Investment Managers

AXA (CH) Strategy Fund

Prospectus with integrated fund contract
30 June 2023
(Prospectus amendment 2 September 2024)

AXA (CH) Strategy Fund

Umbrella fund under Swiss law (securities fund)

Prospectus with integrated fund contract

The fund management company

AXA Investment Managers Switzerland Ltd.
Ernst-Nobs-Platz 7, P.O. Box 1078, 8021 Zurich

The custodian bank

State Street Bank International GmbH, Munich
Zurich Branch
Beethovenstrasse 19, 8027 Zurich

Edition dated 30 June 2023
(Prospectus amendment 2 September 2024)

Content

Part 1: Prospectus

This prospectus with integrated fund contract, Key Information Document (PRIIP KID) and the most recent annual or semi-annual report (if published after the latest annual report) serve as the basis for all subscriptions of units in the subfunds.

Only the information contained in the prospectus, the Key Information Document or in the fund contract will be deemed to be valid.

1. Information on the umbrella fund and the subfunds

1.1 Establishment of the investment fund in Switzerland

AXA (CH) Strategy Fund is an umbrella fund in contractual form under Swiss law of the "securities fund" type (see prov. 1.13). It is divided into the following subfunds:

- Portfolio 30
- Portfolio 40
- Economic Trends Equity CHF
- Sustainable Equity CHF
- Global Equity CHF
- Swiss Equity CHF

The fund contract of AXA (CH) Strategy Fund was drawn up by AXA Investment Managers Switzerland AG, Zurich, as fund management company and submitted, with the consent of State Street Bank International GmbH Munich, Zurich Branch, Zurich, as custodian bank, to the Swiss Financial Market Supervisory Authority (FINMA). The fund contract was first approved by FINMA on 15 April 2011.

1.2 Tax regulations relevant to the subfunds

The umbrella fund and the subfunds have no legal personality in Switzerland. They are not subject to tax on income or capital.

The Swiss federal withholding tax deducted from the subfunds' domestic income can be reclaimed in full for the corresponding subfund by the fund management company.

Income and capital gains realized outside Switzerland may be subject to the relevant withholding tax deductions imposed by the country of investment. Insofar as is possible, these taxes will be reclaimed by the fund management company on behalf of investors domiciled in Switzerland under the terms of double taxation treaties or other such agreements.

The income distributions by the fund (to investors domiciled in Switzerland and abroad) are subject to 35 % withholding tax, irrespective of whether the income is reinvested or distributed. Any capital gains listed on a separate coupon are not subject to withholding tax.

Investors domiciled in Switzerland may reclaim the deducted withholding tax via their tax returns or by submitting a separate refund application.

Investors domiciled outside Switzerland may reclaim withholding tax under the terms of any double taxation treaty between Switzerland and their country of domicile. If no such treaty exists, then the withholding tax may not be reclaimed.

Investors domiciled abroad who benefit from the affidavit process will be credited the withholding tax on presentation of the declaration of domicile. This is subject to presentation of confirmation from a bank stating that the units in question are held at the bank in the custody account of an investor domiciled outside Switzerland, and that the distributions of income are credited to this investor's account (declaration of domicile/affidavit). No guarantee can be given that at least 80 % of the fund's income will stem from foreign sources.

Furthermore, both income and capital gains, whether distributed or reinvested, and depending on the person who holds the units either directly or indirectly, may be subject wholly or in part to a so-called paying agency tax.

This tax information is based on the current legal situation and practice. It is explicitly subject to changes in legislation, the decisions of the courts and the decrees and practices of the tax authorities.

For the purposes of the automatic exchange of information in accordance with the Common Standard on Reporting and Due Diligence for Financial Account Information (CRS) of the Organisation for Economic Co-operation and Development (OECD), the Fund qualifies as a nonreporting financial institution.

The investment fund is to be regarded as a Nonreporting IGA FFI pursuant to sections 1471–1474 of the U.S. Internal

Revenue Code (Foreign Account Tax Compliance Act, including the corresponding rulings, “FATCA”).

Taxation and other tax implications for investors who hold, buy or sell fund units and units in subfunds are defined by the tax laws and regulations in the investor’s country of domicile. For information in this regard, Investors should contact their tax advisor.

1.3 Financial year

The financial year shall run from 1 April to 31 March.

1.4 Auditors

Statutory and regulatory auditing is performed by Ernst & Young AG, Aeschengraben 27, 4051 Basel.

1.5 Units

The investor’s [1] entitlement is in respect of the assets and income of only that subfund in which they participate. In the case of liabilities accruing to an individual subfund, only the said subfund is liable.

Units will not take the form of actual certificates but will exist purely as book entries.

In accordance with the fund contract, the fund management company is entitled to establish, liquidate or merge unit classes for each subfund at any time, subject to the consent of the custodian bank and the approval of the supervisory authority.

The following unit classes currently exist for all subfunds:

- Units of the unit class “A” are offered to all investors. There is no minimum subscription amount.
- Class “I” units are offered to all investors. A minimum investment amount of CHF 500'000 applies to initial subscriptions of class “I” units, except if the initial subscription results from the transfer of the fund units to a new unitholder within this unit class.

In addition, the following unit classes currently exist for the subfunds Economic Trends Equity CHF, Sustainable Equity CHF, Global Equity CHF and Swiss Equity CHF:

- Class “S” units are offered to all investors investing in the subfunds Economic Trends Equity CHF, Sustainable Equity CHF, Global Equity CHF or Swiss Equity CHF. The unit class “S” may be held by investors either holding a minimum amount of CHF 5'000'000 at initial subscriptions of class “S” units, except if the initial subscription results from the transfer of the fund units to a new unitholder within this unit class, or with an investment advisory or an asset management contract in writing with a company belonging to the AXA Group.
- The unit classes vary in terms of the minimum subscription amount and management fee, see § 19 of the fund contract.

The individual unit classes do not constitute segregated pools of assets. Although costs are in principle charged only to the unit class for which the service in question was rendered, the possibility of a unit class being held liable for the liabilities of another unit class therefore cannot be ruled out.

1.6 Listing and trading

There is no listing. Fund units are issued and redeemed daily.

1.7 Terms for the issue and redemption of subfund units

Subfund units will be issued and redeemed on every bank working day (Monday to Friday). No issues or redemptions will take place on Swiss, UK or French public holidays (Easter, Whitsun, Christmas, New Year, national holiday, etc.) as stated in the chart below, or on days when the stock exchanges and markets in the main investment countries of a subfund are not open during the normal trading hours, or under the exceptional circumstances defined under § 17 prov. 4 of the fund contract.

Requests for subscription or redemption filed with the custodian bank no later than 1:30 p.m. on a banking business day (order date) will be settled on the next or next-but-one banking business day (valuation date) on the basis of the net asset value calculated on that date. The net asset value (NAV)

[1] For ease of reading, gender-specific differentiation is avoided. All corresponding terms apply to both genders.

calculated for settlement purposes is therefore not known at the time the order is issued (forward pricing). It is calculated on the valuation date on the basis of the closing prices of the previous day.

Subfund:	Valuation date after order date T	Value date after order date	Valid public holidays
AXA (CH) Strategy Fund – Portfolio 30	T+1	T+2	French and Swiss public holidays
AXA (CH) Strategy Fund – Portfolio 40	T+1	T+2	French and Swiss public holidays
AXA (CH) Strategy Fund – Economic Trends Equity CHF	T+1	T+2	French and Swiss public holidays
AXA (CH) Strategy Fund – Sustainable Equity CHF	T+2	T+3	UK and Swiss public holidays
AXA (CH) Strategy Fund – Global Equity CHF	T+2	T+3	UK and Swiss public holidays
AXA (CH) Strategy Fund – Swiss Equity CHF	T+1	T+2	French and Swiss public holidays

The issue price corresponds to the net asset value calculated on the valuation day, plus the issuing commission. The amount of the issuing commission is specified in section 1.11.4 below.

The redemption price corresponds to the net asset value calculated on the valuation day, minus the redemption commission. The amount of the redemption commission is specified in section 1.11.4 below.

When units are issued, the incidental costs (specifically standard brokerage fees, commissions, taxes and duties) incurred on average by the subfunds in connection with the investment of the amount paid in will be added to the net asset value. The applicable rate is stated in section 1.11.4 below.

When units are redeemed, the incidental costs incurred on average by the subfunds in connection with the sale of a redeemed portion of investments corresponding to the unit will be deducted from the net asset value. The applicable rate is stated in section 1.11.4 below.

In extraordinary circumstances such as the closure of one or more investment markets for a lengthy period of time, restrictions on foreign currency transactions or movement of capital, or another form of market disruption (political upheaval, terrorist attacks, natural disasters, etc.), the fund management company, in the interests of the remaining investors in the fund, reserves the right to reduce all redemption requests on days when the total amount of redemptions exceeds 10 % of the fund's net assets ("gating"). In such circumstances, the fund management company may decide to reduce all redemption requests proportionally and in the same ratio to 10 % of the fund's net assets. The remaining portion of the redemption requests is deemed to have been received on the following valuation day and will be processed on the basis of the conditions prevailing on that day. Accordingly, deferred redemption requests are not given preferential treatment.

The fund management company immediately notifies the auditors, supervisory authority and – in an appropriate manner – investors of the decision to use or discontinue the gating procedure.

1.8 Appropriation of income

Economic Trends Equity CHF, Sustainable Equity CHF, Global Equity CHF and Swiss Equity CHF subfunds:

The net income is generally distributed to the investors free of charge within four months of the close of the accounting year.

Portfolio 30, Portfolio 40 subfunds:

The net income of these subfunds is added to the corresponding unit class for reinvestment on an annual basis.

1.9 Investment objective and investment policy, responsible investment, investment restrictions and use of derivatives by the subfunds

Detailed information on the investment policy and its restrictions, as well as the permitted investment techniques and instruments (in particular derivative financial instruments and their scope) are contained in the fund contract (see §§ 7–15).

The accounting currency for all subfunds is the Swiss franc (CHF).

1.9.1 Investment objective, investment policy, and responsible investment of the subfunds

1.9.1.1. Responsible investment (ESG)

AXA Investment Managers Group ("AXA IM") integrates responsible investment by means of an investment approach (ESG integration) based on three pillars:

- Quantitative and qualitative ESG research
- Sectoral and normative exclusions
- Stewardship

Quantitative and qualitative ESG research helps ensure a better understanding of the significance of E, S and G challenges facing sectors, companies and countries. This research is incorporated into the exclusions policy of AXA IM by identifying ESG risks that could have harmful and irreversible effects on the performance of the portfolios as well as on the long-term global sustainability targets if AXA IM was invested in assets harboring such risks. These normative and sectoral exclusions constitute a red line and send a clear message to companies and governments about what is not acceptable in the view of AXA IM if they are to bring about climate and social transformation. In terms of assets in which AXA IM remains invested, it applies voting and engagement strategies – that is, Stewardship – to help issuers make the transition. When applying its Stewardship strategy, AXA IM sets clear and meaningful goals which it issues to management, holds regular meetings to review and evaluate progress, and votes with conviction or adopts other means of escalation as necessary.

a) ESG scoring

AXA IM has introduced a scoring system for evaluating issuers on the basis of ESG criteria (companies, government bonds, as well as green, social and sustainable bonds).

AXA IM's ESG rating methodology (referred to as "Q^2" or "Qual to Quant") relies on data provided by MSCI and is supplemented with information from Gaia/Ethifinance or its own fundamental analysis data to complete the data and increase coverage. The data results (ESG scores) may be corrected or extended, e.g. because the score is based on sparse and/or outdated data, by AXA IM's ESG analysts, independently of the portfolio management, while submitting a documented and material ESG analysis to the ESG Assessment and Review Committee (ESARC). If the ESARC validates the submitted ESG analysis, it will be converted into a quantitative ESG rating and will override the existing, previously valid MSCI rating. The scoring data relates to non-financial information published by issuers and governments as well as obtained through internal and external research. The data used in these methods comprise CO_2 emissions, water pollution, health and safety in the workplace, labor standards within the supply chain, business ethics, **corruption** and instability. AXA IM evaluates issuers based on ESG criteria (companies and governments), using quantitative data and/or qualitative evaluation through internal and external research, including data on CO_2 emissions, water pollution, health and safety in the workplace, supply-chain labor standards, business ethics, **corruption** and instability. These ESG scores provide a standardized, holistic view of the performance of issuers with regard to ESG factors; they enable ecological and social factors to be assessed and consequently ESG risks and opportunities to be incorporated into investment decision-making to an even greater extent.

The scores applied by AXA IM correspond to the MSCI ESG letter rating as follows:

ESG Score	ESG letter rating	Classification
8.571–10.0	AAA	Leader
7.143–8.571	AA	Leader
5.714–7.143	A	Average
4.286–5.714	BBB	Average
2.857–4.286	BB	Average
1.429–2.857	B	Laggard
0.0–1.429	CCC	Laggard

The methodology used to evaluate companies is based on three pillars and several sub-factors covering the ESG aspects in relation to companies. The frame of reference is based on fundamental principles, e.g. the United Nations Global Compact Principles, OECD Guidelines, International Labour Organization Conventions, as well as other international principles and conventions constituting the basis for company activities in relation to sustainable development and social responsibility. The analysis is based on the key ESG risks and opportunities previously identified for each sector and company taking into account the following 10 factors: climate change, biocapacity, pollution and waste, ecological opportunities, human capital, product liability, resistance of stakeholders, social opportunities, corporate management and corporate conduct. In addition, the overall ESG score takes account of the concept of sector-dependent factors and consciously differentiates between the sectors in order to overweight the key factors for each sector. The significance is not confined to the effects on a company's business activities; rather, it also includes the impacts on external stakeholders as well as the underlying reputation risk arising from an inadequate understanding of the key ESG themes. The corporate valuation methodology also involves analysis and constant monitoring of the severity of controversies, with the aim of ensuring that the key risks are taken into account within the overall ESG score. Controversies with a high degree of severity result in major deductions in the evaluation of sub-factors and ultimately ESG scores too.

These ESG scores provide a standardized, holistic view of the performance of issuers with regard to ESG factors and enable ESG risks to be incorporated into investment decision-making to an even greater extent. One of the key restrictions of this approach is associated with the limited availability of the relevant data for evaluating **sustainability risks**: This data is not yet systematically disclosed by the issuers; even where it is disclosed, the data may be based on a variety of methods. The investor should be aware that most information on ESG factors is based on historical data and might not reflect future ESG performance or the risks involved in the investments.

The ESG data used in the investment process is based on ESG methods that rely on data from third parties and in some cases was developed internally. This data is subjective and can change over time. Despite multiple initiatives, the lack of harmonized definitions may mean that the ESG criteria are disparate. Therefore, it may be difficult to compare different investment strategies, ESG criteria and ESG reports with one another. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria can use ESG data that appear similar yet are likely to differ because the underlying calculation method may be different.

b) Sectoral and normative exclusion policies

Through the application of sectoral and normative exclusion policies, assets that are exposed to considerable sustainability risks, or that have a considerable, negative influence on sustainability factors, are excluded. The exclusion policies are concentrated on the following ESG factors:

- **E:** Climate (**coal mining**, coal-based energy production; **oil sand production and oil sand pipelines; shale oil, tight oil and gas; Arctic oil and gas**), biodiversity (Ecosystem Protection, Deforestation and palm oil production) or soft commodities (food commodity derivatives)
- **S:** Health (tobacco producers), employment, society and **human rights** (violations of international norms and standards; production of controversial weapons, manufacturers of white phosphorus weapons, exclusion of investments in securities issued by countries in which serious human rights violations can be observed)
- **G:** Business ethics (severe controversies, violations of international norms and standards), corruption (severe controversies and violations of international norms and standards).

AXA IM sectoral policies

AXA IM's sectoral policies are aimed at covering the most severe sustainability risks and systematically incorporating them into the investment decision-making process:

- **Controversial weapons**
  Exclusion of companies that manufacture and distribute anti-personnel mines, cluster bombs or uranium-enriched biological and chemical weapons that violate the Nuclear Non-Proliferation Treaty.
- **Protection of ecosystems and deforestation**
  Avoidance of investments in: i) palm oil producers that have not been awarded "sustainable palm oil" production certification and/or have considerable unsolved land rights conflicts and/or operate illegal logging; ii) companies in any sector that are the subject of "major" and "severe" controversies in relation to "land use and biodiversity"; iii) companies that produce palm oil, soy, cattle and timber that are facing "significant" controversies regarding "land use and biodiversity" and where "critical" impacts on deforestation and the transformation of natural ecosystems have been identified.
- **Soft commodities**
  No exposure to short-term instruments such as commodity futures, exchange-traded funds based on soft commodities, or speculative transactions that could contribute to price inflation for basic agricultural and marine raw materials including wheat, rice, meat, soy, sugar, dairy products, fish and maize.
- **Climate risk**
  Exclusion of companies mostly exposed to coal and unconventional oil and gas. This includes upstream production and development as well as the transportation activities of companies – from coal-fired generation, coal mining and coal transportation to companies that produce and/or transport oil sand.

AXA IM ESG standards

The AXA IM ESG standards constitute the minimum ESG criteria of AXA IM and define the various key areas that AXA IM does not regard as ESG-compliant. They include additional exclusions in connection with health (exclusion of tobacco, in order to avoid financing the tobacco industry and therefore help protect public health) and **human rights** (white phosphorous weapons, exclusion of investments in securities issued by countries in which severe human rights violations are observed). Companies that violate international norms and standards such as the United Nations Global Compact Principles and the OECD Guidelines for Multinational Enterprises, as well as companies that are implicated in severe ESG-related incidents in areas such as **human rights**, society, employment, environment and governance, are also excluded. To encourage robust ESG practices, companies with a poor ESG performance – that is, an overall ESG score of under 1.429 (letter rating CCC) on a scale of 0 to 10 – are likewise excluded.

Further information on sectoral exclusions as well as AXA IM's ESG standards is available on the internet at Our Policies | AXA IM Corporate (axa-im.com)

c) Stewardship: engagement and voting

AXA IM pursues a comprehensive strategy of active ownership strategy that includes engagement as well as voting. The aim is to use the influence as an investor to encourage companies to reduce the key ecological and social risks within their respective sectors. In their engagement with companies, AXA IM focuses on climate, human capital management, biodiversity, health, corporate governance and responsible technology. AXA IM has rolled out a clear process for selecting priorities, which can be addressed in combination:

- **Proactive:** AXA IM engages in a proactive fashion on material ESG areas. There are two main approaches in place to facilitate proactive engagement:
  - i. **Focus list:** This is a priority list of about 50 companies for which intense and repetitive engagement is conducted on one or two key issues, with the list being updated on an annual basis. Objectives are set upfront and resources allocated. This is the priority list for which AXA IM expects regular individual engagement meetings, updates and action. Progress in engagement with these companies is regularly tracked by the ESG Monitoring and Engagement Committee.
  - ii. **Thematic projects:** In addition to the focus list, AXA IM also conducts engagement projects on specific themes. These projects cover a wider universe of companies in any relevant market, sector or asset class.
- **Opportunistic:** AXA IM relationships with companies mean that AXA IM is often invited to attend conferences, roadshows or field trips. This is an opportunity to learn more about companies' actions, policies and performance while at the same time updating them on AXA IM areas of focus and scrutiny.
- **Annual general meeting voting:** Before and after votes, AXA IM conducts extensive discussions with companies on corporate governance matters, voting resolutions at upcoming meetings and increasingly, on sustainability issues which are a focus of shareholder proposals. AXA IM also provides full transparency on their voting actions with companies and their voting records. This is a fundamental aspect of their fiduciary duty to clients. AXA IM votes in a manner that is intended to be beneficial to the long-term, sustainable value of the companies in which AXA IM invest. Areas of support or dissent can relate to a number of sustainability-related issues, such as executive remuneration, climate and diversity – which AXA IM has captured within their dedicated voting policy. Voting may occasionally be used as an escalation option if they believe engagement on a thematic issue has stalled.
- **Reactive:** While AXA IM's core engagement strategy is proactive, there are some cases when AXA IM needs to engage in response to a specific event. These can relate to:
  - i. **Severe controversies and breaches of international norms and standards:** For AXA IM's ESG Integrated and ACT strategies, AXA IM excludes investments in issuers which are impacted by a severe controversy, or which are in violation of international norms and standards – where holding securities from that issuer could pose a significant financial and/or reputational risk. Severe controversies are largely defined as breaches, but AXA IM can also exclude investments where issuers have been involved in other types of controversies. AXA IM uses an external data provider to provide them with an initial assessment. In certain cases, AXA IM may decide to discuss with the company the credibility of corrective actions put in place to resolve the issue, instead of divesting. Such an exemption is decided by the ESG Monitoring and Engagement Committee after a qualitative review of the stock and internal agreement between the stakeholders of the Committee.

ii. **Exclusion policies:** Any update of AXA IM's ban lists can also lead to some companies being automatically excluded.

iii. **Negative news flow:** AXA IM often hears negative news stories about their investee companies. While these are not necessarily ranked as 'severe' controversies by AXA IM's controversies research service provider, AXA IM might want to engage with the company to obtain a better understanding of the issue and assess the quality of its response. In certain cases, AXA IM may also decide to exclude certain issuers on this basis, if they feel the risks are material and the response from management is insufficient.

This strategy is applied at AXA IM level and may have an impact on the subfunds' securities. The information regarding AXA IM voting and engagement activities is publicly available.

Further information on AXA IM's Stewardship policies as well as the Stewardship reports is available on the internet at Stewardship & Engagement | Responsible Investing | AXA IM Corporate (axa-im.com)

The following subfunds of the AXA (CH) Strategy pursue a responsible investment approach:

- **AXA (CH) Strategy Fund – Economic Trends Equity CHF** by applying **"sectoral and normative exclusions", "ESG-Integration"** and **"Stewardship"**.
- **AXA (CH) Strategy Fund – Sustainable Equity CHF** by applying **"sectoral and normative exclusions", "ESG-Integration"** and **"Stewardship"**. In addition, the subfund pursues a **decarbonization strategy** and targets environmentally focused UN Sustainable Development Goals ("SDGs").
- **AXA (CH) Strategy Fund – Swiss Equity CHF** by applying **"sectoral and normative exclusions", "ESG-Integration"** and **"Stewardship"**.

1.9.1.2. The individual subfunds

a) AXA (CH) Strategy Fund – Portfolio 30 and Portfolio 40

Investment objective

The investment objective of the subfunds Portfolio 30 and Portfolio 40 is to use a diversified portfolio to generate value growth and appropriate income with controlled risk while implementing a strategy to limit risk.

Investment policy

The fund management company strives for a target equity market exposure of 30 % for the Portfolio 30 subfund and of 40 % for the Portfolio 40 subfund, with limitations on the maximum equity market exposure in the Portfolio 30 subfund and in the Portfolio 40 subfund of 35 % and 45 %, respectively. The investment strategy provides for the limitation of the impact of important daily price fluctuations that can occur, in particular, in connection with strong turbulence on the markets or in periods of a significant bear market. In order to achieve this, the allocation in more volatile investments (especially equities) is temporarily reduced if the average daily price fluctuation exceeds a specific limit over a specific period.

The subfunds invest principally in Swiss and international equity markets, bond markets in Swiss francs and euro and in the Swiss money market. In connection therewith, the following investment instruments are used: equity securities and equity rights issued by issuers worldwide, debt securities and rights issued by issuers worldwide (for the most part, bonds of the Swiss Confederation), money market instruments in Swiss francs, investment funds, ETFs (Exchange Traded Funds) as well as other investments permitted under the fund contract. In lieu of or to supplement the above-referenced investments, derivative instruments are also used. In connection therewith, standardized derivatives traded on an exchange are generally used (primarily futures on indices or government bonds) as well as nonstandardized OTC (over-the-counter) derivatives such as total return swaps.

The subfunds' performance is not compared with any benchmark.

In addition, significant risks for the subfunds are as follows:

The investments in the relevant subfunds are subject to normal market fluctuations and other risks entailed by the investment in securities. Based on the investment strategy of the subfunds, through which the asset classes with greater market fluctuations are reduced, this may mean that in extreme situations the corresponding allocation is reduced to zero in the event of high market volatility for a specific asset class. This takes place irrespective of the possible performance of this asset class.

b) AXA (CH) Strategy Fund – Economic Trends Equity CHF

Investment objective

The investment objective of this subfund is to generate long-term growth in value and an appropriate return in CHF that exceeds the performance of the benchmark "50 % Swiss Performance Index (SPI) + 50 % EURO STOXX 50 hedged to CHF". In order to achieve this objective, a diversified portfolio of equities, equity-like securities and derivatives is actively managed with a focus on the (i) Swiss, Liechtenstein and (ii) European capital markets.

The fund management company strives to achieve an equity market exposure of at least 90 % in the Economic Trends Equity CHF subfund.

Investment policy

The fund management company invests in equity securities and equity rights (shares, dividend rights certificates, shares in cooperatives, participation certificates and similar) of companies whose domicile or principal commercial activities are (i) in Switzerland, the Principality of Liechtenstein or (ii) in Europe and which form a component part of (i) the Swiss Performance Index (SPI) and/or (ii) the EURO STOXX Index. The following investment instruments may also be used: Swiss franc-denominated money market instruments, investment funds, and other investments permitted by the fund contract. As a supplement to the above-mentioned investments, derivative financial instruments may also be used. These typically comprise standardized, exchange-traded derivatives (primarily currency futures with a view to hedging foreign currency risk). The investment process is geared around theme-based trends. As such, the fund management company invests in companies that exhibit sustainable growth potential on the basis of their future-oriented products and services. The underlying trends are selected at the asset manager's discretion (and may encompass the themes of automation, ageing & lifestyle, cleantech, connected consumer and transitioning societies, as well as other trends). As part of the investment process, the asset manager has broad discretion over the composition of the subfunds' portfolio and can take, based on its investment convictions, large overweight or underweight positions. The asset manager uses a strategy that combines macro-economic, sector and company-specific analysis. The security selection process is based on a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile.

The **responsible** investment approach applied by the asset manager encompasses ESG integration (see prov. 1.9.1.1.) based on the AXA IM scoring framework (see prov. 1.9.1.1. a.), subject at all times to mandatory compliance with the policies on sectoral exclusions and the AXA IM ESG standards (see prov.1.9.1.1.b.). The ESG analysis coverage rate within the portfolio is at least 90 % of the assets defined in § 8 C. a) aa) of the subfund, whereas the exclusion policies are applied at 100 %. The application of the responsible investment approach cannot be guaranteed for the other investments defined under a), as there is no ESG data coverage of the individual investments or no possibility of including ESG factors, namely in the case of cash holdings, derivatives and underlying permissible units of other collective investment schemes (target funds).

c) AXA (CH) Strategy Fund – Sustainable Equity CHF

Investment objective

The investment objective of this subfund is to generate a long-term return in excess of the subfunds' benchmark "100 % MSCI ACWI with Developed Markets 100 % hedged to CHF", i.e. with a lower volatility profile than that of the benchmark, through an actively managed portfolio of international equities, equity-like securities and derivatives. In addition to the traditional financial analysis, ESG factors (environmental, social and governance) are also taken into account when selecting investments. By means of the decarbonisation strategy, the subfund aims to achieve a Carbon Intensity (tCO_2e/M$ return) of Scope 1 and 2 (cf. explanations below) that is at least 30 % below the aforementioned benchmark. The achievement of the sustainability goals is disclosed in the annual report.

The fund management company strives to achieve an equity market exposure of at least 90 % in the Sustainable Equity CHF subfund.

Investment policy

The fund management company invests in equity securities and equity rights (shares, dividend rights certificates, shares in cooperatives, participation certificates and similar) of companies worldwide, including in the emerging markets, that fulfill the above-mentioned ESG criteria. The following investment instruments may also be used: Swiss franc-denominated money market instruments, investment funds, and other investments permitted by the fund contract. In lieu of or as a supplement to the above-mentioned investments, derivative financial instruments may also be used (primarily currency forwards for hedging foreign currency risk, whereby only the foreign currency risk of developed markets[2)] is hedged).

The subfund primarily invests in issuers engaged in a robust and credible decarbonization transition pathway. In order to achieve the sustainable Investment objective, the subfund applies a decarbonisation strategy to achieve gradual alignment with the objectives of the Paris Agreement on climate protection. The decarbonisation strategy involves the measurement of greenhouse gas emissions (GHG). A company's GHG (expressed in CO_2-equivalent emissions) can be measured in three categories (the so-called "scopes"): Scope 1 (direct emissions from the company's own or controlled sources), Scope 2 (indirect emissions from purchased energy) and Scope 3 (emissions from upstream and downstream activities throughout a company's supply chain, including emissions from the use of these products by customers). Given the data currently available, CO_2 emissions related to Scope 3 are incomplete and difficult to access and can therefore only be estimated. Scope 3 is therefore not included in the calculation of carbon intensity. Additionally, the subfund seeks to invest in climate solution providers that help mitigate climate change or facilitate the transition to sustainable energy use through their products and services in alignment with UN Sustainable Development Goals ("SDGs") Goal 7 of affordable and clean energy and Goal 13 clean energy.

The subfund further pursues a socially responsible investment (SRI) approach favoring securities that show a higher ESG and/or E-score relative to its benchmark index resulting from AXA IM ESG scoring methodology.

The asset manager uses proprietary quantitative models that incorporate both financial and non-financial data to select securities for the subfund. The asset manager's approach to portfolio construction is largely systematic, and an optimizer (portfolio construction tool) is used to structure the portfolio in a way that is intended to meet the investment objective.

The optimizer is designed to consider each stock's fundamental investment characteristics (such as quality and volatility) alongside its carbon intensity, its ESG and Environmental scores so that the decision to hold, buy or sell a security is based on both financial and non-financial data.

In selecting individual securities, the asset manager applies a 2-steps approach:

1. Define the eligible sustainable investment universe of issuers engaged in a robust and credible decarbonization transition pathway in order to progressively align with the objectives of the Paris Agreement, after application of a first exclusion filter, as described in AXA IM's Sectoral Exclusion and ESG Standards Policies.

2. Select stocks from the investment universe using a largely systematic process to conduct rigorous analysis of companies' financial and non-financial data with a specific focus on earning quality and share price volatility alongside each issuer's ESG Score, E score and/or alignment with SDG Goal 7 of affordable and clean energy and Goal 13 clean energy.

Furthermore, the asset manager uses carbon intensity data to reduce the Carbon Intensity (tCO_2e/M$ revenues) of Scope 1 & 2 of the subfund by at least 30 % relative to benchmark.

The ESG approach applied to the subfund is described in detail in the subfund's transparency code, which can be viewed on AXA IM Fund Center.

The **responsible** investment approach applied by the asset manager encompasses ESG integration (see prov. 1.9.1.1.) based on the AXA IM scoring framework (see prov. 1.9.1.1. a.), subject at all times to mandatory compliance with the policies on sectoral exclusions and the AXA IM ESG standards (see prov.1.9.1.1.b.). The ESG analysis coverage rate within the portfolio is at least 90 % of the assets defined in § 8 D. a) aa) of the subfund, whereas the exclusion policies are applied at 100 %. The application of the responsible investment approach cannot be guaranteed for the other investments defined under a), as there is no ESG data coverage of the individual investments or no possibility of including ESG factors, namely in the case of cash holdings, derivatives and underlying permissible units of other collective investment schemes (target funds).

For more detailed information on how AXA IM is committed to **sustainability**, please visit AXA IM's website at: Responsible Investment | Verantwortlich investieren | AXA IM CH (axa-im.ch)

d) AXA (CH) Strategy Fund – Global Equity CHF

Investment objective

The investment objective of this subfund is to replicate the benchmark "MSCI ACWI with Developed Markets 100 %

2) As per MSCI ACWI Index definition.

hedged to CHF" to the greatest extent possible, and to avoid any deviation from the performance of the benchmark to the greatest extent possible. In doing so, a total return from return on capital and return on income is offered that corresponds to the total return of the global equity markets. On occasions, it is possible that the subfund will not be invested in all securities of the benchmark, but only a representative selection thereof ("optimized sampling"). When selecting securities, the asset manager applies the mandatory AXA Group **exclusion list** at all times. Selection is facilitated by a system that takes account of quantitative factors which determine returns. Reasons for limiting the portfolio to a representative selection of the benchmark may be: the investment restrictions set out below; other legal and regulatory limitations; costs and expenses incurred for the subfund; and the illiquidity of certain investments.

The fund management company strives to achieve an equity market exposure of at least 90 % in the Global Equity CHF subfund.

Investment policy

The fund management company invests in equity securities and equity rights (shares, dividend rights certificates, shares in cooperatives, participation certificates and similar) of companies worldwide, including in the emerging markets, that form part of the MSCI AC World Index (MSCI ACWI Index). The following investment instruments may also be used: Swiss franc-denominated money market instruments, investment funds, and other investments permitted by the fund contract. In lieu of or as a supplement to the above-mentioned investments, derivative financial instruments may also be used (primarily currency forwards for hedging foreign currency risk, whereby only the foreign currency risk of developed markets[3] is hedged).

To manage ESG and sustainability tail risks, the fund has introduced a series of exclusions-based strategies. These measures are aimed at managing ESG and sustainability tail risks, the focus being on the following aspects:

- **E:** Climate (coal mining and coal-based energy production; oil sand production and oil sand pipelines), biodiversity (palm oil production) and soft commodities (food derivatives)
- **S:** Health (tobacco) and **human rights** (production of controversial weapons, violations of the Global Compact principles of the United Nations)
- **G:** Business ethics (violations of the Global Compact principles of the United Nations).

Further details of these exclusion policies and their scope is available on the AXA Group website at https://www.axa.com/

The exclusion polices are aimed at systematically incorporating the most severe sustainability risks into the investment decision-making process. These can change over time.

Furthermore, the **Stewardship: engagement and voting** approach as specified in section 1.9.1.1.c. of the prospectus is applied.

e) AXA (CH) Strategy Fund – Swiss Equity CHF

Investment objective

The investment objective of this subfund is to generate long-term growth in value and an appropriate return in CHF, which exceeds the performance of the benchmark "60 % SPI Mid + 40 % SPI Large". In order to achieve the objective a portfolio of Swiss equities, equity-like securities and derivatives is actively managed.

The fund management company strives to achieve an equity market exposure of at least 90 % in the Swiss Equity CHF.

Investment policy

The fund management company invests in equity securities and equity rights (shares, dividend rights certificates, shares in cooperatives, participation certificates and similar) of companies listed on the Swiss stock exchange or with domicile in Switzerland. The following investment instruments may also be used: Swiss franc-denominated money market instruments, investment funds, and other investments permitted by the fund contract. In lieu of the above-mentioned investments, derivative financial instruments may also be used. As part of the investment process, the asset manager has broad discretion over the composition of the subfund's portfolio and can take, based on its investment convictions, large overweight or underweight positions. The asset manager uses a strategy that combines macro-economic, sector and company-specific analysis. The security selection process is based on a rigorous

[3] As per MSCI ACWI Index definition.

analysis of the companies' business model, management quality, growth prospects and risk/return profile.

The responsible investment approach applied by the asset manager encompasses ESG integration (see prov. 1.9.1.1.) based on the AXA IM scoring framework (see prov. 1.9.1.1. a.), subject at all times to mandatory compliance with the policies on sectoral exclusions and the AXA IM ESG standards (see prov.1.9.1.1.b.). The ESG analysis coverage rate within the portfolio is at least 90 % of the assets defined in § 8 F. a) aa) of the subfund, whereas the exclusion policies are applied at 100 %. The application of the responsible investment approach cannot be guaranteed for the other investments defined under a), as there is no ESG data coverage of the individual investments or no possibility of including ESG factors, namely in the case of cash holdings, derivatives and underlying permissible units of other collective investment schemes (target funds).

1.9.2 Investment restrictions of the subfunds

a) Portfolio 30 and Portfolio 40 subfunds

The permitted investments are set out in § 8 of the fund contract.

The fund management company invests a maximum of 35 % (Portfolio 30 subfund) and 45 % (Portfolio 40 subfund), respectively, in equity securities and equity rights of enterprises worldwide (including derivatives on these investments or indexes on these investments and collective investment schemes that predominantly invest in such investments).

Including derivatives, the fund management company may invest up to a maximum of 10 % of the assets of the subfunds in securities and money market instruments issued by the same issuer.

The fund management company may invest up to 35 % of the assets of the subfunds in securities and money market instruments issued by the same issuer, provided these are issued or guaranteed by a state or a public-law entity from the OECD or by an international public-law organization to which Switzerland or a member state of the European Union belongs.

In accordance with the authorization granted to it by the supervisory authority, AXA Investment Managers Switzerland AG may invest up to 100 % of the assets of the subfunds in securities or money market instruments that are issued or guaranteed by the Swiss Confederation, the Federal Republic of Germany or France.

b) AXA (CH) Strategy Fund – Economic Trends Equity CHF

The permitted investments are set out in § 8 of the fund contract.

The fund management company invests at least 90 % of the subfund's assets in equity securities and equity rights of companies whose domiciles or principal commercial activities are (i) in Switzerland, the Principality of Liechtenstein or (ii) in Europe (including derivatives on these investments and/or collective investment schemes that predominantly invest in assets of this kind) and which form a component part of (i) the Swiss Performance Index (SPI) and/or (ii) the EURO STOXX Index. In addition, at least 40 % and a maximum of 60 % of the subfund's assets are held in equity securities and equity rights of companies whose domiciles or principal commercial activities are (i) in Switzerland, the Principality of Liechtenstein or (ii) in Europe (including derivatives on these investments and/or collective investment schemes that predominantly invest in equity securities and equity rights of such companies).

The fund management company may invest up to 10 % of the assets of the subfund in Swiss franc-denominated money market instruments issued by domestic and foreign issuers and in sight or time deposits with maturities not exceeding twelve months with banks whose domiciles are in Switzerland, a member state of the OECD, or another country where the bank is subject to local supervision equivalent to that of Switzerland.

For this subfund the foreign currency risk is hedged in the amount of not less than 70 % against the Swiss franc.

Derivatives may be used only for hedging purposes.

c) AXA (CH) Strategy Fund – Sustainable Equity CHF

The permitted investments are set out in § 8 of the fund contract.

The fund management company invests at least 90 % of the subfund's assets in equity securities and equity rights of companies worldwide, including in the emerging markets (including derivatives on these investments and/or collective investment schemes that predominantly invest in the equity securities and equity rights of such companies).

The fund management company may invest up to 10 % of the assets of the subfund in Swiss franc-denominated money market instruments issued by domestic and foreign issuers and in sight or time deposits with maturities not exceeding twelve months with banks whose domiciles are in Switzerland, a member state of the OECD, or another country where the bank is subject to local supervision equivalent to that of Switzerland.

d) AXA (CH) Strategy Fund – Global Equity CHF

The permitted investments are set out in § 8 of the fund contract.

The fund management company invests at least 90 % of the subfund's assets in equity securities and equity rights of companies worldwide, including in the emerging markets (including derivatives on these investments and/or collective investment schemes that predominantly invest in the equity securities and equity rights of such companies) that form part of the MSCI AC World Index (MSCI ACWI Index).

The fund management company may invest up to 10 % of the assets of the subfund in Swiss franc-denominated money market instruments issued by domestic and foreign issuers and in sight or time deposits with maturities not exceeding twelve months with banks whose domiciles are in Switzerland, a member state of the OECD, or another country where the bank is subject to local supervision equivalent to that of Switzerland.

e) AXA (CH) Strategy Fund – Swiss Equity CHF

The permitted investments are set out in § 8 of the fund contract.

The fund management company invests at least 90 % of the subfund's assets in equity securities and equity rights of companies listed on the Swiss stock exchange or with domicile in Switzerland (including derivatives on these investments and/or collective investment schemes that predominantly invest in the equity securities and equity rights of such companies).

The fund management company may invest up to 10 % of the assets of the subfund in Swiss franc-denominated money market instruments issued by domestic and foreign issuers and in sight or time deposits with maturities not exceeding twelve months with banks whose domiciles are in Switzerland, a member state of the OECD, or another country where the bank is subject to local supervision equivalent to that of Switzerland.

Collateral strategy

With regard to the use of certain investment techniques and in connection with OTC transactions, the fund management company may accept collateral as per the CISO-FINMA so as to reduce the level of counterparty risk assumed.

The fund management company currently considers the following types of assets as permissible collateral:

- Cash in EUR, USD and GBP.
- Fixed or variable interest debt securities or rights issued by the Swiss Confederation, the Federal Republic of Germany, France, Japan, the United Kingdom, the United States of America, Austria, Belgium, Italy or the Netherlands (government bonds).

The level of collateralization required must amount to at least 100 % of the market value of the loaned securities, the overall exposure of the OTC transactions or the overall exposure of the reverse repurchase agreements ("reverse repo").

The value of the collateral is adjusted by the applicable margin in accordance with the following haircut policy:

Type of collateral	Haircut
Cash	0 %
Government bonds with remaining term to maturity	
≤ 1 year	max. 1 %
≤ 5 years	2 %
≤ 10 years	4 %
> 10 years ≤ 30 years	5 %

The collateral will not be sold, reinvested or pledged.

1.9.3 Use of derivatives by the subfunds

The fund management company uses derivatives for the efficient management of the subfunds, both as part of the investment strategy and also to hedge investment positions. However, even under extreme market circumstances, the use of derivatives may not result in a deviation from the investment objectives or a change in the investment character of the subfunds. The Commitment II approach will be applied to the assessment of risk.The use of derivatives may have a leverage effect on the assets of a subfund/correspond to shorting. In this case, the maximum total derivatives exposure of a subfund may be up to 100 % of its net fund assets. In addition, loans are permitted for up to 10 % of the net fund assets.

Both basic forms of derivatives and exotic derivatives may be used, as described in more detail in the fund contract (see § 12), provided the underlying securities are permitted as investments according to the investment policy. The derivative transactions may be concluded on either a stock exchange or another regulated market open to the public, or in OTC (over-the-counter) trading. In addition to market risks, derivatives are also subject to counterparty risk, i. e. the risk that the party to the contract may not be able to meet its obligations and may thus cause a financial loss.

In addition to credit default swaps (CDS), all other types of credit derivatives may be acquired (e. g. total return swaps [TRS], credit spread options [CSO], credit linked notes [CLN]) by which credit risks can be transferred to third parties (so-called risk buyers). The risk buyers receive a premium as compensation. The size of this premium depends, among other things, on the probability of a loss event occurring and the maximum size of the loss. The subfunds may act as both risk buyers and risk sellers.

1.10 The net asset value

The net asset value of unit of a given class of a subfund is determined by the proportion of the subfund's assets as valued at the market value attributable to the given unit class, minus any of the liabilities of this subfund that are attributed to the given unit class, divided by the number of units of the given class in circulation. It will be rounded up to CHF 0.01.

1.11 Fees and incidental costs

1.11.1 Fees and incidental costs charged to the subfunds' assets (excerpt from § 19 of the fund contract)

Management fee charged by the fund management company	
Unit class "A"	max. 1.5 % p.a.
Unit class "I"	max. 1.4 % p.a.
Unit class "S"	max. 0.7 % p.a.

This covers the administration, asset management and, where applicable, distribution of the subfunds.

Custodian bank fee charged by the custodian bank	max. 0.20 % p.a.

Furthermore, the fees and incidental costs listed under § 19 of the fund contract may also be charged to the subfunds.

Information on the rates actually charged per subfund can be found in the annual and semi-annual reports.

The management fee of the target funds in which the assets of the subfunds of the AXA (CH) Strategy Fund are invested, may not exceed 1 %. The annual report must state the maximum rate for management fees of the target funds in which investments are made, for each subfund.

1.11.2 Total Expense Ratio

The coefficient of ongoing costs charged to the fund's assets (Total Expense Ratio, TER) was:

Year	Subfund	Unit class	TER
as at 31 March 2021	Portfolio 30	Class A	1.32 %
		Class I	0.92 %
	Portfolio 40	Class A	1.31 %
		Class I	0.91 %
	Economic Trends Equity CHF	Class S	0.37 %
	Sustainable Equity CHF	Class S	0.28 %
	Global Equity CHF	Class S	0.17 %
	Swiss Equity CHF	Class S	0.54 %
as at 31 March 2022	Portfolio 30	Class A	1.32 %
		Class I	0.92 %
	Portfolio 40	Class A	1.31 %
		Class I	0.91 %
	Economic Trends Equity CHF	Class S	0.35 %
	Sustainable Equity CHF	Class S	0.26 %
	Global Equity CHF	Class S	0.15 %
	Swiss Equity CHF	Class S	0.46 %
as at 31 March 2023	Portfolio 30	Class A	1.32 %
		Class I	0.92 %
	Portfolio 40	Class A	1.31 %
		Class I	0.91 %
	Economic Trends Equity CHF	Class S	0.35 %
	Sustainable Equity CHF	Class S	0.26 %
	Global Equity CHF	Class S	0.15 %
	Swiss Equity CHF	Class S	0.42 %

1.11.3 Payment of retrocessions and discounts

The fund management company and its agents pay retrocessions to compensate for the cost of the distribution and placement of fund units. Distribution and placement activities are understood in particular as being any activity aimed at promoting the distribution or placement of fund units, such as the organizing of road shows, participation in events and trade fairs, the production of advertising materials, training of distribution staff, etc.

Retrocessions are not deemed to be discounts, even when they are passed on to investors. The unit passing them on may decide at its discretion to pass the retrocessions on to investors outside of a legal obligation of surrender.

The fund management company and its agents may pay discounts directly to investors upon request in connection with their distribution within or from Switzerland. Discounts serve to reduce the fees or costs incurred by the investors in question. Discounts are permitted provided they:

- are paid from fees that have been charged to the fund assets and therefore do not generate any additional costs for the fund assets;
- are granted on the basis of objective criteria;
- are granted on the same timing requirements and to the same extent to all investors who meet the objective criteria.

The objective criteria for the granting of discounts by the fund management company are:

- minimum investment in a collective investment or in the collective investment range;
- the amount of fees generated by the investor;
- the expected investment period;
- the investor's willingness to support the fund during its launch period.

1.11.4 Fees and incidental costs charged to the investors (excerpt from § 18 of the fund contract)

Issuing commission accruing to the fund management company, custodian bank and/or distributors in Switzerland and abroad	max. 3%
Redemption commission accruing to the fund management company, custodian bank and/or distributors in Switzerland and abroad	max. 3%

Incidental costs accruing to the fund assets in connection with the investment of the amount paid in or with the sale of investments (§ 17 (3) and § 18 (3) and (4) of the fund contract) as per the following table:

Subfund:	Added to the net asset value (effective):	Deducted from the net asset value (effective):
AXA (CH) Strategy Fund – Portfolio 30	0.00%	0.00%
AXA (CH) Strategy Fund – Portfolio 40	0.00%	0.00%
AXA (CH) Strategy Fund – Economic Trends Equity CHF	0.00%	0.00%
AXA (CH) Strategy Fund – Sustainable Equity CHF	0.00%	0.00%
AXA (CH) Strategy Fund – Global Equity CHF	0.07%	0.10%
AXA (CH) Strategy Fund – Swiss Equity CHF	0.00%	0.00%

1.11.5 Fee splitting agreements and non-pecuniary benefits ("soft commissions")

The fund management company has not concluded any fee splitting agreements.

The fund management company has not concluded any agreements in respect of soft commissions.

1.11.6 Investments in related collective investment schemes

In the case of investments in other collective investment schemes that are managed directly or indirectly by the fund management company itself or by a company with which it is related by virtue of common management or control or by a significant direct or indirect interest, no issuing and redemption commissions are charged.

1.12 Examining the reports

The prospectus with integrated fund contract, the key information for the investor, and the annual or semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.

1.13 Legal status of the investment fund

The investment fund is an investment fund under Swiss law of the "securities funds" type pursuant to the Swiss Federal Act on Collective Investment Schemes of 23 June 2006.

The subfunds are based upon a collective investment agreement (fund contract), under which the fund management company undertakes to provide the investor with a stake in the corresponding subfund in proportion to the units acquired by the said investor, and to manage this subfund independently and in its own name in accordance with the provisions of the law and the fund contract. The custodian bank is party to the fund contract in accordance with the tasks conferred upon it by the law and the fund contract.

1.14 The most significant risks

The following significant risks exist for all subfunds:

There is no guarantee that there will be a growth in value of the investments. Both the value as well as the income of the investments may increase or decrease. There is no guarantee that the investment objective will actually be achieved. There is no guarantee that the investor will achieve a certain income and be able to redeem the units from the fund management company at a certain price.

The accounting currency of the subfunds refers merely to the currency in which the performance of the subfunds is measured, and not to the investment currency of the subfunds. The investments can be made worldwide and, accordingly, be made in varying currencies. The investment strategy provides, however, that the foreign currency risk is to be kept low.

1.15 Liquidity risk management

The fund management company ensures appropriate liquidity management. The fund management company assesses the liquidity of the investment fund on a weekly basis, documents it, and takes action as required.

The liquidity assessment includes the investors, existing liabilities and redemption frequency, as well as the current liquidity situation on the markets.

2. Information on the fund management company

2.1 General information on the fund management company

AXA Investment Managers Switzerland AG is responsible for the fund management. The fund management company, which is domiciled in Zurich, has been active in the fund business since its formation as an Aktiengesellschaft (joint-stock company) in 2006.

AXA Investment Managers Switzerland AG is a 100 % subsidiary of AXA Investment Managers S.A., F–92908 Paris La Défense (AXA Investment Managers Group).

2.2 Additional information on the fund management company

As at 31 December 2023, the fund management company managed collective investment schemes in Switzerland with assets under management of a total of approximately CHF 18.1 billion.

Furthermore, the fund management company also provided the following services:

- asset management;
- safekeeping and technical administration of collective investment schemes;
- administrative services for collective investment schemes.

The address of the fund management company is:
Ernst-Nobs-Platz 7, P.O. Box 1078, 8021 Zurich; www.axa-im.ch

2.3 Board of Directors and executive bodies

2.3.1 Board of Directors

The current members of the Board of Directors of the fund management company are:

Caroline Portel, Chairperson
Concurrently Global Chief Operating Officer of the AXA Investment Managers Group

PD Dr. iur. Sandro Abegglen, Vice-Chairperson
Concurrently partner at Niederer Kraft Frey AG, Zurich

Isabelle Scemama, Member
Concurrently Global Head of AXA IM Alts and CEO AXA IM Real Assets in the AXA Investment Managers Group

2.3.2 Executive Board

The Executive Board consists of:

André Ullmann, CEO

André Thali, Deputy CEO and
Co-Head Client Group Core

Frederick Widl, Head of Real Assets

Richard Mooser, Chief Investment Officer
and Head of Fixed Income

Dr. Werner E. Rutsch, Head of Client Group Alts

Silvia Staub Walther, Head of CRM AXA Switzerland

An overview of the current composition of the Board of Directors and the Executive Board can also be found on our website: About Us | AXA IM CH (axa-im.ch).

2.4 Transfer of investment decisions and of other specific tasks

In addition to management by the fund management company itself, investment decisions pertaining to the subfunds are transferred to:

Subfund:	Asset management by:
AXA (CH) Strategy Fund – Portfolio 30	AXA Investment Managers Paris S.A., Puteaux near Paris
AXA (CH) Strategy Fund – Portfolio 40	AXA Investment Managers Paris S.A., Puteaux near Paris
AXA (CH) Strategy Fund – Economic Trends Equity CHF	AXA Investment Managers Paris S.A., Puteaux near Paris
AXA (CH) Strategy Fund – Sustainable Equity CHF	AXA Investment Managers UK Ltd., London
AXA (CH) Strategy Fund – Global Equity CHF	Blackrock Investment Management (UK) Ltd., London
AXA (CH) Strategy Fund – Swiss Equity CHF	AXA Investment Managers Paris S.A., Puteaux near Paris

Bookkeeping and securities administration for the subfunds have been delegated to State Street Bank International GmbH, Munich, Zurich Branch, Zurich ("SSB Zurich"). Precise details of how its remit is to be fulfilled are laid down in an agreement between the fund management company and SSB Zurich.

The information technology area of the fund management company has been delegated to AXA Investment Managers Paris S.A., La Défense/Paris. Precise details of how their remits are to be fulfilled are laid down in agreements between the fund management company and the above-referenced service provider.

The Middle Office services are delegated to State Street Bank International GmbH, Munich, Paris Branch. Middle Office services include in particular (i) trade support: validation of transactions with counterparties and settlement instructions vis-a-vis the custodian bank (trade settlement); (ii) corporate actions: instructions to the custodian bank on corporate actions; (iii) reconciliation: portfolio reconciliation with the custodian bank. The fund management company arranges the details in the contract with the service provider.

2.5 Transfer of IT services in the context of client relationship management

In the context of client relationship management, the fund management company has partly transferred the electronic management of client data to Salesforce.com Sàrl, Morges. This entity, on its part, procures certain services from Salesforce.com Inc., San Francisco, USA, or has partly outsourced certain services to it. Precise details of how this remit is fulfilled are laid down in an agreement between the fund management company and Salesforce.com Sàrl, Morges.

The activity of Salesforce.com Inc., San Francisco, USA, as a subdelegate is governed additionally by an agreement between the fund management company and said company.

2.6 Data protection and client secrecy

Data (including personal data of investors) may be transferred abroad or processed from abroad in connection with services which are provided for the execution of the fund contract by the fund management company itself or by third party providers in Switzerland or abroad (all within the boundaries of the Swiss legislation on collective investment schemes).

Partial services may be provided in countries which (according to the Annex I of the Data Protection Ordinance of 31 August 2022) have an insufficient level of data protection.

The fund management company regulates data protection in contracts with the service providers.

The investor acknowledges that professional confidentiality pursuant to Article 69 of the Federal Act on Financial Institutions (FinIA) of 15 June 2008, and data privacy cannot be fully assured in the case of any delegation of tasks abroad.

2.7 Exercise of membership and creditors' rights

The fund management company exercises the membership and creditors' rights associated with the investments of the subfunds it manages independently and exclusively in the interests of the investors. The fund management company will, upon request, provide investors with information on the exercise of membership and creditors' rights.

In the case of scheduled routine transactions, the fund management company is free to exercise membership and creditors' rights itself or to delegate their exercise to the custodian bank or a third party, or to forego the exercise of these rights.

In the case of all other events that might have a lasting impact on the interests of the investors, such as, in particular, the exercise of membership and creditors' rights that the fund management company holds as a shareholder or creditor of the custodian bank or another related legal entity, the fund management company will exercise the voting rights itself or issue explicit instructions. In such cases, it may base its actions on information that it receives from the custodian bank, the portfolio manager, the company concerned or from third parties or learns of through the press.

An overview of how membership and creditors' rights are exercised can be found on AXA IM's website under Our Policies | AXA IM Corporate (axa-im.com).

3. Information on the custodian bank

3.1 General information on the custodian bank

The custodian bank is State Street Bank International GmbH, Munich, Zurich Branch, Beethovenstrasse 19, 8002 Zurich. State Street Bank International GmbH, Munich, Zurich Branch is a bank within the meaning of the Federal Act on Banks and Savings Banks and complies with the requirements of Art. 72 of the Swiss Federal Act on Collective Investment Schemes.

The custodian bank is a branch of State Street Bank International GmbH, Munich, a bank organized under German law that is in turn an indirect subsidiary of State Street Corporation, Boston (MA). The equity capital of State Street Bank International GmbH, Munich amounted to EUR 109'368'445.00 as at 31 December 2021.

3.2 Additional information on the custodian bank

The main activities of State Street Bank International GmbH, Munich, Zurich Branch, are in the following areas:

- Custodian bank for Swiss investment funds
- Global securities administration for Swiss and foreign institutional clients and investment funds or other open-ended or closed collective investment schemes
- Paying agent and representative for Swiss and foreign investment funds
- Payment transactions for institutional clients
- Lending business in connection with global securities administration or the custodian bank business

The custodian bank may entrust safekeeping of the fund assets to third-party and central securities depositaries in Switzerland or abroad, provided that this is in the interests of efficient management. This involves the following risks, among others: Settlement risks, i.e. delayed receipt or delivery of securities, country risk in the event of insolvency, and political risk in the case of emerging markets in particular. Transfers of financial instruments within the meaning of the previous paragraph may only be made to supervised third-party or central securities depositaries. This excludes mandatory safekeeping at a location at which the transfer to supervised third-party or central securities depositaries is not possible, in particular, for example, due to mandatory provisions of law or mandatory terms and conditions of the investment product.

The use of third-party custodians and central securities depositaries means that deposited securities and book-entry securities are no longer owned solely by the fund management company, which instead becomes only a co-owner. If, moreover, the third-party custodians and central securities depositaries are not supervised, they may not meet the organizational requirements imposed on Swiss banks.

The custodian bank is liable for loss or damage caused by its agent, unless it can prove that in relation to selection, instruction and supervision it exercised all due diligence required by the circumstances.

The custodian bank is registered with the US tax authorities as a Reporting Financial Institution pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code (Foreign Account Tax Compliance Act, including the corresponding rulings, “FATCA”).

State Street Bank International GmbH, Munich, Zurich Branch (the “Bank”) is part of an international group. Within the context of the issuance and redemption of fund units and maintenance of business relationships, data and information about clients, their business relationships with the Bank (including information on the beneficial owners) and about their business connections may be passed on to the extent legally permissible to the Bank’s group companies abroad, its agents abroad or to the fund’s fund management company. These service providers and the fund management company are obliged to treat all information as confidential and to use it exclusively for the purpose for which it is made available to them. Data protection laws abroad may differ from those applicable in Switzerland and provide a lower standard of protection.

4. Information on third parties

4.1 Paying agents

The paying agent is the custodian bank, State Street Bank International GmbH, Munich, Zurich Branch, Beethovenstrasse 19, 8002 Zurich.

4.2 Distributor

AXA Leben AG, General Guisan-Strasse 40, 8400 Winterthur, has been appointed as distributor for the subfunds.

5. Further information

5.1 Key data

a) AXA (CH) Strategy Fund – Portfolio 30

Swiss securities number	Unit class “A”	12479078
	Unit class “I”	12479079
ISIN	Unit class “A”	CH0124790780
	Unit class “I”	CH0124790798
Duration	unlimited	
Accounting currency	Swiss francs (CHF)	
Units	bearer	

b) AXA (CH) Strategy Fund – Portfolio 40

Swiss securities number	Unit class “A”	12479081
	Unit class “I”	12479082
ISIN	Unit class “A”	CH0124790814
	Unit class “I”	CH0124790822
Duration	unlimited	
Accounting currency	Swiss francs (CHF)	
Units	bearer	

c) AXA (CH) Strategy Fund – Economic Trends Equity CHF

Swiss securities number	Unit class “A”	44307273
	Unit class “S”	45719485
ISIN	Unit class “A”	CH0443072738
	Unit class “S”	CH0457194857
Duration	unlimited	
Accounting currency	Swiss francs (CHF)	
Units	bearer	
Benchmark	50 % Swiss Performance Index (SPI) + 50 % EURO STOXX 50 hedged in CHF	

d) AXA (CH) Strategy Fund – Sustainable Equity CHF

Swiss securities number	Unit class “A”	44307277
	Unit class “S”	45719486
ISIN	Unit class “A”	CH0443072779
	Unit class “S”	CH0457194865
Duration	unlimited	
Accounting currency	Swiss francs (CHF)	
Units	bearer	
Benchmark	100 % MSCI ACWI with Developed Markets 100 % hedged to CHF Index	

e) AXA (CH) Strategy Fund – Global Equity CHF

Swiss securities number	Unit class "A"	44307281
	Unit class "S"	45719493
ISIN	Unit class "A"	CH0443072811
	Unit class "S"	CH0457194931
Duration	unlimited	
Accounting currency	Swiss francs (CHF)	
Units	bearer	
Benchmark	100 % MSCI ACWI with Developed Markets 100 % Hedged to CHF Index	

f) AXA (CH) Strategy Fund – Swiss Equity CHF

Swiss securities number	Unit class "A"	46705283
	Unit class "S"	46705284
ISIN	Unit class "A"	CH0467052830
	Unit class "S"	CH0467052848
Duration	unlimited	
Accounting currency	Swiss francs (CHF)	
Units	bearer	
Benchmark	60 % SPI Mid + 40 % SPI Large	

5.2 Publication of official notices by the umbrella fund or subfunds

Further information on the umbrella fund and the subfunds may be found in the latest annual or semi-annual report. The latest information can also be found on the Internet at www.axa-im.ch.

In the event of a change to the fund contract, a change in the fund management company or the custodian bank, as well the dissolution of the subfunds, the corresponding notice will be published by the fund management company on the electronic platform Swiss Fund Data AG (www.swissfunddata.ch).

Prices are published for all unit classes of each subfund on each day on which the corresponding units can be issued or redeemed (basically on each bank working day) at Swiss Fund Data AG (www.swissfunddata.ch). Prices may also be published at Fund Info (www.fundinfo.com)or on www.axa-im.ch.

5.3 Sales restrictions

No issue or redemption of units of the subfunds may take place outside Switzerland; in particular, units of the subfunds may not be offered, sold or delivered within the United States.

Units of the subfunds may not be offered, sold, or delivered to U.S. persons within the meaning of Regulation S of the US Securities Act of 1933, in particular to investors who are US citizens or investors who are domiciled or resident in the United States.

Units in the subfund may be neither offered nor sold to persons who would like to engage in transactions within the framework of a US employee benefit plan. In this connection "employee benefit plan" means (i) any "employee benefit plan" as defined in Section 3(3) of the US Employee Retirement Income Security Act of 1974 as amended ("ERISA") that is subject to the provisions of Part 4 of Title I of ERISA, (ii) any individual retirement savings account, Keogh Plan and any other plan described in Section 4975(e)(1) of the US Internal Revenue Code of 1986 as amended, (iii) any entity whose underlying assets by reason of the plans named under (i) or (ii) include "plan assets" holding at least 25 % of each class of equity interests issued by this entity, or (iv) any other entity (such as insurance company separate or general accounts, group or common trust) whose underlying assets include "plan assets" by reason of the investment of the plans named under (i) or (ii) in this entity.

6. Further investment information

Profile of the typical investor

a) Portfolio 30 and Portfolio 40 subfunds

These subfunds are suitable for investors who are seeking a diversified portfolio in the investment classes of equities, bonds and money market instruments, who wish to be exposed to limited price fluctuations but who nonetheless wish to participate to a moderate extent in rising stock markets.

b) Economic Trends Equity CHF subfund

This subfund is suitable for investors with a long-term investment horizon who would like to participate in a theme-based way in the performance of the equity market defined in the corresponding investment policy. This involves investors seeking diversified equity exposure to the Swiss, Liechtenstein, and European equity markets. Investors should be prepared to accept temporary fluctuations in the net asset value of fund units, and should not be reliant on realization of the investment on a specific date. Investors should be prepared for the possibility of losses.

c) Sustainable Equity CHF subfund

This subfund is suitable for investors with a long-term investment horizon who would like to participate in a theme-based way in the performance of the equity market defined in the corresponding investment policy. This involves investors seeking diversified equity exposure to the global equity market, whereby sustainability criteria form an integral part of the stock selection process. Investors should be prepared to accept temporary fluctuations in the net asset value of fund units, and should not be reliant on realization of the investment on a specific date. Investors must be prepared to accept losses.

d) Global Equity CHF subfund

This subfund is suitable for investors with a long-term investment horizon who are primarily interested in the replication of the benchmark. This involves investors seeking diversified equity exposure to the global equity market. Investors should be prepared to accept temporary fluctuations in the net asset value of fund units, and should not be reliant on realization of the investment on a specific date. Investors should be prepared for the possibility of losses.

e) Swiss Equity CHF subfund

This subfund is suitable for investors with a long-term investment horizon who would like to participate in the performance of the equity market defined in the corresponding investment policy. This involves investors seeking diversified equity exposure to the Swiss equity market. Investors should be prepared to accept temporary fluctuations in the net asset value of fund units, and should not be reliant on realization of the investment on a specific date. Investors must be prepared to accept losses.

7. Detailed regulations

All further information on the umbrella fund and subfunds, such as the method used for the valuation of the subfunds' assets, a list of all fees and incidental costs charged to the investor and the subfunds, and the appropriation of net income, can be found in detail in the fund contract.

Part 2: Fund Contract

I Basic principles

§ 1 Name of the fund; name and registered office of the fund management company, custodian bank and asset manager

1. A contractual umbrella fund of the type "securities funds" has been established under the name of AXA (CH) Strategy Fund (hereinafter referred to as the "umbrella fund") in accordance with Art. 25ff in conjunction with Art. 53ff in conjunction with Art. 92f of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (CISA). It is divided into the following subfunds:
   - Portfolio 30
   - Portfolio 40
   - Economic Trends Equity CHF
   - Sustainable Equity CHF
   - Global Equity CHF
   - Swiss Equity CHF
2. The fund management company is AXA Investment Managers Switzerland AG, Zurich.
3. The custodian bank is State Street Bank International GmbH, Munich, Zurich Branch, Zurich.
4. In addition to management by the fund management company itself, investment decisions pertaining to the subfunds are delegated to:

Subfund:	Asset management by:
AXA (CH) Strategy Fund – Portfolio 30	AXA Investment Managers Paris S.A., Puteaux near Paris
AXA (CH) Strategy Fund – Portfolio 40	AXA Investment Managers Paris S.A., Puteaux near Paris
AXA (CH) Strategy Fund – Economic Trends Equity CHF	AXA Investment Managers Paris S.A., Puteaux near Paris
AXA (CH) Strategy Fund – Sustainable Equity CHF	AXA Investment Managers UK Ltd., London
AXA (CH) Strategy Fund – Global Equity CHF	Blackrock Investment Management (UK) Ltd., London
AXA (CH) Strategy Fund – Swiss Equity CHF	AXA Investment Managers Paris S.A., Puteaux near Paris

II Rights and obligations of the parties to the contract

§ 2 The fund contract

The legal relationship between the investors[1)] on the one hand and the fund management company and the custodian bank on the other hand are governed by the present fund contract and the applicable provisions of the legislation on collective investment schemes.

§ 3 The fund management company

1. The fund management company manages the subfunds at its own discretion and in its own name, but for the account of the investors. It decides in particular on the issue of units, the investments and their valuation. It calculates the net asset value of the subfunds and determines the issue and redemption prices as well as distributions of income. It exercises all rights associated with the umbrella fund and the subfunds, respectively.
2. The fund management company and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investor. They implement the organizational measures that are necessary for proper management. They provide accounts for this umbrella fund and the subfunds and disclose all fees and costs that are directly or indirectly charged to the investor as well as remuneration received from third parties, in particular commissions, rebates and other pecuniary benefits in connection with the management of this umbrella fund.
3. The fund management company may delegate investment decisions as well as specific tasks for all or some subfunds, provided this is in the interests of efficient management. It delegates exclusively to persons who have the necessary skills, knowledge and experience, as well as the necessary authorizations, for the respective tasks. It ensures the careful instruction and supervision of the third parties engaged.

   The investment decisions may only be delegated to asset managers that have the necessary authorization.

[1)] For ease of reading, gender-specific differentiation has been avoided. All corresponding terms apply to both genders.

Investment decisions may not be delegated to the custodian bank or to other companies whose interests may conflict with those of the fund management company or the investors.

The fund management company remains responsible for meeting the supervisory requirements and safeguards the interests of the investor in relation to the delegation of tasks. The fund management company shall be liable for the actions of persons to which it has transferred tasks in accordance with Art. 35 para. 1 FinIA as if they were its own actions.

4. The fund management company may, with the consent of the custodian bank, submit a change to the present fund contract to the supervisory authority for approval (see § 26) as well as establish additional subfunds with the approval of the supervisory authority.

5. The fund management company can merge individual subfunds with other subfunds or with other investment funds pursuant to the provisions set down under § 24 and can dissolve the individual subfunds pursuant to the provisions set down under § 25.

6. The fund management company is entitled to receive the fees stipulated in §§ 18 and 19. It is further entitled to be released from the liabilities assumed in the proper execution of its tasks, and to be reimbursed for expenses incurred in connection with such liabilities.

§ 4 The custodian bank

1. The custodian bank is responsible for the safekeeping of the assets of the subfunds. It handles the issue and redemption of fund units as well as payments on behalf of the subfunds.

2. The custodian bank and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investor. They implement the organizational measures that are necessary for proper management. They provide accounts for the collective investment schemes they hold in safekeeping and disclose all fees and costs that are directly or indirectly charged to the investor as well as remuneration received from third parties, in particular commissions, rebates and other pecuniary benefits in connection with the management of this umbrella fund.

3. The custodian bank is responsible for the maintenance of the account and custody account of the subfunds, but may not independently access their assets.

4. The custodian bank shall ensure that the countervalue for transactions that relate to the assets of the subfunds is transferred within the customary periods. It will inform the fund management company if the countervalue is not provided within the customary periods and will, if this is not possible, claim compensation for the affected asset from the counterparty.

5. The custodian keeps the requisite records and accounts in such a way as to be able to identify the assets in custody for each individual subfund at any time.

   Where assets cannot be held in safekeeping, the custodian bank shall check the fund management company's ownership and maintain corresponding records.

6. The custodian bank may entrust the safekeeping of the assets of the subfunds to third-party and central securities depositaries in Switzerland or abroad, provided that this is in the interests of effective custody. The custodian bank shall verify and monitor the third-party or central securities depositary to which it has delegated the safekeeping of the assets to ensure that:

   a) It has an appropriate business organization, financial guarantees and the specialist qualifications necessary to manage the type and complexity of assets with which it has been entrusted;

   b) It is subject to a regular external audit that ensures that the financial instruments are in its possession;

   c) It keeps the assets received from the custodian bank in safekeeping in such a way that they can be clearly identified at all times by the custodian bank as belonging to the fund assets by means of the regular reconciliation of holdings;

   d) It adheres to the regulations applicable to the custodian bank as regards the performance of the tasks delegated to it and the avoidance of conflicts of interest.

   The custodian bank is liable for loss or damage caused by its agent, unless it can prove that in relation to selection, instruction and supervision it exercised all due diligence required by the circumstances. Information on the risks associated with the transfer of the safekeeping of assets to third party and central securities depositaries is set out in the prospectus.

Transfers of financial instruments within the meaning of the preceding paragraph may only be made to supervised third-party or central securities depositaries. This excludes mandatory safekeeping at a location at which the transfer to supervised third-party or central securities depositaries is not possible, in particular, for example, due to mandatory provisions of law or mandatory terms and conditions of the investment product. Investors are informed in the prospectus about the safekeeping of assets by third-party or central securities depositaries that are not subject to supervision.

7. The custodian bank ensures that the fund management company complies with the law and the fund contract. It checks whether the calculation of the net asset value and of the issue and redemption prices of the units as well as the investment decisions are in compliance with the law and the fund contract, and whether the income is appropriated in accordance with the fund contract. The custodian bank is not responsible for the choice of investments which the fund management company makes in accordance with the investment regulations.
8. The custodian bank is entitled to receive the fees stipulated in §§ 18 and 19. It is further entitled to be released from the liabilities assumed in the proper execution of its tasks, and to be reimbursed for expenses incurred in connection with such liabilities.

§ 5 The investors

1. There are no restrictions as regards investors.
2. On concluding the contract and making payment in cash, the investors acquire a claim against the fund management company in respect of a participation in the assets and income of a subfund of the umbrella fund. The investors' claim is evidenced in the form of fund units.
3. Investors are only entitled to the assets and income of the subfund in which they are invested. In the case of liabilities accruing to an individual subfund, only the said subfund is liable.
4. Investors are only obliged to remit payment for the units of the subfund for which they subscribe. They shall not be held personally liable for the liabilities of the umbrella fund or subfund.
5. Investors may at any time request that the fund management company supply them with information regarding the basis on which the net asset value per unit is calculated. If investors express an interest in more detailed information on specific business transactions effected by the fund management company, such as the exercising of membership and creditors' rights or on risk management, they must be given such information by the fund management company at any time. It shall ensure that the investors are treated equally. The investors may request at the courts of the registered office of the fund management company that the auditors or another expert investigate the matter which requires clarification and furnish the investors with a report.
6. The investors may terminate the fund contract at any time and demand that their share in the relevant subfund be paid out in cash.
7. If requested, the investors are obliged to provide the fund management company and/or the custodian bank and their agents with proof that they comply with or continue to comply with the requirements laid down in the law or the fund contract in respect of participation in a subfund or in a unit class. Furthermore, they are obliged to inform the fund management company, the custodian bank and their agents immediately once they no longer meet these requirements.
8. The fund management company in conjunction with the custodian bank must make a forced redemption of the units of an investor at the current redemption price if:
   a) this is necessary to safeguard the reputation of the financial market, specifically to combat money laundering;
   b) the investor no longer meets the statutory or contractual requirements for participation in a subfund.
9. The fund management company in conjunction with the custodian bank can also make a forced redemption of the units of an investor at the current redemption price if:
   a) the participation of the investor in the subfund is such that it could have a significant detrimental impact on the economic interests of the other investors, in particular if the participation could result in tax disadvantages for the umbrella fund or a subfund in Switzerland or abroad;
   b) the investor has acquired or holds their units in violation of provisions of a law to which they are subject either in Switzerland or abroad, of the present fund contract or the prospectus;

c) there is a detrimental impact on the economic interests of the investors, in particular in cases where individual investors seek by way of systematic subscriptions and immediate redemptions to achieve a pecuniary gain by exploiting the time differences between the setting of the closing prices and the valuation of the assets of the subfunds (market timing).

§ 6 Units and unit classes

1. The fund management company is entitled to establish, liquidate or merge unit classes for each subfund at any time, subject to the consent of the custodian bank and the approval of the supervisory authority. All unit classes embody an entitlement to a share in the undivided assets of the relevant subfund, which are not segmented. This share may differ due to class-specific costs or distributions or class-specific income and the various unit classes of a subfund may therefore have different net asset values per unit. Class-specific costs are covered by the assets of the subfund as a whole.
2. Notification of the establishment, dissolution or merger of unit classes shall be published in the media of publication. Only mergers shall be deemed a change to the fund contract pursuant to § 26.
3. The various unit classes of the subfunds may differ from one another in terms of their cost structure, accounting currency, currency hedging, policy with regard to distribution or reinvestment of income, the minimum investment required and investor eligibility.

   Fees and costs are only charged to the unit class for which the respective service is performed. Fees and costs that cannot be unequivocally allocated to a unit class shall be charged to the individual unit classes on a pro rata basis in relation to their share of the assets of the subfund.
4. The following unit classes currently exist for all subfunds:

   Units of the unit class “A” are offered to all investors. No minimum subscription amount is required.

   Class “I” units are offered to all investors. A minimum investment amount of CHF 500'000 applies to initial subscriptions of class “I” units, except if the initial subscription results from the transfer of the fund units to a new unitholder within this unit class.

   In addition, the following unit classes currently exist for the subfunds Economic Trends Equity CHF, Sustainable Equity CHF, Global Equity CHF and Swiss Equity CHF:

   Class “S” units are offered to all investors investing in the subfunds Economic Trends Equity CHF, Sustainable Equity CHF, Global Equity CHF or Swiss Equity CHF. The unit class “S” may be held by investors either holding a minimum amount of CHF 5'000'000 at initial subscriptions of class “S” units, except if the initial subscription results from the transfer of the fund units to a new unitholder within this unit class, or with an investment advisory or an asset management contract in writing with a company belonging to the AXA Group.

   The unit classes vary in terms of the minimum subscription amount and fee, see § 19.
5. Units will not take the form of actual certificates but will exist purely as book entries. The investor is not entitled to demand delivery of a unit certificate.
6. The fund management company and the custodian bank are obliged to instruct investors who no longer meet the prerequisites for holding a unit class to ensure within 30 calendar days that their units are redeemed pursuant to § 17, transferred to a person who does meet the aforementioned prerequisites, or switched into units of another unit class of the relevant subfund whose prerequisites they do meet. If the investor fails to comply with this demand, the fund management company must, in cooperation with the custodian bank, make a forced switch into another unit class of the relevant subfund or, should this not be possible, force the redemption of the units in question pursuant to § 5 prov. 8.

III Investment policy guidelines

A Investment principles

§ 7 Compliance with investment regulations

1. In selecting individual investments for each subfund, the fund management company must adhere to the principle of

balanced risk diversification and must observe the percentage limits defined below. These percentages relate to the assets of the individual subfund at market value and must be complied with at all times. The individual subfunds must have fulfilled the terms of the investment restrictions no later than six months after the expiry of the subscription period (launch).

2. If the limits are overrun as a result of market-related changes, the investments must be restored to the permitted bandwidths within a reasonable period, taking due account of the investors' interests. If the limits relating to derivatives pursuant to § 12 below are exceeded due to a change in the delta, this is to be duly rectified within three bank working days at the latest, taking due account of the investors' interests.

§ 8 Investment policy

1. The fund management company may, within the scope of the specific investment policy of each subfund pursuant to prov. 2, invest the assets of the individual subfunds in the following investments. The risks entailed by these investments must be disclosed in the prospectus.

   a) Securities, i. e. securities issued in large quantities and non-securitized rights with the same function (uncertified securities) that are traded on a stock exchange or another market open to the public, and that embody a participation right or claim or the right to acquire such securities and uncertified securities by way of subscription or exchange, for example warrants;

   Investments in securities from new issues are only permitted if their admission to a stock exchange or another regulated market open to the public is envisaged under the terms of issue. If they have not been admitted to a stock exchange or another regulated market open to the public within a year after their acquisition, these securities must be sold within one month or be included under the restriction set down in prov. 1 lit f.

   b) Derivatives, if (i) the underlying securities are securities pursuant to lit a, derivatives pursuant to lit b, units in collective investment schemes pursuant to lit c, money market instruments pursuant to lit d, financial indices, interest rates, exchange rates, credits or currencies, and (ii) the underlying securities are permitted as investments under the fund contract. Derivatives are either traded on a stock exchange or another regulated market open to the public, or are traded OTC;

   OTC transactions are only permitted if (i) the counterparty is a regulated financial intermediary specializing in such transactions, and (ii) the OTC derivatives can be traded daily or a return to the issuer is possible at any time. In addition, it shall be possible for them to be valued in a reliable and transparent manner. Derivatives may be used pursuant to § 12.

   c) Units of other collective investment schemes (target funds), provided that (i) their documents restrict investments for their part in other target funds to a total of 10 %; (ii) these target funds are subject to provisions equivalent to those pertaining to securities funds in respect of the purpose, organization, investment policy, investor protection, risk diversification, asset segregation, borrowing, lending, short-selling of securities and money market instruments, the issuing and redemption of the units and the content of the semi-annual and annual reports; and (iii) these target funds are authorized as collective investment schemes in their country of domicile and are subject there to supervision which is equivalent to that in Switzerland and which serves to protect investors, and that international legal assistance is ensured;

   Subject to § 19, the fund management company may acquire units of target funds managed directly or indirectly by itself or by a company with which it is associated through common management or control or by a significant direct or indirect shareholding.

   d) Money market instruments, provided these are liquid, can be readily valued and are traded on an exchange or other regulated market open to the public; money market instruments which are not traded on an exchange or other regulated market open to the public may only be acquired if the issue or the issuer is subject to provisions regarding creditor or investor protection and if the money market instruments are issued or guaranteed by issuers pursuant to Art. 74 para. 2 CISO.

   e) Sight or time deposits with terms to maturity not exceeding twelve months with banks domiciled in Switzerland or in a member state of the OECD or in another country provided that the bank is subject to supervision in this country which is equivalent to the supervision in Switzerland.

f) Investments other than those specified in a to e above up to a total of 10 % of the assets of an individual subfund; the following are not permitted: (i) investments in precious metals, precious metals certificates, commodities and commodity certificates as well as (ii) short-selling of investments in accordance with a to d above.

Where a currency is specified in the name of a subfund, this is the accounting currency. The accounting currency is the currency in which the performance of the fund (subfund) is measured. The accounting currency is not necessarily identical to the investment currencies; the investments are made while taking into account the investment rules of the individual subfunds in the currencies that are most suitable for capital appreciation from the point of view of the fund management company or asset manager.

2. Investment policy of the individual subfunds:

A. AXA (CH) Strategy Fund – Portfolio 30

Investment objective

The investment objective of the subfunds Portfolio 30 is to use a diversified portfolio to generate value growth and appropriate income with controlled risk while implementing a strategy to limit risk.

Investment policy

The fund management company strives for a target equity market exposure of 30 %, with limitations on the maximum equity market exposure of 35 %. The investment strategy provides for the limitation of the impact of important daily price fluctuations that can occur, in particular, in connection with strong turbulence on the markets or in periods of a significant bear market. In order to achieve this, the allocation in more volatile investments (especially equities) is temporarily reduced if the average daily price fluctuation exceeds a specific limit over a specific period.

a) The following investments are permitted for this subfund:

  aa) bonds, convertible bonds, convertible notes, bond-linked warrants and notes as well as other fixed or variable interest debt securities and rights issued by private and public-law borrowers worldwide denominated in freely convertible currencies

  ab) money market instruments issued by domestic and foreign issuers in freely convertible currencies and sight or time deposits with terms to maturity not exceeding twelve months with banks in freely convertible currencies pursuant to prov. 1 lit e above

  ac) equity securities and rights (shares, dividend-right certificates, cooperative shares, participation certificates and the like) of enterprises worldwide

  ad) units of other collective investment schemes that invest their assets in investments pursuant to aa, ab, ac and ae

  ae) derivatives (including warrants) on the above-referenced investments as well as derivatives, provided that the underlying is comprised of financial indices, interest rates, exchange rates, loans, currencies or derivatives

b) In connection therewith, the fund management company shall invest a maximum of 35 % of the assets of the subfund, before deduction of the liquid assets, in equity securities and rights pursuant to ac above (including derivatives pursuant to ae on the same and/or collective investment schemes pursuant to ad that predominantly invest in the same)

c) In addition, the fund management company shall comply with the following investment restrictions which relate to the assets of the subfund:

  - a maximum of 49 % in units of other collective investment schemes.

B. AXA (CH) Strategy Fund – Portfolio 40

Investment objective

The investment objective of the subfunds Portfolio 40 is to use a diversified portfolio to generate value growth and appropriate income with controlled risk while implementing a strategy to limit risk.

Investment policy

The fund management company strives for a target equity market exposure of 40 %, with limitations on the maximum equity market exposure of 45 %. The investment strategy provides for the limitation of the impact of important daily price fluctuations that can occur, in particular, in connection with strong turbulence on the markets or in periods of a significant bear market. In order to achieve this, the allocation in more volatile investments (especially equities) is temporarily reduced if the average daily price fluctuation exceeds a specific limit over a specific period.

a) The following investments are permitted for this subfund:

   aa) bonds, convertible bonds, convertible notes, bond-linked warrants and notes as well as other fixed or variable interest debt securities and rights issued by private and public-law borrowers worldwide denominated in freely convertible currencies

   ab) money market instruments issued by domestic and foreign issuers in freely convertible currencies and sight or time deposits with terms to maturity not exceeding twelve months with banks in freely convertible currencies pursuant to prov. 1 lit e above

   ac) equity securities and rights (shares, dividend-right certificates, cooperative shares, participation certificates and the like) of enterprises worldwide

   ad) units of other collective investment schemes that invest their assets in investments pursuant to aa, ab, ac and ae

   ae) derivatives (including warrants) on the above-referenced investments as well as derivatives, provided that the underlying is comprised of financial indices, interest rates, exchange rates, loans, currencies or derivatives

b) In connection therewith, the fund management company shall invest a maximum of 45 % of the assets of the subfund, before deduction of the liquid assets, in equity securities and rights pursuant to ac above (including derivatives pursuant to ae on the same and/or collective investment schemes pursuant to ad that predominantly invest in the same)

c) In addition, the fund management company shall comply with the following investment restrictions which relate to the assets of the subfund:

   - a maximum of 49 % in units of other collective investment schemes.

C. AXA (CH) Strategy Fund – Economic Trends Equity CHF

Investment objective

The investment objective of this subfund is to generate growth in value and an appropriate return in CHF that exceeds the performance of the benchmark "50 % Swiss Performance Index (SPI) + 50 % EURO STOXX 50 hedged to CHF". In order to achieve this objective, a diversified portfolio of equities, equity-related securities and derivatives is actively managed with a focus on the (i) Swiss, Liechtenstein and (ii) European capital markets.

The fund management company strives to achieve an equity market exposure of at least 90 % in the Economic Trends Equity CHF subfund.

Investment policy

The fund management company invests in equity securities and equity rights (shares, dividend rights certificates, shares in cooperatives, participation certificates and similar) of companies whose domicile or principal commercial activities are (i) in Switzerland, the Principality of Liechtenstein or (ii) in Europe and which form a component part of (i) the Swiss Performance Index (SPI) and/or (ii) the EURO STOXX Index. The following investment instruments may also be used: Swiss franc-denominated money market instruments, investment funds, and other investments permitted by the fund contract. As a supplement to the above-mentioned investments, derivative financial instruments may also be used. These typically comprise standardized, exchange-traded derivatives (primarily currency futures with a view to hedging foreign currency risk).

The investment process is geared around theme-based trends. As such, the fund management company invests in companies that exhibit sustainable growth potential on the basis of their future-oriented products and services. The underlying trends are selected at the asset manager's discretion (and may encompass the themes of automation, ageing & lifestyle, cleantech, connected consumer and transitioning societies, as well as other trends). As part of the investment process, the asset manager has broad discretion over the composition of the subfund's portfolio and can take, based on its investment convictions, large overweight or underweight positions. The asset manager uses a strategy that combines macro-economic, sector and company-specific analysis. The security selection process is based on a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile.

The **responsible** investment approach applied by the asset manager encompasses ESG integration (see prov. 1.9.1.1. in the prospectus) based on the AXA IM scoring framework (see prov. 1.9.1.1. a. in the prospectus), subject at all times to mandatory compliance with the policies on sectoral exclusions and the AXA IM ESG standards (see prov.1.9.1.1. b. in the prospectus). The ESG analysis coverage rate within the portfolio is at least 90 % of the assets defined under a) aa) below, whereas the exclusion policies are applied at 100 %. The application of the responsible investment approach cannot be guaranteed for the other investments defined under a) below, as there is no ESG data coverage of the individual investments or no possibility of including ESG factors, namely in the case of cash holdings, derivatives and underlying permissible units of other collective investment schemes (target funds).

The subfund pursues a responsible investment approach through the application of **"sectoral and normative exclusions"**, **"ESG integration"** and **"Stewardship"**.

Further explanations in this respect can be found in the prospectus.

a) The following investments are permitted for this subfund:
    aa) equity securities and equity rights (shares, dividend right certificates, shares in cooperatives, participation certificates and the like) of companies whose domicile or principal commercial activities are (i) in Switzerland, the Principality of Liechtenstein or (ii) in Europe
    ab) units of other collective investment schemes that invest their assets in investments pursuant to aa, ac, ad and ae
    ac) derivatives issued by domestic and foreign issuers (including warrants) on investments according to the above-referenced aa, or on indices provided that the underlying is comprised of the investments specified in aa, or on exchange rates or on currencies
    ad) sight or time deposits
    ae) money market instruments
b) In connection therewith, the fund management company invests a minimum of 90 % of the assets of the subfund in equity securities and equity rights pursuant to aa above (including derivatives pursuant to ac on the same and/or collective investment schemes pursuant to ab that predominantly invest in equity securities and equity rights pursuant to aa)
c) The fund management company may additionally invest a maximum of 10 % of the subfund's assets in:
    ca) Swiss franc-denominated money market instruments issued by domestic and foreign issuers
    cb) sight or time deposits with maturities not exceeding twelve months with banks pursuant to prov. 1 lit. e above
d) In addition, the fund management company must comply with the following investment restrictions:
    da) a minimum of 40 % and a maximum of 60 % of the assets of the subfund in investments according to lit. aa and ab of companies domiciled or with principal commercial activities are (i) in Switzerland, the Principality of Liechtenstein or (ii) in Europe
    db) a maximum of 10 % in other collective investment schemes
    dc) Derivatives may be used only for hedging purposes.

D. AXA (CH) Strategy Fund – Sustainable Equity CHF

Investment objective

The objective of this subfund is to seek growth in value and an appropriate return in CHF, from an actively managed and sustainably invested portfolio of international equities, equity-like securities and derivatives. The assets are selected by considering traditional criteria of financial analysis as well as ESG factors (Environmental, Social and Governance). By means of the decarbonisation strategy, the subfund aims to achieve a Carbon Intensity (tCO_2e/M$ return) of Scope 1 and 2 (cf. explanations below) that is at least 30 % below its benchmark "100 % MSCI ACWI with Developed Markets 100 % hedged to CHF". The achievement of the sustainability goals is disclosed in the annual report.

Investment policy

The subfund primarily invests in issuers engaged in a robust and credible decarbonization transition pathway. In order to achieve the sustainable Investment objective, the subfund applies a decarbonisation strategy to achieve gradual alignment with the objectives of the Paris Agreement on climate protection. The decarbonisation strategy involves the measurement of greenhouse gas emissions (GHG). A company's GHG (expressed in CO_2-equivalent emissions) can be measured in three categories (the so-called "scopes"): Scope 1 (direct emissions from the company's own or controlled sources), Scope 2 (indirect emissions from purchased energy) and Scope 3 (emissions from upstream and downstream activities throughout a company's supply chain, including emissions from the use of these products by customers). Given the data currently available, CO_2 emissions related to Scope 3 are incomplete and difficult to access and can therefore only be estimated. Scope 3 is therefore not included in the calculation of carbon intensity. Additionally, the subfund seeks to invest in climate solution providers that help mitigate climate change or facilitate the transition to sustainable energy use through their products and services in alignment with UN Sustainable Development Goals ("SDGs") Goal 7 of affordable and clean energy and Goal 13 clean energy.

The **responsible** investment approach applied by the asset manager encompasses ESG integration (see prov. 1.9.1.1. in the prospectus) based on the AXA IM scoring framework (see prov. 1.9.1.1. a. in the prospectus), subject at all times to mandatory compliance with the policies on sectoral exclusions and the AXA IM ESG standards (see prov.1.9.1.1. b. in the prospectus). The ESG analysis coverage rate within the portfolio is at least 90 % of the assets defined in a) aa) below, whereas the exclusion policies are applied at 100 %. The application of the responsible investment approach cannot be guaranteed for the other investments defined under a) below, as there is no ESG data coverage of the individual investments or no possibility of including ESG factors, namely in the case of cash holdings, derivatives and underlying permissible units of other collective investment schemes (target funds).

The subfund moreover pursues a socially responsible investment (SRI) approach favoring securities that show a higher ESG and/or E-score relative to its benchmark index resulting from AXA IM ESG scoring methodology.

By applying **"sectoral and normative exclusions", "ESG integration", "Stewardship"** and the **"decarbonisation strategy"**, the subfund pursues a sustainable investment approach. Finally, the subfund sets environmentally relevant priorities in the fulfilment of the UN Sustainable Development Goals ("SDGs").

Further explanations in this respect can be found in the prospectus.

a) The following investments are permitted for this subfund:
   - aa) equity securities and equity rights (shares, dividend rights certificates, shares in cooperatives, participation certificates and the like) of companies worldwide, including in the emerging markets
   - ab) units of other collective investment schemes that invest their assets in investments pursuant to aa, ac, ad and ae
   - ac) derivatives issued by domestic and foreign issuers (including warrants) on investments according to the above-referenced aa, or on indices provided that the underlying is comprised of the investments specified in aa, or on exchange rates or on currencies
   - ad) sight or time deposits
   - ae) money market instruments

b) In connection therewith, the fund management company invests a minimum of 90 % of the assets of the subfund in equity securities and equity rights pursuant to aa above (including derivatives pursuant to ac on the same and/or collective investment schemes pursuant to ab that predominantly invest in equity securities and equity rights pursuant to aa)

c) The fund management company may additionally invest a maximum of 10 % of the subfund's assets in:
   - ca) Swiss franc-denominated money market instruments issued by domestic and foreign issuers
   - cb) sight or time deposits with maturities not exceeding twelve months with banks pursuant to prov. 1 lit. e above

d) In addition, the fund management company must comply with the following:
   - da) a maximum of 10 % in other collective investment schemes.

E. AXA (CH) Strategy Fund – Global Equity CHF

Investment objective

The investment objective of the subfund is to replicate the benchmark "MSCI ACWI with Developed Markets 100 % hedged to CHF" as accurately as possible and to avoid any deviation from the performance of the benchmark to the greatest extent possible. In doing so, a total return from return on capital and return on income is offered that corresponds to the total return of the global equity markets. On occasions, it is possible that the subfund will not be invested in all securities of the benchmark, but only a representative selection thereof ("optimized sampling"). When selecting securities, the asset manager applies the mandatory AXA Group **exclusions list** at all times. Selection is facilitated by a system that takes account of quantitative factors which determine returns. Reasons for limiting the portfolio to a representative selection of the benchmark may be: the investment restrictions set out below; other legal and regulatory limitations; costs and expenses incurred for the subfund; and the illiquidity of certain investments.

The fund management company strives to achieve an equity market exposure of at least 90 % in the Global Equity CHF subfund.

Investment policy

The fund management company invests in equity securities and equity rights (shares, dividend rights certificates, shares in cooperatives, participation certificates and similar) of companies worldwide, including in the emerging markets, that form part of the MSCI AC World Index (MSCI ACWI Index). The following investment instruments may also be used: Swiss franc-denominated money market instruments, investment funds, and other investments permitted by the fund contract. In lieu of or as a supplement to the above-mentioned investments, derivative financial instruments may also be used (primarily currency forwards for hedging foreign currency risk, whereby only the foreign currency risk of developed markets is hedged).

To manage ESG and sustainability tail risks, the fund has introduced a series of exclusions-based strategies. These measures are aimed at managing ESG and sustainability tail risks, the focus being on the following aspects:

- **E:** Climate (coal mining and coal-based energy production; oil sand production and oil sand pipelines), biodiversity (palm oil production) and soft commodities (food derivatives)
- **S:** Health (tobacco) and human rights (production of controversial weapons, violations of the Global Compact principles of the United Nations)
- **G:** Business ethics (violations of the Global Compact principles of the United Nations).

More details of these exclusion policies and their scope is available on the AXA Group website at https://www.axa.com/

The exclusion polices are aimed at systematically incorporating the most severe sustainability risks into the investment decision-making process. These can change over time.

Additionally, the **Stewardship: engagement and voting** approach as specified in section 1.9.1.1.c of the prospectus is applied.

Further explanations in this respect can be found in the prospectus.

a) The following investments are permitted for this subfund:

   aa) equity securities and equity rights (shares, dividend rights certificates, shares in cooperatives, participation certificates and the like) of companies worldwide, including in the emerging markets

   ab) units of other collective investment schemes that invest their assets in investments pursuant to aa, ac, ad and ae

   ac) derivatives issued by domestic and foreign issuers (including warrants) on investments according to the above-referenced aa, or on indices provided that the underlying is comprised of the investments specified in aa, or on exchange rates or on currencies

   ad) sight or time deposits

   ae) money market instruments

b) The fund management company invests at least 90 % of the subfund's assets, after deduction of the liquid assets, in equity instruments and equity rights pursuant to aa or ab above (including derivatives pursuant to ac on the same and/or collective investment schemes pursuant to ab that primarily invest in equity securities and equity rights pursuant to aa)

c) The fund management company may additionally invest a maximum of 10 % of the subfund's assets in:

   ca) Swiss franc-denominated money market instruments issued by domestic and foreign issuers

   cb) sight or time deposits with maturities not exceeding twelve months with banks pursuant to prov. 1 lit. e above

d) In addition, the fund management company must comply with the following investment restrictions:

   da) a maximum of 20 % in other collective investment schemes

F. AXA (CH) Strategy Fund – Swiss Equity CHF

Investment objective

The investment objective of this subfund is to generate longterm growth in value and an appropriate return in CHF which exceeds the performance of the benchmark "60 % SPI Mid + 40 % SPI Large". In order to achieve the objective a portfolio of Swiss equities, equity-like securities and derivatives is actively managed.

The fund management company strives to achieve an equity market exposure of at least 90 % in the Swiss Equity CHF.

Investment policy

The fund management company invests in equity securities and equity rights (shares, dividend rights certificates, shares in cooperatives, participation certificates and similar) of companies listed on the Swiss stock exchange or with domicile in Switzerland. The following investment instruments may also be used: Swiss franc-denominated money market instruments, investment funds, and other investments permitted by the fund contract. In lieu of the above-mentioned investments, derivative financial instruments may also be used. As part of the investment process, the asset manager has broad discretion over the composition of the subfund's portfolio and can take, based on its investment convictions, large overweight or underweight positions. The asset manager uses a strategy that combines macro-economic, sector and company-specific analysis. The security selection process is based on a rigorous analysis of the companies' business model, management quality, growth prospects and risk/return profile.

The **responsible** investment approach applied by the asset manager encompasses ESG integration (see prov. 1.9.1.1. in the prospectus) based on the AXA IM scoring framework (see prov. 1.9.1.1. a. in the prospectus), subject at all times to mandatory compliance with the policies on sectoral exclusions and the AXA IM ESG standards (see prov.1.9.1.1. b. in the prospectus). The ESG analysis coverage rate within the portfolio is at least 90 % of the assets defined in a) aa) below, whereas the exclusion policies are applied at 100 %. The application of the responsible investment approach cannot be guaranteed for the other investments defined under a) below, as there is no ESG data coverage of the individual investments or no possibility of including ESG factors, namely in the case of cash holdings, derivatives and underlying permissible units of other collective investment schemes (target funds).

The subfund pursues a responsible investment approach through the application of **"sectoral and normative exclusions", "ESG integration"** and **"Stewardship"**.

Further explanations in this respect can be found in the prospectus.

a) The following investments are permitted for this subfund:

   aa) equity securities and equity rights (shares, dividend right certificates, shares in cooperatives, participation certificates and the like) of companies listed on the Swiss stock exchange or with domicile Switzerland

   ab) units of other collective investment schemes that invest their assets in investments pursuant to aa, ac, ad and ae

   ac) derivatives issued by domestic and foreign issuers (including warrants) on investments according to the above-referenced aa, or on indices provided that the underlying is comprised of the investments specified in aa

   ad) sight or time deposits

   ae) money market instruments

b) In connection therewith, the fund management company invests a minimum of 90 % of the assets of the subfund in equity securities and equity rights pursuant to aa above (including derivatives pursuant to ac on the same and/or collective investment schemes pursuant to ab that predominantly invest in equity securities and equity rights pursuant to aa)

c) The fund management company may additionally invest a maximum of 10 % of the subfund's assets in:
   ca) Swiss franc-denominated money market instruments issued by domestic and foreign issuers
   cb) sight or time deposits with maturities not exceeding twelve months with banks pursuant to prov. 1 lit. e above
d) In addition, the fund management company must comply with the following:
   da) a maximum of 10 % in other collective investment schemes

3. Subject to § 19, the fund management company may acquires units of target funds managed directly or indirectly by itself or by a company with which it is associated through common management or control or by a significant direct or indirect shareholding.
4. The fund management company ensures appropriate liquidity management. Details are published in the prospectus.

§ 9 Liquid assets

The fund management company may, for each subfund, also hold liquid assets in an appropriate amount in the accounting currency of the relevant subfund and in any other currency in which investments are permitted for that subfund. Liquid assets comprise bank deposits as well as claims from repurchase agreements at sight or on demand with maturities up to twelve months.

B Investment techniques and instruments

§ 10 Securities lending

1. The fund management company may lend all types of securities that are traded on a stock exchange or another regulated market open to the public. However, it may not lend securities that were acquired under a reverse repo transaction.
2. The fund management company may lend the securities in its own name and for its own account to a borrower ("principal transaction") or appoint an intermediary to put the securities at the disposal of the borrower either indirectly on a fiduciary basis ("agent transaction") or directly ("finder transaction").
3. The fund management company will carry out securities lending transactions exclusively with first-class supervised borrowers and intermediaries which are specialized in transactions of this type, such as banks, brokers, and insurance companies, as well as with licensed and recognized central counterparties and central securities depositaries that guarantee the proper execution of the security lending transactions.
4. If the fund management company must observe a notice period of not more than 7 banking days before it can legally repossess the loaned securities, it may not lend more than 50 % of the eligible holdings of a particular type per subfund. If, however, the borrower or intermediary provides a contractual guarantee to the fund management company that the latter may again legally dispose over the securities lent on the same or next banking day, the fund management company may lend its entire holdings of a particular instrument type eligible for lending.
5. The fund management company concludes an agreement with the borrower or intermediary under which the latter pledges or transfers collateral to the fund management company for the purposes of guaranteeing restitution in accordance with Art. 51 CISO-FINMA.

   The value of the collateral must be appropriate and must, at all times, be equal to at least 100 % of the market value of the securities lent. The issuer of the collateral must have a high credit rating, and the collateral may not be issued by the counterparty or by a company that belongs to or is dependent on the counterparty's group. The collateral must be highly liquid, traded at a transparent price on an exchange or other regulated market open to the public, and must be valued at least on each trading day. In managing the collateral, the fund management company and its agents must comply with the duties and requirements under Art. 52 CISO-FINMA. In particular, they must diversify the collateral appropriately in terms of countries, markets, and issuers; appropriate diversification of issuers is deemed to have been achieved if the collateral of a single issuer held does not correspond to more than 20 % of the net asset value. Deviation from this rule is reserved for publicly guaranteed or issued investments pursuant to Art. 83 CISO. The fund management company and its agents must further be able to obtain power of disposal over, and authority to dispose of, the collateral received at any time in the event of default by the counterparty, without involving the counterparty or obtaining its consent. The collateral received must be kept at the custodian bank. The collateral received may be held in safekeeping by a supervised third-party custodian on behalf of the fund management company provided that ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.

6. The borrower or intermediary is liable for ensuring the prompt, unconditional payment of any income accruing during the lending period as well as for the assertion of other pecuniary rights and for the contractually agreed return of securities of the same type, quantity and quality.
7. The custodian bank shall ensure that the securities lending transactions are handled in a secure manner in line with the agreements and, in particular, shall monitor compliance with the requirements relating to collateral. For the duration of the lending transactions, it shall also be responsible for the administrative duties assigned to it under the safe custody regulations and for exercising all rights associated with the loaned securities, provided these have not been assigned under the applicable framework agreement.
8. The prospectus contains further information on the collateral strategy.

§ 11 Repurchase transactions

1. The fund management company may enter into repurchase transactions for the account of the subfunds. Repurchase transactions may be concluded as either “repos” or as “reverse repos”.

   A repo is a legal transaction whereby one party (the borrower or repo seller) temporarily transfers ownership of securities against payment to another party (the lender or repo buyer), who undertakes to return to the borrower securities of the same type, quantity and quality at the end of the repo term, together with any income earned during such term. The price risk associated with the securities during the term of the repo is borne by the borrower.

   From the perspective of the counterparty (lender), a repo is a reverse repo. By means of a reverse repo, the fund management company acquires securities for investment purposes and at the same time agrees to transfer securities of the same type, quantity and quality as well as income accrued during the term of the transaction.
2. The fund management company may enter into repurchase transactions with a counterparty in its own name and for its own account (principal transaction) or instruct an intermediary to enter into repurchase transactions with a counterparty either indirectly, in a fiduciary capacity (agent transaction) or directly (finder transaction).
3. The fund management company conducts repurchase agreements exclusively with first-class supervised counterparties and intermediaries specializing in transactions of this type, such as banks, brokers and insurance companies, as well as with licensed and recognized central counterparty clearing houses and central securities depositaries, which guarantee the execution of the repurchase agreements in a due and proper manner.
4. The custodian bank ensures that the repurchase transactions are conducted in a secure manner and that the contractual terms are complied with. It shall ensure that fluctuations in value of the securities used in the repurchase transactions are compensated daily in cash or securities (mark to market). It shall also be responsible during the period of the repurchase transaction for the administrative duties assigned to it under the safe custody regulations and for the assertion of all rights pertaining to the securities used in the repurchase transactions, provided these have not been assigned under the applicable framework agreement.
5. For repurchase transactions, the fund management company may use all types of securities that are traded on a stock exchange or another regulated market open to the public. However, it may not use securities that were acquired within the scope of a reverse repo transaction.
6. If the fund management company must observe a notice period of not more than 7 banking days before it can again legally repossess the securities used in a repurchase transaction, it may not use more than 50 % of the eligible holding of a particular type for repos per subfund. If, however, the counterparty or intermediary provides the fund management company a contractual guarantee that the latter may again legally dispose over the securities used in the repurchase transaction on the same or next banking day, then the entire holdings of a particular type eligible for repo transactions may be used.

7. Engaging in repo transactions is deemed to be taking out a loan in accordance with § 13, unless the funds received are used to acquire securities of the same type, quality, credit rating and maturity in connection with the conclusion of a reverse repo.

8. As part of a reverse repo, the fund management company may acquire only collateral that meets the requirements set down in Art. 51 CISO-FINMA. The issuer of the collateral must have a high credit rating, and the collateral may not be issued by the counterparty or by a company that belongs to or is dependent on the counterparty's group. The collateral must be highly liquid, traded at a transparent price on an exchange or other regulated market open to the public, and must be valued at least on each trading day. In managing the collateral, the fund management company and its agents must comply with the duties and requirements under Art. 52 CISO-FINMA. In particular, they must diversify the collateral appropriately in terms of countries, markets, and issuers; appropriate diversification of issuers is deemed to have been achieved if the collateral of a single issuer held does not correspond to more than 20 % of the net asset value. Deviation from this rule is reserved for publicly guaranteed or issued investments pursuant to Art. 83 CISO. The fund management company and its agents must further be able to obtain power of disposal over, and authority to dispose of, the collateral received at any time in the event of default by the counterparty, without involving the counterparty or obtaining its consent. The collateral received must be kept at the custodian bank. The collateral received may be held in safekeeping by a supervised third-party custodian on behalf of the fund management company provided that ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.

9. Claims arising from reverse repos are deemed to be liquid assets pursuant to § 9, and not the extension of a loan pursuant to § 13.

10. The prospectus contains further information on the collateral strategy.

§ 12 Derivatives

1. The fund management company may use derivative financial instruments. It shall ensure that, even under extreme market circumstances, the financial effect of the use of derivatives does not result in a deviation from the investment objectives set out in this fund contract and prospectus, or in a change in the investment character of the subfunds. Furthermore, the underlyings on which the derivative financial instruments are based must be permitted as investments for the relevant subfund according to this fund contract.

2. The Commitment II approach will be applied to the assessment of risk. Therefore, the aggregate derivatives-related investments of a subfund may not exceed 100 % of its net assets and the total investments may not exceed 200 % of its net assets. Given the possibility of temporary borrowings by a subfund not exceeding 10 % of its net assets as described in § 13 prov. 2, the total investments of the relevant subfund may amount to a maximum of 210 % of its net assets. The overall exposure is determined in accordance with Art. 35 CISO-FINMA.

   The provisions of these clauses apply to the individual subfunds.

3. The fund management company may in particular use basic forms of derivatives such as call or put options where the value on expiration has a linear dependence on the positive or negative difference between the market value of the underlying and the strike price and is zero if the difference has the opposite sign (+ or –), credit default swaps (CDSs), swaps with non-path dependent payoffs which have a linear dependence on the value of the underlying or an absolute value and futures and forwards whose value has a linear dependence on the underlying. The fund management company may also use combinations of basic forms of derivatives and derivatives whose effect cannot be equated with one of the basic forms or a combination of basic forms (exotic derivatives).

4. a) Counter positions in derivatives based on the same underlying as well as counter positions in derivatives and in investments in the same underlying may be netted, irrespective of the maturity date of the derivatives, provided that the derivative transaction was concluded with the sole purpose of eliminating the risks associated with the derivatives or investments acquired, no material risks are disregarded in the process, and the conversion amount of the derivatives is determined pursuant to Art. 35 CISO-FINMA.

   b) If the derivatives in hedging transactions do not relate to the same underlying as the asset that is to be hedged, for netting to be permitted a further condition must be met in addition to the rules set out under a above, namely that the derivative transactions may not be based on an investment strategy that serves to generate profit. Furthermore, the derivative must result in a demonstrable reduction in risk, the risks of the derivative must be balanced out, the derivatives, underlyings, or assets that are to be netted must relate to the same class of financial instruments, and the hedging strategy must remain effective even under exceptional market conditions.

c) Where interest rate derivatives are predominantly used, the amount to be included in the overall exposure arising from derivatives can be determined using internationally recognized duration-netting rules provided that the rules result in a correct determination of the risk profile of the investment fund, the material risks are taken into account, the use of these rules does not generate an unjustified level of leverage, no interest rate arbitrage strategies are pursued, and the leverage of the investment fund, is not increased either by applying these rules or through investments in short-term positions.

d) Derivatives that are used solely for currency hedging purposes and do not result in leverage or contain additional market risks may be netted when calculating the overall exposure arising from derivatives without having to meet the requirements set out under b above.

e) Payment obligations in respect of derivatives must be covered at all times by near-money assets, debt securities and rights, or equities, that are traded on an exchange or other regulated market open to the public, in accordance with the legislation on collective investment schemes.

f) If, with a derivative, the fund management company enters into an obligation in respect of the physical delivery of an underlying, the derivative must be covered by the corresponding underlyings or by other investments, provided that such investments and the underlyings are highly liquid and may be purchased or sold at any time if delivery is requested. The fund management company must have unrestricted power to dispose of these underlyings or investments at all times.

5. The fund management company may use both standardized and nonstandardized derivatives. It may engage in derivatives transactions on a stock exchange or other regulated market open to the public or in OTC (over-the-counter) trading.

6. a) The fund management company may only engage in OTC transactions with financial intermediaries subject to supervision which specialize in these transactions and can ensure proper execution. If the counterparty is not the custodian bank, the counterparty or guarantor must have a high credit rating.

b) An OTC derivative financial instrument must be subject to reliable and verifiable valuation on a daily basis and it must be possible to sell, liquidate or close out the derivative with an opposite transaction at market value at any time.

c) If no market price is available for an OTC derivative, it must be possible at all times to determine the price using an appropriate valuation model that is recognized in practice, based on the market value of the underlyings from which the derivative was derived. Before concluding a contract for such a derivative, specific offers must, in principle, be obtained from at least two counterparties, and the contract concluded with the counterparty providing the most favorable offer in terms of price. Deviations from this principle are permitted for reasons relating to risk diversification, or where other parts of the contract such as credit rating or the range of services offered by the counterparty render another offer more advantageous overall for the investors. Furthermore, and by way of exception, the requirement to obtain offers from at least two potential counterparties may be dispensed with if this is in the investors' best interests. The reasons for doing so must be clearly documented, as must the conclusion of the contract and pricing.

d) As part of OTC transactions, the fund management company and its agents may only accept collateral that satisfies the requirements set down in Art. 51 CISO-FINMA. The issuer of the collateral must have a high credit rating, and the collateral may not be issued by the counterparty itself or by a company that belongs to or is dependent on the counterparty's group The collateral must be highly liquid, traded at a transparent price on an exchange or other regulated market open to the public, and must be valued at least on each trading day. In managing the collateral, the fund management company and its agents must comply with the duties and requirements under Art. 52 CISO-FINMA. In particular, they must diversify the collateral appropriately in terms of countries, markets, and issuers; appropriate diversification of issuers is deemed to have been achieved if the collateral of a single issuer held does not correspond to more than 20 % of the net asset value. Deviation from this rule is reserved for publicly guaranteed or issued investments pursuant to Art. 83 CISO. The fund management company and its agents must further be able to obtain power of disposal over, and authority to dispose of, the collateral received at any time in the event of default by the counterparty, without involving the counterparty or obtaining its consent. The collateral received must be kept at the custodian bank. The collateral received may be held in safekeeping by a supervised third-party custodian on behalf of the fund management company provided that ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.

7. Due account must be taken of the derivatives as prescribed in the legislation concerning collective investment schemes when complying with statutory and contractual investment restrictions (maximum and minimum limits).
8. The prospectus contains further details on:
   - the implications of derivatives within the investment strategy;
   - the effect of using derivatives on the risk profile of the subfunds;
   - the counterparty risks associated with derivatives;
   - the increased total investment arising from the use of derivatives (leverage);
   - credit derivatives;
   - collateral strategy

§ 13 Taking up and extending loans

1. The fund management company may not grant loans for the account of the subfunds.

   Securities lending transactions pursuant to § 10 and securities repurchase agreements taking the form of reverse repos pursuant to § 11 are not deemed to be loans within the meaning of this clause.
2. The fund management company may, for each subfund, borrow the equivalent of up to 10 % of the net assets of the subfund on a temporary basis.

   Securities repurchase agreements as repos pursuant to § 11 are deemed to be borrowing within the meaning of this clause unless the funds obtained are used as part of an arbitrage transaction for the acquisition of securities of the same type, quality, credit rating and maturity in connection with a reverse repo.

§ 14 Encumbrance of the subfunds' assets

1. No more than 25 % of the net assets of any subfund may be pledged or ownership thereof transferred as collateral by the fund management company at the expense of the subfund.
2. The assets of the subfunds may not be encumbered with guarantees.

   An exposure-increasing credit derivative is not deemed to be a guarantee within the meaning of this clause.

C Investment restrictions

§ 15 Risk diversification

1. The regulations on risk diversification shall include the following:

   a) investments pursuant to § 8, with the exception of index-based derivatives, provided the index is sufficiently diversified, is representative of the market it relates to and is published in an appropriate manner;

   b) liquid assets pursuant to § 9;

   c) claims against counterparties arising from OTC transactions.

   The risk diversification requirements apply to each subfund individually.
2. Companies which form a group in accordance with international accounting regulations are deemed to be a single issuer.
3. Including derivatives, the fund management company may invest up to a maximum of 10 % of the assets of a subfund in securities and money market instruments issued by the same issuer. The total value of the securities and money market instruments of issuers in which more than 5 % of the assets of a subfund are invested may not exceed 40 % of the assets of the relevant subfund, subject to the provisions under prov. 4 and 5.

4. The fund management company may invest up to a maximum of 20 % of the assets of a subfund in sight and term deposits with the same bank. Both liquid assets pursuant to § 9 and investments in bank deposits pursuant to § 8 shall be included in this limit.
5. The fund management company may invest up to a maximum of 5 % of the assets of a subfund in OTC transactions with the same counterparty. If the counterparty is a bank domiciled in Switzerland or in a member state of the OECD or another country in which it is subject to supervision equivalent to that in Switzerland, this limit shall be increased to 10 % of the assets of the relevant subfund.

   Where claims from OTC transactions are hedged by collateral in the form of liquid assets pursuant to Art. 50 to 55 CISO-FINMA, such claims shall not be taken into account in the calculation of counterparty risk.
6. Investments, deposits and claims pursuant to provs. 3 to 5 above and issued by the same issuer/borrower may not in total exceed 20 % of the assets of a subfund, with the exception of the higher limits pursuant to provs. 12 and 13 below.
7. Investments pursuant to prov. 3 above of the same group of companies may not in total exceed 20 % of the assets of a subfund, with the exception of the higher limits pursuant to provs. 12 and 13 below.
8. The fund management company may invest a maximum of 20 % of the assets of a subfund in units of the same target fund.
9. The fund management company may not acquire equity securities which in total represent more than 10 % of the voting rights in a company or which would enable it to exert a material influence on the management of an issuing company.
10. For the assets of a subfund, the fund management company may acquire a maximum of 10 % each of the non-voting equity securities, debt instruments and/or money market instruments of the same issuer and a maximum of 25 % of units in other collective investment schemes.

    These restrictions do not apply if the gross amount of the debt instruments, money market instruments or the units of other collective investment schemes cannot be calculated at the time of the acquisition.
11. The restrictions in provs. 9 and 10 above do not apply in the case of securities and money market instruments that are issued or guaranteed by a country or a public-law entity from the OECD or by an international public-law organization to which Switzerland or a member state of the European Union belongs.
12. The limit in prov. 3 is increased from 10 % to 35 % if the securities or money market instruments are issued or guaranteed by an OECD country, a public-law entity from the OECD, or by an international public-law organization to which Switzerland or a member state of the European Union belongs. The aforementioned securities or money market instruments will not be taken into account in the application of the 40 % limit pursuant to prov. 3. However, the individual limits specified in provs. 3 and 5 may not be added together with the existing limit of 35 %.
13. The limit in prov. 3 is increased from 10 % to 100 % if the securities or money market instruments are issued or guaranteed by the Swiss Confederation, an OECD country, a public-law entity in the OECD or by an international public-law organization to which Switzerland or a member state of the OECD or the European Union belongs. In this case, the relevant subfund must invest in securities or money market instruments from at least six different issues; no more than 30 % of the assets of the relevant subfund may be invested in securities or money market instruments from the same issue. The aforementioned securities or money market instruments will not be taken into account in the application of the 40 % limit pursuant to prov. 3.

    The aforementioned authorized issuers/guarantors are: the Swiss Confederation, the Federal Republic of Germany and France.

IV Calculation of the net asset value and issue and redemption of units

§ 16 Calculation of the net asset value

1. The net asset value of each subfund and the share of assets attributable to the individual classes [quotes] are calculated in the accounting currency of the relevant subfund at the market value as of the end of the financial year and for each day on which units are issued or redeemed. The assets of the relevant subfund will not be calculated on days

when the stock exchanges/markets in the subfund's main investment countries are closed during normal trading hours (e. g. bank and stock exchange holidays).

2. Investments traded on a stock exchange or another regulated market open to the public shall be valued at the current prices paid on the main market. Other investments or investments for which no current price is available shall be valued at the price which would probably be obtained in a diligent sale at the time of the valuation. In such cases, the fund management company shall use appropriate and recognized valuation models and principles to determine the market value.

3. Open-ended collective investment schemes are valued at their redemption price/net asset value. If they are regularly traded on a stock exchange or another regulated market open to the public, the fund management company can value such funds in accordance with prov. 2.

4. The value of money market instruments that are not traded on a stock exchange or another regulated market open to the public is determined as follows: the valuation price of such investments is successively adjusted in line with the repayment price, taking the net purchase price as the basis and ensuring that the investment returns calculated in this manner are kept constant. If there are significant changes in the market conditions, the valuation principles for the individual investments will be adjusted in line with the new market returns. f there is no current market price in such instances, the calculations are as a rule based on the valuation of money market instruments with the same characteristics (quality and domicile of the issuer, issuing currency, term to maturity).

5. Bank deposits are valued on the basis of the amount due plus accrued interest. If there are significant changes in the market conditions or the credit rating, the valuation principles for time deposits will be adjusted in line with the new circumstances.

6. The net asset value of unit of a given class of a subfund is determined by the proportion of the subfund's assets as valued at the market value attributable to the given unit class, minus any of the liabilities of this subfund that are attributed to the given unit class, divided by the number of units of the given class in circulation. It will be rounded up to CHF 0.01.

7. The share of the market value of the net assets of a subfund (subfund's assets minus liabilities) attributable to the respective unit classes is determined for the first time at the initial issue of more than one class of units (if this occurs simultaneously) or the initial issue of a further unit class. The calculation is made on the basis of the assets accruing to the relevant subfund for each unit class. The share is recalculated when one of the following events occurs:

   a) when units are issued and redeemed;

   b) on the pertinent date for distributions, provided that (i) such distributions are only made for individual unit classes (distribution classes) or provided that (ii) the distributions of the various unit classes differ when expressed as a percentage of the respective net asset values or provided that (iii) different commission or costs are charged on the distributions of the various unit classes when expressed as a percentage of the distribution;

   c) when the net asset value is calculated, as part of the allocation of liabilities (including due or accrued costs and commissions) to the various unit classes, provided that the liabilities of the various unit classes are different when expressed as a percentage of the respective net asset value, especially if (i) different commission rates are applied for the various unit classes or if (ii) class-specific costs are charged;

   d) when the net asset value is calculated, as part of the allocation of income or capital gains to the various unit classes, provided the income or capital gains stem from transactions made solely in the interests of one unit class or in the interests of several unit classes but disproportionately to their share of the net assets of a subfund.

§ 17 Issue and redemption of units

1. Subscription and redemption orders for units are accepted up to a certain cut-off time specified in the prospectus on the day the orders are placed. The definitive price of the units for the issues and redemptions is determined at the earliest on the bank working day following the day the order is placed (valuation day). This is referred to as "forward pricing". The detailed modalities are set down in the prospectus.

2. The issue and redemption price of units is based on the net asset value per unit calculated on the valuation day on the basis of the closing prices from the previous day as defined under § 16. In the case of unit issues, an issuing commission may be added to the net asset value pursuant to § 18 and in the case of unit redemptions, a redemption commission may be deducted from the net asset value pursuant to § 18.
3. In the case of unit issues, the incidental costs (specifically standard brokerage charges, commissions, taxes, and duties) incurred on average by the subfund in connection with the investment of the amount paid in will be added to the net asset value. In the case of unit redemptions, the incidental costs incurred on average by the subfund in connection with the sale of a portion of investments corresponding to the redeemed units will be deducted from the net asset value. The applicable rate can be found in the prospectus.
4. The fund management company may suspend the issue of units at any time, and may reject applications for the subscription or switching of units.
5. The fund management company may temporarily and by way of exception suspend the redemption of units of a subfund in the interests of all investors:
   a) if a market which is the basis for the valuation of a significant proportion of the relevant subfund's assets is not open during the normal trading hours, or if trading on such a market is restricted or suspended;
   b) in the event of a political, economic, military, monetary or other emergency;
   c) if, owing to exchange controls or restrictions on other asset transfers, the subfund can no longer transact its business;
   d) in the event of large-scale redemptions of units of a subfund that could significantly affect the interests of the remaining investors in the subfund.
6. The fund management company shall immediately apprise the auditors and the supervisory authority of any decision to suspend redemptions. It shall also notify the investors in a suitable manner.
7. As long as the redemption of units of a subfund is suspended for the reasons stipulated under prov. 4 lit a to c, no units of this subfund shall be issued.
8. In extraordinary circumstances such as the closure of one or more investment markets for a lengthy period of time, restrictions on foreign currency transactions or movement of capital, or another form of market disruption (political upheaval, terrorist attacks, natural disasters, etc.), the fund management company, in the interests of the remaining investors in the fund, reserves the right to reduce all redemption requests on days when the total amount of redemptions exceeds 10 % of the fund's net assets ("gating"). In such circumstances, the fund management company may decide to reduce all redemption requests proportionally and in the same ratio to 10 % of the fund's net assets. The remaining portion of the redemption requests is deemed to have been received on the following valuation day and will be processed on the basis of the conditions prevailing on that day. Accordingly, deferred redemption requests are not given preferential treatment.
9. The fund management company immediately notifies the auditors, supervisory authority and – in an appropriate manner – investors of the decision to use or discontinue the gating procedure.

V Fees and incidental costs

§ 18 Fees and incidental costs charged to the investor

1. On the issue of units, the investor can be charged an issuing commission accruing to the fund management company, the custodian bank and/or distributors in Switzerland and abroad, which in total shall not exceed 3 % of the net asset value. The currently applicable maximum rate is stated in the prospectus.
2. On the redemption of units, the investor can be charged an redemption commission accruing to the fund management company, the custodian bank and/or distributors in Switzerland and abroad, which in total shall not exceed 3 % of the net asset value. The currently applicable maximum rate is stated in the prospectus.
3. When units are issued, the fund management company will also charge, and credit to the subfund assets, the incidental costs incurred by the subfund on average (up to a maximum of 0.5 % of the net asset value of the relevant subfund) in connection with the investment of the amount paid in (see § 17 (3)). The applicable rate can be found in the prospectus.

4. When units are redeemed, the fund management company will also charge, and credit to the subfund assets, the incidental costs incurred by the subfund on average (up to a maximum of 0.5 % of the net asset value of the relevant subfund) in connection with the sale of a portion of the investments corresponding to the units redeemed (see § 17 (3)). The applicable rate can be found in the prospectus.

§ 19 Fees and incidental costs charged to the subfunds' assets

1. For the administration, asset management and distribution of the subfunds, the fund management company shall charge the subfunds an annual management fee not exceeding 1.5 % of the net asset value of the subfunds. This management fee shall be charged to the subfund's assets on a pro rata basis in connection with each calculation of the net asset value of the relevant subfund and be paid out at the end of each quarter (management fee, including distribution fee).

   The management fee may be charged at different rates for individual subfunds and unit classes, as specified in the prospectus.

   The rate of the management fee effectively charged per subfund shall be stated in the annual and semi-annual reports.

2. For the safekeeping of the assets of the individual subfunds, the handling of the subfunds' payment transactions and the performance of the other tasks of the custodian bank listed under § 4, the custodian bank charges the subfunds an annual commission not exceeding 0.2 % of the net asset value of the subfunds, charged to the assets of the corresponding subfund on a pro rata basis in connection with each calculation of the net asset value and paid out at the end of each quarter (custodian bank fee).

   The rate of the custodian bank fee effectively charged per subfund shall be stated in the annual and semi-annual reports.

3. For the payment of the annual income to the investors, the custodian bank charges the subfund a maximum fee of 0.5 % of the gross amount of the distribution.

4. The fund management company and the custodian bank are also entitled to reimbursement of the following costs incurred in the course of executing the fund contract:

   a) costs incurred for the purchase and sale of investments, specifically standard market brokerage fees, commissions, taxes and duties, as well as the cost of verifying and maintaining quality standards in relation to physical assets incurred;

   b) the supervisory authority's fees in relation to the establishment, amendment, liquidation or merger of the subfunds;

   c) the supervisory authority's annual fees;

   d) the audit firm's fees for annual auditing as well as certification in the case of establishment, amendments, liquidation or mergers of the subfunds;

   e) fees for legal and tax advisors in connection with the establishment, amendment, liquidation or merger of the subfunds, as well as generally upholding the interests of the subfunds and their investors;

   f) the cost of publishing the net asset value of the subfunds, together with all the costs of providing notices to investors, including translation costs, provided such costs cannot be ascribed to any failure on the part of the fund management company;

   g) the cost of printing legal documents, as well as the subfunds' annual and semi-annual reports;

   h) the cost of any registration of the subfunds with a foreign supervisory authority, and specifically the commissions levied by the foreign supervisory authority, translation costs, and remuneration for the representative or paying agent abroad;

   i) costs relating to the exercising of voting rights or creditors' rights by the relevant subfund, including the cost of fees paid to external advisors;

   j) costs and fees relating to intellectual property registered in the name of the subfunds or with rights of use for the subfunds;

   k) all costs incurred though any extraordinary steps taken to safeguard the interests of investors by the fund management company, asset manager of collective investment schemes or the custodian bank.

5. The costs pursuant to prov. 4 a are generally added/deducted directly to/from the purchase/sale price of the investments concerned.

6. The fund management company and its agents may, pursuant to the provisions in the prospectus, pay retrocessions to compensate for the cost of the distribution of units of the subfunds and discounts in order to reduce the fees and costs incurred by investors and charged to the subfunds.
7. If the fund management company acquires units of other collective investment schemes that are managed directly or indirectly by the fund management company itself or by a company with which it is related by virtue of common management or control or by way of a significant direct or indirect stake ("affiliated target fund"), it may not charge to the subfund any issuing or redemption commissions levied by the affiliated target funds.
8. Fees may be charged only to the subfund for which the specific service is performed. Costs that cannot be unequivocally assigned to a particular subfund shall be charged to the individual subfunds on a proportionate basis.

VI Accounting procedures and audits

§ 20 Accounting procedures

1. The accounting currency for all subfunds is the Swiss franc (CHF).
2. The financial year shall run from 1 April to 31 March.
3. The fund management company shall publish an audited annual report for the umbrella fund and for the subfunds within four months of the end of the financial year.
4. The fund management company shall publish a semi-annual report for the umbrella fund and the subfunds within two months following the end of the first half of the financial year.
5. The investor's right to obtain information under § 5 prov. 4 is reserved.

§ 21 Audits

The auditors shall examine whether the fund management company and the custodian bank have acted in compliance with the legal and contractual provisions and the code of conduct of the Asset Management Association Switzerland (AMAS). The annual report shall contain a short report by the auditors on the published annual financial statements.

VII Appropriation of net income

§ 22

1. Depending on the subfund and unit class, the net income of the subfunds and unit classes will be distributed or retained for purposes of reinvestment.

   The net income of the reinvestment unit classes of a subfund will be added each year to the assets of the corresponding subfund for reinvestment at the latest within four months of the close of the financial year. The fund management company may make additional interim reinvestments from the income. Any taxes and duties levied on the reinvestment are reserved.

   The net income of the distribution unit classes of a subfund will be distributed each year to the investors within four months of the close of the financial year in the accounting currency CHF.

   The fund management company may make additional interim distributions from the income.

   Up to 30 % of the net income of a distribution unit class may be carried forward to the new account. A distribution can be waived and the entire net income can be carried forward to the new account if

   - the net income in the current financial year, including income carried forward from prior financial years, for the collective investment scheme or a unit class is less than 1 % of the net asset value of the collective investment scheme or unit class, and
   - the net income for the current financial year, including income carried forward from prior financial years, for the collective investment scheme or a unit class is less than one unit of the accounting currency of the collective investment scheme or unit class.

2. Realized capital gains on the sale of moveable property and rights may be distributed by the fund management company or retained for purposes of reinvestment.

VIII Publication of official notices by the umbrella fund and the subfunds

§ 23

1. The media of publication of the umbrella fund and of the subfunds are deemed to be the print media or electronic media specified in the prospectus. Notification of any change in a medium of publication shall be published in the media of publication.

2. The following information shall in particular be published in the media of publication: summaries of material amendments to the fund contract, indicating the offices from which the amended wording may be obtained free of charge, any change of fund management company and/or custodian bank, the creation, dissolution or merger of unit classes, as well as the liquidation of individual subfunds. Amendments that are required by law that do not affect the rights of investors or are of an exclusively formal nature may be exempted from the duty to publish subject to the approval of the supervisory authority.

3. Each time units are issued or redeemed, the fund management company shall publish for each subfund both the issue and the redemption prices or the net asset value for all unit classes, together with a footnote “excluding commissions” in the print media or electronic media specified in the prospectus. The prices shall be published at least twice per month. The weeks and weekdays on which publications are made shall be specified in the prospectus.

4. The prospectus including the integrated fund contract, Key Information Document and the annual and semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.

IX Restructuring and dissolution

§ 24 Mergers

1. Subject to the consent of the custodian bank, the fund management company can merge individual subfunds with other subfunds or with other investment funds by transferring – as of the time of the merger – the assets and liabilities of the subfund(s) or fund(s) being acquired to the acquiring subfund or investment fund. The investors of the subfund(s) or investment fund(s) being acquired shall receive the corresponding number of units in the acquiring subfund or investment fund. The subfund or investment fund being acquired is terminated without liquidation when the merger takes place, and the fund contract of the acquiring subfund or investment fund shall also apply for the subfund or investment fund being acquired.

2. Subfunds and investment funds may only be merged if:
   a) provision for this is made in the relevant fund contracts;
   b) they are managed by the same fund management company;
   c) the relevant fund contracts are basically identical in terms of the following provisions:
      - the investment policy, investment technique, risk diversification, as well as the risks associated with the investment;
      - the appropriation of net income and capital gains;
      - the type, amount, and calculation of all fees, the issue and redemption commissions, together with the incidental costs for the purchase and sale of the investments (brokerage charges, fees, taxes) that may be charged to the assets of the subfund or to the investors;
      - the redemption conditions;
      - the duration of the contract and the conditions of dissolution;
   d) the valuation of the assets of the subfund(s) and investment fund(s) involved, the calculation of the exchange ratio and the transfer of the assets and liabilities must take place on the same day;

e) no costs shall arise as a result for the sub-fund(s), the investment fund(s) or the investors.

3. If the merger is likely to take more than one day, the supervisory authority may approve limited deferment of repayment in respect of the units of the subfunds and/or investment funds involved.

4. The fund management company must submit the intended amendments to the fund contract as well as the proposed merger together with the merger schedule to the supervisory authority for review at least one month before the planned publication. The merger schedule must contain information on the reasons for the merger, the investment policies of the subfunds and investment funds involved and any differences between the acquiring subfund/investment fund and the subfund/investment fund being acquired, the calculation of the exchange ratio, any differences with regard to fees and any tax implications for the subfunds and/or investment funds, as well as a statement from the relevant statutory auditors pursuant to collective investment scheme legislation.

5. The fund management company must publish a notice of the proposed changes to the fund contract pursuant to § 23 prov. 2 and the proposed merger and its timing together with the merger schedule at least two months before the planned date of merger in the media of publication of the subfund(s) and investment fund(s) involved. In this notice, the fund management company must inform the investors that they may lodge objections against the proposed changes to the fund contract with the supervisory authority within 30 days of the final publication or request redemption of their units in cash.

6. The auditors must check directly that the merger is being carried out correctly, and shall submit a report containing their comments in this regard to the fund management company and the supervisory authority.

7. The fund management company shall inform the supervisory authority of the conclusion of the merger and shall publish notification of the completion of the merger, the confirmation from the auditors regarding the proper execution of the merger and the exchange ratio without delay in the media of publication of the subfund(s) and investment fund(s) involved.

8. The fund management company must make reference to the merger in the next annual report of the acquiring subfund or investment fund and in the semi-annual report if published prior to the annual report. If the merger does not take place on the last day of the usual financial year, an audited closing statement must be produced for the subfund(s) and investment fund(s) being acquired.

§ 25 The duration of the subfunds and dissolution

1. The subfunds have been established for an indefinite period.

2. The fund management company or the custodian bank may dissolve the individual subfunds by terminating the fund contract without observing any notice period.

3. The individual subfunds may be dissolved by order of the supervisory authority, in particular if at the latest one year after the expiry of the subscription period (launch) or a longer extended period approved by the supervisory authority at the request of the custodian bank and the fund management company, a subfund does not have net assets of at least 5 million Swiss francs (or the equivalent).

4. The fund management company shall inform the supervisory authority of the dissolution immediately and shall publish notification in the media of publication.

5. Once the fund contract has been terminated, the fund management company may liquidate the relevant subfund forthwith. If the supervisory authority has ordered the dissolution of the subfund, it must be liquidated forthwith. The custodian bank is responsible for the payment of liquidation proceeds to the investors. If the liquidation proceedings are protracted, payment may be made in installments. The fund management company must obtain authorization from the supervisory authority prior to the final payment.

X Changes to the fund contract

§ 26

If changes are made to the present fund contract, or if the merger of unit classes or a change of the fund management company or of the custodian bank is planned, the investors may lodge objections with the supervisory authority within 30 days of the last publication. In the official publication, the fund management company shall notify investors of any changes to the fund contract to be reviewed by the supervisory authority for legal compliance. In the event of a change to the fund contract (including the merger of unit classes) the investors can also demand the redemption of their units in cash subject to the contractual period of notice. Exceptions in this regard are cases pursuant to § 23 prov. 2 that have been exempted from the duty to publish with the approval of the supervisory authority.

XI Applicable law and place of jurisdiction

§ 27

1. The umbrella fund and the individual subfunds are subject to Swiss law, in particular the Swiss Federal Act on Collective Investment Schemes of 23 June 2006, the Ordinance on Collective Investment Schemes of 22 November 2006 and the FINMA Ordinance on Collective Investment Schemes of 27 August 2014.

   The place of jurisdiction is the court at the fund management company's registered office.
2. The German version is binding for the interpretation of the present fund contract.
3. This fund contract shall take effect upon approval by the supervisory authority as of 30 June 2023.
4. This fund contract replaces the fund contract dated 5 February 2021.
5. In approving the fund contract, FINMA shall exclusively examine the provisions in accordance with Art. 35a para 1 let. a to g CISO and determine their compliance with the law.

The fund management company:
AXA Investment Managers Switzerland Ltd.

The custodian bank:
State Street Bank International GmbH, Munich,
Zurich Branch

AXA Investment Managers Switzerland Ltd.
Ernst-Nobs-Platz 7, P.O. Box 1078, 8021 Zurich

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09/2024