

## **Mitteilung an alle Anteilseigner der AXA IM Fonds:**

Anbei finden Sie die Information der Fondsgesellschaft, folgende Fonds sind betroffen:

<b>LU0658026603</b>	<b>AXA IM Fixed Income Investment Strategies Europe Short Duration High Y - F CAP</b>
<b>LU0523283140</b>	<b>AXA IM Fixed Income Investment Strategies US Short Duration High Yield -F CHF Hedged CAP</b>
<b>LU0292585626</b>	<b>AXA IM Fixed Income Investment Strategies US Short Duration High Yield -F EUR CAP</b>

Details können Sie der beigefügten Anlage entnehmen. Falls Ihre Kunden diesen Änderungen nicht zustimmen und die Möglichkeit besteht, die Anteile ohne Gebühren seitens der Fondsgesellschaft zurückzugeben, können Sie den Verkauf der Anteile direkt in MoventumOffice erfassen.

Bitte nehmen Sie zur Kenntnis, dass für die Abwicklung dieser Aufträge die im Preis- und Leistungsverzeichnis von Moventum ausgewiesenen Gebühren und die auf MoventumOffice angegebenen Annahmeschlusszeiten gelten.



**AXA FUNDS MANAGEMENT S.A. (the "Company")**

*Société Anonyme*

Registered office: 49, Avenue J.-F. Kennedy

L-1855 Luxembourg

R.C.S Luxembourg B - 32 223

**acting in its capacity as management company of**

**AXA IM Fixed Income Investments Strategies**

*Luxembourg Fonds Commun de Placement*

(the "**Fund**")

28 February 2022

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

Dear Unitholders,

We are pleased to inform you that the directors of the Company (the "**Directors**" or together composing the board of directors of the Company, also referred to as the "**Board**") have decided to introduce a number of changes to the prospectus of the Fund (the "**Prospectus**"), which will enable it to look after your interests more effectively.

*Except as otherwise specified in this notice, words and expressions contained hereafter shall have the same meaning as in the Prospectus.*

- I. **Amendment of the list of the Directors**
- II. **Change of name of the Investment Manager AXA Investment Managers Inc.**
- III. **Update of the SFDR disclosures and addition of Taxonomy disclosures**
- IV. **Update of the disclosures regarding the use of SFTs in light of CSSF FAQ on the use of securities financing transactions by UCITS**
- V. **Deletion of Swing Pricing**
- VI. **Amendment of the investment strategy of the AXA IM Fixed Income Investments Strategies – US Short Duration High Yield sub-fund**
- VII. **Amendment of the investment strategy of the AXA IM Fixed Income Investments Strategies – Europe Short Duration High Yield sub-fund**
- VIII. **Update of the classes of units available in AXA IM Fixed Income Investments Strategies – US Short Duration High Yield sub-fund**
- IX. **Redrafting of the Investment Management Agreements**
- X. **Miscellaneous**



## **I. Amendment of the list of the Directors**

Following the resignation of Mr Godefroy de Colombe from his position as Chairman and Director of the Board as of 30 September 2021, the Directors decided to amend the list of the Directors in the Prospectus to reflect this change. The Directors further decided to update the list of the Directors in the Prospectus in order to reflect the appointment of Laurent Caillot as Director and Chairman as of 9 December 2021.

**This change is effective since 30<sup>th</sup> September 2021.**

## **II. Change of name of the Investment Manager AXA Investment Managers Inc.**

The Investment Manager AXA Investment Managers Inc. will be renamed AXA Investment Managers US Inc., following an internal restructuring that will not impact the investors nor the services provided by the Investment Manager.

The Sub-Funds impacted by the above are the following:

- AXA IM Fixed Income Investments Strategies – US Short Duration High Yield;
- AXA IM Fixed Income Investments Strategies – US Corporate Intermediate Bonds.

**This change took effect as from the 1<sup>st</sup> of January 2022.**

## **III. Update of the SFDR disclosures and addition of Taxonomy disclosures**

The Directors have noted some evolution in the market practice and operational consideration of the concepts under the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the “**SFDR**”) as well as the update of the exclusion policies put in place by the Management Company.

The Directors thus decided to amend the “Sustainable Investments and promotion of ESG characteristics” sub-section under the section “THE FUND” in the general part of the Prospectus to reflect the update exclusion list as well as the “Sustainability Risks” sub-section under the section “RISK CONSIDERATIONS” in the general part of the Prospectus.

The Directors have decided to update the “Sustainable Investments and promotion of ESG characteristics” sub-section section under the section “THE FUND” in the general part of the Prospectus following the reclassification of certain Sub-Funds (as described below).

The following wording is added: “*All the Sub-Funds of the Fund are categorized as “Article 8” as set-out in the relevant Sub-Fund’s appendix*”.

In addition, please be informed that the Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the “**Taxonomy**”) also requires financial products subject to the SFDR to also integrate pre-contractual disclosures regarding their alignment with the Taxonomy and other information in relation thereto. This new transparency obligation will apply as from the 1<sup>st</sup> of January, 2022.

The Directors have decided to add a definition of the Taxonomy under the section “GLOSSARY” in the general part of the Prospectus.

The Directors have thus decided to amend the “Sustainable Investments and promotion of ESG characteristics” section in the introductory part of the Prospectus to add the following disclaimers:

- With respect to the Sub-Funds that qualify as Article 8 products, the following wording is added: “*Where the above Sub-Funds categorized as Article 8 promote environmental characteristic, it should be noted that they cannot at this stage take into account the EU criteria for environmentally sustainable*”

*economic activities as defined by the EU Taxonomy regulation and their portfolio alignment with such Taxonomy Regulation is not calculated. Therefore, the "do no significant harm" principle does not apply to any of the investments of these Sub-Funds at this stage."*

**These changes take effect immediately, i.e. at the date of the publication of the updated prospectus.**

#### **IV. Update of the disclosures regarding the use of SFTs in light of CSSF FAQ on the use of securities financing transactions by UCITS**

Based on the recent CSSF FAQ on the use of securities financing transactions by UCITS (the "FAQ"), a review of the Prospectus has been conducted to respond to the objective of the FAQ to bring further clarity and transparency to the disclosures to investors, revenues and costs/fees, conflict of interest (if any) and best execution concerning the use by the relevant Sub-Funds of securities financing transactions ("SFTs"), thereby taking into account the applicable regulatory framework.

As a consequence, it has been decided to enhance the disclosures with respect to the use of SFTs both in the general part of the Prospectus and in the Sub-Funds' descriptions, where applicable, in order to increase the transparency and align the level of disclosure with the new regulatory and legal requirements.

The Directors have therefore decided to amend the section "Investment Policy" of the relevant Sub-Funds' specifics, notably (i) to update the disclosed exposure percentage to better reflect the current exposure of the relevant Sub-Funds to SFTs (notably the maximum exposure to securities lending that has been decreased from 100% to 90%) and (ii) update the section "EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES" in the general part of the Prospectus in order to align the disclosures regarding the use of SFTs with the FAQ. The recourse to securities borrowing has been deleted for all the Sub-Funds as this technique is not currently used.

In addition, for all the Sub-Funds, it has been clarified that SFTs (securities lending and repurchase agreements and reverse repurchase agreements as the case may be depending on the Sub-Funds) are used only for efficient portfolio management purposes as follows :

##### (i) AXA IM Fixed Income Investments Strategies – US Short Duration High Yield

[...]

The Sub-Fund may uses as part of its daily investment management activity, SFT efficient portfolio management such as securities lending ~~and securities borrowing~~ and reverse repurchase transactions within the limits listed below (as a % of net assets):

- Securities lending: expected, ≈ 0-10%; max; ~~100%~~ 90%
- Repurchase/reverse repurchase agreements: expected, ≈ 0-10%; max ~~100%~~ 20%
- ~~Securities Borrowing expected: ≈ 0 %; max; 50%~~

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis. When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

The Sub-Fund will not use total return swaps.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "Efficient Portfolio Management Techniques"

[...]

##### (ii) AXA IM Fixed Income Investments Strategies – Europe Short Duration High Yield

"[...]"



The Sub-Fund may use as part of its daily investment management activity, efficient portfolio management such as securities lending and ~~securities borrowing~~ and reverse repurchase transactions within the limits listed below (as a % of net assets):

- Securities lending: expected, ~~≈ 0-10%~~; max ~~100%~~ 90%
- Repurchase/reverse repurchase agreements: expected, ~~≈ 0-10%~~; max ~~100%~~ 20%.
- ~~Securities Borrowing expected: ≈ 0 %; max; 50%~~

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis. When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

The Sub-fund does not use securities borrowing.

The Sub-Fund will not use total return swaps.

All efficient portfolio management techniques will be consistent with the terms in "Efficient Portfolio Management Techniques.

[...]"

(iii) AXA IM Fixed Income Investment Strategies - US Corporate Intermediate Bonds

"[...]"

The Sub-Fund may use as part of its daily investment management activity, efficient portfolio management such as ~~securities financing transactions (SFT)~~ securities lending and ~~securities borrowing~~ and reverse repurchase transactions within the limits listed below (as a % of net assets):

- Securities lending: expected, ~~≈ 0-10%~~; max, ~~100%~~ 90%
- Repurchase/reverse repurchase agreements: expected ~~≈ 0-10%~~; max, ~~100%~~ 20%.
- ~~Securities Borrowing expected: ≈ 0 %; max; 50%~~

By entering into securities lending, the Sub-Fund seeks to enhance yield on daily basis. When using repos/ reverse repos, the Sub-Fund seeks to optimize the collateral management by entering in collateral transformation to manage liquidity and cash.

The Sub-Fund will not use total return swaps.

The Sub-fund does not use securities borrowing.

All efficient portfolio management techniques will be consistent with the terms in "Efficient Portfolio Management Techniques.

[...]"

**These changes take effect immediately, i.e. at the date of the publication of the updated prospectus.**

## **V. Deletion of Swing Pricing**

Since the only Sub-Fund for which swing pricing was used was the now dissolved AXA IM Fixed Income Investment Strategies – Credit Fixed Maturity Duration Hedged Sub-Fund, the Directors have decided to delete the "Swing Pricing" sub-section under the section " DETERMINATION OF THE NET ASSET VALUE OF UNITS" in the general part of the Prospectus.

**This change takes effect immediately, i.e. at the date of the publication of the updated prospectus.**

## **VI. Amendment of the investment strategy of the AXA IM Fixed Income Investments Strategies – US Short Duration High Yield sub-fund (the “Sub-Fund”)**

The Directors decided to amend the Sub-Fund in order to reclassify it from article 6 SFDR to article 8 SFDR product.

As a consequence of the above, the new binding criteria consists in :

- (i) the application of exclusion policies formed by AXA IM ESG standards. These exclusion policies apply in a binding manner in addition to AXA IM sectorial policies, with additional exclusions on tobacco, white phosphorus weapons, severe controversies and non-compliance with international norms and standards and low ESG quality,
- (ii) in addition, the Sub-Fund will also now target to outperform the ESG score of its investment universe in a binding manner, and,
- (iii) the ESG score of the Sub-Fund must exceed that of the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as being that of the ICE BofA US High Yield index.

The Prospectus and the KIIDs will be updated accordingly.

The section “Investment Policy” of the Sub-Fund will be completed as follows:

### **Investment Policy**

[...]

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as being that of the ICE BofA US High Yield index, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the above index is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund.

The ESG analysis coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion and ESG Standards Policies, as described in the document available on the following website <https://www.axa-im.com/responsible-investing/sector-investment-guidelines>, with the exception of derivatives and underlying eligible UCIs.

The ESG criteria contribute to, but are not a determining factor in, the Investment Manager's decision making.

[...]

This addition of the application of the enhanced ESG assessment as part of the investment process of the Sub-Fund results in the ESG risk to apply and the Sub-Fund being reclassified under article 8 under the SFDR. However, there is no significant impact on the portfolio of the Sub-Fund due to the reclassification.

**These changes will take effect on 28 March 2022, i.e. one month after the date of the present Notice. Unitholders who do not agree with such changes may request the redemption of their units free of charge until 28 March 2022.**

## **VII. Amendment of the investment strategy of the AXA IM Fixed Income Investments Strategies – Europe Short Duration High Yield sub-fund (the “Sub-Fund”)**

The Directors decided to amend the Sub-Fund in order to reclassify it from article 6 SFDR to article 8 SFDR product.

As a consequence of the above, the new binding criteria consists in:



- (i) the application of exclusion policies formed by AXA IM ESG standards. These exclusion policies apply in a binding manner in addition to AXA IM sectorial policies, with additional exclusions on tobacco, white phosphorus weapons, severe controversies and non-compliance with international norms and standards and low ESG quality,
- (ii) in addition, the Sub-fund will also now target to outperform the ESG score of its investment universe in a binding manner, and,
- (iii) the ESG score of the Sub-Fund must exceed that of the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as being that of the 100% ICE BofA European Currency High Yield index.

The Prospectus and the KIIDs will be updated accordingly.

The section "Investment Policy" of the Sub-Fund will be completed as follows:

#### **Investment Policy**

[...]

The Sub-Fund always aims at outperforming the ESG rating of a parallel comparison portfolio internally defined by the Investment Manager for ESG purposes as being that of the 100% ICE BofA European Currency High Yield index, both ESG scores of the Sub-Fund and the composition of this comparison portfolio being calculated on a weighted average basis. The ESG rating method is described in the following link: <https://www.axa-im.com/responsible-investing/framework-and-scoring-methodology>. For the sake of clarity, the above index is a broad market index that does not necessarily consider in its composition or calculation methodology the ESG characteristics promoted by the Sub-Fund. The ESG analysis coverage rate within the portfolio is at least 75% of the net assets of the Sub-Fund, with the exception of bonds and other debt securities issued by public issuers, cash held on an ancillary basis, and Solidarity Assets.

In addition, in the securities selection process, the Investment Manager bindingly applies at all times AXA IM's Sectorial Exclusion Policy, as described in the document available on <https://www.axa-im.com/responsible-investing/sector-investment-guidelines> website, with the exception of derivatives and underlying eligible UCIs.

[...]

This addition of the application of the enhanced ESG assessment as part of the investment process of the Sub-Fund results in the ESG risk to apply and the Sub-Fund being reclassified under article 8 under the SFDR. However, there is no significant impact on the portfolio of the Sub-Fund due to the reclassification.

**This change will take effect on 28 March 2022, i.e. one month after the date of the present Notice. Unitholders who do not agree with such change may request the redemption of their units free of charge until 28 March 2022.**

#### **VIII. Update of the classes of units available in AXA IM Fixed Income Investments Strategies – US Short Duration High Yield sub-fund (the "Sub-Fund")**

The Directors intends to amend the Sub-Fund details in the Prospectus in order to correctly reflect all classes of units available in the Sub-Fund.

Therefore, the table including all the classes of units available in the Sub-Fund will be updated as follows:

Class A – Capitalization: USD;	Class A – Distribution: USD;
Class A – Capitalization: EUR hedged (95%);	Class A – Distribution: EUR hedged (95%);
Class A – Capitalization: GBP hedged (95%);	Class A – Distribution: GBP hedged (95%);
Class A – Monthly Distribution: USD;	Class A – Distribution: EUR Semi annual;
Class A – Capitalization: CHF Hedged (95%);	
- Class B – Capitalization: USD;	- Class B – Distribution: USD;
- Class B – Capitalization: EUR hedged (95%);	- Class B – Distribution: EUR hedged (95%);



- Class B – Capitalization: GBP hedged (95%);	- Class B – Distribution: GBP hedged (95%);
- Class B – Capitalization: JPY hedged (95%);	
- Class B – Capitalization: CHF hedged (95%);	- Class B – Distribution: CHF hedged (95%);
- Class I – Capitalization: USD;	- Class I – Distribution: USD;
- Class I – Capitalization: EUR hedged (95%);	- Class I – Distribution: EUR hedged (95%);
- Class E – Capitalization: EUR hedged (95%);	
- Class E – Capitalization: USD;	
- Class F – Capitalization: USD;	
- Class F – Capitalization: EUR hedged (95%);	- Class F – Distribution: EUR hedged (95%);
- Class F – Capitalization: CHF hedged (95%);	- Class F – Distribution: CHF hedged (95%);
- Class F – Monthly Distribution USD;	
	- Class F – Monthly Distribution: AUD hedged (95%);
- Class Z – Capitalization: CHF hedged (95%);	- Class Z – Distribution: CHF hedged (95%);
- Class Z – Capitalization: EUR hedged (95%);	- Class Z – Distribution: EUR hedged (95%);
- Class Z – Capitalization: USD.	

**These changes take effect immediately, i.e. at the date of the publication of the updated prospectus.**

#### **IX. Redrafting of the Investment Management Agreements**

In order to comply with the different evolutions of the applicable laws and regulations that occurred since their execution, the Directors updated and restated the Investment Management Agreements between the Management Company and its relevant Investment Managers delegates.

**These changes take effect at the date of entry into force of the relevant agreements.**

#### **X. Miscellaneous**

The Directors finally decided to implement a limited number of other clerical changes, amendments, clarifications, corrections, adjustments and/or updates, including reference update and adjustment of defined terms, including the following:

- Deletion of SPDB Global Funds, Race One, AXA Active Protection, Bank Capital Opportunity Fund, AXA IM Enhanced Japanese Equity Fund, AXA IM Representative from the list of other funds managed by the Company following their liquidation;
- Addition of AXA IM InMotion RCF Fund SCA to the list of other funds managed by the Company;
- Deletion of the word "proprietary" from the mention made to the AXA IM ESG rating methodology.

**These changes take effect immediately, i.e. at the date of the publication of the updated prospectus.**

The Prospectus, taking into account the changes mentioned in this letter, will be available at the registered office of the Company.

Yours faithfully,

The Board of Directors  
AXA Funds Management





