

AXA WORLD FUNDS II

PROSPECTUS

1st April 2026



BNP PARIBAS
ASSET MANAGEMENT

The sustainable
investor for a
changing world

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IMPORTANT INFORMATION

This prospectus contains information about AXA World Funds II (the “Company”). The Company is incorporated under the laws of the Grand Duchy of Luxembourg as a *société d’investissement à capital variable*. The Company is registered pursuant to Part 1 of the Law of 2010. Such registration does not require the Regulatory Authority to approve or disapprove this Prospectus. Any representation to the contrary is unauthorised and unlawful.

The Company is an Undertaking for Collective Investment in Transferable Securities (“UCITS”) in accordance with the Council Directive 2009/65/EC as amended (“UCITS Directive”) and the Directors propose to market the Shares in accordance with the UCITS Directive in certain Member States of the EU. The Directors may also propose to offer for sale the Shares in non-EU countries as the case may be, provided that such offering is in compliance with local laws and regulation.

Before investing in the Company, a prospective investor should read and consider this Prospectus together with the Company’s Articles and the latest annual or semi-annual reports as issued from time to time.

An investment in the Company involves risk, including the possible loss of capital. The Company cannot guarantee the performance of or any future return on the Shares. More details are outlined under the heading “General Risk Considerations”.

The Company draws the investors’ attention to the fact that any investor will only be able to fully exercise his shareholder rights directly against the Company (notably the right to participate in general shareholders’ meetings) if the investor is registered himself and in his own name in the shareholders’ register. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may not always be possible for the shareholder to exercise certain shareholder rights directly against the Company. The Board may suspend the voting rights of any shareholder in breach of his or her obligations as described by this Prospectus, the Company’s Articles or any relevant contractual arrangement entered into by such shareholder and a shareholder may also individually decide not to exercise, temporarily or permanently, all or part of his or her voting rights. Investors are advised to take advice on their rights before subscription.

The Directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no material facts the omission of which would make misleading any statement herein, whether fact or opinion. The Directors accept responsibility accordingly.

Terms used without further definition are explained under the heading “Glossary”.

No dealer, salesman or other person has been authorised to give any information or to make any representation other than those contained in this Prospectus in connection with the offer contained herein, and, if given or made, such information or representation must not be relied upon as having been authorised.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any Shares of the Company in any jurisdiction in which such offer, solicitation or sale would be unlawful to make such offer in such jurisdiction.

Prospective investors should inform themselves as to the legal requirements and tax consequences within the countries of their residence and domicile for the acquisition, holding or disposal of Shares and any foreign exchange restrictions that may be relevant to them.

Sustainable Investments and promotion of ESG characteristics

The Company and all its Sub-Funds comply with AXA Investment Managers’ (“AXA IM’s”) Sectorial Exclusion policies encompassing areas such as Controversial Weapons, Climate risks, Soft Commodities, Ecosystem Protection & Deforestation and Tobacco, as described in the policy document. All Sub-Funds qualifying as “article 8” or “article 9” products according to 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 (“SFDR”) apply the AXA IM’s Environmental, Social and Governance standards policy (“ESG Standards”), according to which the Investment Manager aims at integrating the ESG Standards in the investment process by applying specific sectorial

exclusions such as white phosphorus weapons and by excluding investments in securities issued by companies in violation of international norms and standards such as the United Nations Global Compact Principles or the OECD guidelines for Multinational Enterprises ; as well as investments in companies which are involved in severe ESG-related incidents and investments in issuers with a Low ESG quality. Instruments issued by countries where serious specific categories of violations of Human Rights are observed are also banned. These policies (together “Policies”) are available on the following website: <https://www.axa-im.com/our-policies-and-reports>. The Sub-Funds applying ESG Standards and/or having a non-financial objective of outperforming the ESG score of their respective benchmark or their investment universe and/or promoting ESG characteristics qualify as “Article 8 products” according to SFDR. The Sub-Funds which have sustainable investment as their non-financial objective and are managed in line with a sustainable approach qualify as “Article 9 products” according to SFDR.

All the Sub-Funds of the Company are categorized as “Article 8” or “Article 9” as set-out in the relevant Sub-Fund’s appendix.

For the Sub-Funds categorized as Article 8 under SFDR promoting environmental characteristic, it should be noted that they do not at this stage take into account the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy regulation and their portfolio alignment with such EU Taxonomy Regulation is not calculated. Therefore, the “do no significant harm” principle does not apply to any of the investments of these Sub-Funds at this stage.

Where the Sub-Funds categorized as Article 9 invest in an economic activity that contributes to an environmental objective, they are required to disclose certain information about the environmental objective(s) set out in the EU Taxonomy Regulation to which the investments of the Sub-Funds contribute and about the investments in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation.

However, it should be noted that the Company cannot at this stage take into account the EU criteria for environmentally sustainable economic activities as defined by the European regulation 2020/852 on the establishment of a framework to facilitate sustainable investment and, based on data currently available, it is not expected that a minimum portion of the Company’s assets be aligned with EU Taxonomy criteria.

It follows that the Sub-Funds do not currently commit to investing more than 0% of each Sub-Fund’s assets in investments aligned with the Taxonomy Regulation (including in enabling and transitional activities).

The ESG data used in the investment process of Sub-Funds qualifying as article 8 or article 9 under SFDR 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. AXA IM’s different ESG methodologies described herein may evolve in the future to take into account (among others) any improvements in data availability and reliability, or any developments of regulations or other external frameworks or initiatives.

The classification of the Sub-Funds under SFDR may be subject to adjustments and amendments, since SFDR has come into force recently only and certain aspects of SFDR may be subject to new and/or different interpretations than those existing at the date of this Prospectus. As part of the ongoing assessment and current process of classifying its financial products under SFDR, the Management Company reserves the right, in accordance with and within the limits of applicable regulations and of the Fund’s legal documentation, to update the classification of the Sub-Funds from time to time to reflect changes in market practice, its own interpretations, SFDR-related laws or regulations or currently applicable delegated regulations, communications from national or European authorities or court decisions clarifying SFDR interpretations. Investors are reminded that they should not base their investment decisions on the information presented under SFDR only.

Each Sub-Fund may act as a feeder fund of a UCITS or of a sub-fund of such UCITS which could be awarded with the French Label Socially Responsible Investment (SRI) Label. The list of such sub-fund(s) is available on the

following website: [Liste des fonds labellisés - Label ISR \(lelabelisr.fr\)](https://www.lelabelisr.fr) and the related SRI Label guidelines they comply with (SRI guidelines dated of 1st March 2024 as may be amended from time to time) are available on the following website [Critères d'attribution \(lelabelisr.fr\)](https://www.lelabelisr.fr). SRI Label covers notably social exclusions related to controversial weapons, breaches of the UN Global Compact and tobacco, environmental exclusions related to unconventional oil and gas, as well as the development of new conventional and/or unconventional projects, and electricity production; and governance related exclusions based on the EU list of non-cooperative jurisdictions, as well as the black and grey lists of the Financial Action Task Force. Sovereign bonds issued by countries that do not meet the minimum eligibility criteria based on the EU list of non-cooperative jurisdictions, the black and grey lists of the Financial Action Task Force and the Corruption Perceptions Index are also excluded.

THE UNITED STATES OF AMERICA (“UNITED STATES” OR “US”)

The Shares are not being offered in the United States and may be so offered only pursuant to an exemption from registration under the Securities Act of 1933, as amended (the “1933 Act”). The Shares have not been registered with the Securities and Exchange Commission or any state securities commission nor has the Company been registered under the Investment Company Act of 1940, as amended (the “1940 Act”). No transfer or sale of the Shares shall be made unless, among other things, such transfer or sale is exempt from the registration requirement of the 1933 Act and any applicable state securities laws or is made pursuant to an effective registration statement under the 1933 Act and such securities laws and would not result in the Company becoming subject to registration or regulation under the 1940 Act.

ADDITIONAL INFORMATION FOR INVESTORS

The investors will find below additional information relating to the distribution of the Shares of the Company in certain countries.

Belgium

The Company has appointed CACEIS Belgium S.A., Avenue du Port 86C b320 at B-1000 Brussels as Financial Service in Belgium. CACEIS Belgium S.A. provides Nominee services.

The daily Net Asset Value is currently displayed on www.beama.be. The Directors reserve the right to publish the Net Asset Value in L'Echo and De Tijd newspapers in Belgium.

Shareholders' communications are also displayed on www.beama.be.

The fees and expenses charged by the Company are mentioned in the relevant Appendix for the different Sub-Funds. Information concerning Taxation is available from the Company and the Financial Service in Belgium. For any information, the investor can contact the Financial Service CACEIS Belgium S.A.

France

The Company has been authorised to market its Shares in France. BNP Paribas S.A., 16 boulevard des Italiens 75009 Paris has been appointed as French facilities agent.

GLOSSARY

A-Shares – securities issued by companies incorporated in the PRC and listed on stock exchanges in the PRC (Shanghai and Shenzhen)

Appendix – the relevant sheet of the Prospectus containing specific information regarding each Sub-Fund

Application Form – the appropriate application form for the subscription, the redemption and the conversion of Shares of the Company available at the promoter's or distributors' registered office

Articles – the articles of incorporation of the Company

Best-in-universe – A type of ESG selection consisting of giving 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

BNP Paribas Group – Any entity over which BNP Paribas has direct, indirect, or alternate control (including AXA IM entities).

Board – board of directors of the Management Company

Business Day – unless otherwise specified with respect to a Sub-Fund in the relevant Appendix, a full banking business day, other than a Saturday or Sunday or public holiday, on which banks are open all day for business in Luxembourg and/or a full day on which the relevant stock exchange(s) is/are opened

Cash – ancillary liquid assets as referred to in Article 41(2) of the Law of 2010, which are bank deposits at sight (such as cash held in a current account with a bank accessible at any time) but excludes any cash held as collateral in relation to financial derivatives

Class – a class of shares within each Sub-Fund which may differ, *inter alia*, in respect of their specific charging structures, specific dividend policies, specific Reference Currencies or other specific features

Company – AXA World Funds II (or AXA WF II)

Dealing Price – with respect to any Valuation Day, the price at which Shares are subscribed for, converted or redeemed as calculated on a forward pricing basis by reference to the Net Asset Value per Share applicable to such Valuation Day as described under the heading "Valuation"

Directors – the directors of the Company

Equity-related securities – are commonly transferable securities that provide indirect ownership of, or results in the acquisition of, an equity. Examples include preferred shares, depositary receipts (ADR, GDR), participation notes, warrants or similar type of rights

Emerging Markets countries – are typically countries with less established financial markets and investor protections, which may involve a greater degree of risk than generally associated with similar investments in major securities markets, due, in particular, to political and regulatory factors. Most emerging markets countries are commonly located in Asia, Latin America, Eastern Europe, Middle East and Africa. The list of emerging market countries is subject to continuous change

ESG – Environmental, Social and Governance

EU – the European Union

EU Taxonomy – means EU Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment and focusing on climate change mitigation; climate change adaptation; the sustainable use and protection of water and marine resources; the transition to a circular economy; pollution prevention and control and the protection and restoration of biodiversity and ecosystems

EUR – the currency of the Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Economic Community, as amended by the Treaty on European Union

Group of Companies – companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts and according to recognized international accounting rules

Financial Product – A Sub-Fund of the Company

Institutional Investor – an institutional investor as defined by guidelines or recommendations issued by the Regulatory Authority from time to time

Investment Manager – BNP PARIBAS ASSET MANAGEMENT Europe and AXA Investment Managers UK Ltd, or such other investment manager appointed from time to time by the Management Company (each an “Investment Manager”) subject to the prior approval of the Regulatory Authority

JPY – the currency of Japan

KID – Key Information Document pursuant to the PRIIPs Regulation

Key Performance Indicators (or “KPI”) – the following ESG KPIs may be used in the Sub-Funds, as further detailed in the SFDR Annex of each Sub-Fund:

Carbon Intensity	or Carbon Intensity by Revenues: Environmental KPI provided by Trucost S&P. The amount of Greenhouse Gas (GHG) released into the atmosphere per million \$ of revenue. It is expressed in CO ₂ tons per millions \$ revenue.
Gender Diversity	Governance KPI provided by Bloomberg for corporates. Asset weighted percentage of female board members at the companies held in portfolio.
Water Intensity	Environmental KPI provided by Trucost S&P for corporates. This KPI represents the amount of water diverted for use by the organization from all sources, including but not limited to surface, ground, saltwater, and municipal. Includes cooling water. It is expressed in cubic meters. For Sovereign, the KPI is provided by the World Bank and represents the freshwater withdrawal as a proportion of available freshwater resources. It is the ratio between total freshwater withdrawn by all major sectors and total renewable freshwater resources, after taking into account environmental water requirements
Carbon Delta Technology Opportunity (1.5C)	Environmental KPI provided by MSCI. This KPI measures the company's upside technology opportunity exposure, expressed as a percentage of the security's market value, assuming a global 1.5°C target and calculated using carbon prices from the AIM CGE model.
Percentage of companies in the GSS Watchlist & Non-compliant	Sustainalytics' Global Standards Screening (GSS) assesses the impact that companies have on stakeholders and the extent to which companies cause, contribute or are linked to violations of international norms and standards. Sustainalytics applies its own guidelines to assess company compliance with relevant international norms, assigning one of the following three statuses: Non-Compliant, Watchlist or Compliant.

A company is assessed as Non-Compliant when it is determined to be causing or contributing to severe or systemic and/or systematic violations of international norms.

A company is assessed as Watchlist if it is determined to be at risk of contributing to severe or systemic and/or systematic violations of international norms and standards.

A company is assessed as Compliant when it has not been determined to be causing/contributing – or to be at risk of causing/contributing – to severe or systemic and/or systematic violations of international norms and standards in scope.

Greenhouse gas

The Greenhouse gas (GHG) emissions intensity indicator corresponds to the carbon emissions of a company normalized for size by dividing annual carbon emissions by Enterprise Value (EV – in millions of euros). The KPI is weighted. The GHG Emissions are provided by an external data provider and the KPI is computed internally.

Law of 1915 – the law of 10 August 1915 on commercial companies, as amended

Law of 2010 – the law of 17 December 2010 relating to undertakings for collective investment, as amended from time to time

Management Company – BNP PARIBAS ASSET MANAGEMENT Europe, a BNP Paribas Group company and a subsidiary of BNP Paribas Cardif, authorized as management company by the French Autorité des marchés financiers (“AMF”) under number GP 96002

Member State – a member state of the European Union

Mémorial – the *Mémorial C, Recueil des Sociétés et Associations*

Money Market Instruments – instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time.

Net Asset Value – the value of the assets of a Sub-Fund as calculated in accordance with the Articles and as described under the heading “Valuation” of the Prospectus

OTC – Over the Counter

Other Regulated Market – a market which is regulated, operates regularly and is recognized and open to the public, namely a market (i) that meets the following cumulative criteria: liquidity; multilateral order matching (general matching of bid and ask prices in order to establish a single price); transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which the securities are dealt in at a certain fixed frequency, (iii) which is recognized by a State or by a public authority which has been delegated by that State or by another entity which is recognized by that State or by that public authority such as a professional association and (iv) on which the securities dealt in are accessible to the public

Other State – any state in Europe which is not a Member State, and any state in America, Africa, Asia or Oceania

Personal Account Number – the unique identification number issued to a shareholder

PEA Sub-Funds – Sub-Funds eligible to the “*Plan d’épargne en actions*” (PEA), an investment scheme accessible to individual investors who want to invest in eligible PEA securities and rights such as equities, equivalent securities, investment certificates and cooperative investment certificates issued by companies having their registered office in the European Economic Area

PRC – The People’s Republic of China

PRIIPs Regulation – Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs), as amended from time to time

Prospectus – the prospectus of the Company, as amended from time to time

Reference Currency – the currency in which each Sub-Fund or Class is denominated, as defined in the relevant Appendix

Regulated Market – a regulated market as defined in the European Parliament and the Council Directive 2014/65/EU dated 15 May 2014 on markets in financial instruments, as amended (MiFID 2), namely a multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments – in the system and in accordance with its non-discretionary rules – in a way that result in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly in accordance with the provisions of MiFID 2

Regulatory Authority or CSSF – the *Commission de Surveillance du Secteur Financier*, the Luxembourg financial supervisory authority, or its successor in charge of the supervision of the undertakings for collective investment in the Grand Duchy of Luxembourg

REITs – Real estate companies and Real Investment Trusts which are entities dedicated to owning, and in most cases, managing real estate. This may include, but is not limited to, real estate in the residential (apartments), commercial (shopping centres, offices) and industrial (factories, warehouses) sectors. Certain REITs may also engage in real estate financing transactions and other real estate development activities. The legal structure of a REIT, its investment restrictions and the regulatory and taxation regimes to which it is subject will differ depending on the jurisdictions in which it is established

RESA – *Recueil Electronique des Sociétés et Associations*

RMB – the currency of China

SEHK – The Stock Exchange of Hong Kong

Settlement Day – unless otherwise specified in the relevant Appendices, three Business Days after the relevant Valuation Day. Settlement being receipt of monies by the Depositary in respect of allotment and dispatch of monies by the Depositary in respect of redemption. In respect of redemption proceeds, if on the settlement day, banks are not open for business in the country of the settlement currency of the relevant Class of Shares, then settlement will be on the next Business Day on which those banks are open

SFDR – 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

Shares – fully paid shares of no par value in the capital of the Company divided into a number of different Sub-Funds and/or Classes from time to time

Solidarity Assets Securities – securities issued by companies undertaking solidarity projects with a strong social and/or environmental utility such as support to people living in difficult circumstances, fight against exclusion and inequalities, preservation and development of the social link, maintenance and strengthening of territorial cohesion, contribution to sustainable development, etc.

Standing Redemption Payment Instructions – instructions given by shareholders in writing to the Registrar Agent which specify to which bank account redemption proceeds are to be remitted

Stock Connect – the securities trading and clearing linked program with an aim to achieve mutual stock market access between China and Hong Kong

Sub-Fund – a portfolio of assets the capital of which is invested in assets in accordance with the investment objective of the portfolio

Sub-Investment Manager – a sub-investment manager appointed from time to time by any Investment Manager

Sustainable Investment – an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance

Sustainability Risk – an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment

Total Return Swaps – swap agreements in which one party (total return payer) transfers the total economic performance of a reference obligation to the other party (total return receiver)

Transferable Securities – (i) shares and other securities equivalent to shares ("shares"); (ii) bonds and other debt instruments ("debt securities") and (iii) any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange, to the extent they do not qualify as techniques and instruments

UCI – an undertaking for collective investment as defined by Luxembourg law

UCITS – an undertaking for collective investment in transferable securities under Article 1(2) of the UCITS Directive

UCITS Directive – Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertaking for collective investment in transferable securities, as may be amended by the Directive 2014/91/EU of the European Parliament and Council of 23 July 2014 as regards depositary remuneration policies and sanctions and as may be further amended in the future

USD – the currency of the United States of America

Valuation Day – in relation to any Sub-Fund, shall be the Business Day provided for in the relevant section of such Sub-Fund's Appendix, to the exclusion of any Business Day falling within a period of suspension of determination of Net Asset Value, as described under the heading "Suspension of the Calculation of the Net Asset Value and the Offering, Redemption and Conversion of Shares"

Any orders to subscribe for, redeem or convert Shares received in due time by the registrar agent on any Valuation Day will be accepted and traded at the Dealing Price applicable to such Valuation Day, unless otherwise specified with respect to a Sub-Fund in the relevant Appendix.

For the avoidance of doubt, the Net Asset Value calculated with reference to a given Valuation Day will be dated as of such Valuation Day, unless otherwise specified with respect to a Sub-Fund in the relevant Appendix.

Time referred to in this Prospectus is Luxembourg Time.

DIRECTORY

Board of Directors of the Company

- **Chairman: Mr. Geoffroy Reiss**, Chief Operating Officer, AXA IM Core Investments, BNP PARIBAS ASSET MANAGEMENT Europe, residing in France.
- **Mr. Jean-Louis Laforge**, Deputy Chief Executive Officer, BNP PARIBAS ASSET MANAGEMENT Europe, residing in France.
- **Mr. Emmanuel Dendauw**, Head of Retail Distribution, AXA Investment Managers Benelux, residing in Belgium.
- **Mr. Martin Burke**, Head of Product Lifecycle, BNP PARIBAS ASSET MANAGEMENT Europe, residing in France.

MANAGEMENT & ADMINISTRATION

Management Company

BNP PARIBAS ASSET MANAGEMENT Europe

Registered Office

1 Boulevard Haussmann,
75009 Paris,
France

Postal Address

Tour Majunga, La Défense 9,
6, Place de la Pyramide,
92800 Puteaux, France

Board of directors of the Management Company

- Sandro Pierri, Chairman
- BNP PARIBAS ASSET MANAGEMENT Holding SA represented by Olivier de Begon de Larouzière, Director
- François Delooz, Director
- David Vaillant, Deputy Chief Executive Officer and Director
- Arnaud de Beauchef de Servigny, Director
- Cécile Lesage, Director
- Marion Azuelos, Director
- Jane Ambachtsheer, Director

Investment Manager(s)

AXA Investment Managers UK Ltd
22 Bishopsgate
London EC2N 4BQ
United Kingdom

Agent to carry out stock lending and repurchase agreements activities (excluding Feeder sub-funds)

AXA Investment Managers GS Limited
22 Bishopsgate
London EC2N 4BQ
United Kingdom

Sub delegated stock lending and repurchase agent:

BNP Paribas Dealing Services
Registered Office:

1 Boulevard Haussmann,
75009 Paris,
France

Postal address:
Tour Majunga, La Défense
6 Place de la Pyramide
92800 Puteaux
France

**Depository, Administrative
Agent, Domiciliary, Corporate
and Paying Agent and
Registrar Agent**

State Street Bank International GmbH, Luxembourg
Branch
49, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Auditors

PriceWaterhouseCoopers Assurance, Société coopérative
2, rue Gerhard Mercator
L-2182 Luxembourg
Grand Duchy of Luxembourg

Legal Advisers

Arendt & Medernach SA
41A, avenue J.F. Kennedy
L-2082 Luxembourg
Grand Duchy of Luxembourg

GENERAL INFORMATION

The Company

AXA World Funds II is a Luxembourg based open-ended investment company with variable capital (*société d'investissement à capital variable*).

The Company was incorporated on 29 February 1988 for an unlimited period with the name Sun Life Global Portfolio. Its name was changed to AXA World Funds II on 17 June 2002 as decided by the extraordinary general meeting of shareholders held on 8 May 2002. The Articles were last amended at the extraordinary general meeting of shareholders held on 30 April 2020 and to be published in the RESA on 8 June 2020.

The share capital of the Company is represented by fully paid Shares of no par value and is at any time equal to the Net Asset Value of the Sub-Funds and Classes of Shares. Any variation of the Company's capital may be made by the Directors and has immediate effect. The capital of the Company is expressed in EUR.

The Company's registered office is 49, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg. The Register of shareholders will be kept at the registered office in accordance with the Law of 1915.

The Company is recorded under the number B 27.526 at the "Registre de Commerce et des Sociétés - Luxembourg" where its Articles are available for inspection and where copies thereof may be obtained upon request.

The Company is commonly described as an umbrella fund. It is presently structured to provide both institutional and private investors with access to a range of separate pools of assets or Sub-Funds. The Company currently offers a choice of Sub-Funds each denominated in the Reference Currency. The Sub-Funds invest in a diversified range of securities throughout the markets of the world in accordance with their specific investment objectives.

The Company shall maintain for each Sub-Fund a separate portfolio of assets. As between shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund. The shareholders shall only be entitled to the assets and profits of the Sub-Fund in which he participates. With regard to third parties, in particular towards the Company's creditor, the Company shall be responsible for all liabilities incurred by a Sub-Fund exclusively based on the assets of this relevant Sub-Fund. Among the shareholders, the liabilities of each Sub-Fund shall only be incurred to the respective Sub-Fund.

Furthermore, the Directors may issue Shares of different Classes in each Sub-Fund in accordance with the section "Shares".

Unless otherwise specified in the relevant Appendix, shareholders are able to switch between Sub-Funds and Classes to re-align their investment portfolio to take into account their changing circumstances and/or market conditions.

Management and Administration of the Company

Directors of the Company

The Directors of the Company are responsible for the overall administration, control and management of the Company, including the determination of the investment objective and policies of each Sub-Fund. In particular, the Directors of the Company are responsible for the monitoring and the overall supervision and control of the Management Company. To this effect, the Board may give recommendations to the Management Company in relation to, without limitation, the structure, promotion, administration, investment management and distribution of the Company and the contents of any documentation relating to the Company (including, but not limited to, the Prospectus and any marketing material).

Management Company

The Company has appointed BNP PARIBAS ASSET MANAGEMENT Europe to serve as its designated management company in accordance with the Law of 2010 pursuant to the Management Company Services Agreement dated as of 12 February 2007. Under this Agreement, the Management Company provides investment management, administrative and marketing services to the Company, subject to the overall supervision and control of the Directors.

BNP PARIBAS ASSET MANAGEMENT Europe is a French simplified joint stock company, *société par actions simplifiée*, R.C.S. Paris 319 378 832, a BNP Paribas Group company and a subsidiary of BNP Paribas Cardif. Its share capital amounts to EUR 170,573,424.00.

BNP PARIBAS ASSET MANAGEMENT Europe was established on 28 July 1980 for an unlimited period of time and is authorized as management company by the AMF under number GP 96002.

The articles of incorporation of BNP PARIBAS ASSET MANAGEMENT Europe were last amended on 12 May 2025 filed with the *greffe du tribunal de commerce de Paris* on 16 May 2025.

As at the date of this Prospectus, the Management Company also manages other funds, the list of which is available upon request at the postal office of the Management Company.

The Management Company is in charge of the day-to-day operations of the Company with responsibility for investment management services, administrative services and marketing services subject to the overall supervision and control of the board of Directors. The Management Company has the option of delegating to third parties some or all of its responsibilities, subject to the approval of the Company and the Regulatory Authority, and provided that the Management Company retains the responsibility and oversight over such delegates. The Management Company has delegated, with prior notification to the Regulatory Authority 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 BNP Paribas Group entities. Risk management and compliance functions are carried out by the Management Company. The Management Company's liability towards the Company 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.

Conflicts of Interest

The Management Company and other service providers of the SICAV and their respective affiliates, directors, officers and shareholders are or may be involved in other financial, investment and professional activities that may create conflicts of interest with the management and administration of the SICAV. These include the management of other funds, purchases and sales of securities, brokerage services, depositary and safekeeping services, and serving as directors, officers, advisors or agents for other funds or other companies, including companies in which a sub-fund may invest. Each of such providers will ensure that the performance of their respective duties will not be impaired by any such other involvement that they might have. In the event that a conflict of interest does arise, the Management Company and the relevant providers involved shall endeavour to resolve it fairly, within reasonable time and in the interest of the SICAV. In order to prevent any conflicts of interest, AXA IM, as part of the BNP Paribas Group, has put in place a conflicts of interest policy, details of which are available on <https://www.axa-im.lu/mifid> and also adheres to the Code of Conduct of the BNP Paribas Group available at Code of conduct.

Investment Managers

Subject to the overall responsibility of the Directors, the Management Company will provide or procure for each Sub-Fund investment advisory and discretionary investment management services, pursuant to the provisions of the Management Company Services Agreement.

In order to implement the investment policies of each Sub-Fund, the Management Company has delegated, under its permanent supervision and responsibility, the management of assets of each Sub-Fund to the Investment Managers specified in the Appendices.

The Management Company has delegated certain of its investment management duties to AXA Investment Managers UK Ltd under the terms of a Delegation Agreement dated 31 December 2021 as the same may be amended from time to time.

Subject to its overall responsibility, control and supervision, the Investment Manager may, at its own expense, sub-delegate one or several of its duties in relation to certain Sub-Funds to a Sub-Investment Manager as specified in the Appendices and subject to the prior approval of the Regulatory Authority.

Pursuant to the relevant Delegation Agreement (as defined below), the Investment Manager has discretion, on a day-to-day basis and subject to the control and responsibility of the Management Company, to purchase and sell securities and otherwise to manage each Sub-Fund's portfolio.

The Investment Manager as well as the Sub-Investment Manager, where applicable, in the execution of their duties and the exercise of their powers, shall comply with each Sub-Fund's investment policies and restrictions.

In addition, under the terms of a Delegation Agreement dated 15 February 2013, as the same may be amended from time to time, the Management Company has appointed AXA Investment Managers GS Limited as its agent to carry out stock lending and repurchase agreements activities for the Sub-Funds, excluding Feeder sub-funds which are not entering into such transactions.

Subject to their overall responsibility, control and supervision, the Investment Managers may, at their own charge, sub-delegate certain or all of their duties in relation to certain Sub-Funds to a Sub-Investment Manager as specified in the Appendices subject to the CSSF prior approval.

The Investment Manager is authorised to act on behalf of the Company and to select agents, brokers and dealers through whom to execute transactions.

The Management Company, AXA Investment Managers GS Limited, BNP Paribas Dealing Services and AXA Investment Managers UK Ltd. are all part of the BNP Paribas Group.

Any change in the investment management or in the sub-investment management delegation by the Management Company or by the Investment Manager will be reflected in the next updated version of the Prospectus or its Appendices.

Depositary

State Street Bank International GmbH, Luxembourg Branch,
49, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

The rights and duties of the depositary (the "Depositary") are governed by the depositary agreement dated 18 March 2016 (the "**Depositary Agreement**"). In performing its obligations under the Depositary Agreement, the Depositary shall observe and comply with (i) Luxembourg laws, (ii) the Depositary Agreement and (iii) the terms of this Prospectus. Furthermore, in carrying out its role as depositary bank, the Depositary must act solely in the interest of the Company and of its shareholders.

State Street Bank International GmbH, acting through its Luxembourg Branch has been appointed as the Depositary of the Company within the meaning of the Law of 2010 pursuant to the Depositary Agreement. State Street Bank International GmbH is a limited liability company organized under the laws of Germany, having its registered office at Hansastrasse 29a, D-81373 München, Germany and registered with the commercial register

court, Munich under number HRB 42872. It is a credit institution supervised by the European Central Bank (ECB), the German Federal Financial Services Supervisory Authority (BaFin) and the German Central Bank. State Street Bank International GmbH, Luxembourg Branch is authorized by the CSSF in Luxembourg to act as Depositary and is specialized in Depositary, fund administration, and related services. State Street Bank International GmbH, Luxembourg Branch is registered in the Luxembourg Commercial and Companies' Register (RCS) under number B 148 186. State Street Bank International GmbH is a member of the State Street group of companies having as its ultimate parent State Street Corporation, a US publicly listed company.

Depositary's functions

Oversight duties

The relationship between the Company and the Depositary is subject to the terms of the Depositary Agreement. Under the terms of the Depositary Agreement, the Depositary is entrusted with following main functions:

- ensuring that the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with applicable law and the Articles.
- ensuring that the value of the Shares is calculated in accordance with applicable law and the Articles.
- carrying out the instructions of the Company unless they conflict with applicable law and the Articles.
- ensuring that in transactions involving the assets of the Company any consideration is remitted within the usual time limits.
- ensuring that the income of the UCITS is applied in accordance with applicable law and the Articles.
- monitoring of the Company's cash and cash flows.
- safe-keeping of the Company's assets, including the safekeeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

Depositary's liability

In the event of a loss of a financial instrument held in custody, determined in accordance with the UCITS Directive, and in particular Article 18 of the UCITS Regulation 2016/438 of 17 December 2015 supplementing Directive 2009/65/EC of the European Parliament and of the Council with regard to obligations of depositaries, the Depositary shall return financial instruments of identical type or the corresponding amount to the Company acting on behalf of the Company without undue delay.

The Depositary shall not be liable if it can prove that the loss of a financial instrument held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary pursuant to the UCITS Directive.

In case of a loss of financial instruments held in custody, the shareholders may invoke the liability of the Depositary directly or indirectly through the Company provided that this does not lead to a duplication of redress or to unequal treatment of the shareholders.

The Depositary will be liable to the Company for all other losses suffered by the Company as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Directive.

The Depositary shall not be liable for consequential or indirect or special damages or losses, arising out of or in connection with the performance or non-performance by the Depositary of its duties and obligations.

Delegation

The Depositary has full power to delegate the whole or any part of its safe-keeping functions but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depositary's liability shall not be affected by any delegation of its safe-keeping functions under the Depositary Agreement.

The Depositary has delegated those safekeeping duties set out in Article 22(5)(a) of the UCITS Directive to State Street Bank and Trust Company with registered office at One Congress Street, Suite 1, Boston, MA 02114-2016, USA, whom it has appointed as its global sub-custodian. State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network.

Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are available at the registered office of the Company or at the following internet site: [Subcustodians | StateStreet](#).

Conflicts of interest

The Depositary is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depositary or its affiliates engage in activities under the Depositary Agreement or under separate contractual or other arrangements. Such activities may include:

- (i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Company;
- (ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Company either as principal and in the interests of itself, or for other clients.

In connection with the above activities the Depositary or its affiliates

- (i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and, except as required by law, are not bound to disclose to the Company any such profits or compensation in any form, including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;
- (ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
- (iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Company;
- (iv) may provide the same or similar services to other clients including competitors of the Company and the fee arrangements it has in place will vary;
- (v) may be granted creditors' rights by the Company, e.g., indemnification, which it may exercise in its own interest.

The Company may use an affiliate of the Depositary to execute foreign exchange, spot or swap transactions for the account of the Company. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Company. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Company.

The affiliate shall enter into such transactions on the terms and conditions agreed with the Company.

Where cash belonging to the Company is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker. The Management Company may also be a client or counterparty of the Depositary or its affiliates.

Potential conflicts that may arise in the Depositary's use of sub-custodians include the following broad categories:

- (1) conflicts from the sub-custodian selection and asset allocation among multiple sub-custodians influenced by (a) cost factors, including lowest fees charged, fee rebates or similar incentives and (b) broad two-way commercial relationships in which the Depositary may act based on the economic value of the broader relationship, in addition to objective evaluation criteria;
- (2) sub-custodians, both affiliated and non-affiliated, act for other clients and in their own proprietary interest, which might conflict with clients' interests and the fee arrangements they have in place will vary;

- (3) sub-custodians, both affiliated and non-affiliated, have only indirect relationships with clients and look to the Depositary as its counterparty, which might create incentive for the Depositary to act in its self-interest, or other clients' interests to the detriment of clients; and
- (4) sub-custodians may have market-based creditors' rights against client assets that they have an interest in enforcing.

In carrying out its duties the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Company and its shareholders.

The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest to be properly identified, managed and monitored. Additionally, in the context of the Depositary's use of sub-custodians, the Depositary imposes contractual restrictions to address some of the potential conflicts and maintains due diligence and oversight of sub-custodians to ensure a high level of client service by those agents. The Depositary further provides frequent reporting on clients' activity and holdings, with the underlying sub-custodians subject to internal and external control audits. Finally, the Depositary segregates the Company's assets from its proprietary assets and follows a standard of conduct that requires employees to act ethically, fairly and transparently with clients.

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to shareholders on request.

Termination

Each of the Company or the Depositary may terminate the Depositary Agreement on 180 calendar days' prior written notice. The Depositary Agreement may also be terminated on shorter notice in certain circumstances. However, the Depositary shall continue to act as Depositary for up to two months pending a replacement depositary being appointed and until such replacement, the Depositary shall take all necessary steps to ensure the good preservation of the interests of the shareholders of the Company and allow the transfer of all assets of the Company to the succeeding depositary.

Disclaimer

The Depositary has no decision-making discretion relating to the Company's investments. The Depositary is a service provider to the Company and is not responsible for the preparation of this Prospectus, or the activities of the Company.

In accordance with the Law of 2010, the Management Company has entered into an operating memorandum with the Depositary to regulate the flow of information deemed necessary to allow the Depositary to perform its obligations under the Depositary Agreement and the Law of 2010.

Administrative Agent, Domiciliary, Corporate and Paying Agent and Registrar Agent

State Street Bank International GmbH, Luxembourg Branch,
49, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

With the consent of the Company, the Management Company has appointed State Street Bank International GmbH, acting through its Luxembourg Branch also as administrative, registrar and transfer agent and as domiciliary and paying agent of the Company (the "Administrative Agent") pursuant to the administration agreement dated 12 February 2007, amended on 31 March 2007, between the Management Company and the Administrative Agent (the "Administration Agreement").

The relationship between the Company, the Management Company and the Administrative Agent is subject to the terms of the Administration Agreement. Under the terms of the Administration Agreement, the Administrative Agent will carry out all general administrative duties related to the administration of the Company required by Luxembourg law: calculate the Net Asset Value per Share, maintain the accounting records of the Company, process all subscriptions, redemptions, conversions, and transfers of Shares, register these transactions in the register of shareholders as well as produce and/or deliver documents intended for investors. In addition, as registrar and transfer agent of the Company, the Administrative Agent is also responsible for collecting the required information and performing verifications on investors to comply with applicable anti-money laundering rules and regulations.

The Administrative Agent is not responsible for any investment decisions of the Company or the effect of such investment decisions on the performance of the Company.

The Administration Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than ninety (90) calendar days' prior written notice. The Administration Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of a material clause of the Administration Agreement. The Administration Agreement may be terminated by the Management Company with immediate effect if this is deemed by the Management Company to be in the interest of the investors. The Administration Agreement contains provisions exempting the Administrative Agent from liability and indemnifying the Administrative Agent in certain circumstances. However, the liability of the Administrative Agent towards the Management Company and the Company will not be affected by any delegation of functions by the Administrative Agent.

Auditors

PriceWaterhouseCoopers Assurance, Société coopérative Luxembourg, has been appointed as the Company's auditors. Its appointment is subject to approval at each Annual General Meeting.

Litigation

As at the date of this Prospectus, the Company is not engaged in any litigation or arbitration and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company.

Material Contracts

The following contracts have been entered into by the Company and/or the Management Company and are, or may be, material or contain indemnities in favour of the other parties thereto other than in respect of negligence or willful default.

- i. Management Company Services Agreement dated 12 February 2007 between the Company on the one part and the Management Company on the other part (the "Management Company Services Agreement"). The Management Company Services Agreement may be terminated upon 3 month's written notice.
- ii. Depositary Agreement dated 18 March 2016 between the Company on the one part and State Street Bank International GmbH, Luxembourg Branch, on the other part (the "Depositary Agreement").
- iii. Administration Agency, Domiciliary, Corporate and Paying Agency, Registrar and Transfer Agency Agreement dated 12 February 2007 as amended on 31 March 2007 between the Company and the Management Company on the one part and State Street Bank International GmbH, Luxembourg Branch on the other part.

Documents available for inspection

Copies of this document and of the following documents (together with a certified translation thereof where relevant) are available for inspection during usual business hours on any Business Day at the registered office of the

Company, 49, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, the offices of the Registrar Agent and at the offices of the distributors agents in other countries:

- i. the Articles;
- ii. the Prospectus and the Key Information Documents (KIDs);
- iii. the contracts referred to in the above section “Management and Administration of the Company”;
- iv. the relevant part of the Law of 1915 and the Law of 2010 under which the Company is incorporated;
- v. the latest annual and semi-annual reports of the Company as well as the accounts referred to under the heading “Reports”;
- vi. information regarding procedure on clients’ complaints handling.

Copies of the Articles and the latest available reports may also be obtained from the registered office of the Company.

A brief description of the strategy put in place by the Management Company for determining when and how voting rights attached to instruments held in the Company’s portfolio are to be exercised shall be made available to investors in particular by way of the website: www.axa-im.com.

It is the intention of the Company to update its Prospectus regularly. Investors are recommended to ensure they have the latest edition.

INVESTMENT OBJECTIVES AND POLICIES

The investment objective of the Company is to achieve a certain level of current income through investing directly or indirectly in a diversified range of securities throughout the markets of the world in accordance with the Sub-Funds’ investment objectives as described below as well as in each Appendix.

Each currently available Sub-Fund is classified, through its investment in its Master sub-fund, as Equity Sub-Fund.

Through their investments in their respective Master sub-fund, their objective is to achieve long-term capital growth, measured in the relevant Reference Currency, from actively managed portfolios of listed equity and equity-related securities or of derivative instruments on such securities. The investment policies of the Sub-Funds are structured so as to offer investors a clear choice of risk/reward profile.

There can be no assurance that the Company or Sub-Fund’s investment will be successful or that the investment objectives of the Company or Sub-Funds will be achieved.

Please refer to the section ‘General Risk Considerations’ following this section and to the relevant sections in Appendices for further risk considerations relating to any Sub-Fund.

RISK MANAGEMENT PROCESS

In accordance with the Law of 2010 and the applicable regulations, the Company shall use, a risk-management process which enables it to assess the exposure of each Sub-Fund to market, liquidity and counterparty risks, and to all other risks, including operational risks, which are material for the Sub-Funds.

As part of the risk management process, the Company uses the commitment approach to monitor and measure the global exposure of each Sub-Fund unless otherwise provided for under the relevant Appendix. This approach measures the global exposure related to positions on financial derivative instruments (“FDIs”) and other efficient portfolio management techniques which may not exceed the total net value of the portfolio of the relevant Sub-Fund.

The internal auditor of the Company, the Management Company and of the Investment Manager will verify the aforesaid procedures and the management control framework.

GENERAL RISK CONSIDERATIONS

As for any financial investment, potential investors should be aware that the value of the assets of the Sub-Funds may strongly fluctuate. The Company does not guarantee shareholders that they will not suffer losses resulting from their investments.

Equity Sub-Funds are generally more volatile than Bond Sub-Funds and Mixed Sub-Funds but may also achieve greater returns. Investors should be aware that equity-linked securities may comprise warrants and should refer below for risk considerations linked to warrants.

All Sub-Funds are potentially exposed (where applicable, through their Master sub-fund), to the general risks referred below. Risks generated by the use of hedging and income enhancement strategies may also apply (where applicable, indirectly through a Master sub-fund) to the Sub-Funds.

For specific risk considerations relating to any Sub-Fund, please refer to the “Special Risk Considerations” section.

1. Market risk

Some markets on which a Sub-Fund may invest may prove at times to be highly volatile or insufficiently liquid. This may affect significantly the market price of such a Sub-Fund’s securities and, therefore its Net Asset Value.

2. Risk of loss of capital

Except where the Prospectus explicitly references the existence of a capital guarantee at a given date, and subject to the terms thereof, no guarantee is made or supplied to investors with respect to the restitution of their initial or subsequent investments in a Sub-Fund.

Loss of capital may be due to direct exposure, counterparty exposure or indirect exposure (e.g. exposure to underlying assets through the use of derivative instruments, and, where applicable, securities lending and borrowing or repurchase agreement).

3. Equity risks

Shares’ prices on equity markets may fluctuate namely pursuant to investor’s expectations or anticipations, causing high potential volatility risk. Volatility on equity markets has historically been much greater than the volatility of fixed income markets. Should the price of Shares fall within the Sub-Fund’s portfolio, the Net Asset Value will also fall.

4. Interest Rates

The market value of financial instruments and, therefore, the Net Asset Value of the concerned Sub-Funds may change in response to fluctuations in interest rates.

Interest rate risk involves the risk that, when interest rates increase, the market value of fixed-income securities tends to decline. Conversely, when interest rates decline, the market value of fixed-income securities tends to increase. As a result, the Net Asset Value may be adversely affected. Long-term fixed-income securities will normally have more price volatility because of this risk than short-term securities.

5. Foreign exchange/currency risk at portfolio level

Certain Sub-Funds may invest in foreign securities, i.e. securities denominated in currencies different from the Reference Currency in which the Sub-Funds are denominated.

Movements of foreign exchange rates affect the value of securities held by such Sub-Funds, as expressed in the Sub-Funds’ Reference Currency, and bring additional volatility.

If the currency in which a security is denominated appreciates in relation to the Reference Currency of the Sub-Fund, the exchange value of the security in the Reference Currency will appreciate; conversely, a depreciation of the denomination currency will lead to a depreciation in the exchange value of the security and may adversely affect the Net Asset Value of the Sub-Fund.

In the circumstances when the Investment Manager intends to hedge the currency exchange risk of a transaction, there is no guarantee that such hedging strategy will be effective and that such hedging be a perfect hedge. In adverse situation, the Sub-Fund may suffer significant losses.

The successful execution of a hedging strategy which mitigates exactly this risk cannot be assured. The implementation of the hedging strategy described above may generate additional costs for the Sub-Fund.

6. Foreign exchange/currency risks at Share Classes level

Certain Sub-Funds may have Share Classes denominated in currencies different from the Reference Currency in which the Sub-Funds are denominated. When the concerned Share Class is not hedged, the value of such Share Classes follows fluctuations of the exchange rate between the Share Class' currency and the Sub-Funds' Reference Currency. Therefore, this can generate additional volatility at Share Classes level. In the circumstances when the Investment Manager intends to hedge the currency exchange risk of a Share Class, there is no guarantee that such hedging strategy will be effective and that such hedging be a perfect hedge.

7. Credit Risks

The ability of the issuer of securities to honor its commitments depends on the financial condition of the issuer. An adverse change in the financial condition of the issuer could lower the quality of the securities, leading to greater price volatility of the securities. The Sub-Fund may be subject to the risk that the issuer of securities not making payment on interest and principal of the securities, causing the value of the investment to go down. In the event of the default of the issuer of securities, the Sub-Fund may experience both delays in liquidating the securities and losses including a decline in value of the securities during the period when the Sub-Fund seeks to enforce its rights and the Sub-Funds may suffer substantial losses.

In addition, downgrades of a rating of securities issue or issuer may lead to a drop in the value of securities in which the Sub-Fund has invested and subsequently a drop in the Net Asset Value of the Sub-Fund. Such securities may have less liquidity, making it more difficult to sell and their values may be more volatile.

Issuers include but are not limited to corporates, banks, sovereign or special purpose vehicle depending on the security. Securities include but are not limited to obligations, Notes, Asset Backed Securities, Collateralised Debt Obligations.

8. Concentration Risks

The Sub-Funds may focus their investments in certain companies, groups of companies, sectors of the economy, countries or geographical regions, or ratings. This may lead to adverse consequences for such Sub-Funds when such companies, sectors, countries or rating become less valued.

9. Risks associated with derivative transactions

Certain Sub-Funds may engage in derivatives transactions as part of their investment strategy for hedging and efficient portfolio management purpose. These strategies currently include the use of listed and financial derivative instruments dealt in over-the-counter ("OTC derivatives"), including but not limited to futures and forward contracts, swaps, options and warrants.

These instruments are volatile and may be subject to various types of risks, including but not limited to market risk, liquidity risk, credit risk, counterparty risk, legal risk and operations risks.

Furthermore, there may be an imperfect correlation between derivatives instruments used as hedging vehicles and the investments or market sectors to be hedged. This might result in an imperfect hedge of these risks and a potential loss of capital.

In addition, the use of derivatives can involve significant economic leverage and may, in some cases, involve significant risks of loss. The low initial margin deposits normally required to establish a position in such instruments permits leverage. As a result, a relatively small movement in the price of the underlying contract may result in a profit or a loss that is high in proportion to the amount of assets actually placed as initial margin and may result in unlimited further loss exceeding any margin deposited. Unless otherwise provided for in the relevant Appendix of the Sub-Funds, the global exposure to the said instruments may not exceed 100% of the Net Asset Value of the relevant Sub-Fund in the case of Sub-Funds using the commitment approach in order to control the market risk associated with the use of derivatives instruments. Accordingly, the global risk associated with the investments of such Sub-Funds may amount to 200% of the Net Asset Value of the Sub-Fund. As temporary borrowings may be allowed up to a maximum of 10%, the global risk may never exceed 210% of the Net Asset Value of the relevant Sub-Fund. For Sub-Funds using the Value-at-Risk approach, the risk associated with the use of derivatives instruments may not cause the Sub-Fund to exceed the level of value-at-risk indicated if applicable in the relevant Appendix of each Sub-Fund in order to control the risk associated with the use of said instruments.

Also, the ability to use these strategies may be limited by market conditions and regulatory limits and there can be no guarantee that any of these strategies will meet their expected target.

10. Counterparty risks

Some Sub-Funds are exposed to counterparty risks associated to counterparties with which, or brokers, dealers and exchanges through which, they deal, whether they engage in exchange-traded or OTC transactions. This is the risk of default (or counterparty's failure to perform any of its obligations) of any counterparties of the Sub-Funds. The counterparty's default (or the counterparty's failure to perform any of its obligations) under these transactions may have a material adverse effect on the Net Asset Value of the Sub-Funds.

In the case of insolvency or failure of any such party, such Sub-Funds might recover, even in respect of property specifically traceable to it, only a pro rata share of all property available for distribution to all of such party's creditors and/or customers. Such an amount may be less than the amounts owed to the Sub-Fund. The Sub-Fund may suffer significant losses.

11. Risks linked to securities lending and repurchase or reverse repurchase agreement transactions

Sub-Funds entering into securities lending and repurchase or reverse repurchase agreement transactions 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, which may result in significant losses.

12. Collateral management

Counterparty risk arising from investments in OTC financial derivative instruments and, where applicable, securities lending, repurchase and reverse repurchase agreements is generally mitigated by the transfer or pledge of collateral in favour of the relevant Sub-Fund. However, transactions may not be fully collateralised. Fees and returns due to such Sub-Fund may not be collateralised. If a counterparty defaults, the Sub-Fund may need to sell non-cash collateral received at prevailing market prices. In such a case, the Sub-Fund could realise a loss due, inter alia, to inaccurate pricing or monitoring of the collateral, adverse market movements, deterioration in the credit rating of issuers of the collateral or illiquidity of the market on which the collateral is traded. Difficulties in selling collateral may delay or restrict the ability of the Sub-Fund to meet redemption requests.

A Sub-Fund may also incur a loss in reinvesting cash collateral received, where permitted. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty as required by the terms of the

transaction. The Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund.

13. Risks linked to securities financing transactions (temporary purchase and sale of securities) and risks linked to financial guarantees (collateral)

Securities Financing Transactions (SFT) and related collateral may create risks for the relevant Sub-Fund such as i) counterparty risk (as described above), ii) legal risk, iii) custody risk, iv) liquidity risk (i.e. risk resulting from the difficulty to buy, sell, terminate or value an asset or a transaction due to a lack of buyers, sellers, or counterparties), and, if relevant, v) risks arising from the reuse of such collateral (i.e. mainly the risk that such collateral posted by the Sub-Fund might not be returned due to the failure of the counterparty for example).

14. Liquidity risks

Some markets, on which the Sub-Funds may invest, may prove at time to be insufficiently liquid or illiquid. This affects the market price of such Sub-Funds' securities and therefore their Net Asset Value.

Furthermore, there is a risk that, because of a lack of liquidity and efficiency in certain markets due to unusual market conditions or unusual high volumes of repurchase requests or other reason, the Sub-Funds may experience some difficulties in purchasing or selling holdings of securities and, therefore, meeting subscriptions and redemptions in the time scale indicated in the Prospectus.

In such circumstances, the Management Company may, in accordance with the Company's Articles and in the investors' interest, suspend subscriptions and redemptions or extend the settlement timeframe.

15. Management risk

For any given Sub-Fund, there is a risk that investment techniques or strategies are unsuccessful and may incur losses for the Sub-Fund. Shareholders will have no right or power to participate in the day-to-day management or control of the business of the Sub-Fund, nor an opportunity to evaluate the specific investments made by the Sub-Fund or the terms of any of such investments.

Past performance is not a reliable indicator as to future performance. The nature of and risks associated with the Sub-Fund's future performance may differ materially from those investments and strategies historically undertaken by the portfolio manager. There can be no assurance that the portfolio manager will realise returns comparable to those achieved in the past or generally available on the market.

16. Political, regulatory, economic and convertibility risks

Some geographical areas in which the Company may invest (including but not limited to Asia, the Eurozone and the US) 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. In such contexts, volatility, liquidity, credit, and currency risks may increase and adversely impact the Net Asset Value of the Company.

17. Cash

Under the UCITS Directive, cash is to be considered as a third category of assets beside financial instruments and other assets, where the UCITS V Directive related obligations are only those covered by the cash flow monitoring obligations. On the other side, non-short-term cash deposits could be considered as an investment and consequently should fall within the category of other assets.

18. Central Securities Depositories

In accordance with the UCITS Directive, entrusting the custody of the Company's assets to the operator of a securities settlement system ("SSS") is not considered as a delegation by the Depository and the depository is exempted from the strict liability of restitution of assets. A central securities depository ("CSD") being a legal person that operates a SSS and provides in addition other core services should not be considered as a delegate of the Depository irrespective of the fact that the custody of the Company's assets has been entrusted to it. There is however some uncertainty around the meaning to be given to such exemption, the scope of which may be interpreted narrowly by some supervisory authorities, notably the European supervisory authorities.

19. Sustainability Risks

The Company uses an approach to Sustainability Risks that is derived from the deep integration of ESG criteria in its research and investment processes. For all the Sub-Funds within the Company and according to the investment strategy of each Sub-Fund, it has implemented a framework to integrate Sustainability Risks in investment decisions based on sustainability factors which relies notably on:

- Sectorial or/and normative exclusions
- ESG scoring methodologies.

Sectorial and normative exclusions In order to manage ESG and sustainability tail-risks, the Company has implemented a series of exclusion-based policies. These policies are aimed at managing ESG and sustainability tail-risks, with a focus on:

- E: Climate (coal and tar sands), Biodiversity (Ecosystem Protection and Deforestation),
- S: Health (Tobacco) and Human Rights (Controversial and White Phosphorus Weapons, violations of international norms and standards, countries with severe human rights violations)
- G: corruption (violations of international norms and standards, controversies and violation of United Nation Global Compact principles).

All Sub-Funds have implemented the following sectorial exclusions: Controversial Weapons, Soft Commodities, Ecosystem Protection and Deforestation, Climate Risks and Tobacco.

Sub-Funds which have ESG characteristics or which have Sustainable Investment as their objective have implemented additional ESG exclusions (White Phosphorus Weapons, severe violations of international norms and standards, breach of United Nation Global Compact principles, severe controversies, countries with severe human rights violations, low ESG quality).

All these exclusion policies aim to systematically address the most severe Sustainability Risks into the investment decision-making process. They may evolve over time. Detail of the restrictions and related criteria is available at: Exclusion policies - AXA IM Global (axa-im.com)

ESG scoring AXA IM has implemented scoring methodologies to rate issuers on ESG criteria (corporates, sovereigns, green, social and sustainability bonds).

These methodologies are based on quantitative data from several data providers and have been obtained from non-financial information published by issuers and sovereigns as well as internal and external research. The data used in these methodologies include carbon emissions, water stress, health and safety at work, supply chain labour standards, business ethics, corruption and instability. AXA IM rates issuers on ESG criteria (corporates and sovereigns) based on quantitative data and/or qualitative assessment from internal and external research including data on carbon emissions, water stress, health and safety at work, supply chain labour standards, business ethics, corruption and instability. These ESG scores provide 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 corporate scoring methodology 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 in order 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.

One of the main limitations of this approach is related to the limited availability of data relevant to assess Sustainability Risks: such data is not yet systematically disclosed by issuers, and when disclosed may follow various methodologies. The investor should be aware that most of the ESG factors information is based on historical data and that they may not reflect the future ESG performance or risks of the investments.

For more details on the approach of integration of Sustainability Risks in investment decisions and the assessment of the likely impact of Sustainability Risks on each Sub-Fund's returns, please refer to the SFDR section of www.axa-im.com.

SPECIAL RISK CONSIDERATIONS

For specific risk considerations applicable to any Sub-Fund (where applicable, through its Master sub-fund), please refer to the relevant paragraphs in the Appendices.

1. Risk linked to investments in Emerging Markets countries

Some of the securities held in the concerned Sub-Fund may involve a greater degree of risk than generally associated with similar investments in major securities markets, due, in particular, to political and regulatory factors, as described hereunder.

The prospects for economic growth in a number of these markets are considerable and returns have the potential to exceed those in mature markets where growth is achieved. Investments in Emerging Markets countries offer diversification opportunities as correlations between those markets and other markets could be quite low. However, price and currency volatility are generally higher in Emerging Markets countries.

Emerging Markets countries' securities may be substantially less liquid and more volatile than those of mature markets. Securities of companies located in Emerging Markets countries may be held by a limited number of persons. This may adversely affect the timing and pricing of the Sub-Funds' acquisition or disposal of securities.

Practices in relation to settlement of securities transactions in Emerging Markets countries involve higher risks than those in developed markets, in part because the Sub-Funds will need to use brokers and counterparties, which are less well capitalised, and custody and registration of assets in some countries may be unreliable. However, the Depositary is responsible for the proper selection and supervision of its correspondent banks in all relevant markets, in accordance with Luxembourg law and regulations. The Company will seek, where possible, to use counterparties, whose financial status is such that this risk is reduced. However, there can be no certainty that the Company will be successful in eliminating this risk for the Sub-Funds, particularly as counterparties operating in Emerging Markets countries frequently lack the substance or financial resources of those in developed countries.

The legal infrastructure, in certain countries in which investments may be made, may not provide with the same degree of investors' protection or information to investors, as would generally apply to major securities markets. Generally accepted accounting, auditing and financial reporting practices in Emerging Markets countries may be significantly different from those in developed markets. Compared to mature markets, some Emerging Markets countries may have a low level of regulations, enforcement of regulations and monitoring of investors' activities. Those activities may include practices such as trading on material non-public information.

Some governments exercise substantial influence over the private economic sector and investments may be affected by political and economic instability. In adverse social and political circumstances, governments have been involved in policies of expropriation, confiscatory taxation, nationalisation, intervention in the securities market and trade settlement and imposition of foreign investment restrictions and exchange controls, and these could be repeated in the future. In addition to withholding taxes on investment income, some Emerging Markets countries may impose differential capital gain taxes on foreign investors.

As per example, in a number of emerging markets, registrars are not subject to effective government supervision, nor are they always independent from issuers. The possibility of fraud, negligence, undue influence being exerted by the issuer or refusal to recognise ownership exists, which, along with other factors, could result in the registration of a shareholding being completely lost. Therefore, investors should be aware that the Sub-Funds may suffer loss arising from these registration problems and may have no successful claim for compensation.

2. Risks associated with the China market risk

Some Sub-Funds may invest in the Chinese domestic market.

Investing in the securities markets in the PRC is subject to the risks of investing in Emerging Markets countries with a greater degree of risk than generally associated with similar investments in major securities markets, due, in particular, to political and regulatory factors, as described hereunder.

China domestic Securities may be substantially less liquid and more volatile than those of mature markets. This may adversely affect the timing and pricing of the Sub-Fund's acquisition or disposal of securities.

The existence of a liquid trading market for China A-shares may depend on whether there is a supply of, and demand for such China A-Shares. Securities exchanges in China typically have the right to suspend or limit trading in any security traded on the relevant exchange. In particular, trading band are imposed by the stock exchanges in China on China A-Shares, where trading in any China A-Share security on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Investment Manager to liquidate positions and can thereby expose the concerned Sub-Fund to losses. Further, when the suspension is subsequently lifted, it may not be possible for the Investment Manager to liquidate positions at a favorable price. The price at which securities may be purchased and sold by the Sub-Fund and the Net Asset Value of a Sub-Fund may be adversely affected if trading markets for China A-Shares are limited or absent.

Many of the PRC economic reforms are subject to adjustment and modification that may not always have a positive effect on foreign investment in the PRC market.

The legal infrastructure in PRC may not provide with the same degree of investors' protection or information to investors, as would generally apply to major securities markets. The recognized accounting, auditing, financial reporting practices and regulatory requirements may be significantly different from those in developed markets. Further, regulations continue to develop and may change quickly which may further delay redemptions or restrict liquidity.

PRC government may also exercise substantial influence over the private economic sector and investments may be affected by political and economic instability. The PRC government is entitled to apply nationalization, expropriation, confiscatory levels of taxation and currency blockage. Such event could adversely affect the interests of the Company and there is no assurance that such events will not occur in the future.

Moreover, factors such as PRC government policy, fiscal policy, interest rates, inflation, investor sentiment, the availability and cost of credit, the liquidity of the PRC financial markets and the level and volatility of equity prices could significantly affect the value of the Company's underlying investments and thus its share price.

Practices in relation to settlement of securities transactions involve higher risks than those in developed markets, in part because the Company needs to use local brokers, depositary and counterparties subject to different regulations compared to the other international developed markets. However, the Depositary is responsible for the proper selection and supervision of its correspondent banks in all relevant markets, in accordance with Luxembourg law and regulations. The Company will seek, where possible, to use counterparties whose financial status is such that this risk is reduced.

Moreover, as securities purchase transactions in China markets may require cash to be available in the custody account before trading there may be a time lag before market exposure can be obtained after the pricing point of a subscription; consequently the Sub-Fund may be under-exposed and subject to performance dilution risk, i.e. if markets rise between the day of the pricing point of the subscription into the fund and the day the fund is able to invest, shareholders may see their performance diluted. Conversely, if markets fall between those two dates, shareholders may benefit.

Both the Shanghai and Shenzhen securities markets are in the process of development and change. This may lead to trading volatility, difficulty in the settlement and recording of transactions and difficulty in interpreting and applying the relevant regulations. The PRC government has been developing a comprehensive system of commercial laws and considerable progress has been made in the promulgation of laws and regulations dealing with economic matters such as corporate organization and governance, foreign investment, commerce, taxation and trade. Because these laws, regulations and legal requirements are relatively recent, their interpretation and enforcement involve uncertainties.

Investments in the PRC will be sensitive to any significant change in political, social or economic policy in the PRC. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments.

3. Risks associated with PRC tax consideration

Regarding the investment in the Chinese domestic market, some Sub-Funds may be affected by some tax considerations.

Under the prevailing PRC tax policy, there are certain tax incentives available to PRC companies with foreign investments. There can be no assurance, however, that the aforesaid tax incentives will not be abolished in the future. In addition, the Company may be subject to withholding and other taxes imposed in the PRC. The value of the Company's investments will be affected by taxation levied through the Investment Manager's QFI regime or through the Stock Connect, which the Company will be required to reimburse to the Investment Manager.

The tax laws, regulations and practice in the PRC are subject to change, and may be changed with retrospective effect. The interpretation and applicability of the tax law and regulations by PRC tax authorities are not as clear and transparent as those of more developed countries and may vary from region to region. In particular, effective from 17 November 2014 the PRC tax authorities have temporarily suspended the income tax payable on capital gains arising from securities trading of QFIs and of the Stock Connect. Relevant tax authorities may in the future re-activate such a tax or withholding tax on realized gains by the QFI's Sub-Fund and through the Stock Connect from dealing in PRC securities. In light of this uncertainty and in order to meet this potential tax liability for capital gains, the Management Company reserves the right to provide for the tax on such gains and withhold the tax for the account of the Company. With respect to any provisions for tax which may become payable by the Company, the assessment of the likelihood of materializing and activating such provisions is performed by the Management Company at its sole discretion. The amount of any such tax provision will be disclosed in the accounts of the Company. If the actual applicable tax levied by PRC tax authorities is greater than that provided for by the Company so that there is a shortfall in the tax provision amount, investors should note that the Net Asset Value of the

Company may suffer more than the tax provision amount as the Company will ultimately have to bear the additional tax liabilities. In this case, the existing and new shareholders will be disadvantaged. On the other hand, if the actual applicable tax levied by PRC tax authorities is less than that provided for by the Company so that there is an excess in the tax provision amount, shareholders who have redeemed the shares before PRC tax authorities' ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Company's overprovision. In this case, the existing and new shareholders may benefit if the difference between the tax provision and the actual taxation liability can be returned to the account of the Company as assets thereof. In addition, the value of the Company's investment in the PRC and the amount of its income and gains could also be adversely affected by an increase in rates of taxation or changes in the basis of taxation.

4. RMB currency risk

A majority of the concerned Sub-Fund's assets will be invested into investments denominated in RMB. There can be no assurance that RMB will not be subject to devaluation or revaluation. These may expose the Sub-Fund to exchange rate fluctuation and currency risk. RMB is currently not a freely convertible currency and subject to exchange controls and restrictions, the concerned Sub-Fund may be subject to higher transaction costs associated with currency conversion.

5. Risks associated with the investment through the Stock Connect program

Some Sub-Funds may invest in the Chinese domestic market through the Stock Connect program.

Regulatory risk

The current regulations are subject to change and there can be no assurance that the Stock Connect will not be abolished. New regulations may be issued from time to time by the regulators/stock exchanges in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Stock Connect. The concerned Sub-Fund may be adversely affected as a result of such changes.

Investment limitations

The Stock Connect is subject to quota limitations on daily basis. In particular, once the remaining balance of the relevant quota drops to zero or the daily quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance) and there is no certainty that the quota might be extended in the future. Therefore, quota limitations may restrict the concerned Sub-Fund's ability to invest in A-Shares through the Stock Connect on a timely basis, and the concerned Sub-Fund may not be able to effectively pursue its investment strategy.

In addition, stock may be recalled from the scope of eligible stocks for trading via the Stock Connect and in such a case the stock can only be sold but restricted from being bought. This may affect the ability of the Sub-Fund to implement its investment strategy.

It is contemplated that Hong Kong stock exchange and PRC stock exchanges markets would reserve the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension is effected, the concerned Sub-Fund's ability to access the PRC market via Stock Connect will be adversely affected.

The Stock Connect will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC market but the concerned Sub-Fund cannot carry out any A-Shares trading via the Stock Connect where that day is not a trading day in Hong Kong. The concerned Sub-Fund may be subject to a risk of price fluctuations in A-Shares during the time when the Stock Connect is not trading as a result.

Pre-trade checking

PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise the Chinese Market Stock Exchange will reject the sell order concerned. Pre-trade checking will be carried out on A-Share sell orders to ensure there is no over-selling.

Operational risk

The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. The securities regimes and legal systems of Hong Kong stock exchange and PRC stock exchanges differ significantly and market participants may need to address issues arising from the differences on an on-going basis.

There is no assurance that the system of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. The concerned Sub-Fund's ability to access the A-Share market via the Stock Connect (and hence to pursue its investment strategy) may be adversely affected.

Execution issues

Stock Connect trades may, pursuant to the Stock Connect rules, be executed through one or multiple brokers. Given the pre-trade checking requirements, the Investment Manager may determine that it is in the interest of the concerned Sub-Fund that it only executes Stock Connect trades through a broker who is affiliated to the Company's sub-custodian that is an exchange participant. In that situation, whilst the Investment Manager will be cognizant of its best execution obligations, it will not have the ability to trade through multiple brokers and any switch to a new broker will not be possible without a commensurate change to the Company's sub-custody arrangements.

Ownership of Stock Connect securities

The recognition of the concerned Sub-Fund's ownership on the Stock connect securities will be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign shareholding restriction. 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.

6. Risks of global investments

Investments in foreign securities, i.e. securities denominated in a currency different from the Sub-Fund's Reference Currency, offer potential benefits not available from investments solely in securities denominated in the Sub-Fund's Reference Currency. However, it also involves significant risks that are not typically associated with investing in securities denominated in the Sub-Fund's Reference Currency. Indeed, foreign investments may be affected by movements of exchange rates, changes in laws or restrictions applicable to such investments and changes in exchange control regulations (e.g. currency blockage).

In addition, if a Sub-Fund offers unhedged currency Share Classes denominated in a currency different from the Sub-Fund's Reference Currency, the investor is exposed to foreign exchange risks at Share Class level as the value of this kind of Shares depends from the prevailing spot foreign exchange rate between the two currencies.

Issuers are generally subject to different accounting, auditing and financial reporting standards in different countries throughout the world. The volume of trading, the volatility of prices and the liquidity of issuers may vary in the markets of different countries. In addition, the level of government supervision and regulation of securities exchanges, securities dealers and listed and unlisted companies is different throughout the world. The laws of some countries may limit the Sub-Fund's ability to invest in securities of certain issuers located in those countries.

Different markets have different clearance and settlement procedures. Delays in settlement could result in temporary periods when a portion of the Sub-Fund's assets is un-invested and no return is earned thereon. The inability of the Sub-Fund to make intended securities purchases due to settlement problems could cause the Sub-Fund to miss attractive investments opportunities. Inability to dispose of Sub-Fund's securities due to settlement problems could result either in losses to the Sub-Fund, due to subsequent declines in value of the Sub-Fund's securities, or, if the Sub-Fund has entered into a contract to sell the securities, could result in possible liability to the purchaser.

With respect to certain countries, there is a possibility of expropriation or confiscatory taxation, imposition of withholding taxes on dividend or interest payments, limitations on the removal of Sub-Funds or other assets of the Sub-Funds, political or social instability or diplomatic developments, which could affect investments in those countries.

An issuer of securities may be domiciled in a country other than a country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, are expected to change independently of each other. Investments in sovereign debt obligations by the Sub-Funds involve risks not present in debt obligations of corporate issuers. The issuer of the debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or interest, when due in accordance with the terms of such debt, and the Sub-Funds may have limited recourse to compel payment in the event of a default.

Periods of economic uncertainty may result in volatility of market prices of sovereign debt and in turn the Sub-Fund's Net Asset Value. A sovereign debtor's willingness or ability to repay principal and pay interests in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign currency reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the sovereign debtor's policy toward international lenders and the political constraints to which a sovereign debtor may be subject.

7. Derivatives risk and leverage

Certain Sub-Funds may use both listed (including but not limited to futures and options) and/or OTC derivatives (including but not limited to options, forwards, interest rate swaps and credit derivatives) as part of their investment strategy for investment and/or hedging and/or efficient portfolio management purposes, but also, as applicable, repurchase, reverse repurchase or securities lending agreement.

These instruments are volatile and may be subject to various types of risks, including but not limited to market risk, liquidity risk, credit risk, counterparty risk, legal risk and operations risks. In addition, the use of derivatives can involve significant economic leverage and may, in some cases, involve significant risks of loss. The low initial margin deposits normally required to establish a position in such instruments permits leverage. As a result, a relatively small movement in the price of the contract and/or of one of its parameters may result in a profit or a loss that is high in proportion to the amount of assets actually placed as initial margin and may result in unlimited further loss exceeding any margin deposited. Investments in OTC derivatives may have limited secondary market liquidity and it may be difficult to assess the value of such a position and its exposure to risk. There can be no guarantee that strategies using derivatives instruments will meet this expected target. Furthermore, when used for hedging purposes, there may be an imperfect correlation between these instruments and the investments or market sectors being hedged.

Transactions in over-the-counter derivatives, such as credit derivatives, may involve additional risk, as there is no exchange market on which to close out an open position. It may be difficult to assess the value of a position and its exposure to risk or to liquidate an existing position.

In addition to derivative instruments, the Investment Manager may use repurchase or securities lending agreement in the investment program of certain Sub-Funds. These techniques may increase the leverage of such Sub-Fund and its volatility. Moreover, the costs associated with leverage and borrowings will affect the operating results of the Sub-Fund.

Whether any margin deposit will be required for OTC options and other OTC instruments, such as currency forwards, swaps and certain other derivative instruments will depend on the credit determinations and specific agreements of the parties to the transaction, which are individually negotiated.

8. Risks linked to investments in specific countries or geographical zones

Sub-Funds concentrating their investments in certain countries or geographical regions are therefore subject to the risks associated with concentrating investments in regions. This type of strategy may lead to adverse consequences when target markets drop or encounter liquidity issues.

9. Risks linked to investments in small and/or micro capitalisation universe

Investing in the small and/or micro capitalisation universe implies specific liquidity risk. The possible lack of a liquid market may inhibit the ability of the relevant Sub-Funds to purchase or sell such investment at an advantageous price. The Net Asset Value of the Sub-Funds may be adversely affected.

10. Convertible Securities Risk

Certain Sub-Funds may invest in convertible securities which are corporate securities generally offering fixed interest or dividend yields which may be converted either at a stated price or stated rate for common or preferred stock at specified times during the life of the convertible securities. Although to a lesser extent than with fixed income securities generally, the market value of convertible securities tends to decline as interest rates rise. Because of the conversion feature, the market value of convertible securities also tends to vary with fluctuations in the market value of the underlying common or preferred stock. Convertible bonds may also have call provisions and other features which may give rise to the risk of a call. The value and performance of the Sub-Fund may also be adversely affected as a result.

Investments in convertible securities are subject to the same interest rate risk, credit and prepayment risks associated with comparable conventional corporate bonds. Price changes in fixed-interest securities are influenced significantly by interest rate developments in the capital markets, which in turn are influenced by macro-economic factors. The values of convertible securities also may be affected by changes in the credit rating, liquidity or financial condition of the issuer. The Sub-Fund may also be exposed to the credit and insolvency risks of the issuers of the securities. The Net Asset Value of the Sub-Fund may be adversely affected.

11. Risks linked to method and model

In seeking to achieve certain Sub-Funds' investment objectives, the relevant Investment Manager may use outcomes generated by proprietary quantitative analytical models owned and operated by the relevant Investment Managers' group of companies. Quantitative modelling is a very complex process involving hundreds of thousands of data points and settings encoded in computer software, and the Investment Manager and its affiliates review these codes and the various components to the models with a view to ensuring that they are appropriately adapted and calibrated to reflect the Investment Manager's view as to the potential implications of evolving external events and factors, including constantly changing economic, financial market and other conditions. This process involves the exercise of judgments and a number of inherent uncertainties. The Investment Manager's view, including those related to the optimal configuration, calibration and adaptation of the models, may change over time depending on evolving circumstances, on information that becomes available to the Investment Manager and its affiliates and on other factors.

While the Investment Manager attempts to ensure that the models are appropriately developed, operated and implemented on a continuing basis, sub-optimal calibrations of the models and similar issues may arise from time to time, and neither the Investment Manager nor any of its affiliates can guarantee that the models are in an optimal state of calibration and configuration at all times. Further, inadvertent human errors, trading errors, software development and implementation errors, and other types of errors are an inherent risk in complex quantitative investment management processes of the type the Investment Manager employs. While the Investment Manager's

policy is to promptly address any such errors when identified, there can be no guarantee that the overall investment process will be without error or that it will produce the desired results. There can be no guarantee that the Investment Managers will be able to implement its quantitative strategies on an ongoing basis.

12. 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 comparable funds that do not use ESG or sustainability criteria. The selection of assets may in part rely on a 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.

INVESTMENT RESTRICTIONS

The Company shall, based upon the principle of risk spreading, have power to determine the investment policy for the investments for each Sub-Fund.

The Board may impose additional investment guidelines for each Sub-Fund from time to time, for instance where it is necessary to comply with local laws and regulations in countries where Shares are distributed. In the case of any detected violation of the investment restrictions of the Law of 2010 applicable at the level of a Sub-Fund, the Management Company/Investment Manager must make compliance with the relevant policies a priority in its securities trades and management decisions for the Sub-Fund, taking due account of the interests of Shareholders.

For the purpose of this section, each Sub-Fund should be regarded as a separate UCITS.

Except to the extent that more restrictive rules are provided for in connection with a specific Sub-Fund as described in the relevant Appendices, the investment policy of each Sub-Fund shall therefore comply with the rules and restrictions laid down hereafter:

A. Investments in the Company shall comprise only one or more of the following:

- (1) Transferable Securities and Money Market Instruments listed or dealt in on a Regulated Market;
- (2) Transferable Securities and Money Market Instruments dealt in on an Other Regulated Market in a Member State;
- (3) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in an Other State or dealt in on an Other Regulated Market in an Other State;
- (4) Recently issued Transferable Securities and Money Market Instruments, provided that:
 - i. the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market, a stock exchange in an Other State or on an Other Regulated Market as described under (1)-(3) above;
 - ii. such admission is secured within one year of the issue.

(5) Units of UCITS and/or other UCIs, up to 10% of its net assets (unless otherwise specified by the investment policies of a specific Sub-Fund as described in the Appendices), within the meaning of items a) and b) of Article 1 (2) of the UCITS Directive, whether situated in a Member State or in an Other State, provided that:

- i. such other UCIs are authorized under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;
- ii. the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;
- iii. the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
- iv. no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;

(6) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in an Other State, provided that it is subject to prudential rules considered by the Regulatory Authority as equivalent to those laid down in EU law. If a description of a Sub-Fund's investment policy is related to deposits, such reference means deposits under this item (f) / article 41 (1) of the Law of 2010 (excluding Cash);

(7) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a Regulated Market, stock exchange in an Other State or on an Other Regulated Market referred to in (1), (2) and (3) above, and/or OTC derivatives, provided that:

- (i)
 - a) the underlying consists of instruments covered by this Section A., financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund may invest according to its investment objectives;
 - b) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Regulatory Authority; and
 - c) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative;
- (ii) Under no circumstances shall these operations cause the Company to diverge from its investment objectives.

(8) Money Market Instruments other than those dealt in on a Regulated Market or on an Other Regulated Market, to the extent that the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:

- i. issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, an Other State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or
- ii. issued by an undertaking any securities of which are dealt in on Regulated Markets or on Other Regulated Markets referred to in (1), (2) or (3) above; or

- iii. issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the Regulatory Authority to be at least as stringent as those laid down by EU law; or
- iv. issued by other bodies belonging to the categories approved by the Regulatory Authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (10,000,000 EUR) and which presents and publishes its annual accounts in accordance with directive 78/660/EEC, is an entity which, within a Group of Companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

B. Each Sub-Fund may however:

(1) Invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to above under A. (1) through (4) and (8).

(2) Hold Cash (limited to deposits on sight and limited to 20% of the Sub-Fund's assets); such restriction may exceptionally and temporarily be exceeded if the Directors consider this to be in the best interest of the shareholders.

(3) Borrow up to 10% of its net assets, provided that such borrowings are made only on a temporary basis. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction.

(4) Acquire foreign currency by means of a back-to-back loan.

C. In addition, the Company shall comply in respect of the net assets of each Sub-Fund with the following investment restrictions per issuer:

(a) Risk Diversification rules

For the purpose of calculating the restrictions described in (1) to (5) and (8) hereunder, companies which are included in the same Group of Companies are regarded as a single issuer.

To the extent an issuer is a legal entity with multiple sub-funds where the assets of a sub-fund are exclusively reserved to the investors in such sub-fund and to those creditors whose claim has arisen in connection with the creation, operation and liquidation of that sub-fund, each sub-fund is to be considered as a separate issuer for the purpose of the application of the risk spreading rules described under items (1) to (5), (7) to (9) and (12) to (14) hereunder.

• **Transferable Securities and Money Market Instruments**

(1) No Sub-Fund may purchase additional Transferable Securities and Money Market Instruments of any single issuer if:

- (i) upon such purchase more than 10% of its net assets would consist of Transferable Securities and Money Market Instruments of one single issuer; or
- (ii) the total value of all Transferable Securities and Money Market Instruments of issuers in which it invests more than 5% of its net assets would exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

(2) A Sub-Fund may invest on a cumulative basis up to 20% of its assets in Transferable Securities and Money Market Instruments issued by the same Group of Companies.

(3) The limit of 10% set forth above under (1)(i) is increased to 35% in respect of Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any Other State or by a public international body of which one or more Member State(s) are member(s).

(4) The limit of 10% set forth above under (1)(i) is increased up to 25% in respect of qualifying debt securities which fall under the definition of covered bonds in point (1) of Article 3 of Directive (EU) 2019/2162 of the European Parliament and of the Council on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU and for qualifying debt securities that were issued before 8 July 2022 by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds issued before 8 July 2022 must be invested, in accordance with the law, in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the case of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of principal and payment of the accrued interest. Furthermore, if a Sub-Fund invests more than 5% of its net assets in the bonds referred to in the first sub-paragraph which are issued by a single issuer, the total value of such assets may not exceed 80% of the value of the net assets of the Sub-Fund.

(5) The securities specified above under (3) and (4) are not to be included for purposes of computing the ceiling of 40% set forth above under (1)(ii).

(6) Notwithstanding the ceilings set forth above and having regard to the specific investment policies of the Sub-Fund in the relevant Appendix, each Sub-Fund is authorized to invest, in accordance with the principle of risk spreading, up to 100% of its net assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any other member State of the Organization for Economic Cooperation and Development ("OECD") or of the Group of Twenty (G20) or Singapore or Hong Kong or by any other non-Member State as accepted by the Regulatory Authority or by a public international body of which one or more Member State(s) are member(s), provided that (i) such securities are part of at least six different issues and (ii) the securities from any such issue do not account for more than 30% of the net assets of such Sub-Fund.

(7) Without prejudice to the limits set forth hereafter under (b), the limits set forth in (1) are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body when the aim of the Sub-Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the Regulatory Authority, on the following basis:

- i. the composition of the index is sufficiently diversified,
- ii. the index represents an adequate benchmark for the market to which it refers,
- iii. it is published in an appropriate manner.

The limit of 20% is raised to 35% where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

- **Bank Deposits**

(8) A Sub-Fund may not invest more than 20% of its assets in deposits made with the same body.

- **Derivative Instruments and efficient portfolio management techniques**

(9) The risk exposure to a counterparty in an OTC derivative transaction may not exceed 10% of the Sub-Fund's net assets when the counterparty is a credit institution referred to in A. (6) above or 5% of its net assets in other cases.

(10) Investment in financial derivative instruments shall only be made provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in (1) to (5), (8), (9), (13) and (14). When the Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits set forth in (1) to (5), (8), (9), (13) and (14).

(11) When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of A. (7) (ii) and (D)(1) as well as with the risk exposure and information requirements laid down in the present Prospectus.

- **Units of Open-Ended Funds**

(12) No Sub-Fund may invest more than 20% of its net assets in the units of a single UCITS or other UCI. Investments made in units of other UCIs may not, in aggregate, exceed 30% of the net assets of a Sub-Fund. When a Sub-Fund has acquired units of UCITS and/or other UCIs, the underlying assets of the respective UCITS and/or other UCIs do not have to be combined for the purpose of the limits laid down in points (1), (2), (3), (4), (8), (9), (13) and (14).

- **Combined limits**

(13) Notwithstanding the individual limits laid down in (1), (8) and (9) above, a Sub-Fund may not combine:

- investments in Transferable Securities or Money Market Instruments issued by,
- deposits made with, and/or
- exposures arising from OTC derivative transactions and efficient portfolio management techniques undertaken with a single body in excess of 20% of its net assets.

(14) The limits set out in (1), (3), (4), (8), (9) and (13) above may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body, in deposits, derivative instruments or efficient portfolio management techniques made with this body carried out in accordance with (1), (3), (4), (8), (9) and (13) above may not exceed a total of 35% of the net assets of the Sub-Fund.

(b) Limitations on Control

(15) No Sub-Fund may acquire such amount of shares carrying voting rights which would enable the Company to exercise a significant influence over the management of the issuer.

(16) Neither any Sub-Fund nor the Company as a whole may acquire (i) more than 10% of the outstanding non-voting shares of any one issuer; (ii) more than 10% of the outstanding debt securities of any one issuer; (iii) more than 10% of the Money Market Instruments of any one issuer; or (iv) more than 25% of the outstanding shares or units of any one UCITS and/or other UCI.

The limits set forth in (ii) to (iv) may be disregarded at the time of acquisition if at that time the gross amount of bonds or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

The ceilings set forth above under (15) and (16) do not apply in respect of:

- Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities;
- Transferable Securities and Money Market Instruments issued or guaranteed by any Other State;
- Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member State(s) are member(s);
- Shares in the capital of a company which is incorporated under or organized pursuant to the laws of an Other State provided that (i) such company invests its assets principally in securities issued by issuers of that State, (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of

such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such company observes in its investments policy the restrictions set forth under C, items (1) to (5), (8), (9) and (12) to (16); and

- v. Shares in the capital of subsidiary companies which, exclusively on its or their behalf carry on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of shares at the request of shareholders.

D. In addition, the Company shall comply in respect of its net assets with the following investment restrictions per instrument:

Each Sub-Fund shall ensure that its global exposure relating to derivative instruments does not exceed the total net value of its portfolio.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

E. Finally, the Company shall comply in respect of the assets of each Sub-Fund with the following investment restrictions:

- (1) No Sub-Fund may acquire commodities or precious metals or certificates representative thereof.
- (2) No Sub-Fund may invest in real estate provided that investments may be made in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.
- (3) No Sub-Fund may use its assets to underwrite any securities.
- (4) No Sub-Fund may issue warrants or other rights to subscribe for Shares in such Sub-Fund.
- (5) A Sub-Fund may not grant loans or guarantees in favour of a third party, provided that such restriction shall not prevent each Sub-Fund from investing in non-fully paid-up Transferable Securities, Money Market Instruments or other financial instruments, as mentioned under A., items (5), (7) and (8).
- (6) A Sub-Fund may not enter into uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments as listed under A., items (5), (7) and (8).

F. Notwithstanding anything to the contrary herein contained:

- (1) While ensuring observance of the principle of risk-spreading, each Sub-Fund may derogate from paragraph C., items (1) to (9) and (12) to (14) for a period of six months following the date of its authorization.
- (2) The ceilings set forth above may be disregarded by each Sub-Fund when exercising subscription rights attaching to securities in such Sub-Fund's portfolio.
- (3) If such ceilings are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as its priority objective in its sale transactions the remedying of such situation, taking due account of the interests of its shareholders.

The Directors have the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Shares of the Company are offered or sold.

G. Master-Feeder Structure

Each Sub-Fund may act as a feeder fund (the "Feeder") of a UCITS or of a compartment of such UCITS (the "Master"), which shall neither itself be a feeder fund nor hold units/shares of a feeder fund. In such a case the Feeder shall invest at least 85% of its assets in shares/units of the Master.

The Feeder may not invest more than 15% of its assets in one or more of the following:

- (a) ancillary liquid assets in accordance with Article 41 (2), second paragraph of the Law of 2010;
- (b) financial derivative instruments, which may be used only for hedging purposes, in accordance with Article 41 (1) g) and Article 42 (2) and (3) of the Law of 2010;
- (c) movable and immovable property which is essential for the direct pursuit of the Company's business.

When a Sub-Fund qualifying as a Feeder invests in the shares/units of a Master, the Master may not charge subscription or redemption fees on account of the Sub-Fund's investment in the shares/units of the Master.

Should a Sub-Fund qualify as a Feeder, a description of all remuneration and reimbursement of costs payable by the Feeder by virtue of its investments in shares/units of the Master, as well as the aggregate charges of both the Feeder and the Master, shall be disclosed in the Sub-Fund's Appendix. In its annual report, the Company shall include a statement on the aggregate charges of both the Feeder and the Master.

Should a Sub-Fund qualify as a master fund of another UCITS (the "Feeder"), the Feeder fund will not be charged any subscription fees, redemption fees or contingent deferred sales charges, conversion fees, from the Master.

H. Investment by a Sub-Fund within one or more other Sub-Funds

A Sub-Fund may subscribe, acquire and/or hold securities to be issued or issued by one or more Sub-Fund(s) (the "Target Sub-Fund") under the following conditions:

- the Target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this Target Sub-Fund;
- no more than 10% of the assets of the Target Sub-Fund whose acquisition is contemplated may be invested in Shares of other Target Sub-Funds;
- the voting right linked to the securities of the Target Sub-Fund are suspended during the period of investment; and
- in any event, for as long as these securities are held by the Company, their value will not be taken into consideration for the calculation of the net assets of the Company for the purpose of verifying the minimum threshold of the net assets imposed by the Law of 2010.

EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES

A. General

The Management Company has appointed AXA Investment Managers GS Limited as its agent to carry out, pursuant to a delegation agreement dated 15 February 2013, stock lending and repurchase agreements activities for the Sub-Funds, excluding Feeder sub-funds which are not entering into such transactions. Depending on the local licensing requirements of AXA Investment Managers GS Limited and/or the relevant Sub-Funds, it may, under its supervision, sub-delegate certain securities lending and repurchase agency services to BNP Paribas Dealing Services.

AXA Investment Managers GS Limited, BNP Paribas Dealing Services and the Management Company are affiliates companies belonging to BNP Paribas Group. In order to prevent any conflicts of interest and ensure Best Execution, AXA IM, as part of the BNP Paribas Group has put in place a conflicts of interest policy and a Best Execution policy, details of which are available on [Sustainability Policies and Reports | AXA IM Corporate \(axa-im.com\)](https://www.axa-im.com/en/sustainability-policies-and-reports).

Our internal Policies, and which provides respectively that (i) conflict of interests are mitigated in maintaining appropriate analyses mechanisms, controls and in ensuring that securities lending and repurchase agent are kept separate from the Investment Manager teams and (ii) that best execution is ensured by using the best price achievable under current market conditions (including but not limited to size, relative demand of the transaction, duration of the trade), the nature of the transaction (including whether or not such transactions are subject to any regulatory requirements, underlying portfolio characteristics and objectives, client characteristics, type of financial

instrument to be traded) and cost effectiveness of any related operational setup (e.g. triparty agent) and settlement; availability of execution venues or counterparties. AXA IM, as part of the BNP Paribas Group, also adheres to the Code of Conduct of BNP Paribas available at [Code of conduct](#). The same principles shall consistently apply when dealing with affiliates companies belonging to the BNP Paribas Group.

A Sub-Fund may use (i) securities financing transactions (“SFT”) such as securities lending, securities borrowing, repurchase and reverse transactions and (ii) financial derivatives instruments when it is specifically described in the Appendices and in accordance with the conditions set out in this section “Efficient Portfolio Management Techniques”, and in the circulars issued by the Regulatory Authority from time to time. The Sub-Funds will not use Total Return Swaps.

The assets subject to SFTs and collateral received are safe-kept with the Depositary or, failing that, by any third-party depositary (such as Euroclear Bank SA/NV) which is subject to a prudential supervision.

All assets received by a Sub-Fund in the context of efficient portfolio management techniques with a view to reduce its counterparty risk shall be considered as collateral which is subject to the limits and conditions provided for in the relevant circulars issued by the Regulatory Authority and summarized here below under section “Collateral Management”.

The Sub-Funds shall enter into any SFT or financial derivative instruments, as specified in each Appendix, with counterparties subject to prudential supervision rules considered by the Regulatory Authority as equivalent to those prescribed by EU law and selected by the Management Company in accordance with its order execution policy available on its internet website. In this context, the Management Company will enter into any SFT or financial derivative instruments with credit institutions established under any legal form in an OECD Member State having a long-term debt rated at least BBB- according to the ratings scale of Standard & Poor’s (or deemed equivalent by the Management Company).

Any revenues from efficient portfolio management techniques, will be returned to the Company minus direct and indirect operational costs.

- Direct operational cost is defined as the cost directly attributable to the implementation of EPM techniques (e.g. agent lender staff cost, trading platform cost, market data, collateral management and SWIFT messaging costs, etc.);
- Indirect cost is defined as the operational cost not directly attributable to the implementation of EPM techniques (e.g. insurance fee, premises and facilities, etc.).

Repurchase and reverse repurchase: 100% of the gross revenue generated by the repurchase (if any) and the reverse repurchase activities will benefit to the Fund.

Securities lending: Each Sub-Fund pays 35 % of the gross revenues generated from securities lending activities as costs / fees to AXA Investment Managers GS Limited in its capacity of lending agent and retain 65% of the gross revenues generated from securities lending activities. The direct and indirect operational costs and fees directly linked to securities lending activities including related transactions costs are paid from the lending agent’s portion of the gross income (35%). Such direct and indirect operational costs and fees shall not include hidden revenue. AXA Investment Managers GS Limited is a related party to the Management Company and the Investment Manager of the Sub-Fund.

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives nor shall they entail any substantial supplementary risk.

Additional information on costs and fees incurred by each Sub-Fund in this respect, as well as the identity of the entities to which such costs and fees are paid and any affiliation they may have with the Depositary or the Investment Manager or the Management Company, if applicable, will be available in the annual report.

As defined under “General Risk Considerations” section, securities lending and repurchase transactions are subject to (i) counterparty risks, ii) legal risk, iii) custody risk, iv) liquidity risk, (v) collateral management and, if relevant, vi)

risks arising from the reuse of such collateral. In addition, when entering into securities lending and repurchase transactions the Sub-Fund may be exposed to settlement risk -i.e. the possibility that one or more parties to the transactions will fail to deliver the assets at agreed-upon time.

At the date of this Prospectus, none of the currently available Sub-Funds are authorized to use SFTs.

B. Securities Lending and Borrowing

Unless further restricted by the investment policy of a specific Sub-Fund as described in the Appendices and provided that it complies with the following rules and the relevant circulars issued by the Regulatory Authority, the Company may enter into securities lending and borrowing transactions governed by an agreement whereby a party transfers securities subject to a commitment that the borrower will return equivalent securities on a future date or when requested to do so by the transferor, that transaction being considered as a securities lending for the counterparty transferring the securities and being considered as securities borrowing for the counterparty to which they are transferred.

a) Securities lending

All the securities lending transactions carried out on behalf of the Company will be on arm's length basis and that transactions will be limited to 90% of each Sub-Fund's Net Asset Value in any Valuation Day. Such limit could be reached when there is a high demand for the lendable assets available in the relevant Sub-Fund. (e.g. in case of need to manage liquidity and optimize collateral management).

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

The expected percentage of net assets of securities lending is specified in the details of each Sub-Fund.

- (i) A Sub-Fund may only enter into securities lending transactions provided that (i) it is entitled to request the return of the securities lent in a manner that enables it, at all times to meet its redemption obligations and (ii) that these transactions do not jeopardise the management of the Sub-Fund assets in accordance with its investment policy.
- (ii) The risk exposure to a counterparty generated through a securities lending transaction or other efficient portfolio management techniques and OTC financial derivatives must be combined when calculating the limits referred to above under items 9 and 13 of sub-section (a) Risk Diversification rules.

b) Securities borrowing

- (i) The Sub-Fund may enter into any securities lending transaction with counterparty selected on the basis of the following combined criteria: regulatory status, protection provided by local legislation, operational processes, available credit spreads and analyses and/or external credit ratings.
- (ii) The securities borrowed by the Sub-Fund may not be disposed of during the time they are held by the Sub-Fund, unless they are covered by sufficient financial instruments which enable the Sub-Fund to reconstitute the borrowed securities at the close of the transaction.
- (iii) Borrowing transactions may not exceed 50% of the global valuation of the securities portfolio of the Sub-Fund.
- (iv) The Sub-Fund may borrow securities under the following circumstances in connection with the settlement of a sale transaction: (a) during a period where the securities have been sent out for re-registration; (b) when the securities have been loaned and not returned in time and; (c) to avoid a failed settlement when the Depositary fails to make delivery.

Currently, the Sub-Funds do not engage in securities borrowing transactions. In the event the Sub-Funds wish to engage in these transactions in the future, the Prospectus will be amended accordingly before doing so.

C. Repurchase Agreement Transactions

Unless further restricted by the investment policy of a specific Sub-Fund as described in the Appendices, a Sub-Fund may within the limit set out in the relevant circulars issued by the Regulatory Authority enter into repurchase agreement transactions which consist of transactions governed by an agreement whereby a party sells securities or instruments to a counterparty, with a clause reserving the counterparty or the Sub-Fund the right to repurchase or substitute securities or instruments of the same description, from respectively the Sub-Fund or the counterparty to a specified price on a future date specified, or to be specified, by the transferor.

The maximum percentage of net assets of repo/reverse repos is specified in the details of each Sub-Fund. Such level may be attained when the portfolio manager, in the course of managing the Sub-Fund, needs to borrow cash (repo transaction) for example to cover margin call or when all remaining cash available in the portfolio is temporarily lent out (reverse repo) to generate additional return and lower custody cost.

Such transactions are commonly referred to as temporary purchases and sales of securities (also known as securities financing transactions).

These transactions shall be conducted in accordance with the limit set out in the relevant circulars issued by the Regulatory Authority. They shall be carried out as part of the achievement of the management objective of the Sub-Fund, hedging, the cash management and/or efficient portfolio management.

The Sub-Fund's involvement in such transactions is, however, subject to the following rules:

- (i) The Sub-Fund may enter into any repurchase agreements or reverse repurchase agreement with counterparty selected on the basis of the following combined criteria: regulatory status, protection provided by local legislations, operational processes, available credit spreads and analyses and/or external credit ratings. The Sub-Fund may only enter into a repurchase agreement and/or a reverse repurchase agreement provided that it shall be able at any time (i) to recall any securities subject to the repurchase agreement respectively the full amount of cash in case of reverse repurchase agreement or (ii) to terminate the agreement in accordance with the relevant circulars issued by the Regulatory Authority being understood that fixed-term repurchase and reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Sub-Fund;
- (ii) Securities purchased with a repurchase option or through a reverse repurchase agreement transaction must be compliant with the relevant circulars issued by the Regulatory Authority and the Sub-Fund's investment policy and must together with the other securities that the Sub-Fund holds in its portfolio, globally respect the Sub-Fund's investment restrictions; and
- (iii) The risk exposure to a counterparty generated through those transactions or other efficient portfolio management techniques and OTC financial derivatives must be combined when calculating the limits referred to above under item 9 and 13 of sub-section "(a) Risk Diversification rules".

COLLATERAL MANAGEMENT

A. General

As part of OTC financial derivatives transactions and securities lending and repurchase agreement transactions, a Sub-Fund may receive collateral with a view to reduce its counterparty risk.

The purpose of this section is to set the collateral policy that will be applicable in such case.

B. Eligible collateral

General principles

Collateral received by a Sub-Fund may be used to reduce its counterparty risk exposure with a counterparty if it complies with the criteria listed in circulars issued by the Regulatory Authority from time to time in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:

- Any collateral received other than cash should be of high quality, highly liquid and traded on a Regulated Market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation.
- It should be valued on a daily basis on a mark-to-market price basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place. Margin calls will be implemented in accordance with the terms negotiated in the collateral arrangements.
- It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- It should be sufficiently diversified in terms of country, markets and issuers and shall not entail on an aggregate basis an exposure to a given issuer for more than 20% of its Net Asset Value. By way of derogation, a Sub-Fund may be fully collateralized in different Transferable Securities or Money Market Instruments issued or guaranteed by any of the Member States, one or more of their local authorities, a third party sovereign country such as Canada, Japan, Norway, Switzerland and the United States of America, or any public international body to which one or more Member State(s) belong(s) such as the European Investment Bank, provided that it receives such securities from at least six different issues and that securities from any single issue should not account for more than 30% of such Sub-Fund's Net Asset Value. The collateral shall further comply with the limits set forth above under section "(b) Limitations on Control".
- The financial guarantees received by the Sub-Fund will be kept by the Depositary or, failing that, by any third-party depositary (such as Euroclear Bank SA/NV) which is subject to a prudential supervision and that has no link with the guarantee provider.
- It should be capable of being fully enforced by the Company for the account of the Sub-Fund at any time without reference to or approval from the counterparty.

Eligible assets

As long as it complies with the above mentioned conditions, the collateral may consist of (i) sovereign OECD bonds; and/or (ii) direct investment in bonds issued or guaranteed by first class issuers offering an adequate liquidity or shares listed or dealt on a Regulated Market of a Member State of the European Union or on a stock exchange of a member state of the OECD provided that they are included in a main index.

C. Level of collateral

The Management Company will determine the required level of collateral for OTC financial derivatives transactions and stock lending and repurchase agreement transactions according to the nature and the characteristics of the executed transactions, the counterparties and the market conditions.

The Management Company may carry out OTC financial derivatives transactions with a level of collateral lower than 100% subject to be compliant with the counterparty risk authorised by the applicable regulations. For certain types of transactions such as, but not limited to, Foreign Exchange Forward, the level of collateral may be equal to zero.

As part of its lending transactions, the Sub-Fund must in principle receive previously or simultaneously to the transfer of the securities lent a guarantee the value of which must at the conclusion of and constantly during the contract be at least equal to 90% of the global valuation of the securities lent.

D. Reinvestment of collateral

The Sub-Fund will be able to reinvest the financial guarantees received in cash in accordance with the applicable regulation. The financial guarantees other than cash cannot be sold, reinvested or pledged. The counterparty will be able to reinvest the financial guarantee received from the Sub-Fund in accordance with any regulation applicable to the counterparty.

In particular, reinvested cash collateral must comply with the diversification requirements set forth here above under the section "Eligible collateral" and may only be (i) placed or deposited with entities referred to above under item (6) of section "A. Investments in the Company shall comprise only one or more of the following", (ii) invested in high-quality government bonds, (iii) used for the purpose of reverse repo transactions entered into with credit institutions subject to prudential supervision or (iv) invested in short term money market funds.

E. Haircut policy

In accordance with its internal policy relating to the management of the collateral, the Management Company shall determine:

- the required level of collateral; and
- the level of haircut applicable to the assets received as collateral, taking into account in particular the type of assets, the credit standing of the issuers, the maturity, the currency, the liquidity and the price volatility of the assets.

For OTC derivatives and repurchase agreements transactions, the following haircuts are typically applied:

Collateral Instrument Type	Applicable haircut range
Cash	0%
Sovereign debt	0%-20%

For Securities Lending transactions, the following haircuts are typically applied:

Collateral Instrument Type	Applicable haircut range
Cash	0%
Equities	10%
Sovereign debt	2%-5%

Any other type of collateral instrument type and/or applicable haircut shall be specifically authorized by AXA IM's Global Risk Management.

Despite the creditworthiness of the issuer of the assets received as collateral or the assets acquired by the Sub-Fund on the basis of cash collateral re-investment, the Sub-Fund may be subject to a risk of loss in case of default of the issuers of such assets or in case of default of the counterparties to transactions in which such cash has been re-invested.

SHARES

The minimum share capital of the Company is EUR 1,250,000. The share capital of the Company varies automatically with the issue and redemption of Shares.

Shares are issued without par value. All Shares are issued as fully paid Shares and have equal rights and privileges, in particular to participate in the profits and results of the Company.

Fractions of registered Shares will be issued to one hundred of a Share. Each whole Share entitles the holder thereof to one vote in any meeting of shareholders of the Company, irrespective of the Net Asset Value of the Share.

Shares carry no preferential subscription, conversion or exchange rights. Shares are freely transferable except that the Directors may in accordance with the Articles restrict or prevent the legal and beneficial ownership of Shares or prohibit certain practices as disclosed in the Prospectus such as late trading or market timing by certain persons.

All Classes of Shares that are in issue may be listed on the Luxembourg or other stock exchange at the Board's discretion. Information on whether a Class of Shares is listed on the Luxembourg or other stock exchange can be obtained at the registered office of the Company or from the Administrative Agent or on the website of the relevant stock exchange unless there are specific disclosures to be made in the Prospectus as required by the relevant stock exchange/regulated market or due to such listing.

Form of Shares

Shares of the Company are issued in principle in registered form only.

Classes of Shares

The Directors are authorized without limitation to issue Shares of any Class at any time within each Sub-Fund. Upon creation of new Classes, the Prospectus will be updated accordingly.

Details regarding the Classes of Shares available per Sub-Fund and their features are disclosed in the Appendices.

The net proceeds from the subscriptions to the Class or Classes of the separate Sub-Funds are invested in the specific portfolio of assets constituting the relevant Sub-Fund.

The Directors shall maintain for each Sub-Fund a separate portfolio of assets. As between shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund. As regards third parties, each Sub-Fund is exclusively responsible for all liabilities attributable to it.

In the event that for any reason the value of the net assets of any Class of Shares within a Sub-Fund has decreased to, or has not reached, an amount determined by the Directors (in the interest of the shareholders) to be the minimum level for such Class of Shares, to be operated in an economically efficient manner or as a matter of economic rationalisation or for any reason disclosed in the Prospectus, the Directors may decide to re-allocate the assets and liabilities of that Class to those of one or several other classes within the Company and to re-designate the Shares of the Class(es) concerned as Shares of such other Share class or share classes (following a split or consolidation, if necessary, and the payment to shareholders of the amount corresponding to any fractional entitlement).. Such decision will be subject to the right of the relevant shareholders to request, without any charges, the redemption of their Shares or, where possible, the conversion of those Shares into Shares of other Classes within the same Sub-Fund or into Shares of same or other classes within another Sub-Fund. The shareholder of the class of Shares concerned will be informed of the reorganisation by way of a notice and/or in any other way as required or permitted by applicable laws and regulations. Notwithstanding the powers conferred on the Directors by the preceding paragraph, the shareholders may decide on such reorganisation by resolution taken by the general meeting of shareholders of the Class of Shares concerned. The convening notice to the general meeting of shareholders will indicate the reasons for and the process of the reorganisation. Such general meeting will decide by resolution taken with no quorum and adopted by a simple majority of the votes validly cast at the meeting.

Each Class may, as more fully described for each Sub-Fund in the relevant Appendices, (i) have a different currency of denomination, (ii) be targeted to different types of investors, i.e. retail investors and Institutional Investors, (iii) have different minimum investment and holding requirements, (iv) have a different fee structure, (v) have a different distribution policy, (vi) have a different distribution channel or (vii) have such other features as may be determined by the Directors from time to time.

The Company will not issue or effect any switching of "I" Shares to any investor who may not be considered as an Institutional Investor. The Directors may, at their discretion, delay the acceptance of any subscription for "I" Shares restricted to Institutional Investors until such date as the Registrar Agent has received sufficient evidence on the qualification of the relevant investor as an Institutional Investor. If it appears at any time that a holder of "I" Shares

is not an Institutional Investor, the Directors will instruct the Registrar Agent to propose that the said holder convert their Shares into Shares of a Class within the relevant Sub-Fund which is not restricted to Institutional Investors (provided that there exists such a Class with similar characteristics). In the event that the shareholder refuses such switching, the Directors will, at their discretion, instruct the Registrar Agent to redeem the relevant Shares in accordance with the provisions under "How to convert and redeem Shares".

Minimum Subscription and Holding

The minimum initial investment requirements are set out for each Sub-Fund or Class of Shares in the relevant Appendix.

Subsequent subscriptions, other than through reinvestment of dividends, must ordinarily equal or exceed the minimum initial investment amount of the relevant Sub-Fund or Class of Shares in the manner set out for each Sub-Fund or Class of Shares in the relevant Appendix.

The minimum holding requirements applying both at the level of a given Sub-Fund and of the Company are set out in the relevant Appendix.

Dealing Price of Shares

Unless otherwise provided for in the Appendices, all transactions are effected at the relevant Dealing Price, increased or decreased by any applicable subscription, redemption or conversion fees as specified for each Sub-Fund in the relevant Appendix.

The Net Asset Value in respect of each Class of Shares of each Sub-Fund shall be expressed in the Reference Currency of such Class respectively Sub-Fund as disclosed in Appendices and shall be calculated as of any Valuation Day by dividing the net assets of each Class of Shares and/or Sub-Fund (being the value of the portion of assets less the portion of liabilities attributable to such Class of Shares and/or Sub-Fund on any such Valuation Day) by the total number of Shares in the relevant Class of Shares and/or Sub-Fund then outstanding. The Net Asset Value per Share may be rounded up or down to the nearest unit or sub-unit, e.g. to the nearest cent if calculated in EUR.

Under certain circumstances, the valuation of Shares and, hence, dealing in them, may be suspended; details are outlined under the heading "Suspension of the Calculation of the Net Asset Value and the Offering, Redemption and Conversion of Shares".

Valuation

The Net Asset Value of each class of Share shall be expressed in the relevant Reference Currency of each class within the relevant Sub-Fund and shall be determined in respect of any Valuation Date by dividing the net assets of the Company, being the value of the assets of the Company corresponding to such class within the relevant Sub-Fund less the liabilities of the Company, by the number of outstanding Shares in such class.

The valuation of the Net Asset Value of Shares shall be made in the following manner:

The assets of the Company shall be deemed to include:

- (1) all cash in hand receivable or on deposit, including accrued interest;
- (2) all bills and notes on demand and any amounts due (including the proceeds of securities sold but not collected);
- (3) all securities, shares, bonds, debentures, options or subscriptions rights, warrants and other investments and securities belonging to the Company;

- (4) all dividends and distributions due to the Company in cash or in kind to the extent known to the Company (the Company may however adjust the valuation by fluctuations in the market value of securities due to trading practices such as trading ex-dividends or ex-rights);
- (5) all accrued interest on any interest-bearing securities held by the Company except to the extent such interest is comprised in the principal amount of such security;
- (6) the preliminary expenses of the Company insofar as the same have not been written off, provided that such preliminary expenses may be written off directly from the capital of the Company; and
- (7) all other assets of every kind and nature, including prepaid expenses. The value of such assets shall be determined as follows:
 - (1) cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Directors may consider appropriate in such case to reflect the true value thereof.
 - (2) Transferable securities listed or traded on any Regulated Market, stock exchange in any state that is not a member of the European Union, and any state of America, Africa, Asia and Oceania (an "Other State") or Other Regulated Market will be valued at the closing price on such markets. If a security is listed or traded on several markets, the closing price at the market which constitutes the main market for such securities, will be determining.
 - (3) Transferable securities not listed or traded on any Regulated Market, stock exchange in an Other State or Other Regulated Market will be valued at their last available market price.
 - (4) Transferable securities for which no price quotation is available or for which the price referred to in (2) and/or (3) is not representative of the fair market value, will be valued prudently, and in good faith on the basis of their reasonably foreseeable sales prices. As far as collateralised debt obligations are concerned and insofar the price quotation is not representative of the fair market value, collateralised debt obligations will be valued at their Net Asset Value as transmitted to the investment manager by the arranging bank of each collateralised debt obligation in which the Company has invested.
 - (5) Money Market Instruments listed or traded on any Regulated Market, stock exchange in an Other State or Other Regulated Market will be valued at the closing price on such markets. If a security is listed or traded on several markets, the closing price of the market which constitutes the main market for such securities, will be determining.
 - (6) Money market instruments not listed or traded on any Regulated Market, stock exchange in an Other State or Other Regulated Market will be valued at their last available price.
 - (7) The liquidating value of futures, forward and options contracts not traded on regulated markets, stock exchanges in an Other State or Other Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established in good faith by the Company, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward and options contracts traded on Regulated Markets, stock exchanges in an Other State or Other Regulated Markets shall be based upon the last available settlement prices of these contracts on Regulated Markets, stock exchanges in an Other State or Other Regulated Markets on which the particular futures, forward or options contracts are traded by the Company; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Company may deem fair and reasonable.

- (8) Values expressed in a currency other than the Reference Currency of a Class or a Sub-Fund shall be translated to the Reference Currency of a Class or a Sub-Fund on the basis of the exchange rate provided by Reuters or any equivalent provider.
- (9) Swaps and all other securities and assets will be valued at fair market value as determined prudently and in good faith by the Company and as far as credit default swaps are concerned accordingly to the procedure approved by the auditors of the Company.
- (10) Units of UCITS and/or other UCIs will be evaluated at their last available net asset value per unit. Open-end funds will be valued at the actual net asset value for such shares or units as of the relevant Valuation Day, or based on the market value under the condition that this valuation reflects the most adequate price. If the latter is not the case, funds shall be valued at the estimated net asset value as of such Valuation Day, or if no such estimated net asset value is available they shall be valued at the last available actual or estimated net asset value provided that if events have occurred which may have resulted in a material change in the net asset value of such shares or units since the date on which such actual or estimated net asset value was calculated, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the Directors, such change.

In the event that extraordinary circumstances render valuations as aforesaid impracticable or inadequate, the Company is authorized, prudently and in good faith, to follow other rules in order to achieve a fair valuation of its assets.

With respect to each Valuation Day, the Net Asset Value per Share is determined by the Administrative Agent and made available at the registered office of the Company on the relevant Valuation Day.

For the avoidance of doubt, the Net Asset Value calculated with reference to a given Valuation Day (D) will be dated as of such Valuation Day (D) and made available on the Valuation Day immediately following such Valuation Day (D + 1), unless otherwise specified with respect to any Sub-Fund in the relevant Appendix.

Each Sub-Fund shall be valued so that all agreements to purchase or sell securities are reflected as of the date of execution, and all dividends receivable and distributions receivable are accrued as of the relevant ex-dividend dates.

Each Sub-Fund shall be valued so that all agreements to purchase or sell securities are reflected as of the date of execution, and all dividends receivable and distributions receivable are accrued as of the relevant ex-dividend dates.

The liabilities of the Company shall be deemed to include:

- i. all borrowings, bills and other amounts due;
- ii. the fees of the Depositary, Management Company, Investment Managers, placement agents, Registrar Agent, Domiciliary and Administrative and Paying Agent, listing agent; other operational costs including, but not limited to, costs of buying and selling underlying securities, government charges, registration with regulatory authorities, legal and auditing fees, interest, reporting expenses, publication of offering and redemption prices, distribution of interim and annual reports, postage, telephone; reasonable marketing and promotional expenses;
- iii. all known liabilities, due or not yet due, including the amount of all dividends declared, if any, but unpaid;
- iv. an appropriate amount set aside for taxes due on the date of valuation and other provisions or reserves authorised and approved by the Directors; and
- v. all other liabilities of the Company of whatsoever kind due towards third parties.

For the purposes of the valuation of its liabilities, the Company may take into account all administrative and other expenses of a regular or periodical character by valuing them for the entire year or any other period and by dividing the amount concerned proportionately for the relevant fractions of such period.

If since the time of determination of the Net Asset Value but prior to publication there has been a material change in the valuations of a substantial proportion of the investment of the Company attributable to a particular Sub-Fund or class of Shares, the Company may, in order to safeguard the interests of the shareholders and the Company, cancel the first valuation and carry out a second valuation, in which case all relevant subscription and redemption requests will be dealt on the basis of that second valuation.

Allocation of the assets of the Company

The Directors may establish a Sub-Fund in respect of each Class of Shares and may establish a Sub-Fund in respect of two or more Classes of Shares in the following manner:

- i. If two or more Classes of Shares relate to one Sub-Fund, the assets attributable to such Classes shall be invested pursuant to the specific investment policy of the Sub-Fund concerned;
- ii. The proceeds to be received from the issue of Shares of a Class shall be applied in the books of the Company to the Sub-Fund corresponding to that Class of Shares provided that if several Classes of Shares are outstanding in such Sub-Fund, the relevant amount shall increase the proportion of the net assets of such Sub-Fund attributable to the Class of Shares to be issued;
- iii. Where any asset is derived from another asset, such derivative asset shall be applied in the books of the Company to the same Sub-Fund as the assets from which it was derived and on each re-evaluation of an asset, the increase or diminution in value shall be applied to the relevant Sub-Fund;
- iv. Where the Company incurs a liability which relates to any asset of a particular Sub-Fund or to any action taken in connection with an asset of a particular Sub-Fund, such liability shall be allocated to the relevant Sub-Fund;
- v. In the case where any asset or liability of the Company cannot be considered as being attributable to a particular Sub-Fund, such asset or liability shall be allocated to all the Sub-Funds pro rata to the Net Asset Values of the relevant Classes of Shares;
- vi. Upon the payment of distributions to the holders of any Class of Shares, the Net Asset Value of such Class of Shares shall be reduced by the amount of such distributions.

HOW TO SUBSCRIBE FOR SHARES

To subscribe for Shares investors will be required to complete an Application Form and to return it to the registrar agent of the Company (the "Registrar Agent") at the address indicated under the heading "Directory" or to any distributor indicated on the Application Form. Applications may be made by facsimile, but must contain all the information required by the Application Form.

Unless otherwise specified in the Appendices, applications for Shares received by the Registrar Agent prior to 12 pm¹ on any Valuation Day will be traded at the Dealing Price applicable to such Valuation Day, increased by any subscription fees as mentioned in the relevant Appendices.

Different subscription procedures and time limits may apply if applications for Shares are made through a distributor. In such instances, each investor should obtain from the distributor information about the subscription procedure

¹ This change will apply as from 13 April 2026. Before that date, applications for Shares shall be received prior to 2 pm on any Valuation Day.

relevant to their application together with any time limit by which the subscription must be received. Investors should note that they may be unable to subscribe for Shares through a distributor on days that such distributor is not open for business.

All applications received by the Registrar Agent after the relevant cut-off time on any Business Day shall be deemed to have been received on the following Business Day.

Subscription amounts to be paid will be rounded up to the nearest whole currency unit or sub-unit of the relevant Reference Currency.

Subsequent applications for Shares may be made in writing by post, facsimile or telephone. Where made by telephone, applications should be confirmed by facsimile on the same day.

The allotment of Shares is conditional upon receipt by the Depositary of monies on the Settlement Day.

Settlement may be made by electronic funds transfer or by Euroclear or Clearstream. Investors should ensure that any charges incurred on transfers are included in the amount transferred or shown on the drafts.

The Dealing Price may, upon approval of the Directors and subject to all applicable laws, namely with respect to a special audit report prepared by the auditor of the Company confirming the value of any assets contributed in kind, be paid by contributing to the Company securities acceptable to the Directors, consistent with the investment policy and investment restrictions of the Company and the relevant Sub-Fund.

Where Shares are registered in the names of joint holders, the Registrar Agent will only accept instructions from any of the joint holders, unless otherwise instructed in writing by all the joint holders. All transaction orders with respect to any Sub-Fund shall be deemed irrevocable and shall be accompanied by the duly completed relevant transaction forms or by the transmission of all the required data in a form determined by the Registrar Agent. A letter of confirmation will be sent to the shareholder after completion of each transaction.

The Company reserves the right to reject, in whole or in part, any application for Shares.

This applies if the Company knows or believes any of the following to be true:

- the investor is a Restricted Person in the terms provided within the Articles;
- the investor has failed to supply any information or declarations required by the Company with respect to corruption, anti-money laundering and terrorism financial matters;
- the investor is in breach of any law or requirement of any country or governmental authority;
- the investor is not qualified to hold such Shares by virtue of such law or requirement and if, as a result of an investor owning such Shares the Company would suffer taxation or other pecuniary disadvantage which it would not otherwise do.

Nominees

Nominees are banks and financial institutions appointed as distributors by the Company or the company responsible for arranging the distribution of the Shares of the Company which act as intermediaries between investors and the Company. Subject to local laws in countries where Shares are offered, the distributors and their agents, if any, may, on the request of the respective investor, act as nominee for such investors. As nominee the distributor or its agents, if any, shall, in their name but as nominee for the investor, purchase, convert or redeem Shares and request registration of such operations in the register of shareholders. However, the investor is not obliged to make use of the nominee service provided by the distributor and its agents and shall be entitled at any time to claim direct title to the Shares. In order to empower the nominee to vote at any general meeting of shareholders, the investor shall provide the nominee with specific or general voting instructions to that effect. Applicants retain the ability to directly invest in the Company without using a nominee service.

The terms and conditions of the nominee services, if any, will be provided in the relevant distribution or nominee agreement.

The attention of ultimate investors is drawn to the fact that their rights may be affected (e.g. they may not be fully indemnified) in case of compensation payments resulting from material Net Asset Value calculation errors, breaches of investment restrictions or other errors having a financial impact when they are invested indirectly in the Company through financial intermediaries subscribing on behalf of underlying third parties in the Company's register of shareholders.

The distributor and its agents, if any, will at all times comply with any obligations imposed by any applicable laws, rules and regulations with respect to anti-money laundering and will furthermore adopt procedures designed to ensure, to the extent applicable, that they shall comply with the foregoing undertaking. To the extent the distributor or its agents are not submitted to anti-money laundering regulations, the necessary control will be carried out by the administrative agency of the Company.

Settlement by Electronic Funds Transfer

Investors are advised to pay by electronic funds transfer (in the appropriate Reference Currency) in order to avoid any delay in the allotment of Shares. The electronic funds transfer form accompanying this Prospectus should be completed and forwarded by investors to their banks, and the relevant section of the Application Form should also be completed. Shares will be allotted upon receipt (if prior to the relevant cut-off time on any Business Day) of notification from the Depositary that an authenticated electronic funds transfer advice or SWIFT message has been received provided that the transfer of money has been made in strict accordance with the instructions given in the electronic funds transfer form.

Foreign Exchange

In the event that the application has been made in a currency other than the Reference Currency of the Classes of Shares within the relevant Sub-Fund(s), the Registrar Agent will perform the necessary foreign exchange transactions. Investors should be aware that the amount of currency involved and the time of day at which such foreign exchange is transacted will affect the rate of exchange. No liability shall be accepted by the Depositary, Registrar Agent or the Company for any losses arising from adverse currency fluctuations.

Foreign exchange transactions (as principal for shareholders or as agent for Sub-Funds) may be carried out by a company within BNP Paribas Group.

Reporting

All applications will be acknowledged by a contract note. Following an initial subscription, shareholders will be advised of their Personal Account Number.

Anti-Money Laundering

The Company, 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 Company, 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 Company, 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 Company, 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 Company 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 Company 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 Company 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 Company, 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 Company 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.

Market Timing and Excessive Trading

Subscription, redemption and conversion of Shares should be made for investment purposes only. The Company does not permit market-timing or other excessive trading practices such as late trading (i.e. subscription received after the Sub-Funds cut-off time). Excessive, short-term (market-timing) trading practices may disrupt portfolio management strategies and harm Company performance. To minimise harm to the Company and the shareholders,

the Company or the Registrar Agent on its behalf has the right to reject any subscription or conversion order, or levy in addition to any subscription, redemption or conversion fees which may be charged according to the Appendices, a fee of up to 2% of the value of the order for the benefit of the Company from any investor who is engaging in excessive trading or has a history of excessive trading or if an investor's trading, in the opinion of the Company, has been or may be disruptive to the Company or any of the Sub-Funds. In making this judgment, the Company may consider trading done in multiple accounts under common ownership or control. The Company also has the power to redeem all Shares held by a shareholder who is or has been engaged in excessive trading. The Company will not be held liable for any loss resulting from rejected orders or mandatory redemptions.

Subscriptions, redemptions and conversions are dealt with at an unknown Net Asset Value per Share. Any order received is deemed irrevocable after the Sub-Funds cut-off time.

HOW TO CONVERT AND REDEEM SHARES

Unless otherwise specified in the relevant Appendix, shareholders may give instructions to the Registrar Agent for the conversion of Shares of one Class of Shares of any Sub-Fund into Shares of another Class within the same Sub-Fund or another Sub-Fund or of the same Class in another Sub-Fund, where available, or for the redemption of Shares, on any Business Day by FTP, facsimile or post, quoting their Personal Account Number.

Unless otherwise specified in the Appendices, instructions to convert or redeem Shares received by the Registrar Agent before 12 pm² on any Valuation Day (D) will be traded at the Dealing Price applicable to such Valuation Day (D), decreased by any redemption or conversion fees as mentioned in the relevant Appendix.

Different redemption and conversion procedures and time limits may apply if applications for redemption or conversion are made through a distributor. In such instances, each investor should obtain from the distributor information about the redemption or conversion procedure relevant to their application for redemption or conversion together with any time limit by which the application for redemption or conversion must be received. Investors should note that they may be unable to apply for redemption or conversion of their Shares through a distributor on days that such distributor is not open for business.

Instructions to convert or redeem Shares received by the Registrar Agent after the relevant cut-off on any Business Day shall be deemed to have been received on the following Business Day.

Retail investors will not be allowed to convert their Shares into Classes of Shares reserved for Institutional Investors.

In any case where it appears that, a non-institutional investor has come to hold Shares designated for Institutional Investors, the Company will either forcibly redeem the Shares or convert them for retail Shares of the same Sub-Fund (which Shares may have higher fees and expenses) depending on whether a retail Class of Shares is available or not.

Instructions for redemptions may be refused if to redeem would result in the investor having an aggregate residual holding of less than the minimum holding indicated for each Sub-Fund or for the Company in the Appendices. The remaining Shares may be compulsorily redeemed at their current redemption price.

The Company reserves the right to reject any request to redeem or convert Shares as well as forcibly switch or redeem Shares if the Company knows or believes any of the following to be true:

- the investor is a Restricted Person in the terms provided within the Articles;
- the investor has failed to supply any information or declarations required by the Company with respect to corruption, anti-money laundering and terrorism financial matters;
- the investor is in breach of any law or requirement of any country or governmental authority;

² This change will apply as from 13 April 2026. Before that date, instructions to convert or redeem Shares shall be received before 2 pm on any Valuation Day.

- the investor is not qualified to hold such Shares by virtue of such law or requirement and if, as a result of an investor owning such Shares the Company would suffer taxation or other pecuniary disadvantage which it would not otherwise do.

The Company shall not be bound to redeem or convert on any Valuation Day more than 10% of the number of Shares relating to any Sub-Fund then in issue. In case of deferral of redemptions or conversions the relevant Shares shall be redeemed or converted at the Dealing Price per Share prevailing at the date on which the redemption or conversion is effected. Excess redemptions or conversions will be deferred to the next Valuation Day when they shall be dealt with as a priority.

If, in the case of a request for a conversion, such a day is not a Valuation Day, requests for switching will be dealt with on the next day which is a Valuation Day.

Any request for conversion of Shares of any Sub-Fund into Shares of another Sub-Fund received by the Registrar Agent prior to 12 pm³ on any Valuation Day (D) will be processed as follows:

- the redemption of the Shares to be converted will be processed on that Valuation Day (D); and
- the corresponding subscription of Shares in the other Sub-Fund will be processed on the Valuation Day of such other Sub-Fund immediately following the Valuation Day on which the redemption has been processed (D + 1).

Any outstanding credit cash balance due to the shareholder in question arising from one or more 'conversion' transactions will be forwarded to Euroclear or Clearstream for the account of the relevant shareholder.

In some jurisdictions a conversion of Shares of one Sub-Fund for Shares of another Sub-Fund may be a disposal of Shares of the original Sub-Fund for the purposes of taxation.

The number of Shares of the new Sub-Fund to be allotted is calculated in accordance with the following formula:

$$A = \frac{(B \times OP) - D}{NP} \times E$$

where:

- A = the number of Shares in the new Sub-Fund to be allotted;
- B = the number of Shares in the existing Sub-Fund to be converted;
- OP = the Dealing Price in the existing Sub-Fund;
- D = the conversion costs (if any) retained by the existing Sub-Fund;
- E = the foreign exchange rate between the currency of the existing Sub-Fund and the new Sub-Fund (provided that when the existing Sub-Fund and the new Sub-Fund are denominated in the same currency the rate is one).
- NP = the Dealing Price of the new Sub-Fund.

Redemption Proceeds

Redemption proceeds will be made by electronic funds transfer, unless a specific payment process has been agreed in which case the redemption proceeds will be dispatched, at the shareholders' risk. Redemption proceeds will be rounded down to the nearest whole currency unit or sub-unit of the relevant Reference Currency.

³ This change will apply as from 13 April 2026. Before that date, any request for conversion of Shares of any Sub-Fund into Shares of another Sub-Fund shall be received prior to 2 pm on any Valuation Day.

Redemption proceeds paid by bank draft will be posted and shareholders should therefore make allowance for this, as well as for the time required by their own banks to obtain cleared funds. No charge is made by the Registrar Agent for redemption of Shares. For the avoidance of doubt, the currency in which redemption proceeds are to be paid should always be specified at the time that the redemption instruction is given. In the absence of such specification, the Registrar Agent will instruct the Depositary to remit the proceeds to the registered address of the shareholder by bank draft in the relevant Reference Currency.

Shareholders are requested to provide Standing Redemption Payment Instructions on their Application Form. Redemption proceeds can then be remitted by electronic funds transfer to the nominated bank account. These instructions may subsequently be changed by sending written instructions, signed by the shareholder, to the Registrar Agent who will then write to confirm the change. As an additional safety feature, the change may (if the Registrar Agent so requires) only be effected when confirmation has been received from all the shareholders. In view of the time needed to obtain this confirmation, the Directors strongly advise shareholders to keep their Standing Redemption Payment Instructions up to date.

In the event that redemption is requested in a currency other than the Reference Currency of the Classes of Shares within the relevant Sub-Fund(s), or conversion is between Classes where the reference currencies are not the same, the Registrar Agent will perform the necessary foreign exchange transactions. Shareholders should be aware that the amount of currency involved and the time of day at which such foreign exchange is transacted will affect the rate of exchange. No liability shall be accepted by the Depositary, Registrar Agent or the Company for any losses arising from adverse currency fluctuations.

At the shareholder's request, the Company may elect to pay redemption proceeds in kind, having due regard to all applicable laws and regulations and to all shareholders' interest. In such case of payment in kind, the auditor of the Company shall deliver, if applicable, an audit report in accordance with applicable laws. Any costs incurred in connection with a redemption in kind of securities shall be borne by the relevant shareholder.

Seed Money

Shares of a Sub-Fund may be held (i) by a French fund in which BNP PARIBAS ASSET MANAGEMENT Holding is a majority shareholder (hereinafter the "Seeder Fund") and/or (ii) by companies which are part of the BNP Paribas Group of companies and/or (iii) by investment funds which are managed by investment management companies in which BNP Paribas Group directly or indirectly holds a shareholding ("BNP Paribas Group Managed Funds") for the purposes of building a track record or marketing the Sub-Fund.

The Seeder Fund and/or companies of the BNP Paribas Group and/or BNP Paribas Group Managed Funds may, at any time, choose to redeem their Shares in the Sub-Fund which may result in a material decrease in the total assets of the Sub-Fund and/or a restructuring of the Sub-Fund including but not limited to restructuring causing the winding up of the Sub-Fund or its merger with another fund. Specific rules have been established by the Management Company with a view to preserve an equal treatment between the shareholders of the Sub-Fund and will be applied in such case.

The foregoing does not prevent Shares of a Sub-Fund from being held by other investors including external seed investors.

Suspension of the Calculation of the Net Asset Value and the Offering, Redemption and Conversion of Shares

After consultation with the Depositary and having regard to the best interest of Shareholders, the Company may suspend temporarily the determination of the Net Asset Value, and the issue, redemption and conversion of the Shares of the relevant class/Sub-Fund:

- (a) when the principal exchanges or regulated markets that supply the prices of a material portion of the assets of a Sub-Fund's investments are closed when they would normally be open, or their trading is restricted or suspended or the information or calculation sources normally used to determine a material portion of the Net

- Asset Value are unavailable or for any other reason, the prices or values of a material portion of the assets of a Sub-Fund cannot be accurately or promptly ascertained;
- (b) during any period when any breakdown or malfunction occurs in the means of communication network or IT media normally employed in determining the price or value of the assets of the Company or a Sub-Fund, or which is required to calculate the Net Asset Value;
 - (c) when exchange, capital transfer or other restrictions prevent the execution of transactions of the Company or a Sub-Fund or prevent the execution of transactions at normal rates of exchange and conditions for such transactions;
 - (d) when exchange, capital transfer or other restrictions prevent the repatriation of assets of the Company or a Sub-Fund for the purpose of making payments on the redemption of Shares or prevent the execution of such repatriation at normal rates of exchange and conditions for such repatriation;
 - (e) when the legal, political, economic, military or monetary environment, or an event of force majeure, prevents the Company from being able to manage the assets of the Company or a Sub-Fund in a normal manner and/or prevent the determination of their value in a reasonable manner;
 - (f) when there is a suspension of the Net Asset Value calculation and/or of the issue, redemption or conversion rights by the investment fund(s) in which the Company or a Sub-Fund is invested or at the level of a Master sub-fund in which the Company or a Sub-Fund invests as a feeder fund;
 - (g) in the event of a notice to shareholders convening an extraordinary general meeting of shareholders for the purpose of dissolving and liquidating the Company or informing them about the termination and liquidation of a Sub-Fund or class of Shares, and more generally, during the process of liquidation of the Company, a Sub-Fund or class of Shares;
 - (h) during the process of establishing exchange ratios in the context of a merger, a contribution of assets, an asset or share split or any other restructuring transaction; and
 - (i) during any period when the dealing of the Shares of the Company or Sub-Fund or class of Shares on any relevant stock exchange where such shares are listed is suspended or restricted or closed.

The Company shall suspend the issue, allocation, switching, repurchase and redemption of the Shares forthwith upon the occurrence of an event causing it to enter into liquidation or upon the order of the Luxembourg supervisory Authority.

Shareholders having requested a switch, repurchase or redemption of their Shares will be notified in writing of any such suspension within seven days of their request and will be promptly notified upon termination of such suspension.

The suspension as to any class/Sub-Fund will have no effect on the calculation of the Net Asset Value and the issue, conversion and redemption of the Shares of any other class/Sub-Fund.

Swing Pricing

When significant amounts of cash enter a Sub-Fund from new subscriptions, this often requires the Investment 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 Net Asset Value 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 Net Asset Value will be adjusted by a swing factor respectively upwards or downwards to reflect the dealing and extra costs borne by the Sub-Fund, as described above.

The extent of the price adjustment will be set by the Management Company and will not exceed 2% of the Net Asset Value. Where applicable, any performance fee will be charged based on the unswung Net Asset Value, i.e. before the application of swing pricing mechanism.

The fluctuation of the Sub-Fund’s Net Asset Value 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.

Reporting

All conversions and redemptions will be acknowledged by a contract note.

Institutional and Professional Investors

Institutional Investors as well as professional and other investors of a similar standing either subscribing for or redeeming the Shares in the Company on the basis of the Prospectus, hereby agree that where they receive the incorrect number of Shares or the incorrect amount of redemption proceeds as a result of an error in the calculation of the Net Asset Value per Share the following will apply. They will be deemed to have unknowingly benefited from an error in the calculation of the Net Asset Value per Share and in such circumstances will reimburse all amounts unduly received or pay any amounts that should have been paid if there had not been such an error of the Net Asset Value per Share.

HOW TO TRANSFER SHARES

Shareholders wishing to transfer some or all of the Shares registered in their names should submit to the Registrar Agent a standard stock transfer form or other appropriate documentation. No stamp duty is payable on transfer. Investors are reminded that any transfer of Shares held in Euroclear or Clearstream must be notified immediately to the Registrar Agent.

The Registrar Agent is available to receive requests for the subscription, conversion and redemption of Shares on any Business Day between the hours of 9:00 and 17:00 (Luxembourg time) which requests will be dealt with according to time of receipt as described hereabove.

DATA PROTECTION

In accordance with the provisions of the law of 1st August 2018 on the organization of the National Data Protection Commission and on the general data protection framework, together with the Regulation n°2016/679 of 27 April 2016 on the protection of natural persons with regard to processing of personal data and on the free movement of such data (the “Data Protection Laws”), the Company has to inform shareholders that their personal data is kept by means of a computer system.

The Company, acting as a data controller, collects stores and processes by electronic or other means the data supplied by shareholders at the time of their subscription for the purpose of fulfilling the services required by the shareholders and complying with its legal obligations.

The data processed includes the name, address and invested amount of each shareholder, together with the contact details of the shareholder's ultimate beneficial owners, directors, authorized signatories and persons that own, directly or indirectly, an interest in the Company (the "Personal Data").

The investor may, at his/her/its discretion, refuse to communicate the Personal Data to the Company. In this case however the Company may reject his/her/its request for subscription of Shares in the Company.

In particular, Personal Data supplied by shareholders is processed for the purpose of (i) maintaining the register of shareholders, (ii) processing subscriptions, redemptions and conversions of Shares and payments of dividends to shareholders, (iii) performing controls on late trading and market timing practices, (iv) complying with applicable anti-money laundering rules and (v) tax identification as may be required under Luxembourg or foreign laws and regulations (including laws and regulations relating to FACTA or Common Reporting Standard).

The Company can delegate to another entity (the "Processors") (the Administrative Agent, the Registrar Agent and the Management Company) the processing of the Personal Data, for the purpose of fulfilling the services required by the shareholders in compliance and within the limits of the applicable laws and regulations. These entities are located in the European Union.

A Processor may engage another processor for carrying out specific processing activities on behalf of the Company, upon prior authorization from the latter. These entities may be located either in the European Union or in countries outside of the European Union and whose data protection laws may not offer an adequate level of protection, in particular but not exclusively in India. Such sub processor shall process the Personal Data under the same conditions and for the same purposes as the Processor. The investor may contact the Processor for more information regarding the transfer of its Personal data performed by such Processor.

The Personal Data may also be disclosed to the Luxembourg tax authorities, which in turn may, acting as data controller, disclose the same to foreign tax authorities.

Each shareholder has a right to access his/her/its Personal Data and may ask for a rectification thereof in cases where such data is inaccurate and incomplete. It/he/she may also object to processing of its/his/her Personal Data based on legitimate interests or ask for erasure of its/her/his Personal Data if the conditions provided under the Data Protection Laws are met. Each shareholder may also ask, under the conditions provided under the Data Protection Laws, for data portability. In relation thereto, the shareholder can exercise its rights by letter addressed to the Company.

The shareholder has a right of opposition regarding the use of its Personal Data for marketing purposes. This opposition can be made by letter addressed to the Company.

The shareholder has a right to lodge a complaint with a data protection supervisory authority.

The shareholder's Personal Data shall not be held for longer than necessary with regard to the purpose of data processing carried out under the present contractual relationship observing legal periods of limitation.

DIVIDENDS

Distribution Shares may pay a dividend to their holders. In such case, dividends shall be paid out of the investment income gains and/or realized capital gains, or out of any other funds available for distribution. Nevertheless, no distribution may be made as a result of which the total net assets of the Company would fall below the equivalent in the Reference Currency of the Company of the minimum amount of the net assets of UCIs as required by Luxembourg law.

Capitalisation Shares capitalise income. Dividends are declared by the Directors and approved by the shareholders. The Directors may determine annually, after the end of the relevant accounting year, if and to what extent the Company will pay dividends out of the net investment income and net capital gains available for distribution, or capital. Interim dividends may be paid if and when decided by the Directors in compliance with applicable law. Any dividend payments will be confirmed in writing to the holders of Distribution Shares.

Dividend payment will be made by Bank Transfer. Investors may request exceptionally on the Application Form that their dividends be paid to them by cheque in a particular currency to the extent the Management Company agrees to do so. Since dividends are declared in the Reference Currency of the relevant Class, the Management Company will arrange for all dividends to be paid in the single currency selected. Any foreign exchange will normally be transacted shortly before the date of payment. Investors should be aware that the amount of currency involved and the time at which such foreign exchange is transacted will affect the rate of exchange. No liability can be accepted by the Depositary, the Registrar Agent or the Company for any losses arising from adverse currency fluctuations. Unclaimed dividend payments will be returned to the Company after five years.

Unless otherwise specifically requested on the Application Form, dividends will be reinvested in further Shares of the same Class within the same Sub-Fund and shareholders will be advised of the details by a contract note.

Holders of Shares held in Euroclear or Clearstream are not able to have their dividends reinvested.

Dividends will be paid to Euroclear or Clearstream which will account for these amounts to the relevant shareholders.

QUERIES AND COMPLAINTS

Complaints must be submitted by Post to the following address:

AXA World Funds II

Tour Majunga, La Défense

6 Place de la Pyramide

92800 Puteaux

France

Attention: Complaint handling officer

Or by mail to the following address: ComplianceLUX2@axa-im.com

TAXATION IN LUXEMBOURG

The following is a summary of certain material Luxembourg tax consequences of purchasing, owning and disposing of the Shares of the Company. It does not purport to be a complete analysis of all possible tax situations that may be relevant to a decision to purchase, own or sell the Shares. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it construed to be, legal or tax advice. Prospective purchasers of the Shares should consult their own tax advisers as to the applicable tax consequences of the ownership of the Shares, based on their particular circumstances. This summary does not allow any conclusions to be drawn with respect to issues not specifically addressed. The following description of Luxembourg tax law is based upon the Luxembourg law and regulations as in effect and as interpreted by the Luxembourg tax authorities on the date of this document and is subject to any amendments in law (or in interpretation) later introduced, whether or not on a retroactive basis.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only.

Any reference in the present section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), as well as personal income tax (*impôt sur le revenu*) generally. Corporate shareholders may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and to the solidarity surcharge. Under certain

circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Taxation of the Company

The Company is not subject to any Luxembourg tax on interest or dividends received by any Sub-Fund, any realized or unrealized capital appreciation of Sub-Fund assets or any distribution paid by any Sub-Fund to shareholders.

The Company is not subject to any Luxembourg stamp tax or other duty payable on the issuance of Shares.

The Company is as a rule liable in Luxembourg to a subscription tax (*taxe d'abonnement*) of 0.05% *per annum* of its Net Asset Value, such tax being payable quarterly on the basis of the value of the aggregate net assets of each Sub-Fund of the Company at the end of the relevant calendar quarter.

This rate is however of 0.01% *per annum* for:

- individual Sub-Funds of UCIs the exclusive object of which is the collective investment in money market instruments and the placing of deposits with credit institutions;
- individual Sub-Funds of UCIs the exclusive object of which is the collective investment in deposits with credit institutions;
- individual Sub-Funds of UCIs with multiple Sub-Funds as well as for individual classes of securities issued within a UCI or within a Sub-Fund of a UCI with multiple Sub-Funds, provided that the securities of such Sub-Funds or classes are reserved to one or more institutional investors.

Are further exempt from the subscription tax:

- the value of the assets represented by units held in other UCIs, provided such units have already been subject to the subscription tax provided for by Article 174 of the Law of 2010 or by Article 68 of the law of 13 February 2007 on specialized investment funds or by Article 46 of the law of 23 July 2016 on reserved alternative investment funds;
- UCIs as well as individual Sub-Fund of umbrella funds (i) whose securities are reserved for institutional investors, (ii) whose exclusive object is the collective investment in money market instruments and the placing of deposits with credit institutions, (iii) whose weighted residual portfolio maturity must not exceed ninety (90) days, and (iv) which have obtained the highest possible rating from a recognized rating agency;
- UCIs whose securities are reserved for (i) institutions for occupational retirement provision, or similar investment vehicles, created on the initiative of a same group for the benefit of its employees and (ii) undertakings of this same group investing funds they hold, to provide retirement benefits to their employees;
- for UCIs as well as individual Sub-Fund of umbrella funds whose main objective is the investment in micro-finance institutions; and
- for UCIs as well as individual Sub-Fund of umbrella funds (i) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly, recognised and open to the public and (ii) whose exclusive object is to replicate the performance of one or more indices.

The Company is considered in Luxembourg as a taxable person for value added tax ("VAT") purposes without any input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Company could potentially trigger VAT and require the VAT registration of the Company in Luxembourg. As a result of such VAT registration, the Company will be in a position to fulfil its duty

to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad.

No VAT liability arises in principle in Luxembourg in respect of any payments by the Company to its shareholders, to the extent such payments are linked to their subscription of Shares in the Company and do, therefore, not constitute the consideration received for taxable services supplied.

Dividends and interest received by the Company on its investments may be subject to non-recoverable withholding or other taxes in the countries of origin.

Taxation of the shareholders

Under present Luxembourg law there are no Luxembourg ordinary income, capital gains, estate or inheritance taxes payable by the shareholders in respect of their Shares in the Company, except by shareholders who are domiciled in, or residents of Luxembourg, or by shareholders who have a permanent establishment or a permanent representative in the Grand-Duchy of Luxembourg to which or whom the Shares in the Company are attributable.

Withholding tax

No withholding tax applies on distribution made by the Company.

Foreign Account Tax Compliance Act

The foreign account tax compliance provisions ("FATCA") of the Hiring Incentives to Restore Employment Act 2010 ("HIRE Act") which apply to certain payments are essentially designed to require reporting of US person's direct and indirect ownership of non-US accounts and non-US entities to the US Internal Revenue Service ("IRS"), with any failure to provide the required information resulting in a 30% US withholding tax on direct US investments (and possibly indirect US investments). In order to avoid being subject to US withholding tax, both US investors and non-US investors are likely to be required to provide information regarding themselves and their investors. In this regard, the Luxembourg and US Governments signed an intergovernmental agreement with respect to the implementation of FATCA designed to facilitate compliance with FATCA by Foreign Financial Institutions ("FFI") in Luxembourg.

The basic terms of FATCA provisions currently appear to include the Company as a FFI, such that in order to comply, the Company may require all shareholders to provide mandatory documentary evidence of their US and/or non-US status and may thus be required to, inter alia, disclose the name, address and taxpayer identification number of certain US persons that own, directly or indirectly, an interest in the Company, as well as certain other information relating to such interest, including amounts paid by the Company, to the United States IRS.

While the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the 30% withholding tax, no assurance can be given that the Company will be able to satisfy all obligations imposed by FATCA. If the Company is not able to comply with the requirements imposed by FATCA and the Company may become subject to a withholding tax on its US investments (if any) as a result of FATCA, the value of Shares held by all shareholders may be materially affected and shareholders may suffer significant loss as a result.

A shareholder that fails to provide the documentation evidencing its US and/or non-US status as requested by the Company may lead to a payment of taxes (including US withholding tax) by the Company attributable to such shareholder's non-compliance under the HIRE Act and such tax liability may be re-charged to such non-compliant shareholder. Provided that the Company is acting in good faith and on reasonable grounds, the Company may compulsorily redeem the shares owned by such shareholders pursuant to the Articles of the Company. In addition, the Company will have the right to withhold, set-off or deduct any reasonable amounts (including any tax obligations) from the redemption proceeds as permitted by applicable laws and regulations.

Additionally, the Company is responsible for the processing of personal data and each shareholder has a right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data

obtained by the Company are to be processed in accordance with the Luxembourg law dated 2 August 2002 on the protection of persons with regard to the processing of personal data, as amended.

Each shareholder and prospective investor should consult its own tax advisers regarding the requirements under FATCA and the possible implication of FATCA on their investment in the Company. In particular, shareholders who hold their shares through intermediaries should confirm the FATCA compliance status of those intermediaries to ensure that they do not suffer US withholding tax on their investment returns.

Common Reporting Standard

Capitalized terms used in this section should have the meaning as set forth in the Luxembourg law dated 18 December 2015 (the “**CRS Law**”), unless provided otherwise herein.

On 9 December 2014, the Council of the European Union adopted the Directive 2014/107/EU amending the Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation which now provides for an automatic exchange of financial account information between EU Member States (“**DAC Directive**”). The adoption of the aforementioned directive implements the OECD’s CRS and generalizes the automatic exchange of information within the European Union as of 1 January 2016.

In addition, Luxembourg signed the OECD’s multilateral competent authority agreement (“**Multilateral Agreement**”) to automatically exchange information under the CRS. Under this Multilateral Agreement, Luxembourg will automatically exchange financial account information with other participating jurisdictions as of 1 January 2016. The CRS Law implements the DAC Directive introducing the CRS in Luxembourg law.

Under the terms of the CRS Law, the Company may be required to annually report to the Luxembourg tax authorities the name, address, Member State(s) of residence, TIN(s), as well as the date and place of birth of (i) each Reportable Person that is an Account Holder within the meaning of CRS Law, (ii) and, in the case of a Passive NFE within the meaning of the CRS Law, of each Controlling Person(s) that is a Reportable Person. Such information may be disclosed by the Luxembourg tax authorities to foreign tax authorities.

The Company’s ability to satisfy its reporting obligations under the CRS Law will depend on each shareholder providing the Company with the information, including information regarding direct or indirect owners of each shareholder, along with the required supporting documentary evidence. Upon request of the Company, each shareholder shall agree to provide the Company such information.

Although the Company will attempt to satisfy any obligation imposed on it to avoid any fines or penalties imposed by the CRS Law, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a fine or penalty as result of the CRS Law, the value of the Shares held by the shareholders may suffer material losses.

Any shareholder that fails to comply with the Company’s documentation requests may be charged with any fines and penalties imposed on the Company attributable to such shareholder’s failure to provide the information and the Company may, in its sole discretion, redeem the Shares of such shareholder.

Shareholders should consult their own tax advisor or otherwise seek professional advice regarding the impact of the CRS Law on their investment.

MEETINGS

Annual general meetings of the shareholders of the Company (the ‘Annual General Meeting’) are held at the registered office of the Company in Luxembourg within 4 months after the ending of each accounting year. General meetings of shareholders will be held at such time and place as are indicated in the notices of such meetings. Notices of a general meeting and other notices will be given in accordance with Luxembourg law. Notices will, if legally required, be published in the *RESA* and the *d’Wort* in Luxembourg, and in such other newspapers as the Directors may determine. Notices will specify the place and time of the meetings, the conditions of admission, the agenda, the quorum and the voting requirements and will be given at least 8 clear days prior to the meetings. The

requirements as to attendance, quorum and majorities at all general Meetings will be those laid down in the Articles of the Company and articles 450-3 and 450-8 of the Law of 1915. All shareholders may attend the Annual General Meetings, any general meetings and class meetings of the Sub-Funds in which they hold Shares and may vote either in person or by proxy. In case the voting rights of one or several shareholders are suspended or the exercise of the voting rights has been waived by one or several shareholders in accordance with the Articles of the Company, such shareholders may attend any general meeting of the Company but the shares they hold are not taken into account for the determination of the conditions of quorum and majority to be complied with at the general meetings of the Company.

LIQUIDATION OF THE COMPANY AND MERGER OR LIQUIDATION OF THE SUB-FUNDS

The Company will exist until wound up by special resolution and dissolved according to the Law of 2010 and the Law of 1915. In the event that for any reason the value at their respective Net Asset Value of all outstanding Shares shall be less than EUR 840,000 or the Net Asset Value of any assets relating to any Sub-Fund is lower than EUR 840,000 or in the case of a Sub-Fund denominated in a currency other than the EUR, the equivalent in that currency of such amount, or in case of a substantial modification in the political, economic or monetary situation or as a matter of economic rationalisation, the Directors may decide to redeem all the Shares of the relevant class or classes at the Net Asset Value per Share (taking into account actual realisation prices of investments and realisation expenses) calculated on the Valuation Day at which such decision shall take effect. The Company shall serve a notice to the holders of the relevant class or classes of Shares prior to the effective date for the compulsory redemption, which will indicate the reasons and the procedure for the redemption operations: registered shareholders shall be notified in writing. Unless it is otherwise decided in the interests of, or to keep equal treatment between the shareholders, the shareholders of the Sub-Fund or of the class of Shares concerned may continue to request redemption or conversion of their Shares free of charge (but taking into account actual realisation prices of investments and realisation expenses) prior to the date effective for the compulsory redemption. Notwithstanding the powers conferred to the Directors by the preceding paragraph, the general meeting of shareholders of any one or all classes of Shares issued in any Sub-Fund will, in any other circumstances, have the power, upon proposal from the Directors, to redeem all the Shares of the relevant class or classes and refund to the shareholders the Net Asset Value of their Shares (taking into account actual realisation prices of investments and realisation expenses) calculated on the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such general meeting of shareholders which shall decide by resolution taken by simple majority of those present or represented and voting at such meeting.

Assets which may not be distributed to their beneficiaries upon the implementation of the redemption will be deposited with the *Caisse de Consignation* on behalf of the persons entitled thereto. Proceeds not claimed within the statutory period will be forfeited in accordance with laws and regulations.

a) Merger decided by the board of Directors

The board of Directors may decide to proceed with a merger (within the meaning of the Law of 2010) of the Company with one or several other Luxembourg or foreign UCITS, or sub-fund thereof. The board of Directors may also decide to proceed with a merger (within the meaning of the Law of 2010) of one or several Sub-Fund(s) with one or several other Sub-Fund(s) within the Company, or with one or several other Luxembourg or foreign UCITS or sub-funds thereof. Such mergers shall be subject to the conditions and procedures imposed by the Law of 2010, in particular concerning the common draft terms of the merger to be established by the board of Directors and the information to be provided to the shareholders. Such a merger does not require the prior consent of the shareholders except where the Company is the absorbed entity which, thus, ceases to exist as a result of the merger; in such case, the general meeting of shareholders of the Company must decide on the merger and its effective date. Such general meeting will decide by resolution taken with no quorum requirement and adopted by a simple majority of the votes validly cast.

The board of Directors may decide to proceed with the absorption by the Company or one or several Sub-Funds of (i) one or several sub-funds of another Luxembourg or a foreign UCI, irrespective of their form, or (ii) any Luxembourg or foreign UCI constituted under a non-corporate form. The exchange ratio between the relevant

Shares of the Company and the Shares or units of the absorbed UCI or of the relevant sub-fund thereof will be calculated on the basis of the relevant net asset value per Share or unit as of the effective date of the absorption.

In addition to the above, the Company may also absorb another Luxembourg or foreign UCI incorporated under a corporate form in compliance with the 1915 Law and any other applicable laws and regulations.

b) Rights of the shareholders and costs to be borne by them

In all the merger cases under (i) and (ii) above, the shareholders will in any case be entitled to request, without any charge other than those retained by the Company or the Sub-Fund to meet disinvestment costs, the repurchase or redemption of their Shares, or, where possible, to convert them into units or shares of another UCITS pursuing a similar investment policy and managed by the Management Company or by any other company with which the Management Company is linked by common management or control, or by substantial direct or indirect holding, in accordance with the provisions of the Law of 2010.

Any cost associated with the preparation and the completion of the merger shall neither be charged to the Company nor to its shareholders.

REMUNERATION POLICY

The Management Company has approved and adopted AXA IM's Global Remuneration Policy, in accordance with the applicable regulations, which is consistent with, and promotes, sound and effective risk management; does not encourage risk-taking which is inconsistent with the risk profiles of the Company or the Articles, and does not impair compliance of the Management Company's duty to act in the best interests of the Company.

AXA IM's Global Remuneration Policy, which has been approved by the AXA IM Remuneration Committee, sets out the principles relating to remuneration within all AXA IM entities and takes into account AXA IM's business strategy, objectives, and risk tolerance, as well as the long-term interests of AXA IM's shareholders, employees and clients (including the Company). The AXA IM Remuneration Committee is responsible for determining and reviewing the AXA IM remuneration guidelines, including the AXA IM Global Remuneration Policy, as well as reviewing the annual remuneration of senior executives of the relevant AXA IM entities, as part of the BNP Paribas Group and senior officers in control functions.

AXA IM provides both fixed and variable remuneration. An employee's fixed remuneration is structured to reward organizational responsibility, professional experience and the individual's capability to perform the duties of the role. Variable remuneration is based on performance and may be awarded annually on both a non-deferred and, for certain employees, a deferred basis. Non-deferred variable remuneration may be awarded in cash or, where appropriate and subject to local laws and regulation, in instruments linked to the performance of AXA IM funds. Deferred remuneration is awarded through various instruments structured to reward medium and long-term value creation for clients and AXA IM and long-term value creation for the Management Company's group. AXA IM ensures appropriate balances between fixed and variable remuneration and deferred and non-deferred remuneration.

Details of the up to date AXA IM Global Remuneration Policy are published online at <https://www.axa-im.com/remuneration>. This includes the description of how remuneration and benefits are awarded for employees, and further information on the AXA IM Remuneration Committee. The Management Company shall provide a paper copy free of charge upon request.

Payment of retrocessions and rebates:

As part of its commercial development policy, the Management Company may decide to develop contacts with various financial intermediaries who, in turn, are in contact with client segments likely to invest in the funds of the Management Company. The Management Company applies a strict selection policy of its partners and determines the conditions of their remuneration (one-off or recurring), calculated either on a lump sum basis or in proportion to the management fees received, in order to preserve the long term stability of the relationship.

The Management Company may, on a discretionary basis, grant rebates directly to investors on request depending on commercial interests. Rebates are used to reduce the fees or expenses of the investors concerned.

Rebates are permitted provided that they are paid out of the remuneration received by the Management Company and therefore do not represent an additional charge for the COMPANY and are granted on the basis of objective criteria.

For more information, please refer to the document 'Remuneration for the distribution of Undertakings for Collective Investment and rebates to certain holders' available on the website <https://www.axa-im.fr/informations-importantes>.

BENCHMARK REGULATION

Certain Sub-Funds use Benchmarks as defined by the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds ("BMR"), as they are actively managed in reference to a benchmark index according to the ESMA Q&A on application of the UCITS Directive (please refer to section(s) Investment Objective and Policy in the relevant Appendix of the respective Sub-Funds).

As required by article 28(2) of BMR, the Management Company has adopted a written plan setting out actions, which it will take with respect to the Sub-Funds using a benchmark as defined by BMR in the event that the benchmark index materially changes or ceases to be provided (the "Contingency Plan"). You may access the Contingency Plan free of charge at the registered office of the Management Company.

At the date of the latest update of this Prospectus, the Benchmark administrators as defined by BMR are listed in the ESMA Register that you may consult at <https://registers.esma.europa.eu/publication>.

REPORTS

Annual and Semi-Annual

The financial period of the Company is the calendar year. The audited annual reports will be prepared as at 31 December each year. The unaudited semi-annual accounts will be prepared as at 30 June each year. The audited annual report and accounts will be available to shareholders upon request within four months of the December date and at least fifteen (15) days before the Annual General Meeting. The unaudited semi-annual accounts will be available upon request within two months of the June date.

EQUALIZATION

Each Sub-Fund may follow the accounting practice of equalization, to prevent the net undistributed income per Share from fluctuating solely by reason of purchases and redemptions of Shares. This is accomplished by maintaining an equalization account for the Sub-Fund. The equalization account is credited with that portion of the proceeds of purchased Shares representing the net undistributed income per Share of those Shares, and is debited with that portion of any redemption payment representing the net undistributed income per Share of the redeemed Shares.

FEES, CHARGES AND EXPENSES

1. Fees payable by the shareholders

The information below is without prejudice to other arrangements in respect of any additional fees that may be agreed upon between shareholders and their professional advisers.

To the Management Company

➤ On Application

A subscription fee will be charged on the subscription of Shares as specified for each Class of Shares or Sub-Fund in the Appendices.

The Management Company may pay part of its initial fee to the investor's professional adviser or agent and the distributors and their agents, if any.

➤ On Conversion

Unless otherwise specified in the Appendices, no conversion charge will be levied.

➤ On Redemption

Unless otherwise specified in the Appendices, no fee is levied on the redemption of Shares.

➤ Regular Savings Plan

Regular savings plans are available for the benefit of residents of Austria and Germany. At a future date, the regular savings plan may be extended to certain other countries in which the Company is authorised, the details of which may be obtained at any time at the registered office of the Company upon request.

Shareholders who have subscribed for regular savings plan may be charged additional costs for the processing and maintenance of the plan with the Registrar Agent.

However, in the first year, only one third of the costs of processing and maintenance will be charged to shareholders subscribing for Shares or additional Shares in the context of the regular saving plan.

2. Fees payable by the Company

To the Management Company

The Management Company is entitled to receive out of the net assets of each Sub-Fund an annual management fee as detailed in the relevant Appendices.

These fees are calculated as a percentage of the Net Asset Value of each Sub-Fund.

The annual management fees are calculated and accrued daily and are payable monthly in arrears.

The Management Company is responsible for the payment of the fees of the Investment Managers and, where applicable, AXA Investment Managers GS Limited. The Management Company is also entitled to any rounding adjustments.

To the Depositary, Registrar Agent, Domiciliary, Corporate, Administrative and Paying Agent

The maximum fees of the Depositary, Administrative Agent, Domiciliary, Corporate and Paying Agent and Registrar Agent are charged to the Company and specified in the Appendices. These fees are subject to annual review.

The Company also pays the expenses and disbursements of the Depositary, Administrative Agent, Domiciliary, Corporate and Paying Agent and Registrar Agent including the cost of electronic fund transfers.

The Company also pays any fees and expenses agreed from time to time between the Company and any distributors and representatives.

3. Expenses Payable by Each Sub-Fund

Each Sub-Fund is charged with its own directly attributable expenses, such as the cost of investment dealing (including usual banking and brokerage fees due on transactions involving portfolio securities of each Sub-Fund, the latter to be included in the acquisition price and to be deducted from the selling price) and interest on permitted borrowings. Other expenses not attributable to any particular Sub-Fund are allocated on an equitable basis as determined by the Directors (normally pro rata to the respective Net Asset Value of each Sub-Fund). The Directors will endeavour to ensure that such expenses are fair and reasonable.

A portion of commissions paid to selected brokers for certain portfolio transactions may be repaid to the Sub-Funds which generated the commissions with these brokers and may be used to offset expenses.

4. Expenses payable by the Company

All expenses incurred in the formation of the Company have been fully amortised.

The costs, charges and expenses which are payable by the Company include:

- all taxes which may be due on the assets and the income of the Company;
- remuneration of the Management Company, the Depositary, the Corporate and Administrative Agent, the Registrar Agent, the Domiciliary Agent, any Paying Agent, and of any representatives in jurisdictions where the Shares are qualified for sale, and of all other agents employed on behalf of the Company; such remuneration may be based on the net assets of the Company or on a transaction basis or may be a fixed sum;
- the cost of preparing, printing and publishing in such languages as are necessary, and distributing offering information or documents concerning the Company, annual and semi-annual reports and such other reports or documents as may be allowed or required under the applicable laws or regulations of the jurisdictions or the authorities where the Shares are qualified for sale;
- registrars' fees;
- the cost of printing proxies;
- the cost of preparing and filing the Articles and all other documents concerning the Company, including registration statements and offering circulars with all authorities (including local securities dealers' associations) having jurisdiction over the Company or the offering of Shares;
- the cost of qualifying the Company or the sale of Shares in any jurisdiction or of a listing on any exchange;
- the cost of accounting and bookkeeping;
- legal and auditing fees;
- directors' fees and expenses and remuneration of officers and employees of the Company;
- the cost of preparing, printing, publishing and distributing public notices and other communications to the shareholders;
- the cost of calculating the Net Asset Value of each Sub-Fund;
- insurance, postage, telephone and telex;
- distribution and sales support costs;
- and all other operational costs and similar charges and expenses.

Appendix I – AXA WORLD FUNDS II – European Equities (the "Sub-Fund")

AXA WORLD FUNDS II – European Equities acts as a feeder (the "Feeder sub-fund") of AXA WORLD FUNDS - ACT Europe Equity (the "Master sub-fund") in accordance with sub-section "Investment restrictions – G. Master-Feeder structure" above.

The investment objective and policy, the risk profile and risk factor of the Sub-Fund are therefore in accordance with those of the Master sub-fund as described below.

1. Investment Manager of the Sub-Fund and the Master sub-fund

BNP PARIBAS ASSET MANAGEMENT Europe

1 Boulevard Haussmann,
75009 Paris,
France

2. Investment Objective and Policy of the Sub-Fund

The objective of the Sub-Fund is to permanently invest at least 85% of its assets in the Master sub-fund.

The Master sub-fund is a sub-fund of AXA World Funds which is a Luxembourg *société d'investissement à capital variable* established under Part I of the Law of 2010 and subject to the provisions of the Law of 1915.

The Master sub-fund has an investment objective to achieve long-term capital growth measured in euro from an actively managed portfolio of listed equity and equity related securities and a sustainable investment objective to advance the United Nations Sustainable Development Goals ("SDGs") by investing into companies whose business models and/or operational practices are aligned with targets defined by one or more SDGs.

The Master sub-fund seeks to capture opportunities in European equity markets, primarily investing in securities which are part of the MSCI Europe Total Return Net benchmark index ("the Benchmark") universe. The investment manager of the Master sub-fund also considers the allocation in terms of country and sector in the Benchmark. However, as the portfolio of the Master Sub-fund is invested in a relatively small number of equities and the investment manager of the Master sub-fund 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. For the sake of clarity, the Benchmark is a broad market index which is not aligned with the sustainable investment objective of the Master sub-fund, but is used as a reference for its financial objective.

The Master sub-fund invests in equity securities of any market capitalisation (including small and micro-sized companies).

Specifically, at all times the Master sub-fund invests essentially in equities of companies listed or domiciled in Europe.

The Master sub-fund may also invest up to 20% of its net assets in money market instruments, money market funds and bank deposits for treasury purposes and/or in case of unfavourable market conditions.

The Master sub-fund may invest up to 10% of its net assets in units of UCITS and/or other UCIs that classify as Article 9 SFDR products (excluding money market funds).

In addition, the Sub-Fund may hold/invest up to 15% of its assets in Cash and highly liquid assets, such as Money Market Instruments, money market funds and bank deposits for treasury purposes, and/or financial derivative instruments for hedging purposes.

The Master sub-fund aims to support on the long run the SDGs in their social and environmental dimensions.

The Master sub-fund bindingly adopts at all times an environmentally and socially responsible investment 'Best-in-Universe' selectivity approach.

More information about sustainable investment is available in the relative SFDR Annex of the Sub-Fund.

The Master sub-fund may use derivatives for efficient portfolio management and hedging only. The Master sub-fund does not use total return swaps.

All derivatives usage will be consistent with the terms in "More about Derivatives" of the prospectus of the Master sub-fund.

For the purpose of efficient portfolio management, the Master 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 Master sub-fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Master sub-fund).

The Sub-Fund does not directly use those techniques.

Main types of assets in scope are equities.

The Master sub-fund uses neither securities borrowing transactions nor repurchase/reverse repurchase agreements.

All efficient portfolio management techniques will be consistent with the terms in "Efficient Portfolio Management Techniques".

The Reference Currency of the Sub-Fund is EUR.

3. Management process

The Master sub-fund's 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, and Paris aligned Benchmark (PAB) exclusions as defined in the Benchmark Regulation Delegated Regulation (CDR (EU) 2020/1818), followed by a second 'Best-in-Universe' filter on SDGs indicators; 2/ using a strategy that combines macro-economic, sector and company specific analysis. The Master sub-fund's portfolio is relatively concentrated and based on companies' outlook rather than on a country or sector basis. The securities selection process relies on a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile.

4. SFDR classification

The Sub-Fund (similarly to its Master sub-fund), is classified as an Article 9 Financial Product.

5. Risk profile

The Master sub-fund is mainly invested in equity for which there is a high risk of invested capital loss. By nature, equities sub-funds tend to be volatile but, over the long term, generally achieve greater returns than other types of instruments. The Sub-Fund shall indirectly bear such high risk of loss.

Sustainability Risks: As its Master sub-fund, given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected, according to the Management Company, to be low.

Special Risk Consideration:

Liquidity risks linked to investments in small and/or micro capitalisation universe: The Master sub-fund is also subject to the risk of investing in the small and/or micro capitalisation universe which implies specific liquidity risk. The possible lack of a liquid market may inhibit the ability of the relevant Sub-Funds to purchase or sell such investment at an advantageous price. The Net Asset Value of the Master sub-fund may be adversely affected.

Risks linked to investments in specific countries or geographical zones: The Master sub-fund is further subject to the risks associated with concentrating investments in regions. This type of strategy may lead to adverse consequences when target markets drop or encounter liquidity issues.

Derivatives risk: The Sub-Fund does not intend to invest in financial derivatives instruments and primarily seeks to invest in the Master sub-fund. Therefore, the global exposure of the Sub-Fund to financial derivatives instruments, monitored through a commitment approach and limited to 100% of the assets of the Sub-Fund, will correspond to the global exposure calculated at the level of the Master sub-fund.

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 Master sub-fund, and the Master 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 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 Master sub-fund's 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.

The Master sub-fund is appropriate for investors who do not withdraw their money for five years. As a consequence, the Sub-Fund is not appropriate for investors who plan to withdraw their contribution within five years.

6. Shares

There are currently 2 Classes of Shares available in the Sub-Fund, denominated in the currencies mentioned hereinafter:

- Class A – Distribution: EUR
- Class I – Distribution: EUR.

Class "A" Shares are for all investors other than Institutional Investors.

Class "I" Shares are specifically designated for Institutional Investors.

7. Minimum subscriptions and holding

	Subscriptions	Holding
In the Company	Initially: 2,000. - € *	2,000. - € *

In each Sub-Fund Subsequent: 1,000. - € *, except in the 1,000. - € *
case of any regular saving plans

*or the equivalent in the relevant currency of the relevant Class.

8. Subscription, redemption and conversion of Shares

Applications for subscription or redemption or conversion of Shares received by the Registrar Agent prior to 12 pm⁴ on any Valuation Day (D) will be traded at the Dealing Price applicable to such Valuation Day (D).

The relevant Dealing Price will be increased or decreased by any applicable subscription, redemption or conversion fees as mentioned below.

9. Fees

• Payable by the shareholders

i. Subscription fees:

- Class A Shares: an initial fee of up to 5.50% of the Dealing Price
- Class I Shares: no initial fee

ii. Redemption fees:

No fee is levied on the redemption of Shares.

iii. Conversion fees:

No conversion charge will be levied except in the following circumstances:

- a) 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
- b) the shareholder converts Shares of a Sub-Fund with a lower sales charge to a Sub-Fund with a higher sales charge within the first 12-month period following initial investment in the original Sub-Fund; in such case the shareholder will have to pay the difference between the two sales charge levels to the Company.

The Master sub-fund may not charge subscription or redemption fees on account of the Sub-Fund's investment in the shares/units of the Master sub-fund.

• Management Fees payable by the Company to the Management Company

The management fees charged to the Sub-Fund are only accrued at the Company level and are maximum 1.50% of the Net Asset Value of the Sub-Fund. No management fees shall be charged at the Master sub-fund level.

• Fees payable by the Company to the Depositary, Registrar Agent, Domiciliary, Administrative and Paying Agent

⁴ This change will apply as from 13 April 2026. Before that date, applications for subscription or redemption or conversion of Shares shall be received prior to 2 pm on any Valuation Day.

The Domiciliary, Administrative and Paying Agent, Registrar Agent shall be entitled to receive out of the net assets of the Sub-Fund a maximum fee of 0.20% per year.

The fees due to the Depository may amount up to a maximum of 0.015% per year, calculated on the basis of the Net Asset Value determined on the last Valuation Day of each month. Notwithstanding such fees, the Depository will receive customary banking fees per transaction.

- **Fees payable by the Sub-Fund by virtue of its investment in the Master sub-fund**

The Sub-Fund shall pay indirectly an applied service fee through its investment in the Master sub-fund. Such applied service fees fixed at a maximum level of 0.50% of the net asset value of the share class of the Master sub-fund in which the Sub-Fund invests (the “**Applied Service Fee**”).

The Applied Service Fee includes but is not limited to:

- depository fees, including all custody fees, except transaction related fees;
- auditor's fees;
- directors' fees and expenses, and remuneration of officers and employees of the AXA World Funds: any director of AXA World Funds will be entitled to a fee in remuneration for their services as a director or in their capacity as a member of any committee of the board of directors;
- the Luxembourg 'Taxe d'abonnement';
- share class currency hedging cost;
- the registrar agent, the domiciliary and administrative agent, any paying agent, the depository of already issued bearer shares, and of any representatives in jurisdictions where the shares are qualified for sale, and of all other agents employed on behalf of AXA World Funds; such remuneration may be based on the net assets of the AXA World Funds or on a transaction basis or may be a fixed sum;
- the cost of preparing, printing and publishing in such languages as are necessary, and distributing offering information or documents concerning AXA World Funds, annual and semi-annual reports and such other reports or documents, as may be allowed or required under the applicable laws or regulations of the jurisdictions or the authorities where the shares are qualified for sale;
- registrars' fees;
- the cost of printing certificates and proxies;
- the cost of preparing and filing the Articles and all other documents concerning AXA World Funds, including registration statements and offering circulars with all authorities (including local securities dealers' associations) having jurisdiction over the AXA World Funds or the offering of shares;
- the cost of qualifying AXA World Funds or the sale of shares in any jurisdiction or of a listing on any exchange;
- the cost of accounting and bookkeeping;
- legal fees;
- the cost of preparing, printing, publishing and distributing public notices and other communications to the shareholders;
- the cost of calculating the net asset value of each share class;
- insurance, postage, telephone and telex and any communication mean;
- distribution and sales support costs (including costs charged by local routing order platforms, local transfer agent costs, local representative agent and the translation costs);
- and all similar charges and expenses.

The Applied Service Fee does not cover any cost or expense incurred by a share class or sub-fund in respect of:

- all taxes which may be due on the assets and the income of AXA World Funds (to the exception of the Luxembourg Taxe d'Abonnement listed above);
- the cost of investment dealing (including usual banking and brokerage fees due on transactions involving portfolio securities of each sub-fund, the latter to be included in the acquisition price and to be deducted from the selling price);
- fees linked to reduction of duration exposure of RedEx share classes paid to the investment manager;
- correspondent and other banking charges;

- securities lending fees except custody fees - the agent carrying out securities lending and repurchase agreement activities for its services. The details of the remuneration will figure out in the annual report of AXA World Funds relative to the relevant sub-fund;
 - extraordinary expenses including but not limited to expenses that would not be considered as ordinary expenses: litigation expenses, exceptional measures, particularly legal, business or tax expert appraisals or legal proceedings undertaken to protect shareholders' interests, any expense linked to non-routine arrangements made by the domiciliary agent, the registrar & transfer agent and the listing agent in the interests of the investors and all similar charges and expenses.
- **Aggregate fees of the Sub-Fund and the Master sub-fund**

As per the above, the aggregate fees payable by the Sub-Fund are those directly charged to the Sub-Fund and those indirectly charged through the Master sub-fund, as summarized in the table below:

Sub-Fund	Master sub-fund	Aggregate fees (expressed as a maximum aggregated figure)
Up to 1.715%	Up to 0.50%	Up to 2.215%

In addition, the Sub-Fund shall bear such other costs, charges and expenses as further described under section "Fees, Charges and Expenses" above and, indirectly, by virtue of its investment in the Master sub-fund, those costs, charges and expenses of the Master sub-fund which are not covered by the Applied Service Fee, as further described above and in the Master sub-fund's prospectus.

10. Sub-Fund's Business Day

For this Sub-Fund, a Business Day shall be understood as every day that is a full bank Business Day in Luxembourg and on which the Eurex is opened.

11. Valuation Day

Every Business Day shall be a Valuation Day.

12. Performance of the Sub-Fund

The performance of the Sub-Fund is expected to be broadly in line with that of the Master sub-fund subject to its level of investment in the Master sub-fund and safe for additional fund expenses at the level of the Feeder sub-fund which will affect its performance.

13. Documents available for inspection

In addition to the documents available for inspection as referred to under the main part of the prospectus, the following documents shall be available for inspection free of charge during usual business hours on any Business Day at the registered office of the Company:

- i. The prospectus of AXA World Funds and the KID of the Master sub-fund;
- ii. The latest annual and semi-annual reports of AXA World Funds;
- iii. The internal conduct of business rules that has been adopted by the Management Company so as to ensure that AXA World Funds shall provide the Company with all documents and information necessary for the Company to meet the requirements laid down in the Law of 2010.

Investors may obtain any additional information about AXA World Funds on the website <http://www.axa-im.com>.

14. Summary of the internal conduct of business rules referred to above under section 11

- the Sub-Fund will invest in share classes of the Master sub-fund for which AXA IM has defined a process to avoid double charging of any management fees of target funds managed by an AXA IM entity;
- the Sub-Fund's calendar, the accounting period and the settlement cycle are aligned with those of the Master sub-fund;
- no subscription, redemption or conversion fees will be retained at the Master sub-fund's level;
- the Sub-Fund's delegates and the support functions being the same for the Sub-Fund and the Master sub-fund, exchange of information is facilitated;
- communication to the shareholders of the Sub-Fund and of the Master sub-fund is disseminated in a timely manner by the Management Company in order to avoid unequal level of information.

15. Tax implications

The investment into the Master sub-fund has no specific Luxembourg tax impact.

Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: AXA World Funds II European Equities (The **Legal entity identifier:** 213800W9JWC189NJY177 "Financial Product")

Sustainable investment objective

Does this financial product have a sustainable investment objective?



YES



NO

It will make a minimum of **sustainable investments with an environmental objective: 15%**

It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___ % of sustainable investments.

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It will make a minimum of **sustainable investments with a social objective: 15%**

It promotes E/S characteristics, but **will not make any sustainable investments**



What is the sustainable investment objective of this financial product?

The Financial Product is a feeder of AXA World Funds ACT Europe Equity ("the Master").

Indirectly, through its investments into the Master, the Financial Product seeks a Sustainable Investment objective to advance the United Nations Sustainable Development Goals (SDGs) by investing into companies whose business models and/or operational practices are aligned with targets defined by one or more SDGs.

Indirectly, through its investments into the Master, the Financial Product intends to invest in instruments qualifying as sustainable investments by assessing the positive contribution of investee companies through at least one of the following dimensions:

1. UN Sustainable Development Goals alignment (SDG) of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

a. the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b. using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager. The assessment is done at entity level and an investee company that satisfies the contribution to UN SDG criteria outlined above is considered as sustainable.

2. Integration of issuers engaged in a solid Transition Pathway consistently with the European Commission's ambition to help fund the transition to a 1.5°C world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

Those methodologies may evolve in the future to take into account any improvements for example in data availability and reliability, or any developments of, but not limited to, regulations or other external frameworks or initiatives.

The Financial Product is not taking into consideration the criteria of the EU Taxonomy environmental objectives.

No ESG reference benchmark has been designated for the purpose of attaining the sustainable investment objective promoted by this Financial Product and its Master. A broad market index, MSCI Europe Total Return Net (the "Benchmark"), has been designated by the Financial Product and its Master.

Through its investment in the Master, the initial investment universe of the Financial Product will be defined as composed of equities of companies of all sizes domiciled in Europe (with the exception of bonds and other debts securities issued by public issues, cash held on an ancillary basis and solidarity assets (the "Investment Universe").

- **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The Financial Product indirectly uses the same sustainability indicators as its Master.

For the record, the attainment of the sustainable investment objective promoted by the Master and described above is measured with the following sustainability indicators:

- The sustainability indicator is Carbon Intensity measured on the Master's assets and on the Benchmark, defined as the amount of GHG emissions (covering at least scope 1 and 2) per tons per millions \$ revenue released into the atmosphere, expressed in CO₂e tons per millions \$ revenue.
- The sustainability indicator is Women on Board defined as the percentage of female board members at the investee companies held in the Master and of the Benchmark. This indicator is provided by an external data provider.

The Master outperforms its Benchmark, on these sustainability indicators in order to promote the sustainable investment objective described above.

How do the sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

Indirectly, through its investments into the Master, the application of the Do No Significant Harm Principle for the sustainable investments the Financial Product partially intends to make means that an investee company cannot qualify as sustainable if it meets any of the criteria listed below:

- The issuer causes harm along any of the SDGs when one of its SDG scores is below -5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to "significantly contributing" to -10 corresponding to "significantly obstructing", unless the quantitative score has been qualitatively overridden. This criterion is applied on the investee companies that are considered as sustainable.
- The issuer is in AXA IM's sectorial and ESG standards ban lists (as described below), which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This criterion is applied on the entire portfolio.
- The issuer has a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology. The ESG score is based on ESG scoring from external data provider as primary inputs assessing data points across Environment, Social and Governance (ESG) dimensions. AXA IM analysts can complement with a fundamental and documented ESG analysis in case of lack of coverage or disagreement on the ESG rating provided that it is approved by AXA IM dedicated internal governance body. This criterion is applied on the entire portfolio.

Indicators for principal adverse impacts on sustainability factors are considered, including through the application of AXA IM's exclusion and stewardship policies.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Indirectly, through its investments into the Master, the Financial Product takes into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments are not significantly harming any other sustainability objectives under SFDR.

Principal adverse impacts are mitigated through sectorial exclusion policies and AXA IM ESG standards (as described below) that are applied bindingly at all times by the Financial Product, as well as through the filters based on UN Sustainable Development Goals scoring. No specific threshold or comparison with reference value have been defined within the DNSH approach.

Where relevant, Stewardship policies are an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Master will use its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors.

Voting at general meetings is also an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Master invests and mitigate adverse impacts.

Exclusion Policies:

- **Environmental:**

Relevant AXA IM policies	PAI Indicator
Climate Risk policy Ecosystem Protection & Deforestation policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)
	PAI 2: Carbon Footprint
	PAI 3: GHG intensity of investee companies
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption) ⁵	PAI 6: Energy consumption intensity per high impact climate sector
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas
SDG no significantly negative score	PAI 8: Emissions to water
SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio

- **Social and Governance:**

Relevant AXA IM policies	PAI Indicator
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) ⁶	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity
Controversial weapons policy	PAI 14: Exposure to controversial weapons

Filter based on UN SDGs:

The Investment Manager also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from

⁵ The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables AXA IM to use the PAI more effectively. Not all high impact climate sectors are targeted by the exclusion policy for the time being.

⁶ The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables AXA IM to use the PAI more effectively.

+ 10 corresponding to “significant contributing impact” to – 10 corresponding to “significant obstructing impact”), unless the quantitative score has been qualitatively overridden following a duly documented analysis by the AXA IM’s Core ESG & Impact Research. This approach enables AXA IM to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments⁷.

Data availability and quality is lower for the time being on certain sustainability factors related to biodiversity as an example, which may impact the coverage for the following PAI indicators: emissions to water (PAI 8), hazardous and radioactive waste ratio (PAI 9) and unadjusted gender pay gap (PAI 12). Those sustainability factors are part of the 17 objectives targeted by the United Nations SDGs (more specifically they are covered through SDG 5 “Gender equality”, SDGs 6 “Clean water and sanitation”, SDG 8 “Economic growth”, SDG 10 “Reduced inequalities”, SDG 12 “Responsible production and consumption” and SDG 14 “Life below water”) and AXA IM’s framework there enables to mitigate the worst impacts pending the increase on data availability and quality⁸.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Indirectly, through its investments into the Master, the Financial Product doesn't invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labour and Environment. AXA IM relies on an external provider’s screening framework and excludes any companies that have been assessed as “non-compliant” to UN’s Global Compact Principles, International Labour Organisation’s (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

⁷ Except for GSSBs (Green, Social or Sustainability Bonds)

⁸ The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables AXA IM to use the PAI more effectively. Not all high impact climate sectors are targeted by the exclusion policy for the time being.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes

No

Indirectly, through its investments into the Master,

Principal adverse impacts are considered with both (i) qualitative and (ii) quantitative approaches:

(i) Qualitative approach to consider principal adverse impact is based on exclusion and, where relevant, stewardship policies. Exclusion applied policies as part of the application of (i) AXA IM Sectorial policies and AXA IM ESG standards and (ii) exclusion criteria for Paris-aligned Benchmarks (PAB), as defined in the Benchmark Regulation Delegated Regulation (CDR (EU) 2020/1818) Article 12(1)(a)-(g), cover the most material sustainability factors' risks and are applied bindingly on a continuous basis. Paris-Aligned Benchmark exclusions do not apply to green bonds that have been issued under the European Green Bonds Regulation (Regulation (EU) 2023/2631). 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.

Where relevant, stewardship policies are an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through its engagement activities, the Master will use its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors.

Voting at general meetings is an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Master invest and mitigate adverse impacts.

AXA IM also relies on the SDG pillar of its sustainable investment framework to consider principal adverse impacts on sustainability factors. This approach enables AXA IM to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments, by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to "significant contributing impact" to – 10 corresponding to "significant obstructing impact"), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research.

Through those exclusions, stewardship policies and the filter on sustainable investments based on UN SDG score, the Master takes into consideration potential negative impact on those specific PAI indicators:

For Corporates:

	Relevant AXA IM policies and regulatory requirements	PAI Indicator
Climate and other environment related indicators	AXA IM Climate Risk policy Paris-Aligned Benchmarks exclusions CDR (EU) 2020/1818) Article 12(1)(a)-(g))	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)
	AXA IM Ecosystem protection & Deforestation policy	
	No significantly negative UN SDG Score	
	AXA IM Climate Risk policy Paris-Aligned Benchmarks exclusions CDR (EU) 2020/1818) Article 12(1)(a)-(g))	PAI 2: Carbon Footprint
	AXA IM Ecosystem protection & Deforestation policy	
	No significantly negative UN SDG Score	
AXA IM Climate Risk policy Paris-Aligned Benchmarks exclusions CDR (EU) 2020/1818) Article 12(1)(a)-(g))	PAI 3: GHG intensity of investee companies	

	AXA IM Ecosystem protection & Deforestation policy	
	No significantly negative UN SDG Score	
	AXA IM Climate Risk policy Paris-Aligned Benchmarks exclusions CDR (EU) 2020/1818) Article 12(1)(a)-(g))	PAI 4: Exposure to companies active in the fossil fuel sector
	No significantly negative UN SDG Score	
	AXA IM Climate Risk policy (engagement only) Paris-Aligned Benchmarks exclusions CDR (EU) 2020/1818) Article 12(1)(a)-(g))	PAI 5: Share of non-renewable energy consumption and production
	No significantly negative UN SDG Score	
	AXA IM Climate risk policy (considering an expected correlation between GHG emissions and energy consumption) ⁹ Paris-Aligned Benchmarks exclusions CDR (EU) 2020/1818) Article 12(1)(a)-(g))	PAI 6: Energy consumption intensity per high impact climate sector
	No significantly negative UN SDG Score	
	AXA IM Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area
	No significantly negative UN SDG Score	
	No significantly negative UN SDG Score	PAI 8: Emissions to water
	No significantly negative UN SDG Score	PAI 9: Hazardous waste and radioactive waste ratio
Social and employee respect for human rights, anti-corruption and anti-bribery matters	AXA IM ESG standard policy / violation of international norms and standards Paris-Aligned Benchmarks exclusions CDR (EU) 2020/1818) Article 12(1)(a)-(g))	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises
	No significantly negative UN SDG Score	
	AXA IM ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) ¹⁰ Paris-Aligned Benchmarks exclusions CDR (EU) 2020/1818) Article 12(1)(a)-(g))	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises
	No significantly negative UN SDG Score	
	No significantly negative UN SDG Score	PAI 12: Unadjusted gender pay gap
	AXA IM Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity
	No significantly negative UN SDG Score	
	AXA IM Controversial weapons policy Paris-Aligned Benchmarks exclusions CDR (EU) 2020/1818) Article 12(1)(a)-(g))	PAI 14: Exposure to controversial weapons

For Sovereigns and Supranationals:

⁹ The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables AXA IM to use the PAI more effectively. Not all high impact climate sectors are targeted by the exclusion policy for the time being.

¹⁰ The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables AXA IM to use the PAI more effectively.

	Relevant AXA IM policies	PAI indicator
Social	AXA IM ESG standards with the exclusion of investee countries with severe social violations	PAI 16: Sovereign Investee countries subject to social violations
	AXA IM Compliance black-list based on international and EU sanctions	

(ii) Principal adverse impacts are also considered quantitatively through the PAI indicators' measurement and reported annually in the SFDR annex in the periodic reporting. The objective is to provide transparency to investors on significant negative impact on other sustainability factors. AXA IM measures all the mandatory PAI indicators, plus additional optional environmental indicator, and additional optional social indicator.



What investment strategy does this financial product follow?

The Financial Product acts as a feeder of AXA World Funds ACT Europe Equity.

The objective of the Financial Product is to permanently invest at least 85% of its assets in the Master, thus the Financial Product follows the same investment strategy as its Master.

Indirectly, through its investments into the Master, the Investment Manager seeks, in line with the sustainable investment objective described above, to invest in equities of companies listed or domiciled in Europe which address the United Nations Sustainable Development Goals (SDGs) in their environmental and social dimension, i.e. SDG 1 - No Poverty, SDG 2 - Zero Hunger, SDG 3 - Good Health and Well-Being, SDG 4 - Quality Education, SDG 5 - Gender Equality, SDG 6 - Clean Water and Sanitation, SDG 7 - Affordable and Clean Energy, SDG 8 - Decent Work and Economic Growth, SDG 9 - Industry, Innovation and Infrastructure, SDG 10 - Reduced Inequality, SDG 11 - Sustainable Cities and Communities, SDG 12 - Responsible Consumption and Production, SDG 13 - Climate Action, SDG 14 - Life Below Water, SDG 15 - Life on Land, SDG 16 - Peace and Justice, Strong Institutions.

In addition, through its investments into the Master, the Investment Manager applies the exclusion filters as described in AXA IM's Sectorial Exclusion and ESG Standards Policies

The Financial Product, through its investments into the Master, is also managed using a socially responsible investment (SRI) approach and the binding elements of the investment strategy described below. The Master bindingly adopts at all times an environmentally and socially responsible investment "Best-in-Universe" selectivity approach taking into account non-financial criteria which consists of selecting best issuers in the Investment Universe, based on their contribution to the SDGs. This selectivity approach consists in removing at least the 30% worst values of the Investment Universe (with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and solidarity assets), using a combination of the sustainability-related exclusions applicable to the Financial Product, notably described above, and their SDG Overall Score.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The Financial Product acts as a feeder of AXA World Funds ACT Europe Equity.

Through its investments in the Master, the Financial Product bindingly invests at least 80% in Sustainable assets as defined by the application of the AXA IM sustainable investment framework based on the methodology which relies either on the contribution to the UN Sustainable Development Goals or on the fact that the investee company has defined Science-based targets which have been certified by the organization. In addition, the Financial Product bindingly applies at all times the following elements of the Master's investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by the Master, as described below.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

1. The Investment Manager selects investments by applying an extra-financial approach based on the exclusion filters as described in AXA IM's Sectorial Exclusion and ESG Standards Policies. Those Sectorial exclusions cover areas such as Controversial Weapons, Climate risks, Soft Commodities and Ecosystem Protection & Deforestation and Tobacco. The ESG Standards encompass specific exclusion on white phosphorus weapons and exclude investments in securities issued by companies in violation of international norms and standards such as the United Nations Global Compact Principles or the OECD guidelines for Multinational Enterprises; as well as investments in companies which are involved in severe ESG-related incidents and investments in issuers with a Low ESG quality (which is, as of the date of this Prospectus, below 1.43 (on a scale of 0 to 10– such number being subject to adaptation). Instruments issued by countries where serious specific categories of violations of Human Rights are observed are also banned. More details on those policies are available under the following link: [Policies and reports | AXA IM Corporate \(axa-im.com\)](#).

The Master applies Paris-aligned Benchmarks (PAB) exclusions, as defined in the Benchmark Regulation Delegated Regulation (CDR (EU) 2020/1818) Article 12(1)(a)-(g), except for green bonds that have been issued under the European Green Bonds Regulation (Regulation (EU) 2023/2631). 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. Those exclusions cover controversial weapons, tobacco, United Nations Global Compact (UNGC) and OECD Guidelines for Multinational enterprises, oil & gas and power generation. The controversial weapons, tobacco and United Nations Global Compact (UNGC) and OECD Guidelines for Multinational enterprises exclusion requirements are already covered by AXA IM Sectorial Exclusions and ESG Standards policies.

2. In addition, the Master applies a Best-in-Universe 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 consists of removing the 20% worst values of the Investment Universe, as defined above, of the Master based on a combination of the sustainability-related exclusions applicable to the Master, notably described above, and their SDG Overall Score to the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis and solidarity assets.

AXA IM has implemented scoring methodologies to rate issuers (corporates, sovereigns, green, social and sustainability bonds) on ESG criteria. These methodologies allow to rate corporates and sovereign issuers and are based on quantitative data from several data providers as well as on qualitative analysis from internal and external research. The data used in these methodologies include carbon emissions, water stress, health and safety at work, supply chain labour standards, business ethics, corruption and instability.

The corporate and sovereign scoring methodologies rely on three pillars and several sub-factors that cover the most material risk factors encountered by issuers in the E, S and G fields. The frame of reference draws on fundamental principles, such as United Nations Global Compact, the OECD Guidelines, the International Labour Organisation conventions, and other international principles and conventions that guide companies and governments 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 Behaviour. The final ESG score also incorporates the concept of industry dependant 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 is 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 promote the sustainable investment objective of the Financial Product.

AXA IM's ESG scoring methodology is further described on dedicated methodological document available on our website: [Sustainability Policies and Reports | AXA IM Corporate \(axa-im.com\)](#).

The Master 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.

3. In addition, the investment strategy outperforms its Benchmark on at least two ESG Key Performance Indicator that are Carbon Intensity and Women on Board at all times.

4. The following minimum coverage rates apply with the Financial Product portfolio (expressed as a minimum percentage 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 ESG analysis, ii) 80% for the Carbon Intensity indicator and iii) 55% for the Women on Board indicator. The threshold will be increased to 90% for KPI 1 and 60% for KPI 2, by December 31st, 2026.

Where the Financial Product invests in assets in the context of IPOs and/or Spin-offs that should not exceed 10% maximum of the Net Asset Value of the Financial Product, such investments are made under the condition that they are considered, by the Investment Manager, as being sustainable based on an initial qualitative analysis. Pending the disclosure of sustainability-related data by the issuer and a third-party analysis and scoring based on this data, our initial qualitative analysis will be periodically reviewed as determined in AXA IM Sustainable Investment Framework.

The ESG data (of which ESG score or SDG score wherever relevant) that are used in the investment process are based on 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. AXA IM's ESG different methodologies described herein may evolve in the future to consider any improvements in data availability and reliability, or any developments of regulations or other external frameworks or initiatives - among others.

● **What is the policy to assess good governance practices of the investee companies?**

The Financial Product acts as a feeder of AXA World Funds ACT Europe Equity.

Indirectly, through its investments into the Master, the Financial Product is not exposed to companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labour and Environment and as such, provide a methodology to help assess the good governance practices of an issuer, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. AXA IM relies on an external provider's screening framework and excludes any companies that have been assessed as "non-compliant" to UN's Global Compact Principles, International Labour Organisation's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

In addition, ensuring good governance practices is also addressed by the engagement policies. AXA IM implemented a comprehensive active ownership strategy – engagement and voting – where AXA IM acts as stewards of investments made on the clients' behalf. AXA IM views engagement as a means for investors to influence, shape and shift investee company policies and practices to mitigate risks and secure long-term value. Governance practices of companies are engaged at first level by the portfolio managers and dedicated ESG analysts when meeting companies' management team. It is through the long-term investor status and in-depth knowledge of the investment targets that AXA IM feels legitimate to engage in a constructive but demanding dialogue with them.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.



What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.

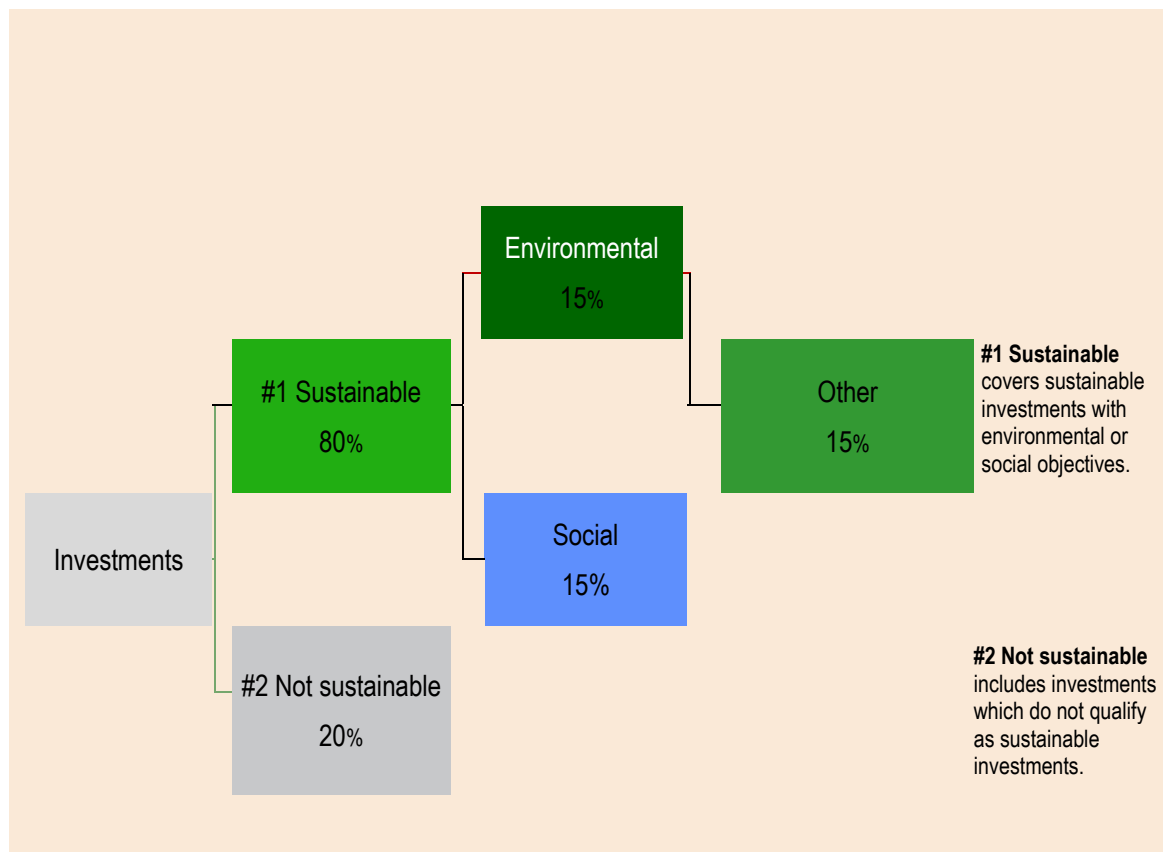
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To comply with the EU taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.



The Financial Product acts as a feeder AXA World Funds ACT Europe Equity.

Indirectly, through its investments into the Master, the Financial Product aims to plan its assets' allocation as presented in the graph above. This planned asset allocation might deviate on a temporary basis.

The planned minimum proportion of the investments of the Financial Product, through its investments into the Master, used to meet the sustainable investment objective in accordance with the binding elements of the investment strategy is 80% of the Master's Net Asset Value.

The remaining "Not Sustainable" investments will represent a maximum of 20% of the Master's Net Asset Value. Remaining "Not Sustainable" investments are used for hedging, liquidity and efficient portfolio management of the Financial Product. Minimum environmental and social safeguards based on AXA IM exclusion policies are assessed and applied to all "Other" not sustainable assets.

● **How does the use of derivatives attain the sustainable investment objective?**

Not applicable.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Financial Product acts as a feeder of AXA World Funds ACT Europe Equity.

The Financial Product and its Master are not taking into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product is not considering the "do not significantly harm" criteria of the EU Taxonomy.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹¹?**

Yes

In fossil gas

In nuclear energy

No

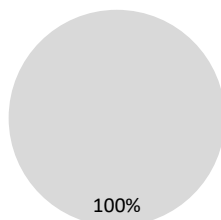
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

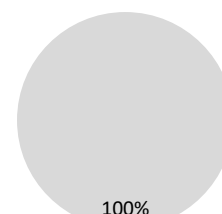
1. Taxonomy-alignment of investments **including** sovereign bonds*

- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned: (no gas and nuclear)
- Non Taxonomy-aligned



2. Taxonomy-alignment of investments **excluding** sovereign bonds*

- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned: (no gas and nuclear)
- Non Taxonomy-aligned



This graph represents 100% of the total investments

* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

¹¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is, through its investments into the Master, 15 % of the Master's Net Asset Value.



What is the minimum share of sustainable investments with a social objective?

The minimum share of sustainable investments with social objective is, through its investments into the Master, 15% of the Master's Net Asset Value.



What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

The remaining "Not Sustainable" investments will represent a maximum of 20% of the Master's Net Asset Value. The "#2 Not Sustainable" assets may consist in:

- derivatives used in hedging strategies or used for liquidity management purpose and,
- cash and cash equivalent investments (being bank deposit, eligible money market instruments and money market funds) used for managing the liquidity of the Master.

Minimum environmental and social safeguards are assessed and applied to other not sustainable assets.

Paris-Aligned Benchmark exclusions are applied to derivatives used for liquidity management purpose assets when providing exposure to a company, to the exception of short positions.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

Reference benchmarks are indexes to measure whether the financial product attains sustainable investment objective.

Not applicable as the designated Benchmark of the Master is a broad market index which is not aligned with the environmental and/or social characteristics promoted by the Financial Product and its Master.



Where can I find more product specific information online?

More information can be found on the AXA IM fund centre following that link: [Funds - AXA IM Global \(axa-im.com\)](https://www.axa-im.com).

More details on AXA IM sustainable investment frameworks are available on: [Sustainable Finance | SFDR | AXA IM Corporate \(axa-im.com\)](https://www.axa-im.com).

Appendix II – AXA WORLD FUNDS II – Evolving Trends Equities (the “Sub-Fund”)

AXA WORLD FUNDS II – Evolving Trends Equities acts as a feeder (the “Feeder sub-fund”) of AXA WORLD FUNDS – Evolving Trends (the “Master sub-fund”) in accordance with sub-section “Investment restrictions – G. Master-Feeder structure” above.

The investment objective and policy, the risk profile and risk factor of the Sub-Fund are therefore in accordance with those of the Master sub-fund as described below.

1. Investment Manager of the Sub-Fund and the Master sub-fund

AXA Investment Managers UK Ltd

22 Bishopsgate
London EC2N 4BQ
United Kingdom

2. Investment Objective and Policy of the Sub-Fund

The objective of the Sub-Fund is to permanently invest at least 85% of its assets in the Master sub-fund.

The Master sub-fund is a sub-fund of AXA World Funds which is a Luxembourg *société d'investissement à capital variable* established under Part I of the Law of 2010 and subject to the provisions of the Law of 1915.

Typical investors would seek long-term capital growth measured in USD, from an actively managed portfolio of listed equity and equity related securities.

The Master sub-fund is actively managed in order to capture opportunities in worldwide equity markets, by mainly investing in equities of companies that are part of MSCI AC World Total Return Net benchmark index (“the Benchmark”) universe. As part of the investment process, the Investment Manager of the Master sub-fund has broad discretion over the composition of the Master 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 Master 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 ESG approach of the Master sub-fund, but is used as a reference for its financial objective.

The Master sub-fund will seek to achieve its objective by investing essentially in equities of companies anywhere in the world.

Specifically, the Master sub-fund invests essentially in equities and equity-related securities of worldwide companies benefiting from major growth themes impacted by secular changes (such as demographics, technology innovations or environmental factors) that are deemed by the Investment Manager to represent the future for equity investors. The Master sub-fund may invest in companies of any capitalisation and in any market or sector. The Master sub-fund may invest up to 10% in convertible securities and up to 10% in A Shares listed in the Shanghai Hong Kong Stock Connect.

The Master sub-fund's cash flow is invested with the objective of achieving liquidity, security and performance. The Master sub-fund may invest in money market instruments, monetary UCITS and deposits for treasury purposes and/or in case of unfavourable market conditions.

The Master sub-fund may invest up to 10% of net assets in UCITS and/or UCIs.

In addition, the Sub-Fund may hold/invest up to 15% of its assets in Cash and highly liquid assets, such as Money Market Instruments, money market funds and bank deposits for treasury purposes, and/or financial derivative instruments for hedging purposes.

The Master sub-fund promotes environmental and/or social characteristics.

More information about the promotion of environmental and/or social characteristics by the Master sub-fund is available in the relative SFDR Annex of the Sub-Fund.

The Master sub-fund may use derivatives for efficient portfolio management and hedging. The Master sub-fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives” of the prospectus of the Master sub-fund.

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

- securities lending: expected, ≈0-10%; max, 90%

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

The Sub-Fund does not directly use those techniques.

Main types of assets in scope are equities.

The Master sub-fund uses neither securities borrowing transactions or repurchase/reverse repurchase agreements.

All efficient portfolio management techniques will be consistent with the terms in “Efficient Portfolio Management Techniques”.

The Reference Currency of the Sub-Fund is USD.

3. Management Process

The investment manager of the Master sub-fund selects investments using a strategy that combines macro-economic and company specific analysis that relies on a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile.

4. SFDR classification

The Sub-Fund (as the Master sub-fund) is classified as an Article 8 Financial Product.

5. Risk profile

The Master sub-fund is mainly invested in equity for which there is high risk of invested capital loss.

Sustainability Risks: As its Master sub-fund, given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected, according to the Management Company, to be low.

Special Risk Consideration:

Risk linked to investments in Emerging Markets countries: Legal infrastructure, in certain countries in which investments may be made, may not provide with the same degree of investors' protection or information to investors, as would generally apply to major securities markets (governments' influence, social, political and economic instability, different accounting, auditing and financial report practises). Emerging Markets countries' securities may

also be less liquid and more volatile than similar securities available in major markets, and there are higher risks associated to transactions settlement, involving timing and pricing issues.

Risks of global investments: Investments in securities issued or listed in different countries may imply the application of different standards and regulations (accounting, auditing and financial reporting standards, clearance and settlement procedures, taxes on dividends...). Investments may be affected by movements of foreign exchange rates, changes in laws or restrictions applicable to such investments, changes in exchange control regulations or price volatility.

Liquidity risks linked to investments in small and/or micro-capitalisation universe: investing in the small and/or micro-capitalisation universe implies specific liquidity risk.

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 Master sub-fund, and the Master 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 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 Master sub-fund's 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.

Risks associated with the investment through the Stock Connect program

As its Master sub-fund, the Sub-Fund may invest in the Chinese domestic market through the Stock Connect program.

Regulatory risk

The current regulations are subject to change and there can be no assurance that the Stock Connect will not be abolished. New regulations may be issued from time to time by the regulators/stock exchanges in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Stock Connect. The concerned Sub-Fund may be adversely affected as a result of such changes.

Investment limitations

The Stock Connect is subject to quota limitations on daily basis. In particular, once the remaining balance of the relevant quota drops to zero or the daily quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance) and there is no certainty that the quota might be extended in the future. Therefore, quota limitations may restrict the concerned Sub-Fund's ability to invest in A-Shares through the Stock Connect on a timely basis, and the concerned Sub-Fund may not be able to effectively pursue its investment strategy.

In addition, stock may be recalled from the scope of eligible stocks for trading via the Stock Connect and in such a case the stock can only be sold but restricted from being bought. This may affect the ability of the Sub-Fund to implement its investment strategy.

It is contemplated that Hong Kong stock exchange and PRC stock exchanges markets would reserve the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension is effected, the concerned Sub-Fund's ability to access the PRC market via Stock Connect will be adversely affected.

The Stock Connect will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC market but the concerned Sub-Fund cannot carry out any A-Shares trading via the Stock Connect where that day is not a trading day in Hong Kong. The concerned Sub-Fund may be subject to a risk of price fluctuations in A-Shares during the time when the Stock Connect is not trading as a result.

Pre-trade checking

PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise the Chinese Market Stock Exchange will reject the sell order concerned. Pre-trade checking will be carried out on A-Share sell orders to ensure there is no over-selling.

Operational risk

The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. The securities regimes and legal systems of Hong Kong stock exchange and PRC stock exchanges differ significantly and market participants may need to address issues arising from the differences on an on-going basis.

There is no assurance that the system of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. The concerned Sub-Fund's ability to access the A-Share market via the Stock Connect (and hence to pursue its investment strategy) may be adversely affected.

Execution issues

Stock Connect trades may, pursuant to the Stock Connect rules, be executed through one or multiple brokers. Given the pre-trade checking requirements, the Investment Manager may determine that it is in the interest of the concerned Sub-Fund that it only executes Stock Connect trades through a broker who is affiliated to the Company's sub-custodian that is an exchange participant. In that situation, whilst the Investment Manager will be cognizant of its best execution obligations, it will not have the ability to trade through multiple brokers and any switch to a new broker will not be possible without a commensurate change to the Company's sub-custody arrangements.

Ownership of Stock Connect securities

The recognition of the concerned Sub-Fund's ownership on the Stock connect securities will be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign shareholding restriction. 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.

The Master sub-fund is appropriate for investors who do not withdraw their money for five years. As a consequence, the Sub-Fund is not appropriate for investors who plan to withdraw their contribution within five years.

6. Shares

There are currently 3 Classes of Shares available in the Sub-Fund, denominated in the currencies mentioned hereinafter:

- Class A – Distribution: USD
- Class A – Capitalisation: USD
- Class I – Distribution: USD

Class "A" Shares are for all investors other than Institutional Investors.

Class "I" Shares are specifically designated for Institutional Investors.

7. Minimum subscriptions and holding

	Subscriptions	Holding
In the Company	Initially: 2,000. - € *	2,000. - € *
In each Sub-Fund	Subsequent: 1,000. - € *, except in the case of any regular saving plans	1,000. - € *

*or the equivalent in the relevant currency of the relevant Class.

8. Subscription, redemption and conversion of Shares

Applications for subscription, redemption or conversion of Shares received by the Registrar Agent prior to 12 pm¹² on any Valuation Day (D) will be traded at the Dealing Price applicable to such Valuation Day (D).

The relevant Dealing Price will be increased or decreased by any applicable subscription, redemption or conversion fees as mentioned below.

9. Fees

• Payable by the shareholders

i. Subscription fees:

- Class A Shares: an initial fee of up to 5.50% of the Dealing Price
- Class I Shares: no initial fee

ii. Redemption fees:

No fee is levied on the redemption of Shares.

iii. Conversion fees:

No conversion charge will be levied except in the following circumstances:

- a) 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
- b) the shareholder converts Shares of a Sub-Fund with a lower sales charge to a Sub-Fund with a higher sales charge within the first 12-month period following initial investment in the original Sub-Fund; in such case the shareholder will have to pay the difference between the two sales charge levels to the Company.

The Master sub-fund may not charge subscription or redemption fees on account of the Sub-Fund's investment in the shares/units of the Master sub-fund.

• Management Fees payable by the Company to the Management Company

¹² This change will apply as from 13 April 2026. Before that date, applications for subscription or redemption or conversion of Shares shall be received prior to 2 pm on any Valuation Day.

The management fees charged to the Sub-Fund are only accrued at the Company level and are maximum 1.50% of the Net Asset Value of the Sub-Fund. No management fees shall be charged at the Master sub-fund level.

- **Fees payable by the Company to the Depositary, Registrar Agent, Domiciliary, Administrative and Paying Agent**

The Domiciliary, Administrative and Paying Agent, Registrar Agent shall be entitled to receive out of the net assets of the Sub-Fund a maximum fee of 0.20% per year.

The fees due to the Depositary may amount up to a maximum of 0.015% per year, calculated on the basis of the Net Asset Value determined on the last Valuation Day of each month. Notwithstanding such fees, the Depositary will receive customary banking fees per transaction.

- **Fees payable by the Sub-Fund by virtue of its investment in the Master sub-fund**

The Sub-Fund shall pay indirectly an applied service fee through its investment in the Master sub-fund. Such applied service fee is fixed at a maximum level of 0.50% of the net asset value of the share class of the Master sub-fund (the "Applied Service Fee").

The Applied Service Fee includes but is not limited to:

- depositary fees, including all custody fees, except transaction related fees;
- auditor's fees;
- directors' fees and expenses, and remuneration of officers and employees of the AXA World Funds: any director of AXA World Funds will be entitled to a fee in remuneration for their services as a director or in their capacity as a member of any committee of the board of directors;
- the Luxembourg 'Taxe d'abonnement';
- share class currency hedging cost;
- the registrar agent, the domiciliary and administrative agent, any paying agent, the depositary of bearer shares, and of any representatives in jurisdictions where the shares are qualified for sale, and of all other agents employed on behalf of AXA World Funds; such remuneration may be based on the net assets of the AXA World Funds or on a transaction basis or may be a fixed sum;
- the cost of preparing, printing and publishing in such languages as are necessary, and distributing offering information or documents concerning AXA World Funds, annual and semi-annual reports and such other reports or documents, as may be allowed or required under the applicable laws or regulations of the jurisdictions or the authorities where the shares are qualified for sale;
- registrars' fees;
- the cost of printing certificates and proxies;
- the cost of preparing and filing the Articles and all other documents concerning AXA World Funds, including registration statements and offering circulars with all authorities (including local securities dealers' associations) having jurisdiction over the AXA World Funds or the offering of shares;
- the cost of qualifying AXA World Funds or the sale of shares in any jurisdiction or of a listing on any exchange;
- the cost of accounting and bookkeeping;
- legal fees;
- the cost of preparing, printing, publishing and distributing public notices and other communications to the shareholders;
- the cost of calculating the net asset value of each share class;
- insurance, postage, telephone and telex and any communication mean;
- distribution and sales support costs (including costs charged by local routing order platforms, local transfer agent costs, local representative agent and the translation costs);
- and all similar charges and expenses.

The Applied Service Fee does not cover any cost or expense incurred by a share class or sub-fund in respect of:

- all taxes which may be due on the assets and the income of AXA World Funds (to the exception of the Luxembourg Taxe d'Abonnement listed above);
- the cost of investment dealing (including usual banking and brokerage fees due on transactions involving portfolio securities of each sub-fund, the latter to be included in the acquisition price and to be deducted from the selling price);
- fees linked to reduction of duration exposure of RedEx share classes paid to the investment manager;
- correspondent and other banking charges;
- securities lending fees except custody fees - the agent carrying out securities lending and repurchase agreement activities for its services. The details of the remuneration will figure out in the annual report of AXA World Funds relative to the relevant sub-fund;
- extraordinary expenses including but not limited to expenses that would not be considered as ordinary expenses: litigation expenses, exceptional measures, particularly legal, business or tax expert appraisals or legal proceedings undertaken to protect shareholders' interests, any expense linked to non-routine arrangements made by the domiciliary agent, the registrar & transfer agent and the listing agent in the interests of the investors and all similar charges and expenses.

- **Aggregate fees of the Sub-Fund and the Master sub-fund**

As per the above, the aggregate fees payable by the Sub-Fund are those directly charged to the Sub-Fund and those indirectly charged through the Master sub-fund, as summarized in the table below:

Sub-Fund	Master sub-fund	Aggregate fees (expressed as a maximum aggregated figure)
Up to 1.715%	Up to 0.50%	Up to 2.215%

In addition, the Sub-Fund shall bear such other costs, charges and expenses as further described under section "Fees, Charges and Expenses" above and, indirectly, by virtue of its investment in the Master sub-fund, those costs, charges and expenses of the Master sub-fund which are not covered by the Applied Service Fee, as further described above and in the Master sub-fund's prospectus.

10. Sub-Fund's Business Day

For this Sub-Fund, a Business Day shall be understood as a full day on which banks are open all day for business in Luxembourg and on which the New York stock exchange is opened.

11. Valuation Day

Every Business Day shall be a Valuation Day.

12. Performance of the Sub-Fund

The performance of the Sub-Fund is expected to be broadly in line with that of the Master sub-fund subject to its level of investment in the Master sub-fund and safe for additional fund expenses at the level of the Feeder sub-fund which will affect its performance.

13. Documents available for inspection

In addition to the documents available for inspection as referred to under the main part of the prospectus, the following documents shall be available for inspection free of charge during usual business hours on any Business Day at the registered office of the Company:

- i. The prospectus of AXA World Funds and the KID of the Master sub-fund;
- ii. The latest annual and semi-annual reports of AXA World Funds;
- iii. The internal conduct of business rules that has been adopted by the Management Company so as to ensure that AXA World Funds shall provide the Company with all documents and information necessary for the Company to meet the requirements laid down in the Law of 2010.

Investors may obtain any additional information about AXA World Funds on the website <http://www.axa-im.com>.

14. Summary of the internal conduct of business rules referred to above under section 12

- the Sub-Fund will invest in share classes of the Master sub-fund for which AXA IM has defined a process to avoid double charging of any management fees of target funds managed by an AXA IM entity;
- the Sub-Fund's calendar, the accounting period and the settlement cycle are aligned with those of the Master sub-fund;
- no subscription, redemption or conversion fees will be retained at the Master sub-fund's level;
- the Sub-Fund's delegates and the support functions being the same for the Sub-Fund and the Master sub-fund, exchange of information is facilitated;

communication to the shareholders of the Sub-Fund and of the Master sub-fund is disseminated in a timely manner by the Management Company in order to avoid unequal level of information.

15. Tax implications

The investment into the Master sub-fund has no specific Luxembourg tax impact.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: AXA World Funds II Evolving Trends Equities (The "Financial Product") **Legal entity identifier:** 2138003QS17FYQNJX765

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

YES
 NO

<p><input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___%</p> <p><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy.</p> <p><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.</p> <p><input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%</p>	<p><input checked="" type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 40% of sustainable investments</p> <p><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input checked="" type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments</p>
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What environmental and/or social characteristics are promoted by this financial product?

The Financial Product acts as a feeder of AXA World Funds Evolving Trends (the "Master"), thus it indirectly promotes the same environmental and/ or social characteristics as its Master.

For the record, the environmental and social characteristics promoted by the Master consist of investing in:

- issuers considering their **carbon intensity**.

The Master also promotes other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and unconventional oil & gas activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco

- Labour rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labour Organisation's (ILO) Conventions or the OECD guidelines for Multinational Enterprises
- Protection of human rights avoiding investing in debt instruments issued by countries where the worst forms of human right violations are observed

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this Financial Product and its Master. A broad market index, MSCI AC World Total Return Net (the "Benchmark"), has been designated by the Financial Product and its Master.

Through its investment in the Master, the initial investment universe of the Financial Product will be defined as composed of equities of companies anywhere in the world (the "Investment Universe").

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The Financial Product indirectly uses the same sustainability indicators as its Master.

For the record, the attainment of the environmental and social characteristics promoted by the Master and described above is measured with the following sustainability indicator:

- The weighted average Carbon Intensity measured on the Master's assets and on the Benchmark, defined as the amount of GHG emissions (covering at least scope 1 and 2) per tons per millions \$ revenue released into the atmosphere, expressed in CO₂e tons per millions \$ revenue.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

Indirectly, through its investments into the Master, the Financial Product intends to partially invest in instruments qualifying as sustainable investments with various social and environmental objectives (without any limitation), by assessing the positive contribution of investee companies through at least one of the following dimensions:

1. UN Sustainable Development Goals alignment (SDG) of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria :

a. the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b. using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

The assessment is done at entity level and an investee company that satisfies the contribution to UN SDG criteria outlined above is considered as sustainable.

2. Integration of issuers engaged in a solid Transition Pathway consistently with the European Commission's ambition to help fund the transition to a 1.5°C world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

Those methodologies may evolve in the future to take into account any improvements for example in data availability and reliability, or any developments of, but not limited to, regulations or other external frameworks or initiatives.

The Financial Product is not taking into consideration the criteria of the EU Taxonomy environmental objectives.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Indirectly, through its investments into the Master, the application of the Do No Significant Harm Principle for the sustainable investments the Financial Product partially intends to be exposed means that an investee company cannot qualify as sustainable if it meets any of the criteria listed below:

- The issuer causes harm along any of the SDGs when one of its SDG scores is below -5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to "significantly contributing" to -10 corresponding to "significantly obstructing", unless the quantitative score has been qualitatively overridden. This criterion is applied on the investee companies that are considered as sustainable.
- The issuer is in AXA IM's sectorial and ESG standards ban lists (as described below), which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This criterion is applied on the Master's entire portfolio.
- The issuer has a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology. The ESG score is based on ESG scoring from external data provider as primary inputs assessing data points across Environment, Social and Governance (ESG) dimensions. AXA IM analysts can complement with a fundamental and documented ESG analysis in case of lack of coverage or disagreement on the ESG rating provided that it is approved by AXA IM dedicated internal governance body. This criterion is applied on the Master's entire portfolio.

Indicators for principal adverse impacts on sustainability factors are considered, including through the application of AXA IM's exclusion and stewardship policies.

-- **How have the indicators for adverse impacts on sustainability factors been taken into account?**

Indirectly, through its investments into the Master, the Financial Product takes into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments are not harming significantly any other sustainability objectives under SFDR.

Principal adverse impacts are mitigated through sectorial exclusion policies and AXA IM ESG standards (as described below) that are applied bindingly at all times by the Master, as well as through the filters based on UN Sustainable Development Goals scoring. No specific threshold or comparison with reference value have been defined within the DNSH approach.

Where relevant, Stewardship policies are an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Master will use its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors.

Voting at general meetings is also an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Master invests and mitigate adverse impacts.

Exclusion Policies:

- **Environmental:**

Relevant AXA IM policies	PAI indicator
Climate Risk policy Ecosystem Protection & Deforestation policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)
	PAI 2: Carbon Footprint
	PAI 3: GHG intensity of investee companies
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production

Climate risk policy (considering an expected correlation between GHG emissions and energy consumption) ¹³	PAI 6: Energy consumption intensity per high impact climate sector
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas

- **Social and Governance :**

Relevant AXA IM policies	PAI indicator
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) ¹⁴	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity
Controversial weapons policy	PAI 14: Exposure to controversial weapons

Filter based on UN SDGs:

The Investment Manager also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to ‘significant contributing impact’ to – 10 corresponding to ‘significant obstructing impact’), unless the quantitative score has been qualitatively overridden following a duly documented analysis by the Investment Manager’s Core ESG & Impact Research. This approach enables AXA IM to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.

Data availability and quality is lower for the time being on certain sustainability factors related to biodiversity as an example, which may impact the coverage for the following PAI indicators: emissions to water (PAI 8), hazardous and radioactive waste ratio (PAI 9) and unadjusted gender pay gap (PAI 12). Those sustainability factors are part of the 17 objectives targeted by the United Nations SDGs (more specifically they are covered through SDG 5 “Gender equality”, SDGs 6 “Clean water and sanitation”, SDG 8 “Economic growth”, SDG 10 “Reduced inequalities”, SDG 12 “Responsible production and consumption” and SDG 14 “Life below water”) and AXA IM’s framework there enables to mitigate the worst impacts pending the increase on data availability and quality.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Indirectly, through its investments into the Master, the Financial Product is not exposed to companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labour and Environment. AXA IM relies on an external provider’s screening framework and excludes any companies that have been assessed as “non-compliant” to UN’s Global Compact Principles, International Labour Organisation’s (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

¹³ The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables AXA IM to use the PAI more effectively. Not all high impact climate sectors are targeted by the exclusion policy for the time being.

¹⁴ The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables AXA IM to use the PAI more effectively.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes

No

Indirectly, through its investments into the Master:

Principal adverse impacts are considered with both (i) qualitative and (ii) quantitative approaches:

(i) Qualitative approach to consider principal adverse impact is based on exclusion and, where relevant, stewardship policies. Exclusion applied as part of the application of AXA IM Sectorial policies and AXA IM ESG standards cover the most material sustainability factors' risks and are applied bindingly on a continuous basis.

Where relevant, stewardship policies are an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through its engagement activities, the Master will use its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors.

Voting at general meetings is an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Master invests and mitigates adverse impacts.

Through those exclusion and stewardship policies the Master takes into consideration potential negative impact on those specific PAI indicators:

For Corporates:

	Relevant AXA IM policies	PAI indicator
Climate and other environment related indicators	Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 2: Carbon Footprint
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 3: GHG intensity of investee companies
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector
	Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production
	Climate risk policy (considering an expected correlation between GHG emissions and energy consumption) ¹⁵	PAI 6: Energy consumption intensity per high impact climate sector
	Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area
Social and employee respect for human rights, anti-corruption and anti bribery matters	ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises
	ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises

¹⁵ The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables AXA IM to use the PAI more effectively. Not all high impact climate sectors are targeted by the exclusion policy for the time being.

	and compliance mechanisms to monitor compliance with those standards) ¹⁶	
	Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity
	Controversial weapons policy	PAI 14: Exposure to controversial weapons

For Sovereigns and Supranationals :

	Relevant AXA IM policies	PAI indicator
Social	AXA IM ESG standards with the exclusion of investee countries with severe social violations	PAI 16: Sovereign Investee countries subject to social violations
	AXA IM Compliance black-list based on international and EU sanctions	

(ii) Principal adverse impacts are also considered quantitatively through the PAI indicators' measurement and reported annually in the SFDR annex in the periodic reporting. The objective is to provide transparency to investors on significant negative impact on other sustainability factors. AXA IM measures all the mandatory PAI indicators, plus additional optional environmental indicator and additional optional social indicator.

What investment strategy does this financial product follow?

The Financial Product acts as a feeder of AXA World Funds Evolving Trends, thus the Financial Product follows the same investment strategy as its Master.

The objective of the Financial Product is to permanently invest at least 85% of its assets in the Master, thus the Financial Product follows the same investment strategy as its Master.

Indirectly, through its investments into the Master, the Investment Manager selects investments by applying an extra-financial approach based on the exclusion filters as described in AXA IM's Sectorial Exclusion and ESG Standards Policies.

Those sectorial exclusions cover areas such as Controversial Weapons, Climate risks, Soft Commodities and Ecosystem Protection & Deforestation and Tobacco. The ESG Standards encompass specific exclusions on white phosphorus weapons and exclude investments in securities issued by companies in violation of international norms and standards such as the United Nations Global Compact Principles or the OECD guidelines for Multinational Enterprises; as well as investments in companies which are involved in severe ESG-related incidents and investments in issuers with a Low ESG quality (which is, as of the date of this Prospectus, below 1.43 (on a scale of 0 to 10) – such number being subject to adaptation). Instruments issued by countries where serious specific categories of violations of Human Rights are observed are also banned. More details on those policies are available under the following link: [Policies and reports | AXA IM Corporate \(axa-im.com\)](https://www.axa-im.com).

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The Financial Product acts as a feeder of AXA World Funds Evolving Trends.

Through its investments in the Master, the Financial Product bindingly invests at least 40% in Sustainable assets as defined by the application of the AXA IM sustainable investment framework based on the methodology which relies either on the contribution to the UN Sustainable Development Goals or on the fact that the investee company has defined Science-based targets which have been certified by the organisation. In addition, the Financial Product bindingly applies at all times the following elements of the Master's investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by the Master, as described below.

The Investment Manager bindingly applies at all times its Sectorial Exclusion Policies and ESG Standards Policy as a first exclusion filter.

The Sectorial Exclusions Policies exclude companies linked to Controversial Weapons, Climate risks, Soft Commodities (based on food and basic agricultural or the marine commodities), unsustainable practices relating to Ecosystem Protection and Deforestation and Tobacco.

¹⁶ The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables AXA IM to use the PAI more effectively.

The ESG Standards Policy (the "ESG Standards") encompass specific exclusions such as white phosphorus weapons and exclude investments in securities issued by companies in violation of international norms and standards such as the United Nations Global Compact Principles or the OECD guidelines for Multinational Enterprises; as well as investments in companies which are involved in severe ESG-related incidents and investments in issuers with a Low ESG quality (which is, as of the date of this Prospectus, below 1.43 (on a scale of 0 to 10) – such number being subject to adaptation). Instruments issued by countries where serious specific categories of violations of Human Rights are observed are also banned.

More details on those policies are available under the following link: [Policies and reports | AXA IM](#)

● **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

The Financial Product acts as a feeder of AXA World Funds Evolving Trends.

There is no committed minimum rate to reduce the scope of the investments considered by the Master.

● **What is the policy to assess good governance practices of the investee companies?**

The Financial Product acts as a feeder of AXA World Funds Evolving Trends.

Indirectly, through its investments into the Master, the Financial Product is not exposed to companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labour and Environment and as such, provide a methodology to help assess the good governance practices of an issuer, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. AXA IM relies on an external provider's screening framework and excludes any companies that have been assessed as "non compliant" to UN's Global Compact Principles, International Labour Organisation's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

In addition, ensuring good governance practices is also addressed by the engagement policies. AXA IM implemented a comprehensive active ownership strategy – engagement and voting – where AXA IM acts as stewards of investments made on the clients' behalf. AXA IM views engagement as a means for investors to influence, shape and shift investee company policies and practices to mitigate risks and secure long-term value. Governance practices of companies are engaged at first level by the portfolio managers and dedicated ESG analysts when meeting companies' management team. It is through the long-term investor status and in-depth knowledge of the investment targets that AXA IM feels legitimate to engage in a constructive but demanding dialogue with them.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.



What is the asset allocation planned for this financial product?

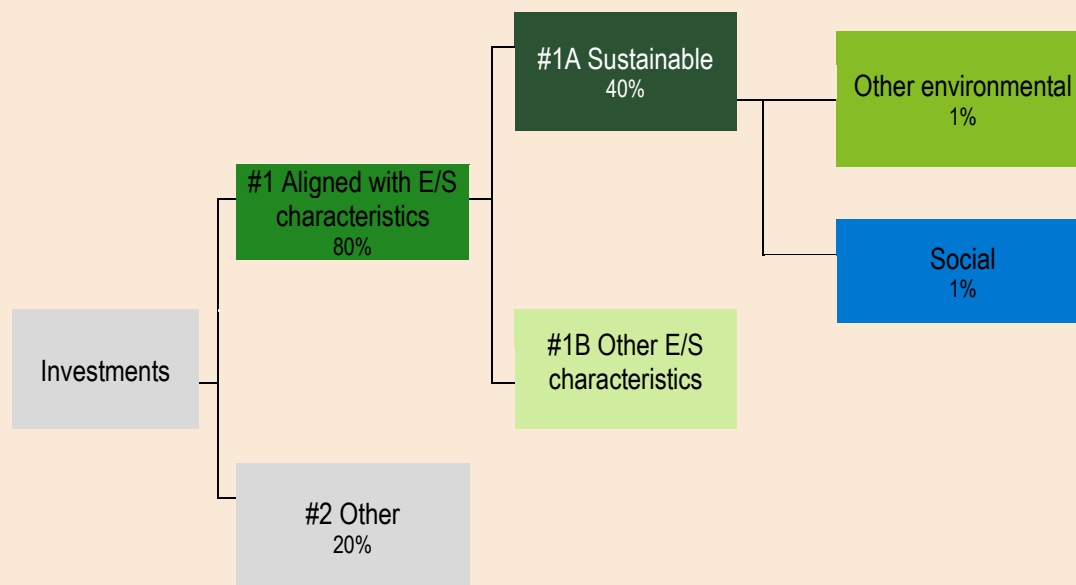
Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The Financial Product acts as a feeder AXA World Funds Evolving Trends.

Indirectly, through its investments into the Master, the Financial Product aims to plan its assets' allocation as presented in the graph above. This planned asset allocation might deviate on a temporary basis.

The planned minimum proportion of the investments of the Financial Product used to meet the environmental or social characteristics indirectly, through its investments into the Master, promoted by the Financial Product is 80% of the Master's Net Asset Value.

The planned minimum proportion of sustainable investments of the Financial Product where that Financial Product commits, indirectly, through its investments into the Master, to making sustainable investments is 40% of the Master's Net Asset Value.

The remaining "Other" investments will represent a maximum of 20% of the Master's Net Asset Value. Remaining "Other" investments are used for hedging, liquidity and portfolio management of the Master. Minimum environmental or social safeguards based on AXA IM exclusion policies are assessed and applied on all "Other" assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIs managed by other management company and (iii) on cash and cash equivalent investments described above.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Not applicable.



● **To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Financial Product acts as a feeder of AXA World Funds Evolving Trends.

The Financial Product and its Master do not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product is not considering the "do not significantly harm criteria" of the EU Taxonomy.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹⁷ ?**

Yes

In fossil gas

In nuclear energy

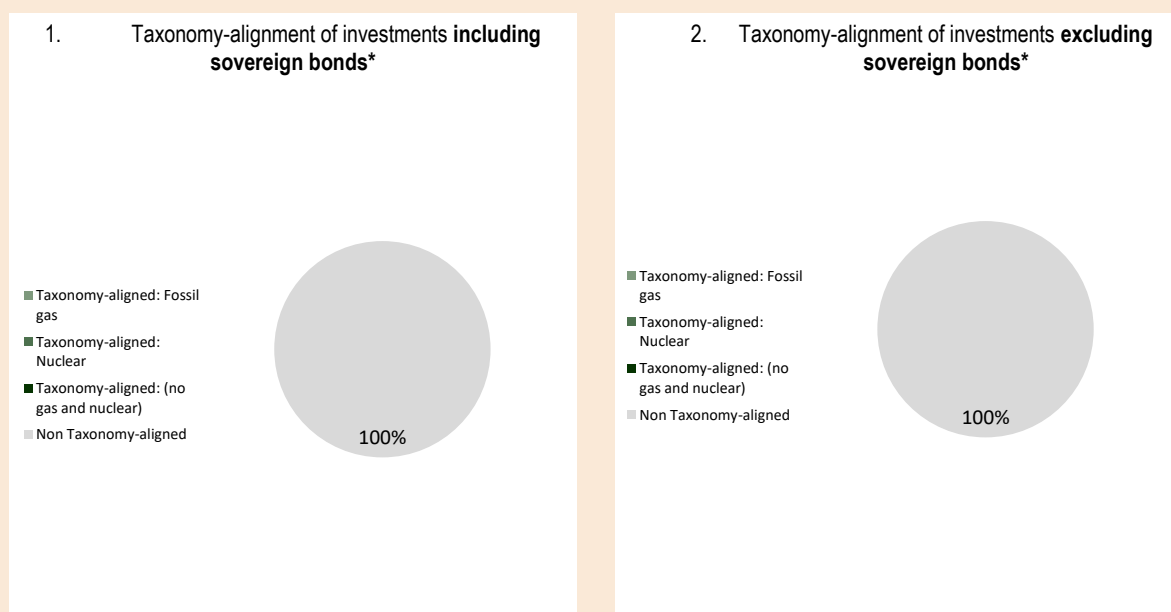
No

To comply with the EU taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



This graph represents 100% of the total investments

* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

¹⁷ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is, through its investments into the Master, 1% of the Master's Net Asset Value.

The proportion of investments between environmental sustainable assets not aligned with EU Taxonomy and social sustainable assets is freely allocated and adds up to at least the total sustainable investments.



What is the minimum share of socially sustainable investments?

The minimum share of sustainable investments with social objectives is, through its investments into the Master, 1% of the Master's Net Asset Value.

The proportion of investments between environmental sustainable assets not aligned with EU Taxonomy and social sustainable assets is freely allocated and adds up to at least the total sustainable investments.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The remaining "Other" investments will represent a maximum of 20% of the Master's Net Asset Value. The "other" assets may consist in:

- cash and cash equivalent investments, and
- other instruments eligible to the Master and that do not meet the Environmental and/or Social criteria described in this appendix. Such assets may be transferable securities, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Master and / or for diversification and / or hedging purposes.

Environmental or social safeguards are applied and assessed on all "other" assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIs managed by other management company and (iii) on cash and cash equivalent investments described above.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not applicable as the designated Benchmark of the Master is a broad market index which is not aligned with the environmental and/or social characteristics promoted by the Financial Product and its Master.



Where can I find more product specific information online?

More information can be found on the AXA IM fund centre following that link: [Funds - AXA IM Global](#).

More details on AXA IM sustainable investment frameworks are available on [Sustainable Finance | SFDR | AXA IM Corporate](#).

Appendix III – AXA WORLD FUNDS II – US Equities (the “Sub-Fund”)

AXA WORLD FUNDS II – US Equities acts as a feeder (the “Feeder sub-fund”) of AXA WORLD FUNDS – US Growth (the “Master sub-fund”) in accordance with sub-section “Investment restrictions – G. Master-Feeder structure” above.

The investment objective and policy, the risk profile and risk factor of the Sub-Fund are therefore in accordance with those of the Master sub-fund as described below.

1. Investment Manager of the Sub-Fund and the Master sub-fund

AXA Investment Managers UK Ltd

22 Bishopsgate
London EC2N 4BQ
United Kingdom

2. Investment Objective and Policy of the Sub-Fund

The objective of the Sub-Fund is to permanently invest at least 85% of its assets in the Master sub-fund.

The Master sub-fund is a sub-fund of AXA World Funds which is a Luxembourg *société d’investissement à capital variable* established under Part I of the Law of 2010 and subject to the provisions of the Law of 1915.

The Master sub-fund has an investment objective to achieve long-term growth of your investment, in USD, from an actively managed listed equity, equity-related securities and derivatives portfolio.

The Master sub-fund is actively managed in order to capture opportunities in North American equities market, by investing at least one third of its net assets in equities of companies that are part of the S&P 500 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 Master 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.

The Master sub-fund invests in equities of companies of any capitalisation, that, the Investment Manager believes, appear to offer above-average profitability and growth prospects.

Specifically, at all times the Master sub-fund invests at least two third of net assets in equities and equity-related securities of companies that are domiciled or do most of their business in the US.

The Master sub-fund may invest up to one third of net assets in money market instruments for treasury purposes and/or in case of unfavourable market conditions 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 Master sub-fund may invest up to 10% of net assets in UCITS and/or UCIs.

In addition, the Sub-Fund may hold/invest up to 15% of its assets in Cash and highly liquid assets, such as Money Market Instruments, money market funds and bank deposits for treasury purposes, and/or financial derivative instruments for hedging purposes.

The Master sub-fund promotes environmental and/or social characteristics.

More information about the promotion of environmental and social characteristics by the Master sub-fund is available in the relative SFDR Annex of the Sub-Fund.

The Master sub-fund may use derivatives for efficient portfolio management and hedging.

The Master sub-fund does not use total return swaps.

All derivatives usage will be consistent with the terms in “More about Derivatives” of the prospectus of the Master sub-fund.

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

- securities lending: expected, 0-10%; max, 90%

By entering into securities lending, the Master sub-fund seeks to enhance yield on daily basis (the assets on loan will generate an incremental return for the Master sub-fund). Main types of assets of the Master Sub-Fund in scope are bonds and equities.

The Sub-Fund does not directly use those techniques.

The Master sub-fund uses neither securities borrowing transactions nor repos/reverse repos.

All efficient portfolio management techniques will be consistent with the terms in “More about Efficient Portfolio Management”.

The Reference Currency of the Sub-Fund is USD.

3. Management process

The Master sub-fund's investment manager selects investments using a strategy that combines macro-economic, sector and companies' specific analysis. The Master sub-fund's securities selection process relies on a rigorous analysis of the companies' business model, management quality, profitability, growth prospects and risk/return profile.

4. SFDR classification

The Sub-Fund (as its Master sub-fund) is classified as an Article 8 Financial Product.

5. Risk profile

The Master sub-fund is mainly invested in equity for which there is a high risk of invested capital loss. By nature, equities sub-funds tend to be volatile but, over the long term, generally achieve greater returns than other types of instruments. The Sub-Fund shall indirectly bear such high risk of loss.

Sustainability Risks: As its Master sub-fund, given the Sub-Fund's Investment Strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected, according to the Management Company, to be low.

Special Risk Consideration:

Liquidity risks linked to investments in small and/or micro capitalisation universe: The Master sub-fund is also subject to the risk of investing in the small and/or micro capitalisation universe which implies specific liquidity risk. The possible lack of a liquid market may inhibit the ability of the relevant Sub-Funds to purchase or sell such investment at an advantageous price. The Net Asset Value of the Master sub-fund may be adversely affected.

Risks linked to investments in specific countries or geographical zones: The Master sub-fund is further subject to the risks associated with concentrating investments in regions. This type of strategy may lead to adverse consequences when target markets drop or encounter liquidity issues.

Derivatives risk: The Sub-Fund does not intend to invest in financial derivatives instruments and primarily seeks to invest in the Master sub-fund. Therefore, the global exposure of the Sub-Fund to financial derivatives instruments, monitored through a commitment approach and limited to 100% of the assets of the Sub-Fund, will correspond to the global exposure calculated at the level of the Master sub-fund.

ESG Risk: Applying ESG and sustainability criteria to the investment process of the Master sub-fund 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 Master sub-fund, and the Master 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 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 Master sub-fund's 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.

The Master sub-fund is appropriate for investors who do not withdraw their money for five years. As a consequence, the Sub-Fund is not appropriate for investors who plan to withdraw their contribution within five years.

6. Shares

There are currently 4 Classes of Shares available in the Sub-Fund, denominated in the currencies mentioned hereinafter:

- Class A – Capitalisation: USD
- Class A – Distribution: USD
- Class I – Capitalisation: USD
- Class I – Distribution: USD

Class "A" Shares are for all investors other than Institutional Investors.

Class "I" Shares are specifically designated for Institutional Investors.

7. Minimum subscriptions and holding

	Subscriptions	Holding
In the Company	Initially: 2,000. - € *	2,000. - € *
In each Sub-Fund	Subsequent: 1,000. - € *, except in the case of any regular saving plans	1,000. - € *

*or the equivalent in the relevant currency of the relevant Class.

8. Subscription, redemption and conversion of Shares

Applications for subscription, redemption or conversion of Shares received by the Registrar Agent prior to 12 pm¹⁸ on any Valuation Day (D) will be traded at the Dealing Price applicable to such Valuation Day (D).

The relevant Dealing Price will be increased or decreased by any applicable subscription, redemption or conversion fees as mentioned below.

9. Fees

• Payable by the shareholders

i. Subscription fees:

- Class A Shares: an initial fee of up to 5.50% of the Dealing Price
- Class I Shares: no initial fee

ii. Redemption fees:

No fee is levied on the redemption of Shares.

iii. Conversion fees:

No conversion charge will be levied except in the following circumstances:

- a) 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
- b) the shareholder converts Shares of a Sub-Fund with a lower sales charge to a Sub-Fund with a higher sales charge within the first 12-month period following initial investment in the original Sub-Fund; in such case the shareholder will have to pay the difference between the two sales charge levels to the Company.

The Master sub-fund may not charge subscription or redemption fees on account of the Sub-Fund's investment in the shares/units of the Master sub-fund.

• Management Fees payable by the Company to the Management Company

The Company will pay to the Management Company an annual management fee amounting to a maximum of 1.50% of the Net Asset Value of the Sub-Fund. No management fees shall be charged at the Master sub-fund level.

• Fees payable by the Company to the Depository, Registrar Agent, Domiciliary, Administrative and Paying Agent

The Domiciliary, Administrative and Paying Agent, Registrar Agent shall be entitled to receive out of the net assets of the Sub-Fund a maximum fee of 0.20% per year.

The fees due to the Depository may amount up to a maximum of 0.015% per year, calculated on the basis of the Net Asset Value determined on the last Valuation Day of each month. Notwithstanding such fees, the Depository will receive customary banking fees per transaction.

¹⁸ This change will apply as from 13 April 2026. Before that date, applications for subscription or redemption or conversion of Shares shall be received prior to 2 pm on any Valuation Day.

- **Fees payable by the Sub-Fund by virtue of its investment in the Master sub-fund**

The Sub-Fund shall pay indirectly an applied service fee through its investment in the Master sub-fund. Such applied service fee is fixed at a maximum level of 0.50% of the net asset value of the share class of the Master sub-fund (the “**Applied Service Fee**”).

The Applied Service Fee includes but is not limited to:

- depositary fees, including all custody fees, except transaction related fees;
- auditor's fees;
- directors' fees and expenses, and remuneration of officers and employees of the AXA World Funds: any director of AXA World Funds will be entitled to a fee in remuneration for their services as a director or in their capacity as a member of any committee of the board of directors;
- the Luxembourg 'Taxe d'abonnement';
- share class currency hedging cost;
- the registrar agent, the domiciliary and administrative agent, any paying agent, the depositary of bearer shares, and of any representatives in jurisdictions where the shares are qualified for sale, and of all other agents employed on behalf of AXA World Funds; such remuneration may be based on the net assets of the AXA World Funds or on a transaction basis or may be a fixed sum;
- the cost of preparing, printing and publishing in such languages as are necessary, and distributing offering information or documents concerning AXA World Funds, annual and semi-annual reports and such other reports or documents, as may be allowed or required under the applicable laws or regulations of the jurisdictions or the authorities where the shares are qualified for sale;
- registrars' fees;
- the cost of printing certificates and proxies;
- the cost of preparing and filing the Articles and all other documents concerning AXA World Funds, including registration statements and offering circulars with all authorities (including local securities dealers' associations) having jurisdiction over the AXA World Funds or the offering of shares;
- the cost of qualifying AXA World Funds or the sale of shares in any jurisdiction or of a listing on any exchange;
- the cost of accounting and bookkeeping;
- legal fees;
- the cost of preparing, printing, publishing and distributing public notices and other communications to the shareholders;
- the cost of calculating the net asset value of each share class;
- insurance, postage, telephone and telex and any communication mean;
- distribution and sales support costs (including costs charged by local routing order platforms, local transfer agent costs, local representative agent and the translation costs);
- and all similar charges and expenses.

The Applied Service Fee does not cover any cost or expense incurred by a share class or sub-fund in respect of:

- all taxes which may be due on the assets and the income of AXA World Funds (to the exception of the Luxembourg Taxe d'Abonnement listed above);
- the cost of investment dealing (including usual banking and brokerage fees due on transactions involving portfolio securities of each sub-fund, the latter to be included in the acquisition price and to be deducted from the selling price);
- fees linked to reduction of duration exposure of RedEx share classes paid to the investment manager;
- correspondent and other banking charges;
- securities lending fees except custody fees - the agent carrying out securities lending and repurchase agreement activities for its services. The details of the remuneration will figure out in the annual report of AXA World Funds relative to the relevant sub-fund;
- extraordinary expenses including but not limited to expenses that would not be considered as ordinary expenses: litigation expenses, exceptional measures, particularly legal, business or tax expert appraisals or legal proceedings undertaken to protect shareholders' interests, any expense linked to non-routine arrangements made by the domiciliary agent, the registrar & transfer agent and the listing agent in the interests of the investors and all similar charges and expenses.

- **Aggregate fees of the Sub-Fund and the Master sub-fund**

As per the above, the aggregate fees payable by the Sub-Fund are those directly charged to the Sub-Fund and those indirectly charged through the Master sub-fund, as summarized in the table below:

Sub-Fund	Master sub-fund	Aggregate fees (expressed as a maximum aggregated figure)
Up to 1.715%	Up to 0.50%	Up to 2.215%

In addition, the Sub-Fund shall bear such other costs, charges and expenses as further described under section "Fees, Charges and Expenses" above and, indirectly, by virtue of its investment in the Master sub-fund, those costs, charges and expenses of the Master sub-fund which are not covered by the Applied Service Fee, as further described above and in the Master sub-fund's prospectus.

10. Sub-Fund's Business Day

For this Sub-Fund, a Business Day shall be understood as a full day on which banks are open all day for business in Luxembourg and on which the New York stock exchange is opened.

11. Valuation Day

Every Business Day shall be a Valuation Day.

12. Performance of the Sub-Fund

The performance of the Sub-Fund is expected to be broadly in line with that of the Master sub-fund subject to its level of investment in the Master sub-fund and safe for additional fund expenses at the level of the Feeder sub-fund which will affect its performance.

13. Document available for inspection

In addition to the documents available for inspection as referred to under the main part of the prospectus, the following documents shall be available for inspection free of charge during usual business hours on any Business Day at the registered office of the Company:

- i. The prospectus of AXA World Funds and the KID of the Master sub-fund;
- ii. The latest annual and semi-annual reports of AXA World Funds;
- iii. The internal conduct of business rules that has been adopted by the Management Company so as to ensure that AXA World Funds shall provide the Company with all documents and information necessary for the Company to meet the requirements laid down in the Law of 2010.

Investors may obtain any additional information about AXA World Funds on the website <http://www.axa-im.com>.

14. Summary of internal conduct of business rules referred to above under section 13

- the Sub-Fund will invest in share classes of the Master sub-fund for which AXA IM has defined a process to avoid double charging of any management fees of target funds managed by an AXA IM entity;
- the Sub-Fund's calendar, the accounting period and the settlement cycle are aligned with those of the Master sub-fund;
- no subscription, redemption or conversion fees will be retained at the Master sub-fund's level;

- the Sub-Fund's delegates and the support functions being the same for the Sub-Fund and the Master sub-fund, exchange of information is facilitated;
- communication to the shareholders of the Sub-Fund and of the Master sub-fund is disseminated in a timely manner by the Management Company in order to avoid unequal level of information.

15. Tax implication

The investment into the Master sub-fund has no specific Luxembourg tax impact.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: AXA World Funds II US Equities (The "Financial Product")

Legal entity identifier: 2138008KXUJ27ZCRQ89

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

YES

NO

It will make a minimum of **sustainable investments with an environmental objective:** ___%

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments

in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It will make a minimum of **sustainable investments with a social objective:** ___%

It promotes E/S characteristics, but **will not make any sustainable investments**



What environmental and/or social characteristics are promoted by this financial product?

The Financial Product acts as a feeder of AXA World Funds US Growth (the "Master"), thus it indirectly promotes the same environmental and/ or social characteristics as its Master.

For the record, the environmental and social characteristics promoted by the Master consist of investing in:

- issuers considering their **carbon intensity**.

The Master also promotes other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and unconventional oil & gas activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco

- Labour rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labour Organisation's (ILO) Conventions or the OECD guidelines for Multinational Enterprises
- Protection of human rights avoiding investing in debt instruments issued by countries where the worst forms of human right violations are observed

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by this Financial Product and its Master. A broad market index, S&P 500 Total Return Net (the "Benchmark"), has been designated by the Financial Product and its Master.

Through its investment in the Master, the initial investment universe of the Financial Product will be defined as composed of equities of all US domiciled companies (the "Investment Universe").

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The Financial Product indirectly uses the same sustainability indicator as its Master.

For the record, the attainment of the environmental and social characteristics promoted by the Master and described above is measured with the following sustainability indicator:

- The weighted average Carbon Intensity measured on the Master's assets, defined as the amount of GHG emissions (covering at least scope 1 and 2) per tons per millions \$ revenue released into the atmosphere, expressed in CO₂e tons per millions \$ revenue.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

Not applicable as the Financial Product has no objective of sustainable investments.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable as the Financial Product has no objective of sustainable investments.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes

No

Indirectly, through its investments into the Master:

Principal adverse impacts are considered with both (i) qualitative and (ii) quantitative approaches:

(i) Qualitative approach to consider principal adverse impact is based on exclusion and, where relevant, stewardship policies. Exclusion applied as part of the application of AXA IM Sectorial policies and AXA IM ESG standards cover the most material sustainability factors' risks and are applied bindingly on a continuous basis.

Where relevant, stewardship policies are an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through its engagement activities, the Master will use its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors.

Voting at general meetings is an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Master invests and mitigates adverse impacts.

Through those exclusion and stewardship policies the Master takes into consideration potential negative impact on those specific PAI indicators:

For Corporates:

	Relevant AXA IM policies	PAI indicator
Climate and other environment related indicators	Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 2: Carbon Footprint
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 3: GHG intensity of investee companies
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector
	Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production
	Climate risk policy (considering an expected correlation between GHG emissions and energy consumption) ¹⁹	PAI 6: Energy consumption intensity per high impact climate sector

¹⁹ The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables AXA IM to use the PAI more effectively. Not all high impact climate sectors are targeted by the exclusion policy for the time being.

	Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area
Social and employee respect for human rights, anti-corruption and anti bribery matters	ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises
	ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) ²⁰	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises
	Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity
	Controversial weapons policy	PAI 14: Exposure to controversial weapons

For Sovereigns and Supranationals :

	Relevant AXA IM policies	PAI indicator
Social	AXA IM ESG standards with the exclusion of investee countries with severe social violations	PAI 16: Sovereign Investee countries subject to social violations
	AXA IM Compliance black-list based on international and EU sanctions	

(ii) Principal adverse impacts are also considered quantitatively through the PAI indicators' measurement and reported annually in the SFDR annex in the periodic reporting. The objective is to provide transparency to investors on significant negative impact on other sustainability factors. AXA IM measures all the mandatory PAI indicators, plus additional optional environmental indicator and additional optional social indicator.

What investment strategy does this financial product follow?

The Financial Product acts as a feeder of AXA World Funds US Growth.

The objective of the Financial Product is to permanently invest at least 85% of its assets in the Master; thus the Financial Product follows the same investment strategy as its Master.

Indirectly, through its investments into the Master, the Investment Manager selects investments by applying an extra-financial approach based on the exclusion filters as described in AXA IM's Sectorial Exclusion and ESG Standards Policies. Those sectorial exclusions cover areas such as Controversial Weapons, Climate risks, Soft Commodities and Ecosystem Protection & Deforestation and Tobacco. The ESG Standards encompass specific exclusions on white phosphorus weapons and exclude investments in securities issued by companies in violation of international norms and standards such as the United Nations Global Compact Principles or the OECD guidelines for Multinational Enterprises; as well as investments in companies which are involved in severe ESG-related incidents and investments in issuers with a Low ESG quality (which is, as of the date of this Prospectus, below 1.43 (on a scale of 0 to 10) – such number being subject to adaptation). Instruments issued by countries where serious specific categories of violations of Human Rights are observed are also banned. More details on those policies are available under the following link: [Policies and reports | AXA IM Corporate \(axa-im.com\)](https://www.axa-im.com/en/policies-and-reports).

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The Financial Product acts as a feeder of AXA World Funds US Growth.

²⁰ The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables AXA IM to use the PAI more effectively.

The Financial Product bindingly applies at all times the following elements of the Master's investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by the Master, as described below.

The Investment Manager bindingly applies at all times its Sectorial Exclusion Policies and ESG Standards Policy as a first exclusion filter.

The Sectorial Exclusions Policies exclude companies linked to Controversial Weapons, Climate risks, Soft Commodities (based on food and basic agricultural or the marine commodities), unsustainable practices relating to Ecosystem Protection and Deforestation and Tobacco.

The ESG Standards Policy (the "ESG Standards") encompass specific exclusions such as white phosphorus weapons and exclude investments in securities issued by companies in violation of international norms and standards such as the United Nations Global Compact Principles or the OECD guidelines for Multinational Enterprises; as well as investments in companies which are involved in severe ESG-related incidents and investments in issuers with a Low ESG quality (which is, as of the date of this Prospectus, below 1.43 (on a scale of 0 to 10) – such number being subject to adaptation). Instruments issued by countries where serious specific categories of violations of Human Rights are observed are also banned. More details on those policies are available under the following link: [Policies and reports | AXA IM Corporate \(axa-im.com\)](https://www.axa-im.com/en/policies-and-reports).

The ESG data (of which ESG score or SDG score wherever relevant) 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. AXA IM's ESG different methodologies described herein may evolve in the future to take into account any improvements in data availability and reliability, or any developments of regulations or other external frameworks or initiatives - among others.

● **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

The Financial Product acts as a feeder of AXA World Funds US Growth.

There is no committed minimum rate to reduce the scope of the investments considered.

● **What is the policy to assess good governance practices of the investee companies?**

The Financial Product acts as a feeder of AXA World Funds US Growth.

Indirectly, through its investments into the Master, the Financial Product is not exposed to companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labour and Environment and as such, provide a methodology to help assess the good governance practices of an issuer, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. AXA IM relies on an external provider's screening framework and excludes any companies that have been assessed as "non compliant" to UN's Global Compact Principles, International Labour Organisation's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

In addition, ensuring good governance practices is also addressed by the engagement policies. AXA IM implemented a comprehensive active ownership strategy – engagement and voting – where AXA IM acts as stewards of investments made on the clients' behalf. AXA IM views engagement as a means for investors to influence, shape and shift investee company policies and practices to mitigate risks and secure long-term value. Governance practices of companies are engaged at first level by the portfolio managers and dedicated ESG analysts when meeting companies' management team. It is through the long-term investor status and in-depth knowledge of the investment targets that AXA IM feels legitimate to engage in a constructive but demanding dialogue with them.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.



What is the asset allocation planned for this financial product?

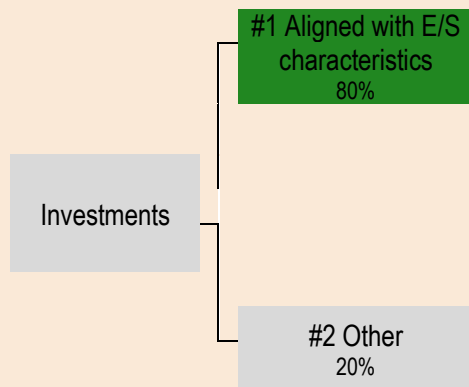
Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The Financial Product acts as a feeder AXA World Funds US Growth.

Indirectly, through its investments into the Master, the Financial Product aims to plan its assets' allocation as presented in the graph above. This planned asset allocation might deviate on a temporary basis.

The planned minimum proportion of the investments of the Financial Product used to meet the environmental or social characteristics indirectly, through its investments into the Master, promoted by the Financial Product is 80% of the Financial Product Net Asset Value.

The remaining "Other" investments will represent a maximum of 20% of the Master Net Asset Value. Remaining "Other" investments are used for hedging, liquidity and portfolio management of the Master. Minimum environmental or social safeguards based on AXA IM exclusion policies are assessed and applied on all "Other" assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIs managed by other management company and (iii) on cash and cash equivalent investments described above.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Financial Product acts as a feeder of AXA World Funds US Growth.

The Financial Product and its Master do not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product is not considering the "do not significantly harm criteria" of the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy²¹ ?

Yes

In fossil gas

In nuclear energy

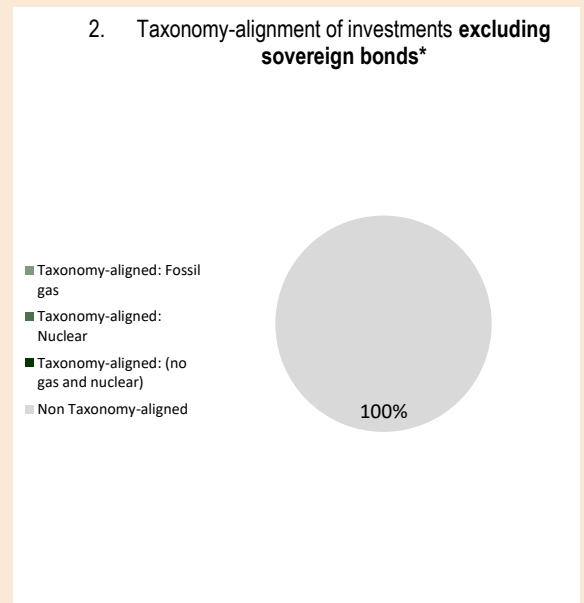
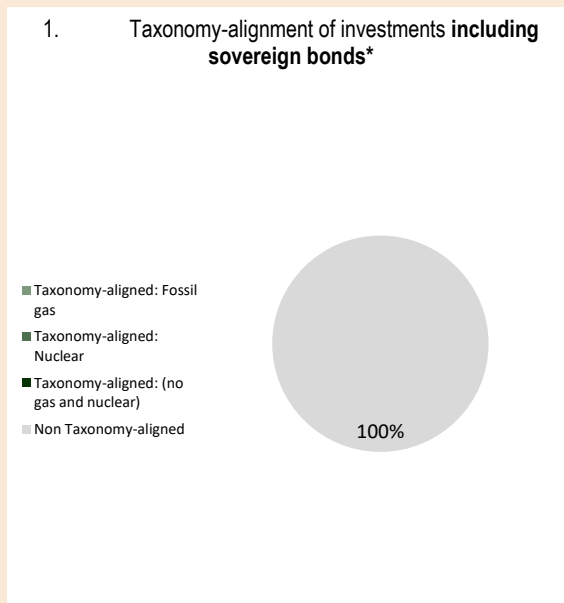
No

To comply with the EU taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



This graph represents 100% of the total investments

* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

²¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

● **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable.

● **What is the minimum share of socially sustainable investments?**

Not applicable.

● **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The remaining "Other" investments will represent a maximum of 20% of the Master's Net Asset Value. The "other" assets may consist in:

- cash and cash equivalent investments, and
- other instruments eligible to the Master and that do not meet the Environmental and/or Social criteria described in this appendix. Such assets may be transferable securities, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and / or for diversification and / or hedging purposes.

Environmental or social safeguards are applied and assessed on all "other" assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIs managed by other management company and (iii) on cash and cash equivalent investments described above.

● **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Not applicable as the designated Benchmark of the Master is a broad market index which is not aligned with the environmental and/or social characteristics promoted by the Financial Product and its Master.

● **Where can I find more product specific information online?**

More information can be found on the AXA IM fund centre following that link: [Funds - AXA IM Global](#).

More details on AXA IM sustainable investment frameworks are available on [Sustainable Finance | SFDR | AXA IM Corporate](#).