



AXA WORLD FUNDS
(the "Company")
A Luxembourg Société d'Investissement à Capital Variable
Registered Office: 49, avenue J. F. Kennedy
L-1855 Luxembourg
Commercial Register: Luxembourg, B-63.116

19 January 2024

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.
IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.

Dear Shareholders,

We are pleased to inform you that the directors of the Company (the "**Directors**" or together composing the board of directors of the Company, also referred to as the "**Board**") have decided to introduce a number of changes to the prospectus of the Company (the "**Prospectus**"), which will enable it to look after your interests more effectively.

Except as otherwise specified in this notice, words and expressions contained hereafter shall have the same meaning as in the Prospectus.

PART 1 – CHANGES RELATED TO THE SUB-FUNDS

1. **Amendment to the Investment Strategy of "ACT Emerging Markets Short Duration Bonds Low Carbon" and "Global Emerging Markets Bonds"**
2. **Amendment to the Investment Objective and Strategy of "Europe ex-UK MicroCap"**
3. **Clarification of the Investment Objective of certain Sub-Funds**
4. **Amendments to the "Derivatives and Efficient Portfolio Management Techniques" section of certain Sub-Funds**
5. **Update of the sustainability risk profile of "US Dynamic High Yield Bonds"**

PART 2 – GENERAL

6. **Amendments to Share Classes of the Company**
7. **Miscellaneous**

PART 1 - CHANGES RELATED TO THE SUB-FUNDS

1. Amendment to the Investment Strategy of “ACT Emerging Markets Short Duration Bonds Low Carbon” and “Global Emerging Markets Bonds” (the “Sub-Funds”)

While the Sub-Funds may currently hold Distressed and Defaulted Securities as a result of a downgrade and for up to 6 months, the Board has decided to enable the Sub-Funds to actively invest up to 10% of their net assets in Distressed and Defaulted Securities with no limit of time.

Therefore, the respective Prospectus supplements and the KI(I)Ds of the Sub-Funds will be amended accordingly.

It is not anticipated that these changes will have an impact on (i) the risk profile, (ii) the costs and fees, and (iii) the portfolio composition of the Sub-Funds.

These changes will take effect on 19 February 2024, i.e., one month after the date of the present Notice.

Shareholders who do not agree with such changes may request the redemption of their shares free of charge until 19 February 2024.

2. Amendment to the Investment Objective and Strategy of “Europe ex-UK MicroCap” (the “Sub-Fund”)

Following the obtainment of the French socially responsible investment label (ISR Label), the Board has decided to amend the Prospectus supplement, the SFDR annex and KI(I)Ds of the Sub-Fund in order to reflect the obligations linked to such label.

The Board has also decided, in accordance with point 3. below, to clarify that (i) the Sub-Fund does not invest in derivatives for investment purposes and that (ii) the Sub-Fund may use derivatives also for hedging purposes.

The new sub-sections “Objective”, “Investment Strategy”, “Derivatives and Efficient Portfolio Management Techniques” and “Management Process” will read as follows:

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

Investment Strategy [...] The Sub-Fund promotes environmental and/or social characteristics by investing in securities that have implemented good practices in terms of managing their environmental, governance and social (“ESG”) practices.

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

Management Process The Investment Manager selects investments by applying a 2-step approach: 1/ the application of exclusion filters, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies; followed by an ESG ‘scoring upgrade’ approach and 2/ the use of 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.

The “ESG” risk factor will also be added under the sub-section “Risks”.

The main amendments to the SFDR annex of the Sub-Fund are as follows:

- the environmental and social characteristics promoted by the Sub-Fund will consist in investing in companies considering their water intensity in addition to their carbon intensity;
- the addition of a new sustainability indicator being the weighted average “Water Intensity” of the Sub-Fund and of its benchmark;
- the Sub-Fund will apply an ESG “scoring upgrade” approach, according to which the Sub-Fund’s ESG scoring is higher than the ESG scoring of its benchmark (after removing at least the 20% worst ESG Scores);
- the Sub-Fund’s investment strategy will aim at outperforming its benchmark on at least two ESG Key Performance Indicators (i.e. Carbon Intensity and Water Intensity) at all times;
- the minimum coverage rates of i) 90% for the ESG analysis, ii) 90% for the Carbon Intensity indicator and iii) 70% for the Water Intensity indicator will apply to the Sub-Fund’s portfolio.

It is not anticipated that these changes will have an impact on (i) the risk profile, (ii) the costs and fees, and (iii) the portfolio composition of the Sub-Fund.

These changes will take effect on 19 February 2024, i.e., one month after the date of the present Notice.

Shareholders who do not agree with such changes may request the redemption of their shares free of charge until 19 February 2024.

3. Clarification of the Investment Objective of certain Sub-Funds

The Board has noted that the “Investment Objective” section in the Prospectus supplements of certain Sub-Funds indicates that such investment objective will be achieved through investments in derivatives while the Sub-Funds only invest in derivatives for efficient portfolio management and hedging purposes only.

Therefore, the Board has decided to amend the “Investment Objective” section of the respective Prospectus supplements of the following Sub-Funds as well as their KI(I)Ds to remove the reference to “derivatives” and, as applicable, to adapt the ““Derivatives and Efficient Portfolio Management Techniques” section accordingly:

- “ACT Eurozone Equity”;
- “ACT Human Capital”;
- “Emerging Markets Responsible Equity QI”;
- “Euro Selection”;
- “Europe Ex-UK Microcap” (as already mentioned in point 2. above);
- “ACT Europe Equity”;
- “Europe Small Cap”;
- “Evolving Trends”;
- “US Responsible Growth”;
- “Framlington Sustainable Europe”;
- “Framlington Sustainable Eurozone”;
- “Italy Equity”;
- “Longevity Economy”;
- “UK Equity”; and
- “Switzerland Equity”.

It is not anticipated that these changes will have an impact on (i) the risk profile, (ii) the costs and fees, and (iii) the portfolio composition of the Sub-Funds.

These changes will take effect on 19 February 2024, i.e., one month after the date of the present Notice.

Shareholders who do not agree with such changes may request the redemption of their shares free of charge until 19 February 2024.

4. Amendments to the “Derivatives and Efficient Portfolio Management Techniques” section of certain Sub-Funds

The Board has decided to clarify in the “Derivatives and Efficient Portfolio Management Techniques” section of the Prospectus supplements of certain Sub-Funds:

The Board has decided, for transparency and harmonization purposes, to clarify in the “Derivatives and Efficient Portfolio Management Techniques” section of the Prospectus supplements of the following Sub-Funds and, to the extent necessary, in their KI(I)Ds, that they may use derivatives for hedging purposes (as such Sub-Funds may use derivatives for currency hedging for certain Share Classes):

- “ACT Eurozone Equity”;
- “ACT Human Capital”;
- “ACT US High Yield Bonds Low Carbon”;
- “Europe Ex-UK Microcap” (as already mentioned in point 2. above);
- “Europe Small Cap”;
- “Evolving Trends”;
- “Framlington Sustainable Europe”;
- “Framlington Sustainable Eurozone”;
- “Italy Equity”;
- “Next Generation”;
- “Switzerland Equity”;
- “UK Equity”;
- “Euro 10 + LT”;
- “Euro 7-10”;
- “Euro Bonds”;
- “Euro Credit Plus”;
- “Euro Credit Short Duration”;
- “Euro Short Duration Bonds”;
- “Euro Sustainable Credit”;
- “Global Responsible Aggregate”;
- “US Credit Short Duration IG”; and
- “US Dynamic High Yield Bonds.

The Board has further decided to clarify in the Prospectus supplements of “Global Buy and Maintain Credit” and “Euro Buy and Maintain Sustainable Credit” that they may use derivatives for efficient portfolio management purposes.

It is not anticipated that these changes will have an impact on (i) the risk profile, (ii) the costs and fees, and (iii) the portfolio composition of the Sub-Funds.

These changes will take effect on the date of the publication of the updated Prospectus.

5. Update of the sustainability risk profile of “US Dynamic High Yield Bonds” (the “Sub-Fund”)

As part of the ongoing review of the Sub-Fund sustainability risk profile, it has been decided to update the “Risks” section and to amend the sustainability risk profile of the Sub-Fund from “medium” to “high”.

This change will take effect on the date of the publication of the updated Prospectus.

PART 2 – CHANGES TO THE GENERAL PART OF THE PROSPECTUS

6. Amendments to Share Classes of the Company

The Board has decided to amend the column “Notes” of the “BL” Share Class in the table detailing the characteristics of Share Classes within the general part of the Prospectus in order to (i) remove the Board’s prior approval to the conversion into a “BL” Share Class of another Sub-Fund and (ii) clarify that redemptions of “BL” Shares shall be requested in number of Shares (including fractional shares) only.

This change will take effect on the date of the publication of the updated Prospectus.

7. Miscellaneous

The Board has finally decided to implement in the Prospectus a limited number of other clerical changes, amendments, clarifications, corrections, adjustments and/or updates, including reference updates and adjustments of defined terms, including the following:

- Removal of “Europe MicroCap” further to its merger with “Europe ex-UK MicroCap”;
- Removal of “ACT Global High Yield Bonds Low Carbon” as the Sub-Fund has not been launched within the eighteen-month period starting from the date of its approval, as per CSSF circular 12/540;
- Removal from the supplement of “US Dynamic High Yield Bonds” of the reference to the binding application at all times of AXA IM’s Sectorial Exclusion Policy as the section “Sustainable Investments and promotion of ESG characteristics” within the general part of the Prospectus already indicates that the Company and all its Sub-Funds comply with AXA IM’s Sectorial Exclusion policies;
- In the section “General Investment Rules for UCITS”, removal of the historical and outdated reference to the impossibility in the context of cross-investment for the target Sub-Fund to charge the investing Sub-Fund any fees for management, buying or redeeming Shares, noting that the prohibition to charge subscription or redemption fee 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 is provided for in the relevant Sub-Funds’ dedicated supplements;
- In the Depositary section, “conflicts of interests”, reinsertion of paragraphs describing the depositary activities that were previously erroneously deleted;
- Update of the directory of the Management Company following the replacement of Mr. Laurent Caillot as representative of AXA Investment Managers S.A. by Mrs. Caroline Portel;
- Update of the address of AXA Investment Managers US Inc. under the “Services Providers” section.

These changes will take effect on the date of the publication of the updated Prospectus.

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A copy of the revised Prospectus and the KI(I)Ds, as applicable, will be made available free of charge at the registered office of the Company and on <https://funds.axa-im.lu/fund-centre>.

For the attention of the Belgian shareholders:

When redemption is offered free of charge (except potential taxes) to the shareholders of the Sub-Fund concerned, such redemption request may be made to the financial service located in Belgium: CACEIS Belgium SA, Avenue du Port 86 C b320, 1000 Brussels. The Prospectus taking into account the changes mentioned here above, the Key Investor Information Documents, the articles of incorporation as well as the annual and half year reports may also be freely obtained at the office of the financial service in Belgium. The Belgian shareholders should note that the class I shares is not open for subscription in Belgium.

For the attention of the Swiss shareholders:

The Swiss representative: First Independent Fund Services S.A., Feldeggstrasse 12, 8008 Zurich. The Swiss paying agent: NPB Neue Privat Bank AG, Limmatquai 1, 8001 Zurich.

The articles of incorporation, the prospectus, the Key Investor Information Documents as well as the annual and semi-annual reports can be obtained free of charge from the Swiss representative.

Yours faithfully,

The Board of Directors
AXA World Funds