FRAMLINGTON EQUITIES

AXA World Funds – Framlington Euro Selection

Issuer: AXA Funds Management S.A.

- **This statement provides you with key information about this product.**
- **This statement is a part of the offering document.**
- **You should not invest in this product based on this statement alone.**

Quick Facts

Fund Manager:	AXA Funds Management S.A. (Luxembourg)
Fund Manager by delegation:	AXA Investment Managers Paris (internal delegation, in France)
Depositary:	State Street Bank International GmbH, Luxembourg Branch
Ongoing charges over a year*:	Class A capitalisation (EUR): 1.78%
Dealing frequency:	Daily
Base currency:	EUR
Dividend policy:	No dividend distribution
Financial year end of this fund:	31 December
Minimum investment:	Class A: None (initial); None (subsequent)

* Class A capitalisation (EUR): The ongoing charges figure is based on expenses for the twelve-month period ending 31 December 2021. This figure may vary from year to year.

What is this product?

AXA World Funds – Framlington Euro Selection (the "Sub-Fund") is constituted in the form of an open-ended company. It is domiciled in Luxembourg and its home regulator is the "Commission de Surveillance du Secteur Financier" (CSSF).

Investment Objective and Strategy

Objective

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

Investment Strategy

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

For the sake of clarity, the Benchmark is a broad market index which is not aligned with the sustainable investment objective of the Sub-Fund, but is used as a reference for its financial objective.

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

For illustrative purpose only, the E criteria may be carbon footprint, water intensity, use of natural resources in companies' operations, protection of ecosystems and/or companies' activities, products and services resolving climate change challenges for the environmental aspect.

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

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA Investment Managers' sectorial exclusion and ESG standards policies with the exception of derivatives and underlying eligible UCIs, encompassing areas such as Controversial Weapons, Climate Risks, Soft Commodities and Ecosystem Protection & Deforestation, as described in the documents available on the website: https://www.axa-im.com/responsible-investing/sector-investment-guidelines.

The Investment Manager selects investments by applying a 2-step approach: 1/ defining the eligible universe after application of a first exclusion filter with the following exclusions: controversial weapons, soft commodities, palm oil, climate risks, tobacco, white phosphorus weapons, severe violations of the United Nations Global Compact principles, as described in AXA Investment Managers' Sectorial Exclusion and ESG Standards Policies (as described in the documents available on the website: www.axa-im.com/responsible-investing/sector-investment-guidelines) with the exception of derivatives and underlying eligible UCIs (as defined in the Hong Kong Offering Memorandum), followed by a second 'Best-in-universe' filter, designed to eliminate the worst issuers (i.e. at least, 20% of the issuers with the lowest E scores) from the investment universe on the basis of their extra financial rating calculated on the basis of the AXA Investment Managers' ESG scoring methodology; 2/ using a strategy that combines macro-economic, sector and company specific analysis that relies on a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile.

AXA Investment Managers' ESG scoring methodology for corporates as mentioned above relies on a three-pillar and several sub-factors that covers the main issues encountered by businesses in the E, S and G fields. The frame of reference draws on fundamental principles, such as the United Nations Global Compact, the OECD Guidelines, the International Labour Organisation conventions, and other international principles and conventions that guide companies' activities in the field of sustainable development and social responsibility. The analysis is based on the most material ESG risks and opportunities previously identified for each sector and company, with 10 factors: Climate Change, Natural Capital, Pollution and Waste, Environmental Opportunities, Human Capital, Product Liability, Stakeholder Opposition, Social Opportunities, Corporate Governance and Corporate Behavior. The final ESG score also incorporates the concept of industry-dependent factors and deliberately differentiates between sectors, to overweight the most material factors for each industry. Materiality is not limited to impacts relating to a company's operations, it also includes the impacts on external stakeholders as well as the underlying reputational risk arising from a poor grasp of major ESG issues. In the corporate methodology, the severity of controversies are assessed and monitored on an ongoing basis to make sure that the most material risks are reflected in the final ESG score. The controversies with high severity will trigger large penalties on the sub-factor scores and ultimately on the ESG scores. These ESG scores provide a standardized and holistic view on the performance of issuers on ESG factors, and enable to further incorporate ESG risks in the investment decision.

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

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

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

Specifically, at all times the Sub-Fund invests at least 66% of net assets in equities that are denominated in EUR. The Sub-Fund may invest up to 10% of net assets in companies not based in the Eurozone. The Sub-Fund may invest in equity securities of any market capitalisation (including small and micro-sized companies).

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

The Sub-Fund may invest up to 10% of net assets in collective investment schemes structured as UCITS and/or UCIs (as defined in the Hong Kong Offering Memorandum).

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

The Sub-Fund does not use total return swaps.

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

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

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

Main types of assets in scope are bonds and equities.

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

Use of derivatives

The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's net asset value.

What are the key risks?

Investment involves risks. Please refer to the offering document for details including the risk factors.

- **General investment risk**: The Sub-Fund's portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.

- **Investments in specific countries or geographical zones risk:** As compared with a global investment strategy, the Sub-Fund concentrates its investment in certain geographical zones and therefore is subject to the risks associated with concentrating investments in regions and the value of the Sub-Fund may be more volatile. The value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the regions.

- **ESG risk:** Applying ESG and sustainability criteria to the investment process may exclude securities of certain issuers for non-investment reasons and therefore some market opportunities available to funds that do not use ESG or sustainability criteria may be unavailable for the Sub-Fund, and the Sub-Fund's performance may at times be better or worse than the performance of relatable funds that do not use ESG or sustainability criteria. The Sub-Fund may have a concentration in investments with an environmental focus. The selection of assets may in part rely on AXA Investment Managers' ESG scoring methodology or ban lists that rely partially on third party data which may be subjective, incomplete, inaccurate or unavailable. The selection of securities may involve the Investment Manager's subjective judgement, and there is a lack of common or harmonised definitions and labels integrating ESG and sustainability criteria at the European Union level. As a result, there is a risk that the Investment Manager may incorrectly assess a security or issuer. Besides, the securities held by the Sub-Fund may be subject to style drift which no longer meets the environmental focus for investment. The Investment Manager may have to sell such security held by the Sub-Fund which could incur transaction costs within the Sub-Fund.

- **Eurozone political, regulatory, economic and convertibility risks**: Eurozone area in which the Sub-Fund may invest may be affected by economic or political events or measures, changes in government policies, laws or tax regulations, currency convertibility, or by currency redenomination, restrictions on foreign investments, and more generally by economic and financial difficulties. More especially, economic and financial difficulties in Europe may spread within and outside Europe, the measures taken by the governments of the European countries, central banks and other authorities to address the economic and financial problems, such as austerity measures and reforms, may not work and such failure may result in adverse consequences, and there may be currency fluctuation. In such contexts, volatility, liquidity, credit, and currency risks may increase and adversely impact the net asset value of the Sub-Fund.

  In light of the ongoing concerns on the sovereign debt risk of certain countries within the Eurozone, the Sub-Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. Any adverse events, such as credit downgrade of a sovereign or exit of EU members from the Eurozone, may have a negative impact on the value of the Sub-Fund.

- **Investments in small and/or micro-capitalisation universe risk:** The Sub-Fund may invest in small and/or micro-capitalisation universe which implies specific liquidity risk. The possible lack of a liquid market may inhibit the ability of the Sub-Fund to purchase or sell such investment at an advantageous price. The net asset value of the Sub-Fund may be adversely affected. The stock of small and/or micro-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

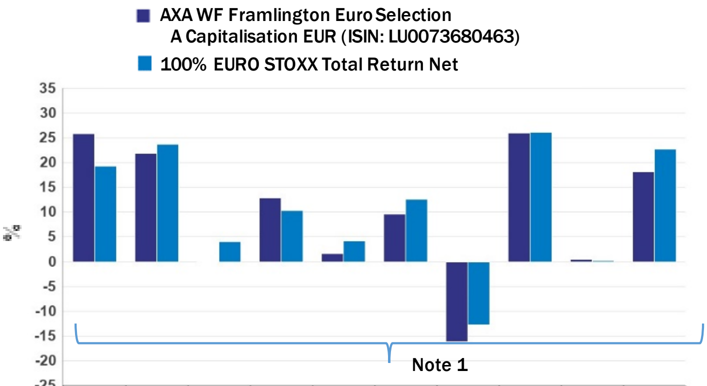
- **Equity risk:** Shares' prices on equity markets may fluctuate namely pursuant to investor's expectations or anticipations, changes in market sentiment, political and economic conditions and issuer-specific factors, causing high potential volatility risk. Volatility on equity markets has historically been much greater than volatility of fixed income markets. Should the price of shares fall within the Sub-Fund's portfolio, the net asset value of the Sub-Fund will also fall.

- **Foreign exchange and currency risk:** The Sub-Fund may invest in foreign securities, i.e. securities denominated in currencies different from the base currency in which the Sub-Fund is denominated. Also, the Sub-Fund has share class(es) denominated in currency(ies) different from the Sub-Fund's base currency. The net asset value of the Sub-Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.

- **Derivatives and leverage risk:** The Sub-Fund may use both listed and over-the-counter derivatives for efficient portfolio management and hedging purposes. Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivative by the Sub-Fund. Exposure to derivatives may lead to a high risk of significant loss by the Sub-Fund.

- **Securities lending transactions risk:** The Sub-Fund may enter into securities lending transactions, and may be subject to counterparty risk. The loaned securities may not be returned or returned in a timely manner and/or at a loss of rights in the collateral if the borrower or the lending agent defaults or fails financially and/or the value of the collateral may fall below the value of the securities lent out. The Sub-Fund may suffer significant losses.

How has the Sub-Fund performed?



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	25.9	21.9	-0.2	12.9	1.6	9.7	-16.1	26.0	0.5	18.2
	19.3	23.7	4.1	10.3	4.2	12.6	-12.7	26.1	0.2	22.7

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.
- These figures show by how much the share class has increased or decreased in value during the calendar year being shown. Performance data has been calculated in EUR including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The Investment Manager views Class A capitalisation (EUR), being the retail share class denominated in the Sub-Fund's base currency, as the most appropriate representative share class. Your attention is drawn to the fact that such share class is denominated in the Sub-Fund's base currency and if you were to invest in a share class denominated in a different currency, the performance of this latter share class might differ due to fluctuation of the currency exchange rate.
- Note 1: The performance of these years were achieved under circumstances that no longer apply. The Investment Manager has reshaped the Sub-Fund with effect from 2 April 2021 to increase the integration of sustainability factors in managing the Sub-Fund.
- The benchmark of the Sub-Fund is EURO STOXX Total Return Net.
- Sub-Fund launch date: 1988
- Share Class A capitalisation (EUR) launch date: 1992

Is there any guarantee?

This Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

What are the fees and charges?

Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Sub-Fund.

Fee	What you pay
Subscription fee (Entry charge)	Class A: Up to 5.50% of the amount you buy
Switching fee (Switching charge)	None, except in the following circumstances: ▪ the shareholder has already made 4 conversions in the last 12-month period; in such case the shareholder may be charged a total fee of a maximum of 1% of the net asset value of the shares converted for each additional conversion in that 12-month period; or ▪ the shareholder converts his shares to a Sub-Fund with a higher entry charge within the first 12-month period following initial investment in the Sub-Fund; in such case the shareholder may have to pay the difference between the two entry charge levels.
Redemption fee	None

Ongoing fees payable by the Sub-Fund

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

Fee	Annual rate (as a % of the Sub-Fund's/Share Class's value)
Management fee	Up to 1.50%
Custodian fee (Depositary fee)	Included in Applied service fee
Performance fee	None

Administration fee	Included in Applied service fee
Applied service fee	All classes: Up to 0.50% Class A capitalisation (EUR): Current rate being 0.25%

Other fees

You may have to pay other fees when dealing in the shares of the Sub-Fund. The Sub-Fund will also bear the costs which are directly attributable to it, as set out in the Hong Kong Offering Memorandum.

Additional Information

You generally buy and redeem shares at the Sub-Fund's next-determined net asset value (NAV) after the Registrar and Transfer Agent receives your request in good order on or before 3 pm Luxembourg time being the Luxembourg dealing cut-off time, or the Hong Kong representative receives your request in good order on or before 4 pm Hong Kong time being the Hong Kong dealing cut-off time. Distributors may impose different dealing deadlines for receiving requests from investors.

Investors may obtain the past performance information of other share classes offered to Hong Kong investors from www.axa-im.com.hk.

The net asset value of the Sub-Fund is calculated and the price of shares is published each "business day" on www.axa-im.com.hk. For this Sub-Fund, a Business Day shall be understood as a day on which banks are open all the day for business in Luxembourg.

Please note that the website as cited in this document has not been reviewed by the SFC.

Important

If you are in doubt, you should seek professional advice. The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.