



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

27 December 2022

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 Hong Kong Offering Memorandum and/or the Product Key Facts Statements ("**KFS**") (collectively, the "**Hong Kong Offering Documents**"), 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 Hong Kong Offering Memorandum.

PART 1 – ESG

1. **Addition of the pre-contractual templates pursuant to SFDR Level II disclosures**
2. **Amendment of the "Sustainable Investments and promotion of ESG characteristics" section in the introductory part of the Hong Kong Offering Memorandum**
3. **Amendment of SFDR disclosures in the "Sub-Fund Descriptions" section of the Hong Kong Offering Memorandum**
4. **SFDR recategorization**

PART 2 - GENERAL

1. **Restructuring and replacement of the Management Company**
2. **Renaming of certain Sub-Funds**
3. **Insertion of a specific disclosure in the Investment Objective and Strategy of various Sub-Funds regarding the targeted investments market**
4. **Enhancement of disclosures on exposure to money market instruments, money market funds and bank deposits**
5. **Insertion of an Anti-Money Laundering clause**
6. **Update of the sustainability risks profile of AXA World Funds – Framlington Global Real Estate Securities (to be renamed AXA World Funds – Global Real Estate)**
7. **Insertion of a specific disclosure in the remuneration policy of the Management Company**
8. **Update of the management process of AXA World Funds – Global Factors – Sustainable Equity (to be renamed AXA World Funds – Sustainable Equity QI)**
9. **Update of the "Notices and Publications" section of the Hong Kong Offering Memorandum**
10. **Miscellaneous**

1. Addition of the pre-contractual templates pursuant to SFDR Level II disclosures

The Commission Delegated Regulation (EU) 2022/1288 (“**SFDR Level II**”), setting out the regulatory technical standards (RTS) to be used by financial market participants and financial products when disclosing sustainability-related information under the 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 (the “**SFDR**”) has been adopted and published on 25 July 2022 in the Official Journal of the EU.

In order to comply by 1 January 2023 with **SFDR Level II**, pre-contractual templates detailing the content of the disclosures required under the SFDR, including any taxonomy-related information, have been included in the Hong Kong Offering Memorandum for each of the Company’s sub-funds (the “**Sub-Funds**”, each a “**Sub-Fund**”) that are caught by articles 8 and 9 of the SFDR (“**SFDR Article 8 Products**” and “**SFDR Article 9 Products**”).

Therefore, the Board has decided to add the completed pre-contractual templates as new annexes to the Hong Kong Offering Memorandum for each of the Sub-Funds qualifying as SFDR Article 8 and 9 Products.

The Board furthermore decided to amend the KFS of the Sub-Funds where the description of the ESG approach has been adapted in the context of the implementation of the SFDR Level II annexes.

In addition, the Board has decided to amend the “Investment Strategy” sub-section in the “Sub-Fund Descriptions” section of the Hong Kong Offering Memorandum in respect of the Sub-Funds that qualify as SFDR Article 8 Products to add the following disclaimer referring to the SFDR Level II annexes: “*More information about the promotion of environmental and/or social characteristics is available in the relative SFDR Annex of the Sub-Fund*”, and for those Sub-Funds that qualify as SFDR Article 9 Products to add the following disclaimer: “*More information about sustainable investment is available in the relative SFDR Annex of the Sub-Fund*”.

The Board has finally decided to add the definitions of “Financial Product” and “Key Performance Indicator(s)” (or “KPI”) that are used in the SFDR Level II annexes in the section “Terms with Specific Meanings” of the Hong Kong Offering Memorandum.

For the avoidance of doubts, unless otherwise discussed in this notice, the enhanced disclosures as mentioned above are inserted for compliance with the SFDR Level II applicable to UCITS (including the Company), and there is no change in the current investment objective, strategy and management process of the Sub-Funds in practice. Furthermore, there is no change in the use of derivatives by the Sub-Funds.

2. Amendment of the “Sustainable Investments and promotion of ESG characteristics” section in the introductory part of the Hong Kong Offering Memorandum

The Board often reviews the disclosures to be made under the SFDR and the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (the “**Taxonomy Regulation**”) in light of market evolution and changes in internal policies and approaches.

The Board has decided to amend the “Sustainable Investments and promotion of ESG characteristics” section in the introductory part of the Hong Kong Offering Memorandum as described hereunder:

- To specify that AXA IM's ESG Standards apply to all SFDR Article 8 and 9 Sub-Funds;
- With respect to the SFDR update, to add disclaimers regarding (i) the limitations in terms of data availability and reliability and (ii) the potential evolution of the SFDR classification of the Sub-Funds due to market practice or regulatory developments; and

- To update the Taxonomy section in order clarify that SFDR Article 8 Products may also partially invest in the sustainable investments under the Taxonomy Regulation, by adding the following disclosure:
“The minimum underlying environmentally sustainable investments of some Article 8 Sub-Funds investing in sustainable assets under SFDR should represent 0% of each Sub-Fund’s assets (including in enabling and transitional activities)”.

The Board finally has decided to update the table including the SFDR classification of the Sub-Funds following the SFDR reclassification and the renaming of certain Sub-Funds (as described below).

<p>3. Amendment of SFDR disclosures in the “Sub-Fund Descriptions” section of the Hong Kong Offering Memorandum</p>
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The Sub-Funds that qualify as SFDR Article 8 and 9 Products can be divided in the following three sub-categories, depending on the ESG strategy that they follow.

- (i) SFDR Article 8 Products (considered as following the “Significantly Engaging Approach” by the French *Autorité des Marchés Financiers* or AMF), and which may have an ESG label or not, with a commitment to make a minimum portion of sustainable investments (within the meaning of the SFDR) above 10% or 50% or without any commitment;
- (ii) Other SFDR Article 8 Products (“non-RI” or “Non-Significantly Engaging”) that only apply the AXA IM Sectorial Exclusion policies and ESG Standards (as defined in the Prospectus), with or without a commitment to make a minimum portion of sustainable investments (within the meaning of the SFDR) above 10%; and
- (iii) SFDR Article 9 Products, with either sustainable transitional assets, a SDG Framework or an Impact approach and which may have an ESG label or not. At present, none of the Sub-Funds available to the public in Hong Kong qualify as SFDR Article 9 Products after the SFDR reclassification and the renaming of certain Sub-Funds (as described below).

The Sub-Funds are listed and categorised in the above-mentioned categories in Annex 1 of this notice, which (i) reflect the state of the Sub-Funds after the reclassification and investment strategy amendments; and (ii) describes the main features of the approaches. Please refer to that annex to see under what category each Sub-Fund is listed.

The inclusion of the SFDR Level II annexes has also an impact on the “Sub-Fund Descriptions” section of the Hong Kong Offering Memorandum with respect to the Sub-Funds that qualify as SFDR Article 8 Products, as ESG information should in principle be mainly included in the SFDR Level II annexes to the Hong Kong Offering Memorandum, rather than the main body of the Hong Kong Offering Memorandum.

The Board has decided therefore to move most ESG related information from the “Sub-Fund Descriptions” section of the Hong Kong Offering Memorandum with respect to Sub-Funds that qualify as SFDR Article 8 Products to the SFDR Level II annexes to the Hong Kong Offering Memorandum, except for certain necessary information as detailed in Annex 2 to this notice.

In addition, the Board has amended the “Investment Strategy” section of the Sub-Funds that qualify as SFDR Article 8 Products in accordance with the above and as described in Annex 2 to this notice (in addition to the reference to the SFDR Level II annexes to the Hong Kong Offering Memorandum).

In addition to the above, as part of the effort to constantly improve the ESG approaches of the Sub-Funds, the Board has decided to adapt the ESG selectivity approaches of certain Sub-Funds.

In particular, the Board has decided to change the selectivity approach from “Best-in-Universe” to “Best-in-Class” for the following Sub-Funds:

- AXA World Funds – Framlington Digital Economy (to be renamed AXA World Funds – Digital Economy);

- AXA World Funds – Framlington Evolving Trends (to be renamed AXA World Funds – Evolving Trends);
- AXA World Funds – Framlington Longevity Economy (to be renamed AXA World Funds – Longevity Economy).

The updated selectivity approaches have been reflected in the SFDR Level II annexes to the Hong Kong Offering Memorandum and in the respective KFS of the abovementioned Sub-Funds.

These changes will have no material impact on the portfolio composition, the risk profiles or the fees.

4. SFDR recategorization

In the context of the up-coming enforcement of SFDR Level II and other regulatory positions released since SFDR Level I, the Management Company and the Board have decided to update the classification of certain Sub-Funds, as listed below, to article 8 according to SFDR, which applies to products promoting environmental and/or social characteristics, and not as an article 9 according to SFDR, which applies to products having “a sustainable investment” objective.

As a result, the Board has decided to reclassify the following Sub-Funds from SFDR Article 9 Product to SFDR Article 8 Product and amend their respective “Sub-Fund Descriptions” section in the Hong Kong Offering Memorandum accordingly:

- AXA World Funds – Framlington Euro Selection (to be renamed AXA World Funds – Euro Selection);
- AXA World Funds – Global Factors – Sustainable Equity (to be renamed AXA World Funds – Sustainable Equity QI);
- AXA World Funds – Framlington Evolving Trends (to be renamed AXA World Funds – Evolving Trends); and
- AXA World Funds – ACT Emerging Markets Short Duration Bonds Low Carbon.

As such, their investment objectives and strategies will be amended to reflect the fact that the Sub-Funds will not have a sustainable investment objective anymore but will apply an ESG approach. These wording updates will mainly be made in the disclosures of the SFDR Level II annexes to the Hong Kong Offering Memorandum. For the avoidance of doubt, in spite of the above-mentioned SFDR recategorization, these Sub-Funds remain to be an ESG fund which fulfils the requirements set out in the SFC’s ESG Circular.

For the sake of clarity, such reclassifications will not have a material impact on the portfolio composition, the risk profile or the ESG criteria taken into consideration by the sub-funds listed above.

Shareholders who do not agree with such change may request the redemption of their shares free of charge until 27 January 2023.

PART 2 – GENERAL

1. Restructuring and replacement of the Management Company

In order to simplify the AXA Investment Managers Group’s corporate structure, AXA Investment Managers has decided to proceed with the restructuring of AXA Funds Management (“**AFM**”), its Luxembourg subsidiary and the current management company of the Company (i.e. AXA Funds Management S.A.), into a Luxembourg branch of AXA Investment Managers Paris (“**AXA IM Paris**”), another of its subsidiaries. In other words, AXA IM Paris will replace AXA Funds Management S.A. to act as the Management Company of the Company.

The contemplated restructuring would essentially be effected via the merger of AXA Funds Management S.A. into AXA IM Paris, (the “**Merger**”) and the creation of a Luxembourg branch to lodge the Luxembourg employees of AXA IM Paris. The Merger will be effective on 28 February 2023.

AXA IM Paris is incorporated in France with its registered office at Tour Majunga, La Défense 9, 6, place de la Pyramide, 92800 Puteaux, France. AXA IM Paris is an authorised as management company by the AMF under number GP 92008. AXA IM Paris, and other current Investment Managers and Sub-Investment Managers of the Company are affiliates companies belonging to AXA IM group.

At present, AXA IM Paris is managing several SFC-authorized Sub-Funds of the Company (including AXA World Funds – Framlington Euro Selection (to be renamed “AXA World Funds – Euro Selection”), AXA World Funds – Global Convertibles, AXA World Funds – Global Inflation Bonds and AXA World Funds – Global Strategic Bonds) in the capacity of Investment Manager or Sub-Investment Manager (as the case may be). In spite of its appointment as the Management Company, AXA IM Paris will continue to manage these Sub-Funds, providing discretionary portfolio management services, in its capacity of Management Company (instead of in the capacity of Investment Manager or Sub-Investment Manager (as the case may be)).

The Board has received the confirmation of the absence of any material adverse consequence for the investors in the Company resulting from the Merger, supported in particular by the fact that AXA IM Paris would maintain a high degree of operational continuity in Luxembourg throughout and after the implementation of the Merger both at the entity level and at the staff members’ level, while keeping reporting and responsibilities towards the CSSF and investors. AXA IM Paris would indeed continue to leverage on its long-dated presence in Luxembourg, with the local Luxembourg teams continuing to be the main interlocutors of the CSSF, the local providers and be available to investors, if needed.

The costs incurred in connection with the change of Management Company will be borne by AXA IM Paris.

The change of Management Company as mentioned above will not have a material impact on (i) the investment objectives and policies of the Sub-Funds; (ii) the manner in which the Sub-Funds are being managed; (iii) the overall risk profiles of the Sub-Funds; and (iv) the level of fees payable by the Sub-Funds and the Shareholders, or costs in managing the Sub-Fund. It is not expected that the Shareholders will be materially prejudiced as a result of such change of Management Company.

The Board has therefore decided to reflect the change of Management Company resulting from the Merger in the Hong Kong Offering Documents, anywhere relevant.

This change will have no material impact on your investment and does not entail any increase of fees. It will take effect on 28 February 2023.

Shareholders who do not agree with such change may request the redemption of their shares prior to 28 February 2023. Currently, no redemption charge is payable on redemption of shares.

2. Renaming of certain Sub-Funds

The Board has decided to rename the Sub-Funds listed below and as follows:

- “AXA World Funds – Framlington Digital Economy” in “AXA World Funds – Digital Economy”;
 - “AXA World Funds – Framlington Europe Real Estate Securities” in “AXA World Funds – Europe Real Estate”;
 - “AXA World Funds – Framlington Global Real Estate Securities” in “AXA World Funds – Global Real Estate”;
 - “AXA World Funds – Framlington Longevity Economy” in “AXA World Funds – Longevity Economy”;
 - “AXA World Funds – Framlington Euro Selection” in “AXA World Funds – Euro Selection”;
 - “AXA World Funds – Framlington Evolving Trends” in “AXA World Funds – Evolving Trends”;
 - “AXA World Funds – Global Factors – Sustainable Equity” in “AXA World Funds – Sustainable Equity QI”;
- (hereafter together referred to as the “**Renamed Sub-Funds**”)

The Board has decided to update as applicable the Hong Kong Offering Documents to reflect the new names of the Renamed Sub-Funds.

3. Insertion of a specific disclosure in the Investment Objective and Strategy of various Sub-Funds regarding the targeted investments market

The Board has decided to amend the “Investment Objective and Strategy” sub-section in the “Sub-Fund Descriptions” section of the Hong Kong Offering Memorandum with respect to the following Sub-Funds in order to clarify (without actually amending the targeted investments market itself) the wording regarding the targeted investments market as set out in the table below:

Name of the sub-fund	Previous wording	New wording
AXA World Funds – Framlington Digital Economy (to be renamed AXA World Funds – Digital Economy)	The Sub-Fund invests in equities of companies anywhere in the world that operate within the digital economy sector.	The Sub-Fund invests in equities of large, medium and small sized companies in developed and emerging markets.
AXA World Funds – Framlington Euro Selection (to be renamed AXA World Funds – Euro Selection)	The Sub-Fund invests mainly in equities of large and medium sized companies based in the Eurozone.	The Sub-Fund invests mainly in equities of large, medium and small sized companies based in the Eurozone.
AXA World Funds – Framlington Longevity Economy (to be renamed AXA World Funds – Longevity Economy)	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.	The Sub-Fund invests in large, medium and small sized companies in developed and emerging markets.

4. Enhancement of disclosures on exposure to money market instruments, money market funds and bank deposits

In compliance with the CSSF FAQs on the law of 17 December 2010, the Board has decided to enhance the disclosures relating to the exposure to money market instruments, money market funds and bank deposits for transparency purposes, and to amend the “Investment Objective and Strategy” sub-section in the “Sub-Fund Descriptions” section of the Hong Kong Offering Memorandum with respect to the following Sub-Funds in order to improve transparency on the maximum exposure to money market instruments, money market funds and bank deposits (without actually changing the investment strategy in practice) for compliance with the CSSF’s requirements as set out in the table below:

Name of the sub-fund	Enhanced disclosure
AXA World Funds – Framlington Europe Real Estate Securities (to be renamed AXA World Funds – Europe Real Estate)	The Sub-Fund may also invest up to one third of its net assets in money market instruments, money market funds and bank deposits.
AXA World Funds – Framlington Global Real Estate Securities (to be renamed AXA World Funds – Global Real Estate)	The Sub-Fund may also invest up to one third of its net assets in money market instruments, money market funds and bank deposits.
AXA World Funds – Framlington Longevity Economy (to be renamed AXA World Funds – Longevity Economy)	The Sub-Fund may also invest up to 20% of its net assets in money market instruments, money market funds and bank deposits.

AXA World Funds – Global High Yield Bonds	The Sub-Fund may also invest up to one third of its net assets in money market instruments, money market funds and bank deposits.
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These changes will have no material impact on the portfolio composition, the risk profiles or the fees of the sub-funds.

5. Insertion of an Anti-Money Laundering clause

The Board has decided to add to the general part of the Hong Kong Offering Memorandum the following wording regarding the Anti-Money Laundering clause and to remove the existing clause in order to capture the last developments related to anti-money laundering:

*“The SICAV, the Management Company and the registrar agent must comply with applicable international and Luxembourg laws and regulations regarding the prevention of money laundering and terrorist financing, including but not limited to the Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing, as amended (the “**AML Law**”), and CSSF Regulation 12-02 of 14 December 2012 on the fight against money laundering and terrorist financing, as amended (altogether the “**AML/CFT Rules**”). The AML/CFT Rules require the SICAV, on a risk sensitive basis, to establish and verify the identity of investors (as well as the identity of any intended beneficial owners of the shares if they are not the investors) and the origin of invested monies, source of funds and, as the case may be, source of wealth, and to monitor the business relationship on an ongoing basis. The identity of investors should be verified on the basis of documents, data or information obtained from a reliable and independent source. Investors shall provide the registrar agent with the information set out in the Application Form, depending on their type and category.*

The SICAV, the Management Company and the registrar agent are required to establish appropriate anti-money laundering controls and will require all documentation deemed necessary to establish and verify the identity and profile of a given investor, the nature and the intended purposes of the business relationship and the origin of subscription proceeds. The registrar agent (and, as the case may be, the Management Company) has the right to request additional information until it is reasonably satisfied it understands the identity and economic purpose of the investor in order to comply with the AML/CFT Rules and, in addition, confirmation may be requested to verify the ownership of any bank account from which or to which monies are being paid. Furthermore, any investor is required to notify the registrar agent prior to the occurrence of any change in the identity of any beneficial owner of Shares.

Where subscriptions of shares are made indirectly through intermediaries investing on behalf of third parties, the SICAV, the Management Company and the registrar agent may be permitted to rely on the customer identification and verification measures performed by these intermediaries under the conditions described in Art. 3-3 of the AML Law. These conditions require in particular that the intermediaries apply customer due diligence and record-keeping requirements that are consistent with those laid down in the AML Law and are supervised by a competent supervisory authority in a manner consistent with these rules. Such intermediaries shall be required to provide the registrar agent with (i) information about the identity of the underlying investor(s), the persons acting on its behalf and the beneficial owners, (ii) relevant information on the source of funds, and (iii) at the request of the SICAV and/or the Management Company, provide copies of the customer due diligence documents as further specified in the relevant application subscription forms without delay, which can be used to verify the identity of the investor (and, if applicable, all beneficial owners).

The SICAV and the Management Company have entered into agreements with several distributors who may then enter into agreements with sub-distributors pursuant to which the distributors agree to act as or can appoint nominees for investors subscribing for shares through their facilities. In such capacity, distributors may effect subscriptions, conversions and redemptions of shares in the nominee name on behalf of individual investors and request the registration of such operations on the register of shareholders of the SICAV in such nominee name. In such circumstances, the nominee/distributor maintains its own records and provides the investor with individualised information as to its holdings of shares.

Failure to provide such information and documents deemed necessary for the SICAV, the Management Company and the registrar agent to comply with their obligations pursuant to the AML/CFT Rules, may result in delays in, or rejection of, any subscription or conversion application and/or delays in any redemption application or dividend payments. No liability for any interest, costs or compensation will be accepted. Similarly, when shares are issued, they cannot be redeemed or converted until full details of registration have been completed and appropriate documents on the business relationship have been obtained.

The Management Company performs a specific due diligence and regular monitoring and applies precautionary measures on both the liability and asset side of the balance sheet (i.e. including in the context of investments/divestments by the Sub-Funds), in accordance with articles 3(7) and 4(1) of the AML Law.

Pursuant to articles 3(7) and 4(1) of the AML Law, the SICAV is also required to apply precautionary measures regarding the assets of the Sub-Funds. The Management Company assesses, using a risk based approach, the extent to which the offering of the shares and services presents potential vulnerabilities to placement, layering or integration of criminal proceeds into the financial system.

Pursuant to the Luxembourg law of 19 December 2020 on the implementation of restrictive measures in financial matters, the application of international financial sanctions must be enforced by any Luxembourg natural or legal person, as well as any other natural or legal person operating in or from the Luxembourg territory. As a result, prior to the Sub-Funds investing in assets, the Management Company shall, as a minimum, ensure that the name of such assets or of the issuer is screened against the target financial sanctions lists.”

6. Update of the sustainability risks profile of AXA World Funds – Framlington Global Real Estate Securities (to be renamed AXA World Funds – Global Real Estate)

In an effort to reassess the sustainability risks on a regular basis, the Board has decided to amend the “Risk” sub-section in the “Sub-Fund Descriptions” section of AXA World Funds – Framlington Global Real Estate Securities (to be renamed AXA World Funds – Global Real Estate) from “low” to “medium” in the Hong Kong Offering Memorandum.

7. Insertion of a specific disclosure in the remuneration policy of the Management Company

In light of the provisions the ESMA Q&A related to the application of the UCITS Directive (ESMA34-43-392), the Board has decided to update the “Remuneration Policy” sub-section of the “Management Company” section of the Hong Kong Offering Memorandum to include the information with regard to the rebates granted by the Management Company. This update does not imply any change in the policy but is made only for transparency purposes.

8. Update of the management process of AXA World Funds – Global Factors – Sustainable Equity (to be renamed AXA World Funds – Sustainable Equity QI)

The Board has decided to clarify the “Management Process” sub-section in the “Sub-Fund Descriptions” section of the AXA World Funds – Global Factors – Sustainable Equity (to be renamed AXA World Funds – Sustainable Equity QI) in order to precise the selection of the investments by the Investment Manager applying a 2-step approach and detailing the first step (ESG). For the avoidance of doubt, there is no change in the Sub-Fund’s investment objective, policy and restrictions. The Sub-Fund remains to be an ESG fund which fulfils the requirements under the SFC’s ESG Circular.

9. Update of the “Notices and Publications” section of the Hong Kong Offering Memorandum

The Board has decided to update the “Notices and Publications” section in the general part of the Hong Kong Offering Memorandum in order to include the possibility, unless otherwise required by applicable

laws and regulations to notify shareholders by way of publication on the website, under exceptional circumstances.

10. Miscellaneous

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

- Update of the Hong Kong Offering Memorandum regarding (i) the table of contents and (ii) the table which indicates the ESG classification for each concerned Sub-Fund;
- Update of the section “Terms with specific meanings” in order to add the definition of the Key Performance Indicators (KPI) and the definition of a Financial Product; and
- Update of the “General Investment Rules for UCITS” section of the Hong Kong Offering Memorandum in order to (i) clarify the relevant requirements for term deposits and for cash and (ii) update the description of covered bonds in which a Sub-Fund may invest up to 25% in any one issuer.

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With the exception of the restructuring and replacement of the Management Company (for which please refer to the date indicated under the relevant section above), the revised Hong Kong Offering Documents, taking into account the changes mentioned in this letter, will take effect take effect on 1 January 2023.

The revised Hong Kong Offering Documents, taking into account the changes mentioned in this notice, will be available in due course for inspection free of charge at any time during normal business hours at the office of the Hong Kong Representative. The revised Hong Kong Offering Documents will also be available online at: www.axa-im.com.hk. Shareholders should note that the website has not been reviewed by the SFC.

Shareholders in Hong Kong may contact the Hong Kong Representative, AXA Investment Managers Asia Limited, at Suites 3603 – 05, 36/F, One Taikoo Place, Taikoo Place, 979 King’s Road, Quarry Bay, Hong Kong (Tel: (852) 2285 2000) should you have any questions.

The Board accepts full responsibility for the accuracy of the contents of this document.

Yours faithfully,

The Board of Directors
AXA World Funds

ANNEXES:

Annex 1 – List of the classification of ESG categories

Annex 2 – Sub-Funds’ main updates following the implementation of SFDR Level II

Annex 3 - Specific information relating to AMF significantly engaging & SRI labeled Sub-Funds (applicable to article 8 or 9) to be inserted in the SFDR Annex

ANNEX 1

List of the classification of ESG categories

SFDR Article 8 Products which are in the “Significantly Engaging Approach” of the AMF		
Labellized with Minimum of Sustainable Investment > 10%	Labellized with Minimum of Sustainable Investment > 50%	Article 8 with Minimum of Sustainable Investment > 10% & no label
AXA World Funds - Framlington Evolving Trends (to be renamed AXA World Funds – Evolving Trends)	AXA World Funds – Global Factors – Sustainable Equity (to be renamed AXA World Funds – Sustainable Equity QI)	AXA World Funds – ACT Emerging Markets Short Duration Bonds Low Carbon
AXA World Funds – Framlington Euro Selection (to be renamed AXA World Funds – Euro Selection)	AXA World Funds - Framlington Longevity Economy (to be renamed AXA World Funds – Longevity Economy)	
AXA World Funds - Framlington Digital Economy (to be renamed AXA World Funds – Digital Economy)		

Other SFDR Article 8 Products (“Non-RI” or “Non-Significantly Engaging”)	
Other Article 8 funds with no minimum of Sustainable Investment	Other Article 8 funds with minimum of Sustainable Investment > 10%
AXA World Funds – Global Inflation Bonds	AXA World Funds – Global Convertibles
AXA World Funds – Global High Yield Bonds	AXA World Funds - Framlington Europe Real Estate Securities (to be renamed AXA World Funds – Europe Real Estate)
AXA World Funds – Asian High Yield Bonds	AXA World Funds – Global Strategic Bonds
AXA World Funds – Asian Short Duration Bonds	AXA World Funds – Framlington Global Real Estate Securities (to be renamed AXA World Funds – Global Real Estate)
AXA World Funds – US High Yield Bonds	AXA World Funds – Framlington American Growth
	AXA World Funds – Framlington Emerging Markets

ANNEX 2

Sub-Funds' main updates following the implementation of SFDR Level II:

I. SFDR Article 8 Products significantly engaging

SFDR Article 8 Products significantly engaging	
Objective	To seek <i>[financial objective]</i> and to apply an ESG approach.
Strategy	<p><i>[Deletion of all ESG information, replaced by the following paragraphs:]</i></p> <p>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.</p> <p>More information about the promotion of environmental and social characteristics is available in the relative SFDR Annex of the Sub-Fund.</p>

II. Other SFDR Article 8 Products (non RI or not significantly engaging)

Objective	<i>No change (no reference to ESG)</i>
Strategy	<p><i>[No change to financial strategy. Insertion of the following paragraphs:]</i></p> <p>The Sub-Fund promotes environmental and/or social characteristics.</p> <p>More information about the promotion of environmental and social characteristics is available in the relative SFDR Annex of the Sub-Fund.</p>

ANNEX 3

Specific information relating to AMF significantly engaging & SRI labeled Sub-Funds (applicable to article 8) to be inserted in the SFDR Annex

I. Selectivity approach	
Following a 20% investment universe reduction approach (Best-in-Class or Best-in-Universe):	Applying an ESG Scoring Upgrade Approach
<p>[The Financial Product applies a [<i>SRI Approach=Best-in-Universe</i>] selectivity approach on its investment universe that is bindingly applied at all times. This ESG selection approach consists in giving a 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. The selectivity approach reduces the investment universe at least by 20% based on a combination of AXA IM's Sectorial Exclusion and ESG Standards Policies and their [<i>SRI criteria</i>] to the exception of cash held on an ancillary basis and Solidarity Assets.</p> <p>OR</p> <p>The Financial Product applies a [<i>SRI Approach=Best-in-Class</i>] selectivity approach on its investment universe that is bindingly applied at all times. This ESG selection approach consists in 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. The selectivity approach reduces the investment universe at least by 20% based on a combination of AXA IM's Sectorial Exclusion and ESG Standards Policies and their [<i>SRI criteria</i>] to the exception of cash held on an ancillary basis and Solidarity Assets]</p> <p>The Financial Product can invest up to 10% of its net assets, excluding bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets, in securities outside the investment universe, as defined above, and on the condition that the issuer is eligible based on the selectivity criteria.</p>	<p>The Financial Product applies a [<i>SRI Approach=ESG Scoring Upgrade Approach</i>] selectivity approach on its investment universe that is bindingly applied at all times. This ESG selection approach consists in giving priority to the issuers best rated from a non-financial viewpoint. The selectivity approach reduces the investment universe at least by 20% based on a combination of AXA IM's Sectorial Exclusion and ESG Standards Policies and their [<i>SRI criteria</i>] to the exception of cash held on an ancillary basis and Solidarity Assets.</p>
II. Key Performance Indicators (KPIs) (without being awarded with the Label SRI, some funds may have committed to outperform on 2 ESG KPIs voluntarily, in addition to the above selectivity approach)	
KPI outperformance	
The Financial Product always aims at outperforming the benchmark (or investment universe) on the following extra financial key performance indicators: [<i>Label ISR KPI 1</i>] and [<i>Label ISR KPI 2</i>].	
KPI coverage	
The following minimum coverage rates apply within the Financial Product (expressed as of at least % of the net assets, excluding bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets): (i) 90% for the [<i>Label ISR KPI 1</i>] and ii) 70% for the [<i>Label ISR KPI 2</i>].	

III. ESG Coverage

(already applicable to all sub-funds having a significantly engaging approach)

The ESG analysis coverage rate within the portfolio is 90% of the net assets, except for bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets