



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

17 April 2025

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

Dear Shareholders,

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

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

PART 1 – CHANGES RELATED TO THE SUB-FUNDS

1. **Reshaping of the Investment Objective and Strategy and Management Process of "ACT Emerging Markets Short Duration Bonds Low Carbon"**
2. **Amendment of the Investment Objective and Strategy and Management Process of "US Growth"**
3. **Amendment of the Investment Objective and Strategy and Management Process of "Selectiv' Infrastructure"**
4. **Amendments to "Defensive Optimal Income"**
5. **Amendments to the ESG characteristics of "Global Sustainable Equity"**
6. **Renamings of Sub-Funds**
7. **Update of the sustainability risks profile of "Global Flexible Property"**
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9. **Clarifications on green bonds for Sub-Funds applying PAB exclusions**

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PART 1 – CHANGES RELATED TO THE SUB-FUNDS

1. Reshaping of the Investment Objective and Strategy and Management Process of “ACT Emerging Markets Short Duration Bonds Low Carbon” (the “Sub-Fund”) to be renamed “Emerging Markets Short Duration Bonds”

The Board has decided to reshape the Sub-Fund in order to (i) remove the “low carbon” features from its investment objective and policy, (ii) accordingly rename the Sub-Fund as “Emerging Markets Short Duration Bonds” in order to comply with the ESMA guidelines on funds’ names using ESG or sustainability-related terms (the “**ESMA Guidelines**”) and (iii) update its ESG approach as described below.

Therefore, the Prospectus supplement, the SFDR annex, and the KI(I)Ds of the Sub-Fund will be amended accordingly.

The new sub-sections “Objective”, “Investment Strategy” and “Management Process” of the Prospectus supplement for the Sub-Fund will read as follows and the corresponding sections of its KI(I)Ds will, as applicable, be amended accordingly:

Objective To seek performance, in USD, from an actively managed short duration emerging debt securities portfolio ~~whose carbon footprint, measured as carbon intensity, is at least 30% lower than that of the index composed of 75% J. P. Morgan Corporate Emerging Market Bond Index Broad Diversified + 25% J. P. Morgan Emerging Market Bond Index Global Diversified (the “Benchmark”). As a secondary ‘extra-financial objective’, the water intensity of the portfolio aims also at being at least 30% lower than the Benchmark.~~

~~The Sub-Fund’s objective to invest in lower carbon emissions intensive exposures than the Benchmark is not performed in view of achieving the long-term global warming objectives of the Paris Agreement.~~

Investment Strategy The Sub-Fund is actively managed in order to capture opportunities in emerging short duration bonds market, primarily investing in securities that are part of the index composed of 75% J. P. Morgan Corporate Emerging Market Bond Index Broad Diversified + 25% J. P. Morgan Emerging Market Bond Index Global Diversified (the “Benchmark”) Benchmark universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund’s portfolio and can take, based on its investment convictions, exposure to companies, countries or sectors not included in the Benchmark or take different positioning in terms of duration, geographical allocation and/or sector or issuer selection compared to the Benchmark, even though the Benchmark constituents are generally representative of the Sub-Fund’s portfolio. Thus, the deviation from the Benchmark is likely to be significant.

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~~The Sub-Fund also references the Benchmark in order to achieve its extra-financial objectives. For the sake of clarity, the Sub-Fund’s Benchmark is a broad market index that does not qualify as an EU Climate Transition Benchmark or a EU Paris-Aligned Benchmark under Chapter 3a of Title III of Regulation (EU) 2016/1011, but is used as a reference for the Sub-Fund’s objectives.~~

(...)

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.~~

Management Process The Investment Manager selects investments by ~~applying a 2-step approach: 1/ Analysing carbon intensity and water intensity data to ensure that the weighted average of KPI carbon intensity and water intensity calculated at Sub-Fund's level is at least 30% better than that calculated for the investable universe, followed by the application of a second exclusion filter, described in AXA IM's Sectorial Exclusion and ESG Standards Policies; 2/ Evaluation of~~ valuing market views: of economic, valuation, technical analysis of the markets based on a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The Investment Manager also manages the Interest Rate Sensitivity, the yield curve positioning and the exposure to different geographical areas.

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

- the Sub-Fund will no longer invest in issuers considering their carbon intensity and their water intensity but rather in issuer considering the ESG scores (i.e. internal scoring methodology based on both external data provided by external provider and internal fundamental analysis, providing a standardized and holistic view on the performance of issuers on ESG factors and enable to both promote Environmental and Social factors and further incorporate ESG risks and opportunities in the investment decision);
- the sustainability indicator used by the Sub-Fund to measure the attainment of each of the environmental or social characteristics promoted will consequently be the weighted average ESG score of the Sub-Fund and that of the Benchmark;
- principal adverse impacts will additionally be mitigated by stewardship policies; and
- as a binding element, the Sub-Fund will always outperform the ESG score of the Benchmark, both ESG scores of the Sub-Fund and the Benchmark being calculated on a weighted average basis.

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

These changes will take effect on 21 May 2025 i.e., at least one month after the date of the present notice.

Shareholders who do not agree with such changes may request the redemption of their shares free of charge until 21 May 2025.

2. Amendment of the Investment Objective and Strategy and Management Process of "US Growth" (the "Sub-Fund")

The Board has decided to amend the investment objective and strategy of the Sub-Fund in order to update its ESG approach as detailed below and notably remove the Sub-Fund's commitment to have a minimum proportion of sustainable investments.

Therefore, the Prospectus supplement, the SFDR annex and the KI(I)Ds of the Sub-Fund will be amended accordingly.

The new sub-sections "Objective", "Investment Strategy" and "Management Process" of the Prospectus supplement for the Sub-Fund will read as follows and the corresponding sections of its KI(I)Ds will, as applicable, be amended accordingly:

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

Investment Strategy (...)

The Sub-Fund promotes environmental and/or social characteristics ~~by investing in securities that have implemented good practices in terms of managing their environmental impacts, governance and social ("ESG") practices.~~

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

The main amendments to the SFDR annex of the Sub-Fund will be (i) the removal of the references to the minimum commitment in sustainable investments and (ii) the removal of the ESG selectivity approach and minimum ESG analysis coverage rates.

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

These changes will take effect on 21 May 2025 i.e., at least one month after the date of the present notice.

Shareholders who do not agree with such changes may request the redemption of their shares free of charge until 21 May 2025.

3. Amendment of the Investment Objective and Strategy and Management Process of "Selectiv' Infrastructure" (the "Sub-Fund")

The Board has decided to amend the investment objective and strategy of the Sub-Fund in order to (i) update its ESG approach as detailed below and notably remove the Sub-Fund's commitment to have a minimum proportion of sustainable investments and (ii) remove the constraints linked to the SRI Label as the Sub-Fund will no longer be awarded with such label.

Therefore, the Prospectus supplement, the SFDR annex and the KI(I)Ds of the Sub-Fund will be amended accordingly.

The new sub-sections "Objective", "Investment Strategy" and "Management Process" of the Prospectus supplement for the Sub-Fund will read as follows and the corresponding sections of its KI(I)Ds will, as applicable, be amended accordingly:

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

Investment Strategy (...)

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

Management Process The Investment Manager selects investments by applying a 2-step approach: 1/ the application of exclusion filters, as described in AXA IM's Sectorial Exclusion and ESG Standards Policies; followed by a second 'Best-in-Universe' filter, designed to eliminate the worst issuers from the investment universe on the basis of their extra financial scoring calculated on the basis of the AXA IM ESG scoring methodology and 2/ using a combination of macroeconomic, sector and company specific analysis while seeking to significantly improve the Sub-Fund's ESG profile compared to its investable universe. Tactical allocation will be driven by economic analysis and portfolio construction considerations. The issuer selection process relies mainly on a rigorous analysis of the company's business model, its governance and its overall risk return profile. This strategy combines a "bottom-up" research process which aims at selecting securities and to a lesser extent a "top-down" approach in view of geographical and sector asset allocation.

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

- the Sub-Fund will not commit to have a minimum proportion of sustainable investments anymore;
- the Sub-Fund will no longer invest in issuers considering their carbon intensity and that consider gender diversity at board level but rather in issuer considering the ESG scores (i.e. internal scoring methodology based on both external data provided by external provider and internal fundamental analysis, providing a standardized and holistic view on the performance of issuers on ESG factors and enable to both promote Environmental and Social factors and further incorporate ESG risks and opportunities in the investment decision);
- the sustainability indicator used by the Sub-Fund to measure the attainment of each of the environmental or social characteristics promoted will be the weighted average ESG score of the Sub-Fund; and
- the Sub-Fund will no longer apply an ESG selectivity approach or a minimum ESG analysis coverage rates.

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

These changes will take effect on 21 May 2025 i.e., at least one month after the date of the present notice.

Shareholders who do not agree with such changes may request the redemption of their shares free of charge until 21 May 2025.

4. Amendments to “Defensive Optimal Income” (the “Sub-Fund”)

The Board has decided to clarify that the proportion of 20% of Sub-Investment Grade Securities in which the Sub-Fund may invest may include 144A securities, depending on the opportunity. A corresponding “144A securities” risk factor is also be added under sub-section “Risks” of the Prospectus supplement of the Sub-Fund.

Moreover, AXA Investment Managers Paris, the Investment Manager of the Sub-Fund, has decided to appoint AXA Investment Managers US Inc. as its Sub-Investment Manager for US high yield bonds.

Therefore, the Prospectus supplement and the KI(I)Ds of the Sub-Fund will be amended accordingly.

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

These changes will take effect on 30 April 2025.

5. Amendments to the ESG characteristics of “Global Sustainable Equity” (the “Sub-Fund”)

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

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

- the environmental and social characteristics promoted by the Sub-Fund will consist in investing in companies considering their water intensity in addition to their carbon intensity;
- the addition of a new sustainability indicator being the weighted average “Water Intensity” of the Sub-Fund and of its benchmark;
- the selectivity approach will consist in removing at least the 30% worst values of the investment universe instead of 20%;
- the Sub-Fund’s investment strategy will aim at outperforming its benchmark on at least two ESG Key Performance Indicators (i.e. Carbon Intensity and Water Intensity) at all times;
- the minimum coverage rates of i) 90% for the ESG analysis, ii) 80% for the Carbon Intensity indicator and iii) 55% for the Water Intensity indicator will apply to the Sub-Fund’s portfolio.

Furthermore, the Board has decided to replace, in the extra-financial selectivity approach, the E score of issuers by their ESG score as a basis to remove the worst values of the investment universe.

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

These changes will take effect on 21 May 2025 i.e., at least one month after the date of the present notice.

Shareholders who do not agree with such changes may request the redemption of their shares free of charge until 21 May 2025.

6. Renamings of Sub-Funds

The Board has decided to rename the following Sub-Funds in order to comply with the ESMA Guidelines:

- “AXA World Funds – ACT Social Progress” into “AXA World Funds – Social”;
- “AXA World Funds – ACT Multi Asset Optimal Impact” into “AXA World Funds – Multi Asset People & Planet”;
- “AXA World Funds – Framlington Sustainable Europe” into “AXA World Funds – Europe Equity”;
- and
- “AXA World Funds – Framlington Sustainable Eurozone” into “AXA World Funds – Sustainable Eurozone Equity”.

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

This change will take effect on 21 May 2025.

7. Update of the sustainability risks profile of “Global Flexible Property” (the “Sub-Fund”)

As part of the ongoing review of the Sub-Fund sustainability risks profile, the Board has decided to update the sustainability risks profile of the Sub-Fund as shown in sub-section “Sustainability Risks” of section “Risks” of its supplement from “medium” to “low”.

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

8. Addition of PAB exclusions for several Sub-Funds

In consideration of their names and to comply with the ESMA Guidelines, the Board has decided that the following Sub-Funds will apply the Paris-aligned Benchmark exclusions contained in Article 12(1)(a) to (g) of Commission Delegated Regulation (EU) 2020/1818 (the “**PAB exclusions**”):

- “ACT Multi Asset Optimal Impact” (to be renamed “Multi Asset People & Planet”);
- “Framlington Sustainable Eurozone” (to be renamed “Sustainable Eurozone Equity”);
- “People & Planet Equity”;
- “ACT US High Yield Bonds Low Carbon”;
- “ACT Europe Equity”;
- “ACT Eurozone Equity”;
- “ACT Green Bonds”; and
- “ACT Dynamic Green Bonds”.

Therefore, the SFDR annex and as applicable the KI(I)Ds of the above-mentioned Sub-Funds will be amended accordingly.

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

These changes will take effect on 21 May 2025.

9. Clarifications on green bonds for Sub-Funds applying PAB exclusions

The Board has decided to clarify in the SFDR annex of the following Sub-Funds, which apply PAB exclusions, that these do not apply to green bonds that have been issued under the European Green Bonds Regulation (Regulation (EU) 2023/2631) and that for other type of use of proceeds instruments, the PAB exclusions are applied on a look-through basis to the projects financed by these instruments, by relying on the AXA IM Green Bonds assessment framework:

- "ACT Multi Asset Optimal Impact" (to be renamed "Multi Asset People & Planet");
- "Framlington Sustainable Eurozone" (to be renamed "Sustainable Eurozone Equity");
- "Global Sustainable Equity";
- "People & Planet Equity";
- "ACT US High Yield Bonds Low Carbon";
- "ACT Europe Equity";
- "ACT Eurozone Equity";
- "ACT Green Bonds";
- "ACT Dynamic Green Bonds";
- "ACT Clean Economy";
- "ACT Factors - Climate Equity Fund";
- "ACT Biodiversity";
- "Emerging Markets Responsible Equity QI";
- "Euro Buy and Maintain Sustainable Credit";
- "Euro Sustainable Credit";
- "Global Responsible Aggregate"; and
- "Sustainable Equity QI".

Therefore, the SFDR annex of the above-mentioned Sub-Funds will be amended accordingly.

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

These changes will take effect on 21 May 2025.

PART 2 – GENERAL CHANGES

10. Miscellaneous

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

- Removal of "ACT Social Bonds", "ACT European High Yield Bonds Low Carbon" and "ACT US Corporate Bonds Low Carbon" which have been liquidated.

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

* * *

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

For the attention of the Belgian shareholders:

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

For the attention of the Swiss shareholders:

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

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

Yours faithfully,

The Board of Directors

AXA World Funds