



## AXA WORLD FUNDS

(the "Sicav")

A Luxembourg Société d'Investissement à Capital Variable

Registered Office: 49, avenue J. F. Kennedy  
L-1855 Luxembourg  
Commercial Register: Luxembourg, B-63.116

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**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 Sicav (the "**Directors**") have decided to introduce a number of changes to the prospectus of the Sicav (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.*

- I. **Change of the investment manager from AXA Investment Managers Paris to AXA Real Estate Investment Managers SGP for the sub-funds "AXA World Funds – Global Flexible Property", "AXA World Funds – Selectiv' Infrastructure", "AXA World Funds – Framlington Europe Real Estate Securities" and "AXA World Funds – Framlington Global Real Estate Securities" (the "Sub-Funds")**
- II. **Change of name and amendment of the investment objective and strategy of "AXA World Funds – Multi Premia" becoming "AXA World Funds – Chorus Multi Strategy" (the "Sub-Fund")**
- III. **Clarification of the use of a benchmark index in the investment objective and strategy of "AXA World Funds – Framlington Europe Opportunities" (the "Sub-Fund")**
- IV. **Clarification of the use of a benchmark index in the investment objective and strategy of "AXA World Funds – Euro 10 + LT" (the "Sub-Fund")**
- V. **Clarification of the use of a benchmark index and of the "PIR" eligibility in the investment strategy of "AXA World Funds – Framlington Italy" (the "Sub-Fund")**
- VI. **Clarification of the use of a benchmark index and of the sustainable approach in the investment strategy of "AXA World Funds – Global Factors - Sustainable Equity" (the "Sub-Fund")**
- VII. **Clarification of the use of a benchmark index and of the sustainable approach in the investment strategy of "AXA World Funds – Euro Sustainable Credit" (the "Sub-Fund")**

- VIII. Clarification of the use of a benchmark index and of the sustainable approach in the investment strategy of “AXA World Funds – Global Sustainable Aggregate” (the “Sub-Fund”)
- IX. Amendment of the investment objective and strategy and the minimum recommended investment period of “AXA World Funds – Global Multi Credit” (the “Sub-Fund”)
- X. Clarification of the maximum investment in UCITS and/or UCIs in the investment strategy of certain sub-funds
- XI. Amendment of the investment objective and strategy of certain sub-funds to apply a socially responsible investment approach
- XII. Amendment of the investment objective and strategy of certain sub-funds to apply AXA IM ESG Standards and insertion of the ESG (Environmental, Social, Governance) risk in the relevant risk factors
- XIII. Amendment of the specific risk factor “ESG risk” definition under section “Risk Descriptions” of the general part of the Prospectus
- XIV. Amendment of the section “Management Process” of “AXA World Funds – Framlington Global Small Cap” (the “Sub-Fund”) to insert a reference to responsible investment in the management process
- XV. Amendment of the section “Management Process” of “AXA World Funds – Euro Buy and Maintain Credit” (the “Sub-Fund”) to insert a reference to responsible investment in the management process
- XVI. Amendment of the investment objective and strategy of “AXA World Funds – Euro Credit Total Return” (the Sub-Fund”) to modify the average duration of the Sub-Fund
- XVII. Amendments of the investment objective and strategy of “AXA World Funds – Global Green Bonds” (the “Sub-Fund”) to insert the possibility to invest on the China Interbank Bond Market (“CIBM”) through Bond Connect and of the additional features of the Sub-Fund to insert the sub-delegation from AXA Investment Managers Paris to AXA Investment Managers Asia Ltd. (Hong Kong SAR) for such securities
- XVIII. Amendment of the investment objective and strategy of “AXA World Funds – Emerging Markets Bonds Total Return” (the “Sub-Fund”) to insert the possibility to invest on the CIBM through Bond Connect and the relevant risk factors
- XIX. Insertion of two specific risk factors regarding (i) investments through Bond Connect and (ii) the relating tax impact in light of the abovementioned possibility to invest on the CIBM through Bond Connect as part of the current PRC tax consideration risk
- XX. Amendment of the investment objective and strategy of “AXA World Funds – Asian Short Duration Bonds” and “AXA World Funds – China Short Duration Bonds” (each of them, the “Sub-Fund”) to remove the requirement of “short duration” of the transferable debt securities into which the Sub-Funds invest
- XXI. Clarification in the section “Buying, switching, redeeming and transferring Shares”
- XXII. Amendments to the share class table
- XXIII. Clarification of the dividend distribution policy
- XXIV. Clarification of the applicable swing pricing mechanism
- XXV. Update of the sub-section “Agreement and Governing Law” under section “The

**Management Company” of the general part of the Prospectus**

**XXVI. Update of the sub-section “The Board of Directors” under section “The Management Company” of the general part of the Prospectus**

**XXVII. Update of the sub-section “Benchmark Regulation” under section “The Management Company” of the general part of the Prospectus**

**XXVIII. Update the sub-section “Service Providers” under section “The Management Company” of the general part of the Prospectus**

**XXIX. Update of the Sicav’s Depositary and Administrative, Domiciliary, Corporate and Paying Agent, Registrar and Transfer Agent**

**XXX. Update of the “Terms with Specific Meaning” section**

**I. Change of the investment manager from AXA Investment Managers Paris to AXA Real Estate Investment Managers SGP for the sub-funds “AXA World Funds – Global Flexible Property”, “AXA World Funds – Selectiv’ Infrastructure”, “AXA World Funds – Framlington Europe Real Estate Securities” and “AXA World Funds – Framlington Global Real Estate Securities” (the “Sub-Funds”)**

The Directors decided to change the investment manager of the Sub-Funds due to the transfer of the relevant management teams specialised in the investment management of the Sub-Funds from AXA Investment Managers Paris to AXA Real Estate Investment Managers SGP.

The management fees and the way the Sub-Funds will be managed remain unchanged.

**This change will take effect on 1 April 2020.**

**Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 1 April 2020.**

**II. Change of name and amendment of the investment objective and strategy of “AXA World Funds – Multi Premia” becoming “AXA World Funds – Chorus Multi Strategy” (the “Sub-Fund”)**

Last year, two sub-funds managed by AXA Investment Managers Chorus Limited were launched within the Sicav. These two new sub-funds contain in their name the word “Chorus” by reference to their investment manager. In addition, the investment objective and strategy of the Sub-Fund has been split between these two new sub-funds and the Sub-Fund.

- Consecutively, first, the Board considered that it is appropriate for consistency reason to amend the name of the Sub-Fund from “AXA World Funds – Multi Premia” to “AXA World Funds – Chorus Multi Strategy”.

**This change takes effect immediately.**

- Second, the Board considered that it is appropriate to amend the section “*Investment Objective and Strategy*” of the Sub-Fund in order to reflect the split of the investment objective and strategy. Thus, the Sub-Fund and the two new sub-funds will propose one of the strategies put in place by AXA Investment Managers Chorus Limited.

Therefore, the Directors decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund as disclosed in the Sub-Fund’s appendix in the Prospectus and the section “*Objective and Investment Policy*” in the KIIDs.

The new section “*Investment Objective and Strategy*” of the Sub-Fund will read as follows:

The Sub-Fund seeks to achieve its investment objective by ~~aiming to provide exposure to premia strategies deploying an absolute return multi-strategy (the “Strategies”) composed of long and short synthetic positions (either by holding the underlying components directly or through synthetic positions) linked to several investment factors~~ across a broad range of asset classes (i.e. equities, bonds, credit, rates, currencies) (the “Asset Classes”) and on all global markets (including emerging markets).

~~The Strategies will be designed and selected by the investment manager on the basis of both quantitative analysis and qualitative criteria (such as the persistence of simulated returns, the underlying economic rationale of the Strategy, its correlation with traditional asset classes and other premia, amongst others).~~

~~The investment strategy is based on a proprietary model that aims to generate returns by using a set of data (the “Indicators”).~~

The universe of potential Strategies considered by the Sub-Fund includes but is not limited to Fundamental, Carry, Momentum, Imbalance and Sentiment as follows:

- Fundamental strategies aim to capture value from assets viewed as being undervalued/having stronger fundamental ratios within a same asset class. For example, Fundamental strategies include value strategies;

- Carry strategies aim to capture value from assets expected to produce higher yields than other lower-yielding assets;
- Momentum strategies aim to capture value from assets expected to continue to perform similarly (positively or negatively) over a future period of time;
- 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 Sub-Fund will provide exposure to these Strategies, through long and/or short synthetic positions, either by holding the underlying components directly or through synthetic positions.~~ More precisely, the Sub-Fund is expected to obtain exposure to Asset Classes (i) primarily by using a wide range of financial derivative instruments, (ii) by investing directly in equities of all market capitalization or bonds (including corporate or sovereign debt, of any credit rating, maturity or duration), and/or (iii) investing through other UCIs/UCITS (including exchange-traded funds). 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 excludes investments and/or exposure through financial instruments issued by companies identified as involved in production of tobacco and exploitation of coal mining. Amongst the criteria used for making its investment decision, the Investment Manager also considers Environmental, Social and Governance (ESG) factors including AXA IM proprietary ESG Framework in its investment analysis.

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

The Sub-Fund may enter also into financial derivative instruments for risk mitigation purposes.

~~The Sub-Fund attempts to benefit from diversification and thus capture more stable returns while reducing volatility by combining the Strategies within an Asset Class and amongst the Asset Classes through a portfolio construction process based inter alia, on a proprietary model. Such construction process is dynamic and takes into account constraints, related amongst others, to the transaction costs, leverage, liquidity. The portfolio construction process also includes a target volatility range.~~

#### Derivatives and Techniques

(...)

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, ~~0300%~~; 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 and Efficient Portfolio Management".

For the purpose of efficient portfolio management, hedging, investment and/or cash management, the Sub-Fund may use the following techniques (as a % of net assets):

- securities lending: expected, ~~020%~~, max, 100%
- securities borrowing: expected, ~~020%~~; max, 50%
- repos/reverse repos: expected, ~~1020%~~; max, 100%

Main types of assets in scope are bonds and equities.

(...)

#### Management Process

~~The portfolio construction process is dynamic, based inter alia on a proprietary model and takes into account constraints, related amongst others, to the transaction costs, leverage, liquidity and target volatility.~~

Strategies and 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.

(...)

## Risk Factors

- AXA Investment Managers Chorus Limited model and data
- Derivatives and leverage
- High leverage
- Limited operating history
- “Non-capturing” of premia absolute return Strategies
- Correlation
- Emerging markets
- High portfolio turnover
- No assurance of positive returns and/or successful Strategy
- Synthetic short position

(...)

### Expected level of leverage

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 synthetic positions ~~forming part of most of the Premia Strategies;~~

~~(ii) the leveraged exposure on low volatility Premia Strategies;~~

(iii) the inclusion of risk reducing positions which while reducing economic exposure increase contribution to the gross notional leverage; and

~~(iiiiv) the use of instruments that have a relatively low economic exposure but high notional such as short-dated interest rate futures~~ financial derivative instruments.

(...)

### Additional Features

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, France, Japan, the United Kingdom and the United States of America 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.~~

The risk section of the Prospectus will also be amended accordingly, i.e. the “Premia strategies risk” renamed “Absolute return strategies risk”.

**These changes will take effect on 1 April 2020.**

**Shareholders who do not agree with such changes may request the redemption of their shares free of charge up to 1 April 2020.**

### **III. Clarification of the use of a benchmark index in the investment objective and strategy of “AXA World Funds – Framlington Europe Opportunities” (the “Sub-Fund”)**

The Directors decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the section “*Objective and Investment Policy*” of the KIIDs in order to clarify that, to capture opportunities in European equity markets, the Sub-Fund will primarily invest 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-section “*Benchmark Regulation*” under section “*The Management Company*” of the Prospectus will also be amended accordingly.

**These changes take effect immediately.**

#### **IV. Clarification of the use of a benchmark index in the investment objective and strategy of “AXA World Funds – Euro 10 + LT” (the “Sub-Fund”)**

The Directors decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the section “*Objective and Investment Policy*” of the KIIDs in order to clarify that 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-section “*Benchmark Regulation*” under the section “*The Management Company*” of the Prospectus will also be amended accordingly.

**These changes take effect immediately.**

#### **V. Clarification of the use of a benchmark index and of the “PIR” eligibility in the investment strategy of “AXA World Funds – Framlington Italy” (the “Sub-Fund”)**

The Directors decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the section “*Objective and Investment Policy*” of the KIIDs in order to remove the following sentence: “*The Sub-Fund invests mainly in equities of companies of any capitalisation domiciled or listed in Italy*” and clarify that 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.”

**This change takes effect immediately.**

The Directors furthermore decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the section “*Objective and Investment Policy*” of the KIIDs as follows: “[...] 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 in PIR-eligible securities and rights based on the applicable Law n° 232 of 11 December 2016 established for PIR plans opened until 31 December 2018, i.e. securities and rights issued by companies (i) domiciled and/or listed in Italy or in an EU or European Economic Area member state and having a permanent establishment in Italy and (ii) not engaged in activities such as renting, buying, selling, developing, managing or brokering real estate. Among this limit and during a total of 2/3 of the calendar year, at least 30% of net assets must be issued by companies which are not listed in the FTSE MIB index or any other equivalent indices, 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 Directors further decided to amend the section “Additional Features” in order to clarify that 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.

**These changes will take effect on 4 March 2020.**

#### **VI. Clarification of the use of a benchmark index and of the sustainable approach in the investment strategy of “AXA World Funds – Global Factors - Sustainable Equity” (the “Sub-Fund”)**

The Directors decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the section “*Objective and Investment Policy*” of the KIIDs and replace the existing wording, i.e., “To seek long-term growth of your investment, in USD, from an actively managed global equity portfolio” by the following one: “To seek long-term growth of your investment, in USD, and to outperform the MSCI World Total Return Net Index (the “Benchmark”), with a lower level of total risk (volatility) and improved sustainability characteristics compared to the Benchmark.”

The Directors furthermore decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the section “*Objective and Investment Policy*” of the KIIDs in order to (i) remove the following sentence: “The Sub-Fund seeks to capture the equity premium in an economical manner” and (ii) clarify that 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 from the countries 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.

In the securities selection process, the Investment Manager uses proprietary quantitative models to identify companies with high-quality earnings and lower share-price volatility through a combination of both financial and non-financial data. By doing so, the Investment Manager intends to build a portfolio of stocks that targets 20% less volatility than the Benchmark.

The Investment Manager also considers sustainability issues when selecting equity securities, with the intention to build a portfolio with an Environmental, Social and Governance (ESG) score that is higher than the Benchmark and that has less environmental impact. The Investment Manager bindingly considers data such as carbon emissions, water intensity, societal impact and governance issues, and excludes those companies with the least desirable ESG features, as described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>.”

**These changes will take effect on 4 March 2020.**

#### **VII. Clarification of the use of a benchmark index and of the sustainable approach in the investment strategy of “AXA World Funds – Euro Sustainable Credit” (the “Sub-Fund”)**

The Directors decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the section “*Objective and Investment Policy*” of the KIIDs and replace the existing wording, i.e., “To seek both income and growth of your investment, in EUR, from an actively managed bond portfolio” by the following one: “To seek both income and growth of your investment, in EUR, from an actively managed bond portfolio invested in sustainable securities (i.e. securities from issuers that the Investment Manager believes show effective governance and superior management of environmental and social issues).”

The Directors furthermore decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the section “*Objective and Investment Policy*” of the KIIDs in order to clarify that (i) the Sub-Fund seeks to achieve its objective through investments in sustainable securities by incorporating binding Environmental, Social and Governance (“ESG”) criteria exclusions and positioning the portfolio positively towards investments in companies with above average ESG scores. The Sub-Fund will maintain an average asset-weighted ESG score above the ESG score of the ICE BofAML Euro Corporate 1-10 Yrs benchmark index (the “Benchmark”) excluding cash holdings, currencies and derivatives, according to the methodology described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre> and (ii) the Sub-Fund is actively managed in reference to 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.

In addition, the Directors decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus in order to add that the Sub-Fund invests at least 10% of its net assets in green bonds, social bonds and sustainable bonds.

**These changes will take effect on 4 March 2020.**

#### **VIII. Clarification of the use of a benchmark index and of the sustainable approach in the investment strategy of “AXA World Funds – Global Sustainable Aggregate” (the “Sub-Fund”)**

The Directors decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the section “*Objective and Investment Policy*” of the KIIDs and replace the existing wording, i.e., “To seek both income and growth of your investment, in EUR, from an actively managed bond portfolio” by the following one: “To seek both income and growth of your investment, in EUR, from an actively managed bond portfolio invested in sustainable securities (i.e. securities from issuers that the Investment Manager believes show effective governance and superior management of environmental and social issues).”

The Directors furthermore decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the section “*Objective and Investment Policy*” of the KIIDs in order to clarify that (i) the Sub-Fund seeks to achieve its objective through investments in sustainable securities by incorporating binding Environmental, Social and Governance (“ESG”) criteria exclusions and positioning the portfolio positively towards investments in companies with above average ESG scores. The Sub-Fund will maintain an average asset-weighted ESG score above the ESG score of the corporate investments of Bloomberg Barclays Global Aggregate OECD Currencies benchmark index (the “Benchmark”) excluding cash holdings, currencies, derivatives and securitized investments, according to the methodology described in the transparency code of the Sub-Fund available at <https://www.axa-im.com/fund-centre>. The ESG qualitative review is integrated by the Investment Manager at the portfolio level for all issuances, nevertheless the ESG score optimization concerns corporate investments only (with the exception of sovereigns) and (ii) 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. The Sub-Fund also invests in mortgage and asset backed securities from issuers anywhere in the world.

In addition, the Directors decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus in order to add that the Sub-Fund invests at least 10% of its net assets in green bonds, social bonds and sustainable bonds.

**These changes will take effect on 4 March 2020.**

**IX. Amendment of the investment objective and strategy and the minimum recommended investment period of “AXA World Funds – Global Multi Credit” (the “Sub-Fund”)**

The Directors decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the section “*Objective and Investment Policy*” of the KIIDs and replace the existing wording, i.e., “To seek a mix of income and capital growth, in USD, from an actively managed fixed income securities portfolio” by the following one: “Over a 3-year rolling period, to seek a mix of income and capital growth, in USD, from an actively managed fixed income securities portfolio to generate an annualized return, net of fees (except performance fee), of the overnight rate of the share class currency capitalised or any successor or equivalent benchmark + spread, i.e. +200 basis points for share classes of reference (respectively, I and G shares) and another spread which has been set up taking into consideration exclusively the respective level of the ongoing charges applicable to each share class (i.e. respectively, +140 basis points for A shares, +90 basis points for E shares, +185 basis points for F and ZF shares and +240 basis points for M shares) (the “Benchmark”). This annualized return is an objective and is not guaranteed.”

The Directors furthermore decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the section “*Objective and Investment Policy*” of the KIIDs in order to clarify that 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 also uses a benchmark for the purpose of performance fees’ calculation against it.

In addition, the Directors decided to amend the section “Additional Features” of the Sub-Fund’s appendix in the Prospectus and the section “Investment Horizon” in the KIIDs in order to reduce the minimum recommended investment period from at least 5 years to at least 3 years.

**These changes will take effect on 1 April 2020.**

**Shareholders who do not agree with such changes may request the redemption of their shares free of charge up to 1 April 2020.**

**X. Clarification of the maximum investment in UCITS and/or UCIs in the investment strategy of certain sub-funds**

The Directors decided to amend the section “*Investment Objective and Strategy*” of the following sub-funds’ appendices in the Prospectus in order to clarify that these sub-funds (i) 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 rating limits described in their appendices and (ii) may not invest in external UCITS or UCIs:

AXA World Funds – Global Flexible Property  
AXA World Funds – Selectiv’ Infrastructure  
AXA World Funds – Framlington Global Convertibles  
AXA World Funds – Asian Short Duration Bonds  
AXA World Funds – Euro Credit Short Duration  
AXA World Funds – Euro Aggregate Short Duration  
AXA World Funds – Euro 5-7  
AXA World Funds – Euro 7-10  
AXA World Funds – Euro 10 + LT  
AXA World Funds – Euro Bonds

AXA World Funds – Euro Bonds SRI  
 AXA World Funds – Euro Sustainable Credit  
 AXA World Funds – Euro Credit Plus  
 AXA World Funds – Euro Credit Total Return  
 AXA World Funds – Euro Government Bonds  
 AXA World Funds – Euro Inflation Bonds  
 AXA World Funds – Euro Buy and Maintain Credit  
 AXA World Funds – Global Sustainable Aggregate  
 AXA World Funds – Global Credit Bonds  
 AXA World Funds – Global Green Bonds  
 AXA World Funds – Global Buy and Maintain Credit  
 AXA World Funds – Global Inflation Bonds  
 AXA World Funds – Global Inflation Bonds Redex  
 AXA World Funds – Global Inflation Inflation Short Duration Bonds  
 AXA World Funds – US Credit Short Duration IG

**These changes take effect immediately.**

In addition, the Directors decided to add the following paragraph to the section “*Investment Objective and Strategy*” of the appendix of AXA World Funds – US Corporate Bonds: “*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.*”

**This change will take effect on 1 April 2020.**

**Shareholders who do not agree with such changes may request the redemption of their shares free of charge up to 1 April 2020.**

<p><b>XI. Amendment of the investment objective and strategy of certain sub-funds to apply a socially responsible investment approach</b></p>
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The Directors decided to amend the investment strategy of the following sub-funds by adding the following sentence in the section “*Investment Objective and Strategy*” of the sub-funds’ appendices in the Prospectus and the section “*Objective and Investment Policy*” of their KIIDs: “*The Sub-Fund adopts a socially responsible investment approach by applying a Best-in-Class methodology according to which the Investment Manager bindingly applies at all times Environmental, Social and Governance (ESG) criteria in the securities selection process with the exception of derivatives and underlying eligible UCIs. The eligible investment universe is consequently reduced and defined according to ESG criteria, the scope of the eligible ESG securities being 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>”:*

AXA World Funds – Framlington Clean Economy  
 AXA World Funds – Framlington Eurozone  
 AXA World Funds – Framlington Eurozone RI  
 AXA World Funds – Framlington Global Small Cap  
 AXA World Funds – Framlington Human Capital  
 AXA World Funds – Framlington Women Empowerment  
 AXA World Funds – Euro Buy and Maintain Credit.

The Directors furthermore decided to amend the investment strategy of AXA World Funds – Euro Bonds SRI as follows:

“*The Sub-Fund adopts a socially responsible investment approach by applying a Best-in-Class methodology ~~on security selection. In this approach, the~~ according to which the Investment Manager bindingly applies at all times Environmental, Social and Governance (ESG) criteria ~~are binding and apply at all times in the securities selection process~~ with the exception of derivatives and underlying eligible UCIs. The eligible investment universe is consequently reduced and defined according to ESG criteria, the scope of ESG eligible securities ~~is~~ being 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>.”*

**These changes take effect immediately.**

**XII. Amendment of the investment objective and strategy of certain sub-funds to apply AXA IM ESG Standards and insertion of the ESG (Environmental, Social, Governance) risk in the relevant risk factors**

The Directors decided to amend the investment objective and strategy of the following sub-funds by adding the following sentence in the section “*Investment Objective and Strategy*” of the sub-funds’ appendices in the Prospectus and the section “*Objective and Investment Policy*” of their KIIDs: “*The Sub-Fund applies the AXA Investment Managers’ Environmental, Social and Governance standards policy (“ESG Standards”) available on [www.axa-im.com/en/responsible-investing](http://www.axa-im.com/en/responsible-investing) 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 severe breach of the United Nations Global Compact principles and with the lowest ESG scores as described in the policy document. The Investment Manager bindingly applies at all times the ESG Standards in the securities selection process with the exception of derivatives and underlying eligible UCIs*” and to insert the ESG risk in the relevant risk factors:

AXA World Funds – Framlington Asia Select Income  
AXA World Funds – Framlington Digital Economy  
AXA World Funds – Framlington Europe Real Estate Securities  
AXA World Funds – Framlington Global Real Estate Securities  
AXA World Funds – Framlington Eurozone RI  
AXA World Funds – Framlington American Growth  
AXA World Funds – Framlington Fintech  
AXA World Funds – Framlington Global Convertibles  
AXA World Funds – Framlington Human Capital  
AXA World Funds – Framlington Robotech  
AXA World Funds – Framlington Women Empowerment  
AXA World Funds – Asian Short Duration Bonds  
AXA World Funds – China Short Duration Bonds  
AXA World Funds – Euro Credit Short Duration  
AXA World Funds – Euro Credit Plus  
AXA World Funds – Euro Credit Total Return  
AXA World Funds – Global Credit Bonds  
AXA World Funds – Global Emerging Markets Bonds  
AXA World Funds – Global Short Duration Bonds  
AXA World Funds – Global Strategic Bonds  
AXA World Funds – US Corporate Bonds  
AXA World Funds – US Credit Short Duration IG  
AXA World Funds – Emerging Markets Short Duration Bonds, and  
AXA World Funds – Emerging Markets Bonds Total Return.

**This change will take effect on 1 April 2020.**

**Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 1 April 2020.**

The Directors furthermore decided to amend the section “*Investment Objective and Strategy*” of the following sub-funds’ appendices in the Prospectus and the section “*Objective and Investment Policy*” of the KIIDs and replace the existing wording, i.e., “*The Sub-Fund applies AXA IM ESG Standards available on [www.axa-im.com/en/responsible-investing](http://www.axa-im.com/en/responsible-investing)”, by the following one: “*The Sub-Fund applies the AXA Investment Managers’ Environmental, Social and Governance standards policy (“ESG Standards”) available on [www.axa-im.com/en/responsible-investing](http://www.axa-im.com/en/responsible-investing) 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 severe breach of the United Nations Global Compact principles and with the lowest ESG scores as described in the policy document. The Investment Manager bindingly**

*applies at all times the ESG Standards in the securities selection process with the exception of derivatives and underlying eligible UCIs” and to insert the ESG risk in the relevant risk factors:*

AXA World Funds – Euro Aggregate Short Duration  
AXA World Funds – Euro 5-7  
AXA World Funds – Euro 7-10  
AXA World Funds – Euro 10 + LT  
AXA World Funds – Euro Bonds  
AXA World Funds – Euro Sustainable Credit  
AXA World Funds – Euro Government Bonds  
AXA World Funds – Euro Inflation Bonds  
AXA World Funds – Euro Buy and Maintain Credit  
AXA World Funds – Global Sustainable Aggregate  
AXA World Funds – Global Buy and Maintain Credit  
AXA World Funds – Global Inflation Bonds  
AXA World Funds – Global Inflation Bonds Redex  
AXA World Funds – Global Inflation Short Duration Bonds  
AXA World Funds – Framlington Clean Economy  
AXA World Funds – Framlington Eurozone  
AXA World Funds – Framlington Europe  
AXA World Funds – Framlington Euro Opportunities  
AXA World Funds – Framlington Europe Opportunities  
AXA World Funds – Framlington Europe Small Cap  
AXA World Funds – Framlington All China Evolving Trends  
AXA World Funds – Framlington Emerging Markets  
AXA World Funds – Framlington Evolving Trends  
AXA World Funds – Framlington Global Small Cap  
AXA World Funds – Framlington Longevity Economy  
AXA World Funds – Framlington Talents Global  
AXA World Funds – Multi Asset Inflation Plus  
AXA World Funds – Global Income Generation  
AXA World Funds – Defensive Optimal Income  
AXA World Funds – Global Optimal Income  
AXA World Funds – Optimal Income, and  
AXA World Funds – Global Factors – Sustainable Equity.

**This change will take effect on 4 March 2020.**

The Board furthermore decided to amend the section “*Investment Objective and Strategy*” of the appendix of AXA World Funds – Euro Bonds SRI and the section “*Objective and Investment Policy*” of the KIIDs and replace the existing wording, i.e., “*In addition, the Sub-Fund applies AXA IM ESG Standards available on [www.axa-im.com/en/responsible-investing](http://www.axa-im.com/en/responsible-investing)*”, by the following one: “*The Sub-Fund applies the AXA Investment Managers’ Environmental, Social and Governance standards policy (“ESG Standards”) available on [www.axa-im.com/en/responsible-investing](http://www.axa-im.com/en/responsible-investing) 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 severe breach of the United Nations Global Compact principles and with the lowest ESG scores as described in the policy document. The Investment Manager bindingly applies at all times the ESG Standards in the securities selection process with the exception of derivatives and underlying eligible UCIs*”.

**This change will take effect on 4 March 2020.**

**XIII. Amendment of the specific risk factor “ESG risk” definition under section “Risk Descriptions” of the general part of the Prospectus**

The Directors decided to amend the existing description of the ESG risk under section “Risk Descriptions” in the general part of the Prospectus and replace the existing wording, i.e. “*Certain Sub-Funds implement ESG policies including AXA IM ESG Standards and their investment universe is limited*”

to assets that meet specific criteria either through ban lists or ESG scores (best-in class approach). As a result, their respective performance may be different from a fund implementing a similar investment strategy without ESG criteria. The selection of assets may in part rely on a proprietary ESG scoring process that relies partially on third party data.” by the following:

“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 a proprietary 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.”

**This change takes effect immediately.**

**XIV. Amendment of the section “Management Process” of “AXA World Funds – Framlington Global Small Cap” (the “Sub-Fund”) to insert a reference to responsible investment in the management process**

The Directors decided to amend the section “Management Process” of the Sub-Fund's appendix in the Prospectus and the KIIDs by replacing the current wording, i.e. “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.”, by the following: “Investment decisions are based on a combination of macroeconomic, industry analysis and company selection. The Investment Manager selects securities using environmental, social and corporate governance criteria (Responsible Investment) with an attention to a set of sustainable themes, along with an analysis of the companies' business model, management quality, growth prospects and risk/return profile.”

**This change takes effect immediately.**

**XV. Amendment of the section “Management Process” of “AXA World Funds – Euro Buy and Maintain Credit” (the “Sub-Fund”) to insert a reference to responsible investment in the management process**

The Directors decided to amend the section “Management Process” of the Sub-Fund's appendix in the Prospectus and the KIIDs as follows: “The Investment Manager selects investments based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. Based on environmental, social and corporate governance (Responsible Investment) criteria, the securities selection process relies on 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.”

**This change takes effect immediately.**

**XVI. Amendment of the investment objective and strategy of “AXA World Funds – Euro Credit Total Return” (the “Sub-Fund”) to modify the average duration of the Sub-Fund**

The Directors decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the KIIDs to change the average duration of the Sub-Fund’s investments from 0 to 5 years to an expected average duration of the Sub-Fund from -2 to 6 years.

**This change will take effect on 1 April 2020.**

**Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 1 April 2020.**

**XVII. Amendments of the investment objective and strategy of “AXA World Funds – Global Green Bonds” (the “Sub-Fund”) to insert the possibility to invest on the China Interbank Bond Market (“CIBM”) through Bond Connect and of the additional features of the Sub-Fund to insert the sub-delegation from AXA Investment Managers Paris to AXA Investment Managers Asia Ltd. (Hong Kong SAR) for such securities**

The Directors decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus to insert the possibility to invest on the CIBM through Bond Connect with the following insertion: “*The Sub-Fund may invest up to 10% of net assets in securities traded on the CIBM through Bond Connect*”.

The Directors furthermore decided to amend the section “*Additional Features*” of the Sub-Fund’s appendix in the Prospectus to insert the sub-delegation from AXA Investment Managers Paris to AXA Investment Managers Asia Ltd. (Hong Kong SAR) for securities traded on the CIBM through Bond Connect.

**This change will take effect on 1 April 2020.**

**Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 1 April 2020.**

**XVIII. Amendment of the investment objective and strategy of “AXA World Funds – Emerging Markets Bonds Total Return” (the “Sub-Fund”) to insert the possibility to invest on the CIBM through Bond Connect and the relevant risk factors**

The Directors decided to amend the section “*Investment Objective and Strategy*” of the Sub-Fund’s appendix in the Prospectus and the KIIDs to insert the possibility to invest on the CIBM through Bond Connect with the following insertion: “*The Sub-Fund may invest up to 15% of net assets in securities traded on the CIBM through Bond Connect*.”

The risk factors applicable to the Sub-Fund have been updated accordingly.

**This change will take effect on 1 April 2020.**

**Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 1 April 2020.**

**XIX. Insertion of two specific risk factors regarding (i) investments through Bond Connect and (ii) the relating tax impact in light of the abovementioned possibility to invest on the CIBM through Bond Connect as part of the current PRC tax consideration risk**

The Directors decided to insert the following two specific risk factors in light of the contemplated investment through Bond Connect on the CIBM in the general part of the amended Prospectus:

**“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 Moneymarkets 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.”

#### **“PRC tax consideration risk**

(...)

##### **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."

**These changes take effect immediately.**

**XX. Amendment of the investment objective and strategy of "AXA World Funds – Asian Short Duration Bonds" and "AXA World Funds – China Short Duration Bonds" (each of them, the "Sub-Fund") to remove the requirement of "short duration" of the transferable debt securities into which the Sub-Funds invest**

The Directors decided to amend the section "Investment Objective and Strategy" of the Sub-Funds' relevant appendix in the Prospectus and the KIIDs to remove the requirement of "short duration" of the transferable debt securities into which the Sub-Funds invest with the following deletion:

For AXA World Funds – Asian Short Duration Bonds

*"Specifically, the Sub-Fund invests at least two thirds of net assets in Asian ~~short duration~~-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."*

For AXA World Funds – China Short Duration Bonds

*"Specifically, the Sub-Fund invests at least two-thirds of net assets in ~~short duration~~-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 changes will take effect on 4 March 2020.**

**XXI. Clarification in the section "Buying, switching, redeeming and transferring Shares"**

The Directors decided to complete the following wording as follows: "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"."

**This change takes effect immediately.**

**XXII. Amendments to the share class table**

The Directors decided to amend and complete the share class table as follows:

- Notes for share class G: The Share Class will be closed to subscriptions the day after the threshold of 100 million\* 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.

\* By exception, the threshold in all the G Share Class currencies of AXA World Funds – US

Enhanced High Yield Bonds is set at 150 million.

- Minimum Initial Investment for share class ZI: 30 million except Capitalisation Share Classes listed in the “Minimum Subscription and Holding Exceptions – Amount” table of the Prospectus, where for the AXA World Funds – Euro Government Bonds, the Minimum Initial investment is set at 100 million.

**These changes take effect immediately.**

#### **XXIII. Clarification of the dividend distribution policy**

The Directors decided to update the sub-section “Dividend Policy” in the section relating to share classes as follows: The distribution of some “Distribution monthly” Shares may be managed with the intention to provide a stable payment over the fiscal year. In determining the level at which the stable distribution should be set, consideration will be given to the securities held in the Sub-Fund and the gross income that these are estimated to generate. The amount distributed each month may not be consistent with the actual income earned during that month. Investors should be aware that any distributions involving payment of distributions, including payment directly or effectively out of a Sub-Fund’s capital (as the case may be), may result in an immediate decrease in the NAV per Share and reduces the capital available for capital growth. As a result, such investors’ investment in the Sub-Fund may be adversely affected.

**This change takes effect immediately.**

#### **XXIV. Clarification of the applicable swing pricing mechanism**

In order to comply with the new requirements imposed by the Luxembourg Supervisory Authority (the “CSSF”) in terms of swing pricing disclosures according to the FAQ issued by the CSSF on 30 July 2019, the Directors decided to update the section relating to swing pricing as follows: “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 ~~may~~ will be adjusted by a swing factor respectively upwards or downwards to reflect the dealing and other extra costs that may be deemed to be incurred in buying or selling assets to satisfy net daily transactions borne by the Sub-Fund, as described above.

The management company may apply a swing pricing mechanism across any Sub-Fund or Share Class and on the portion of cash generated by a merger affecting a Sub-Fund.

The extent of the price adjustment will be set by the management company and ~~does~~ 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.”

**This change takes effect immediately.**

**XXV. Update of the sub-section “Agreement and Governing Law” under section “The Management Company” of the general part of the Prospectus**

The Directors decided to update the sub-section “Agreement and Governing Law” under section “The Management Company” of the general part of the Prospectus by replacing the current paragraph, i.e. *“The management company has delegated the following functions to third parties: investment management, transfer agency and administration as detailed below. Support of IT systems and risk management functions are also delegated to AXA IM intra-group entities.”* with this one: *“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.”*

**This change takes effect immediately.**

**XXVI. Update of the sub-section “The Board of Directors” under section “The Management Company” of the general part of the Prospectus**

The Directors decided to update the sub-section “The Board of Directors” under section “The Management Company” of the general part of the Prospectus in order to replace Mr. Joseph Pinto by Mr. Jean-Louis Laforge as Chairman of the Board.

**This change takes effect immediately.**

**XXVII. Update of the sub-section “Benchmark Regulation” under section “The Management Company” of the general part of the Prospectus**

The Directors decided to update the sub-section “Benchmark Regulation” under section “The Management Company” of the general part of the Prospectus, by adding (i) that certain other Sub-Funds are actively managed in reference to a benchmark index (please refer to section “Investment Objective and Strategy”) in the relevant appendix of the following Sub-Funds: Euro 10 + LT, Euro Sustainable Credit, Framlington Europe Opportunities, Framlington Italy, Global Factors – Sustainable Equity, Global Multi Credit and Global Sustainable Aggregate, (ii) references to the following Benchmark administrators: Bloomberg Index Services Limited (which administrates the Bloomberg Barclays Global Aggregate OECD Currencies benchmark index), ICE Benchmark Administration Limited (which administrates the ICE BofAML Euro Corporate 1-10 Yrs benchmark index) and FTSE International Limited (which administrates the FTSE EuroBig 10+ Yrs EUR and the FTSE Italia All-share NT Index Benchmarks) and (iii) references to the following benchmarks: MSCI Europe Total Return Net and MSCI World Total Return Net Index.

**These changes take effect immediately.**

**XXVIII. Update the sub-section “Service Providers” under section “The Management Company” of the general part of the Prospectus**

The Directors decided to update the sub-section “Service Providers” under section “The Management Company” of the general part of the Prospectus so as to list all the investment managers, sub-investment managers and sub-sub-investment managers.

**This change takes effect immediately.**

**XXIX. Update of the Sicav's Depositary and Administrative, Domiciliary, Corporate and Paying Agent, Registrar and Transfer Agent**

Following the merger of State Street Bank Luxembourg S.C.A. into State Street Bank International GmbH, Luxembourg Branch on 4 November 2019, the Directors decided to update the following sub-sections of the Prospectus:

- sub-section "Material Contracts" under section "The SICAV",
- both sub-sections "Depositary" and "Administrative, Domiciliary, Corporate and Paying Agent, Registrar and Transfer Agent" under section "The Management Company".

**These changes take effect immediately.**

**XXX. Update of the "Terms with Specific Meaning" section**

The Directors decided to add to the Glossary of the Prospectus the following definitions of:

**"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."*

**"CIBM** *The China Interbank Bond Market."*

**"Green bonds** *Bonds financing environmental projects such as renewable energy, pollution prevention, energy efficiency, biodiversity preservation, etc."*

**"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."*

**"Sustainable bonds** *Bonds whose proceeds will be exclusively applied to finance or re-finance a mixture of both green and social projects."*

The Directors furthermore decided to replace the existing definition of "PIR Sub-Funds" with the following:

**"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."*

**These changes take effect immediately.**

\* \*

The Prospectus, taking into account the changes mentioned in this letter, will be available at the registered office of the Sicav.

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., Klausstrasse 33, 8008 Zurich

The Swiss paying agent: Credit Suisse AG, Paradeplatz 8, 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