

## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## Product

### AXA WF ACT Factors - Climate Equity Fund G Capitalisation EUR

AXA INVESTMENT MANAGERS PARIS S.A., part of the AXA IM Group

ISIN LU2320549301

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The Autorité des Marchés Financiers (AMF) is responsible for supervising AXA INVESTMENT MANAGERS PARIS S.A. in relation to this Key Information Document.

This Product is authorised in Luxembourg and in accordance with the UCITS Directive.

**Date of Production of the KID:** 15/01/2024

You are about to purchase a Product that is not simple and may be difficult to understand

## What is this product?

### Type

The Product is a share class of the Sub-Fund "AXA World Funds - ACT Factors - Climate Equity Fund" (the Sub-Fund) which is part of the SICAV "AXA World Funds" (the "Company").

### Term

This product has no maturity date, although it has been created for 99 years and could be liquidated under the conditions laid down in the articles of incorporation of the company.

### Objectives

#### Investment Objective

To seek to achieve: 1/long-term return above that of the MSCI World Climate Change Index (the "Benchmark") with a lower volatility profile than the Benchmark and 2/ a sustainable investment objective by: gaining exposure to companies helpful to the mitigation of climate change or energy transition towards greener sources in order to progressively align with the objectives of the Paris Agreement, complemented by offsetting fully or partially the carbon emissions of the Sub-Fund.

#### Investment Policy

The Sub-Fund is actively managed and seeks to achieve its financial goal by primarily investing in a well-diversified basket of global equity securities issued in countries that comprise the Benchmark. The investment universe of the Sub-Fund may extend to equity securities listed in eligible countries of the Benchmark that are not constituents of the Benchmark. The Investment Manager may take, based on its investment convictions, overweight or underweight positions compared to the Benchmark, meaning that deviation from the Benchmark is likely to be significant. However, in certain market conditions, the Sub-Fund's performance may be close to the Benchmark, as further described in the prospectus.

The Sub-Fund invests in equities and equity-related securities of companies of any capitalisation, with a minimum of investment of 51% of net assets in equities, at all times.

The Sub-Fund may invest in money market instruments.

The Investment Manager uses proprietary quantitative models that incorporate both financial and non-financial data to select securities for the Sub-Fund. The Investment Manager's approach to portfolio construction is largely systematic and an optimiser is used and designed to consider each stock's factor exposure alongside its carbon intensity (measured in CO2 Tonnes/Million \$ revenue).

The Investment Manager applies an ESG 'score upgrade' approach, which requires the ESG scoring of the Sub-Fund to be higher than the scoring of the investment universe after omitting at least the 20% worst ESG scores, on a weighted average basis. In addition, the Investment Manager balances decarbonisation with investments into the low carbon economy by targeting exposure into low carbon leaders, transition opportunities and green enablers to ensure that the Sub-Fund holds positions in companies helpful to the mitigation of climate change or energy transition towards greener sources. In the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies (<https://www.axa-im.com/responsible-investing/sector-investment-guidelines>).

The ESG approach in place for the Sub-Fund is described in its SFDR annex.

In addition, a carbon emissions offsetting strategy is implemented by the Investment Manager via the use of a type of carbon credits, called VER (Verified Emission Reduction) that will be held by AXA Investment Managers GS and not the Sub-Fund. A carbon credit is a unit corresponding to a reduction or a removal of one tonne of CO2 equivalent by a project that has invested in equipment and/or activities that reduce or remove greenhouse gas emissions from the atmosphere. The Investment Manager selects underlying VER project that meets the highest standards of market certification (VCS, Gold standard in particular), are listed with a recognized independent register (as VERRA) and audited by a large international standardization body. The Investment Manager also considers the following criteria in its selection:

- project type: projects demonstrating carbon reduction but also additional benefits for the protection of ecosystems and biodiversity, together with developmental goals for local community. For avoidance of doubt the

Investment Manager reserves the right to use various underlying VER for the Sub-Fund,

- the project location: In countries with low and medium level of risks,
- the reputational risk associated with the project and holders of the VER in the project,

- the project cost and availability volumes of VERs.

The Investment Manager reserves the right to use other underlying projects of VER. Furthermore, in case of exceptional events (war, political issue, fraud etc.) affecting the underlying projects on which the carbon offsetting mechanism is based, the Investment Manager may withdraw the VERs issued. The list of VER underlying projects selected by the Investment Manager as well as their description and certification information are available at: <https://www.axa-im.com/fund-centre>.

The Investment Manager calculates the carbon emissions (Scopes 1 and 2) per million invested using the composition of the Sub-fund's underlying assets and using an enterprise value-based methodology in order to establish the amount of VERs required to offset carbon emissions. Periodically, the Investment Manager will allocate a proportion of the management fees it receives to offsetting the carbon emissions of the Sub-fund through an intermediary (such as Climate Seed (<https://climateseed.com>) that carries out the offsetting with the central registry which issues confirmation and a carbon emission offset certificate. The offsetting of the Sub-Fund's carbon emissions may be considered to be partial to the extent that (i) the Investment Manager does not take Scope 3 into account when calculating carbon emissions, (ii) it only offsets carbon emissions relating to the composition of the Sub-Fund's underlying assets and (iii) the carbon emissions offsetting fees shall account for a maximum of 0.20% including VAT if applicable of the net assets of the Sub-Fund. Shareholders can find more information on the of the carbon footprint of the Sub-Fund's portfolio and the carbon offsetting in the Sub-Fund's monthly reporting available at <https://www.axa-im.com/fund-centre>.

The ESG data 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.

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

The Sub-Fund is a financial product aiming to achieve a sustainable investment objective within the meaning of article 9 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector.

#### Income

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

#### Investment Horizon

The risk and the reward of the product may vary depending on the expected holding period. We recommend holding this product at least for 5 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: USD 1,000,000 or the equivalent in the relevant currency of the relevant Share class.

#### Intended retail Investor

The sub-fund is designed for retail investors who have neither financial expertise nor any specific knowledge to understand the sub-fund but may bear total capital loss. It is suited for clients who seek growth of capital [and ESG. Potential investors should have an investment horizon of at least 5 years.

#### Depositary

State Street Bank International GmbH (Luxembourg Branch)

#### Further Information

Please refer to the 'Other relevant information' section below.

## What are the risks and what could I get in return?

### Risk Indicator



We have classified this product as 4 out of 7 which is the a medium risk class. This rates the potential losses from future performance at a medium level. The risk category associated to this product was determined based on past observations, it is not guaranteed and can evolve in the future.

**Be aware of currency risk.** You will receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

Other risks not included in the Summary risk indicator can be materially relevant, such as model risk. For further information, please refer to the prospectus.

This product does not include any protection from future market performance so you could lose some or all of your investment.



The risk indicator assumes you keep the product for 5 years.

The actual risk can vary significantly if you cash in at an early stage and you may get back less.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

### Performance Scenarios

The figures shown include all the costs of the Product itself, but may not include all the costs that you pay to your advisor or distributor . The figures do not take into account your personal tax situation, which may also affect how much you get back.

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

The unfavourable, moderate and favourable scenarios shown are illustrations using the worst, average and best performance of the product and the suitable benchmark over the last 10 years. Markets could develop very differently in the future.

Recommended holding period:		5 years	
Example Investment:		€10 000	
		If you exit after 1 year	If you exit after 5 years
Scenarios			
Minimum	There is no minimum guaranteed return. You could lose some or all of your investment		
Stress	What you might get back after costs	€2 660	€3 610
	Average return each year	-73.40%	-18.44%
Unfavourable	What you might get back after costs	€8 870	€8 890
	Average return each year	-11.30%	-2.33%
Moderate	What you might get back after costs	€11 010	€16 790
	Average return each year	10.10%	10.92%
Favourable	What you might get back after costs	€13 860	€18 980
	Average return each year	38.60%	13.67%

The stress scenario shows what you might get back in extreme market circumstances.

Unfavourable Scenario : This type of scenario occurred for an investment between 12 2021 and 10 2023.

Moderate Scenario : This type of scenario occurred for an investment between 03 2018 and 03 2023.

Favourable Scenario : This type of scenario occurred for an investment between 10 2016 and 10 2021.

An appropriate benchmark of the Product was used to calculate the performance.

## What happens if AXA INVESTMENT MANAGERS PARIS S.A. is unable to pay out?

The product is constituted as a separate entity from AXA Investment Managers Paris S.A. In case of default of AXA Investment Managers Paris S.A., the assets of the product kept by the custodian will not be affected. In case of default of the custodian, the risk of financial loss of the product is mitigated because of the legal segregation of the assets of the custodian from those of the product.

## What are the costs?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

### Costs over Time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed:

- In the first year you would get back the amount that you invested (0 % annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario.

- EUR 10 000 is invested

	If you exit after 1 year	If you exit after 5 years
Total costs	€65	€550
Annual cost impact (*)	0.6%	0.7% each year

(\*) This illustrates how costs reduce your return each year over the holding period. For example it shows that if you exit at the recommended holding period your average return per year is projected to be 11.64 % before costs and 10.92 % after costs.

We may share part of the costs with the person selling you the Product to cover the services they provide to you. They will inform you of the amount.

#### Composition of Costs

One-off costs upon entry or exit		If you exit after 1 year
Entry costs	We do not charge an entry fee.	€0
Exit costs	We do not charge an exit fee for this Product.	€0
Ongoing costs taken each year		
Management fees and other administrative or operating costs	0.35% of the value of your investment per year. This percentage is based on actual costs over the last year.	€35
Transaction costs	0.29 % of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the underlying investments for the product. The actual amount will vary depending on how much we buy and sell.	€29
Incidental costs taken under specific conditions		
Performance fees (and carried interest)	There is no performance fee for this Product.	€0

## How long should I hold it and can I take money out early?

### Recommended holding period: 5 years

This Product has no minimum required holding period, the 5 years has been calculated to be in line with the time frame which the Product may need in order to achieve its investment objectives.

You may sell your investment before the end of the recommended holding period without penalty. The performance or risk of your investment may be negatively impacted. The section "What are the costs?" provides information on the impact of costs over time.

Please refer to the "What is this product" section for the redemption procedure.

## How can I complain?

Complaints shall be addressed to the Complaint Handling Officer with the complainant' details (name, role, contact details, involved account numbers and any other relevant document) to the following address AXA World Funds 49, avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg or to [compliancelux2@axa-im.com](mailto:compliancelux2@axa-im.com).

## Other relevant information

You can get further information about this Product, including the prospectus, latest annual report, any subsequent half-yearly report and the latest Net Asset Value from the Fund Administrator: State Street Bank International GmbH (Luxembourg Branch) and from <https://www.axa-im.com/fund-centre>. They are available free of charge.

For information about the performance of the product up to 10 years and previous performance scenario calculations, please visit : <https://www.axa-im.com/fund-centre>.

When this product is used as part of a unit-linked contract, or similar contract, the additional information, such as the costs of the contract, which are not included in the this document, in addition to the contract in case of claim and what happens in the event of failure of the insurance company, must be provided in the key information document of the contract issued by your insurer, broker or other insurance intermediary in accordance with their legal obligation.