



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 Framlington UK Sustainable Equity 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 for the Fund. The purpose of this letter is to inform you of changes to the investment objective and 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 investment objective (as detailed in the Appendix to this letter). As you will note, we have added a sustainability objective to the investment objective to clarify that we aim to invest in companies which have leading or improving environmental, social and governance practices, in line with the selection criteria described in the investment policy.

We have added the sustainability objective to keep the name, investment objective and investment policy consistent and to emphasise the sustainability objective as separate to the financial objective.

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.

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 and engagement process of the Fund for greater clarity. 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.

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 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 provide long-term capital growth over a period of 5 years or more.</p>	<p>The aim of this Fund is to: <u>(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.</u></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 has at least 70% of its investments in shares of companies domiciled, incorporated or having significant business in the UK which the Manager believes will provide above-average returns. The Fund invests at least 80% of its investment in shares in large and medium-sized companies.</p> <p>The Manager aims to select companies that it deems will create a net positive contribution to society. These companies will either demonstrate leadership on sustainability issues through strong environmental, social and governance (ESG) practices (“leaders”) or will have shown a clear commitment to improve their ESG practices (“companies in transition”). The majority of the Fund’s investments (50% or more) will be in “leaders”. The Manager will actively engage on sustainability issues with a particular focus on “companies in transition”. The Manager will also analyse a company’s financial status, quality of its management, expected profitability and prospects for growth when selecting shares.</p> <p>To avoid investing in shares issued by companies which present excessive degrees of environmental, social and governance (ESG) risk, 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, controversial weapons and climate risks).</p> <p>The Manager also applies the AXA Investment Managers’ ESG Standards policy. This policy excludes investment in companies based on: their contribution to climate change; tobacco production; manufacture of controversial weapons; human rights;</p>	<p>The Fund invests <u>has</u> at least 70% of its investments <u>Net Asset Value</u> in shares of companies domiciled, incorporated or having significant business in the UK which the Manager believes will provide above-average returns, <u>relative to their industry peers</u>. The Fund invests at least 80% of its investment in shares in large and medium-sized companies.</p> <p>The Manager aims to select companies that it deems will create a net positive contribution to society. The Manager invests in companies that These companies will either demonstrate leadership on sustainability issues <u>(such as promoting better social outcomes, increasing the amount of renewable energy and using the planet’s resources more sustainably and increased digitalisation)</u> through strong environmental, social and governance (ESG) practices (“leaders”) or will have shown a clear commitment to improve their ESG practices (“companies in transition”). The majority of <u>More than 50% of</u> the Fund’s investments (50% or more) will be in “leaders”. The Manager will actively engage on sustainability issues with a particular focus on “companies in transition”. The Manager will also analyse a company’s financial status, quality of its management, expected profitability and prospects for growth when selecting shares.</p> <p>Further, in selecting investments, the Manager will, in addition to the application of the above policies, take into account the company’s ESG score (using an ESG scoring system as detailed in the AXA Investment Managers’ ESG Standards policy). The Manager will use the ESG score as one factor within its broader analysis of the company to <u>identify investments make selections</u> which are expected to generate <u>long-term capital growth and which have leading or improving ESG practices sustained growth and returns</u></p>

anti-corruption and other environmental, social and governance (ESG) factors. The AXA Investment Managers' ESG Standards policy and AXA IM Group's sector specific investment guidelines are subject to change and the latest copies are available from the Manager on request. These policies contain further details on the ESG risks identified and the exclusion process applied.

Further, in selecting investments, the Manager will, in addition to the application of the above policies, take into account the company's ESG score (using an ESG scoring system as detailed in the AXA Investment Managers' ESG Standards policy). The Manager will use the ESG score as one factor within its broader analysis of the company to make selections which are expected to generate sustained growth and returns over time. It is, however, just one component of the Manager's investment process and ESG scores are not the principal driver of investment decision making.

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 FTSE All Share index. The FTSE All Share index is designed to measure the performance of all eligible companies listed on the London Stock Exchange. This index best represents the types of companies in which the Fund predominantly invests. 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 FTSE All Share index may be used by investors to compare the Fund's performance.

~~over time. The Manager believes that companies 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 in the long term. ESG scores are obtained from our selected external provider(s), as detailed in the "Responsible Investment" section of this prospectus. The Manager will only consider the lowest scoring companies for the Fund 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. It is, however, just one component of the Manager's investment process and ESG scores are not the principal driver of investment decision making.~~

To avoid investing in shares issued by companies which present excessive degrees of ~~environmental, social and governance (ESG)~~ risk, 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, controversial weapons and climate risks).

The Manager also applies the AXA Investment Managers' ESG Standards policy. This policy excludes investment in companies based on: ~~their contribution to climate change;~~ tobacco production; manufacture of ~~controversial 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 Investment Managers' ESG Standards policy and AXA IM Group'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. ~~These policies contain further details on the ESG risks identified and the exclusion process applied.~~

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/](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](#)~~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, [cash, deposits, and](#) 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 [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 FTSE All Share index [\(the "Index"\)](#). The ~~FTSE All Share~~ [Index](#) is designed to measure the [financial](#) performance of all eligible companies listed on the London Stock Exchange. ~~This~~ [The index](#) ~~Index~~ best represents the types of companies in which the Fund predominantly invests.

The ~~FTSE All Share~~ [Index](#) 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.](#)

