

# AXA World Funds – Framlington Europe Opportunities

Issuer: AXA Funds Management S.A.

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

## Quick Facts

<b>Fund Manager:</b>	AXA Funds Management S.A. (Luxembourg)
<b>Fund Manager by delegation:</b>	AXA Investment Managers Paris (internal delegation, in France)
<b>Depositary:</b>	State Street Bank International GmbH, Luxembourg Branch
<b>Ongoing charges over a year*:</b>	Class A capitalisation (EUR): 1.76% Class F capitalisation (EUR): 1.01%
<b>Dealing frequency:</b>	Daily
<b>Base currency:</b>	EUR
<b>Dividend policy:</b>	No dividend distribution
<b>Financial year end of this fund:</b>	31 December
<b>Minimum investment:</b>	Class A: None (initial); None (subsequent) Class F: None (initial); None (subsequent)

\* Class A capitalisation (EUR) and Class F capitalisation (EUR): The ongoing charges figure is based on expenses for the twelve-month period ending 31 December 2019. This figure may vary from year to year

## What is this product?

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

## Investment Objective and Strategy

### Objective

To seek long-term growth of your investment, in EUR, from an actively managed listed equity, equity-related securities and derivatives portfolio.

### Investment Strategy

The 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 also considers the allocation in terms of country and sector in the Benchmark. However, as the portfolio is invested in a relatively small number of equities and the Investment Manager 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.

The Sub-Fund invests essentially (i.e. at least 66% of net assets) in equities and equity-related securities of companies domiciled or listed in the European geographical area.

The Sub-Fund may invest in equity securities of any market capitalisation (including small and micro-sized companies).

The Sub-Fund applies the AXA Investment Managers’ Environmental, Social and Governance standards policy (“ESG Standards”) available on [www.axa-im.com.hk](http://www.axa-im.com.hk) according to which the Investment Manager aims at integrating the ESG Standards in the investment process by applying specific sectorial exclusions such as tobacco and white phosphorus weapons and by excluding investments in securities issued by companies in

severe breach of the United Nations Global Compact principles and with the lowest ESG scores as described in the policy document. The Investment Manager bindingly applies at all times the ESG Standards in the securities selection process with the exception of derivatives and underlying eligible UCIs.

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

The investment manager uses a strategy that combines macro-economic, sector and company specific analysis. The 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. On a tactical basis, a portion of the Sub-Fund is invested in companies offering opportunities presented by merger & acquisition, management change, spin-off and asset disposal activities.

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

The Sub-Fund does not use total return swaps.

For the purpose of efficient portfolio management, the Sub-Fund may use the following techniques (as a % of net assets):

- securities lending: expected, ≈20%; max, 100%

Main types of assets in scope are equities.

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

**Use of derivatives**

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

**What are the key risks?**

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

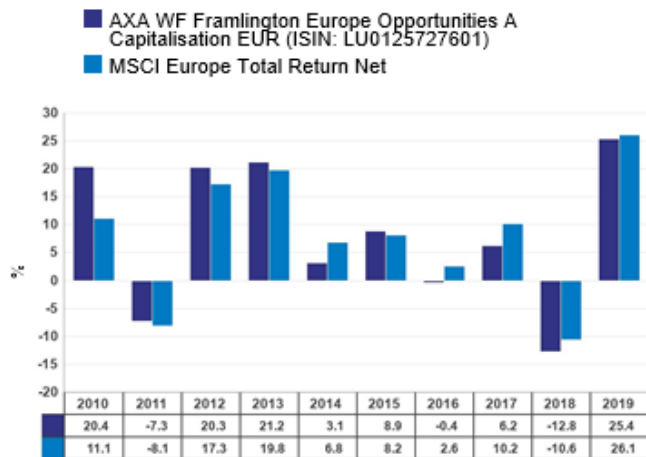
- **General investment risk:** The Sub-Fund's portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Investments in specific countries or geographical zones risk:** As compared with a global investment strategy, the Sub-Fund concentrates its investment in certain geographical zones and therefore is subject to the risks associated with concentrating investments in regions and the value of the Sub-Fund may be more volatile. The value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the regions.
- **Eurozone political, regulatory, economic and convertibility risks:** Eurozone area in which the Sub-Fund may invest may be affected by economic or political events or measures, changes in government policies, laws or tax regulations, currency convertibility, or by currency redenomination, restrictions on foreign investments, and more generally by economic and financial difficulties. More especially, economic and financial difficulties in Europe may spread within and outside Europe, the measures taken by the governments of the European countries, central banks and other authorities to address the economic and financial problems, such as austerity measures and reforms, may not work and such failure may result in adverse consequences, and there may be currency fluctuation. In such contexts, volatility, liquidity, credit, and currency risks may increase and adversely impact the net asset value of the Sub-Fund.

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

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

- **Investments in small and/or micro-capitalisation universe risk:** The Sub-Fund may invest in small and/or micro-capitalisation universe which implies specific liquidity risk. The possible lack of a liquid market may inhibit the ability of the Sub-Fund to purchase or sell such investment at an advantageous price. The net asset value of the Sub-Fund may be adversely affected. The stock of small and/or micro-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.
- **Derivatives and leverage risk:** The Sub-Fund may use both listed and over-the-counter derivatives for efficient portfolio management and hedging purposes. Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivative by the Sub-Fund. Exposure to derivatives may lead to a high risk of significant loss by the Sub-Fund.
- **Foreign exchange and currency risk:** The Sub-Fund may invest in foreign securities, i.e. securities denominated in currencies different from the base currency in which the Sub-Fund is denominated. Also, the Sub-Fund has share class(es) denominated in currency(ies) different from the Sub-Fund's base currency. The net asset value of the Sub-Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
- **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 proprietary ESG scoring process or ban lists that rely partially on third party data and there is a lack of common or harmonised definitions and labels integrating ESG and sustainability criteria at the European Union level.

## How has the Sub-Fund performed?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.
- These figures show by how much the share class has increased or decreased in value during the calendar year being shown. Performance data has been calculated in EUR including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- The investment manager views Class A capitalisation (EUR), being the retail share class denominated in the Sub-Fund's base currency, as the most appropriate representative share class. Your attention is drawn to the fact that such share class is denominated in the Sub-Fund's base currency and if you were to invest in a share class denominated in a different currency, the performance of this latter share class might differ due to fluctuation of the currency exchange rate.
- The benchmark of the Sub-Fund is MSCI Europe Total Return Net.
- Sub-Fund launch date: 2001
- Share Class A capitalisation (EUR) launch date: 2001

## Is there any guarantee?

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

## What are the fees and charges?

## Charges which may be payable by you

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

Fee	What you pay
<b>Subscription fee (Entry charge)</b>	Class A: Up to 5.50% of the amount you buy Class F: Up to 2.00% of the amount you buy
<b>Switching fee (Switching charge)</b>	None, except in the following circumstances: <ul style="list-style-type: none"> <li>▪ 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</li> <li>▪ the shareholder converts his shares to a Sub-Fund with a higher entry charge within the first 12-month period following initial investment in the Sub-Fund; in such case the shareholder may have to pay the difference between the two entry charge levels.</li> </ul>
<b>Redemption fee</b>	None

## Ongoing fees payable by the Sub-Fund

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

Fee	Annual rate (as a % of the Sub-Fund's/Share Class's value)
<b>Management fee</b>	Class A: Up to 1.50% Class F: Up to 0.75%
<b>Custodian fee (Depositary fee)</b>	Included in Applied service fee
<b>Performance fee</b>	None
<b>Administration fee</b>	Included in Applied service fee
<b>Applied service fee</b>	All classes: Up to 0.50% Class A capitalisation (EUR): Current rate being 0.24% Class F capitalisation (EUR): Current rate being 0.25%

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**Other fees**

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

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**Additional Information**

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

Investors may obtain the past performance information of other share classes offered to Hong Kong investors from [www.axa-im.com.hk](http://www.axa-im.com.hk).

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

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

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**Important**

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