

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.

16th December 2022

Dear Investor,

Change to the investment policy for AXA US Short Duration High Yield Fund (the “Fund”) a sub-fund of the AXA Fixed Interest Investment ICVC.

We, AXA Investment Managers UK Limited, are writing to you in our role as authorised corporate director for the Fund. The purpose of this letter is to inform you of changes to the investment policy for the Fund which will take effect on 15th February 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 change and has confirmed that the change will not affect the ongoing authorisation of the Fund. Under the FCA Rules, you are entitled to 60 days’ advance notice of the proposed change given that we deem this change to be a “significant change” within the meaning of the FCA Rules and this letter constitutes that notice.

What is changing?

With effect from 15th February 2023, the investment policy of the Fund will change as described in the Appendix to this letter. The Fund’s core investment philosophy, investment process and risk profile will remain unaltered.

How have we changed the investment policy of the Fund?

We have amended the investment policy (as detailed in the Appendix to this letter) to clarify and emphasise the Environmental, Social and Governance (ESG) focussed approach of the investment strategy. As you will be aware, AXA IM have a long history in responsible investing and ESG, which are already an integral part of our investment process to enhance the traditional financial analysis. The changes emphasise the ESG element of our investment strategy, specifically: (i) explaining how we use ESG ratings to select bonds; and (ii) providing further detail on our exclusion policies.

We have also amended the investment policy to emphasise that AXA IM will disinvest where we deem that an investment no longer meets the criteria set out in the investment policy. While we have not changed the financial criteria for selecting bonds, we have clarified that there is a minimum standard (or credit rating) for a bond to be considered ‘investment grade’.

Why have we decided to change the investment policy of the Fund?

We believe that by investing in companies which address key sustainability-related risks and focus on improving their sustainability practices on key ESG issues, we will enhance our ability to deliver risk-adjusted returns.

Further, climate change, diversity, inclusion and equality are urgent issues for global society. Over the course of this past year, we have seen dramatic changes on the political and regulatory front, with “net zero” commitments being made by many countries globally and key financial regulators pushing climate risk to the forefront of their agendas. On the social and governance front, we have seen demands for greater gender and racial diversity at management level urging companies to increase transparency and improve diversity. We recognise that these changes are influencing investors who are becoming increasingly conscious about the ESG impact of their investments and the risk and opportunities of investing in this rapidly changing environment.

As an active manager of your capital, it is our role to ensure that our investors are aware of the ESG focus within our process for investing and disinvesting and how this supports the achievement of the investment objective of the Fund to generate an income return combined with any capital growth over the short term.

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 costs incurred 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 KIID and Prospectus.

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

For and on behalf of

AXA Investment Managers UK Limited

Appendix

Changes to the investment policy of the Fund

With effect from 15th February 2023, the investment policy for the Fund will change as follows:

CURRENT Investment Policy	NEW Investment Policy with effect from 15th February 2023
<p>The Fund aims to deliver a return by investing generally (meaning at least 60 per cent of its assets) in high yield bonds (being sub-investment grade corporate bonds) with a bias towards shorter maturities (where the full repayment of the bond by the company is expected to be less than three years), issued primarily by companies with their predominant place of business in the US. The Fund may also invest in such bonds denominated in US Dollars and issued by non-US companies. The ACD seeks to reduce the effect of credit risk through diversification and its analysis and selection of bonds.</p> <p>The Fund does not have a benchmark. SONIA Compounded Index may be used by investors to compare the Fund's performance. The Fund may also invest in other transferable securities (including, but not limited to, high yield debt securities, investment grade debt securities, convertibles, tbills), cash, deposits, units in collective investment schemes (including those that are operated by the ACD) and money market instruments. The Fund may use derivatives for investment purposes as well as for Efficient Portfolio Management. Use may be made of stock lending, borrowing, cash holdings, hedging and other investment techniques permitted in the applicable Financial Conduct Authority Rules.</p>	<p>The Fund aims to deliver a return by investing at least 60 per cent of its Net Asset Value in high yield bonds (being sub-investment grade corporate bonds, meaning bonds with a rating of BB+ and below by Standard & Poor or equivalent rating by Moody's or Fitch) with a bias towards shorter maturities (where the full repayment of the bond by the company is expected to be less than three years), issued primarily by companies with their predominant place of business in the US. The Fund may also invest in such bonds denominated in US Dollars and issued by non-US companies. The ACD seeks to reduce the effect of credit risk through diversification and its analysis and selection of bonds.</p> <p>To avoid investing in bonds issued by companies which present excessive degrees of environmental, social and governance (ESG) risk, the ACD applies AXA Investment Manager's (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).</p> <p>The ACD also applies the AXA IM's 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 as well as other ESG factors. The AXA IM's 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 ACD on request.</p> <p>Further, in selecting investments, the ACD will, in addition to the application of the above policies, take into account the issuer's ESG score as one factor within its broader analysis of the issuer to make selections which are expected to generate an income return over the long term. It is, however, just one component of the ACD's investment process and ESG scores are not the principal driver of investment decision making. The ACD believes that issuers with higher ESG scores manage risk associated with ESG issues more effectively, contributing to better financial performance of such issuers in the long term. ESG scores are obtained from our selected external provider(s) and may be adjusted by the ACD using its own research. The "Responsible Investment" section of this prospectus contains details on our selected external provider(s). The ACD will not invest in bonds with the lowest ESG scores, save in exceptional circumstances.</p> <p>If the ACD 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 income and capital growth, the ACD 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.</p> <p>The Fund does not have a benchmark to measure its financial performance. SONIA Compounded Index may be used by investors to compare the Fund's financial performance, which the ACD believes best reflects the outcome of the Fund's short duration</p>

	<p>investment strategy when used to compare the performance of the Fund over a minimum period of three years. Investors should note that the SONIA Compounded Index is a cash-based index, which the ACD has selected as an appropriate comparator given the absence of a suitable bond index, and therefore does not take account of the specific risks relevant to the Fund. The Fund may also invest in other transferable securities (including, but not limited to, high yield debt securities, investment grade debt securities, convertibles, tbills), cash, deposits, units in collective investment schemes (including funds that are managed by the ACD or its associates) and money market instruments. The Fund may use derivatives for investment purposes as well as for Efficient Portfolio Management. Use may be made of stock lending, borrowing, cash holdings, hedging and other investment techniques permitted in the applicable Financial Conduct Authority Rules.</p>
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