THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document you should consult a person authorised under the Financial Services and Markets Act 2000 to advise on investments of the type referred to in this document such as your stockbroker, tax adviser, accountant or other financial adviser.

INFORMATION AND NOTICE OF MEETING TO UNITHOLDERS

AXA Framlington Global Sustainable Managed Fund (an authorised unit trust)

in relation to proposed changes to the Fund

Dated: 11 December 2024

This document contains a Notice of Meeting of Unitholders of the AXA Framlington Global Sustainable Managed Fund. The Meeting is to be held at the offices of AXA Investment Managers UK Limited at 22 Bishopsgate, London EC2N 4BQ on 17 January 2025 at 11:40am.

You may vote either in person at the Meeting or by using a Form of Proxy. If you are intending to vote using a Form of Proxy, please complete and return the enclosed Form of Proxy, or if you hold Units through an AXA Investment Managers ISA, the enclosed Form of Direction, in the reply-paid envelope provided as soon as possible and, in any event, so that it arrives at least 48 hours before the time of the Meeting.

GLOSSARY

"Act"	the Financial Services and Markets Act 2000, and all instruments, rules, regulations and guidance made thereunder, as such may be amended or re-enacted from time to time;
"AXA IM UK" or "Manager"	AXA Investment Managers UK Limited, the authorised fund manager of the Fund;
"COLL"	the Collective Investment Schemes Sourcebook which forms part of the FCA Handbook of Rules and Guidance (as amended);
"Effective Date"	24 January 2025
"FCA"	the Financial Conduct Authority;
"Fund"	AXA Framlington Global Sustainable Managed Fund, 155194, an authorised unit trust authorised and regulated by the FCA as a UK UCITS;
"Gross Asset Value"	the total value of all the assets that the Fund holds, excluding cash and before any deductions such as fees or expenses;
"KIID"	Key Investor Information Document for the Fund;
"Net Zero"	balancing the amount of greenhouse gases released into the atmosphere with the amount removed, so that overall emissions are equal to zero;
"Regulations"	the Act and COLL;
"Sustainability Disclosure Requirements"	rules set out by the Financial Conduct Authority in 2024 that require financial firms to provide clear and consistent information to investors about the environmental, social, and governance (ESG) impact of their investments. The aim is to help investors make informed decisions and promote responsible investing;
"Sustainability Improvers"	funds which invest in companies or projects that may not be sustainable now but which are making measurable improvements in their sustainability performance;
"Trust"	AXA Framlington Range of Authorised Unit Trust Schemes
"Trustee"	HSBC Bank Plc; and
"Unitholder(s)"	a holder of units in the Fund.

In addition, where relevant in the context, terms which are defined in the Regulations shall have the same meaning in this document.

SUMMARY OF KEY DATES AND TIMES

All references in this document to times refer to UK time, unless specifically stated otherwise. The dates set out below may be amended as determined by the Manager and approved by the FCA.

Qualification date for unitholder voting	04 December 2024
Unitholder mailing	11 December 2024
Form of Proxy and/or Form of Direction to be returned by	no less than 48 hours before the time of the meeting (i.e. by 11.20 am on 15 January 2025
Meeting of Unitholders	11.40 am 17 January 2025
Effective date of changes to the Fund’s investment objective and policy (if approved by Unitholders) and to the Fund’s name (the “Effective Date”)	24 January 2025

11 December 2024

Dear Investor,

CHANGES TO AXA FRAMLINGTON GLOBAL SUSTAINABLE MANAGED FUND

We are writing to you as a unitholder in the AXA Framlington Global Sustainable Managed Fund (the "**Fund**"), to inform you of our plans to change the name, investment objective and the investment policy of the Fund. Under the rules of the Financial Conduct Authority (the "**FCA**") this change requires that unitholder approval be obtained at an extraordinary general meeting (the "**Meeting**").

The purpose of this letter is to set out the details of the proposal and to provide you with notice of the Meeting.

1. **Background to the proposal**

We are proposing certain changes to the investment objective and investment policy of the Fund due to the FCA's new sustainability disclosure and labelling regime, which will affect UK UCITS funds that use sustainability-related terms in their name and/or describe any sustainability characteristics it may have. The new regime consists of specific sustainability, labelling, naming and marketing rules, which the Fund will need to comply with. These rules are aimed at ensuring investors are better informed about sustainable investment products, and at improving trust in and transparency of such products. Given the Fund uses "Sustainable" in its name, we are making the changes to the disclosures in the investment objective and investment policy (as relevant) to change the existing sustainability objective and strategy from one which invests in "leaders" and "companies in transition" (as defined in the current policy) to one that supports the transition to a net zero carbon economy by 2050.

It is not anticipated that these changes will materially impact the current portfolio. The Manager will continue to analyse a company's financial status, quality of its management, expected profitability and prospects for growth when selecting shares.

Under the new rules, the FCA have introduced a new labelling regime for funds. These labels are intended to help investors navigate the market for products seeking to achieve positive sustainability outcomes by ensuring consistency between products with the same label and to help them distinguish between sustainability products. Under these rules, if the proposed changes to the investment objective and policy are approved by a unitholder vote, we deem the Fund can use a "Sustainability Improvers" label. This means that the Fund's sustainability objective is consistent with the aim of investing in assets that have the potential to improve environmental and/or social sustainability over time. We have deemed this label appropriate on the basis that the proposed sustainability objective and investment strategy would be consistent with the aim of investing in companies that have the potential to improve their sustainability profile over time, with the aim of achieving net zero carbon emissions by 2050.

In addition, the Manager proposes to change the name of the Fund from "AXA Framlington Global Sustainable Managed Fund" to "AXA Global Sustainable Managed Fund", if the changes to the investment objective and investment policy are approved. We propose to remove "Framlington" from the name as part of our internal re-branding strategy.

2. What are the changes to the investment objective and why are we making this change?

The investment objective of the Fund and the proposed changes are set out in section 6 below. A brief summary is provided here:

The new sustainability objective aims to support the transition to a net zero carbon economy by 2050, by reducing carbon emissions of the Fund at a rate deemed sufficient to keep the Fund's weighted carbon average intensity in line with the goals set out in the Paris Agreement. The rate is calculated and represented by reference to a carbon emissions benchmark (the Emissions Benchmark), which the Fund will aim to beat. The Emissions Benchmark has been designed to ensure that the Fund is on a trajectory to reach net zero carbon emissions by 2050 and is a marker by which we (and you as investor) can assess the Fund's performance against the sustainable aspect of the strategy (detailed below)[1]. Further detail on how the Emissions Benchmark is calculated is described in the proposed investment objective, set out in section 6 below.

The financial objective of the Fund will remain unchanged.

3. What are the changes to the investment policy?

The investment policy for the Fund and proposed changes are set out in section 6 below. A brief summary is provided here:

The Fund will to invest between 70-85% of its Net Asset Value in shares in listed companies, which in the Manager's opinion, show above average returns, with the remainder being mainly in bonds and cash. The minimum threshold for equity investment will change from 60% to 70% to reflect the requirement to invest at

[1] Please note that the term "benchmark" is used here to denote a marker for the Fund's Weighted Average Carbon Intensity (WACI) (calculated relative to the Fund Index's WACI), and is not a benchmark or index in the typical sense i.e. does not track the performance of a particular group of assets. More details provided in section 6 below.

least 70% of the Gross Asset Value of the Fund in investments which meet the sustainability objective (as described in the below paragraph). The Fund will continue to invest in companies of any size and based anywhere in the world (including emerging markets).

We are proposing to change the investment policy **from**: investing in "leaders" and "companies in transition", with more than 50% of the Fund's Net Asset Value in "leaders", **to**: investing at least 70% of the Fund's Gross Asset Value in companies which either: (i) have a long term 2050 goal consistent with achieving global net zero (termed by us as "committed to aligning" to net zero); (ii) have set carbon reduction targets, disclose their carbon emissions and have a quantified plan setting out the measures that they will use to achieve their targets (termed by us as "aligning" to net zero); or (iii) have a current carbon emissions intensity in line with, or adequately achieving, its targets; and (termed by us as "aligned" to net zero).

The Fund will still have the ability to invest in other asset types including other transferable securities, units of collective investment schemes, money market instruments, deposits, cash and near cash as well as derivatives and forward transactions for efficient portfolio management.

To aim to achieve the sustainability objective, the portfolio manager uses its proprietary Climate Colours Framework: (i) to screen companies which have shown no commitment to aligning to net zero or which have insufficient data to show their net zero alignment from the investment universe. This screening is in addition to the application of our ESG sector specific standards and Responsible Investment policy; and (ii) to identify companies from the investment universe which demonstrate a clear commitment to achieving net zero carbon emissions by 2050 or are decreasing their carbon emissions intensity to achieve net zero carbon emissions by 2050.

The screening and identification of companies under the Climate Colours Framework is carried out through a quantitative analysis (i.e. through the use of certain metrics provided to us by third party data providers) and a qualitative analysis (i.e. through the Manager's own research).

The metrics look at whether a company has communicated net zero goals, its short term and long term targets for achieving these goals, whether these goals are quantified and credible.

In addition, the Manager will aim to engage with a company with the aim of supporting or accelerating their progress towards net zero carbon emissions by 2050. Engagement will be targeted towards companies categorised as "committed to aligning", or where it is currently held in the portfolio and has been downgraded to a company which is no longer showing a commitment to align or no longer has sufficient data to show their net zero alignment. Engagement topics are selected based on the Manager's qualitative research carried out under the Climate Colours Framework (as detailed above).

4. **How will we report positive outcomes to you?**

In addition to all our current reporting covering the Fund's performance against the financial objective of the Fund, our monthly reporting will also cover relevant information on the ESG profile of the Fund as a whole and information on the alignment of the Fund to net zero. We will also report annually on the Fund's engagement activities.

5. **Will there be any cost to me as an investor in relation to the changes?**

The costs of administering and hosting the Meeting and AXA IM UK internal costs, such as legal, compliance, operational costs, and typesetting and mailing costs will be met by AXA IM UK.

The costs of any necessary realignment of the assets, transaction costs, any costs and taxes associated with the realignment of the assets will be met by the Fund. It is anticipated that such costs should not exceed 0.003% of the current value of the Fund, which, for illustrative purposes only, would amount to a cost of £0.03p for every £1,000 invested in the Fund.

6. **Detail of the proposed changes**

6.1 *The current and proposed investment objective and policy*

As set out above, we are proposing to amend the investment objective and policy of the Fund. We set out below the proposed changes:

Existing investment objective	**Amended investment objective from the Effective Date**
The aim of this Fund is to: (i) provide long-term capital growth over a period of 5 years or more; and (ii) invest in companies which have leading or improving environmental, social and governance (ESG) practices, in line with the selection criteria described in the investment policy.	The aim of this Fund is to: (i) provide long-term capital growth over a period of 5 years or more. (ii) contribute to the global transition to net zero by investing in shares in companies which demonstrate a clear and credible commitment to achieving net zero carbon emissions by 2050 or are decreasing their carbon emissions intensity to achieve net zero emissions by

	2050. The Manager will seek to keep the weighted average carbon intensity (WACI)[2] of the Fund's equity investments lower than its Emissions Benchmark. The Fund's Emissions Benchmark has been calculated by the Manager to ensure that the equity investments of the Fund are on a trajectory to reach net zero carbon emissions by 2050[3]. The initial value of the Emissions Benchmark is calculated as a 30% reduction of the WACI of the MSCI All Country World Index ("MSCI ACWI") as of 31st December 2021. Thereafter, the Emissions benchmark will be reduced by 7% year on year [4]. Further details on the Key Performance Indicators that are used to measure and report on the Fund's carbon emissions targets can be found below. Any material trade-offs or adverse consequences that may arise in pursuing the Fund's sustainability objective are identified below under "*Adverse consequences linked to pursuit of the Fund's sustainability objective*".

Existing investment policy	**Amended investment policy from the Effective Date**
The Fund invests in shares of listed companies which the Manager believes will provide above-average returns, relative to their industry peers. The Fund invests in companies of any size and based anywhere in the world (including emerging markets). The Manager seeks to reduce	The Fund invests: • between 70 – 85% of its Net Asset Value in shares of listed companies of any size and based anywhere in the world (including emerging markets[5]), which the Manager believes will

[2] The Weighted Average Carbon Intensity (WACI) of a fund or index is used to show the fund's or the index's exposure to carbon-intensive companies. For the index, this exposure is calculated by summing each holding's Scope 1 and 2 carbon emissions intensity (measured in tons of carbon dioxide emissions per USD 1 million of their revenue) multiplied by its weight in the index. For the fund, the carbon emissions intensity is calculated by summing each equity holding's carbon emissions intensity (measured in tons of carbon dioxide emissions per USD 1 million of their revenue) multiplied by its weight as a fraction of the total equity holdings of the fund.

[3] The Emissions Benchmark is not a benchmark or an index in the typical sense (i.e. it is not tracking the performance of a particular group of assets), but is being used as a marker (calculated relative to the MSCI ACWI).

[4] These percentage targets are in line with the minimum standards for reduction of carbon emissions intensity set by EU climate transition benchmarks (which is a 30 per cent reduction initially, followed by a 7 per cent reduction year on year thereafter). Further, the Manager has chosen the MSCI ACWI for the purposes of calculating the Emissions Benchmark as this index best represents the geographical regions in which the Fund predominantly invests.

[5] As defined by the MSCI Market Classification as amended from time to time.

the impact on the Fund of fluctuations in value of equity markets by investing in bonds issued by developed market governments. The Fund's typical asset mix ranges between 60 – 85% of its Net Asset Value in shares, with the remainder being mainly in bonds and cash. The Manager invests in issuers of shares of listed companies which either demonstrate leadership on sustainability issues (such as promoting better social outcomes, increasing the amount of renewable energy and using the planet's resources more sustainably and increased digitalisation) through strong ESG practices ("leaders") or have shown a clear commitment to improve their ESG practices ("companies in transition"). More than 50% of the Fund's equity investments will be in "leaders". The Manager will also analyse a company's financial status, quality of its management, expected profitability and prospects for growth when selecting shares. In selecting investments (bonds and shares), the Manager will take into account the company's or issuer's ESG score as one factor within its broader analysis of the company or issuer to identify investments which are expected to generate long-term capital growth and which have leading or improving ESG practices. The Manager believes that companies and issuers with higher or improving 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 and issuers in the long term. ESG scores are obtained from our selected external provider(s) as detailed in the "Responsible Investment" section above. The Manager will only consider the lowest scoring companies or issuers in exceptional circumstances, such as where it deems, through its own research, that the ESG score of the company or issuer does not accurately or fully reflect its current ESG profile. To avoid investing in companies or sovereign issuers which present excessive degrees of ESG risk, the Manager applies AXA IM'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 unsustainable palm oil production, controversial weapons and climate risks).	provide above-average returns, relative to their industry peers and at least 70% of its Gross Asset Value in companies which are categorised by the Manager as either Committed to Align, Aligning or Aligned to a net zero carbon economy (each term is defined below). The Manager expects that the proportion of assets in the Fund invested in companies categorised as "Aligned" will increase over time in line with the investment objective; • between 15 – 30% of its Net Asset Value in bonds issued by developed market[6] governments and cash. The Manager invests in such bonds as it seeks to reduce the impact on the Fund of fluctuations in value of equity markets. The Fund will invest its remaining assets as permitted under this investment policy. The Fund may invest outside its sustainable objective in other transferable securities, cash, deposits and money market instruments for liquidity. The Fund may also invest outside its sustainability objective in other transferable securities for the purpose of pursuing its financial objective. Any investments falling in this category (save cash) will be screened using the ESG Filter (described below). No investments falling in this category will conflict with the Fund's sustainability objective. 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 FCA rules. When defining the Fund's investment universe, the Manager will seek to exclude companies which it considers present excessive degrees of environmental, social and governance ("**ESG**") risk, by applying (i) AXA IM's sector specific investment guidelines[7], which exclude investment in soft commodity derivatives or exposure to certain companies based on their involvement in specific sectors (such as tobacco production, ecosystem protection and deforestation, controversial weapons and climate risks)

[6] As defined by the MSCI Market Classification as amended from time to time.

[7] All sector specific policies are accessible via the following link: Our Policies and Reports | AXA IM UK (axa-im.co.uk)

The Manager also applies the AXA Investment Managers' ESG Standards policy. This policy excludes investment in companies and issuers based on: tobacco production; manufacture of white phosphorus weapons; certain criteria relating to human rights and anti-corruption as well as other ESG factors. The AXA Investment Managers' ESG Standards policy and AXA IM's sector specific investment guidelines 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. The Manager will look to engage on sustainability issues and identified areas of weakness with a selection of investee companies. The Manager will focus on companies where the continued enhancement of sustainability practices is expected to help support the robust, long-term profitability of such companies. Where weaknesses are identified, the Manager may consider the use of escalation techniques (such as voting against certain resolutions presented by management at Annual General Meetings) in certain cases. 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". 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, in the case of a company, becomes unresponsive to the Manager's engagement efforts, 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, cash, deposits, units in collective investment schemes (including those that are managed by the Manager or its associates) and money market instruments. 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 FCA rules. The IA Mixed Investment 40-85% Shares Sector may be used by investors to compare the Fund's financial performance. The Manager currently does not consider any available	and (ii) applying the AXA Investment Managers' ESG Standards policy[8], which excludes investment in companies based on: (a) manufacture of white phosphorus weapons; certain criteria relating to human rights and anti-corruption as well as other ESG factors, (b) companies which cause, contribute, or are linked to violations of international norms and standards in a material manner or which are involved in incidents and/or events that pose a severe business or reputational risk to the relevant company due to the impact of its involvement on stakeholders or the environment and (c) companies with the lowest ESG score. The Manager believes that companies with higher ESG scores manage risk associated with ESG issues more effectively, contributing to better ESG and financial performance of such companies in the long term; conversely excluding the lowest scoring companies reduces our risks to poor ESG behaviour that may have a subsequent negative impact on a company's market value and long-term prospects. ESG scores are based on scores provided by our selected external provider(s) and may be adjusted by the Manager using its own research. The "Responsible Investment" section of this prospectus contains details on our selected external provider(s). The exclusion policies described above are collectively termed in this investment policy as the "ESG Filter". Thereafter, to further filter the investment universe, the Manager will seek to identify those companies which it deems demonstrate a clear commitment to supporting the transition to a net-zero carbon economy. To do so, the Manager will carry out a quantitative and qualitative assessment on each company using its ***proprietary AXA IM Climate Colours framework*** (the "Climate Colours Framework"), under which it will evaluate a company's targets and timeframes to align to Net Zero or its commitment to align with the goal of Net Zero emissions by 2050. A climate colour will be assigned to each company based upon its level of progress towards Net Zero, as follows: • Red: Companies which are not aligned with Net Zero; • Orange: Companies which are committed to align and have communicated long term goals

[8] AXA IM's Responsible Investment policy is accessible via the following link: Our Policies and Reports \| AXA IM UK (axa-im.co.uk)

benchmarks as a suitable performance comparator for investors to compare the Fund's performance against its sustainability objective.	consistent with achieving global net zero by 2050 ("**Committed to Align**"); • Light blue: Companies which have communicated quantified and credible net zero targets, i.e. have communicated specific reduction targets ("**Aligning**"); • Blue: Companies which are on track to meeting their quantified and credible net zero targets ("**Aligned**"); • Dark blue: Companies which have current emissions that are below their sector and regional requirements to achieve net zero by 2050 and which have an investment plan/business model that will maintain their transition to net zero. Such companies are expected to maintain and/or further reduce their level of emissions in the future and/or find better ways to reduce their level of emissions (e.g. by reducing their reliance of carbon offsetting) to achieve net zero at or before 2050. ("**Achieving Net Zero**"); and • Grey: Companies which have insufficient climate-related data to assign a climate colour under the Climate Colours Framework either via qualitative or quantitative analysis (as described below). The Manager will not invest in companies assigned as red. The Manager may invest in companies assigned as grey where, based on available data, there is not a conflict with the sustainability objective. Where the company is already held in the portfolio and downgraded to red or grey, it may temporarily be held in the portfolio while the Manager verifies the reason behind the downgrade, focusing on the accuracy of the quantitative input that led to the downgrade, and engages with the company, provided there is not a conflict with the sustainability objective. For its quantitative analysis, the Manager will use certain carbon metrics as provided by our selected external providers.[9] The metrics will be used to assess a company's net zero goals and whether these have been communicated, its short term and long term targets for

[9] Please refer to Section "*AXA IM selected external service provider(s) and Key Performance Indicators (KPIs) for assessment of Net Zero alignment for the AXA Global Sustainable Managed Fund and the AXA UK Sustainable Equity Fund*" at page 45 of this prospectus for more information on the Manager's selected external providers and the metrics used to asses a company's net zero commitments.

achieving these goals, whether these goals are quantified and credible and the company's management quality and decarbonization plan to assess the feasibility of achieving these goals. A more detailed description of the carbon metrics, as well as the third-party providers of these metrics, are set out in the "Responsible Investment" section of this Prospectus.

The Manager will perform its own qualitative research on companies to assign a colour to each company. The Manager will focus in particular on assessing: (i) the long term decarbonization strategy and direction of the company; (ii) quantified intermediary reduction targets that the company may have, over a 5 to 10 year horizon; (iii) supporting action that the company may be taking to mitigate or offset its carbon emissions; (iv) the company's capital expenditure towards its net zero targets, both in absolute terms and as a percentage of such company's total capital expenditure (where available); (v) the company's governance, specifically the involvement of senior management with its net zero strategy; and (vi) the company's past decarbonisation efforts and performance.

The Manager considers a company's expenditure towards its net zero targets as the best indicator of such company's ability to achieve such targets.

Where the Manager deems, through its own research, that the carbon metrics sourced for the company through its quantitative analysis do not accurately or fully reflect its current net zero alignment, it may assign a climate colour according to its own research.

The qualitative assessment of a company is regularly monitored and is reviewed upon the emergence of any negative information that could reasonably be considered to affect the assessment and categorisation of a company, or otherwise at least every 18 months.

The Manager deems the Climate Colours Framework as appropriate to making its assessment as to whether a company will positively contribute to the achievement of the Fund's sustainability objective, as the Climate Colours Framework focuses its analysis on the company's commitment and potential to achieving net zero and its progress towards such commitment over time. The Climate Colours Framework has been assessed as a robust, evidence-based standard for sustainability and is deemed

	appropriate for selecting assets for the Fund by the Risk Function of the Manager, which is independent from the Manager's investment process. When selecting shares in accordance with the objectives, the Manager will also analyse a company's financial status, quality of its management, expected profitability and prospects for growth. Where the Manager deems that a company no longer meets the criteria set out in the investment policy, and after unsatisfactory engagement or escalation (i.e. the relevant investee company refuses to engage or the Manager sees no material progress towards the agreed engagement goals), the Manager will divest from such company as soon as practicable, considering the best interests of the Fund's investors and in line with the Manager's best execution policy. The Manager will calculate the Fund's WACI and verify whether it is below the Emissions Benchmark on a monthly basis. If for any reason, the Fund has a higher WACI than the Emissions Benchmark, the Manager will aim to bring the Fund's WACI back below the Emissions Benchmark as soon as practicable having regard to the best interests of the Fund's investors. <u>Adverse consequences linked to pursuit of the Fund's sustainability objective:</u> While the application of our exclusionary policies (the AXA IM sector specific investment guidelines and the AXA IM ESG Standards policy) aims to reduce the likelihood of exposure to poor ESG corporate practices and unsustainable business activities, nevertheless, there are some potential negative outcomes that could arise from pursuing the above investment strategy. There could be negative impacts on the ecosystem as a transition to a net zero carbon economy may increase environmental pressure linked to land occupation and transformation, resource depletion (especially rare minerals) and release of pollutants or toxic substances that may negatively affect human health. The transition to a net zero carbon economy may also result in negative social impacts on employment, as a new model of production and consumption may require a new set of skills which may negatively affect certain industrial sectors.

	Other potential negative impacts may arise when transitioning away from fossil fuels, this being key to reducing carbon emissions from the energy sector. Renewable energy generation infrastructure may disrupt local marine and land ecosystems through pollution, through the use of land or marine surface area and other types of pollution, aside from air pollution caused by the release of greenhouse gases. Wind turbines and solar farms can impact bird migration patterns, while offshore wind farms may create marine sound pollution, affecting underwater flora and fauna and fish availability. The Manager seeks to mitigate the risks associated with the transition to net zero carbon emissions through (i) its qualitative assessments based on the Climate Colours Framework; (ii) setting engagement goals which consider these risks; and (iii) taking appropriate escalation action (for example voting at general meetings) to ensure that companies are taking appropriate action to mitigate such risks. To explain point (i) further, as part of the Manager's qualitative analysis under the Climate Colours Framework, analysts will look at social elements within a company's governance structure such as: ESG considerations in board appointment, remuneration policy, review of lobbying practices, consideration of human rights and "just transition" issues. We expect that companies which integrate these considerations will be better placed to manage potential negative externalities.

6.2 *Risk profile*

Following implementation of the proposed changes, the overall risk profile of the Fund will **not** change.

The Synthetic Risk Reward Indicator ("SRRI") is an indicative measure of some main risks of the strategy. The SRRI is assessed using historical data for the past five years, as required by the applicable regulation. Based on the latest available data, the proposed strategy has the same SRRI as the current one, i.e. a 4 (on a scale of 1 to 7), which reflects a higher risk strategy. Please note that past performance (and price volatility) may not be indicative of future performance (and price volatility).

We would encourage you to read the Key Investor Information Documents ("KIIDs") for the Fund for more details regarding the risk factors associated with the proposed changes. These are available via the following link:

https://www.axa-im.co.uk/axa-framlington-SDR-changes-sustainable-funds. The rate of annual management charges for each class of unit in issue will not change as a result of the proposed changes.

7. **Other changes**

In addition to the changes set out above, we are also proposing to make the following changes to the Fund. This circular constitutes notices of these changes and no further action is required by you in respect of these changes. Please note the changes set out at paragraphs 7.1 and 7.2 will only proceed if the changes subject to unitholder approval are approved.

7.1 *Change to the name of the Fund*

With effect from the Effective Date, the name of the Fund will be renamed from "AXA Framlington Global Sustainable Managed Fund" to "**AXA Global Sustainable Managed Fund**".

7.2 *Rationale of the changes to the name of the Fund*

The Manager proposes to remove "Framlington" from the name as part of an internal re-brand of the AXA IM business.

8. **Procedure and action required**

Implementation of the proposed changes to the Fund's investment objective and policy as set out in paragraphs 1 and 2 above is conditional upon the passing of an extraordinary resolution of Unitholders at the Meeting. We are therefore seeking Unitholders' consent to the proposed amendments to the Fund's investment objective and policy.

The formal Notice of the Meeting is set out in Appendix 1 and includes the extraordinary resolution upon which Unitholders are being asked to vote. The changes set out in paragraph 3 do not require a Unitholder vote but will only be implemented if the changes to the Fund's investment objective and policy are not approved.

To be passed, the resolution requires a majority in favour of not less than 75% of the votes by Unitholders (or their proxies), so it is important that you exercise your right to vote.

Further details of the proposals and the Meeting are set out at paragraph 5 below.

9. **Can I redeem or switch my holding to another fund?**

Yes, the following options are available to investors of the Fund:

i. switch your unitholding(s) to any other AXA IM fund available to UK investors (including the AXA Global Distribution Fund) without any initial or switching charge. The last date for doing this is 9.30 am on 17 January 2025.

   Please note: Key Investor Information Documents for all AXA IM funds are available on our website Home - AXA IM UK (axa-im.co.uk)

ii. sell your unitholding and have the proceeds sent to you. You can do this at any time up until 9.30 am on 17 January 2025.

10. **The Meeting**

The Meeting will be held on 17 January 2025 at 11.40 am at the offices of AXA Investment Managers UK Limited at 22 Bishopsgate, London EC2N 4BQ.

You may attend your Meeting in person or vote by proxy and please see below for instructions. The required quorum is two Unitholders voting by proxy. If after the Unitholder vote has been counted, a quorum is not present, then one unitholder vote (including by proxy) is entitled to be counted in a quorum will constitute a quorum.

The Manager is entitled to receive notice of and attend the Meeting but is not entitled to vote or be counted in the quorum except in relation to Units which it holds on behalf of or jointly with a person who, if himself the sole registered holder, would be entitled to vote and from whom it has received voting instructions. Any associate of the Manager may attend and be counted in the quorum but no associate, other than an associate which holds Units on behalf of a person who, if himself the registered holder, would be entitled to vote, and from whom it has received voting instructions, is entitled to vote at such meetings.

<u>How to submit your vote (Unitholders)</u>

Unitholders may attend the meeting and vote, or vote by proxy.

<u>Voting by proxy</u>

Please complete and return the enclosed Form of Proxy in the reply-paid envelope addressed to Corporate Mailing Solutions Ltd., Unit 4B, Chelmsford Road Industrial Estate, Great Dunmow, Essex CM6 1HD to reach us at least 48 hours before the time of the Meeting.

Failure to return the Form of Proxy by the required time will result in the Form of Proxy being void and your proxy will not be entitled to vote on your behalf as directed.

<u>How to submit your vote (ISA Holders)</u>

Information for holders of an AXA Investment Managers Individual Savings Account ("ISA")

As the sole beneficial owner of Units you have the right to instruct AXA IM UK as the Account Manager to vote for or against the extraordinary resolution and to cast votes in respect of the Units you own beneficially.

If you would like to exercise your right to vote, you should either attend the Meeting, or complete and return the enclosed Form of Direction in the envelope provided to Corporate Mailing Solutions Ltd., Unit 4B, Chelmsford Road Industrial Estate, Great Dunmow, Essex CM6 1HD as soon as possible and in any event so that it arrives at least 48 hours before the time of the Meeting.

If you hold investments directly and also through an ISA then you will receive both a Form of Proxy and a Form of Direction. Both must be returned 48 hours before the time appointed for holding the Meeting OR, if voting by proxy on those investments held directly, both Form of Proxy and a Form of Direction must be returned 48 hours before the time appointed for holding the Meeting.

The Trustee has appointed John Sheppard (or failing him any other duly authorised representative of AXA IM UK) as Chairman of the Meeting.

The Trustee, whilst expressing no opinion on the merits of the proposal, has informed the Manager that it has no objection to the proposal and consents to the references made to it in this document in the form and context in which they appear.

If the resolution is duly passed at the Meeting of Unitholders, then it will be binding upon all Unitholders in the Fund, whether or not they voted in favour, or voted at all.

11. **Costs**

The costs and expenses of calling the Meeting (and any adjourned meeting) and of the preparation and implementation of the proposed change, including without limitation the costs and expenses of printing and mailing this document, will be met by AXA IM UK.

The costs of any necessary realignment of the assets, transaction costs, any costs and taxes associated with the realignment of the assets will be met by the Fund. It is anticipated that such costs should not exceed 0.003% of the current value of the Fund, which, for illustrative purposes only, would amount to a cost of £0.03p for every £1,000 invested in the Fund.

12. Regulatory Consents

The FCA has confirmed by letter that it approves the proposed alteration to the Fund for the purposes of section 251(4)(a) of the Act.

13. Documents for inspection

Copies of the following documents will be available on the AXA IM website via the following link: https://www.axa-im.co.uk/axa-framlington-SDR-changes-sustainable-funds from the date hereof until the date of the Meeting (or of any adjourned meeting):

1. A copy of the current prospectus of the Fund;
2. A copy of the current Key Investor Information Documents for the Fund;
3. The letter from the FCA to AXA IM UK consenting to the proposed changes.

In addition, the Trust Deeds of the Fund, including all supplements, can be obtained on request from the manager, via the following telephone number: 0345 777 5511 (calls may be recorded).

14. Summary of the action to be taken

If, when you purchased your Units, you used the services of a financial adviser or other investment professional, please contact him or her. Alternatively, if you require any further information concerning the proposal, please contact us on 0845 777 5511 between 9.00am and 5.30pm Monday to Friday, but please be aware that we are not authorised to give investment or tax advice.

To be passed, the resolution requires a majority in favour of not less than 75% of the votes by Unitholders (or their proxies), so it is important that you exercise your right to vote.

Please either attend the Meeting or complete and return the enclosed Form of Proxy and/or Form of Direction as indicated to arrive not later than 48 hours before the time of the Meeting.

If you are in any doubt about the contents of this Circular and the action to be taken you should consult your financial adviser. If you are unclear about the contents of this Circular, or have any further questions, please call us on 0345 777 5511 (calls may be recorded).

Yours faithfully,

Marcello Arona
Director
For and on behalf of
AXA Investment Managers UK Limited
(as authorised fund manager of AXA Framlington Global Sustainable Managed Fund)

APPENDIX 1

NOTICE OF MEETING OF UNITHOLDERS

AXA Framlington Global Sustainable Managed Fund
(an authorised unit trust)

NOTICE IS HEREBY GIVEN that a meeting of the Unitholders in AXA Framlington Global Sustainable Managed Fund will be held at the offices of AXA Investment Managers UK Limited at 22 Bishopsgate, London EC2N 4BQ on 17 January 2025 at 11.40 am to consider and, if thought fit, to pass the following resolution which will be proposed as an extraordinary resolution:

Extraordinary Resolution

THAT:

1) the investment objective and policy of AXA Framlington Global Sustainable Managed Fund (an authorised unit trust) be changed to the following:

***Investment objective**:*

The aim of this Fund is to:

(iii) provide long-term capital growth over a period of 5 years or more.

(iv) contribute to the global transition to net zero by investing in shares in companies which demonstrate a clear and credible commitment to achieving net zero carbon emissions by 2050 or are decreasing their carbon emissions intensity to achieve net zero emissions by 2050. The Manager will seek to keep the weighted average carbon intensity (WACI)[10] of the Fund's equity investments lower than its Emissions Benchmark. The Fund's Emissions Benchmark has been calculated by the Manager to ensure that the equity investments of the Fund are on a trajectory to reach net zero carbon emissions by 2050[11]. The initial value of the Emissions Benchmark is calculated as a 30% reduction of the WACI of the MSCI All Country World Index ("MSCI ACWI") as of 31st December 2021. Thereafter, the Emissions benchmark will be reduced by 7% year on year[12]. Further details on the Key Performance Indicators that are used to measure and report on the Fund's carbon emissions targets can be found below.

Any material trade-offs or adverse consequences that may arise in pursuing the Fund's sustainability objective are identified below under "*Adverse consequences linked to pursuit of the Fund's sustainability objective*".

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[10] The Weighted Average Carbon Intensity (WACI) of a fund or index is used to show the fund's or the index's exposure to carbon-intensive companies. For the index, this exposure is calculated by summing each holding's Scope 1 and 2 carbon emissions intensity (measured in tons of carbon dioxide emissions per USD 1 million of their revenue) multiplied by its weight in the index. For the fund, the carbon emissions intensity is calculated by summing each equity holding's carbon emissions intensity (measured in tons of carbon dioxide emissions per USD 1 million of their revenue) multiplied by its weight as a fraction of the total equity holdings of the fund.

[11] The Emissions Benchmark is not a benchmark or an index in the typical sense (i.e. it is not tracking the performance of a particular group of assets), but is being used as a marker (calculated relative to the MSCI ACWI).

[12] These percentage targets are in line with the minimum standards for reduction of carbon emissions intensity set by EU climate transition benchmarks (which is a 30 per cent reduction initially, followed by a 7 per cent reduction year on year thereafter). Further, the Manager has chosen the MSCI ACWI for the purposes of calculating the Emissions Benchmark as this index best represents the geographical regions in which the Fund predominantly invests.

Investment policy:

The Fund invests:

- between 70 – 85% of its Net Asset Value in shares of listed companies of any size and based anywhere in the world (including emerging markets[13]), which the Manager believes will provide above-average returns, relative to their industry peers and at least 70% of its Gross Asset Value in companies which are categorised by the Manager as either Committed to Align, Aligning or Aligned to a net zero carbon economy (each term is defined below). The Manager expects that the proportion of assets in the Fund invested in companies categorised as "Aligned" will increase over time in line with the investment objective;
- between 15 – 30% of its Net Asset Value in bonds issued by developed market[14] governments and cash. The Manager invests in such bonds as it seeks to reduce the impact on the Fund of fluctuations in value of equity markets.

The Fund will invest its remaining assets as permitted under this investment policy.

The Fund may invest outside its sustainable objective in other transferable securities, cash, deposits and money market instruments for liquidity. The Fund may also invest outside its sustainability objective in other transferable securities for the purpose of pursuing its financial objective. Any investments falling in this category (save cash) will be screened using the ESG Filter (described below). No investments falling in this category will conflict with the Fund's sustainability objective. 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 FCA rules.

When defining the Fund's investment universe, the Manager will seek to exclude companies which it considers present excessive degrees of environmental, social and governance ("**ESG**") risk, by applying (i) AXA IM's sector specific investment guidelines[15], which exclude investment in soft commodity derivatives or exposure to certain companies based on their involvement in specific sectors (such as tobacco production, ecosystem protection and deforestation, controversial weapons and climate risks) and (ii) applying the AXA Investment Managers' ESG Standards policy[16], which excludes investment in companies based on: (a) manufacture of white phosphorus weapons; certain criteria relating to human rights and anti-corruption as well as other ESG factors, (b) companies which cause, contribute, or are linked to violations of international norms and standards in a material manner or which are involved in incidents and/or events that pose a severe business or reputational risk to the relevant company due to the impact of its involvement on stakeholders or the environment and (c) companies with the lowest ESG score. The Manager believes that companies with higher ESG scores manage risk associated with ESG issues more effectively, contributing to better ESG and financial performance of such companies in the long term; conversely excluding the lowest scoring companies reduces our risks to poor ESG behaviour that may have a subsequent negative impact on a company's market value and long-term prospects. ESG scores are based on scores provided by our selected external provider(s) and may be adjusted by the Manager using its own research. The "Responsible Investment" section of this prospectus contains details on our selected external provider(s). The exclusion policies described above are collectively termed in this investment policy as the "ESG Filter".

Thereafter, to further filter the investment universe, the Manager will seek to identify those companies which it deems demonstrate a clear commitment to supporting the transition to a net-zero carbon economy. To do so, the Manager will carry out a quantitative and qualitative assessment on each company using its ***proprietary AXA IM Climate Colours framework*** (the "**Climate Colours Framework**"), under which it will evaluate a company's targets and timeframes to align to Net Zero or its commitment to align with the goal of Net Zero emissions by 2050. A climate colour will be assigned to each company based upon its level of progress towards Net Zero, as follows:

- Red: Companies which are not aligned with Net Zero;
- Orange: Companies which are committed to align and have communicated long term goals consistent with achieving global net zero by 2050 ("**Committed to Align**");

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13 As defined by the MSCI Market Classification as amended from time to time.

14 As defined by the MSCI Market Classification as amended from time to time.

15 All sector specific policies are accessible via the following link: Our Policies and Reports | AXA IM UK (axa-im.co.uk)

16 AXA IM's Responsible Investment policy is accessible via the following link: Our Policies and Reports | AXA IM UK (axa-im.co.uk)

- Light blue: Companies which have communicated quantified and credible net zero targets, i.e. have communicated specific reduction targets ("**Aligning**");
- Blue: Companies which are on track to meeting their quantified and credible net zero targets ("**Aligned**");
- Dark blue: Companies which have current emissions that are below their sector and regional requirements to achieve net zero by 2050 and which have an investment plan/business model that will maintain their transition to net zero. Such companies are expected to maintain and/or further reduce their level of emissions in the future and/or find better ways to reduce their level of emissions (e.g. by reducing their reliance of carbon offsetting) to achieve net zero at or before 2050. ("**Achieving Net Zero**"); and
- Grey: Companies which have insufficient climate-related data to assign a climate colour under the Climate Colours Framework either via qualitative or quantitative analysis (as described below).

The Manager will not invest in companies assigned as red. The Manager may invest in companies assigned as grey where, based on available data, there is not a conflict with the sustainability objective. Where the company is already held in the portfolio and downgraded to red or grey, it may temporarily be held in the portfolio while the Manager verifies the reason behind the downgrade, focusing on the accuracy of the quantitative input that led to the downgrade, and engages with the company, provided there is not a conflict with the sustainability objective.

For its quantitative analysis, the Manager will use certain carbon metrics as provided by our selected external providers.[17] The metrics will be used to assess a company's net zero goals and whether these have been communicated, its short term and long term targets for achieving these goals, whether these goals are quantified and credible and the company's management quality and decarbonization plan to assess the feasibility of achieving these goals. A more detailed description of the carbon metrics, as well as the third-party providers of these metrics, are set out in the "Responsible Investment" section of this Prospectus.

The Manager will perform its own qualitative research on companies to assign a colour to each company. The Manager will focus in particular on assessing: (i) the long term decarbonization strategy and direction of the company; (ii) quantified intermediary reduction targets that the company may have, over a 5 to 10 year horizon; (iii) supporting action that the company may be taking to mitigate or offset its carbon emissions; (iv) the company's capital expenditure towards its net zero targets, both in absolute terms and as a percentage of such company's total capital expenditure (where available); (v) the company's governance, specifically the involvement of senior management with its net zero strategy; and (vi) the company's past decarbonisation efforts and performance.

The Manager considers a company's expenditure towards its net zero targets as the best indicator of such company's ability to achieve such targets.

Where the Manager deems, through its own research, that the carbon metrics sourced for the company through its quantitative analysis do not accurately or fully reflect its current net zero alignment, it may assign a climate colour according to its own research.

The qualitative assessment of a company is regularly monitored and is reviewed upon the emergence of any negative information that could reasonably be considered to affect the assessment and categorisation of a company, or otherwise at least every 18 months.

The Manager deems the Climate Colours Framework as appropriate to making its assessment as to whether a company will positively contribute to the achievement of the Fund's sustainability objective, as the Climate Colours Framework focuses its analysis on the company's commitment and potential to achieving net zero and its progress towards such commitment over time. The Climate Colours Framework has been assessed as a robust, evidence-based standard for sustainability and is deemed appropriate for selecting assets for the Fund by the Risk Function of the Manager, which is independent from the Manager's investment process.

When selecting shares in accordance with the objectives, the Manager will also analyse a company's financial status, quality of its management, expected profitability and prospects for growth.

Where the Manager deems that a company no longer meets the criteria set out in the investment policy, and after unsatisfactory engagement or escalation (i.e. the relevant investee company refuses to engage or the Manager sees no material progress towards the agreed engagement goals), the Manager will divest from such company as soon as practicable, considering the best interests of the Fund's investors and in line with the Manager's best execution policy.

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[17] Please refer to Section "*AXA IM selected external service provider(s) and Key Performance Indicators (KPIs) for assessment of Net Zero alignment for the AXA Global Sustainable Managed Fund and the AXA UK Sustainable Equity Fund*" at page 45 of this prospectus for more information on the Manager's selected external providers and the metrics used to asses a company's net zero commitments.

The Manager will calculate the Fund's WACI and verify whether it is below the Emissions Benchmark on a monthly basis. If for any reason, the Fund has a higher WACI than the Emissions Benchmark, the Manager will aim to bring the Fund's WACI back below the Emissions Benchmark as soon as practicable having regard to the best interests of the Fund's investors.

Adverse consequences linked to pursuit of the Fund's sustainability objective:

While the application of our exclusionary policies (the AXA IM sector specific investment guidelines and the AXA IM ESG Standards policy) aims to reduce the likelihood of exposure to poor ESG corporate practices and unsustainable business activities, nevertheless, there are some potential negative outcomes that could arise from pursuing the above investment strategy. There could be negative impacts on the ecosystem as a transition to a net zero carbon economy may increase environmental pressure linked to land occupation and transformation, resource depletion (especially rare minerals) and release of pollutants or toxic substances that may negatively affect human health. The transition to a net zero carbon economy may also result in negative social impacts on employment, as a new model of production and consumption may require a new set of skills which may negatively affect certain industrial sectors.

Other potential negative impacts may arise when transitioning away from fossil fuels, this being key to reducing carbon emissions from the energy sector. Renewable energy generation infrastructure may disrupt local marine and land ecosystems through pollution, through the use of land or marine surface area and other types of pollution, aside from air pollution caused by the release of greenhouse gases. Wind turbines and solar farms can impact bird migration patterns, while offshore wind farms may create marine sound pollution, affecting underwater flora and fauna and fish availability.

The Manager seeks to mitigate the risks associated with the transition to net zero carbon emissions through (i) its qualitative assessments based on the Climate Colours Framework; (ii) setting engagement goals which consider these risks; and (iii) taking appropriate escalation action (for example voting at general meetings) to ensure that companies are taking appropriate action to mitigate such risks. To explain point (i) further, as part of the Manager's qualitative analysis under the Climate Colours Framework, analysts will look at social elements within a company's governance structure such as: ESG considerations in board appointment, remuneration policy, review of lobbying practices, consideration of human rights and "just transition" issues. We expect that companies which integrate these considerations will be better placed to manage potential negative externalities.

2) and that AXA IM UK be and is hereby authorised and instructed to modify the Prospectus of AXA Framlington Global Sustainable Managed Fund accordingly and submit the amended Prospectus to the Financial Conduct Authority.

Marcello Arona
Director
For and on behalf of
AXA Investment Managers UK Limited
(as authorised fund manager of AXA Framlington Global Sustainable Managed Fund)

22 Bishopsgate, London EC2M 4BQ

Notes

1. To be passed, an extraordinary resolution must be carried by a majority in favour of not less than 75% of the total Unitholder votes validly cast for and against the resolution.

2. A Unitholder that holds Units in the Fund and who is entitled to attend and vote may appoint a proxy, who need not be another unitholder, to attend and vote on behalf of that unitholder. Forms of proxy and the power of attorney or other authority (if any) under which they are signed (or a notarially certified copy thereof) must be deposited with Corporate Mailing Solutions Ltd., Unit 4B, Chelmsford Road Industrial Estate, Great Dunmow, Essex CM6 1HD, not later than on 17 January 2025 at 11.40 am. Please use the envelope provided.

3. The quorum for the Meeting is two Unitholders (or their proxies), or in the case of a body corporate, by a duly authorised representative. For the purposes of the Meeting, "Unitholder" includes persons who hold Units on the date seven days before the notice of meeting is sent out, but excludes any persons who are known to the Manager not to be Unitholders at the time of the Meeting.

4. ISA investors may instruct AXA IM UK by completing the enclosed Form of Direction and returning it in the envelope provided to arrive not later than 48 hours before the time of the Meeting (or any adjourned meeting