

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## FIXED INCOME

# AXA World Funds - ACT Global Green Bonds

A Sub-Fund of AXA World Funds SICAV

Share class: AXA World Funds - ACT Global Green Bonds I (Hedged) Capitalisation USD (ISIN : LU1280196699)

This Sub-Fund is managed by AXA Funds Management S.A., part of the AXA IM Group

## Objective and Investment Policy

### Investment Objective

To seek both income and growth of your investment, in EUR, and a sustainable investment objective, from an actively managed bonds portfolio contributing to financing of the energy and ecology transition and demonstrating a positive environmental impact.

### Investment Policy

The Sub-Fund is actively managed in reference to the BofA Merrill Lynch Green Bond Hedged benchmark index (the "Benchmark") in order to capture opportunities in the investment grade government, institutions - such as supranational, agencies and quasi-government - and corporate bonds markets. The Sub-Fund invests at minimum one third of its net assets in the components of the Benchmark. Depending on its investment convictions and after comprehensive macroeconomic and microeconomic analysis of the market, the Investment Manager can take more active positioning in terms of duration (duration measures in numbers of years, the portfolio's sensitivity to interest rate variations), geographical allocation and/or sector or issuer selection compared to the Benchmark. Thus, the deviation from the Benchmark is expected to be significant. However, in certain market conditions (high credit market volatility, turmoil...), the Sub-Fund's positioning on the above indicators may be close to the Benchmark.

The Sub-Fund invests minimum 75% of its net assets in bonds financing environmental projects (Green Bonds).

The Sub-Fund aims to support on the long run the SDGs established by the United Nations with a focus on the environmental themes and involves purchasing bonds where the proceeds are earmarked for projects which support a low carbon economy or the basic needs of underserved populations and communities, by financing initiatives such as renewable energy, pollution prevention, access to healthcare, affordable housing and women empowerment. In the securities selection process, firstly, the Sub-Fund bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies except for derivatives and underlying UCIs [www.axa-im.com/responsible-investing/sector-investment-guidelines](http://www.axa-im.com/responsible-investing/sector-investment-guidelines). Then, the Investment Manager applies a proprietary green, social and sustainability bonds assessment framework, mainly based on the ICMA Green and Social Bond Principles and the Climate Bonds Initiative guidelines that employs a rigorous selection process by filtering out bonds which are not in line with the AXA IM's green bond framework composed of 4 pillars: the environmental, social and governance (ESG) quality of the issuer, the use of proceeds, the management of proceeds and the ESG impact, as further described in the prospectus. Secondly, the investment manager uses a number of factors, including macro- and microeconomic analysis and credit analysis of issuers. The investment manager also manages the interest rate sensitivity, the yield curve positioning and the exposure to different geographical areas.

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

Transferable debt securities will mainly be rated investment grade and up to 30% of the net assets in sub-investment grade securities.

Investment grade securities will be rated at least BBB- by Standard & Poor's or equivalent rating by Moody's or Fitch or if unrated then deemed to be sold

by the Investment Manager.

Sub-investment grade securities will be rated between BB+ and B- by Standard & Poor's or equivalent rating by Moody's or Fitch or if unrated then deemed to be sold by the Investment Manager. In case of downgrade below B- by Standard & Poor's or equivalent rating by Moody's or Fitch or if unrated then deemed to be sold by the Investment Manager, securities will be sold within 6 months.

If two different ratings of rating agencies exist, the lower rating will be considered, if more than two different ratings of rating agencies exist, the second highest rating will be considered.

The selection of credit instruments is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell assets is also based on other analysis criteria of the Investment Manager. The Sub-Fund invests:

- at least two thirds of its total assets in fixed income securities (including asset-backed securities) from issuers located anywhere in the world
- up to one third of its assets in money market instruments
- up to one quarter of its assets in convertible bonds
- up to one quarter of its assets in inflation-linked bonds

Exposure of the Sub-Fund's assets denominated in non-EUR currency may be hedged against EUR.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

Within the limit of 200% of the Sub-Fund's net assets, the investment strategy may be achieved by direct investments and/or through derivatives, especially by entering into Credit Default Swaps. Derivatives may be used for efficient portfolio management, hedging and investment purposes. Exposure of the Sub-Fund's assets denominated in non-EUR currency will be hedged against EUR.

The Share Class aims at hedging the foreign exchange risk resulting from the divergence between the reference currency of the Sub-Fund and the currency of this Share Class by using derivatives instruments whilst retaining the exposure to Investment Policy of the Sub-Fund.

### Income

For Capitalisation share classes (Cap), the dividend is reinvested.

### Sub-Fund Currency

The reference currency of the Sub-Fund is EUR.

### Investment Horizon

This Sub-Fund may not be suitable for investors who plan to withdraw their contribution within 4 years.

### Processing of subscription and redemption orders

The subscription, conversion or redemption orders must be received by the Registrar and Transfer Agent on any Valuation Day no later than 3 p.m. Luxembourg time. Orders will be processed at the Net Asset Value applicable to such Valuation Day. The investor's attention is drawn to the existence of potential additional processing time due to the possible involvement of intermediaries such as Financial Advisers or distributors.

The Net Asset Value of this Sub-Fund is calculated on a daily basis.

Minimum initial investment: 5,000,000 euros or the equivalent in the relevant currency of the relevant Share class.

Minimum subsequent investment: 1,000,000 euros or the equivalent in the relevant currency of the relevant Share class.

## Risk and Reward Profile



The risk category is calculated using historical performance data and may not be a reliable indicator of the Sub-Fund's future risk profile.

The risk category shown is not guaranteed and may shift over time.

The lowest category does not mean risk free.

### Why is this Sub-Fund in this category?

The capital of the Sub-Fund is not guaranteed. The Sub-Fund is invested in financial markets and uses techniques and instruments which are subject to some levels of variation, which may result in gains or losses.

### Additional Risks

**Counterparty Risk:** Risk of bankruptcy, insolvency, or payment or delivery failure of any of the Sub-Fund's counterparties, leading to a payment or delivery default.

**Geopolitical Risk:** investments in securities issued or listed in different

countries may imply the application of different standards and regulations. 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 Risk:** risk of low liquidity level in certain market conditions that might lead the Sub-Fund to face difficulties valuing, purchasing or selling all/part of its assets and resulting in potential impact on its net asset value.

**Credit Risk:** Risk that issuers of debt securities held in the Sub-Fund may default on their obligations or have their credit rating downgraded, resulting in a decrease in the Net Asset Value.

**Currency Risk:** the Fund holds investments denominated in currencies other than the base currency of the Fund. As a result, exchange rate movements may cause the value of investments (and any income received from them) to fall or rise affecting the Fund's value.

## Charges

The charges you pay are used to pay the cost of running the fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

### One-off charges taken before or after you invest

|              |      |
|--------------|------|
| Entry Charge | none |
| Exit Charge  | none |

This is the maximum that might be taken out of your money before it is invested.

### Charges taken from the fund over a year

|                |       |
|----------------|-------|
| Ongoing charge | 0.58% |
|----------------|-------|

### Charges taken from the fund under certain specific conditions

|                  |      |
|------------------|------|
| Performance fees | none |
|------------------|------|

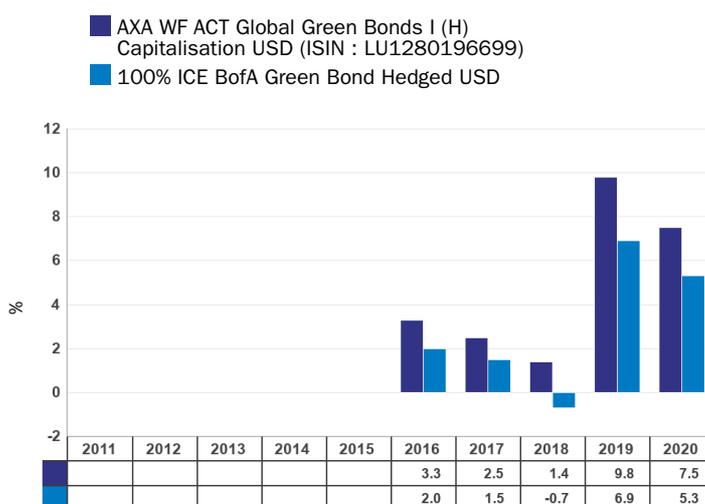
The entry and exit charges shown are maximum figures. In some cases, you might pay less - you can find this out from your Financial Adviser.

The ongoing charges figure is based on expenses for the twelve month period ending December 2020. This figure is adjusted with implemented budget changes for 2020. This figure may vary from year to year. It excludes:

- Performance fees
- Portfolio transaction costs, except in the case of an entry/exit charge paid by the Sub-Fund when buying or selling units in another collective investment undertaking

For more information about charges, please refer to the Fees and Expenses section of the prospectus which is available at [www.axa-im.com](http://www.axa-im.com).

## Past Performance



Past performance is not a reliable indicator of future results.

Past performance is shown after the deduction of ongoing charges. Any entry/exit fees are excluded from the calculation.

The Sub-Fund was launched on 05/11/2015 and the share class in 2015. Past performance has been calculated in USD and is expressed as a percentage change of the Sub-Fund's Net Asset Value at each year end.

The performance of the Sub-Fund is not tracking the benchmark index.

For the different shareclasses of the Sub-Fund, the performance of the benchmark is displayed in the "Past Performance" section either as converted to the currency of the relevant shareclass or hedged against the reference currency of the Sub-fund in the case of hedged shareclasses ("hedged benchmark"). For some cases where the hedged benchmark is not available, the benchmark is displayed in the reference currency of the Sub-Fund, thus the performance of the displayed benchmark may deviate from the one of the relevant shareclass due to the performance differential inherent within the currency hedging activity not reflected in the benchmark.

The Fund was previously managed using 100% ICE BofAML Green Bond Hedged EUR.

As of 26 August 2021, the Fund is managed using 100% ICE BofA Green Bond Hedged USD.

## Practical Information

### Custodian:

State Street Bank International GmbH, Luxembourg Branch  
49, Avenue J.F. Kennedy  
L-1855 Luxembourg

### Further Information:

More detailed information on this Sub-Fund, such as the prospectus as well as the latest annual and semi-annual report, can be obtained free of charge, in English, German, French, Spanish and Italian from the Sub-Fund Management Company, the central administrator, the Sub-Funds' distributors or online at [www.axa-im.com](http://www.axa-im.com).

More share classes are available for this Sub-Fund. For more details about other share classes, please refer to the prospectus, which is available at [www.axa-im.com](http://www.axa-im.com).

Details of the up to date remuneration policy of the company are published online at <https://www.axa-im.com/en/remuneration>.

This includes the description of how remuneration and benefits are awarded for employees, and information on the remuneration committee. The company provides a paper copy free of charge upon request.

Each Sub-Fund corresponds to a distinct part of the assets and liabilities of the UCITS. As a consequence, the assets of each Sub-Fund are segregated from the assets of the other Sub-Funds and exclusively available to satisfy the rights of investors in relation to that Sub-Fund and the right of creditors whose claims have arisen in connection with the creation, the operation or the liquidation of that Sub-Fund.

### Net Asset Value Publication:

The Net Asset Value per share is available at [www.axa-im.com](http://www.axa-im.com), and at the registered office of the Management Company.

### Tax Legislation:

The Sub-Fund is subject to the tax laws and regulations of Luxembourg. Depending on your own country of residence this might have an impact on your investments. For further details, you should consult a Tax Adviser.

### Liability Statement:

AXA Funds Management S.A. may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Sub-Fund.

### Switching between Sub-Funds:

Shareholders may apply for any share classes of any Sub-Funds to be converted into share classes of another Sub-Fund, provided that the conditions for accessing the target share class, type or sub-type are fulfilled with respect to this Sub-Fund, on the basis of their respective Net Asset Value calculated on the Valuation Day following receipt of the conversion request.

The redemption and subscription costs connected with the conversion may be charged to the shareholder as indicated in the prospectus.

For more details about how to switch compartment, please refer to the prospectus, section switch between Sub-Funds, which is available at [www.axa-im.com](http://www.axa-im.com).