



AXA IM EURO SELECTION

SUMMARY

Directors' report

presented at the Annual General Meeting on 15 April 2022

Appendices

List of all the positions held by each of the officers of the Unit Trust during the financial year

Table of earnings and other characteristic items over the course of the last five financial years Table of acquisitions and loans/ Borrowings of securities and OTC

Table showing the main movements in the composition of the securities portfolio

Balance sheets at 31/12/2021 and 31/12/2020

Assets

Liabilities

Off balance sheets at 31/12/2021 and 31/12/2020

Income statements at 31/12/2021 and 31/12/2020

Appendices

Accounting principles and methods on 31 December 2021

Change in net assets of the UCITS

Main movements in the composition of the securities portfolio

Additional information on 31 December 2021

Statutory Auditor's report on the annual financial statement and Special statutory auditor's report on regulated agreements

Text of Resolutions presented to the Annual General Meeting

BOARD OF DIRECTORS ON 31 DECEMBER 2021

CHAIR OF THE BOARD

Amaury BOYENVAL

DIRECTORS

AXA FRANCE VIE

represented by Emmanuel de la JONQUIERE

AXA INVESTMENT MANAGERS PARIS

represented by Isabelle de GAVOTY

Julien CONTE

SECRETARY OF THE BOARD

Christine BIANCOLLI

DIRECTORATE GENERAL

MANAGING DIRECTOR

Christophe PELLION

EXTERNAL AUDIT

STATUTORY AUDITOR

MAZARS

Directors' report

Presented at the Annual General Meeting on 15 April 2022

Ladies and Gentlemen,

We have convened this annual general meeting to present the report on the last financial year of the AXA IM EURO SELECTION Unit Trust ('UCITS') and to submit the financial statements, as of 31 December 2021, for your approval, including the proposed appropriation of earnings in accordance with the law and the articles of association.

Sections 4 and 5 of this report contains the information corresponding to the report on the trust's governance.

1 - ECONOMIC AND FINANCIAL CIRCUMSTANCES: 2021 BALANCE SHEET

The COVID-19 pandemic remained a dominant issue in 2021. Vaccination campaigns broke the stop-and-go confinement in the second quarter, despite the emergence of the Delta variant, and allowed a broader recovery of economic activity. However, the pandemic re-emerged in the autumn and the risk increased at the end of November with the emergence of the Omicron variant, with a much higher transmission capacity. By the end of the year, a number of countries had put in place restrictions to counter this new outbreak of the virus, without reaching the overall level of constraints of the first waves. Overall, compared to 2020, which was a year of economic contraction, 2021 was a year of clear economic recovery, albeit subject to the brakes described below and to some volatility. Global growth could reach 5.7% in 2021 (US 5.5%; Eurozone 5%; UK 6.8%; Japan 1.9%; emerging economies 6.2%, of which China represents 7.9%).

Beyond confinement, labour market disruption has been a major consequence of the pandemic, particularly in the US. Early retirements, late returns to the labour market and a lack of interest in certain sectors of activity led to a shortage of supply, while demand picked up strongly with the reopening. Production and distribution of manufactured goods was generally disrupted and disorganised, while demand for these goods recovered strongly. Bottlenecks arose in supply chains. The strong pressure on prices--which began in the second quarter and was reinforced by a base effect on the prices of raw materials, primarily oil and gas--was initially considered to be a temporary phenomenon. Inflation, which proved more durable than expected and reached levels not seen for decades, became the focus of attention.

For the year 2021 as a whole, inflation figures of +4.7% in the US, +2.6% in the Eurozone, +2.4% in the UK and -0.2% in Japan are expected. In this context, almost all central banks have started to tighten their monetary policy, with all the more motivation as the tension observed in their labour markets was strong.

The Federal Reserve announced a reduction in its asset purchase programme in November, then an acceleration of this reduction in December, with rate hikes envisaged from mid-2022. The Bank of England raised its key rates for the first time in December, from 0.15% to 0.25%. In the Eurozone, where the labour market is less tight, a rate hike by the European Central Bank (ECB) seemed unlikely before 2023. The ECB announced the end of the Emergency Pandemic Purchasing Programme (EPPP) at the end of March, but otherwise maintained some flexibility, with an increase in the APP asset purchase programme from the second quarter of 2022.

Politically, Joe Biden's first year in office has been complicated, with numerous delays and downgrades to his various investment plans, the risk of a budget shutdown in the second half of 2021, and finally the erosion of his popularity rating, which point to difficult mid-term congressional elections in late 2022. In Germany, the elections marked the end of the Merkel era and the coming to power of an alliance of Social Democrats, Liberals and Greens, with a more pro-European ambition. In Japan, Prime Minister Suga gave way to Fumio Kishida, ensuring continuity of policy.

China has again shown its singularity, first of all with its 'zero COVID' strategy, which has cost its economy dearly. It also experienced an electricity shortage, which was temporary thanks to the increase in its coal production. By contrast, the systemic risk of real estate financing, which manifested itself in the risk of default by Evergrande, appeared to be more durable. The Chinese authorities, who have to balance managing this systemic risk with supporting activity, finally made the late choice to ease their monetary policy (a 0.5% cut in the RRR rate in mid-December).

At the geopolitical level, although it has changed in form, the relationship between the United States and China has remained tense, with the issue of economic and political leadership persisting. Tensions between Russia and Ukraine have increased, with the Russian army massing on the Ukrainian border, leading to an exchange of warnings between Vladimir Putin and Western governments.

In 2021, the equity markets in most areas performed very strongly, with the global index up 24.2% in local currencies, equivalent to +29.3% in EUR. Among the developed countries, the United States was one of the best performers (+26.5%) followed by Canada (+24.9%), Switzerland (+23.0%), the Eurozone (+22.1%) where Italy (+23.8%) and France (+28.6%) outperformed Germany (+13.3%) and Spain (+9.1%). The UK (+19.6%) was also up strongly, while the Pacific excluding Japan (+12.6% in EUR) and Japan (+13.4%) performed somewhat more modestly, while emerging countries disappointed (+4.9% in EUR and -2.5% in USD) (MSCI indices, dividends reinvested in local currencies). Over the period, the best performances came from the energy (+40.3%), technology (+29.8%), financials (+27.9%) and real estate (+27.8%) sectors. In contrast, utilities (+9.8%), consumer staples (+13%) and communication services (+14.6%) were the weakest performers (MSCI World in USD). Finally, small caps performed slightly worse than large caps, with the MSCI Europe Small Caps in EUR up 23.8% compared to 25.1% for the MSCI Europe index.

In the first quarter of 2021, long-term rates began to rise and then moved in line with inflation expectations and central bank policies in line with fears about growth and the evolution of the epidemic. In the US, 10-year yields were up 60 basis points (bps) to 1.51% after peaking at 1.77% in late March 2021. The same trend was observed in the Euro zone: in Germany, the 10-year rate closed up 39 bps at -0.18% after a high of -0.07% and in France, 10-year rates rose 54 bps to +0.20% after a high of +0.33%. The same trend was observed in the peripheral countries: +52 bps at +0.57% for Spain and +63 bps at +1.17% for Italy. In the UK, 10-year yields were up 77 bps to +0.97% while in Japan they were almost stable at +0.07% at the end of December.

In the corporate bond markets, spreads narrowed significantly on investment grade and even more so on high yield bonds. The Bloomberg Barclays Global Aggregate index, which represents the global bond market for the investment grade, fell by -2.5% (performance hedged in euros). Lastly, inflation-linked bonds outperformed nominal bonds by a significant margin (+4.5% for the Bloomberg Global Inflation Index hedged in EUR).

On the foreign exchange market, most G10 currencies appreciated against the euro, with the exception of the yen (-3.6%) and the Swedish krona. The pound rose by +6.4%, the Swiss franc by +4.2% and the dollar by +7.4%.

On the commodities market, oil prices rose sharply by +58.7% for WTI in dollar terms, as did industrial metals (copper +25.2%), while the ounce of gold fell by -3.6%. Overall, the Bloomberg Commodities index excluding agriculture and livestock rose by 28.8% in dollars.

Among the themes that will dominate the news in 2022, the COVID-19 and inflation should continue to make headlines. The success of medical research into developing vaccines may keep hopes alive, but the road ahead remains paved with uncertainty. Some of the factors that have driven inflation upwards should fade, either mechanically or through the adaptation of economic actors, but the labour market and wage developments will need to be monitored. Finally, the transition needed to minimise climate change has become a fundamental long-term issue.

2 - ACTIVITY AND FORESEEABLE EVOLUTION OF THE UCITS

Economic and financial environment

Investors' expectations were high after the stock market crash of 2020, and the market's performance in 2021 was at least in line with these expectations. Throughout the year, however, divergent forces drove performance: the evolution of the pandemic, the strength of economic growth and underlying corporate earnings, concerns about rising inflation and high style rotation have all been at play this year. After quite differentiated periods between the first rotation to value (boosted by announcements of massive fiscal spending, ultimately raising inflation expectations), followed by a return to fundamentals and growth characteristics (thanks to positive vaccination, reopening and consumer spending data, and the Fed's FOMC in June signalling that the inflation spike would be temporary), it seemed that the inflationary and interest rate hike risk finally took over in September, leading to a correction across all equity markets. As part of this correction, there was a strong rotation back towards energy and financial companies, thanks to a buoyant environment for both sectors. However, in the last quarter the markets rebounded strongly again, thanks to extremely resilient corporate results despite headwinds, especially in healthcare but also in logistics and supply chains. There was another violent rotation of style back to value companies in December, but overall quality and growth styles were favoured in the last quarter.

Against this backdrop, the strategy performed well in absolute terms and outperformed in the final quarter, but lagged slightly for the year as a whole. Indeed, the European markets were quite strongly driven by the performance of value and cyclical companies, particularly in the energy and financial sectors, where the Fund is structurally underweight. As usual, we remained consistent with our investment style, relying solely on company fundamentals. As a direct consequence of our philosophy, our objective is to detect any inflection in the sustainable growth profile of the companies the Fund invests in. Despite episodes of short-term volatility that could potentially affect performance, in our view the Fund is well positioned to capture future growth based on company fundamentals that remain intact, and in some cases even strengthened by trends accelerated by Covid.

Overall, in 2021, the portfolio will return +19.65% (in EUR net of fees), compared to +22.67% for the Eurostoxx index.

Management policy and foreseeable evolution

The Fund's underperformance is explained by stock selection and sector allocation due to the strong underweighting of the financial sector. In terms of stock selection, the Fund benefited from good performances in technology (ASML), luxury goods, which continue to benefit from a very favourable environment (Hermès, LVMH), health (Sartorius), and the electricity sector (Schneider Electric). On the other hand, Prosus (tensions in the Chinese technology sector due to increased surveillance by the authorities), Neste (renewable exposure which suffered from profit taking in the sector), Knorr-Bremse (surprise interest in the acquisition of the automotive supplier Hella while showing questionable governance), Grifols (impacted by low plasma collection rates in the US due to various lockdowns) and JDE Peet's (lack of pricing power in an inflationary raw material cost environment) contributed negatively.

At the beginning of the year, investor expectations seem to be largely focused on the interest rate environment, following the record inflation figures observed over the last few months. The sudden plummet in growth stocks was in this sense solely related to expectations of higher rates and stronger post-pandemic economic growth, despite the absence of publications that could have led to downward revisions. This market rotation resulted in a compression of multiples while earnings were not adjusted.

The point of differentiation for 2022 should be margins rather than revenues. These should continue to be driven by solid demand and a positive price effect. On the other hand, in our view, the margins of players without pricing power and/or without a quality supply chain in place could suffer and thus present a less attractive profit profile.

It is crucial to always be extremely rigorous in the management process to invest in high quality companies with business models that offer pricing power and good visibility. In our view, the current phenomenon of compression of multiples presents a very strong investment opportunity, with most of the underlying companies retaining intact fundamentals and highly visible growth prospects supported by clear and solid trends.

Reminder of annual performance calculated net of management fees

			Start 19/06/19	Start 06/03/18	Start 06/03/18	Start 06/03/18	Start 06/03/18
	A EUR	E EUR	I EUR	R EUR	S EUR	T EUR	V EUR

		FR0010777391	FR0012993160	FR0013419843	FR0013321023	FR0013321007	FR0013321015	FR0013320991
NET	2021	19.35	19.35	19.65	18.28	18.28	18.75	19.23
	2020	8.32	8.32	8.59	7.35	7.36	7.78	8.2
	2019	28.81	28.82		27.67	27.66	28.23	28.74
	2018	-11.01	-11.01					
	2017	19.97	19.97					
	2016	-0.1	-0.1					
	2015	25.33	25.33					
GROSS	2021	20.18	20.18	20.18	20.17	20.17	20.18	20.18
	2020	9.08	9.08	9.08	9.07	9.1	9.08	9.04
	2019	29.71	29.73		29.71	29.7	29.77	29.77
	2018	-10.38	-10.38					
	2017	20.81	20.81					
	2016	0.6	0.6					
	2015	26.2	25.55					

The figures quoted are in respect of preceding years and months, and past performance is not a reliable indicator of future performance.

3 - DISTRIBUTABLE AMOUNTS - APPROPRIATION

The income statement showed a profit of EUR 5,405,427.73 on financial operations at 31 December 2021, which was higher than at the end of the previous financial year.

After deducting EUR 4,241,866.86 for management fees, the net income for the year amounted to EUR 1,163,560.87.

After factoring in a further deduction of EUR 28,096.68 for income adjustment over the financial year, the total profit amounted to EUR 1,191,657.55.

Taking into account (i) retained earnings from the previous year of EUR 9,571,492.48, (ii); net capital gains realised during 2021 in the amount of EUR 48,116,581.64; and (iii) undistributed net capital gains from previous years in the amount of EUR 130,417,183.63, the total amount available for distribution is EUR 189,296,915.30.

Pursuant to Article 28 of the by-laws for the Unit Trust, we propose to distribute the funds, or EUR - 103,595.92, as follows:

- Capitalisation EUR 20,800,262.48
- Carried forward for the financial year EUR 9,973,800.66
- Net gains and losses, unallocated EUR 158,522,852.16

In accordance with legal regulation, we would like to remind you that no dividends have been distributed since the UCITS was established.

4 - AGREEMENTS REFERRED TO IN SECTION L. 225-38 OF THE FRENCH COMMERCIAL CODE

We inform you that no agreements giving rise to the application of section L. 225-38 of the French Commercial Code [Code de Commerce] were concluded during the year just ended.

5 - COMPOSITION OF THE BOARD OF DIRECTORS

1. List of positions and responsibilities held by the corporate officers

In accordance with section L(225)(37)(4)(1) Commercial Code, a list of all the positions and duties performed by each corporate officer during the past financial year is appended to this document.

2. Positions of the corporate officers

Ratification of the appointment of a director

We inform you that, during its meeting of 16 December 2021, your Board of Directors appointed Julie CALOINE to replace Corinne AMIRAULT, who resigned.

It is therefore incumbent upon you to ratify this appointment.

6 TABLE OF RESULTS OVER THE LAST FIVE FINANCIAL YEARS

In this attached report, in accordance with section R. 225-102 Commercial Code, there is a table showing the results of the Unit Trust during each of the years since it was established.

7 - CHANGES AFFECTING THE UCITS AND CORRELATIVE UPDATE OF THE REGULATORY DOCUMENTS

The following are the changes that occurred during the past financial year and that resulted in the following updates:

Update of the prospectus:

- Update of the valuation and accounting rules of the assets mentioned in the prospectus.
- Rewriting of the text on the integration of sustainability risks in the investment decision making process in the 'Risk Profile' section of the prospectus.
- Insertion of pre-contractual taxonomy information in compliance with the provisions of EU Taxonomy Regulation 2020/852.
- Update of the address of the accounting manager and the middle office: State Street Bank International GMBH Paris Branch is now located at Coeur Défense - Tour A - 100, Esplanade du Général de Gaulle - 92931 Paris La Défense Cedex).
- Adaptation to Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the 'SFDR').

Update of the Key Investor Information Document (KIID):

- Annual update of the KIID.

8 - EXCEPTIONAL COSTS INCURRED IN THE CURRENT YEAR FOR WITHHOLDING TAX CLAIMS

In several EU countries, dividends paid by companies are not taxed in the same way if the dividends are paid to domestic or foreign entities. Thus, when dividends are paid to a foreign entity, that company is sometimes subject to a withholding tax resulting in a divergence of tax treatment that undermines the free movement of capital and is therefore contrary to EU law. As several decisions of the Court of Justice of the European Union and the Conseil d'Etat have been issued in favour of foreign residents, the management company has requested reimbursement of the withholding tax paid on dividends received from foreign companies for funds domiciled in France when the prospects of reimbursement of the withholding tax could be considered favourable to the funds in question.

As these are ongoing claims procedures with the relevant tax authorities, the final outcome and the timeframe of these procedures are uncertain. The refund that may ultimately be obtained is uncertain in terms of both the amount of principal and, where applicable, interest, and the timeframe.

During the year ended 31 December 2021, the AXA IM EURO SELECTION UCITS incurred expenses of EUR 10,704 in this regard.

9 - OVERALL RISK

The method of calculation used to assess the UCITS's overall risk is the commitment approach set forth in Instruction 2011-15 by the France's Financial Markets Authority (FMA) for the overall risk assessment modules for UCITSs and approved AIFs.

10 - CROSSING OF THRESHOLDS

In accordance with the legal and regulatory provisions, during the financial year ended 31 December 2021, AXA INVESTMENT MANAGERS declared to the Autorité des Marchés Financiers, in respect of the UCITS and FIAs it manages, that the shareholding thresholds mentioned in section L.233-7 Commercial Code had been exceeded.

11 - THE EXERCISE OF VOTING RIGHTS

Over the course of the financial year just ended, the voting decisions have been taken by AXA INVESTMENT MANAGERS in accordance with our voting policy and the best practise in place on a national basis in order to protect the interests of our shareholders. This policy is set out in depth on the AXA INVESTMENT MANAGERS website: (<https://particuliers.axa-im.fr/investissement-responsable/enaaement-et-votej>). Pursuant to section D533-16-1 of the French Monetary and Financial Code [Code monétaire et financier], a report in which the Portfolio Management Company gives an account of the conditions under which it exercised voting rights is available on the AXA INVESTMENT MANAGERS website under the heading 'responsible investment/commitment and voting'.

12 - THE EXERCISE OF VOTING RIGHTS

In accordance with requirements on the transparency of remuneration incumbent on asset management companies, this section sets out the main aspects of compensation policies and practices implemented by AXA Investment Managers ('AXA IM'). Additional updated details concerning, in particular, the Remuneration Committee and how employees are issued compensation and benefits are also available on the web at the following address: www.axa-im.com/remuneration. A printed copy of this information is available free of charge on request.

Governance - An Umbrella Governance Policy [Gouvernance – Une Politique globale], approved and validated each year by AXA IM's Remuneration Committee, frames the principles underlying compensation used by all entities in the Group. It addresses AXA IM's strategy, objectives, and risk tolerance and the long-term interests of its customers, shareholders, and employees. In the framework of the compensation policies and procedures established and approved for the AXA IM Group, the Remuneration Committee ensures that the Umbrella Compensation Policy is applied consistently and fairly within AXA IM and that it complies with the regulations and recommendations regarding remuneration in force.

AXA IM Group's internal Audit Department is responsible for centralised, independent evaluation of compliance by Umbrella Compensation Policy practices with the AXA IM Group's procedures and policies, and each year it presents its findings to AXA IM's Remuneration Committee for its consideration.

Its findings have not contained any specific observations on compliance by Umbrella Compensation Policy practices.

The findings of AXA IM's Remuneration Committee's annual review and any changes made to the Umbrella Compensation Policy are submitted to the Board of Directors of AXA Investment Managers Paris.

These changes mainly concern an update to the global principles of the deferred compensation policy to ensure they comply with all applicable regulations and are in line with the AXA Investment Managers Group's business and human resources strategies, in particular by specifying the rules applicable to the co-investment scheme that may be considered as a deferred instrument under certain circumstances.

Quantitative features– The figures for AXA Investment Managers shown below are for all the subsidiaries in the AXA Investment Managers Group for all types of investment vehicle together for the year that ended on 31 December 2021. A distribution scheme weighted by the assets under Fund management has been applied to the remuneration values of the UCITS.

Total remuneration paid and/or awarded to all employees for the year that ended on 31 December 2021⁽¹⁾	
Fixed remuneration ⁽²⁾ (in thousands of euros)	265.42
Variable remuneration ⁽³⁾ (in thousands of euros)	310.49
Total number of employees ⁽⁴⁾	2,537, 680 of whom are employees of AXA Investment Managers Paris, the management company for the UCITS

⁽¹⁾ Remuneration figures following application of a distribution scheme weighted by the assets under the UCITS's management, not including taxes and Social Security charges.

⁽²⁾ Fixed remuneration is the base salary and all other fixed salary components paid to all AXA Investment Managers's staff members as of 1 January 2021.

⁽³⁾ Variable compensation consists of direct and deferred discretionary variable salary elements and includes:

- performance bonuses for the previous year paid in their entirety during the financial year under review (non-deferred variable remuneration),

- performance bonuses for previous years and for the financial year under review (deferred variable remuneration), and long-term incentives established by the AXA Group.

⁽⁴⁾ The total number of employees is the average on 31 December 2021, including permanent and fixed-term employees and interns.

⁽⁵⁾ The total number of employees concerned is the total number of employees concerned in the AXA Investment Managers Group and in AXA Investment Managers Paris on 31 December 2021.

Aggregate remuneration paid and/or awarded to employees and other senior executives whose work bears substantially on the risk profiles of the managed portfolios⁽¹⁾			
	Employees directly affecting the risk profiles of investment vehicles	Senior executives	Total
Fixed and variable remuneration (in thousands of euros) ^{(2), (3)}	136.51	108.44	244.95
Number of employees affected ⁽⁵⁾	258: 107 of whom are employees of AXA Investment Managers Paris, the management company for the UCITS	79: 17 of whom are employees of AXA Investment Managers Paris, the management company for the UCITS	337: 124 of whom are employees of AXA Investment Managers Paris, the management company for the UCITS

13 - POLICY ON SELECTING AND EXECUTING ORDERS

The portfolio Management Company has drawn up a document entitled 'Execution Policy' which presents its policy on executing and monitoring orders and communications, together with all appropriate information on the reasonable measures it takes with a view to achieving the best possible results for its clients.

To research the best possible results when executing orders initiated by the portfolio managers, AXA Investment Managers has defined a policy for the selection and monitoring of its intermediaries and counterparties. This policy aims to encompass:

1 - the process of the authorisation of the intermediaries and analysts with whom AXA Investment Managers Paris wishes to work,

2 - The manner in which relations with such intermediaries and counterparts are monitored and verified.

By regulation these intermediaries and counterparties are required to offer us the best possible execution. AXA Investment Managers Paris regularly verifies the effectiveness of the policy which has been set up, and in particular the quality of execution of the entities selected under the terms of this policy.

Where AXA Investment Managers Paris delegates management to another entity, the delegated entity's order execution policy will apply.

The Portfolio Management Company regularly monitors the effectiveness of its established policy and, in addition, makes available the list of the main brokers and counterparties it uses, by asset class and sub-asset class, to obtain the best possible execution conditions on behalf of its clients, in accordance with Regulatory Technical Standard 28 envisaged under the EU's MiFID II Directive.

The Company's order execution policy and the above-mentioned reports are published on the website (<https://particuliers.axa-im.fr>) under the heading: 'Our internal policies and other important information'.

14 - INVESTMENTS OF ASSETS IN ASSETS AND RIGHTS ELIGIBLE FOR THE SHARE SAVINGS PLAN (PEA)

Pursuant to section 91 quater L I of appendix II of the French General Tax Code [Code général des impôts], the Fund invested 99.98% of its assets during the past financial year in securities and rights eligible for the share savings plan.

15 - INFORMATION ON CERTAIN ENVIRONMENTAL, SOCIAL AND GOVERNANCE CRITERIA (ESG)

Pursuant to Section 533-22-1 of the French Monetary and Financial Code [*Code monétaire et financier*], we must inform you that the UCITS does not concurrently apply environmental, social, and governance criteria as determined by the AXA INVESTMENT MANAGERS Group. At AXA IM, which has been active in Responsible Investment for nearly 20 years, we believe that responsible asset management is fundamental to our long-term success. In our view, ESG-related factors can influence not only investment portfolio management across all asset classes, sectors, businesses, and regions but also the diverse interests of customers and other stakeholders.

AXA IM has devised a transparency code for each fund, with a significant and committed ESG approach. It is used by UCITSs to broadly describe the main criteria they rely on, the methods of analysis they employ, and the way in which the analytical results are integrated into the UCITSs' investment and divestment processes. The transparency code can be viewed on the AXA Investment Managers Paris website (www.axa-im.fr).

16 - EFFECTIVE MANAGEMENT TECHNIQUES AND DERIVATIVE FINANCIAL INSTRUMENTS

Information on exposure obtained using effective portfolio management techniques and through the UCITS's financial derivative instruments is attached to this report in compliance with paragraphs 27, 32 and 40 in FMA Position No. 2013-06, as amended on 10 September 2014, on exchange-traded funds and other UCITS issues.

17 - INFORMATION CONCERNING TRANSPARENCY OF SECURITIES FINANCING TRANSACTIONS AND RE-USE (SFTR)

During the past year, the Fund did not use securities financing transactions within the meaning of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse (SFTR).

18- INFORMATION ON PORTFOLIO MOVEMENTS

Pursuant to section 33 of AMF Instruction No. 2011-19, a report on the main movements in the composition of the securities portfolio during the year is attached to this report.

19- SUSTAINABLE FINANCE DISCLOSURE ('SFDR')**SECTION 29 OF THE ENERGY-CLIMATE ACT**

At AXA IM, we believe that our fiduciary duty is not limited to providing returns to our clients. We also have a responsibility to invest responsibly, to encourage climate action, to protect biodiversity and to ensure the long-term sustainability of the world in which we live. In accordance with section 29 of the French Energy/Climate Act 2019-1147 of 8 November 2019 [Loi Énergie-Climat], AXA IM's climate and biodiversity strategies are presented below:

AXA IM's climate strategy:

As a founding investor of the Net Zero Asset Managers Initiative (NZAMI) launched in December 2020, AXA IM aims to achieve carbon neutrality by 2050 at the latest, as well as to play a key role in helping our clients to better understand climate change and the impact it may have on their portfolios and supporting them in adapting their investment decisions accordingly. As investors, we also have a responsibility to engage with companies. This engagement allows us to actively monitor our investments and ensure that we maintain open channels that can bring about change for the benefit of society and the planet.

Our climate strategy is aligned with the framework proposed by the Task Force on Climate-related Financial Disclosures and is reflected in our active participation in international initiatives such as Climate Action 100+ and the Climate Bonds Initiative. It includes the following elements:

- **'Carbon Neutral' Investment Framework:** AXA IM has developed a Carbon Neutrality Framework, which follows industry standards and takes into account internal and external information to determine the carbon neutrality profile of its portfolio companies. These carbon neutrality profiles are monitored and reported on a regular basis with the objective of reducing the portion of investors considered late in the transition to carbon neutrality or with insufficiently ambitious commitments. At the end of 2021, 41% of AXA IM's eligible assets were already on track to achieve carbon neutrality by 2050 at the latest, with the aim of reducing their carbon intensity by at least 50% by 2030 compared to 2019.
- **Active climate ownership:** engagement and ongoing dialogue with companies and our clients are crucial to influencing carbon neutrality trajectories. The climate is a significant part of our interactions, with over 25% of our discussions with companies dealing with this topic.
- **Exclusions:** we exclude companies that do not meet certain climate change criteria, focusing in particular on coal and unconventional oil and gas. Our investment portfolios exclude power generation and mining companies that do not credibly demonstrate a commitment to the energy transition. We are committed to exiting our coal investments in OECD countries by the end of this decade and in the rest of the world by 2040. This commitment will be realised over time, using exclusionary approaches, but also through engagement.
- **Transparency:** From early 2022, the ESG reporting available for our section 8 and section 9 products will include an enhanced climate section, combining historical indicators (carbon intensity for Scope 1 and 2 emissions as well as upstream Scope 3 emissions) and forward-looking indicators (including warming potential and the proportion of companies with science-based targets in the portfolio). This reporting will also include the carbon neutrality profile of the portfolio.

AXA IM's biodiversity strategy:

AXA IM aims to protect biodiversity. We have strengthened our strategy to better integrate biodiversity protection issues into our investment process, our fundamental research and our engagement strategy.

As an investor, we believe we have a role to play in:

- improving understanding of the impact of biodiversity on economic activities;
- engaging with our portfolio companies on their practices and the integration of biodiversity into their strategy;
- integrating biodiversity risks and opportunities into our investment decisions;
- directing capital flows to address biodiversity loss.

Our commitment to biodiversity protection is multifaceted:

- **Exclusions:** AXA IM has applied a palm oil exclusion policy to all its assets under management since 2014, excluding portfolio companies that have adverse impacts on forests, the natural environment and local communities. In 2021, AXA IM extended this policy to cover investments with significant land use controversies responsible for biodiversity loss in relation to soy, livestock and timber.

In its forestry investments, AXA IM has a rigorous policy for selecting its assets and forest management partners and adapting management practices.

- **Indicators:** We work closely with data providers to develop indicators to measure the impact of our investments on biodiversity ecosystem services (biodiversity footprint).
- **Engagement:** We complement our approach with engagement actions to establish a dialogue with our portfolio companies that are exposed to these biodiversity issues, but are not subject to serious controversy and are working to reduce these risks. We have launched an engagement programme targeting a selection of companies that have developed commodity-related activities that may have an impact on biodiversity.

As part of our policy, and specifically this biodiversity engagement approach, we have been working on challenges beyond deforestation to determine how these companies are responding to biodiversity and natural capital protection issues.

EUROPEAN SUSTAINABLE FINANCE DISCLOSURE REGULATION ('SFDR')

The Fund follows an approach that includes sustainability risks arising from the integration of ESG (environmental, social and governance) criteria into its research and investment processes. The Fund has established a framework for integrating sustainability risks into its investment decisions based on sustainability factors. This includes the following policies, which are applied on a mandatory and continuous basis:

- i) **sectoral exclusion policies** covering controversial weapons, agricultural commodities, climate risks, and ecosystem protection and deforestation. In 2021, AXA IM extended this latter policy to cover investments with significant land use controversies responsible for biodiversity loss in relation to soy, livestock and timber;
- ii) the **ESG standards** (covering regulatory exclusions with the tobacco sector, white phosphorus weapons producers, companies in violation of international norms and standards, serious controversies and low ESG quality on the basis of ESG rating) were reviewed in 2021, with more stringent rules on human rights violations and compliance with international norms and standards. The ESG rating methodology was redesigned in 2021, to switch to a single-source ESG rating model bolstered by AXA IM's own internal analysis. Called Q², this new and improved qualitative and quantitative approach offers increased coverage, as well as refined fundamental analysis. The latest versions of our policies can be found on our website at: <https://www.axa-im.com/our-policies>;
- iii) The Fund has applied a socially responsible investment approach to its investment universe as described in its prospectus and pre-contractual documents. This selectivity approach has been applied on a mandatory and continuous basis. The Fund applies a 'Best-in-Universe' approach which consists of:

- Reducing its investment universe by at least 20% by excluding issuers based on an E- Score criterion.

In addition, the investment strategy aims to outperform its investment universe on at least one ESG indicator over the reference period. The indicator chosen for this strategy is the Carbon intensity indicator over the reference period

EUROPEAN TAXONOMY

The EU regulation aimed at harmonising the classification of sustainable economic activities came into force on 1 January 2022. Known as the 'European taxonomy', it covers many areas related to environmental sustainability. Climate change mitigation and adaptation are the first two objectives covered, with four other objectives expected to be regulated in 2023 (water protection, pollution control, biodiversity preservation and circular economy).

The European Union (EU) Taxonomy applies from January 2022 with the first two environmental objectives: climate change adaptation and climate change mitigation. Based on available data, we estimate that 10% of the assets are aligned with the EU Taxonomy.

In view of the above, we invite you to pass the resolutions we are submitting for your vote.

THE BOARD OF DIRECTORS

Appendices

List of all the positions held by each of the officers of the Unit Trust during the financial year

Table of earnings and other characteristic items over the course of the last five financial years

Table of acquisitions and loans / Borrowings of securities and OTC

Table showing the main movements in the composition of the securities portfolio

List of all the positions held by each of the officers of the Unit Trust during the financial year

Amaury BOYENVAL

Positions held on 31 December 2021

Positions and responsibilities

Chair of the Board

AXA Group Companies

French companies

AXA IM EURO SELECTION (UCITS)

Foreign companies

None

Organisations not part of AXA Group Companies

French organisations

None

Foreign organisations

None

Positions and responsibilities held at the end of 2021

Positions and responsibilities

AXA Group Companies

French companies

None

Foreign companies

None

Organisations not part of AXA Group Companies

French organisations

None

Foreign organisations

None

Christophe PELLION

Positions held on 31 December 2021

Positions and responsibilities

Managing Director
Director

AXA Group Companies

French companies

AXA IM EURO SELECTION (UCITS)

AXA OR ET MATIERE PREMIERE (UCITS)

Foreign companies

None

French organisations

None

Foreign organisations

None

Positions and responsibilities held at the end of 2021

Positions and responsibilities

AXA Group Companies

French companies

None

Foreign companies

None

**Organisations not part of AXA Group
Companies**

French organisations

None

Foreign organisations

None

Isabelle de GAVOTY

Positions held on 31 December 2021

Positions and responsibilities

Individual Representative for AXA INVESTMENT MANAGERS PARIS
Managing Director

Managing Director

Individual Representative for AXA INVESTMENT MANAGERS PARIS

AXA Group Companies

French companies

AXA VALEURS EURO (UCITS)

AXA EUROPE SMALL CAP (UCITS)

AGIPI ACTIONS MONDE (UCITS)

AXA IM EURO SELECTION (UCITS)

Foreign companies

None

Organisations not part of AXA Group Companies

French organisations

None

Foreign organisations

None

Positions and responsibilities held at the end of 2021

Positions and responsibilities

AXA Group Companies

French companies

None

Foreign companies

None

Organisations not part of AXA Group Companies

French organisations

None

Foreign organisations

None

Emmanuel DE LA JONQUIERE

Positions held on 31 December 2021

Positions and responsibilities

Individual Representative AXA France VIE

Director

AXA Group Companies

French companies

AXA IM EURO SELECTION
(UCITS)

Associations Diffusion Services - ADIS

Foreign companies

None

Organisations not part of AXA Group Companies

French companies None

Foreign companies None

Positions and responsibilities held at the end of 2021

Positions and responsibilities

Individual Representative AXA France VIE

Individual Representative AXA France VIE

Member of the Oversight Committee

Member of the Oversight Committee

Director

AXA Group Companies

French companies

AXA SELECTIV'IMMO (SIMPLIFIED
JOINT-STOCK COMPANY
INVESTING MAINLY IN VARIABLE
RETURN REAL ESTATE [SAS
SPPICAV])

AXA SELECTIV'IMMOSERVICE
(SIMPLIFIED JOINT-STOCK
COMPANY INVESTING MAINLY IN
VARIABLE RETURN REAL ESTATE
[SAS SPPICAV])

DROUOT ESTATE (SARL)

My Share Company (SCPI)

Foreign companies

AXA WORLD FUNDS (UCITS Lux.)

Organisations not part of AXA Group Companies

French organisations

None

Foreign organisations

None

Julie CALOINE

Positions held on 31 December 2021

Positions and responsibilities

Director

AXA Group Companies

French companies

AXA IM EURO SELECTION
(UCITS)

Foreign companies

None

**Organisations not part of AXA
Group Companies**

French organisations

None

Foreign organisations

None

Positions and responsibilities held at the end of 2021

Positions and responsibilities

AXA Group Companies

French companies

None

Foreign companies

None

**Organisations not part of AXA
Group Companies**

French organisations

None

Foreign organisations

None

Table of earnings and other characteristic items over the course of the last five financial years

Date	Share	Net assets	Number of shares or units	Unit net asset value €	Unit distribution of net gains or losses (interim payments) €	Unit distribution of results (interim payments incl.) €	Unit tax credits €	Unit capitalisation €
31/12/2018	CI	+	1,735.9562	915.17				60.23
	C2	83,534.51	91.0000	917.96				63.53
	C3	915.18	1.0000	915.18				60.26
	C4	921.50	1.0000	921.50				67.65
	RC	45,901,517.04	42,845.5079	1,071.32				200.82
	RD	295,514,518.20	109,659.4698	2,694.83				
31/12/2019	CI	2,285,941.65	1,956.4695	1,168.40				62.66
	C2	85,153.13	72.3395	1,177.13				67.31
	C3	1,168.30	1.0000	1,168.30				62.57
	C4	1,186.32	1.0000	1,186.32				72.55
	IC	52,485,576.67	47,731.0000	1,099.61				39.20
	RC	50,008,431.03	36,234.8469	1,380.11				85.05
31/12/2020	RD	370,966,967.05	106,869.2792	3,471.22				
	CI	2,477,284.41	1,975.0207	1,254.30				52.49
	C2	907,482.65	715.2641	1,268.73				57.58
	C3	2,357,888.83	1,879.8512	1,254.29				52.60
	C4	833,199.74	649.0971	1,283.62				62.69
	IC	212,946,802.55	178,330.9304	1,194.11				62.04
31/12/2021	RC	47,973,066.01	32,089.2283	1,494.98				74.42
	RD	315,173,796.14	83,819.9893	3,760.12				
	CI	3,031,894.44	2,043.6428	1,483.57				80.33
	C2	1,524,778.04	1,012.0296	1,506.65				86.87
	C3	5,058,286.31	3,409.5692	1,483.55				80.33
	C4	7,152,837.66	4,673.6904	1,530.44				93.60
31/12/2021	IC	256,543,184.61	179,562.9290	1,428.70				91.73
	RC	54,228,680.40	30,393.2314	1,784.23				110.67
	RD	459,568,644.42	102,407.2775	4,487.65				

Table of acquisitions and loans / Borrowings of securities and OTC

Effective portfolio management techniques (section 27)	
Exposure obtained through effective management techniques (repo, securities lending/borrowing, temporary assignments)	None
Types and amounts of financial guarantees obtained by the UCITS to reduce the counterparty risk from effective portfolio management transactions	
Cash	None
Debt securities	None
Equity securities	None
Collective investments	None
Gross income obtained by the UCITS from these transactions *	None
Direct and indirect costs and expenses borne by the UCITS directly related to these transactions *	None
List of counterparties in these transactions	None -

* The amounts shown set out gross revenues together with the costs and expenses attached to effective portfolio management technique-related transactions during the financial year

Table of transactions in derivatives markets (section 32)	
Underlying exposure to derivative financial instruments	None
Types and amounts of financial guarantees obtained by the UCITS to reduce the counterparty risk from derivatives market transactions	
Cash	None
Debt securities	None
Equity securities	None
Collective investments	None
List of counterparties in these transactions	None

<p>Issuers of securities received as collateral in the framework of transactions on derivatives markets and efficient portfolio management techniques- concentration > 20% the fund's total net assets (section 40)</p>		
Issuer name	Total (EUR)	Total (%)
None		
Total		

* Issues received as collateral in the framework of transactions on derivatives markets and efficient portfolio management techniques have all been issued or guaranteed by an EU Member State.

Table showing the main movements in the composition of the securities portfolio

Details of the share portfolio	Movements (amount)	
	Acquisitions	Transfers
a) Eligible financial securities and money market instruments that can be traded on a regulated market as described in section L(422)(1) of the Monetary and Financial Code	460,356,393.98	393,620,074.06
b) Eligible financial securities and money market instruments that can be traded on other regulated markets, under normal operation, recognised, open to the public and where the head offices are located within a member state of the European Union or in a State that has an agreement with the European Economic Area	0.00	0.00
c) Eligible financial securities and money market instruments admitted to official listings on stock exchanges in third countries or traded on another market in third countries that is regulated, operating regularly, recognised and open to the public, provided the stock exchange or market does not appear on a list drawn up by the AMF, and the choice of stock exchange or market is permissible by law, regulations and the company Articles of Association of the UCITS/general investment fund	17,157,940.78	0.00
d) Newly issued financial securities referred to in subsection 4 of section R.214-11 of the Monetary and Financial Code; (section R.214-11-I- 4° (UCITS)/section R.214-32-18-I-4° (GIF) of the Monetary and Financial Code)	0.00	0.00
e) Other assets: Assets set out under section R(214)(11)(II) of the Monetary and Financial Code and under sections R(214)(32)(19)(I) and (II). (sections R[214][1][II]] [UCITS]/section R[214][32][19][I] and [II] [GIF] of the Monetary and Financial Code)	0.00	0.00

This table is not part of the annual financial statements appendix and is therefore not audited by the auditor

Balance sheets at 31/12/2021 and 31/12/2020

Assets

	31/12/2021	31/12/2020
Net fixed assets	0.00	0.00
Deposits	0.00	0.00
Financial instruments	786,957,559.55	581,393,119.42
Shares and similar securities	786,957,559.55	581,393,119.42
Traded on a regulated market or similar	786,957,559.55	581,393,119.42
Not traded on a regulated market or similar	0.00	0.00
Bonds and similar securities	0.00	0.00
Traded on a regulated market or similar	0.00	0.00
Not traded on a regulated market or similar	0.00	0.00
Debt securities	0.00	0.00
Traded on a regulated market or similar	0.00	0.00
<i>Negotiable debt securities</i>	0.00	0.00
<i>Other debt securities</i>	0.00	0.00
Not traded on a regulated market or similar	0.00	0.00
Undertakings for collective investment	0.00	0.00
General purpose UCITs and AIFs for non-professional investors and the equivalent in other countries	0.00	0.00
Other non-professional investor funds and the equivalent in other Member States of the European Union	0.00	0.00
General purpose professional investor funds and the equivalent in other Member States of the European Union and listed securitisation vehicles	0.00	0.00
Other general purpose professional investor funds and the equivalent in other Member States of the European Union and unlisted securitisation vehicles	0.00	0.00
	0.00	0.00
Temporary operations with securities	0.00	0.00
Debts representing repo inward securities	0.00	0.00
Receivables in the form of borrowed securities	0.00	0.00
Borrowed financial securities	0.00	0.00
Repo outward financial securities	0.00	0.00
Other temporary transactions	0.00	0.00
Financial contracts	0.00	0.00
Transactions on a regulated market or similar	0.00	0.00
Other operations	0.00	0.00
Other financial instruments	0.00	0.00
Debt securities	33,678.35	33,678.35
Currency futures	0.00	0.00
Other	33,678.35	33,678.35
Financial accounts	945,369.51	1,536,966.49
Liquid assets	945,369.51	1,536,966.49
Total assets	787,936,607.41	582,963,764.26

Liabilities

	31/12/2021	31/12/2020
Shareholders' Equity		
Capital	597,811,390.58	454,349,852.71
Previous net gains and losses, unallocated (a)	130,417,183.63	92,182,478.46
Balance brought forward (a)	9,571,492.48	6,708,425.24
Net gains and losses for the year (a, b)	48,116,581.64	26,911,252.12
Profit/loss for the year (a, b)	1,191,657.55	2,517,511.80
Total shareholders equity	787,108,305.88	582,669,520.33
(= Value of net assets)		
Financial instruments	0.00	0.00
Sale transactions on financial instruments	0.00	0.00
Temporary financial securities transactions	0.00	0.00
Debts in the form of repo outward financial securities	0.00	0.00
Liabilities in the form of borrowed securities	0.00	0.00
Other temporary transactions	0.00	0.00
Financial contracts	0.00	0.00
Transactions on a regulated market or similar	0.00	0.00
Other operations	0.00	0.00
Debts	828,301.53	294,243.93
Currency futures	0.00	0.00
Other	828,301.53	294,243.93
Financial accounts	0.00	0.00
Current credit facilities	0.00	0.00
Borrowings	0.00	0.00
Total liabilities	787,936,607.41	582,963,764.26

(a) Accrual accounts included

(b) Interim payments for the financial year

Off balance sheets at 31/12/2021 and 31/12/2020

	31/12/2021	31/12/2020
Hedging transactions		
Commitments on regulated markets and similar		
Total Commitments on regulated markets and similar	0.00	0.00
OTC Commitments		
Total OTC Commitments	0.00	0.00
Other transactions		
Total Other transactions	0.00	0.00
Total Hedging transactions	0.00	0.00
Other transactions		
Commitments on regulated markets and similar		
Total Commitments on regulated markets and similar	0.00	0.00
OTC Commitments		
Total OTC Commitments	0.00	0.00
Other transactions		
Total Other transactions	0.00	0.00
Total Other transactions	0.00	0.00

Income statements at 31/12/2021 and 31/12/2020

	31/12/2021	31/12/2020
Gain on financial transactions		
Gain on deposits and financial accounts	5.49	0.00
Gain on shares and similar securities	5,430,854.29	4,949,612.49
Gain on bonds and similar securities	0.00	0.00
Gain on debt securities	0.00	0.00
Gain on acquisitions and temporary transfers of securities	0.00	0.00
Gain on financial contracts	0.00	0.00
Other financial gains	0.00	0.00
TOTAL (I)	5,430,859.78	4,949,612.49
Expenses on financial transactions		
Charges on acquisitions and temporary transfers of securities	0.00	0.00
Charges on financial contracts	0.00	0.00
Expenses on financial debts	25,432.05	15,692.21
Other financial expenses	0.00	0.00
TOTAL (II)	25,432.05	15,692.21
RESULTS OF FINANCIAL TRANSACTIONS (I - II)	5,405,427.73	4,933,920.28
Other gains (III)	0.00	0.00
Management expenses and provisions for depreciation (IV)	4,241,866.86	3,023,005.51
Net profit and loss for the financial year (L. 214-17-1) (I - II + III - IV)	1,163,560.87	1,910,914.77
Adjustment for revenues for the year (V)	28,096.68	606,597.03
Interim payments against profits for the year (VI)	0.00	0.00
Profit & loss (I - II + III - IV ± V - VI)	1,191,657.55	2,517,511.80

Appendices

Accounting principles and methods on 31 December 2021

Change in net assets of the UCITS

Main movements in the composition of the securities portfolio

Additional information on 31 December 2021

Accounting principles and methods on 31 December 2021

The portfolio's currency of account is the euro.

The management company has established the financial statements based on the available elements in the changing context of the COVID-19 crisis.

The annual financial statements are presented in accordance with the provisions of French Accounting Standards Authority Regulation No. 2017-05 amending French Accounting Standards Authority Regulation No. 2014-01 relating to the chart of accounts of open-ended mutual funds.

Extraordinary events during the financial year: None.

Accounting changes presented for the information of unitholders: None.

Changes to estimates and changes to modules (evidence to be attached as necessary): None.

Types of errors corrected during the year: None.

1. Rules for assessing and booking assets

The portfolio is valued at each net asset valuation and at the closing of the annual accounts as follows:

Securities:

Financial instruments and securities traded on a French or foreign regulated market:

- Financial instruments and securities traded on a regulated market in France or abroad: at the closing price on the valuation date (source: Thomson-Reuters).
- Securities whose price has not been booked on the valuation date are valued at the last officially published price or their expected trading value under the responsibility of the Management Company. Supporting evidence is made available to the external auditor during verification.
- Currencies: foreign currencies are converted to euros at the exchange rate posted in London at 4:00 p.m. on the valuation date (source: WM Company).
- Bonds and indexed products at fixed or variable rates, including Treasury Bills at annual interest rates (BTANs) and fixed-rate discounted-interest treasury bills (BTFs), are valued each day at their market price as assessed by data suppliers whom the Management Company deems to be eligible, and they are rated in order of priority by instrument type. They are valued at ex-coupon prices.

Nevertheless, the following instruments are valued according to the following specific methods:

Units or shares in UCIs:

- Units or shares in CIUs are valued at their last officially published net asset value. If the timescale for valuing collective investment undertakings cannot be reconciled with the calculation of the net asset value of the UCI, the UCIs are valued based on estimations under the supervision and at the discretion of the Management Company.

Treasury bonds at annual interest rates (BTANs) and fixed-rate discounted-interest treasury bonds (BTFs):

Negotiable Debt Securities (TCNs) are valued by the application of an actuarial method, the discount rate selected being that of the equivalent issue(s) of securities, adjusted where necessary by a difference that represents the intrinsic characteristics of the issuer of the security (the market spread of the issuer).

The markets rates employed are:

- - in the case of the Euro, the EONIA swap curve (Overnight Indexed Swap [OIS] method),

- in the case of the USD, the Fed Funds swap curve (Overnight Indexed Swap [OIS] method),
- in the case of the GBP, the SONIA swap curve (Overnight Indexed Swap [OIS] method).

The discount rate is an interpolated rate (by means of linear interpolation) between the two closest trading periods framing the maturity of the security.

Securitisation instruments:

Asset-backed securities (ABSs): ABSs are valued based on valuations from a service provider, from data providers, from eligible counterparties, and/or third parties designated by the Management Company (i.e., eligible data providers).

Collateralised debt obligations (CDOs) and collateralised loan obligations (CLOs):

- (i) subordinated tranches issued for CDOs and/or CLOs and (ii) customised CLOs are valued based on values from arranging banks, lead managers, counterparties who are committed to providing such valuations and/or third parties designated by the Management Company (i.e., eligible data providers)
- (ii) securities issued by CDOs and/or CLOs that are neither (i) subordinate tranches of CDOs and/or CLOs nor (ii) custom CLOs are valued by third parties designated by the Asset Management Company (i.e., eligible data suppliers).

The prices used for valuing securitisation instruments are valued at the discretion of the Asset Management Company.

Transactions involving the temporary purchase and sale of securities:

– Lending/borrowing:

- Securities lending: loaned securities are valued at the market value of the securities; receivables representing the loaned securities are valued based on the terms of the loan agreement.
- Securities borrowing transactions: the debt representing the securities borrowed is valued in accordance with the terms of contract.

– Repos:

- Reverse repurchase agreements: receivables representing the repo inward securities are valued under the terms of contract.
- Repos outward: the repo outward securities are valued at the market value of the securities; the debt representing the outward repos is valued under the terms of contract.

Financial instruments not traded on a regulated market:

These instruments are valued at their probable trading value at the discretion of the management company

Contract for difference (CFD): CFDs are valued at their market value on the basis of the closing rate of the underlying securities on the valuation day. The stock market value of the corresponding lines indicates the difference between the stock market value and the strike price of the underlying securities.

Credit default swaps: CDSs are valued using the standard method for CDSs recommended by the ISDA. (sources: Markit for CDS curves and the recovery rate, and Bloomberg for interest rate curves).

Forex forwards: Currency forwards are valued based on a calculation that takes into account:

- The nominal value of the instrument,
- The strike price of the instrument,
- Discount factors for the remainder of the term,
- The spot exchange rate at market value,

- The forward exchange rate for the remainder of the term, defined as the spot exchange rate times the discount factor ratio in each currency calculated using the appropriate rate curves.

⇒ Over the counter derivatives in asset management (not including CDSs, FX Forwards and CFDs):

- Rate swaps against EONIA, FED FUNDS, or SONIA:

These swaps are valued using the reversal cost method. Each time the net asset value is calculated, the interest rate and/or currency swap contracts are valued at their market value depending upon the price calculated by discounting the future cash flows (principal and interest) at the market interest and/or currency rates. The discounting is carried out using a zero-coupon rate curve.

- Interest rate swaps with the EURIBOR or LIBOR as the reference index:

These are valued at their market value based on the prices calculated by the counterparties, under the control and at the discretion of the Management Company.

⇒ Over the counter derivative products not in asset management (not including CDSs, FX Forwards and CFDs):

Derivative instruments are valued at their market value in accordance with the prices calculated by the counterparties, under the control and at the discretion of the Management Company.

If the Management Company deems necessary, an investment or a specific security may be valued using an alternative method to those presented above, on the recommendation of Global Risk Management or a portfolio manager after validation by Global Risk Management. When the value of an investment cannot be verified by the usual method or an alternative method, it will correspond to the estimated probable realisation value, under the control and responsibility of the Management Company.

In practice, if the Management Company is forced to carry out a transaction at a price that differs significantly from the valuation provided for in the valuation rules presented here, all of the securities remaining in the Fund must be valued at this new price.

2. Accounting methods

Recognition of revenue is performed using the accrued coupons method.

Trading charges are posted in specific accounts of the UCIT and are therefore not added to the cost price of the securities (excluding charges).

The WAPP (Weighted Average Purchase Price) method is used for the liquidation of securities. For derivative products, on the other hand, the FIFO (or 'First In' 'First Out') method is used.

3. Distribution policy

Sums available for distribution are compiled as provided by law, namely:

net revenues plus the carry forward, plus or minus the balance of the accruals and deferrals account;

the capital gains earned, net of fees, minus capital losses incurred, net of fees, reported during the financial year, plus the net capital gains of the same kind reported during prior financial years that were not distributed or capitalised, plus or minus the balance of the accruals and deferrals account.

The Sums Available for Distribution are capitalised and/or distributed and/or carried over independently, in whole or in part, by decision of the board at the end of the year.

Interim distributions may be made during the financial year by decision of the Board of Directors within the limits of the Distributable Amount realised at the time of the decision.

Capitalisation shares:

The Distributable Amounts are fully capitalised each year.

4. Method of calculating operating and management fees

These costs cover all the costs billed directly to the UCITS, except for the costs of transactions.

The transaction costs include the intermediation fees (brokerage, stock market taxes, etc.) and the turnover fee, where applicable, that might be received in particular by the depositary and management company.

Besides the management fees there may be:

- transaction fees charged to the UCI,
- the remuneration received by the lending agent arising from the implementation of transactions involving the temporary purchase and sale of securities.

Thus, management and operating fees charged to the UCI are:

Fees charged directly to the UCI's income statement:

- Management costs, including management costs other than those of the portfolio management company (CAC, depositary, distribution, lawyers):
 - Class A shares: The maximum management fee is 0.70% (including taxes) of net assets (UCI included).
 - Class E shares: The maximum management fee is 0.70% (including taxes) of net assets (UCI included).
 - Class R shares: The maximum management fee is 1.60% (including taxes) of net assets (UCI included).
 - Class T shares: The maximum management fee is 1.20% (including taxes) of net assets (UCI included).
 - Class S shares: The maximum management fee is 1.60% (including taxes) of net assets (UCI included).
 - Class V shares: The maximum management fee is 0.80% (including taxes) of net assets (UCI included).
 - Class "I" shares: The maximum management fee is 0.45% (including taxes) of net assets (UCI included).

Maximum indirect costs (fees and management costs):

- None. Insofar as the UCITS's investment in underlying CIUs does not involve more than 20% of its assets, the level of indirect costs does not have to be specified in the above table. This does not mean, however, that the UCITS will not incur costs as a result of this investment.

Transaction/Depositary's fee:

- The maximum charge for each transaction is EUR 50, all taxes included.

Outperformance fee:

- None.

- Retrocession of management fees:
 - None.
- Costs of employee savings plans borne by the company. This fee category is not applicable to UCIs other than Employee Savings Funds:
 - Not applicable.

5. Calculation of ratios and commitments

Pursuant to section R(214)(30) of the Monetary and Financial Code, funds holding financial contracts calculate their own rules for risk spreading, taking into account the financial instruments underlying these contracts.

Where permitted under the fund's prospectus, the fund's actual exposure to market risk may be achieved through financial contracts involving diversified financial instruments. In such cases, the fund's portfolio is concentrated, but the use of financial contracts leads to diversification of the fund's exposure to risk.

6. 'Off balance sheet' table

'Off-balance sheet' positions are classified as 'Hedging transactions' or 'Other transactions', depending on the objective pursued by fund management.

<i>Unit concordance table</i>			
Fund name:	AXA IM EURO SELECTION		
Portfolio code:	AF80		
ISIN code	Class indicated in the prospectus/KIID	Allocation of the distributable amounts	Units included in the inventory
FR0013321023	R	Capitalisation	CI
FR0013321015	T	Capitalisation	C2
FR0013321007	S	Capitalisation	C3
FR0013320991	V	Capitalisation	C4
FR0012993160	E	Capitalisation	RC
FR0013419843	1	Capitalisation	IC
FR0010777391	A	Capitalisation and/or	RD

Change in net assets of the UCITS

	31/12/2021	31/12/2020
Net assets at beginning of the financial year	582,669,520.33	475,834,424.15
Subscriptions (including subscription fees collected from the UCITS)	367,581,537.94	344,369,663.09
Redemptions (with deduction of redemption commissions acquired from the UCITS)	-282,296,604.10	-274,531,918.85
Gains realised on deposits and financial instruments	65,302,785.58	35,713,855.38
Losses realised on deposits and financial instruments	-19,568,900.78	-11,301,291.54
Gains realised on financial contracts	0.00	0.00
Losses realised on financial contracts	0.00	0.00
Transaction fees	-770,578.97	-575,242.09
Exchange-rate differences	-785,367.55	842,092.56
Change in the difference on estimates of deposits and financial instruments	73,812,352.56	10,407,022.86
<i>Difference in estimates for financial year N:</i>	<i>173,364,985.86</i>	<i>99,552,633.30</i>
<i>Difference in estimates for financial year N-1:</i>	<i>99,552,633.30</i>	<i>89,145,610.44</i>
Change in the difference in estimates for financial contracts	0.00	0.00
<i>Difference in estimates for financial year N:</i>	<i>0.00</i>	<i>0.00</i>
<i>Difference in estimates for financial year N-1:</i>	<i>0.00</i>	<i>0.00</i>
Asset distribution	0.00	0.00
Distribution of net gains and losses for the previous year	0.00	0.00
Distribution from the preceding financial year	0.00	0.00
Net earnings for the year before adjustment account	1,163,560.87	1,910,914.77
Interim payment(s) against net gains and losses paid during the year	0.00	0.00
Interim payment(s) against profits paid during the year	0.00	0.00
Other items *	0.00	0.00
Net assets at the close of the financial year	787,108,305.88	582,669,520.33

* The contents of this line will be the subject of a detailed explanation by the UCI (merger contributions, payments received as capital and/or performance guarantees)

Main movements in the composition of the securities portfolio

Details of the share portfolio	Movements (amount)	
	Acquisitions	Transfers
a) Eligible financial securities and money market instruments that can be traded on a regulated market as described in section L(422)(1) of the Monetary and Financial Code	460,356,393.98	393,620,074.06
b) Eligible financial securities and money market instruments that can be traded on other regulated markets, under normal operation, recognised, open to the public and where the head offices are located within a member state of the European Union or in a State that has an agreement with the European Economic Area	0.00	0.00
c) Eligible financial securities and money market instruments admitted to official listings on stock exchanges in third countries or traded on another market in third countries that is regulated, operating regularly, recognised and open to the public, provided the stock exchange or market does not appear on a list drawn up by the AMF, and the choice of stock exchange or market is permissible by law, regulations and the company Articles of Association of the UCITS/general investment fund	17,157,940.78	0.00
d) Newly issued financial securities referred to in section R(214)(11)(4) of the Monetary and Financial Code; (section R[214][11][1][4] (UCITS)/section R[214][32][18][1][4] [GIF] of the Monetary and Financial Code)	0.00	0.00
e) Other assets: Assets set out under section R(214)(11)(II) of the Monetary and Financial Code and under sections R(214)(32)(19)(I) and (II). (sections R[214][1][II] [UCITS]/section R[214][32][19][I] and [II] [GIF] of the Monetary and Financial Code)	0.00	0.00

This table is not part of the annual financial statements appendix and is therefore not audited by the auditor

Additional information on 31 December 2021

1. Breakdown of instruments by legal or economic type

	Value	%
ASSETS		
Bonds and similar securities		
TOTAL Bonds and similar securities	0.00	0.00
Debt securities		
TOTAL Debt securities	0.00	0.00
TOTAL ASSETS	0.00	0.00
LIABILITIES		
Sale transactions on financial instruments		
TOTAL Sales of financial instruments	0.00	0.00
TOTAL LIABILITIES	0.00	0.00
Off Balance Sheet		
Hedging transactions		
TOTAL Hedging transactions	0.00	0.00
Other transactions		
TOTAL Other transactions	0.00	0.00
TOTAL Off Balance Sheet	0.00	0.00

2. Breakdown of postings to assets, liabilities, and off-balance sheet items by interest rate type

	Fixed rate	%	Variable rate	%	Adjustable rate	%	Other	%
Assets								
Deposits								
Bonds and similar securities								
Debt securities								
Temporary financial securities transactions								
Financial accounts							945,369.51	0.12
Liabilities								
Temporary financial securities transactions								
Financial accounts								
Off-Balance Sheet								
Hedging operations								
Other operations								

3. Breakdown of postings to assets, liabilities, and off-balance sheet items by residual maturity

	< 3 months	%	[3 months - 1 year]	%	[1 - 3 years]	%	[3 - 5 years]	%	> 5 years	%
Assets										
Deposits										
Bonds and similar securities										
Debt securities										
Temporary financial securities transactions										
Financial accounts	945,369.51	0.12								
Liabilities										
Temporary financial securities transactions										
Financial accounts										
Off-Balance Sheet										
Hedging operations										
Other operations										

4. Breakdown by trading or valuation currency of postings to assets, liabilities, and off-balance sheet

	Currency 1 SEK	% SEK	Currency 2 NOK	% NOK	Currency 3	%	Currency N	%
Assets								
Deposits								
Shares and similar securities	24,312,354.31	3.09	22,023,005.24	2.80				
Bonds and similar securities								
Debt securities								
UCI								
Temporary financial securities transactions								
Debt securities								
Financial accounts								
Liabilities								
Sale transactions on financial instruments								
Temporary financial securities transactions								
Debts								
Financial accounts								
Off-Balance Sheet								
Hedging operations								
Other operations								

5. Breakdown of loan and debt postings by type

	31/12/2021
Debt securities	
Other accounts payable	33,678.35
Total debt securities	33,678.35
Debts	
Management fees	-827,605.53
Other Debts	-696.00
Total debts	-828,301.53
Total debts and debt securities	-794,623.18

6. Shareholders' Equity

SUBSCRIPTIONS AND REDEMPTIONS

	By units	In value
C1		
Shares and units issued during the year	114.3486	158,600.42
Shares and units redeemed during the year	-45.7265	-61,911.44

	By units	In value
C2		
Shares and units issued during the year	442.318	595,140.74
Shares and units redeemed during the year	-145.5525	-199,927.48

	By units	In value
C3		
Shares and units issued during the year	2,102.0542	2,841,130.79
Shares and units redeemed during the year	-572.3362	-781,235.32

	By units	In value
C4		
Shares and units issued during the year	4,118.5933	5,894,881.08
Shares and units redeemed during the year	-94	-123,018.46

	By units	In value
IC	institutional capital	
Shares and units issued during the year	119,022.2798	151,408,411.21
Shares and units redeemed during the year	-117,790.2812	-146,267,997.08

	By units	In value
RC		
Shares and units issued during the year	21,645.6576	35,865,421.64
Shares and units redeemed during the year	-23,341.6545	-38,502,448.98

	By units	In value
RD		
Shares and units issued during the year	41,755.9862	170,817,952.06
Shares and units redeemed during the year	-23,168.698	-96,360,065.34

SUBSCRIPTION AND/OR REDEMPTION FEES

	In value
C1	
Value of subscription and/or redemption fees received	0.00
Value of subscription fees received	0.00
Value of redemption fees received	0.00
Value of subscription and/or redemption fees reassigned to third parties	0.00
Value of subscription fees reassigned to third parties	0.00
Value of redemption fees reassigned to third parties	0.00
Value of subscription and/or redemption fees acquired from the UCITS	0.00
Subscription fees collected by the UCI	0.00
Redemption fees collected by the UCI	0.00

	In value
C2	
Value of subscription and/or redemption fees received	0.00
Value of subscription fees received	0.00
Value of redemption fees received	0.00
Value of subscription and/or redemption fees reassigned to third parties	0.00
Value of subscription fees reassigned to third parties	0.00
Value of redemption fees reassigned to third parties	0.00
Value of subscription and/or redemption fees acquired from the UCITS	0.00
Subscription fees collected by the UCI	0.00
Redemption fees collected by the UCI	0.00

	In value
C3	
Value of subscription and/or redemption fees received	0.00
Value of subscription fees received	0.00
Value of redemption fees received	0.00
Value of subscription and/or redemption fees reassigned to third parties	0.00
Value of subscription fees reassigned to third parties	0.00
Value of redemption fees reassigned to third parties	0.00
Value of subscription and/or redemption fees acquired from the UCITS	0.00
Subscription fees collected by the UCI	0.00
Redemption fees collected by the UCI	0.00

	In value
C4	
Value of subscription and/or redemption fees received	0.00
Value of subscription fees received	0.00
Value of redemption fees received	0.00
Value of subscription and/or redemption fees reassigned to third parties	0.00
Value of subscription fees reassigned to third parties	0.00
Value of redemption fees reassigned to third parties	0.00
Value of subscription and/or redemption fees acquired from the UCITS	0.00
Subscription fees collected by the UCI	0.00
Redemption fees collected by the UCI	0.00

	In value
IC institutional capital	
Value of subscription and/or redemption fees received	0.00
Value of subscription fees received	0.00
Value of redemption fees received	0.00
Value of subscription and/or redemption fees reassigned to third parties	0.00
Value of subscription fees reassigned to third parties	0.00
Value of redemption fees reassigned to third parties	0.00
Value of subscription and/or redemption fees acquired from the UCITS	0.00
Subscription fees collected by the UCI	0.00
Redemption fees collected by the UCI	0.00

	In value
RC	
Value of subscription and/or redemption fees received	0.00
Value of subscription fees received	0.00
Value of redemption fees received	0.00
Value of subscription and/or redemption fees reassigned to third parties	0.00
Value of subscription fees reassigned to third parties	0.00
Value of redemption fees reassigned to third parties	0.00
Value of subscription and/or redemption fees acquired from the UCITS	0.00
Subscription fees collected by the UCI	0.00
Redemption fees collected by the UCI	0.00

	In value
RD	
Value of subscription and/or redemption fees received	0.00
Value of subscription fees received	0.00
Value of redemption fees received	0.00
Value of subscription and/or redemption fees reassigned to third parties	0.00
Value of subscription fees reassigned to third parties	0.00
Value of redemption fees reassigned to third parties	0.00
Value of subscription and/or redemption fees acquired from the UCITS	0.00

Subscription fees collected by the UCI	0.00
Redemption fees collected by the UCI	0.00

7. Management fees

	31/12/2021
C1	
Percentage of fixed management fees	1.60
Fixed load	43,254.00
Percentage of variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

	31/12/2021
C2	
Percentage of fixed management fees	1.20
Fixed load	14,978.71
Percentage of variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

	31/12/2021
C3	
Percentage of fixed management fees	1.60
Fixed load	60,089.11
Percentage of variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

	31/12/2021
C4	
Percentage of fixed management fees	0.80
Fixed load	26,834.62
Percentage of variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

	31/12/2021
IC institutional capital	
Percentage of fixed management fees	0.45
Fixed load	1,015,688.28
Percentage of variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

	31/12/2021
RC	
Percentage of fixed management fees	0.70
Fixed load	351,428.53

Percentage of variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

	31/12/2021
RD	
Percentage of fixed management fees	0.70
Fixed load	2,729,593.61
Percentage of variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

8. Commitments given and received

<u>Description of guarantees received by the UCI</u>					NONE
Nature of the guarantee	Establishment Guarantor	Beneficiary	Maturity	Conditions	
Other commitments given and/or received			NONE		

9. Other information**CURRENT VALUE OF FINANCIAL INSTRUMENTS ACQUIRED TEMPORARILY**

	31/12/2021
Securities acquired under repurchase agreement	0.00
Securities held under repurchase agreement	0.00
Borrowed securities	0.00

CURRENT VALUE OF FINANCIAL INSTRUMENTS DEPOSITED AS GUARANTEES

	31/12/2021
Financial instruments given in guarantee and held in original posting	0.00
Instruments received in guarantee and not entered on balance sheet	0.00

GROUP FINANCIAL INSTRUMENTS HELD IN PORTFOLIO

	31/12/2021
Shares	0.00
Bonds	0.00
NDIs	0.00
UCI	0.00
Financial futures	0.00
Total group securities	0.00

10. Allocation table for sums available for distribution

Interim payments against profits for the year						
	Date	Share	Total value	Unit value	Total tax credits	Unit tax credits
Total interim payments			0	0	0	0

Interim payments against net profit and loss for the year				
	Date	Share	Total value	Unit value
Total interim payments			0	0

Allocation table for sums available for distribution depending on profits (6)	31/12/2021	31/12/2020
Sums remaining for appropriation		
Brought forward	9,571,492.48	6,708,425.24
Results	1,191,657.55	2,517,511.80
Total	10,763,150.03	9,225,937.04

CI	31/12/2021	31/12/2020
Appropriation		
Distribution	0.00	0.00
Carried forward for the financial year	0.00	0.00
Capitalisation	-22,271.84	-11,389.48
Total	-22,271.84	-11,389.48
Information in respect of shares or units with right to distribution		
Number of shares or units	0	0
Unit distribution	0.00	0.00
Tax credits attaching to distribution of profits	0.00	0.00

AXA IM EURO SELECTION

	31/12/2021	31/12/2020
C2		
Appropriation		
Distribution	0.00	0.00
Carried forward for the financial year	0.00	0.00
Capitalisation	-5,616.08	-868.79
Total	-5,616.08	-868.79
Information in respect of shares or units with right to distribution		
Number of shares or units	0	0
Unit distribution	0.00	0.00
Tax credits attaching to distribution of profits	0.00	0.00

	31/12/2021	31/12/2020
C3		
Appropriation		
Distribution	0.00	0.00
Carried forward for the financial year	0.00	0.00
Capitalisation	-37,157.72	-10,686.41
Total	-37,157.72	-10,686.41
Information in respect of shares or units with right to distribution		
Number of shares or units	0	0
Unit distribution	0.00	0.00
Tax credits attaching to distribution of profits	0.00	0.00

	31/12/2021	31/12/2020
C4		
Appropriation		
Distribution	0.00	0.00
Carried forward for the financial year	0.00	0.00
Capitalisation	-246.71	2,129.32
Total	-246.71	2,129.32
Information in respect of shares or units with right to distribution		
Number of shares or units	0	0
Unit distribution	0.00	0.00
Tax credits attaching to distribution of profits	0.00	0.00

AXA IM EURO SELECTION

	31/12/2021	31/12/2020
IC institutional capital		
Appropriation		
Distribution	0.00	0.00
Carried forward for the financial year	0.00	0.00
Capitalisation	807,169.85	1,241,159.92
Total	807,169.85	1,241,159.92
Information in respect of shares or units with right to distribution		
Number of shares or units	0	0
Unit distribution	0.00	0.00
Tax credits attaching to distribution of profits	0.00	0.00

	31/12/2021	31/12/2020
RC		
Appropriation		
Distribution	0.00	0.00
Carried forward for the financial year	0.00	0.00
Capitalisation	47,471.87	171,360.22
Total	47,471.87	171,360.22
Information in respect of shares or units with right to distribution		
Number of shares or units		
Unit distribution	0.00	0.00
Tax credits attaching to distribution of profits	0.00	0.00

	31/12/2021	31/12/2020
RD		
Appropriation		
Distribution		0.00
Carried forward for the financial year	9,973,800.66	7,834,232.26
Capitalisation	0.00	0.00
Total	9,973,800.66	7,834,232.26
Information in respect of shares or units with right to distribution		
Number of shares or units	102,407.2775	83,819.9893
Unit distribution	0.00	0.00
Tax credits attaching to distribution of profits	0.00	0.00

AXA IM EURO SELECTION

Allocation table for sums available for distribution according to net gains and losses (6)	Allocation of net gains and losses	
	31/12/2021	31/12/2020
Sums remaining for appropriation		
Previous net gains and losses, unallocated	130,417,183.63	92,182,478.46
Net gains and losses for the year	48,116,581.64	26,911,252.12
Interim payments against net gains and losses for the year	0.00	0.00
Total	178,533,765.27	119,093,730.58

(6) For completion regardless of the UCI's distribution policy

Allocation table for sums available for distribution according to net gains and losses (6)	Allocation of net gains and losses	
	31/12/2021	31/12/2020
C1		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	0.00	0.00
Capitalisation	186,425.49	115,062.42
Total	186,425.49	115,062.42
Information in respect of shares or units with right to distribution		
Number of shares or units	0	0
Unit distribution	0.00	0.00

(6) For completion regardless of the UCI's distribution policy

Allocation table for sums available for distribution according to net gains and losses (6)	Allocation of net gains and losses	
	31/12/2021	31/12/2020
C2		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	0.00	0.00
Capitalisation	93,530.79	42,052.87
Total	93,530.79	42,052.87
Information in respect of shares or units with right to distribution		
Number of shares or units	0	0
Unit distribution	0.00	0.00

(6) For completion regardless of the UCI's distribution policy

Allocation table for sums available for distribution according to net gains and losses (6)	Allocation of net gains and losses	
	31/12/2021	31/12/2020
C3		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	0.00	0.00
Capitalisation	311,024.58	109,565.79
Total	311,024.58	109,565.79
Information in respect of shares or units with right to distribution		
Number of shares or units	0	0
Unit distribution	0.00	0.00

(6) For completion regardless of the UCI's distribution policy

Allocation table for sums available for distribution according to net gains and losses (6)	Allocation of net gains and losses	
	31/12/2021	31/12/2020
C4		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	0.00	0.00
Capitalisation	437,706.97	38,568.17
Total	437,706.97	38,568.17
Information in respect of shares or units with right to distribution		
Number of shares or units	0	0
Unit distribution	0.00	0.00

(6) For completion regardless of the UCI's distribution policy

Allocation table for sums available for distribution according to net gains and losses (6)	Allocation of net gains and losses	
	31/12/2021	31/12/2020
IC institutional capital		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	0.00	0.00
Capitalisation	15,665,782.76	9,825,753.57
Total	15,665,782.76	9,825,753.57
Information in respect of shares or units with right to distribution		
Number of shares or units	0	0
Unit distribution	0.00	0.00

(6) For completion regardless of the UCI's distribution policy

Allocation table for sums available for distribution according to net gains and losses (6)	Allocation of net gains and losses	
	31/12/2021	31/12/2020
RC		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	0.00	0.00
Capitalisation	3,316,442.52	2,216,730.94
Total	3,316,442.52	2,216,730.94
Information in respect of shares or units with right to distribution		
Number of shares or units	0	0
Unit distribution	0.00	0.00

(6) For completion regardless of the UCI's distribution policy

Allocation table for sums available for distribution according to net gains and losses (6)	Allocation of net gains and losses	
	31/12/2021	31/12/2020
RD		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	158,522,852.16	106,745,996.82
Capitalisation	0.00	0.00
Total	158,522,852.16	106,745,996.82
Information in respect of shares or units with right to distribution		
Number of shares or units	102,407.2775	83,819.9893
Unit distribution	0.00	0.00

(6) For completion regardless of the UCI's distribution policy

11. Table of earnings and other items characteristic of the entity over the course of the last five financial years

Date	Share	Net assets	Number of shares or units	Unit net asset value	Unit distribution of net gains or losses (interim payments incl.)	Unit distribution of results (interim payments incl.)	Unit tax credits	Unit capitalisation
				€	€	€	€	€
31/12/2018	C1	+	1,735.9562	915.17				60.23
	C2	83,534.51	91.0000	917.96				63.53
	C3	915.18	1.0000	915.18				60.26
	C4	921.50	1.0000	921.50				67.65
	RC	45,901,517.04	42,845.5079	1,071.32				200.82
	RD	295,514,518.20	109,659.4698	2,694.83				
	31/12/2019	C1	2,285,941.65	1,956.4695	1,168.40			
	C2	85,153.13	72.3395	1,177.13				67.31
	C3	1,168.30	1.0000	1,168.30				62.57
	C4	1,186.32	1.0000	1,186.32				72.55
	IC	52,485,576.67	47,731.0000	1,099.61				39.20
	RC	50,008,431.03	36,234.8469	1,380.11				85.05
	RD	370,966,967.05	106,869.2792	3,471.22				
31/12/2020	C1	2,477,284.41	1,975.0207	1,254.30				52.49
	C2	907,482.65	715.2641	1,268.73				57.58
	C3	2,357,888.83	1,879.8512	1,254.29				52.60
	C4	833,199.74	649.0971	1,283.62				62.69
	IC	212,946,802.55	178,330.9304	1,194.11				62.04
	RC	47,973,066.01	32,089.2283	1,494.98				74.42
	RD	315,173,796.14	83,819.9893	3,760.12				
31/12/2021	C1	3,031,894.44	2,043.6428	1,483.57				80.33
	C2	1,524,778.04	1,012.0296	1,506.65				86.87
	C3	5,058,286.31	3,409.5692	1,483.55				80.33
	C4	7,152,837.66	4,673.6904	1,530.44				93.60
	IC	256,543,184.61	179,562.9290	1,428.70				91.73
	RC	54,228,680.40	30,393.2314	1,784.23				110.67
	RD	459,568,644.42	102,407.2775	4,487.65				

12. Detailed inventory of deposits and financial instruments

Name of security	Qty in number or nominal	Stock market value	Currency	% Net assets
AD YEN NY COMMON STOCK EUR.01	13,500	31,205,250.00	EUR	3.96
AMPLIFON SPA COMMON STOCK EUR.02	550,000	26,097,500.00	EUR	3.32
ASML HOLDING NY COMMON STOCK EUR. 09	70,000	49,469,000.00	EUR	6.28
ATLAS COPCO AB A SHS COMMON STOCK SEK.639	400,000	24,312,354.31	SEK	3.09
BASIC FIT NV COMMON STOCK EUR.06	377,000	15,834,000.00	EUR	2.01
CELLNEX TELECOM SA COMMON STOCK EUR.25	300,000	15,354,000.00	EUR	1.95
DASSAULT SYSTEMES COMMON STOCK EUR.1	370,000	19,354,700.00	EUR	2.46
ELIA GROUP SA/NV COMMON STOCK	100,000	11,570,000.00	EUR	1.47
FERRARI NV COMMON STOCK EUR.01	136,000	30,940,000.00	EUR	3.93
FLUIDRA SA COMMON STOCK EUR1.0	340,000	11,968,000.00	EUR	1.52
HERMES INTERNATIONAL COMMON STOCK	14,000	21,504,000.00	EUR	2.73
IBERDROLA SA COMMON STOCK EUR.75	3,100,000	32,271,000.00	EUR	4.10
INFINEON TECHNOLOGIES AG COMMON STOCK	550,000	22,418,000.00	EUR	2.85
KERRY GROUP PLC A COMMON STOCK EUR. 125	177,000	20,045,250.00	EUR	2.55
KION GROUP AG COMMON STOCK	275,000	26,532,000.00	EUR	3.37
KONINKLIJKE DSM NV COMMON STOCK EUR1.5	161,000	31,878,000.00	EUR	4.05
L OREAL COMMON STOCK EUR.2	60,000	25,017,000.00	EUR	3.18
LOTUS BAKERIES COMMON STOCK	3,000	16,770,000.00	EUR	2.13
LVMH MOET HENNESSY LOUIS VUI COMMON STOCK EUR.3	44,700	32,496,900.00	EUR	4.13
NESTE OYJ COMMON STOCK	550,000	23,848,000.00	EUR	3.03
PERNOD RICARD SA COMMON STOCK EUR1.55	132,000	27,918,000.00	EUR	3.55
PROSUS NV COMMON STOCK EUR.05	260,000	19,117,800.00	EUR	2.43
PUMA SE COMMON STOCK	130,000	13,942,500.00	EUR	1.77
RATIONAL AG COMMON STOCK	20,000	18,008,000.00	EUR	2.29
SAFRAN SA COMMON STOCK EUR.2	300,000	32,298,000.00	EUR	4.10
SARTORIUS AG VORZUG PREFERENCE	27,000	16,070,400.00	EUR	2.04
SCHNEIDER ELECTRIC SE COMMON STOCK EUR4.0	190,000	32,767,400.00	EUR	4.16
SIEMENS HEALTHINEERS AG COMMON STOCK	350,000	23,037,000.00	EUR	2.93
SYMRISE AG COMMON STOCK	180,000	23,454,000.00	EUR	2.98
TELEPERFORMANCE COMMON STOCK EUR2.5	57,000	22,344,000.00	EUR	2.84
TOMRA SYSTEMS ASA COMMON STOCK NOK1.	350,000	22,023,005.24	NOK	2.80
UCB SA COMMON STOCK	210,000	21,073,500.00	EUR	2.68
UNIVERSAL MUSIC GROUP NV COMMON STOCK EUR10.0	1,050,000	26,019,000.00	EUR	3.31
TOTAL shares and similar securities traded on a regulated market, or similar (excluding		786,957,559.55		99.99
TOTAL Shares and similar securities traded on a regulated market or similar		786,957,559.55		99.99
TOTAL Shares and similar securities		786,957,559.55		99.99

Statutory Auditor's report on the annual financial statement and Special statutory auditor's report on regulated agreements



61, rue Henri Régnauld La Défense
92400 COURBEVOIE
France
Tel.: +33 (0)1 49 97 60 00
Fax: +33 (0)1 49 97 60 01 www.mazars.fr

AXA IM EURO SELECTION UCITS

Statutory Auditor's report on the annual financial statement

Financial year ending on 31 December 2021

Statutory Auditor's report on the annual financial statement

Financial year ending on 31 December 2021

To the general shareholders meeting of AXA IM EURO SELECTION UCITS,

Opinion

In the performance of the duties entrusted to us by your board, we have audited the annual financial statement of the AXA IM EURO SELECTION undertaking for collective investment in transferable securities (UCITS) for the financial year that ended on 31 December 2021, as attached to this report.

We certify that the financial statement is fair and honest in keeping with French accounting principles and standards and provides a true and fair view of the results of the transactions carried out during the financial year just ended and of the financial situation and assets of the UCITS at the end of the financial year.

Basis for the opinion

Frame of reference for the audit

We have conducted our audit in accordance with the standards of professional practice in France. It is our opinion that the documents which we have collected are sufficient and appropriate for us to reach an opinion.

Our responsibilities pursuant to those standards are discussed in the 'Auditor's responsibilities with regard to the audit of the financial statement' section of this report.

Independence

We conducted our audit in accordance with the rules of independence set out in the Commercial Code and in the French Code of Ethics for Statutory Auditors [*Code de déontologie de la profession de commissaire*], for the period from 31 December 2020 to the date of issue of our report.

Basis for our assessment

The global crisis linked to the COVID-19 pandemic has created special conditions for the preparation and audit of this year's accounts. Indeed, this crisis and the exceptional measures taken in the context of the state of health emergency have had multiple consequences for UCITs, their investments and the valuation of the corresponding assets and liabilities. Some of these measures, such as travel restrictions and remote working, have also had an impact on the operational management of UCIs Schemes and on the way audits are conducted.

It is in this changing context that, in accordance with the provisions of sections L(823)(9) and R(823)(7) Commercial Code relating to the justification of our assessments, we hereby inform you that the most significant assessments we made, in our professional opinion, concerned the appropriateness of the accounting principles applied, in particular with regard to the financial instruments held in the portfolio, and the overall presentation of the financial statements in accordance with the chart of accounts for undertakings for collective investment in transferable securities.

The assessment expressed here is issued in the context of the audit of the annual financial statement taken as a whole, and the formulation of our opinion as set out above. We therefore do not express an opinion on any element of these annual accounts taken in isolation.

Details of the audit

In compliance with the professional standards applicable in France, we have also carried out the specific verifications required under the law and the regulations.

We have no qualifications to make as to the fairness and coherence with the annual accounts of the information given in the Directors' report and in the other documents addressed to the shareholders as to the financial situation and the annual accounts.

We certify that the section of the directors' report devoted to corporate governance contains the information required by section L. 225-37-4 Commercial Code.

Duties of management and of the persons in charge of corporate governance in relation to the annual financial statement

Management is responsible for drawing up an annual financial statement that furnishes a true and fair view under French accounting principles and standards and to put in place those internal controls it regards as necessary for preparing annual accounts devoid of any material misstatements due to fraud or error.

When preparing the annual accounts, it is the responsibility of management to assess the UCITS's ability to continue doing business; to include in the accounts the requisite information relating to continuity of operations, as appropriate; and to apply the going concern accounting principle, unless the UCITS plans to liquidate or cease doing business.

The annual accounts were approved by the board.

Duties of the Statutory Auditor in relation to the audit of the annual financial statement

It is our duty to draw up a report on the annual financial statement. It is our objective to secure reasonable assurance that the annual financial statement taken as a whole does not contain any material misstatements. Reasonable assurance means a high level of assurance but does not ensure that an audit completed in accordance with the standards of professional practice will systematically detect all material misstatements. Misstatements may arise from fraud or from error and are considered material where, taken individually or as a whole, they may reasonably be expected to be capable of influencing the financial decisions made by users based on the financial statement.

As prescribed by section L (823)(10)(1) Commercial Code, our task of certifying the financial statement does not extend to guaranteeing your UCITS's viability or the quality of its management.

In the framework of an audit performed in accordance with the professional standards of practice applicable in France, the auditor exercises its professional judgement over the course of the entire audit. Additionally:

- the Statutory Auditor will identify and assess the risk that the annual financial statement contains material misstatements due either to fraud or to error, set and implement audit procedures to address those risks, and collect the evidence that it considers sufficient and appropriate as a basis for its opinion. The risk of failing to detect a material misstatement resulting from fraud is greater than that of failing to disclose a material misstatement caused by a mistake, since fraud may entail collusion, fabrication, voluntary omissions, false statements, or circumventing internal controls;
- the Statutory Auditor will consider the internal controls relevant to the audit to be able to employ audit procedures suitable to the circumstances, not to express an opinion on the effectiveness of the internal controls;

- the Statutory Auditor will evaluate the suitability of the accounting practices in place and the reasonableness of accounting estimates made by management, as well as the information in that regard furnished in the annual financial statement;
- the Statutory Auditor will assess whether it is suitable for the management company to employ the going concern accounting assumption and, on the basis of the information compiled, whether or not there is significant uncertainty about events or circumstances capable of calling the ability of the UCITS to continue doing business into question. This assessment is to be based on the information compiled up to the date of the Statutory Auditor's report, though it should be borne in mind that subsequent circumstances or events could raise questions about the going concern assumption. If the Statutory Auditor concludes there is significant uncertainty, it will draw the attention of the readers of its report to the information pointing to the uncertainty in the annual financial statement or, if no such information is available or is not relevant, it will issue a qualified opinion or refuse to certify the accounts;
- the Statutory Auditor assesses the overall presentation of the annual financial statement and assesses whether the annual accounts reflect the underlying transactions and events so as to give a true and fair view.

The Statutory Auditor

Mazars

Issued in Courbevoie, on 17 March 2022



Gilles DUNAND-ROUX



61, rue Henri Régnauld
92075 PARIS LA DEFENSE CEDEX

AXA IM EURO SELECTION UCITS

Statutory Auditor's special report on regulated agreements

Financial year ending on 31 December 2021

Statutory Auditor's special report on regulated agreements

Financial year ending on 31 December 2021

In our capacity as auditors for your company, we hereby present our report on the regulated agreements.

It is our duty to inform you, on the basis of the information provided to us, of the characteristics, the essential terms, and the reasons justifying the company's interest in the agreements that we encountered while carrying out our work, without commenting on their usefulness and relevance, or ascertaining the existence of other agreements. It is your responsibility, pursuant to section R(225)(31) Commercial Code, to assess the conclusions drawn from these agreements prior to their approval.

Moreover, it is our duty, if necessary, to provide you with the information specified in section R(225)(31) Commercial Code relating to the performance of the agreements previously that were previously approved by the General Shareholders meeting, over the past year.

We implemented procedures that we considered necessary, in accordance with the professional standards of the National Society of Auditors, to carry out this task.

Agreements subject to approval at the general shareholders meeting

We hereby inform you that we have not been advised of any agreements authorised during the past financial year to be submitted to the general meeting for approval pursuant to section L(225)(38) Commercial Code.

Agreements already approved by the general meeting

We hereby inform you that we have not been advised of any agreements already approved by the general meeting that continued to be performed during the past year.

The Statutory Auditor

Mazars

Issued in Courbevoie, on 17 March 2022

A handwritten signature in black ink, appearing to be 'GD' or similar initials, written in a cursive style.

Gilles DUNAND-ROUX

Text of Resolutions presented to the Annual General Meeting

FIRST RESOLUTION

The general shareholders meeting, having read the report by the board and the report by the external auditors, approves the accounts for the Unit Trust as they were presented, as well as the transactions reflected in the financial statements or mentioned in these reports, which show an overall net profit of EUR 1,191,657.55.

It shows that the capital, as defined in section L(214)(7)(5) of the Monetary and Financial Code, of EUR 454,349,852.71, divided into 215,639.3918 class C shares (i.e. 1,975.0207 C1 shares, 715.2641 C2 shares, 1,879.8512 C3 shares, 649.0971 C4 shares, 178,330.9304 IC shares and 32,089.2283 C shares) and 83,819.9893 D shares as at 31 December 2020, was EUR 597,811,390.58, divided into 221,095.0924 C shares (i.e. 1,043.6428 C1 shares, 1,012.0296 C2 shares, 3,409.5692 C3 shares, 4,673.6904 C4 shares, 179,562.9290 IC shares and 30,393.2314 C shares) and in 102,407.2775 D shares as at 31 December 2021, for a net increase of EUR 143,461,537.87.

SECOND RESOLUTION

The general shareholders meeting, upon the proposal of the board, noting that the distributable amount for the year, consisting of:

– Net profit for the year	EUR 1,191,657.55
– Balance carried forward from the previous financial year	EUR 9,571,492.48
– Net gains and losses for the year	EUR 48,116,581.64
– Previous net gains and losses, unallocated	130,417,183.63

amounting to EUR 189,296,915.30, decides, in accordance with the articles of association, to allocate it as follows:

– Capitalisation	EUR 20,800,262.48
– Carried forward for the financial year	EUR 9,973,800.66
– Net gains and losses, unallocated	EUR 158,522,852.16

The general meeting notes that no dividend has been distributed since the Unit Trust was established.

THIRD RESOLUTION

The General Meeting, having heard the special report from the auditor, notes that no new agreement has been made by the board during the year ending 31 December 2021, within the scope of section L(225)(38) Commercial Code.

FOURTH RESOLUTION

The general meeting ratifies the appointment as director of Julie CALOINE, appointed by the board at its meeting of 16 December 2021, to replace Corinne AMIRAULT for the remainder of her term of office, i.e. until the end of the ordinary annual general meeting called to approve the financial statements for the year ended 31 December 2022.



AXA IM EURO SELECTION

Undertaking for collective investment in transferable securities

Registered Office: Tour Majunga - La Défense 9 - 6, place de la Pyramide - 92800 Puteaux

Tel.: 01 44 45 70 00 - Fax: 01 44 45 87 21

SIREN [French Company ID No.] 702,029,737 - Commercial Registry of Nanterre

AXA Investment Managers Paris

Tour Majunga - La Défense 9 -6, place de la Pyramide 92800 Puteaux - France

Portfolio Asset Management Company, Holder of AMF Approval no. GP 92008 dated 7 April 1992

Limited Liability Company with capital of EUR 1,421,906, 353 534 506 Commercial Registry of Nanterre.

axa-im.fr  