

## 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 Global Short Duration Bonds F Capitalisation EUR (ISIN LU1640685282)

AXA Funds Management S.A., part of the AXA IM Group

Website: <https://www.axa-im.lu>

Call +33 (0) 1 44 45 85 65 for more information

AXA Funds Management S.A. is regulated by Commission de Surveillance du Secteur Financier.

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

**Date of Production of the KID:** 01/01/2023

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 of the Sub-fund "AXA World Funds - Global Short Duration Bonds" (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 led down in the articles of incorporation of the company.

### Objectives

#### Investment Objective

Over a 2-year rolling period, to seek to generate income, in EUR, through dynamic exposure to the global short duration fixed income universe and an annualized return, net of fees, of the overnight rate of the share class currency capitalized or any successor or equivalent benchmark + a spread which has been set up taking into consideration exclusively the respective approximate level of the ongoing charges applicable to the share class, i.e. €STER Capitalized +95 bps (the "Benchmark"). This annualized return is an objective and is not guaranteed.

#### Investment Policy

The Sub-Fund is actively managed and references the Benchmark by seeking to outperform it. As part of the investment process, the Investment Manager has full discretion over the composition of the Sub-Fund's portfolio. There are no restrictions on the extent to which the Sub-Fund's performance may deviate from the one of the Benchmark.

The Investment Manager will seek to achieve the objective of the Sub-Fund by investing in a diversified portfolio of short duration transferable securities (rated investment grade or non-investment grade) including inflation-linked bonds, issued by governments, corporations or institutions located anywhere in the world, including emerging markets countries, denominated in hard currency (globally traded major currencies) and money market instruments.

The total assets of the Sub-Fund may be invested in callable bonds.

The Sub-Fund may invest up to 60% of its net assets in non-investment grade debt securities (i.e., rated lower than BBB- by Standard & Poor's or Fitch or lower than Baa3 by Moody's or, if unrated, then deemed to be so by the Investment Manager). However, at all times, the Sub-Fund will have an average investment grade rating.

The Sub-Fund may also invest up to 25% of net assets in subordinated debts issued by banks, insurance companies and non-financial corporates.

The Sub-Fund may, up to 10%, hold distressed and defaulted securities as a result of their rating downgrade, if they are considered to be consistent with the Sub-Fund's objective. These securities are expected to be sold within 6 months unless specific events prevent the Investment Manager from sourcing their

liquidity.

The asset allocation of the Sub-Fund will be driven by the AXA Fixed Income global investment process in order to create a diversified portfolio of short duration fixed income securities.

The selection of debt securities is not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit and market risk analysis. The decision to buy or sell securities is also based on other analysis criteria of the investment manager.

There is no formal restriction on the proportion of the Sub-Fund's assets that can be invested and/or exposed to any particular fixed income securities with the exception of the exposure to non-investment grade debt securities. For efficient portfolio management and for hedging purposes, the Sub-Fund may use derivatives, including Credit Default Swaps, within the limit of 200% of the Sub-Fund's net assets.

The Sub-Fund may invest up to 5% of net assets in contingent convertible bonds (CoCos).

The Sub-Fund is a financial product that promotes environmental and/or social characteristics within the meaning of article 8 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 2 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.

### 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 nevertheless may bear total capital loss. It is suitable for clients who seek growth of capital. Potential investors should have an investment horizon of at least 2 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 2 out of 7 which is the a low risk class. This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely to impact the return of the product.

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

Other risks not included in the SRI can be materially relevant, such as counterparty 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 2 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.

| <b>Recommended holding period:</b> |  | <b>2 years</b>                  |                                  |
|------------------------------------|--|---------------------------------|----------------------------------|
| <b>Example Investment:</b>         |  | <b>€10000</b>                   |                                  |
|                                    |  | <b>If you exit after 1 year</b> | <b>If you exit after 2 years</b> |
| <b>Scenarios</b>                   |  |                                 |                                  |
| Minimum                            | There is no minimum guaranteed return. You could lose some or all of your investment |                                 |                                  |
| Stress                             | What you might get back after costs  | €8690                           | €9030                            |
|                                    | Average return each year   | -13.10%                         | -4.97%                           |
| Unfavourable                       | What you might get back after costs  | €9020                           | €9090                            |
|                                    | Average return each year   | -9.80%                          | -4.66%                           |
| Moderate                           | What you might get back after costs  | €9770                           | €9760                            |
|                                    | Average return each year   | -2.30%                          | -1.21%                           |
| Favourable                         | What you might get back after costs  | €10520                          | €10370                           |
|                                    | Average return each year   | 5.20%                           | 1.83%                            |

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

Unfavourable scenario: this type of scenario occurred for an investment between 2021 and 2022.

Moderate scenario: this type of scenario occurred for an investment between 2014 and 2016.

Favourable scenario: this type of scenario occurred for an investment 2020 and 2022.

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

## What happens if AXA Funds Management S.A. is unable to pay out?

The product's underlying assets are held separately by the depositary. If we encounter financial difficulties, these assets will not be affected. If the Product suffers a loss due to the depositary default you may lose the whole or part of your investments. There is no compensation or guarantee scheme protecting you from a default of the Product's depositary.

## 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

|                        | <b>If you exit after 1 year</b> | <b>If you exit after 2 years</b> |
|------------------------|---------------------------------|----------------------------------|
| Total costs            | €286                            | €373                             |
| Annual cost impact (*) | 2.9%                            | 1.9% 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 0.7 % before costs and -1.2 % 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 when required by the applicable laws.

### Composition of Costs

| One-off costs upon entry or exit                            |   | If you exit after 1 year |
|---|---|--------------------------|
| Entry costs   | 2.0 % of the amount that you pay when you enter the investment. This includes distribution costs of 2.0 % of the amount invested. This is the maximum amount you will pay. The person who sold you the product will inform you of the actual costs. | Up to €200               |
| 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 | 0.6% of the value of your investment per year. This percentage is based on actual costs over the last year.   | €56                      |
| Transaction costs   | 0.3 % 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.                       | €31                      |
| Incidental costs taken under specific conditions            |   |                          |
| Performance fees  | 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: 2 years

This Product has no minimum required holding period, the 2 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.

## 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 Funds Management S.A. 49, avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg.

## 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, You can find an explanation of some of the terms used in this document at <https://www.axa-im.lu/fund-centre>.

You can find information related to the Product past performance on the last 3 years and to previous performance scenario calculations at <https://www.axa-im.lu/fund-centre>.

The Environmental, Social and Governance criteria, as further detailed in the prospectus, contribute to, but are not a determining factor in, the investment manager's decision making.