

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

## **Changes to AXA Sterling Buy and Maintain Credit Fund**

### **Application of the ESG Standards policy**

**ISIN: GB00B8192P08 / GB00B7VXY261**

AXA Investment Managers UK Limited (referred to in this Letter as (“AXA IM” or “we”)), are writing to you in our role as authorised corporate director (“ACD”) of AXA Fixed Interest Investment ICVC (the “Company”). The purpose of this letter is to inform you of changes to the investment policy of the AXA Sterling Buy and Maintain Credit Fund (the “Fund”), a sub-fund of the Company. Although the change does not require your approval and you are not required to take any action, we recommend that you read this letter.

The Financial Conduct Authority (“FCA”) has been notified of the change and have confirmed that the change will not affect the ongoing authorisation of the Company. Under FCA Rules shareholders in the Fund are entitled to advance notice of the proposed change and this letter constitutes that notice.

It is important to note that this change will not affect the Fund’s investment objective, its risk profile, the “buy and maintain” investment strategy or, more generally and other than as set out below, how the Fund is managed.

With effect from 25<sup>th</sup> February 2019 we will apply AXA Investment Manager’s ESG Standards policy to the Fund. This means that we will apply filters to the construction of the Fund’s portfolio to avoid investing in bonds issued by companies which present excessive degrees of environmental, social and governance (ESG) risk. In particular the ESG Standards policy excludes investment in companies based on their contribution to climate change; tobacco production; manufacture of controversial weapons; human rights; anti-corruption and other environmental, social and governance (ESG) factors. The ESG Standards policy applies to the Fund in addition to the AXA Investment Managers Group’s sector specific investment guidelines relating to responsible investment. Such guidelines exclude investment in (or exposure to) certain companies based on their involvement in specific sectors (such as soft commodities, palm oil, controversial weapons and coal) in accordance with the AXA IM Group guidelines. Further details of the sector specific guidelines and the ESG Standards policy can be found at: <https://www.axa-im.com/en/responsible-investing>.

The change to the investment policy of the Fund is set out in the appendix to this letter.

AXA IM will meet the costs of amending the Fund’s documentation to reflect these changes. We do not anticipate that the application of the ESG Standards policy to the Fund will result in a higher level of turnover in the Fund’s portfolio.

If you have any questions about the contents of this notice, please contact AXA IM on 0345 777 5511. Please note that telephone calls may be recorded, and AXA IM is not authorised to give financial or tax advice.



Investment  
Managers

Yours faithfully

A handwritten signature in black ink, appearing to be 'P. Le Barrois d'Orgeval', written over a faint, light-colored signature line.

Philippe LE BARROIS D'ORGEVAL  
**Director**

For and on behalf of AXA Investment Managers UK Limited

**APPENDIX**

CURRENT Investment Objective and Policy	Investment objective and NEW investment policy with effect from 25 <sup>th</sup> February
<p>The aim of this Fund is to generate an income and capital return (net of fees) in line with the sterling-denominated investment grade corporate bond market over the long term while maintaining a low turnover of bonds held by the Fund. The market is represented by the ICE BofAML Sterling Non-Gilt Index for long-term performance purposes.</p> <p>The average credit quality and duration of the bonds held by the Fund are very similar to those of the bonds represented by the Index but otherwise the ACD has complete discretion to take positions which are different from the Index in seeking to achieve the Fund's objective. The Fund invests primarily in sterling-denominated investment grade corporate bonds but may also invest in non-sterling-denominated investment grade corporate bonds, hedged back into sterling. The low turnover manner in which the Fund is managed means that the Fund avoids unnecessary trading costs. The ACD also focuses on avoiding downgrades and defaults through its analysis and selection of bonds and, by diversifying the Fund's portfolio across different corporate sectors, aims to mitigate the risks associated with any particular sector.</p> <p>The Fund may also invest in other transferable securities, 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 aim of this Fund is to generate an income and capital return (net of fees) in line with the sterling-denominated investment grade corporate bond market over the long term while maintaining a low turnover of bonds held by the Fund. The market is represented by the ICE BofAML Sterling Non-Gilt Index for long-term performance purposes.</p> <p>The average credit quality and duration of the bonds held by the Fund are very similar to those of the bonds represented by the Index but otherwise the ACD has complete discretion to take positions which are different from the Index in seeking to achieve the Fund's objective. The Fund invests primarily in sterling-denominated investment grade corporate bonds but may also invest in non-sterling-denominated investment grade corporate bonds, hedged back into sterling. The low turnover manner in which the Fund is managed means that the Fund avoids unnecessary trading costs. The ACD also focuses on avoiding downgrades and defaults through its analysis and selection of bonds and, by diversifying the Fund's portfolio across different corporate sectors, aims to mitigate the risks associated with any particular sector.</p> <p><i><u>In line with AXA Investment Managers' ESG Standards policy, the Fund applies filters to avoid investing in bonds issued by companies which present excessive degrees of environmental, social and governance (ESG) risk. AXA Investment Managers' ESG Standards policy is available on request and contains further details on the ESG risks identified and the exclusion process applied.</u></i></p> <p>The Fund may also invest in other transferable securities, 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>