



AXA WORLD FUNDS

(the "Sicav")

A Luxembourg Société d'Investissement à Capital Variable

Registered Office: 49, avenue J. F. Kennedy
L-1855 Luxembourg
Commercial Register: Luxembourg, B-63.116

03 December 2015

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

Dear Shareholders,

We are pleased to inform you that the directors of the Sicav (the "Directors") have decided to introduce a number of changes to the prospectus and/or the appendices relating to certain sub-funds, which will enable it to look after your interests more effectively.

Please refer to the relevant sub-fund(s) as indicated below in order to find out whether there are any changes affecting the sub-funds in which you hold shares.

- I. **Modification and/or clarification of the investment policy**
- II. **Clarification and correction of a typo in the subscription, redemption and conversion of shares requirements**
- III. **Transfer of activities of the investment manager**
- IV. **Change of investment manager and sub-delegation of investment duties**
- V. **Change of assets under management of the sub-investment manager**
- VI. **Modification of the definition of business day**
- VII. **Correction of a typo in and modification of the "Practical Information" section**
- VIII. **Modification of characteristics of share class and liquidation of share classes**
- IX. **Other amendments of the prospectus**

I – Modification and/or clarification of the investment policy

I.1. The Directors have decided to amend the investment policy of the following sub-fund by deleting the definition of “small cap entities” in order to delete any reference to any threshold capitalisation which determine that the relevant entity as small cap entity.

- **AXA World Funds – Framlington Europe Small Cap**

This change mentioned above will take effect as from 12 January 2016.

Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 12 January 2016.

I.2. The Directors have decided to amend the investment policy of the following sub-fund by deleting the definition of “micro cap” companies in order to delete any reference to any threshold capitalisation which determines that the relevant company as micro cap company.

- **AXA World Funds – Framlington Europe Microcap**

This change mentioned above will take effect as from 12 January 2016.

Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 12 January 2016.

I.3. The Directors have decided to amend the investment policy of the following sub-fund so as to (i) permit the sub-fund to invest mostly and not exclusively in Swiss listed or domiciled companies, (ii) to delete the criteria of well-known Swiss blue chips in the selection of companies in which the sub-fund may invest, (iii) permit the sub-fund to invest not more than 10% of its net assets in money market instruments, convertible bonds or exchange-traded funds (ETFs) and (iv) permit the sub-fund to invest not more than 10% instead of 5% of its net assets in units of UCITS or other UCIs.

- **AXA World Funds – Framlington Switzerland**

This change mentioned above will take effect as from 12 January 2016.

Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 12 January 2016.

I.4. The Directors have decided that the UCITS and/or UCIs in which the following sub-funds may invest no more than 10% of its net assets (i) will be managed **only** by the management company or any other AXA IM group entity, and that (ii) such UCITS and/or UCIs will themselves not invest in securities rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch or if unrated then deemed to be so by the investment manager of such UCITS and/or UCIs.

- **AXA World Funds – Euro Credit Short Duration**
- **AXA World Funds – Euro 3-5**
- **AXA World Funds – Euro 5-7**
- **AXA World Funds – Euro 7-10**
- **AXA World Funds – Euro 10-LT**
- **AXA World Funds – Euro Bonds**
- **AXA World Funds – Euro Credit IG**
- **AXA World Funds – Euro Credit Total Return**
- **AXA World Funds – Euro Government Bonds**
- **AXA World Funds – Euro Inflation Bonds**
- **AXA World Funds – Euro SmartBeta Credit Bonds**

- **AXA World Funds – Global Aggregate Bonds**
- **AXA World Funds – Global Inflation Bonds**
- **AXA World Funds – Universal Inflation Bonds**
- **AXA World Funds – US Credit Short Duration IG**

This change mentioned above will take effect as from 19 February 2016.

Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 19 February 2016.

I.5. The Directors have further decided to amend the investment policy of the following sub-funds so as to clarify that (i) the sub-fund will invest at all times at least two third of its net assets in investment grade transferable deb securities issued by governments, corporations or public institutions denominated in Euro and will not invest more than 10% of its net assets in sub-investment grade transferable debt securities, (ii) such securities in which the sub-funds may invest cannot be rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch or if unrated then deemed to be so by the investment manager, and 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 so by the investment manager, securities will be sold within 6 months, (iii) the sub-fund may invest up to 10% of its net assets in mortgage and asset backed securities which shall be investment grade only, and in case of downgrade below BBB- by Standard & Poor's or equivalent rating by Moody's or Fitch or if unrated then deemed to be so by the investment manager, securities will be sold within 6 months and (iv) the sub-fund may invest up to one third of its net assets in money market instruments..

The Directors have further decided to mention which rating will have to be considered in case of different ratings by several rating agencies.

- **AXA World Funds – Euro Credit Short Duration**

This change mentioned above will take effect as from 19 February 2016.

Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 19 February 2016.

I.6. The Directors have further decided to amend the investment policy of the following sub-funds so as to clarify that (i) the sub-fund will invest at all times at least two third of its net assets in investment grade transferable deb securities issued by governments, corporations or public institutions denominated in Euro, (ii) at the time of the purchase such securities will be rated investment grade, taking into account that in case of downgrade of the securities in portfolio, the sub-fund may hold up to 5% of its net assets in sub-investment grade transferable debt securities, (iii) such securities in which the sub-funds may invest cannot be rated CCC+ or below by Standard & Poor's or equivalent rating by Moody's or Fitch or if unrated then deemed to be so by the investment manager, and 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 so by the investment manager, securities will be sold within 6 months, (iv) the sub-fund may invest up to 10% of its net assets in mortgage and asset backed securities which shall be investment grade only, and in case of downgrade below BBB- by Standard & Poor's or equivalent rating by Moody's or Fitch or if unrated then deemed to be so by the investment manager, securities will be sold within 6 months and (v) the sub-fund may invest up to one third of its net assets in money market instruments.

The Directors have further decided to mention which rating will have to be considered in case of different ratings by several rating agencies.

- **AXA World Funds – Euro Credit IG**

This change mentioned above will take effect as from 19 February 2016.

Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 19 February 2016.

I.7. The Directors have further decided to clarify that (i) the investment grade securities in which the following sub-funds may invest 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 so by the investment manager, (ii) the sub-investment grade securities in which the sub-funds may invest will be rated BB+ and B- by Standard & Poor's or equivalent rating by Moody's or Fitch or if unrated then deemed to be so by the investment manager, and (iii) 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 so by the investment manager, securities will be sold within 6 months.

The Directors have further decided to mention which rating will have to be considered in case of different ratings by several rating agencies.

- **AXA World Funds – Euro 3-5**
- **AXA World Funds – Euro 5-7**
- **AXA World Funds – Euro 7-10**
- **AXA World Funds – Euro 10-LT**
- **AXA World Funds – Euro Bonds**
- **AXA World Funds – Euro Government Bonds**
- **AXA World Funds – Euro Inflation Bonds**
- **AXA World Funds – Global Aggregate Bonds**
- **AXA World Funds – Global Inflation Bonds**
- **AXA World Funds – Universal Inflation Bonds**

This change mentioned above will take effect as from 19 February 2016.

I.8. The Directors have further decided to amend the investment policy of the following sub-funds so as to permit the sub-funds to invest in transferable debt securities rated sub-investment grade except for mortgage and asset backed securities that shall be rated investment grade only and to clarify that the sub-funds may invest up to 5% of their net assets in mortgage and asset backed securities.

- **AXA World Funds – Euro 3-5**
- **AXA World Funds – Euro 5-7**
- **AXA World Funds – Euro 7-10**
- **AXA World Funds – Euro 10-LT**
- **AXA World Funds – Euro Bonds**

This change mentioned above will take effect as from 19 February 2016.

Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 19 February 2016.

I.9. The Directors have further decided to amend the investment policy of the following sub-fund so as to precise that the inflation-linked bonds and any other related debt securities issued by corporations or public institutions in the Euro zone in which the following sub-fund may invest are to be rated investment grade or sub-investment grade.

The Directors have further decided to take into account the requirements of the Directive 2013/14/EU of the European Parliament and of the Council of 21 May 2013 and as a consequence have decided to clarify that the investment manager will not rely exclusively or mechanistically on the credit ratings issued by rating agencies but also on an internal credit or market risk analysis and that decision to buy or sell assets is also based on other analysis criteria of the investment manager.

- **AXA World Funds – Euro Inflation Bonds**

This change mentioned above will take effect as from 19 February 2016.

Shareholders who do not agree with such changes may request the redemption of their shares free of charge up to 19 February 2016.

I.10. The Directors have further decided to amend the investment policy of the following sub-fund so as to precise that (i) the inflation-linked bonds issued by OECD governments, corporations or public institutions worldwide in which the sub-fund may invest will be rated investment grade or sub-investment grade, (ii) the other debt securities which are not inflation-linked in which the sub-fund may invest its remaining assets may also be rated investment grade or sub-investment grade, (iii) to clarify that the sub-fund will invest less instead of not more than one third of its assets in money market instruments, and (iv) the sub-fund will invest at least 90% of its net assets in investment grade securities and less than 10% of its net assets in sub-investment grade securities (*i.e.* aggregate amount of both inflation-linked bonds and non-inflation-linked bonds).

- **AXA World Funds – Global Inflation Bonds**

This change mentioned above will take effect as from 19 February 2016.

Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 19 February 2016.

I.11. The Directors have decided that the diversified range of corporate and sovereign bonds rated investment grade in which the following sub-fund may invest must no longer be denominated in Euro.

- **AXA World Funds – Euro Credit Total Return**

This change mentioned above will take effect as from 19 February 2016.

Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 19 February 2016.

I.12. The Directors have decided to amend the investment policy of the following sub-fund so as to precise that (i) the inflation-linked bonds issued by governments, corporations or public institutions worldwide in which the sub-fund may invest will be rated investment grade or sub-investment grade, (ii) the other debt securities which are not inflation-linked in which the sub-fund may invest its remaining assets may also be rated investment grade or sub-investment grade, (iii) the securities issued or guaranteed by any single country (including its government, a public or local authority of that country) in which the sub-fund may invest no more than 10% will have a credit rating sub-investment grade and/or unrated instead of below investment grade and/or unrated, and (iv) the sub-fund will invest at least 90% of its net assets in investment grade securities and less than 10% of its net assets in sub-investment grade securities (*i.e.* aggregate amount of both inflation-linked bonds and non-inflation-linked bonds).

- **AXA World Funds – Universal Inflation Bonds**

This change mentioned above will take effect as from 19 February 2016.

Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 19 February 2016.

I.13. The Directors have decided to disclosed the proportion of the net assets of the following sub-funds which will be invested in investment grade and/or sub-investment grade securities :

- **AXA World Funds – Euro Government Bonds**
- **AXA World Funds – Euro Inflation Bonds**
- **AXA World Funds – Global Inflation Bonds**
- **AXA World Funds – Universal Inflation Bonds**

I.14. The Directors have decided (i) to amend the investment policy of the following sub-fund in relation to the investment of less than 20% of its assets in assets issued by securitisation vehicles or equivalent (such as asset backed securities (ABS), Collateralised Debt Obligations (CDO), Collateralized Loan Obligations (CLO) or any similar assets), and (ii) to insert a new risk warning relating to the risk associated to securitised assets or CDO assets.

- **AXA World Funds – Global Strategic Bonds**

This change mentioned above will take effect as from 12 January 2016.

Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 12 January 2016.

I.15. The Directors have decided to amend the investment policy of the following sub-funds so as to exclude soft commodities from the commodities to which the sub-fund may be exposed to.

- **AXA World Funds – Global Flex 50**
- **AXA World Funds – Global Flex 100**

This change mentioned above will take effect as from 19 February 2016.

Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 19 February 2016.

I.16 The Directors have decided that (i) the following sub-fund will no longer be a “fund of funds” sub-fund and amend the investment policy section as well as the special risk consideration and fees sub-sections in the relevant appendix of the prospectus accordingly, and (ii) the equities in which the sub-fund may invest include high dividend equities which will be identified through fundamental approach and/or the use of a proprietary quantitative process.

- **AXA World Funds – Global Income Generation**

This change mentioned above will take effect as from 09 December 2015.

I.17. The Directors have decided to amend the investment policy of the following sub-funds so as to permit the sub-funds to invest up to 10% of its assets in assets issued by securitization vehicles or equivalent (such as asset backed securities (ABS), Collateralised Debt Obligations (CDO), Collateralized Loan Obligations (CLO) or any similar assets).

- **AXA World Funds – Global Optimal Income**
- **AXA World Funds – Optimal Income**

This change mentioned above will take effect as from 12 January 2016.

Shareholders who do not agree with such change may request the redemption of their shares free of charge up to 12 January 2016.

II – Clarification and correction of a typo in the subscription, redemption and conversion of shares requirements

II.1. The Directors have decided to systematically consider that if the capital of the SolEx share class of the following sub-fund falls below the permanent minimum capital threshold of the SolEx share class, the aim of such share class strategy cannot be properly achieved, which gives the Directors the right to close such share class.

- **AXA World Funds – Framlington Eurozone**

II.2. Similarly, the Directors have decided to systematically consider that if the capital of the Redex share class of the following sub-funds falls below the permanent minimum capital threshold of the Redex share class, the aim of such share class strategy cannot be properly achieved, which gives the Directors the right to close such share class.

- **AXA World Funds – Euro Credit Plus**
- **AXA World Funds – Euro Inflation Bonds**
- **AXA World Funds – Global Credit Bonds**
- **AXA World Funds – Global Inflation Bonds**

II.3. Finally, the Directors have decided to systematically consider that if the capital of the FX Overlay of the following sub-fund share class falls below the permanent minimum capital threshold of the FX Overlay share class, the aim of the FX hedging cannot be properly achieved, which gives the Directors the right to close such share class.

- **AXA World Funds – Universal Inflation Bonds**

These changes mentioned above will take effect as from 09 December 2015.

III – Transfer of activities of the investment manager

III.1. The Directors have acknowledged that all activities of AXA Rosenberg Investment Management Limited (United Kingdom) have been transferred to AXA Investment Managers UK Ltd on 30 June 2015 and have decided to amend the prospectus accordingly.

- **AXA World Funds – Global SmartBeta Equity**

IV – Change of investment manager and sub-delegation of investment duties

IV.1. The Directors have acknowledged (i) the decision of the management company to replace the current investment manager (AXA Investment Managers Paris) by AXA Investment Managers UK Limited (London) of the following sub-funds and (ii) the decision of the investment manager of such sub-funds to sub-delegate the investment management duties in relation to the Asian securities to AXA Investment Managers Asia Ltd. (Hong-Kong SAR). The Directors have decided to amend the prospectus accordingly.

- **AXA World Funds – Global Emerging Markets Bonds**
- **AXA World Funds – Emerging Markets Short Duration Bonds**
- **AXA World Funds – Emerging Markets Total Return Bonds**

These changes mentioned above will take effect on the 30 June 2016 at the latest.

Shareholders who do not agree with such changes may request the redemption of their shares free of charge up to 30 June 2016.

IV.2. The Directors have finally acknowledged that (i) the investment manager will sub-delegate to AXA Investment Managers UK Limited (London) the investment management duties regarding global investment grade debt securities, global high yield debt securities, global emerging debt securities and global high dividend equity securities held by the following sub-fund, and (ii) the sub-investment manager will itself sub-delegate to AXA Rosenberg Investment Management LLC the investment management duties regarding American high dividend equities securities held by the sub-fund and to AXA Investment Managers Asia (Singapore) Ltd the investment management duties regarding Asian high dividend equity securities held by the sub-fund.

- **AXA World Funds – Global Income Generation**

These changes mentioned above will take effect as from 09 December 2015.

V – Change of assets under management of sub-investment manager

V.1. The Directors have acknowledged that the investment manager of the following sub-fund will no longer manage emerging markets debt assets. The Directors further acknowledged that the investment manager will manage securitised assets of the following sub-fund.

- **AXA World Funds – Global Strategic Bonds**

This change mentioned above will take effect as from 09 December 2015.

VI – Modification of the definition of business day

VI.1. The Directors have decided to remove for the following sub-fund, the provision according to which 31 December shall not be understood as a business day.

- **AXA World Funds – Euro Credit IG**

This change mentioned above will take effect as from 09 December 2015.

VII – Correction of a typo in and modification of the “Practical Information” section

VII.1. The Directors have decided to amend the “Practical Information” section of the following sub-fund appendix so as to clarify that FTSE Epra/Nareit Europe Capped (at least 10%) is a reference indicator and not a benchmark.

- **AXA World Funds – Framlington Europe Real Estate Securities**

This change mentioned above will take effect as from 09 December 2015.

VII.2. The Directors have decided to correct a typo in the “Practical Information” section of the following sub-fund appendix so as to precise that the I FX Overlay Capitalisation in GBP share class is hedged.

- **AXA World Funds – Universal Inflation Bonds**

This change mentioned above will take effect as from 09 December 2015.

VIII – Modification of characteristic of share class and of the distribution frequency of share classes

VIII.1. The Directors have decided to modify the frequency of the payment of dividend for the distribution share classes of the following sub-fund. As a consequence, the existing A, E, F and I distribution share classes denominated in EUR, CHF and GBP will pay a dividend on a quarterly basis while the existing A and I distribution share classes denominated in USD will pay a dividend on a monthly basis.

- **AXA World Funds – Global Income Generation**

This change mentioned above will take effect as from 09 December 2015.

IX – Other amendments of the prospectus

➤ Investment Restrictions

The Directors have decided to amend the point A (5) i of the “Investment Restrictions” section so as to update the list of the countries subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in European law, and that cooperation between authorities is sufficiently ensured

➤ Listing of shares

The Directors have decided to amend the section “X – Shares” of the prospectus with a view to list certain share classes of the Company and in order to precise where information about the share classes that are listed on the Luxembourg or other Stock Exchange are available.

➤ Classes of shares

The Directors have decided to create the two following new share classes which are intended for all investors :

- Share class denominated “G”. The Directors have decided that such share class will be only available (i) through certain distributors who have separate fee arrangements with their clients and (ii) to other investors at the Management Company’s discretion. In addition the Directors have decided that such share class will be closed to subscriptions the day after the threshold

of GBP 100,000,000 is reached or exceeded. The Directors have further reserved the right to close such share class to subscription before the threshold of GBP 100,000,000 is reached.

- Share class denominated “L”. The Directors have decided that such share class will be only available (i) through certain distributors who have separate fee arrangements with their clients and (ii) to other investors at the Management Company’s discretion.

➤ **Subscription of shares**

The Directors have decided to add a new sub-section in the section “X – Shares” relating to subscriptions, conversion and redemption of shares via financial intermediaries / other Electronic means / use of nominee services.

➤ **Dividends**

The Directors have decided to modify the section “XIV – Dividends” of the prospectus so as to (i) clarify that dividends are paid at the SICAV’s discretion, (ii) specify from which profit the dividend is paid if any, (iii) to precise that no distribution is made if as a result the total net assets of the Company would fall below the minimum amount of the net assets equivalent in the reference currency of the Company instead of the minimum amount of the net assets of the UCIs and (iv) draw the attention of the investors on the effects of the payment of distribution on the net asset value per share of the relevant sub-fund.

➤ **Update of information**

The Directors have decided to update the following information in the prospectus:

- o The legal form of the Custodian, Domiciliary, Paying Agent, Administrative Agent and Registrar Agent, Depository of bearer shares, Listing Agent;
- o The function of one member of the board of directors of the management company;
- o The update of the glossary;
- o The address of the legal advisers of the SICAV;
- o The “Additional Information for Investors” section so as to precise that the net asset value is currently displayed on the website www.beama.be and published upon decision of the Directors in newspapers in Belgium;
- o The details and the information concerning the investment managers so as to (i) delete the reference made to AXA Rosenberg Investment Management Limited (United Kingdom) which activities were transferred to AXA Investment Managers UK Limited (London) as from 30 June 2015, and (ii) add details about sub-delegation and sub-sub delegation of the investment duties of the management company with respect to AXA World Funds – Global Income Generation sub-fund, (ii) to correct a typo so as to mention that the investment management duties in respect of AWF-Global Flexible Property is delegated to AXA Real Estate Investment Managers SGP by AXA Investment Managers Paris and not AXA Investment Managers UK Limited (London) and (iii) add details about sub-delegation of the investment duties of the management company with respect to AXA World Funds – Emerging Markets Short Duration Bonds, AXA World Funds – Global Emerging Markets Bonds and AXA World Funds – Emerging Markets Total Return Bonds;
- o The insertion of a risk warning relating to the risk associated to securitised assets or CDO assets;
- o Update of the FATCA wording;
- o Deletion of any reference to “Community law” and replacement by a reference to “European law”;
- o Typos and editing issues.

These changes mentioned above will take effect as from 09 December 2015.

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The prospectus, taking into account the changes mentioned in this letter, is available at the registered office of the Sicav.

For the attention of the Belgian shareholders: when redemption is offered free of charge (except potential taxes) to the shareholders of the sub-fund concerned, such redemption request may be made to the financial service located in Belgium: AXA Bank Europe S.A., 25 Boulevard du Souverain, 1170 Bruxelles. The current prospectus taking into account the changes mentioned here above, the key investor information documents, the articles of incorporation as well as the annual and half year reports may also be freely obtained at the office of the financial service in Belgium. The Belgian shareholders should note that the class I shares is not open for subscription in Belgium.

For the attention of the Swiss shareholders: all information in regard to a local representative, paying agent, available documents and any proceed specific to Switzerland will be available in a separate document to the prospectus.

Yours faithfully,

The Board of Directors
AXA World Funds