

## EQUITIES

## AXA World Funds – Europe Real Estate

Issuer: AXA Investment Managers Paris

- 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 Investment Managers Paris (France)
<b>Fund Manager by delegation:</b>	AXA Real Estate Investment Managers SGP (internal delegation, in France)
<b>Depository:</b>	State Street Bank International GmbH, Luxembourg Branch
<b>Ongoing charges over a year*:</b>	Class A capitalisation (USD Hedged 95%**): 1.81% Class A capitalisation (EUR): 1.78% Class A distribution quarterly "fl" (USD Hedged 95%**): 1.82% Class A distribution quarterly "fl" (HKD Hedged 95%***): 1.81% Class F capitalisation (EUR): 1.03%
<b>Dealing frequency:</b>	Daily
<b>Base currency:</b>	EUR
<b>Dividend policy:</b>	Capitalisation Shares: No dividend distribution Distributing Shares: Dividends will be discretionary and determined annually. "Quarterly distribution" share class intends to distribute dividends quarterly subject to the discretion of the Board of Directors. Dividends (if any) may be distributed to the relevant Shareholders or reinvested into the Sub-Fund. Distribution may be paid out of capital or effectively out of capital and, if so, may reduce the Sub-Fund's net asset value. Distributing share class with identifier "fl" aims to pay a fixed amount or rate (pro-rated according to the relevant distribution frequency) over the fiscal year regardless of the actual level of income generated during the period. For Class A distribution quarterly "fl" (USD hedged 95%/ HKD hedged 95%), the dividend amount per share is calculated as follows: $[(1 + 3.5\%) ^ (1 \div 4) - 1] \times \text{NAV per Share on the last Valuation Day of the previous year}$ . The same amount of dividend as determined by the above formula will be paid out on each dividend payment date over the year. Investors should not that a positive dividend yield does not imply a high or positive return.
<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)
<b>*</b>	Class A capitalisation (EUR/USD Hedged 95%), Class F capitalisation (EUR) and Class A distribution quarterly "fl" (USD Hedged 95%/HKD Hedged 95%): The ongoing charges figure is based on expenses for the twelve-month period ending 31 December 2022. This figure may vary from year to year.
<b>**</b>	USD Hedged 95% refers to USD share class that will be hedged at least 95% against the base currency of the Sub-Fund, i.e. EUR.
<b>***</b>	HKD Hedged 95% refers to HKD share class that will be hedged at least 95% against the base currency of the Sub-Fund, i.e. EUR.

## What is this product?

AXA World Funds – Europe Real Estate (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).

The Sub-Fund is authorized under the SFC Code on Unit Trusts and Mutual Funds but not under the Code on Real Estate Investment Trusts. SFC authorization is not a recommendation or endorsement of the Sub-Fund nor does it guarantee the commercial merits of the Sub-Fund or its performance. It does not mean the Sub-Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investors or class of investors.

## 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 on such securities portfolio.

**Investment Strategy**

The Sub-Fund is actively managed in order to capture opportunities in the regulated European real estate markets, by mainly investing in equities of companies that are part of the FTSE EPRA/NAREIT Developed Europe Capped 10% Total Return benchmark index (the "Benchmark") universe. As part of the investment process, the Investment Manager has broad discretion over the composition of the Sub-Fund's portfolio and can take, based on its investment convictions, large overweight or underweight positions on the countries 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 Sub-Fund invests in equities of companies that are in the real estate sector.

Specifically, at all times the Sub-Fund invests at least two-thirds of net assets in transferable securities of companies that are in the real estate sector, and are domiciled or do most of their business in Europe. The Sub-Fund invests mainly in securities that are negotiated on European regulated markets. On an ancillary basis, the Sub-Fund may invest on markets outside the Europe.

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

The Sub-Fund may also invest up to one third of its net assets in money market instruments, money market funds and bank deposits.

The Sub-Fund may invest up to 5% of net assets in collective investment schemes structured as UCITS and/or UCIs (as defined in the Hong Kong Offering Memorandum).

The Investment Manager combines a "bottom-up" research process for selecting securities and, to a lesser extent, a "top-down" approach for geographical asset allocation. The Investment Manager uses a strategy that combines macro-economic, industry analysis and company selection. The securities selection process relies on a rigorous analysis of the companies' business model, growth prospects, underlying assets and risk/return profile.

The Investment Manager bindingly applies at all times AXA Investment Managers' Sectorial Exclusion and ESG Standards Policies as a first exclusion filter which are (i) encompassing areas such as Controversial Weapons, Climate risks, Soft Commodities and Ecosystem Protection & Deforestation, and (ii)

excluding specific sectors such as tobacco and white phosphorus weapons and 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 Environment, Social and Governance (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.

In addition, the Sub-Fund always outperforms the investment universe as defined by the Benchmark in terms of ESG scores calculated on a weighted average basis. ESG score is based on ESG scoring from external data provider as primary inputs assessing data points across ESG dimensions. AXA Investment Managers' ESG analysts can complement with a fundamental and documented ESG analysis in case of lack of coverage or disagreement on the ESG scoring provided that it is approved by AXA Investment Managers' dedicated internal governance body. The ESG analysis minimum coverage rate of the Sub-Fund's net assets is 80%; this rate being calculated according to the weighted average assets allocation mix within the investment universe between 90% ESG analysis minimum coverage rate for securities issued in developed countries and/or rated investment grade and 75% ESG analysis minimum coverage rate for securities issued in emerging countries, from small and micro-capitalization universe and/or rated sub-investment grade.

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

The Sub-Fund does not use total return swaps.

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

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

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

Main types of assets in scope are 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 real estate securities and REITs risk:** As compared with a fund investing in a diversified portfolio, the Sub-Fund concentrates its investment in companies in the real estate sector and therefore will be subject to the risks associated with concentrating investment in such sector and the value of the Sub-Fund may be more volatile. This type of strategy may lead to adverse consequences and adversely impacting the net asset value of the Sub-Fund when target markets drop or encounter liquidity issues.

The Sub-Fund investing in listed securities of companies engaged in the real estate industry is subject to certain risks associated with direct ownership of real estate and with the real estate sector in general. For example, overbuilding; oversupply of, or reduced demand for, commercial and residential real estate; changes in market rental rates; potential declines in the value of real estate; risks related to general, local and international economic conditions; possible lack of availability of mortgage funds; extended vacancies of properties; increases in competition, property taxes and operating expenses; changes in zoning laws; costs resulting from the clean-up of, and liability to third parties for damages resulting from, environmental problems; casualty or condemnation losses; uninsured damages from floods, earthquakes or other natural disasters; limitations on and variations in rents; increases in interest rates; and depreciation of buildings over time, etc.

Besides, the value of real estate securities and Real estate companies and Real Investment Trusts (REITs) may be affected by the condition of the economy as a whole and by the changes related to the state and valuation of the real estate businesses which is of a cyclical nature, mainly sensitive to interest rate level and rental income. The REITs are impacted by the creditworthiness of the issuer of the investments and the level of taxes, liquidity of the credit markets and the real estate regulatory environment.

- **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.
- **Foreign exchange and currency risk:** The Sub-Fund may invest in foreign securities, i.e. securities denominated in currencies different from the base currency in which the Sub-Fund is denominated. Also, the Sub-Fund has share class(es) denominated in currency(ies) different from the Sub-Fund's base currency. The net asset value of the Sub-Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
- **Derivatives and leverage risk:** The Sub-Fund may use both listed and over-the-counter derivatives for efficient portfolio management and hedging purposes. Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivative by the Sub-Fund. Exposure to derivatives may lead to a high risk of significant loss by the Sub-Fund.
- **Distribution out of / effectively out of capital risks:** For distributing shares with share class identifier "fl", investors should be aware that dividends may be paid directly or effectively out of the Sub-Fund's capital at the Board of Directors' discretion. This may result in an immediate decrease in the net asset value per share of the distributing shares. Payment of distribution out of the Sub-Fund's capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment, which may further decrease the net asset value per share and may also reduce the capital available for the Sub-Fund for future investment and capital growth. Distributing shares with share class identifier "fl" may have a significant risk of capital erosion.
- **Risk related to distributing shares with fixed dividend policy:** Investment in distributing shares with fixed dividend policy are not an alternative to a savings account or fixed interest paying investment. The fixed dividend amount or rate is unrelated to expected or past income or capital gains of the Sub-Fund. The dividend can thus be higher or lower than the income and capital gains that were effectively realised.

Distributing shares with fixed dividend policy will continue to distribute in periods that the Sub-Fund has negative returns or is making losses, which further reduces the net asset value of the relevant distributing shares. Investors may not be able to get back the original investment amount.

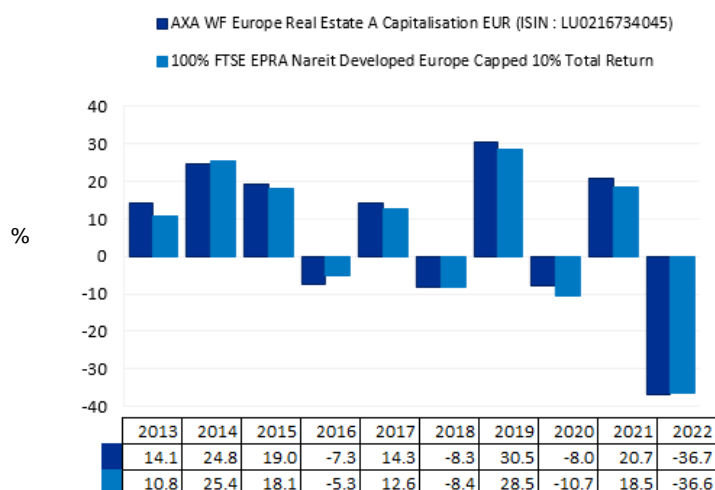
Investors should note that a positive dividend yield does not imply a high or positive return. Also, distributing shares with fixed dividend policy based on a fixed rate per annum do not distribute a fixed amount and the constant percentage of dividend results in higher absolute dividends when the net asset value of the relevant distributing shares is increasing, and lower absolute dividends when the net asset value of the relevant distributing shares is decreasing.

- **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 AXA Investment Managers'

ESG scoring methodology or ban lists that rely partially on third party data which may be subjective, incomplete, inaccurate or unavailable. The selection of securities may involve the Investment Manager's subjective judgment and there is a lack of common or harmonised definitions and labels integrating ESG and sustainability criteria at the European Union level. As a result, there is a risk that the Investment Manager may incorrectly assess a security or issuer. Besides, the securities held by the Sub-Fund may be subject to style drift which no longer meets the ESG or sustainability criteria for investment. The Investment Manager may have to sell such security held by the Sub-Fund which could incur transaction costs within the Sub-Fund.

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

### How was 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 FTSE EPRA/NAREIT Developed Europe Capped 10% Total Return.
- Sub-Fund launch date: 2005
- Share Class A capitalisation (EUR) launch date: 2005

### Is there any guarantee?

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

### What are the fees and charges?

#### Charges which may be payable by you

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

#### Fee

#### What you pay

#### Subscription fee (Entry charge)

Class A: Up to 5.50% of the amount you buy except for the Class A distribution quarterly (USD hedged 95% and HKD Hedged 95%) for which the subscription fee is up to 5.25% of the amount you buy  
Class F: Up to 2.00% of the amount you buy

<b>Switching fee (Switching charge)</b>	<p>None, except in the following circumstances:</p> <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.

<b>Fee</b>	<b>Annual rate (as a % of the Sub-Fund's/Share Class's value)</b>
<b>Management fee</b>	Class A: Up to 1.50% Class F: Up to 0.75%
<b>Custodian fee (Depository 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>	<p>All classes: Up to 0.50%</p> <p>Class A capitalisation (USD Hedged 95%): Current rate being 0.28%</p> <p>Class A capitalisation (EUR): Current rate being 0.24%</p> <p>Class A distribution quarterly "fl" (USD Hedged 95%): Current rate being 0.28%</p> <p>Class A distribution quarterly "fl" (HKD Hedged 95%): Current rate being 0.28%</p> <p>Class F capitalisation (EUR): Current rate being 0.24%</p>

**Other fees**

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

**Additional Information**

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

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

The compositions of the dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available by the Hong Kong representative on request and also on [www.axa-im.com.hk](http://www.axa-im.com.hk).

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

**Important**

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