



THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU DO NOT UNDERSTAND IT OR ARE IN DOUBT AS TO THE ACTION TO BE TAKEN PLEASE CONSULT YOUR STOCKBROKER, ACCOUNTANT, SOLICITOR, FINANCIAL ADVISER OR WEALTH MANAGER IMMEDIATELY.

26 July 2023

Dear Investor,

Change to the investment objective and investment policy for AXA ACT Framlington Clean Economy Fund (the "Fund") a sub-fund of the AXA Framlington Range of Authorised Unit Trust Schemes.

We, AXA Investment Managers UK Limited, are writing to you in our role as authorised fund manager of the Fund. The purpose of this letter is to inform you of changes to the investment objective and the investment policy for the Fund which will take effect on 2 October 2023. Although **the changes do not require you to take any action** or require your approval, we recommend that you read this letter.

The Financial Conduct Authority ("FCA") has been notified of the changes and has confirmed that the changes will not affect the ongoing authorisation of the Fund. Under the FCA Rules, you are entitled to 60 days' advance notice of the proposed changes given that we deem these changes each to be a "significant change" within the meaning of the FCA Rules and this letter constitutes that notice.

What is changing?

With effect from 2 October 2023, the investment objective and the investment policy of the Fund will change as explained below and described in the Appendix to this letter. The Fund's core investment philosophy¹, investment process and risk profile will remain unaltered.

How and why have we changed the investment objective of the Fund?

We have amended the sustainability part of the objective (as detailed in the Appendix to this letter) to clarify that we aim to invest in companies which contribute to the achievement of the environmentally focussed United Nation's Sustainable Development Goals (UN SDGs), in line with the selection criteria described in the investment policy.

The UN SDGs, which can be found on the following website: <https://sdgs.un.org/goals>, aim to promote and tackle major global issues including climate change, economic inequality, innovation, sustainable consumption, peace and equality. The investment objective of this Fund aims only at those UN SDGs which are environmentally focussed.

We believe that the financial and sustainable objectives complement each other, such that the sustainable objective assists, or at least does not work to the detriment of, the achievement of the financial objective. It is not anticipated that investors will sacrifice any financial returns by the inclusion of a separate sustainability objective.

¹ An investment philosophy of a Fund refers to the core beliefs of the Fund's manager about the performance of particular investments in the market, changes in the market and investor behaviour which guides the Fund's investment strategy.

For the avoidance of doubt, the changes are being made to elaborate on the sustainability part of the investment objective for clarity and transparency and is not an actual change to the investment objective.

How and why have we changed the investment policy of the Fund?

We have amended the investment policy (as detailed in the Appendix to this letter) to add further detail on certain aspects of the investment strategy of the Fund for greater transparency into our investment decision making process. This is part of a wider project at AXA IM to ensure that our investors are fully informed of the selection process for investments and how this process supports the achievement of the investment objective of their fund. For the avoidance of doubt, please note that the investment strategy is not changing.

The main change we have made in this respect is to highlight and detail the use of a company's "product and services score" and the Manager's own qualitative research and analysis to select companies based on their contribution to the achievement of the environmentally focussed UN SDGs.

We have also elaborated on our engagement strategy for this Fund. In brief, we define clear objectives for our engagement, by which we can measure contribution to one or more environmentally focussed UN SDGs. These objectives are shared with selected investee companies and systematically tracked and recorded through the progress of engagement. Where there is little progress, we will escalate the engagement appropriately. Further details, including the link to AXA IM's engagement policy, is provided in the updated investment policy.

You will also note some other minor amendments to the investment policy, which have been made to achieve consistency of style between investment policies across our fund ranges where strategies are similar.

How can you track the performance of the Fund against its investment objectives?

The Fund's reporting can be found on the following website: <https://retail.axa-im.co.uk/fund-centre> where investors can find information on the Fund's performance against its investment objectives and its ESG, Voting and Engagement Reports.

What is the cost of making these changes?

We will meet the costs of amending the Fund's documentation to reflect these changes and the costs associated with notifying the Fund's shareholders. There will be no portfolio re-alignment required as a result of these changes.

Will these changes result in a change to the Fund's risk profile?

No, the changes described above will not result in a change to the Fund's risk profile.

Further Information

These changes will be reflected in the Fund's Key Investor Information Document (KIID) and Prospectus, which can be found on the following website: <https://retail.axa-im.co.uk/fund-centre>.

Should you have any questions about the changes being made or any other aspect of the Fund, or would like to request a copy of the KIID, please contact our Customer Services team on 0345 777 5511 (Monday to Friday 9.00am - 5.30pm) or your usual local representative.

Yours sincerely,



Marcello Arona
Director

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For and on behalf of
AXA Investment Managers UK Limited

Appendix

Changes to the investment objective and the investment policy of the Fund

With effect from 2 October 2023, the investment objective for the Fund will change as follows:

| CURRENT Investment Objective | NEW Investment Objective with effect from 2 October 2023 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The aim of this Fund is to: (i) provide long-term capital growth over a period of 5 years or more; and (ii) seek to achieve a sustainable investment objective, in line with a responsible investment approach.</p> | <p>The aim of this Fund is to: (i) provide long-term capital growth over the long term (being a period of 5 years or more); and (ii) to invest in companies that contribute to the achievement of the environmentally focussed United Nation’s Sustainable Development Goals (the “UN SDGs”)², in line with the selection criteria described in the investment policy seek to achieve a sustainable investment objective, in line with a responsible investment approach.</p> |

With effect from 2 October 2023, the investment policy for the Fund will change as follows:

| CURRENT Investment Policy | NEW Investment Policy with effect from 2 October 2023 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Fund invests at least 80% of its investments in shares of listed companies of any size which are based anywhere in the world and which the Manager believes will generate both above-average returns and a positive and measurable impact on the planet, incorporating the analysis of environmental, social and governance (ESG) factors.</p> <p>In selecting shares, the Manager applies AXA IM Group’s sector specific investment guidelines relating to responsible investment to the Fund. Such guidelines exclude investment in (or exposure to) certain companies based on their involvement in specific sectors (such as soft commodity derivatives, palm oil (including deforestation and natural ecosystems conversion), controversial weapons and climate risks). The Manager also applies the AXA Investment Managers’ ESG Standards policy. This policy excludes investment in companies based on tobacco production, manufacture of white phosphorus weapons, human rights, anti-corruption and other environmental, social and governance (ESG) factors. The AXA IM Group’s sector specific investment guidelines and the AXA Investment Managers’ ESG Standards policy are subject to change and the latest copies are available from the Manager on request.</p> | <p>The Fund invests at least 80% of its Net Asset Value investments in shares of listed companies of any size which are based anywhere in the world. The Manager selects shares based upon: (i) a company’s positive contribution to the achievement of one or more of the environmentally focussed UN SDGs; and (ii) its analysis of a company’s ability to generate above average returns (relative to its industry peers), financial status, quality of its management, technologies, expected profitability and prospects for growth. The environmentally focussed UN SDGs provide a globally accepted framework through which companies can align their strategic goals, products and services to help solve global environmental challenges, and which the Manager believes will generate both above average returns and a positive and measurable impact on the planet, incorporating the analysis of environmental, social and governance (ESG) factors.</p> <p>Further to the initial screening against the ESG criteria (as described above), the Manager will then seek to identify companies with exposure to the clean economy. The Manager defines the clean economy as the universe of companies whose activities address contribute to the achievement of the environmentally focussed UN Sustainable Development GoalsSDGs through improving resource sustainability, supporting the energy transition or addressing the</p> |

² THE 17 GOALS | Sustainable Development (un.org)

Further, the Manager will, in addition to the application of the above policies, use the company's ESG score (produced by an internal ESG scoring system as detailed in the AXA Investment Managers' ESG Standards policy) to exclude those companies in the lowest ten percent in respect of their Environment or "E" scores. The Manager will also use the ESG score as one factor within its broader analysis of the company to make selections which are expected to generate growth over time and to contribute to the transition to a sustainable economy. The ESG score is, however, just one component of the Manager's investment process and is not the sole driver of the investment decision making process.

Further to the initial screening against the ESG criteria (as described above), the Manager will then seek to identify companies with exposure to the clean economy. The Manager defines the clean economy as the universe of companies whose activities address the environmentally focussed UN Sustainable Development Goals³ through improving resource sustainability, supporting the energy transition or addressing the issue of water scarcity. The Manager will focus on such companies which operate across the following four key areas: low carbon transport, smart energy, natural resource preservation and agriculture and food supply (but may also invest in such other industries which contribute to the clean transition). The Manager will aim to select high quality companies in these areas, including by using a responsible investment 'selectivity' approach which selects on the basis of qualitative factors such as commitment of the company to achieve and measure impact against the UN Sustainable Development Goals (with a particular focus on the planet), its strategic direction and consideration of ESG risk, among other considerations. The Manager will also take into consideration their technologies, quality of management, expected profitability, their prospects for growth and investment in sustainability goals.

If an investment no longer meets the criteria above, the Manager will disinvest in accordance with its best execution policy.

The Manager has full discretion to select investments for the Fund in line with the above investment policy and in doing so may take into consideration the MSCI AC World Total Return Net (the "Benchmark"). The MSCI AC World Total Return Net is designed to measure the performance of mid-cap to large-cap stocks from a number of developed and emerging markets as selected by the Benchmark provider. The Benchmark best represents the universe of companies from which the portfolio will be selected, following the application of the Manager's ESG standards and criteria.

issue of water scarcity. The Manager will focus on such companies which operate across the following four key areas: low carbon transport, smart energy, natural resource preservation and agriculture and food supply (but may also invest in such other industries which [help to solve urgent and important environmental problems reflected in the UN SDGs and their targets](#)), ~~contribute to the clean transition~~. Further details of the environmentally focussed UN SDGs targeted by the Manager can be found in the [Fund's ESG report at Funds - AXA IM UK Retail \(axa-im.co.uk\)](#).

[To identify and invest in companies that contribute to the achievement of the environmentally focussed UN SDGs, the Manager will assess how much of a company's revenue generated by its core products and services provide environmental benefits and therefore contribute to the realisation of the targets set by the UN for the achievement of such UN SDGs. The Manager uses a company's products and services score \("P&S Score"\), calculated by its selected external provider, to assess the total revenue generated by a company's core products and services that provide environmental benefits and contribute to such targets and the achievement of any one of the environmentally focussed UN SDGs. The P&S Score also considers, among other things, the significance, effectiveness, efficiency and scale of the products and services contribution to the achievement of any one of the environmentally focussed UN SDGs, together with negative effects they may have on the environment. The higher a company's P&S Score, the greater the proportion of a company's revenue derived from products and services that are deemed to provide environmental benefits and, by implication, the greater its contribution to environmental targets set by the UN and the achievement of one or more of the environmentally focussed UN SDGs through the distribution of those products and services.](#)

[Furthermore, the Manager will use its proprietary analytical framework to analyse qualitative factors such as: \(i\) the alignment of a company's products and services to the environmentally focussed UN SDGs \(which may include an assessment of a company's revenue sources, research & development expenditure and any negative effects a company may have\); \(ii\) the company's commitment to achieve and measure the contribution of its core products and services to the environmentally focussed UN SDGs; \(iii\) the company's long-term strategic direction; and \(iv\) the extent to which a company makes such core products and services more accessible or commercially viable through innovation and new technologies, lower prices, or better distribution. The Manager will also take into account any controversies or harmful](#)

³ [THE 17 GOALS | Sustainable Development \(un.org\)](#)

The Fund may also invest in other transferable securities and units in collective investment schemes. The Fund may use derivatives for Efficient Portfolio Management. Use may be made of borrowing, cash holdings, hedging and other investment techniques permitted in the applicable Financial Conduct Authority rules.

The MSCI AC World Total Return Net may be used by investors to compare the Fund's performance.

impacts of a company's activities, practices or its products or services on the environment.

~~The Manager will aim to select high quality companies in these areas, including by using a responsible investment 'selectivity' approach which selects on the basis of qualitative factors such as commitment of the company to achieve and measure impact against the UN Sustainable Development Goals (with a particular focus on the planet), its strategic direction and consideration of ESG risk, among other considerations. The Manager will also take into consideration their technologies, quality of management, expected profitability, their prospects for growth and investment in sustainability goals.~~

The Manager expects companies selected for the Fund to define clear criteria by which their positive contribution to the achievement of the environmentally focussed UN SDGs can be measured. The Manager may also engage with a selection of companies to define clear objectives to achieve a positive contribution for the environment. The Manager will define engagement objectives depending on the strategic direction and sectors of the relevant selected company with the aim of encouraging them to improve their practices within a reasonable timeframe, such timeframe to be determined according to the nature of the relevant engagement objectives. The Manager will monitor the actions taken by such companies to achieve these objectives. More details on the Manager's approach to sustainability and its engagement with companies are available on the website <https://www.axa-im.co.uk/> under the heading "Responsible Investing" and information on the Manager's engagement with and voting at meetings of companies in the Fund's portfolio can be found in its Voting and Engagement Reports at Funds - AXA IM UK Retail ([axa-im.co.uk](https://www.axa-im.co.uk/)).

In addition, the Manager will consider the company's environmental, social and governance. Further, the Manager will, in addition to the application of the above policies, use the company's (ESG) score as one factor within its broader analysis of the company to make selections which are expected to generate growth over time and to contribute to the transition to a sustainable economy. The Manager believes that companies with higher ESG scores may be expected to manage risk associated with ESG issues more effectively, which may be expected to contribute to better financial performance of such companies in the long term. The ESG score is, however, just one component of the Manager's investment process and is not the sole driver of the investment decision making process. ESG scores are obtained from our selected external provider(s) as detailed in the "Responsible Investment" section above and adjusted by the

Manager using its own research. The Manager will only consider the lowest scoring companies in exceptional circumstances, such as where it deems, through its own research, that the ESG score of the company does not accurately or fully reflect its current ESG profile. (produced by an internal ESG scoring system as detailed in the AXA Investment Managers' ESG Standards policy) to exclude those companies in the lowest ten percent in respect of their Environment or "E" scores. The Manager will also use the ESG score as one factor within its broader analysis of the company to make selections which are expected to generate growth over time and to contribute to the transition to a sustainable economy. The ESG score is, however, just one component of the Manager's investment process and is not the sole driver of the investment decision making process.

To avoid investing in companies which present excessive degrees of ESG risk in selecting shares, the Manager applies AXA IM Group's sector specific investment guidelines relating to responsible investment to the Fund. Such guidelines exclude investment in soft commodity derivatives (or exposure to) certain companies based on their involvement in specific sectors (such as soft commodity derivatives, unsustainable palm oil production (including deforestation and natural ecosystems conversion), controversial weapons and climate risks).

The Manager also applies the AXA Investment Managers' ESG Standards policy. This policy excludes investment in companies based on: tobacco production; manufacture of white phosphorus weapons; certain criteria relating to human rights and; anti-corruption and as well as other environmental, social and governance (ESG) factors. The AXA IM Group's sector specific investment guidelines and the AXA Investment Managers' ESG Standards policy are subject to change and the latest copies are accessible via the links provided in the "Responsible Investment" section of this prospectus above and are available from the Manager on request.

If the Manager deems that an investment no longer meets the criteria set out in this investment policy or its expectations in terms of that investment's prospects for achieving the Fund's objective or, where relevant, becomes unresponsive to the Manager's engagement efforts above, the Manager will disinvest as soon as practicable having regard to the best interests of the Fund's investors and in accordance with its best execution policy.

The Fund may also invest in other transferable securities and units in collective investment schemes (including funds that are managed by the Manager or its associates). The Fund may use derivatives for Efficient Portfolio Management. Use may be made of borrowing,

cash holdings, hedging and other investment techniques permitted in the applicable [Financial Conduct Authority](#) FCA rules.

The Manager has full discretion to select investments for the Fund in line with the above investment policy and in doing so may take into consideration the MSCI AC World Total Return Net (the "Benchmark"). The [MSCI AC World Total Return Net](#) Benchmark is designed to measure the performance of mid-cap to large-cap stocks from a number of developed and emerging markets as selected by the Benchmark provider. [However, the Manager invests on a discretionary basis with a significant degree of freedom to invest in companies which are different from the Benchmark.](#) The Benchmark best represents the [types](#) universe of companies [in which the Fund may invest and from which the portfolio will be selected, following the application of the Manager's ESG standards and criteria.](#) The [MSCI AC World Total Return Net](#) may be used by investors to compare the Fund's financial performance. [The Manager currently does not consider any available benchmarks as a suitable performance comparator for investors to compare the Fund's performance against its sustainability objective. Details of the Fund's ESG and environmental profile and the companies in which it invests which contribute to the environmentally focussed UN SDGs are available in its ESG report at Funds - AXA IM UK Retail \(axa-im.co.uk\).](#)

[The "Responsible Investment" section of this Prospectus contains details on the Manager's selected external provider\(s\) and the metrics used.](#)

