



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

September 18, 2017

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. **SoIEx shares / Redex shares**
- II. **Modification of denomination**
- III. **Correction of a typo**
- IV. **Modification of the frequency of distribution**
- V. **Level of leverage**
- VI. **Other amendments of the prospectus**

I – SolEx shares / Redex shares

I.1. The European Securities and Markets Authority (“ESMA”) has recently issued an opinion on UCITS share classes (ESMA 34-43-296) (the “ESMA Opinion”), in which it has identified certain principles that should be followed when setting up different share classes including that of having a “common investment objective”, which means that share classes of the same fund or sub-fund should have a common investment objective reflected by a common pool of assets.

SolEx share class partially hedges the impact of a sudden and material decrease of European equity indices which leads it to have an investment objective different from the other share classes of the sub-fund.

Further to the ESMA Opinion according to which hedging arrangements at share class level – with the exception of currency risk hedging – are not compatible with the requirement for a fund or sub-fund to have a common investment objective, the Directors have taken the view that the structure of the following sub-fund is not compliant with the ESMA Opinion, considering the particularities of the different categories of share classes issued by the sub-fund.

The Directors have not intended to convert the SolEx share class in other share class available within the following sub-fund and the Directors have decided to close for subscription from any new investor the SolEx share class of the following sub-fund as from 31 July 2017. The Directors have furthermore decided to close to any investor, including existing investors, such share class as from 31 July 2018.

- **AXA World Funds – Framlington Eurozone**

I.2. The Directors have again referred to the ESMA Opinion described above and have acknowledged that the Redex share classes mitigate a parallel global increase or decrease of Government interest rates curves which leads them to have an investment objective different from the other share classes of the following sub-funds.

Further to the ESMA Opinion according to which hedging arrangements at share class level – with the exception of currency risk hedging – are not compatible with the requirement for a fund or sub-fund to have a common investment objective, the Directors have taken the view that the structure of the following sub-funds is not compliant with the ESMA Opinion, considering the particularities of the different categories of share classes issued by the sub-funds.

The Directors have not intended to convert the Redex share classes of the following sub-funds in other share classes available within the relevant sub-fund and the Directors have further decided to close for subscription from any new investor the Redex share classes of the following sub-funds as from 31 July 2017. The Directors have furthermore decided to close to any investor, including existing investors, such share classes as from 31 July 2018.

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

II – Modification of the denomination

The Directors have formed the opinion that the new denomination of the following sub-funds will reflect more properly the investment policy and strategy of the sub-funds. It has been decided to include in the sub-funds’ names (i) a reference to “factor” which provides more clarity with respect to the sub-funds’ underlying investment process and (ii) a reference to “sustainable” which captures the relevant aspects of the strategy.

As a consequence, the Directors have decided to modify the sub-funds' denomination as follows:

- **AXA World Funds – Global SmartBeta Equity in AXA World Funds – Global Factors - Sustainable Equity**
- **AXA World Funds – Global SmartBeta Equity ESG in AXA World Funds – Global Factors - Sustainable Equity ESG.**

The Directors draw the attention of the shareholders to the fact that such modification of denomination has no impact on the investment policy and on the risk profile of the sub-funds.

This change mentioned above will take effect on September 29, 2017.

III – Correction of a typo

The Directors have decided to correct a typo in the list of the share classes available within the following sub-fund. Indeed, the I Distribution in EUR share class is mentioned as a hedged share class while the reference currency of the sub-fund is EUR. This share class will be henceforth denominated in the Prospectus “I Distribution EUR”.

- **AXA World Funds – Planet Bonds**

This change mentioned above will take effect as of the date of the visa stamped prospectus dated August 2017.

IV – Modification of the frequency of distribution

The Directors have decided that the A Distribution HKD hedged (95%) of the following sub-fund will henceforth distribute a dividend on a monthly basis and no more on a quarterly basis. Consequently, such share class will be henceforth denominated “A Distribution monthly HKD hedged (95%)”.

- **AXA World Funds – Emerging Markets Short Duration Bonds.**

This change mentioned above will take effect on October 19, 2017.

Shareholders who do not agree with such changes may request the redemption of their shares free of charge up to October 19, 2017.

V – Level of leverage

The Directors have acknowledged that the investment manager of the following sub-funds expects that the level of the leverage of the sub-fund regarding use of derivatives, based on the sum of the notional approach, will be henceforth between 0 and 3 instead of 0 and 2. Consequently, the Directors have decided to amend the section “Use of Derivatives” of the relevant appendix of the Prospectus accordingly.

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

This clarification has no impact on the investment policy and the risk profile of the sub-funds.

This change mentioned above will take effect on October 19, 2017.

Shareholders who do not agree with such changes may request the redemption of their shares free of charge up to October 19, 2017.

VI – Other amendments of the prospectus

▪ Creation of a new share class

The Directors have decided to create a new share class denominated “ZF” which will be only offered through larger distributors (i) who are expressly prior authorized by the management company and (ii) who have separate fee arrangements with their clients.

▪ Class L characteristic

The Directors have decided to modify the characteristics of the “L” share class in order to offer them only through certain distributors in the United Kingdom who have separate fee arrangements with their clients.

▪ Update of information

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

- tax status;
- update of the address of AXA Real Estate Investment Managers SGP;
- update of the composition of the board of directors of the SICAV;
- update of the functions of some board members of AXA Funds Management S.A.;
- typos and editing issues.

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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 Belgium S.A., 1 Place du Trône, 1000 Brussels. 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