub-Fund may be considered as a disposal of Shares of the original Share Class or Sub-Fund for the purposes of taxation.

### Redeeming Shares

When redeeming Shares, investors can indicate either a number of Shares (including fractional Shares) or a currency amount. All requests will be dealt with in the order in which they are received.

When investors redeem Shares, the SICAV will send out payment by bank transfer in the Reference Currency of the Share Class. Payment will be sent within three (3) Business Days after the Valuation Day.

At their request, and at their own risk and expense, investors can have their redemption payments converted to a different currency. To arrange for such conversions, contact the registrar agent for terms and fees prior to placing a redemption request.

Depending on Sub-Fund's performance and the effect of applicable fees, when investors redeem Shares, they could be worth less than the amount they invested.

At the Shareholder's request, the SICAV may elect to pay redemption proceeds in kind, having due regard to all applicable laws and regulations and to all Shareholders' interest. In such case of payment in kind, the auditor of the SICAV shall deliver, if applicable, an audit report in accordance with applicable laws. Any costs incurred in connection with a redemption in kind of securities shall be borne by the relevant Shareholder.

Each Sub-Fund shall not be bound to redeem, on any Business Day, more than 10% of its issued number of Shares. In case of deferral of redemptions, the relevant Shares shall be redeemed at the Dealing Price per Share prevailing at the date on which the redemption is affected. Excess redemptions will be deferred to the next Valuation Day when they shall be dealt with as a priority.

### Transferring Shares

Investors may transfer ownership of their Shares to another investor through the registrar agent. Investors are reminded that any transfer of Shares held in Euroclear or Clearstream must be notified immediately to the registrar agent.

All transfers must meet any eligibility requirements and holding restrictions that may apply.

## HOW NAV IS CALCULATED

### Timing and Formula

The NAV of each Sub-Fund and Share Class is calculated each day that is a Valuation Day for that Sub-Fund (as described in “Sub-Fund Descriptions”). If the Valuation Day indicated in said “Sub-Fund Descriptions” is not a Business Day, the NAV calculation shall take place on the next Business Day. In such event, the NAV shall be calculated on the basis of the closing prices of the day preceding the concerned closed Business Day or the last available closing prices on the same day. Each NAV is stated in the Reference Currency of the respective Share Class, and is calculated to two decimal places.

The following formula is used to calculate the NAV for each Sub-Fund:

$$\frac{(\text{assets} - \text{liabilities})}{\text{number of outstanding Shares}} = \text{NAV}$$

The assets and liabilities of a Sub-Fund are allocated to the individual Share Classes, and the calculation is carried out by dividing the total net assets of the Sub-Fund by the total number of Shares outstanding for the relevant Sub-Fund or Share Class. If a Sub-Fund has more than one Share Class, that portion of the total net assets of the Sub-Fund attributable to the particular Share Class will be divided by the total number of issued Shares of that Share Class.

After consultation with the Depositary and having regard to the best interest of Shareholders, the SICAV reserves the right to temporarily suspend the calculation of NAVs and transactions in a Sub-Fund's Shares when any of the following is true:

- the principal exchanges or regulated markets that supply the prices of a material portion of the assets of a Sub-Fund's investments are closed when they would normally be open, or their trading is restricted or suspended or the information or calculation sources normally used to determine a material portion of the NAV are unavailable or for any other reason, the prices or values of a material portion of the assets of a Sub-Fund cannot be accurately or promptly ascertained
- a master fund in which the Sub-Fund has invested material assets in quality of feeder fund has suspended its NAV calculations or share transactions or the underlying funds in which the Sub-Fund is invested have suspended their NAV calculations or share transactions
- a legal, political, economic, military or monetary environment or an event of force majeure has made impractical to value or trade Sub-Fund's assets
- there has been a breakdown or malfunction in the communications systems or IT media used by the SICAV, or by any securities exchange, in valuing assets
- the SICAV is unable to repatriate sufficient funds to make portfolio investments, transfer the capital or execute transactions at normal rates of exchange and conditions for such transactions or repatriation
- during the process of establishing exchange ratios in the context of a merger, a contribution of assets, an asset or share split or any other restructuring transaction
- during any period when the dealing of the shares of the SICAV or Sub-Fund or class of shares on any relevant stock exchange where such shares are listed is suspended or restricted or closed
- the SICAV is unable to deal with the SICAV's or Sub-Funds' assets at normal and/or fair conditions, whether for purposes of making portfolio investments or redemption payments
- after notice has been given of a Shareholders' meeting at which it will be decided whether or not to liquidate the SICAV or informing shareholders about the termination or liquidation of a Sub-Fund or class of shares.

A suspension could apply to any Share Class and Sub-Fund (or to all), and to any type of request (buy, switch, redeem).

Shareholders whose orders are not processed because of a suspension will be notified of the suspension within seven (7) days after their request and of its termination.

### Swing Pricing

When significant amounts of cash enter a Sub-Fund from new subscriptions, this often requires the portfolio manager to buy securities on behalf of the Sub-Fund to ensure that it is fully invested. Conversely, large redemption requests commonly need to be met by selling securities. The costs of these transactions can include “bid-ask” spreads, broker commissions, custody charges and/or taxes. Without a proper mechanism to deal with this spread impact, these extra costs are borne by the Sub-Fund, causing detriment to the existing shareholders, especially to long-term investors. This is largely because - in the absence of an anti-dilution mechanism - the Share Class' price reflects the close of business “mid” price of its underlying investments and does not include the costs of trading them.

To protect the interests of the existing shareholders of a Sub-Fund or a Share Class, the management company may apply a swing pricing mechanism across any and all Sub-Funds or Share Classes and on the portion of cash generated by a merger affecting a Sub-Fund.

The governance of the swing pricing mechanism is defined and applied by the management company through a dedicated committee. The management company has adopted a partial swing methodology, meaning that the swing pricing mechanism is applied at the level of the Sub-Fund or the Share Class only if a predetermined net capital activity threshold (the “swing threshold”) is exceeded on any Valuation Day, irrespective of the specific circumstances of each individual investor transaction.

If the net subscriptions and redemptions based on the last available NAV on any Valuation Day exceed a certain threshold of the value of a Sub-Fund or a Share Class on that Valuation Day, as determined and reviewed on a periodic basis by the management company, the NAV will be adjusted by a swing factor respectively upwards or downwards to reflect the extra costs borne by the Sub-Fund, as described above.

The extent of the price adjustment will be set by the management company and will not exceed 2% of the NAV. Where applicable, any performance fee will be charged based on the unswung NAV, i.e. before the application of swing pricing mechanism.

The fluctuation of the Sub-Fund's NAV may not reflect the true Sub-Fund's performance, and therefore where applicable, might deviate from the Sub-Fund's benchmark because of the application of the swing pricing mechanism.

### How the SICAV Values Assets

The SICAV determines the value of each Sub-Fund's assets as follows:

- **Cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued but not yet received.** Valued at full value, minus any appropriate discount the SICAV may apply based on its assessments of any circumstances that make full payment unlikely.
- **Transferable securities listed or traded on any regulated market, stock exchange in an Other State or another regulated market.** Valued at the closing price on such markets. If a security is listed or traded on several markets, the closing price of the market which constitutes the main market for such securities, will be determining.
- **Transferable securities not listed or traded on any regulated market, stock exchange in an Other State or another regulated market.** Valued at their last available market price.
- **Transferable securities for which no price quotation is available or for which the price referred to in point(s) 1. and/or 3. above is not representative of the fair market value.** Valued prudently and in good faith on the basis of their reasonably foreseeable sales prices. As far as CDO Securities are concerned and insofar the price quotation is not representative of the fair market value, CDO Securities will be valued at their NAV as transmitted to the investment manager by the arranging bank of each CDO Security in which the SICAV has invested.
- **Money market instruments listed or traded on any regulated market, stock exchange in an Other State or another regulated market.** Valued at the closing price on such markets. If a security is listed or traded on several markets, the closing price of

the market which constitutes the main market for such securities, will be determining.

- **Money market instruments not listed or traded on any regulated market, stock exchange in an Other State or another regulated market.** Valued at their last available price.
- **Liquidating value of futures, forward and options contracts.** When not traded on regulated markets, stock exchanges in an Other State or regulated markets shall mean their net liquidating value determined, pursuant to the policies established in good faith by the SICAV, on a basis consistently applied for each different variety of contracts. When traded on regulated markets, stock exchanges in an Other State or on another regulated markets shall be based upon the last available settlement prices of these contracts on regulated markets, stock exchanges in an Other State and another regulated markets on which the particular futures, forward or options contracts are traded by the SICAV; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the SICAV may deem fair and reasonable.
- **Values expressed in a currency other than the Reference Currency of a Share Class or a Sub-Fund.** Those shall be translated to the Reference Currency of a Share Class or a Sub-Fund on the basis of the exchange rate provided by Reuters or another equivalent provider.
- **Swaps and all other securities and assets.** Valued at fair market value as determined prudently and in good faith by the SICAV.
- **Shares/units of UCITS and/or other UCIs** will be evaluated at their last available NAV per Share/unit. Open-ended funds will be valued at the actual NAV for such Shares or units as of the relevant Valuation Day, or based on the market value under the condition that this valuation reflects the most adequate price. If the latter is not the case, funds shall be valued at the estimated NAV as of such Valuation Day, or if no such estimated NAV is available, they shall be valued at the last available actual or estimated NAV provided that if events have occurred which may have resulted in a material change in the NAV of such Shares or units since the date on which such actual or estimated NAV was calculated, the value of such Shares or units may be adjusted in order to reflect, in the reasonable opinion of the Board, such change.

The NAV per Share is determined by the administrative agent and made available at the registered office of the SICAV.

Each Sub-Fund shall be valued so that all agreements to purchase or sell securities are reflected as of the date of execution and all dividends receivable and distributions receivable are accrued as of the relevant ex-dividend dates.

#### Liabilities of the SICAV

The liabilities of the SICAV shall be deemed to include:

- borrowings, bills and other amounts due;
- all costs and expenses to be borne by the SICAV;
- all known liabilities, due or not yet due, including the amount of all dividends declared, if any, but unpaid;
- an appropriate amount set aside for taxes due on the date of valuation and other provisions or reserves authorised and approved by the Board; and
- all other liabilities of the SICAV of whatsoever kind due towards third parties.

#### Fair Market Valuation

The fair value of an item is the price at which two people agree to exchange the item (security, bond, real estate, etc.). The purpose is then to define the price of an asset when the market is unable to provide the fair value (e.g. when the market is closed, when a security is delisted or when the market is not liquid, etc.) based on models or proxies, etc.

In the event that extraordinary circumstances render valuations impracticable or inadequate, the SICAV is authorised, prudently and in good faith, to follow other rules that the Board deems more accurate to achieve a fair valuation of the SICAV's assets.

Fair valuation might be used, for example, where the underlying markets are closed for business at the time of calculating the NAV of

certain Sub-Funds or where governments chose to impose fiscal or transaction charges on foreign investment. The Board may set specific thresholds that, where exceeded, result in adjustment to the value of the SICAV's assets to their fair value by applying a specific index adjustment. Moreover, if, since the time of determination of the NAV but prior to publication, there has been a material change in the valuation of a substantial proportion of the investments of the SICAV attributable to a particular Sub-Fund or Share Class, the SICAV may, in order to safeguard the interests of the Shareholders and the SICAV, cancel the first valuation and carry out a second valuation, in which case all relevant subscription and redemption requests will be dealt on the basis of the second valuation. The SICAV has implemented internal procedures regarding the Fair Market Valuation.

In certain circumstances the Board may be required to provide fair value prices for certain assets of the SICAV and that, in such circumstances, the Board's "fair value" may diverge significantly from the next available market price of such assets.

#### Allocation of the assets of the SICAV

The Board may establish a Sub-Fund in respect of each Share Class and may establish a Sub-Fund in respect of two or more Share Classes in the following manner:

- if two or more Share Classes relate to one Sub-Fund, the assets attributable to such Share Classes shall be invested pursuant to the specific investment policy of the Sub-Fund concerned
- the proceeds to be received from the issue of Shares of a Share Class shall be applied in the books of the SICAV to the Sub-Fund corresponding to that Share Class provided that if several Share Classes are outstanding in such Sub-Fund, the relevant amount shall increase the proportion of the net assets of such Sub-Fund attributable to the Share Class to be issued;
- where any asset is derived from another asset, such asset shall be applied in the books of the SICAV to the same Sub-Fund as the assets from which it was derived and on each re-evaluation of an asset, the increase or diminution in value shall be applied to the relevant Sub-Fund;
- where the SICAV incurs a liability which relates to any asset of a particular Sub-Fund or to any action taken in connection with an asset of a particular Sub-Fund, such liability could be allocated to the relevant Sub-Fund;
- in the case where any asset or liability of the SICAV cannot be considered as being attributable to a particular Sub-Fund, such asset or liability shall be allocated to all the Sub-Funds *pro rata* to the NAV; and
- upon the payment of distributions to the holders of any Share Class, the NAV of such Share Class shall be reduced by the amount of such distributions.

## MEASURES TO COMBAT ILLICIT AND DETRIMENTAL ACTIVITIES

#### Market Timing and Excessive Trading

Subscription and conversion of Shares should be made for investment purposes only. The SICAV does not permit market timing or other excessive trading practices such as late trading (i.e. subscription received after the Sub-Funds cut-off time). Excessive, short-term (market timing) trading practices may disrupt portfolio management strategies and harm SICAV's performance. To minimize harm to the SICAV and the Shareholders, the SICAV or the registrar agent on its behalf has the right to reject any subscription or conversion order, or levy in addition to any subscription or conversion fees, which may be charged according to the Sub-Funds' Descriptions, a fee of up to 2% of the value of the order for the benefit of the SICAV from any investor, who is engaging in excessive trading or has a history of excessive trading, or if an investor's trading, in the opinion of the SICAV, has been or may be disruptive to the SICAV or any of the Sub-Funds. In making this judgment, the SICAV may consider trading done in multiple accounts under common ownership or control. The SICAV also has the power to redeem all Shares held by a Shareholder who is or has been engaged in excessive trading. The SICAV will not be held liable for any loss resulting from rejected orders or mandatory redemptions.



Subscriptions, redemptions and conversions are dealt with at an unknown NAV. Any order received is deemed irrevocable after the Sub-Funds cut-off time.

### **Money Laundering and Terrorist Financing**

The SICAV, the registrar agent, any distributor and their officers are subject to the provisions of legislation currently in force in Luxembourg relating to monies which are derived directly or indirectly from criminal activity, including, but not limited to, activities relating to illegal substances and, where appropriate, to the provisions of similar legislation in force in any other relevant country. Applicants may be required to furnish independent documentary evidence of their identity, a permanent address and information relating to the source of the monies to be invested.

Failure to provide such information or documentation in a timely manner could result in delay in the allotment of Shares, or in a refusal to allot Shares.

If a distributor or its agents are not subject to anti-money laundering and anti-terrorist financing regulations, the necessary control will be carried out by the registrar agent of the SICAV.

### **DATA PROTECTION**

In accordance with the provisions of the law of 1<sup>st</sup> August 2018 on the organization of the National Data Protection Commission and on the general data protection framework, together with the Regulation n°2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "Data Protection Laws"), the SICAV has to inform the Shareholders that their personal data is kept by means of a computer system. The SICAV, acting as a data controller, collects, stores and processes by electronic or other means the data supplied by Shareholders at the time of their subscription for the purpose of fulfilling the services they required and complying with its legal obligations. The data processed include the name, address and invested amount of each Shareholder, together with the contact details of the Shareholder's ultimate beneficial owners, directors, authorized signatories and persons that own, directly or indirectly, an interest in the SICAV (the "Personal Data"). Investors may, at their discretion, refuse to communicate their Personal Data to the SICAV. In this case, however, the SICAV may reject their request for subscription of Shares in the SICAV.

In particular, the Personal Data supplied by Shareholders is processed for the purposes of (i) maintaining the register of Shareholders, (ii) processing subscriptions, redemptions and conversions of Shares and payments of dividends to Shareholders, (iii) performing controls on late trading and market timing practices, (iv) complying with applicable anti-money laundering rules and (v) tax identification as may be required under Luxembourg or foreign laws and regulations (including laws and regulations relating to FATCA or CRS).

The SICAV can delegate to another entity (the administrative agent, the registrar agent and the management company) (the "Processors") the processing of the Personal Data, for the purpose of fulfilling the services required by the Shareholders, in compliance and within the limits of the applicable laws and regulations. These entities are located in the EU.

A Processor may engage another processor for carrying out specific processing activities on behalf of the SICAV, upon prior authorization from the latter. These entities may be located either in the EU or in countries outside of the EU and whose data protection laws may not offer an adequate level of protection, in particular but not exclusively in India. Such sub-processor shall process the Personal Data under the same conditions and for the same purposes as the Processor. The investor may contact the Processor for more information regarding the transfer of its Personal Data performed by such Processor.

The Personal Data may also be disclosed to the Luxembourg tax authorities, which in turn may, acting as data controller, disclose the same to foreign tax authorities.

Shareholders have a right to access their Personal Data and may ask for a rectification thereof in cases where such data are inaccurate and incomplete. They may also object to processing of their Personal Data based on legitimate interests or ask for erasure of their Personal Data if the conditions provided under the Data Protection Laws are met.

Each Shareholder may also ask, under the conditions provided under the Data Protection Laws, for data portability.

In relation thereto, Shareholders can exercise their rights by letter addressed to the SICAV.

Shareholders have a right of opposition regarding the use of their Personal Data for marketing purposes. This opposition can be made by letter addressed to the SICAV.

The Shareholder has a right to lodge a complaint with a data protection supervisory authority.

The Shareholder's Personal Data shall not be held for longer than necessary with regard to the purpose of data processing carried out under the present contractual relationship, observing legal periods of limitation.

### **QUERIES AND COMPLAINTS**

Complaints shall be notified by letter to the management company's registered office, for the attention of the Complaint Handling Officer.

# The SICAV

## OPERATIONS AND BUSINESS STRUCTURE

**SICAV name** AXA World Funds.

**Registered office**

49, Avenue J. F. Kennedy  
L-1855 Luxembourg, LUXEMBOURG

**Other contact information**

<http://www.axa-im.com>

**Fund type** Société d'investissement à capital variable (SICAV); open-ended.

**Incorporation** 24 December 1996, as a *fonds commun de placement*. Reorganized as a SICAV on 18 February 1998.

**Duration** Indefinite.

**Articles of incorporation** Most recently modified on 30 April 2020 and published in the *Recueil Electronique des Sociétés et Associations (RESA)* on 8 June 2020.

**Legal jurisdiction** Grand Duchy of Luxembourg.

**Regulatory authority**

*Commission de Surveillance du Secteur Financier (CSSF)*  
283, route d'Arlon  
L-1150 Luxembourg, LUXEMBOURG

**Registration number** RCS Luxembourg B 63 116.

**Financial year** 1 January – 31 December.

**Capital** Sum of the NAV of all the Sub-Funds.

**Minimum capital (under Luxembourg law)** EUR 1,250,000 or equivalent in any other currency. The capital of the SICAV varies automatically with the issue and redemption of Shares.

**Par value of Shares** None.

**Share capital currency** EUR.

## STRUCTURE AND GOVERNING LAW

The SICAV functions as an “umbrella” under which the Sub-Funds are created and operate. The assets and liabilities of each Sub-Fund are segregated from those of other Sub-Funds; there is no cross-liability between Sub-Funds, and assets of a Sub-Fund are invested only for that Sub-Fund's Shareholders. The SICAV qualifies as an Undertaking for Collective Investment in Transferable Securities (UCITS) under the 2010 Law, and is registered on the official list of collective investment undertakings maintained by the CSSF.

## MEMBERS OF THE BOARD OF DIRECTORS

**Chairman: Geoffroy Reiss**

Residing in France,  
Chief Operating Officer AXA IM Core  
AXA Investment Managers Paris

**Jean-Louis Laforge**

Residing in France  
Deputy Chief Executive Officer  
AXA Investment Managers Paris

**Martin Burke**

Residing in France  
Head of Product Lifecycle  
AXA Investment Managers Paris

**Matthieu Tonneau**

Residing in France  
Chief Risk Officer  
AXA Investment Managers Paris

## THE BOARD OF DIRECTORS

The Board is responsible for the overall administration, control and management of the SICAV including the determination of the investment objective and policies of each Sub-Fund. In particular, the Board is responsible for the monitoring and the overall supervision and control of the management company. To this effect, the Board may give board recommendations to the management company in relation to, without limitation, the structure, promotion, administration, investment management and distribution of the SICAV and the contents of any documentation relating to the SICAV (including, but not limited to, this Prospectus and any marketing material).

The Board is responsible for the information in this Prospectus and has taken all reasonable care to ensure that it is materially true, accurate and complete.

Directors serve until their term ends, they resign, or they are revoked, in accordance with the Articles of Incorporation. Any additional directors will be appointed in accordance with the Articles of Incorporation and Luxembourg law.

## SHAREHOLDER MEETINGS

The annual general meeting is held at the registered office of the SICAV in Luxembourg within four (4) months after the end of the financial year. Other Shareholder meetings can be held at other places and times. Notices of all meetings will be distributed to Shareholders and published as required by law (in the *RESA* and the *d'Wort* in Luxembourg and in such other newspapers as the Board may determine), and will include the exact meeting location and time, the conditions of admission, the agenda, the quorum and the voting requirements and will be given at least eight (8) clear days prior to the meetings. Shareholders may vote by proxy or may attend the meeting and vote in person.

The Board may suspend the voting rights of any Shareholder in breach of his or her obligations as described by this Prospectus, the Articles or any relevant contractual arrangement entered into by such Shareholder. A Shareholder may also individually decide not to exercise, temporarily or permanently, all or part of his or her voting rights. The waiving Shareholder is bound by such waiver and the waiver is mandatory for the SICAV upon notification of the latter. In case the voting rights of one or several shareholders are suspended or the exercise of the voting rights has been waived by one or several shareholders in accordance with the paragraphs above, such shareholders may attend any general meeting of the Company but the shares they hold are not taken into account for the determination of the conditions of quorum and majority to be complied with at the general meetings of the Company.

If the capital of the SICAV falls to less than two-thirds of the legal minimum, the Board must ask the annual general meeting whether the SICAV should be dissolved.

If the capital becomes less than one-quarter of the legal minimum, Shareholders representing one-quarter of the Shares present can vote on whether to dissolve the SICAV. Any such meeting must be convened within forty (40) days of the day on which it appears that the capital has fallen below two-thirds or one quarter of the minimum capital, as the case may be.

## MATERIAL CONTRACTS

The following contracts have been entered into by the SICAV and are, or may be, material or contain indemnities in favor of the other parties thereto other than in respect of negligence or willful default:

- Management Company Services Agreement dated 26 July 2021 between the SICAV and the management company (the “Management Company Services Agreement”). The Management Company Services Agreement may be terminated upon three months' written notice.
- Depositary agreement dated 18th March 2016 between the SICAV and the depositary (the “Depositary Agreement”). The Depositary

AXA World Funds



Agreement may be terminated upon 180 calendar days' prior written notice.

- Administration Agency, Domiciliary, Paying Agency, Listing Agency and Registrar and Transfer Agency Agreement dated 31<sup>st</sup> March 2006, as amended, between the SICAV and the management company on the one part and State Street Bank International GmbH, Luxembourg Branch on the other part (the "Administration Agreement"). The Administration Agreement may be terminated upon 90 days' written notice.

## NOTICES AND PUBLICATIONS

### Publication of Notices

Notice of any material change to the SICAV or its Sub-Funds will be mailed to investors or their intermediary at the address of record as stated in the SICAV's register. If applicable, a revised Prospectus will also be made available.

Notices of mergers or, as the case may be, liquidations will be distributed 30 days in advance, and will indicate the reasons for the mergers.

NAVs for all Sub-Funds and Share Classes are available at <http://www.axa-im.com>.

Information on the past performance of the previous year appears in the Financial Reports. Audited annual reports are issued within four months of the end of the financial year and will be available to Shareholders upon request at least fifteen (15) days before the annual general meeting. Unaudited semi-annual reports are issued within two months of the end of the period they cover. The financial period of the SICAV is the calendar year. The audited annual reports will be prepared as at 31<sup>st</sup> December each year. The unaudited semi-annual reports will be prepared as at 30<sup>th</sup> June each year. Financial Reports are available at <http://www.axa-im.com> and at the registered office.

### Copies of Documents

Investors can access the following documents at the SICAV's registered office, at the office of the registrar agent, and at the offices of distributor agents outside of Luxembourg:

- the Articles of Incorporation
- material agreements between the SICAV and its service providers
- the relevant part of the law of 10<sup>th</sup> August 1915 on commercial companies as amended and the 2010 Law under which the SICAV is incorporated
- Financial Reports
- KIIDs
- this Prospectus

A brief description of the strategy put in place by the management company for determining when and how voting rights attached to instruments held in the Sub-Fund's portfolio are to be exercised is available to investors on the website [www.axa-im.com](http://www.axa-im.com).

## LIQUIDATION OR MERGER

### Liquidation

The Board may decide to liquidate the SICAV, a Sub-Fund or a Share Class if either of the following is true:

- The total net assets of the SICAV or a Sub-Fund remain below EUR 840,000 (or the equivalent in another currency of denomination) for 30 consecutive days.
- The Board believes liquidation is appropriate because of changes in the economic or political situation affecting the SICAV or the relevant Sub-Fund or Share Class.

After giving prior notice to the relevant Shareholders, the Board may redeem all of the Shares in question on the first Valuation Day after the end of the notice period, at a NAV that reflects the anticipated liquidation costs but with no other redemption charge.

Should the SICAV need to liquidate, one or more liquidators appointed by the Shareholders' meeting will liquidate the SICAV's assets in the best interest of the Shareholders and will distribute the net proceeds (after deduction of any costs relating to the liquidation) to Shareholders in proportion to the Shares they are holding.

Amounts from any liquidations that are not claimed promptly by Shareholders will be deposited in escrow with the Caisse de Consignation. Amounts still unclaimed when the statute of limitations runs out will be forfeited according to Luxembourg law.

### Merger

The Board may decide to merge the SICAV with another UCITS or with a sub-fund of another UCITS. If the SICAV would cease to exist because of the merger, the Shareholders must approve the merger and its effective date by a majority of the votes cast at a general meeting, with no quorum required. If the SICAV will continue to exist after the merger, the Board may decide on the merger and its effective date. The Board may also decide to merge any Sub-Fund into another Sub-Fund, another UCITS, or a sub-fund of another UCITS.

As appropriate, the Shares of the SICAV will be redesignated as Shares of the other Sub-Fund, UCITS or sub-fund of the other UCITS.

The Shareholders will in any case be entitled to request, without any charge other than those retained by the SICAV or the Sub-Fund to meet disinvestment costs, the repurchase or redemption of their Shares, or, where possible, to convert them into units or shares of another UCITS pursuing a similar investment policy and managed by the management company or by any other company with which the management company is linked by common management or control, or by substantial direct or indirect holding, in accordance with the provisions of the 2010 Law.

Cost associated with the preparation and the completion of the merger shall neither be charged to the SICAV nor to its Shareholders.

# The Management Company

## OPERATIONS AND BUSINESS STRUCTURE

**Management company name** AXA Funds Management S.A., an AXA Group company and a subsidiary of AXA Investment Managers S.A.

**Registered office**

49, Avenue J.F. Kennedy  
L-1855 Luxembourg, LUXEMBOURG

**Other contact information**

<http://www.axa-im.lu>

**Legal form of company** *Société anonyme*.

**Incorporation** 21 November 1989 (as AXA Bonds (Conseil) S.A.).

**Articles of incorporation** Most recently modified on 30 January 2015 and published in the *Mémorial, Recueil des Sociétés et Associations* on 7 March 2015.

**Legal jurisdiction** Grand Duchy of Luxembourg.

**Registration number** RCS Luxembourg B 32 223.

**Authorised and issued share capital** EUR 925,345.84.

**Other funds managed** AXA World Funds II, AXA IM Fixed Income Investment Strategies, AXA IM Cash, AXA Framlington US Select Growth Fund, AXA Investplus, AXA IM Novalto FCP-SIF, AXA IM Andante, AXA IM MezzoAlto and AXA IM InMotion RCF Fund SCA.

## AGREEMENT AND GOVERNING LAW

The SICAV has appointed the management company pursuant to a management company services agreement dated as of 29 August 2006. The management company is registered pursuant to chapter 15 of the 2010 Law and the law of 12 July 2013 on alternative investment fund managers.

The management company is in charge of the day-to-day operations of the SICAV, with responsibility for investment management services, administrative services and marketing services subject to the overall supervision and control of the Board. The management company has the option of delegating to third parties some or all of its responsibilities, subject to the approval of the SICAV and the CSSF, and provided that the management company retains the responsibility and oversight over such delegates. The management company has delegated, with prior notification of the CSSF and provided that it complies with all the conditions provided for by the Law of 2010 and that it retains responsibility and oversight over such delegates, (i) transfer agency and administration to third parties, as detailed below and (ii) investment management, marketing, internal audit, to AXA IM entities. Risk management and compliance functions are carried out by the management company. The management company's liability towards the SICAV and its investors shall not be affected by the fact that it has delegated its functions and duties to third parties or by any further sub-delegation.

The management company also manages other funds.

## THE BOARD OF DIRECTORS

**Chairman:**

**Laurent Caillot**

Residing in France

*Global Head of Technology & Operations*

AXA Investment Managers S.A.

**Jean-Louis Laforge**

Residing in France

*Deputy Chief Executive Officer*

AXA Investment Managers Paris

**Fabien Lequeue**

Residing in Belgium

*Country Head, Conducting Officer and General Manager*

AXA Funds Management S.A.

**Beatriz Barros de Lis Tubbe**

Residing in Spain

*Head of Client Group Americas*

AXA Investment Managers

## REMUNERATION POLICY

The management company has approved and adopted AXA IM's Global Remuneration Policy, in accordance with the applicable regulations, which is consistent with, and promotes, sound and effective risk management; does not encourage risk-taking which is inconsistent with the risk profiles of the SICAV or the Articles of Incorporation, and does not impair compliance of the management company's duty to act in the best interests of the SICAV.

AXA IM's Global Remuneration Policy, which has been approved by the AXA IM Remuneration Committee, sets out the principles relating to remuneration within all entities of AXA IM (including the management company) and takes into account AXA IM's business strategy, objectives, and risk tolerance, as well as the long-term interests of AXA IM's shareholders, employees and clients (including the SICAV). The AXA IM Remuneration Committee is responsible for determining and reviewing the AXA IM remuneration guidelines, including the AXA IM Global Remuneration Policy, as well as reviewing the annual remuneration of senior executives of the AXA IM Group and senior officers in control functions.

AXA IM provides both fixed and variable remuneration. An employee's fixed remuneration is structured to reward organisational responsibility, professional experience and the individual's capability to perform the duties of the role. Variable remuneration is based on performance and may be awarded annually on both a non-deferred and, for certain employees, a deferred basis. Non-deferred variable remuneration may be awarded in cash or, where appropriate and subject to local laws and regulation, in instruments linked to the performance of AXA IM funds. Deferred remuneration is awarded through various instruments structured to reward medium and long term value creation for clients and AXA IM and long term value creation for the AXA Group. AXA IM ensures appropriate balances between fixed and variable remuneration and deferred and non-deferred remuneration.

Details of the up-to-date AXA IM Global Remuneration Policy are published online at <https://www.axa-im.com/remuneration>. This includes the description of how remuneration and benefits are awarded for employees, and further information on the AXA IM Remuneration Committee. Upon request, a paper copy is available free of charge at the management company.

## BENCHMARK REGULATION

Certain Sub-Funds use Benchmarks as defined by the 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 financial contracts or to measure the performance of investment funds ("BMR"), for the purpose of defining the asset allocation of a portfolio and/or of computing performance fees (please refer to section "Benchmark for performance fee" in the relevant appendix of the following Sub-Funds: Framlington Europe Microcap, Framlington Europe ex-UK MicroCap, Framlington Global Convertibles, Optimal Income, Optimal Absolute and US Enhanced High Yield Bonds. Please refer to section "Performance charges taken from the Sub-Fund" for the following Sub-Funds: Chorus Multi Strategy, Chorus Equity Market Neutral and Chorus Systematic Macro.

Certain other Sub-Funds are actively managed in reference to a benchmark index according to the ESMA Q&A on application of the UCITS Directive (please refer to section "Investment Strategy") in the relevant appendix of the respective Sub-Funds.

As required by article 28(2) of BMR, the Management Company has adopted a written plan setting out actions, which it will take with respect to the Sub-Funds using a benchmark as defined by BMR in

the event that the benchmark index materially changes or ceases to be provided (the "Contingency Plan"). You may access the Contingency Plan free of charge at the registered office of the Management Company.

At the date of the latest update of this prospectus, the Benchmark administrators as defined by BMR are listed in the ESMA Register that you may consult at <https://registers.esma.europa.eu/publication>.

The SONIA (the Sterling Overnight Index Average), the SARON (Swiss Average Rate Overnight) and the Effective Federal Funds Rate benchmarks are set by central banks and thus, out of BMR's scope. You may access further information on the website of their administrator: the Bank of England for SONIA at <https://www.bankofengland.co.uk/markets>, the Swiss National Bank (SNB) in cooperation with SIX Swiss Exchange for SARON at [https://snb.ch/en/for/finmkt/id/finmkt\\_repos\\_saron](https://snb.ch/en/for/finmkt/id/finmkt_repos_saron)) and Effective Federal Funds Rate published by the Federal Reserve Bank of New York.

## SERVICE PROVIDERS

### INVESTMENT MANAGERS

#### AXA Investment Managers Paris

Tour Majunga

La Défense 9  
6, place de la Pyramide  
92800 Puteaux

FRANCE

#### AXA Real Estate Investment Managers SGP

Tour Majunga

La Défense 9  
6, place de la Pyramide  
92800 Puteaux

FRANCE

#### AXA Investment Managers UK Limited

22 Bishopsgate  
London EC2N 4BQ

UK

#### AXA Investment Managers US Inc.

100 West Putnam Avenue, 4th Floor  
Greenwich, CT 06830

USA

#### AXA Investment Managers Asia Ltd. (Hong-Kong SAR)

Suites 3603 – 05, 36/F  
One Taikoo Place, Taikoo Place  
979 King's Road  
Quarry Bay, Hong-Kong

CHINA

#### AXA Investment Managers Chorus Limited

Suites 3603 and 06, 36/F  
One Taikoo Place, Taikoo Place  
979 King's Road  
Quarry Bay, Hong-Kong

CHINA

### SUB-INVESTMENT MANAGERS

#### AXA Investment Managers Paris

Tour Majunga

La Défense 9  
6, place de la Pyramide  
92800 Puteaux

FRANCE

#### AXA Investment Managers UK Limited

22 Bishopsgate  
London EC2N 4BQ

UK

#### AXA Investment Managers US Inc.

100 West Putnam Avenue, 4th Floor  
Greenwich, CT 06830

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USA

#### AXA Investment Managers Asia (Singapore) Ltd.

1 George Street, #14-02/03  
15th Floor  
04 9145 Singapore

SINGAPORE

#### AXA Investment Managers Asia Ltd. (Hong-Kong SAR)

Suites 3603 – 05, 36/F  
One Taikoo Place, Taikoo Place  
979 King's Road  
Quarry Bay, Hong-Kong

CHINA

### SUB-SUB-INVESTMENT MANAGERS

#### AXA Investment Managers Asia (Singapore) Ltd.

1 George Street, #14-02/03  
15th Floor  
04 9145 Singapore

SINGAPORE

Each Sub-Fund's investment manager handles the day-to-day management of that Sub-Fund.

An investment manager may appoint sub-delegates, at its own expense and responsibility, to manage all or part of the assets of some Sub-Funds or provide recommendations on any investment portfolio subject to the approval of the CSSF. The appointed entity will be disclosed in "Sub-Fund Descriptions".

For its services, the investment manager is entitled to receive the management fee and any performance fee described in "Sub-Fund Descriptions". The management company is responsible for the payment of these fees to investment managers.

## INVESTMENT ADVISORS

### AXA SPDB Investment Managers Company Limited

38F, Shanghai Central Plaza  
No.381 Middle Huai Hai Road  
Shanghai  
CHINA

### AXA Investment Managers Paris

Tour Majunga, La Défense  
6 Place de la Pyramide  
92800 Puteaux  
France

An investment advisor provides advice and/or recommendations on the implementation of the Sub-Fund's investment strategy.

## DEPOSITARY

### State Street Bank International GmbH, Luxembourg Branch

49, Avenue J.F. Kennedy  
L-1855 Luxembourg  
LUXEMBOURG

The rights and duties of the depositary (the "Depositary") are governed by the Depositary Agreement dated 18 March 2016. In performing its obligations under the Depositary Agreement, the Depositary shall observe and comply with (i) Luxembourg laws, (ii) the Depositary Agreement and (iii) the terms of this Prospectus. Furthermore, in carrying out its role as depositary bank, the Depositary must act solely in the interest of the SICAV and of its Shareholders.

The SICAV has appointed State Street Bank International GmbH, Luxembourg Branch as its Depositary within the meaning of the 2010 Law pursuant to the Depositary Agreement.

State Street Bank International GmbH is a limited liability company organized under the laws of Germany, having its registered office at Brienner Str. 59, 80333 München, Germany and registered with the commercial register court, Munich under number HRB 42872. It is a credit institution supervised by the European Central Bank (ECB), the German Federal Financial Services Supervisory Authority (BaFin) and the German Central Bank. State Street Bank International GmbH, Luxembourg Branch is authorized by the CSSF in Luxembourg to act as depositary and is specialized in depositary, fund administration, and related services. State Street Bank International GmbH, Luxembourg Branch is registered in the Luxembourg Commercial and Companies' Register (RCS) under number B 148 186. State Street Bank International GmbH is member of the State Street group of companies having as its ultimate parent State Street Corporation, a US publicly listed company.

### Depositary's functions

The relationship between the SICAV and the Depositary is subject to the terms of the Depositary Agreement. Under the terms of the Depositary Agreement, the Depositary is entrusted with following main functions:

- ensuring that the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with applicable law and the Articles of Incorporation.
- ensuring that the value of the Shares is calculated in accordance with applicable law and the Articles of Incorporation.
- carrying out the instructions of the SICAV unless they conflict with applicable law and the Articles of Incorporation.
- ensuring that in transactions involving the assets of the SICAV any consideration is remitted within the usual time limits.
- ensuring that the income of the UCITS is applied in accordance with applicable law and the Articles of Incorporation.
- monitoring of the SICAV's cash and cash flows.
- safe-keeping of the SICAV's assets, including the safekeeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

### Depositary's liability

In the event of a loss of a financial instrument held in custody, determined in accordance with the UCITS Directive, and in

particular Article 18 of the UCITS Regulation 2016/438 of 17 December 2015 supplementing Directive 2009/65/EC of the European Parliament and of the Council with regard to obligations of depositaries, the Depositary shall return financial instruments of identical type or the corresponding amount to the SICAV without undue delay.

The Depositary shall not be liable if it can prove that the loss of a financial instrument held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary pursuant to the UCITS Directive.

In case of a loss of financial instruments held in custody, the shareholders may invoke the liability of the Depositary directly or indirectly through the Fund provided that this does not lead to a duplication of redress or to unequal treatment of the shareholders.

The Depositary will be liable to the SICAV for all other losses suffered by the SICAV as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Directive.

The Depositary shall not be liable for consequential or indirect or special damages or losses, arising out of or in connection with the performance or non-performance by the Depositary of its duties and obligations.

### Delegation

The Depositary has full power to delegate the whole or any part of its safe-keeping functions but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depositary's liability shall not be affected by any delegation of its safe-keeping functions under the Depositary Agreement.

The Depositary has delegated those safekeeping duties set out in Article 22(5)(a) of the UCITS Directive to State Street Bank and Trust Company with registered office at One Lincoln Street, Boston, Massachusetts 02111, USA, whom it has appointed as its global sub-custodian. State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network.

Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are available at the registered office of the SICAV or at the following internet site: <http://www.statestreet.com/about/office-locations/luxembourg/subcustodians.html>.

### Conflicts of interest

The Depositary is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depositary or its affiliates engage in activities under the depositary agreement or under separate contractual or other arrangements. Such activities may include:

- (i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the SICAV;
- (ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the SICAV either as principal and in the interests of itself, or for other clients.

In connection with the above activities the Depositary or its affiliates:

- (i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to the SICAV, the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;



(ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;

(iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the SICAV;

(iv) may provide the same or similar services to other clients including competitors of the SICAV;

(v) may be granted creditors' rights by the SICAV which it may exercise.

The SICAV may use an affiliate of the Depository to execute foreign exchange, spot or swap transactions for the account of the SICAV. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the SICAV. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the SICAV. The affiliate shall enter into such transactions on the terms and conditions agreed with the SICAV.

Where cash belonging to the SICAV is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee.

The management company may also be a client or counterparty of the Depository or its affiliates.

Potential conflicts that may arise in the Depository's use of sub-custodians include four broad categories:

(1) conflicts from the sub-custodian selection and asset allocation among multiple sub-custodians influenced by (a) cost factors, including lowest fees charged, fee rebates or similar incentives and (b) broad two-way commercial relationships in which the Depository may act based on the economic value of the broader relationship, in addition to objective evaluation criteria;

(2) sub-custodians, both affiliated and non-affiliated, act for other clients and in their own proprietary interest, which might conflict with clients' interests;

(3) sub-custodians, both affiliated and non-affiliated, have only indirect relationships with clients and look to the Depository as its counterparty, which might create incentive for the Depository to act in its self-interest, or other clients' interests to the detriment of clients; and

(4) sub-custodians may have market-based creditors' rights against client assets that they have an interest in enforcing if not paid for securities transactions.

In carrying out its duties the Depository shall act honestly, fairly, professionally, independently and solely in the interests of the SICAV and its Shareholders.

The Depository has functionally and hierarchically separated the performance of its depository tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the depository issues to be properly identified, managed and monitored. Additionally, in the context of the Depository's use of sub-custodians, the Depository imposes contractual restrictions to address some of the potential conflicts and maintains due diligence and oversight of sub-custodians to ensure a high level of client service by those agents. The Depository further provides frequent reporting on clients' activity and holdings, with the underlying functions subject to internal and external control audits. Finally, the Depository internally separates the performance of its custodial tasks from its proprietary activity and follows a Standard of Conduct that requires employees to act ethically, fairly and transparently with clients.

Up-to-date information on the Depository, its duties, any conflicts that may arise, the safe-keeping functions delegated by the Depository, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to Shareholders on request.

### Termination

Each of the SICAV or the Depository may terminate the Depository Agreement on 180 calendar days' prior written notice. The Depository Agreement may also be terminated on shorter notice in certain

circumstances. However, the Depository shall continue to act as depository for up to two months pending a replacement depository being appointed and until such replacement, the Depository shall take all necessary steps to ensure the good preservation of the interests of the Shareholders of the SICAV and allow the transfer of all assets of the SICAV to the succeeding depository.

### Disclaimer

The Depository has no decision-making discretion relating to the SICAV's investments. The Depository is a service provider to the SICAV and is not responsible for the preparation of this Prospectus, or the activities of the SICAV.

In accordance with the 2010 Law, the management company has entered into an operating memorandum with the Depository to regulate the flow of information deemed necessary to allow the Depository to perform its obligations under the Depository Agreement and the 2010 Law.

## ADMINISTRATIVE, DOMICILIARY, CORPORATE AND PAYING AGENT, REGISTRAR AND TRANSFER AGENT

### State Street Bank International GmbH, Luxembourg Branch

49, Avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

With the consent of the SICAV, the Management Company has appointed State Street Bank International GmbH, Luxembourg Branch, also as administrative, registrar and transfer agent and as domiciliary and paying agent of the SICAV (the Administrator) pursuant to the Administration Agreement.

The relationship between the SICAV, the Management Company and the Administrator is subject to the terms of the Administration Agreement. Under the terms of the Administration Agreement, the Administrator will carry out all general administrative duties related to the administration of the SICAV required by Luxembourg law, calculate the Net Asset Value per Share, maintain the accounting records of the SICAV, as well as process all subscriptions, redemptions, conversions, and transfers of Shares, and register these transactions in the register of shareholders. In addition, as registrar and transfer agent of the SICAV, the Administrator is also responsible for collecting the required information and performing verifications on investors to comply with applicable anti-money laundering rules and regulations.

The Administrator is not responsible for any investment decisions of the SICAV or the effect of such investment decisions on the performance of the SICAV.

The Administration Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than ninety (90) calendar days' prior written notice. The Administration Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of a material clause of the Administration Agreement. The Administration Agreement may be terminated by the Management Company with immediate effect if this is deemed by the Management Company to be in the interest of the investors. The Administration Agreement contains provisions exempting the Administrator from liability and indemnifying the Administrator in certain circumstances. However, the liability of the Administrator towards the Management Company and the SICAV will not be affected by any delegation of functions by the Administrator.

## STOCK LENDING AND REPURCHASE AGENT

### AXA Investment Managers GS Limited

22 Bishopsgate  
London EC2N 4BQ  
UK

The management company has appointed the stock lending and repurchase agent pursuant to a delegation agreement dated 15 February 2013.

AXA Investment Managers GS Limited and the management company are affiliates companies belonging to AXA IM group. In order  
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to prevent any conflicts of interest, AXA IM group has put in place a conflicts of interest policy, details of which are available on <https://www.axa-im.lu/mifid>.

## **INTERMEDIARIES HANDLING TRANSACTIONS OF THE SHARES**

The management company may engage distributors to promote the Shares and handle transactions in Sub-Fund Shares in certain countries or markets.

Note that investors will only be able to fully exercise their investor's rights directly against the SICAV (in particular the right to participate in general Shareholders' meetings) if they are directly registered as the owner of the Shares in the SICAV's register of Shareholders. If investors invest through an intermediary, the ownership of Shares may be recorded in the intermediary's name, in which case investors may not be able to exercise all Shareholder's rights themselves. Investors are advised to seek advice on their rights (in particular the ability to provide the intermediary with specific or general voting instructions in general Shareholder's meetings).

Nominees are banks and financial institutions appointed as distributors or the company responsible for arranging the distribution of the Shares of the SICAV which act as intermediaries between investors and the SICAV. Subject to local laws in countries where Shares are offered, the distributors and their agents, if any, may, on the request of the respective investor, act as nominee for such investors. In some countries, use of a nominee service is mandatory, either for legal or practical reasons. With a nominee service, a distributor or local paying agent purchases and holds the Shares as a nominee in its own name but for the account of the investor. In other countries, investors have the option of investing through the nominee services offered by the distributors or local paying agents, or directly with the SICAV.

Whenever the use of a nominee service is not mandatory, investors who use a nominee service may at any time submit an appropriate written request to the nominee that the Shares held for them be registered in their own name. Note that the minimum holding amounts of a particular Share Class described in "Investing in the Funds" will apply.

## **AUDITOR**

### **PricewaterhouseCoopers, Société coopérative**

2, rue Gerhard Mercator  
L-2182 Luxembourg

LUXEMBOURG

The auditor provides independent review of the financial statements of the SICAV and all Sub-Funds.

## **LEGAL ADVISER**

### **Arendt & Medernach S.A.**

41A, avenue J-F Kennedy  
L-2082 Luxembourg

LUXEMBOURG

The legal adviser provides independent legal advice on business, regulatory, tax, and other matters, as requested.

# Country-Specific Information

The SICAV is currently authorised to offer Sub-Funds in several countries across Europe, Asia and Latin America. The information below supplements the information in this Prospectus and is provided in compliance with requirements of the countries indicated.

The agent in each country is available to perform some or all of the following functions:

- liaise with the local regulators
- provide free copies of the Prospectus, Financial Reports, Articles of Incorporation and other required information
- handle payments of dividends and redemption proceeds
- receive requests to buy, switch or redeem Shares
- provide purchase and redemption prices
- provide other general information

## AUSTRIA

**Agent (Paying and Information Agent):**

**UniCredit Bank Austria AG**

Schottengasse 6-8  
1010 Vienna  
AUSTRIA

## BELGIUM

**Agent (Financial Service in Belgium):**

**CACEIS Belgium SA**

Avenue du Port 86 C b320  
B-1000 Brussels  
BELGIUM

CACEIS Belgium SA provides nominee services.

Daily NAVs for all Sub-Funds and Share Classes marketed in Belgium can currently be found on [www.beama.be](http://www.beama.be). The Board may publish the NAVs in L'Echo and De Tijd newspapers. Shareholders communications are also available on [www.beama.be](http://www.beama.be).

The fees and expenses charged by the SICAV are described in "Sub-Fund Descriptions".

Information concerning taxation is available from the SICAV and the Financial Service in Belgium.

For any information, the investor can contact the Financial Service CACEIS Belgium SA.

## CHILE

**Agent (for registration):**

**Latin America Asset Management Advisors Ltda.**

Magdalena 140, 5th Floor  
Las Condes  
Santiago  
CHILE

## DENMARK

The SICAV has appointed StockRate Asset Management A/S (company number 3072 9722), Sdr. Jernbanevej 18D, 3400 Hillerød, Denmark, as its Danish representative.

## FRANCE

Agent (Local Representative):

**BNP Paribas Securities Services**

3 rue d'Antin  
75002 Paris

FRANCE

Note that any gains that are realised when switching Shares are taxable.

## HONG KONG

**For the Share Classes/Sub-Funds authorised for distribution  
AXA Investment Managers Asia Limited**

Suites 3603 – 05, 36/F  
One Taikoo Place, Taikoo Place  
979 King's Road  
Quarry Bay, Hong Kong

CHINA

Hong Kong investors are advised to read the Hong Kong Offering Memorandum and the Product Key Facts Statements of relevant Sub-Funds which contain additional information for Hong Kong residents.

The Securities and Futures Commission ("SFC") has authorised the SICAV and certain Sub-Funds (please check with the agent for the list of SFC-authorized Sub-Funds). The SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

**For the Sub-Funds not authorised for distribution**

Warnings: Hong Kong investors are advised that the contents of this Prospectus have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in doubt about the contents of this Prospectus, you should obtain independent professional advice. Certain Sub-Funds described herein may only be offered for sale or sold in Hong Kong to such investors which are "professional investors" within the meaning of the Hong Kong Securities and Futures Ordinance ("SFO") and any rules made thereunder. Unless permitted under the SFO, no person may issue or have in its possession for the purposes of issue this Prospectus, or any other advertisement, invitation or document, whether in Hong Kong or elsewhere, which is or contains an invitation to the public in Hong Kong within the meaning of the SFO (i) to enter into or offer to enter into an agreement to acquire, dispose of, subscribe for or underwrite Shares of the Sub-Funds not authorised by the SFC or (ii) to acquire an interest in or participate in, or offer to acquire an interest in or participate in these Sub-Funds, other than with respect to Shares or interests which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made thereunder.

Regarding the "Designed for" section under the heading "Additional Features" in respect of each of the appendices, Hong Kong investors should note that such information is provided for reference only. In particular, the reference to the minimum investment time horizon has been determined based on Management Company's theoretical knowledge of, and past experience with, the relevant Sub-Fund, SICAV or similar funds, the financial markets and the needs, characteristics and objectives of potential end investors at large and not on the assessment of the risk profile, risk tolerance, investment objective and/or investment horizon of a typical Hong Kong investor nor on the specific circumstances relevant to Hong Kong investors. As such, before making any investment decisions, Hong Kong investors should consider their own specific circumstances, including, without limitations, their own risk tolerance level, financial circumstances, and investment objectives. If in doubt, investors should consult their stockbrokers, bank managers, solicitors, accountants, representative banks or other financial advisers.

## ITALY

Agent (Representative):

**AXA Investment Managers Italia SIM S.p.A**

Corso di Porta Romana, 68  
I-20122 Milan

ITALY

## JAPAN

Warning: Japanese investors are advised to exercise caution in relation to the offer. The Sub-funds or Shares described herein are not authorized for offering to the public in Japan and have not been and will not be registered under Article 4, Paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948) (the "FIEL") and accordingly may not be offered or solicited in Japan or to or for the account of any resident thereof, except pursuant to an exemption from the registration requirements of the FIEL. "A resident" shall have the meaning as defined under the Foreign Exchange and Foreign Trade Law of Japan (Law No. 228 of 1949). If you are in doubt about the contents of this Prospectus, you should obtain independent professional advice. Only certain Sub-Funds described herein may be offered for sale or sold in Japan solely to such investors which are Qualified Institutional Investor (tekikaku kikan toshika) ("QII") as defined in Article 2, Paragraph 3, Item 1 of the FIEL and Article 10 of the Cabinet Ordinance regarding Definitions under Article 2 of the Financial Instruments and Exchange Law and any rules made thereunder. You are advised that by subscribing into the Sub-Fund(s), you acknowledge and agree that: i) the Shares described herein have not been and will not be registered under Article 4, Paragraph 1 of the FIEL and accordingly may not be offered or solicited in Japan or to or for the account of any resident thereof, except pursuant to an exemption from the registration requirements of the FIEL; ii) the Shares are offered exclusively to QIIs only pursuant to a qualified institutional investor exemption as set forth in Article 2, Paragraph 3, Item 2 (a) of the FIEL; iii) Shares sold to QIIs pursuant to a qualified institutional investor exemption are subject to re-sale restrictions whereby the Shares cannot be re-sold to anyone other than QIIs; and iv) notwithstanding anything to the contrary in the Prospectus, no switch to Shares of any other Sub-Fund is allowed unless such Sub-Fund is offered in Japan in accordance with its applicable regulations.

## NETHERLANDS

The Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten) has approved the offering of Shares in Netherlands, in accordance with section 17 of the Investment Institution Act (Wet toezicht beleggingsinstellingen).

## SPAIN

Agent (Sales and Information Agent):

**BNP Paribas Securities Services, Sucursal en Espana**

Ribera del Loira 28  
28042 Madrid

SPAIN

# Terms with Specific Meanings

The following terms have these specific meanings within this document:

**2010 Law** Luxembourg law of December 17, 2010 on Undertakings for Collective Investment in Transferable Securities, as amended from time to time.

**A Shares** Securities issued by companies incorporated in the PRC and listed on Shanghai or Shenzhen stock exchange.

**Application Form** The appropriate application form for the subscription, the redemption and the conversion of Shares of the SICAV available at the distributors' registered office.

**Articles of Incorporation** The Articles of Incorporation of the SICAV, as amended from time to time.

**AXA Group** Any entity over which AXA has direct, indirect, or alternate control.

**Benefit Plan Investor** Any benefit plan investor as defined in regulations issued by the US Department of Labor, being any (a) "employee benefit plan" as defined in Section 3(3) of ERISA (whether or not subject to Title 1 of ERISA), (b) "plan" described in Section 4975(e)(i) of the US Internal Revenue Code that is subject to Section 4975 thereof, and (c) entity any of the assets of which include the assets of such "employee benefit plan" or "plan".

**Best-in-class** A type of ESG selection consisting of giving priority to the companies best rated from a non-financial viewpoint within their sector of activity, without favouring or excluding one sector relative to the stock market index or customized universe used as a basis for starting.

**Best-in-universe** A type of ESG selection consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, and accepting sector biases, because the sectors which are considered more virtuous on the whole will be more heavily represented.

**Board** The Board of directors of the SICAV.

**Bond Connect** A mutual bond market access link established between Hong Kong and the PRC which facilitates investment in the CIBM through mutual access and connection arrangements in respect of trading, custody and settlement between the related financial infrastructure institutions of Hong Kong and the PRC.

**Business Day** Any day that is a full banking business day in the country of reference for a given Sub-Fund, as described in "Sub-Fund Descriptions".

**Callable bond (or redeemable bond)**

Type of bond allowing its issuer to redeem the bond prior to its maturity date.

**Canadian Prohibited Investor** means any natural person who is a resident of Canada (including its territories and possessions and any province of Canada) and any legal entity formed under the laws of Canada or any province or territory thereof, except where otherwise beforehand determined by the distributor as qualifying as in compliance with applicable local laws and regulations under "Permitted Clients" exemption.

**CIBM** The China Interbank Bond Market.

**CSRC** *China Securities Regulatory Commission*, the main securities regulatory body in the PRC.

**CSSF** *Commission de Surveillance du Secteur Financier*, the Luxembourg financial supervisory authority.

**Dealing Price** The price at which Shares are subscribed, switched or redeemed. Dealing Prices are calculated on a policy as defined in "Sub-Fund Descriptions".

**Defaulted Securities** means a security whose issuer has failed to make an interest or principal payment according to the security's documentation and calendar. Defaulted securities are typically rated in the lower rating categories from rating agencies performing their

surveillance (C by Moody's or D by Standard & Poor's) or are unrated securities considered by the Investment Manager of the relevant Sub-Fund to be of comparable quality.

**Distressed Securities** means debts that are officially in restructuring or in payment default and whose price is at least 50% lower than their face value and whose rating (by at least one of the major rating agencies) is lower than CCC- or, if unrated, judged equivalent to this level by the Investment Manager.

**ERISA** The US Employee Retirement Income Security Act of 1974, as amended, or any successor federal statute.

**ESG** Environmental, Social and Governance.

**EU** European Union.

**EU Taxonomy;** means EU Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment and focusing on climate change mitigation; climate change adaptation; the sustainable use and protection of water and marine resources; the transition to a circular economy; pollution prevention and control and the protection and restoration of biodiversity and ecosystems.

**EEA** European economic area i.e. EU member states, Iceland, Liechtenstein and Norway.

**European State** A member state of the EU or the European Economic Area.

**Financial Reports** Annual and semi-annual reports of the SICAV.

**Forward Pricing Basis** A policy under which orders received and accepted by the registrar agent by 15:00 Luxembourg Time on a Business Day (D) are processed at the Dealing Price applicable to such Valuation Day (D).

**Forward-Forward Pricing Basis** A policy under which orders received and accepted by the registrar agent by 15:00 Luxembourg time on any Business Day (D) are processed at the Dealing Price applicable to the following Valuation Day (D+1).

**Green Bonds** Bonds financing environmental projects such as renewable energy, pollution prevention, energy efficiency, biodiversity preservation, etc.

**H** Hedged (in Share Class names).

**Hard Currency** means globally traded major currencies.

**Institutional Investor** An institutional investor as defined by guidelines or recommendations issued by the Regulatory authority from time to time. With respect to investors that are incorporated in the European Union, Institutional Investor means Eligible Counterparty and Professional Investors according to Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, amended by Directive (EU) 2016/1034 of 23 June 2016.

**Interest Rate Sensitivity** The sensitivity measure indicates the expected percentage decline in investment value for a 1% increase in interest rates.

**Investment Grade** Rated at least BBB- by Standard & Poor's or equivalent ratings by Moody's or Fitch or, if unrated, judged equivalent to those levels by the investment manager.

**KIID** Key Investor Information Document.

**MLP** means Master Limited Partnerships which are US entities engaged primarily in energy and natural resource activities, including production, transportation, storage and processing MLPs are partnerships organised in the US which are publicly listed and traded on regulated markets.

**NAV** Net asset value i.e. value of the assets of a Sub-Fund.

**Non-US Person** As defined under the Commodity Exchange Act, as amended from time to time:

- (i) a natural person who is not a resident of the United States;
- (ii) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a foreign jurisdiction and which has its principal place of business in a foreign jurisdiction;
- (iii) an estate or trust, the income of which is not subject to income tax regardless of source;
- (iv) an entity organised principally for passive investment such as a pool or an investment company provided that units of participation in

the entity held by persons who do not qualify as Non-US Persons or otherwise as qualified eligible persons represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-US Persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC's regulations by virtue of its participants being Non-US Persons; and

(v) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

**OTC** Over-the-Counter.

**Other State** Any state that is not a member of the European Union, and any state of America, Africa, Asia and Oceania.

**Paris Agreement** Agreement adopted under the United Nations Framework Convention on Climate Change, which was approved by the European Council Decision (EU) 2016/1841 of 5 October 2016 and which entered into force on 4 November 2016.

**PEA Sub-Funds** are Sub-Funds eligible to the "Plan d'épargne en actions" (PEA), an investment scheme accessible to individual investors who want to invest in eligible PEA securities and rights such as equities, equivalent securities, investment certificates and cooperative investment certificates issued by companies having their registered office in the European Economic Area.

**PEA/PME Sub-Funds** are Sub-Funds eligible to the "PEA/PME", an investment scheme accessible to individual investors who want to invest in eligible PEA/PME securities and rights such as securities or rights issued by companies having their registered office in the European Economic Area, and complying with criteria indicated in Article L.221-32-2-2° of the French Monetary and Financial Code, of which a minimum of 50% is invested in equities or rights.

**Personal Account Number** The unique identification number issued to a Shareholder.

**PBOC** People's Bank of China.

**REITs** means Real estate companies and Real Investment Trusts which are entities dedicated to owning, and in most cases, managing real estate. This may include, but is not limited to, real estate in the residential (apartments), commercial (shopping centres, offices) and industrial (factories, warehouses) sectors. Certain REITs may also engage in real estate financing transactions and other real estate development activities. The legal structure of a REIT, its investment restrictions and the regulatory and taxation regimes to which it is subject will differ depending on the jurisdictions in which it is established.

**PIR Sub-Funds** are Sub-Funds that are classified as "qualified investments" (*investimenti qualificati*) for long term saving plan called PIR(s) (*piani individuali di risparmio a lungo termine*) and accessible to individual investors resident in Italy, pursuant to art. 1, paragraphs 100 to 114, of Law no. 232 of 11 December 2016, established until 31st December 2018 or, pursuant to Law no. 157 of 19 December 2019, established as of 1st January 2020.

**PRC** The People's of Republic of China.

**Prospectus** This document, as amended from time to time.

**Reference Currency** The currency of a Sub-Fund.

**RQFII** A RMB qualified foreign institutional investor.

**RQFII Quota** The quota granted to the relevant investment manager through which the SICAV may invest directly in the Chinese domestic market.

**SAFE** The State Administration of Foreign Exchange of the PRC.

**SEHK** The Stock Exchange of Hong Kong.

**Settlement Day** The day on which monies are received (in respect of subscriptions) or dispatched (in respect of redemptions) by the depositary.

**Share** Share of any Sub-Fund (fully paid and of no par value).

**Share Class** Any class of Shares. A Share Class may have its own cost and fee structure, investment minimums, investor eligibility requirements, tax characteristics, and other features.

**Shareholder** Any person or entity owning Shares of any Sub-Fund.

**SICAV (Société d'investissement à capital variable)** AXA World Funds (or AXA WF).

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**Social Bonds** Bonds financing new or existing projects targeting offering positive social outcome, such as social housing, access to education, improving gender equality, supporting employment in underserved regions, deploying microfinance, etc.

**Solidarity Assets** Securities issued by companies undertaking solidarity projects with a strong social and/or environmental utility such as support to people living in difficult circumstances, fight against exclusion and inequalities, preservation and development of the social link, maintenance and strengthening of territorial cohesion, contribution to sustainable development, etc.

**Stock Connect** The securities trading and clearing linked program with an aim to achieve mutual access between China's and Hong Kong's stock exchanges.

**Sub-Fund** Any sub-fund of the SICAV i.e. a portfolio of assets invested according to the investment objective of the Sub-Fund.

**Sub-Investment Grade** Rated below BBB- by Standard & Poor's or equivalent ratings by Moody's or Fitch or, if unrated, judged equivalent to those levels by the investment manager, unless specified otherwise in "Sub-Fund Descriptions".

**Sustainability Bonds** Bonds whose proceeds will be exclusively applied to finance or re-finance a mixture of both green and social projects.

**Sustainable Investment** An investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

**Sustainability Risk** means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

**Triple Forward Pricing Basis** A policy under which orders received and accepted by the registrar agent by 15:00 Luxembourg Time on a Business Day (D) are processed at the Dealing Price applicable to the second following Valuation Day (D+2).

**UCITS Directive** Directive 2009/65/EC of the European Parliament and Council of 13 July 2009 on the coordination of laws, regulations and administrative positions relating to undertakings for collective investment in transferable securities (UCITS), as may be amended by the Directive 2014/91/EU of the European Parliament and Council of 23 July 2014 as regards depositary remuneration policies and sanctions as amended from time to time.

**US** The United States of America, including its territories and possessions.

**US Person** As defined under Regulation S promulgated under the 1933 US Securities Act, as amended from time to time:

- (i) (a) any natural person resident in the United States;
- (b) any partnership or corporation organized or incorporated under the laws of the United States;
- (c) any estate of which any executor or administrator is a US Person;
- (d) any trust of which any trustee is a US Person;
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
- (h) any partnership or corporation if:

- organized or incorporated under the laws of any foreign jurisdiction; and



- formed by a US Person principally for the purpose of investing in securities not registered under the 1933 US Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the 1933 US Securities Act) who are not natural persons, estates or trusts;

(ii) notwithstanding (i) above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States shall not be deemed a "US Person";

(iii) notwithstanding (i) above, any estate of which any professional fiduciary acting as executor or administrator is a US Person shall not be deemed a "US Person" if:

(a) an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate; and

(b) the estate is governed by foreign law;

(iv) notwithstanding (i) above, any trust of which any professional fiduciary acting as trustee is a US Person shall not be deemed a US Person if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a "US Person";

(v) notwithstanding (i) above, an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a "US Person";

(vi) notwithstanding (i) above, any agency or branch of a US Person located outside the United States shall not be deemed a "US Person" if:

(a) the agency or branch operates for valid business reasons; and

(b) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located;

(vii) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans shall not be deemed "US Persons".

**Valuation Day** A Business Day on which a NAV is calculated for a Sub-Fund and on which orders to subscribe for, redeem or convert Shares are accepted and traded at the Dealing Price applicable to such Business Day. Unless stated otherwise in the description of a specific Sub-Fund, or unless a suspension of trading in Shares is in effect, every day that is a Business Day for a Sub-Fund is also a Valuation Day.

**"VER" or Verified Emission Reduction** are carbon credits exchanged on a voluntary market generated by projects with a positive impact in terms of CO2 emission reductions in accordance with a voluntary market standard and which enable also carbon finance to flow to land-based activities.

*Words and expressions that are not defined in the Prospectus but are defined in the 2010 Law have the same meaning as in the 2010 Law.*

## Currency Abbreviations

|     |  |
|-----|--|
| ARS | Argentine peso   |
| AUD | Australian dollar  |
| BRL | Brazilian real   |
| CAD | Canadian dollar  |
| CHF | Swiss franc  |
| CLP | Chilean peso   |
| CNH | Chinese renminbi referencing the exchange rate of RMB outside of China |
| CNY | Chinese renminbi referencing the exchange rate of RMB in China         |
| CZK | Czech koruna   |
| DKK | Danish krone   |
| EUR | Euro   |
| GBP | British pound sterling   |
| HKD | Hong Kong dollar   |
| HUF | Hungarian forint   |
| IDR | Indonesian rupiah  |
| INR | Indian rupee   |
| JPY | Japanese yen   |
| KRW | South Korean won   |
| MXN | Mexican peso   |
| MYR | Malaysian ringgit  |
| NZD | New Zealand dollar   |
| NOK | Norwegian krone  |
| PEN | Peruvian nuevo sol   |
| PHP | Philippine peso  |
| PLN | Polish zloty   |
| RMB | Chinese renminbi   |
| RUB | Russian ruble  |
| SEK | Swedish krona  |
| SGD | Singapore dollar   |
| THB | Thai baht  |
| TRY | Turkish new lira   |
| TWD | New Taiwan dollar  |
| USD | United States dollar   |
| ZAR | South African rand   |