



AXA IM EURO SELECTION

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BOARD OF DIRECTORS

AS AT 29 DECEMBER 2023

CHAIR OF THE BOARD OF DIRECTORS

Amaury BOYENVAL

DIRECTORS

AXA FRANCE VIE

Represented by Anne-Laure BENETEAU

AXA INVESTMENT MANAGERS PARIS

Represented by Julie CALCINE

Fabrice VIGIER

SECRETARY OF THE BOARD

Christine BIANCOLLI

DIRECTORATE GENERAL

MANAGING DIRECTOR

Jérôme ANTONINI

EXTERNAL AUDIT

STATUTORY AUDITOR

MAZARS

Report by the Board of Directors

Presented at the Annual General Meeting on 23 April 2024.

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 29 December 2023, 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: 2023 BALANCE SHEET

Conditions of the financial markets

Although inflation peaked in 2022, 2023 began with central banks continuing to tighten monetary policy, fearing persistent inflation and after effects from the price shocks of 2022. Tightening monetary policy added headwinds to economic activity, although this varied from region to region depending on idiosyncratic conditions. Inflation rates continued to fall, but remained above central bank target levels in most regions. While some central banks have only just reached their rate peaks, some emerging market central banks have already begun to ease their monetary policy. This abrupt monetary tightening led to a number of small bank failures in the US in March, but the contagion was contained. Global activity continued despite a terrorist attack on Israel and Israeli retaliation against the Hamas terrorist group in Gaza, which increased global uncertainty, although the events have remained localised.

In Europe, inflation fell sharply from 9.2% at the end of 2022 to 2.9% at the end of 2023 (preliminary data), although core inflation measures improved less, closing 2023 at 3.4% (compared with 5.2% at the end of 2022). The sharp fall in inflation reflected an improvement in supply conditions, including a re-routing of energy supplies and lower global energy prices, as well as an improvement in global supply chains as economies around the world continue to recover from the pandemic. However, it also reflects a significant weakening in economic activity in the region, with the economy narrowly avoiding technically falling into recession with modest growth of 0.1% in the first two quarters of 2023, before contracting by a further 0.1% in the third quarter. Activity diverged somewhat within the monetary union, with Germany the worst performer since Q1 2022, partly reflecting its dependence on Russian energy supplies for its vast industrial complex and on the Chinese economy. Italy also suffered, likewise reflecting its larger industrial composition and the end of a very generous government stimulus for the construction sector. Spain was the best performer, mainly due to a smaller change in its energy supply and the more favourable composition of its services sector. The European Central Bank (ECB) continued to raise its key deposit rate to 4% in September (compared with 2% at the end of 2022).

The UK's inflation rate took longer to recede, ending 2023 at 3.9% in November 2023 (compared with 10.5% at the end of 2022), with core inflation falling to 5.1% (from 6.3%), partly reflecting the delayed pass-through of the global fall in energy prices. The Bank of England (BoE) was the first major central bank to tighten monetary policy in 2021 and it raised its rates throughout 2022. In 2023, as core inflation continued to rise in the first half of the year, the BoE continued to raise its key rate, reaching +5.25% in August (up from 3.50% at the end of 2022), which should be its highest level. The combined impact of soaring inflation and abrupt monetary policy tightening has led to stagnation in UK economic activity since the second quarter of 2022. In 2023, despite a 0.3% rise in Gross Domestic Product (GDP) in the first quarter, activity stagnated in the second quarter and contracted by 0.1% in the third, raising the risk of a technical recession at the end of the year.

The United States, on the other hand, enjoyed relatively resilient growth throughout 2023, even though the Federal Reserve (Fed) continued to tighten policy and inflation slowed. The economy grew at slightly faster than average in the first half of the year (2.2% at an annualised average rate), before posting a strong 4.8% rise (at an annualised rate) in the third quarter, driven by consumption. Growth was underpinned by consumers' comfortable financial situation, benefiting not only from buoyant wages but also from unused savings left over from the COVID period, new incentives for private investment and structural improvements in labour supply, including increased participation and immigration. Despite still solid growth, labour market imbalances continued to unwind, allowing inflation to fall further to 3.1% in November (from 6.5% at the end of 2022), with core prices also falling to 4.0% from 5.7%. The Fed continued to tighten monetary policy throughout 2023, continuing with its approach of the second half of 2022. It raised the target range for Fed Funds to 5.25-5.50% in July (compared with 4.25-4.50% at the end of 2022), with an official communication indicating that Fed members considered rates to be "at or near their peak".

In Asia, China dominated concerns. The surprisingly sudden end to the zero COVID policy at the end of 2022 contributed to a strong expansion of the economy, with +2.3% year-on-year growth in the first quarter of 2023. However, households emerged from the pandemic with less financial comfort than their Western counterparts, and difficulties persisted, particularly in the housing sector. Economic activity was unable to sustain this strong growth, posting a weak 0.5% advance in the second quarter, before recovering in the third quarter to reach 1.3%. Government intervention intensified in August, with some easing of monetary policy but a more substantial increase in fiscal support, including an unusual mid-year adjustment to the central government's deficit target. These measures appeared to have supported annual growth in China, up to the government's target of "around 5%". Japan also benefited from a late easing of COVID restrictions and a rebound in tourism. The Japanese economy grew by 1.2% and 0.9% in the first two quarters of 2023, before contracting by 0.7% in the third quarter. Inflation ended 2022 at 4.0% and peaked at 4.3% in January 2023, its highest rate in 42 years. Inflation fell to 2.8% in November 2023. The Bank of Japan (BoJ) implemented a number of adjustments to its yield curve control policy over the course of 2023, which is now close to total deregulation. On the other hand, there has still been no change to its negative key rate, which remains at -0.1%.

Financial markets

Bond yields rose for most of the year, as expectations of central bank rate hikes intensified in the first half of the year, before being supplanted by fears that rates would remain 'higher for longer': a sentiment that peaked in the summer, before expectations reversed to central bank rate cuts and brought rates back down towards the end of the year. Over the same period, global equity market indices performed very well, in spite of the fluctuations in bond yields, boosted by solid corporate earnings. Nonetheless, performances varied widely between countries and sectors. Credit markets remained broadly stable for most of the year, with the exception of the banking turbulence in the first half, before spreads narrowed toward the end of the year. The volatility measures illustrated the divergences between asset classes, decreasing over the year for equities but remaining high for bonds.

The MSCI AC World index gained 20.1% over 2023, recovering last year's losses. Generally speaking, this trend was reflected in most of the major indices. The US S&P 500 rose an even stronger 24.2% over the year, although much of the S&P's performance was concentrated in large tech companies. In comparison, the Euro Stoxx 50 index underperformed the S&P, rising 19.2% over the year. This reflects the divergent performances of European stock markets, with the German Dax and Spanish IBEX 35 up by 20.3% and 22.8% respectively over the year, the Italian MIB up by 28.0% and the French CAC 40 up by just 16.5%. By contrast, UK equities clearly underperformed, with the FTSE 100 up by just 3.8% and the FTSE 250 up by 4.4%, which is weak even when the appreciation of sterling is taken into account. Japan's TOPIX was the best performer, up 25.1%. By contrast, China's Shanghai Composite index fell by 11.4% as concerns about the economy and government intervention continued to weigh it down (excluding dividends for single-country indices).

All eyes were on the US bond market in 2023, although during the first half of the year, 10-year Treasuries rates remained broadly stable at 3.50% to 3.75% (due to the safe-haven effect that occurred when regional banks collapsed in March). Yields then rose sharply over the summer to reach 5% in October, before falling back sharply at the end of the year, dropping below 4% to close the year at 3.87%, just 3 basis points (bps) above where they closed 2022. In Europe, bond volatility was higher in the first few months of the year, as markets focused on the outlook for ECB policy. After the US bank failures (and the rescue of Credit Suisse), European yields fell sharply. They then gradually recovered, with German 10-year bond yields peaking in October at close to 3.00%, not far from their March peaks (2.75%), before falling back, in line with global yields, to close the year at 2.03%, 56bp below the end of 2022. The fall in rates was even greater in France (-63bp), Italy (-107bp) and Spain (-71bp). The UK 10-year gilt rate followed a similar trend, ending the year at 3.60% (down 7 bps versus the end of 2022). In Japan, on the other hand, bond yields were strongly affected by the BoJ's tweaks to its yield curve control policy, which began at the end of 2022. Yields jumped from 0.25% to just under 0.50% after the BoJ changed its policy at the end of 2022, and then again in July 2023 after a further adjustment. This paved the way for rising rates, which rose to almost 1% in early November (a roughly 11-year high), before they followed the global trend and reversed sharply to close the year at 0.62%, 21 bps higher than at the end of 2022.

The credit markets had already ended 2022 on a better note. In 2023, with the exception of the period surrounding the banking turmoil in March, which saw credit spreads widen, risk premiums remained stable overall, before tightening again at the end of the year. In the United States, investment grade (IG) corporate debt ended the year with spreads of 104 bps, their lowest level since January 2022 and 25 bps lower than at the end of 2022. US high yield (HY) also fell by 30 bps to close at 334 bps, also a low point since early 2022. The situation is similar in Europe, with IG debt down 19 bps over the year, making the spread 135 bps, the lowest since April 2022, and with HY debt closing 2023 at 395 bps, down 20 bps over the year and the tightest level since February 2022.

After reaching a 20-year high against a basket of currencies in 2022, the US dollar reversed its trend in 2023, weakened by a less favourable interest rate spread. This resulted in a 3.5% gain for the euro in 2023, which ended the year at USD 1.105, and a 6.0% gain for sterling, which ended the year at USD 1.275 (the euro fell by 2.3% against the pound over the year). On the other hand, the dollar did not weaken against all currencies, as witnessed by the yen's 7% depreciation, largely due to the BoJ holding the line. The dollar also posted a 2.9% gain against the Chinese yuan, where concerns about economic weakness and the continued easing of monetary policy weighed on the currency, closing the year at 7.10 RMB.

2 - ACTIVITY AND FORESEEABLE EVOLUTION OF THE UCITS

Economic and financial environment

The EuroStoxx rose by almost 18.6% in 2023, benefiting from a favourable macroeconomic environment and easing inflationary pressures.

Market concerns about a possible recession in 2023, particularly in the United States, proved to be largely unfounded. In particular, the US consumer proved highly resilient, beating all the forecasts. Europe also held up better than expected. China, on the other hand, disappointed after the hopes raised by its reopening at the start of the year.

The financial markets also weathered the shock of the SVB bankruptcy without too much damage, thanks to the proactive and effective intervention of the financial authorities, thus forestalling the spectre of a systemic crisis.

On the inflation front, after the year began with positive macroeconomic surprises that increased pressure on interest rates, those tensions finally eased at the end of the year due to a very marked slowdown in inflation, linked to the drop in energy and commodity prices and a continued improvement in the situation of supply chains.

From a sectoral point of view, the market was buoyed by the technology sector (driven in particular by the rise of artificial intelligence), the financial sector (favourable interest rate environment) and the industrial sector (boosted by the macroeconomic environment). At the back of the pack were healthcare, which suffered from its defensive nature, and energy, weakened by the decline in oil prices.

Over the year, we reduced our exposure to stocks with high levels of debt (Cellnex, Iberdola) and in companies where we had questions about the business model (Teleperformance, Adyen). We bought SAP (successful transition to the cloud) and Campari (dynamic portfolio of brands).

Management policy and foreseeable evolution

In 2023 AXA IM Euro Sélection returned 14.3%, underperforming its benchmark.

The fund was penalised by its under-representation of the financial sector and its high exposure to the healthcare and cyclical consumer sectors. Conversely, the fund's underweighting of energy and overweighting of technology proved favourable.

In terms of stock selection, the fund was hurt in particular by Teleperformance (risks associated with the development of artificial intelligence) and by stocks exposed to China (Kering, Pernod-Ricard, Puma). These effects were partly offset by the performances of Ferrari (resilience of its order book), Novo Nordisk (success of the GLP1 treatment for obesity) and ASML (growing demand for microprocessors).

An environment of falling interest rates, linked to a macroeconomic slowdown measured at global level, could prove favourable for the quality and growth stocks largely represented in the portfolio, given their sensitivity to interest rates and their low cyclicity. In addition, the close attention paid to the quality of the balance sheets of the companies in the portfolio could prove favourable if there is a more abrupt economic slowdown than expected or a systemic shock.

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	1 EUR	R EUR	S EUR	T EUR	V EUR
		FR0010777391	FR0012993160	FR0013419843	FR0013321023	FR0013321007	FR0013321015	FR001332099
NET	2023	14.28	14.28	14.57	13.26	13.26	13.71	14.17
	2022	-24.9	-24.9	-24.71	-25.57	-25.57	-25.28	-24.98
	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	2023	15.08	15.08	15.05	15.07	15.07	15.07	15.08
	2022	-24.38	-24.38	-24.38	-24.39	-24.39	-24.38	-24.38
	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 7,536,502.35 on financial operations at 29 December 2023, which was higher than at the end of the previous financial year.

After deducting EUR 2,956,479.85 for management fees, the net income for the year amounted to EUR 4,580,022.50.

After factoring in a further deduction of EUR 11,630.93 for income adjustment over the financial year, the total profit amounted to EUR 4,591,653.43.

Taking into account (i) retained earnings from the previous year of EUR 1,254,055.76, (ii); net capital gains realised during

2023 in the amount of EUR 19,971,502.33; and (iii) undistributed net capital gains from previous years in the amount of EUR 18,020,207.05, the total amount available for distribution is EUR 3,894,413.91.

Pursuant to Article 28 of the articles of association for the Unit Trust, we propose to distribute the funds, or (EUR 3,894,413.91), as follows:

- Capitalisation	(EUR 15,619,615.56)
- Carried forward for the financial year	€ 1,493,822.42
- Net gains and losses, unallocated	€ 18020207.05

In accordance with legal regulations, we would like to remind you that no dividends were distributed in the last three years.

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) of the 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 directors

We inform you that Caroline MOLEUX, Sophie SEIGNIBRARD and Gilles GUIBOUT were elected to the Board by co-option at its meeting on 12 February 2024 to replace Amaury BOYENVAL, the company AXA FRANCE VIE and Fabrice VIGIER respectively, who resigned.

It is therefore incumbent upon you to ratify these appointments.

6 RENEWAL OF THE MANDATE OF THE AUDITOR

We inform you that the auditing firm MAZARS's term as statutory auditor will expire at the end of this meeting.

At its meeting of 12 February 2024, your Board of Directors decided to renew its term of office for a period of six financial years, i.e. until the end of the annual ordinary general meeting called to approve the financial statements for the year ending 31 December 2029.

7 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.

8 - 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:

- Publication of new pre-contractual information as an attachment to the prospectuses of Funds that have sustainable investment as an objective (Article 9) or promote environmental and/or social characteristics (Article 8) under the SFDR Regulation in the framework of entry into force of regulatory technical standards ("RTS") under EU regulations.

- Updated the key investor information documents for packaged retail and insurance-based investment products in line with the EU Packaged Retail and Insurance-based Investment Products Regulation and published a PRHPS KIID.
- Supplemented the UCITS's management objective (to include its interest in environmental criteria, "E" note scores).
- The SFDR appendix has been updated to comply with the new requirements for gas and nuclear activities in line with European taxonomy rules.
- Updated the "Contracts constituting financial guarantees" heading.
- Updated the URL for AXA IM's exclusion policies (<https://www.axa-im.fr/investissement-responsable/nospolitiques-et-rapports>),
- Updated the list of fees charged to the UCITS.
- Removed all references to the EONIA index in the asset valuation and accounting rules.
- Added the regulatory documentation of the application procedures for liquidity management mechanisms:
 - "Swing Pricing".
 - Inserted a 'Gates' redemption cap mechanism and related amendments to the Articles of Association.
 - Updated the 'Liquidity risk' in the 'Risk profile' section.

Update to the Key Investor Information Document (KIID):

- Annual update to bring data up to date.

9 - 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 29 December 2023, the AXA IM EURO SELECTION UCITS did not incur any additional expenses.

10 - 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.

11 - CROSSING OF THRESHOLDS

In accordance with the legal and regulatory provisions, during the financial year ended 29 December 2023, 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 of the French Commercial Code [*Code de commerce*] had been exceeded.

12 - 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 detailed on the AXA INVESTMENT MANAGERS website on behalf of the Group entities (<https://www.axa-im.fr/investissement-responsable/actionnariat-actif>).

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 also available.

13 - INFORMATION ON REMUNERATION

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: 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 are mainly: (i) a reminder that there are no sales targets that could have a direct impact on the fixed or variable remuneration of the employees concerned; (ii) the strengthening of the governance framework for the principle of gender equity and equality; (iii) specific adjustments to certain AXA IM Group entities in line with specific regulatory requirements; and (iv) minor updates.

Quantitative elements - The figures provided below relate to AXA Investment Managers for all subsidiaries of the AXA Investment Managers Group for the year ended 31 December 2023. 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 2023⁽¹⁾	
Fixed remuneration ⁽²⁾ (in thousands of euros)	522.96
Variable remuneration ⁽³⁾ (in thousands of euros)	325.32
Total number of employees ⁽⁴⁾	2,808: 783 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 Unit Trust'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' staff members as of 1 January 2023.

(3) Variable remuneration 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 2023, including permanent and fixed-term employees and interns.

(5) Total number of employees concerned in the AXA Investment Managers Group at 31 December 2023. Note that in previous years the number of employees concerned at the beginning of the period was used.

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)}	183.16	81.87	265.03
Number of employees concerned ⁽⁵⁾	277: 116 of whom are employees of AXA Investment Managers Paris, the management company for the UCITS	62: 15 of whom are employees of AXA Investment Managers Paris, the management company	339: 131 of whom are employees of AXA Investment Managers Paris, the management company

14 - 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 way relations with these intermediaries and counterparties are monitored and managed.

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'.

15 - 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 93.34 % of its assets during the past financial year in securities and rights eligible for the share savings plan.

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

Pursuant to section 533(22)(1) Monetary and Financial Code, 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).

17 - 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.

18 - 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).

19 - 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.

20 - EUROPEAN SUSTAINABLE FINANCE DISCLOSURE REGULATION ('SFDR')

Information on the European Sustainable Finance Disclosure Regulation ('SFDR') is attached to this report.

21 SECTION 29 OF THE ENERGY-CLIMATE ACT

Information about section 29 of the French Energy-Climate Act [*Loi Energie Climat*] is attached to this report.

22 - EUROPEAN TAXONOMY

The European 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 slated for technical regulation in 2023 (water protection, pollution control, biodiversity preservation and circular economy).

We would like to inform you that the investments underlying the financial product do not take into account the environmental criteria of the European Taxonomy. “

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

European Sustainable Finance Disclosure Regulation ('SFDR')

Section 29 of the Energy-Climate Act

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

Amaury BOYENVAL	
<i>Positions held on 29 December 2023</i>	
Positions and responsibilities	AXA Group Companies
	<i>French companies</i>
Chair of the Board of Directors	AXA IM EURO SELECTION (UCITS)
	<i>Foreign companies</i>
	None
	Organisations not part of AXA Group Companies
	<i>French organisations</i>
	None
	<i>Foreign organisations</i>
	None
<i>Positions and responsibilities held at the end of 2023</i>	
Positions and responsibilities	AXA Group Companies
	<i>French companies</i>
	None
	<i>Foreign companies</i>
	None
	Organisations not part of AXA Group Companies
	<i>French organisations</i>
	None
	<i>Foreign organisations</i>
	None

Anne-Laure BENETEAU (LOUVEL)	
<i>Positions held on 29 December 2023</i>	
Positions and Duties	AXA Group Companies
	<i>French companies</i>
R.P AXA France VIE	AXA IM EURO SELECTION (UCITS)
Chair of the Board of Directors	AXA IM SELECT FRANCE (SA)
Member of the Oversight Committee	DROUOT ESTATE (SARL)
	<i>Foreign companies</i>
	None
	Organisations not part of AXA Group Companies
	<i>French organisations</i>
Director	ANPERE RETRAITE (partnership under the French Partnership Agreements Act 1901)
Director	ORDISSIMO (SA)
	<i>Foreign organisations</i>
	None
<i>Positions and responsibilities held at the end of 2023</i>	
Positions and Duties	AXA Group Companies
	<i>French companies</i>
	None
	<i>Foreign companies</i>
Director	AXA WORLD FUNDS (Luxembourgian UCITS)
	Organisations not part of AXA Group Companies
	<i>French organisations</i>
	None
	<i>Foreign organisations</i>
	None

Julie CALOINE	
<i>Positions held on 29 December 2023</i>	
Positions and responsibilities	AXA Group Companies
	<i>French companies</i>
Director	AXA PENSION (UCITS)
RP. AXA INVESTMENT MANAGERS PARIS	AXA EURO OBLIGATIONS (UCITS)
RP. AXA INVESTMENT MANAGERS PARIS	AXA IM EURO SELECTION (UCITS)
	<i>Foreign companies</i>
	None
	Organisations not part of AXA Group
	<i>French organisations</i>
	None
	<i>Foreign organisations</i>
	None
<i>Positions and responsibilities held at the end of 2023</i>	
Positions and responsibilities	AXA Group Companies
	<i>French companies</i>
Director	AXA IM EURO SELECTION (UCITS)
	<i>Foreign companies</i>
	None
	Organisations not part of AXA Group
	<i>French organisations</i>
	None
	<i>Foreign organisations</i>
	None

Fabrice VIGIER	
<i>Positions held on 29 December 2023</i>	
Positions and Duties	AXA Group Companies
	<i>French companies</i>
R.P. AXA FRANCE VIE	AXA EURO CREDIT (UCITS)
R.P. AXA FRANCE IARD	AXA EURO OBLIGATIONS (UCITS)
Director	AXA IM EURO SELECTION (UCITS)
	<i>Foreign companies</i>
	None
	Organisations not part of AXA Group Companies
	<i>French organisations</i>
	None
	<i>Foreign organisations</i>
	None
<i>Positions and responsibilities held at the end of 2023</i>	
Positions and Duties	AXA Group Companies
	<i>French companies</i>
	None
	<i>Foreign companies</i>
	None
	Organisations not part of AXA Group Companies
	<i>French organisations</i>
	None
	<i>Foreign organisations</i>
	None

Jérôme ANTONINI	
<i>Positions held on 29 December 2023</i>	
Positions and responsibilities	AXA Group Companies
	<i>French companies</i>
Managing Director	AXA IM EURO SELECTION (UCITS)
	Organisations not part of AXA Group Companies
	<i>French organisations</i>
	None
	<i>Foreign organisations</i>
	None
<i>Positions and responsibilities held at the end of 2023</i>	
Positions and responsibilities	AXA Group Companies
	<i>French companies</i>
	None
	<i>Foreign companies</i>
	None
	Organisations not part of AXA Group Companies
	<i>French organisations</i>
	None
	<i>Foreign organisations</i>
	None

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

Date	Unit	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 €
31/12/2019	C1	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
	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				
30/12/2022	C1	2,131,510.42	1,930.4115	1,104.17				4.94
	C2	949,267.14	843.1925	1,125.80				9.74
	C3	2,455,690.94	2,224.0208	1,104.16				4.94
	C4	5,588,092.84	4,866.8817	1,148.18				14.70
	IC	175,310,567.42	162,987.3323	1,075.60				17.68
	RC	31,958,377.37	23,850.8934	1,339.92				18.55
	RD	331,998,996.95	98,512.1244	3,370.13				
29/12/2023	C1	2,198,449.90	1,757.9479	1,250.57				-44.72
	C2	1,510,460.99	1,179.8934	1,280.16				-40.75
	C3	2,006,771.88	1,604.6848	1,250.57				-44.72
	C4	6,478,030.89	4,941.8817	1,310.84				-36.57
	IC	531,745,327.12	431,516.0982	1,232.27				-30.17
	RC	29,761,260.22	19,435.7598	1,531.26				-41.23
	RD	43,871,514.43	11,391.0431	3,851.40				-124.74

Table of acquisitions and loans / Borrowings of securities and OTC

Effective portfolio management techniques (Article 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

note1

* 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 (Article 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

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)		
Issuer's 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	Transactions (total)	
	Purchases	Sales
a) Eligible financial securities and money market instruments that can be traded on a regulated market as described in section L(422)(1) Monetary and Financial Code	227,231,252.74	251,354,893.55
b) Eligible financial securities and money market instruments traded on other public, recognised, regularly operating, regulated markets based in an EU Member State or in another State party to the European Economic Area Agreement	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 purpose investment fund	15,720,494.16	1,304,957.37
d) Newly issued financial securities referred to in section R(214)(11)(4) Monetary and Financial Code; (section R[214][11][1][4] (UCITS)/section R[214][32][18][1][4] [GIF] Monetary and Financial Code)	0.00	0.00
e) Other assets: Assets set out under section R(214)(11)(II) 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] Monetary and Financial Code)	0.00	0.00

European Sustainable Finance Disclosure Regulation ('SFDR')

Periodic information for financial products referred to in Article 8(1), (2) and (2)(a) of Regulation (EU) 2019/2088 and in the first paragraph of Article 6 of Regulation (EU) 2020/852

Name of the Product: AXA IM EURO SELECTION **Legal entity identifier:** 969500VJSIZVFDIKGF19
(the 'Financial Product')

Environmental and social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that it does no significant harm to either of these objectives and that the companies receiving the investments apply good governance practices.

The **EU taxonomy** is a classification system established by Regulation (EU) 2020/852, which lists **environmentally sustainable economic activities**. The regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective are not necessarily aligned with the taxonomy.

Does this financial product have a sustainable investment objective?

YES
 NO

<p><input type="checkbox"/> It has made sustainable investments with an environmental objective: _% <input type="checkbox"/> in economic activities that are considered environmentally sustainable under the EU taxonomy <input type="checkbox"/> in economic activities that are not considered environmentally sustainable under the EU taxonomy</p> <p><input type="checkbox"/> It has made sustainable investments with an environmental objective: ____%</p>	<p><input checked="" type="checkbox"/> It promoted environmental and/or social (E/S) characteristics and although it did not have a sustainable investment objective, it had a proportion of 75.15% sustainable investments</p> <p><input type="checkbox"/> with an environmental objective in economic activities that are considered environmentally sustainable under the EU taxonomy</p> <p><input checked="" type="checkbox"/> with an environmental objective in economic activities that are not considered environmentally sustainable under the EU taxonomy</p> <p><input checked="" type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promoted sustainable investment characteristics, but did not make sustainable investments</p>
--	--



To what extent have the environmental and/or social characteristics promoted by this Financial Product been achieved?

The financial product adhered to the environmental and social characteristics promoted during the reference period by investing in companies taking into account their:

- Carbon intensity
- Water intensity

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Climate protection through exclusionary policies regarding coal and oil sands activities
- Ecosystem protection and prevention of deforestation
- Improving health by excluding tobacco
- Labour law, human and social rights, business ethics, anti-corruption by excluding companies that do not comply with international norms and standards such as the UN Global Compact principles, the International Labour Organisation (ILO) conventions or the OECD Guidelines for Multinational Enterprises. AXA IM's sector exclusions and ESG standards were applied in a binding manner at all times during the reporting period.

The Financial Product has not designated an ESG benchmark to promote environmental or social characteristics.

How did the sustainability indicators perform?

During the reporting period, the achievement of the environmental and social characteristics promoted by the Financial Product was measured using the above sustainability indicators:

The Financial Product applied a best-in-class socially responsible investment selectivity benchmark approach to the Investment Universe during the reporting period. The selectivity approach reduced the investment universe by a minimum of 20% by combining AXA IM's sector exclusion policy and ESG standards policy and their ESG Scores with the exception of cash held as an accessory and Solidarity Assets.

In addition, the investment strategy outperformed its benchmark or investment universe on at least two key ESG performance indicators, namely carbon and water intensity over the reference period.

During the reference period, the following minimum coverage rates were applied to the Financial Product's portfolio (expressed as a minimum percentage of net assets excluding bonds and other debt securities of public issuers, cash held as an accessory and Solidarity Assets): (i) 90% for the ESG analysis; (ii) 90% for the carbon intensity indicator; and (iii) 70% for the water intensity indicator.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are achieved.

Sustainability indicators	Unit	Benchmark index	Coverage
Carbon intensity	79.21 tonnes of CO ₂ per million dollars of turnover for companies and in Kg of CO ₂ per PPP\$ of GDP for sovereign countries	150.66 tonnes of CO ₂ per million dollars of turnover for companies and in Kg of CO ₂ per PPP\$ of GDP for sovereign countries	100%
Water intensity	440.77 thousand cubic metres per million dollars of turnover for companies	1721.95 thousand cubic metres per million dollars of turnover for companies	100%

N.B.: While the sustainability indicators (including those relating to sustainable investment) are presented on the basis of a quarterly average of available data, for technical reasons the benchmark indices are presented on the basis of year-end data only. However, given the low volatility of all the KPIs over the past year, we believe that the comparison of sustainability indicators between the financial product and its benchmark (which does not, however, apply to indicators relating to sustainable investment) remains relevant and sufficiently accurate”.

... And compared to previous periods?

Sustainability indicators	Year	Unit	Benchmark index	Coverage
Carbon intensity	2022	87.33 tonnes of CO ₂ per million dollars of turnover for companies and in Kg of CO ₂ per PPP\$ of GDP for sovereign countries	240.09 tonnes of CO ₂ per million dollars of turnover for companies and in Kg of CO ₂ per PPP\$ of GDP for sovereign countries	100%
Water intensity	2022	2681.21 thousand cubic metres per million dollars of turnover for companies	14236.19 thousand cubic metres per million dollars of turnover for companies	100%

What were the objectives of the sustainable investments that the Financial Product intended to partially achieve and how did the sustainable investment contribute to these objectives?

During the reporting period, the Financial Product partially invested in instruments considered sustainable investments with different social and environmental objectives (without limitation) by assessing the positive contribution of the investee companies through at least one of the following dimensions:

1. **The investee companies' alignment with the UN Sustainable Development Goals (SDGs)**, which serves as a benchmark by selecting companies that contribute positively to at least one SDG, either through the products and services they offer or the way they conduct their business ('operations'). To be considered a sustainable asset, a company must meet the following criteria:

- a) the SDG score related to the 'products and services' offered by the issuer must be equal to or greater than 2, meaning that at least 20% of their revenues come from sustainable activity; or
- b) by adopting a 'best-in-universe' approach, i.e. focusing on the highest rated issuers from an extra-financial point of view, regardless of their sector of activity, the issuer's SDG score for operations is in the top 2.5%, except for SDG 5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequality), SDG 12 (sustainable consumption and production) and SDG 16 (peace and justice) where the issuer's SDG score is in the top 5%. For SDGs 5, 8, 10 and 16, the selectivity criterion on the issuer's 'operations' is less restrictive as these SDGs are better captured by looking at the way the issuer conducts its business rather than the products and services provided by the investee company. It is also less restrictive for SDG 12, which can be addressed through the products and services of the investee company or the way in which the investee company does business.

Quantitative results on the contribution to the SDGs come from external data providers and can be complemented by documented qualitative analysis by the Investment Manager.

2. **The inclusion of emitters committed to a robust transition process**, consistent with the European Commission's ambition to contribute to the financing of the transition to a world limiting temperature increase to 1.5°C, based on the framework developed by the Science Based Targets initiative, by holding companies with validated scientific targets.

The Financial Product has not considered the environmental goals criterion of the EU taxonomy.

To what extent have the sustainable investments that the Financial Product has partially made caused no significant social or environmental harm?

During the reporting period, the 'Do no significant harm' principle for sustainable investments made by the financial product was achieved by not investing in companies that meet at least one of the following criteria:

- The issuer has caused significant harm to any of the SDGs if any of its SDG scores are below -5 based on an external quantitative database on a scale from +10, which corresponds to 'significant contribution' to -10 for 'significant hindrance', unless the quantitative score has been modified by a qualitative assessment.
- The issuer was on AXA IM's sector and ESG exclusion lists, which take into account, among other factors, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- The issuer had an ESG rating of CCC (or 1.43) or below according to AXA IM's ESG rating methodology.

How were the negative impact indicators considered?

The Financial Product has considered the Principal Adverse Impact ('PAI') indicators to ensure that sustainable investments have not caused significant harm to other sustainability objectives under the SFDR.

Principal negative impacts were mitigated by AXA IM's sector exclusion policies and ESG standards (described in the SFDR pre-contractual annex) which were applied on a binding and ongoing basis by the Financial Product, and by applying filters based on the UN Sustainable Development Goals contribution score.

Where appropriate, active ownership policies have provided an additional means of mitigating the risks associated with principal adverse impacts, through direct dialogue with companies on sustainability and governance issues. Through engagement activities, the Financial Product used its influence as an investor to encourage companies to mitigate the environmental and social risks inherent in their sector, as described below.

Voting at shareholders' meetings has also been an important part of the dialogue with portfolio companies, to sustain the long-term value of the companies in which the Financial Product invests and to mitigate adverse impacts, as described below.

AXA IM also uses the SDG pillar of its sustainable investment framework to monitor and address adverse impacts on sustainability factors by excluding investee companies that have an SDG score below -5 (on a scale from +10, which corresponds to 'significant contribution', to -10 for 'significant impediment'), unless the quantitative score has been modified by qualitative analysis duly documented by AXA IM Core ESG and Impact research. This approach allows us to ensure that the companies receiving investments with the greatest adverse impact on any given SDG are not considered sustainable investments.

The Financial Product also takes into account optional Environmental PAI 6 'Water use and recycling' and optional Social PAI 15 'Absence of anti-corruption and bribery policy'.

Environment:

Related AXA IM policies	PAI indicator	Unit	Measure
Climate risk policy	PAI 1: Greenhouse gas (GHG) emissions (levels 1, 2, & 3 from January 2023)	Metric tonnes	Level 1 GHG emissions: 2015.01 Level 2 GHG emissions: 2615.977 Level 3 GHG emissions: 106212.375 Level 1+2 GHG emissions: 4630.987 Total GHG emissions: 110289.734
Ecosystem protection and anti-deforestation policy	PAI 2: Carbon footprint	Metric tonnes of carbon dioxide equivalent per million euros or dollars invested (tCO ₂ e/M€ or tCO ₂ e/M\$)	Footprint Level 1+2 carbon: 8,757 Footprint Level 1+2+3 carbon: 184.804
	PAI 3: GHG intensity of investee companies	Metric tonnes per million euros of turnover	Level 1+2+3 GHG intensity: 954.513
Climate risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	2:27
Climate risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	Share of non-renewable energy consumption: 50.3
Climate risk policy (taking into account an expected correlation between GHG emissions and energy consumption) ¹	PAI 6: Energy consumption intensity by sector with high climate impact	GWh per million EUR of turnover of beneficiary companies, by sector with high climate impact	NACE Section C: 0.136 NACE Section D: 0.004 NACE Section G:

¹ The approach used to mitigate the risks associated with the PAI through this carve-out policy will evolve as the availability and quality of data improves and we can use the PAI more effectively. For the time being, not all high impact climate sectors are covered by the exclusion policy.

			0.061 NACE Section L: 0.001
Ecosystem protection and anti-deforestation policy	PAI 7: Activities with a negative impact on biodiversity-sensitive areas	% of investments	1:37
No significantly negative SDG score	PAI 8: Discharges to water	Tonnes per million euros invested, expressed as a weighted average	0.001
No significantly negative SDG score	PAI 9: Ratio of hazardous waste and radioactive waste	Tonnes per million euros invested, expressed as a weighted average	0.334

Social and Governance:

Related AXA IM policies	PAI indicator	Unit	Measure
Policy on ESG standards: Violation of international norms and standards	PAI 10: Violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises	% of investments	N/A
Policy on ESG standards: (Violation of international norms and standards considering that there is a correlation between companies not complying with international standards and the lack of implementation by companies of compliance processes and mechanisms to monitor compliance with these standards) ²	PAI 11: Lack of compliance processes and mechanisms to monitor adherence to the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises	% of investments	24.82%
No significantly negative SDG score	PAI 12: Unadjusted gender pay gap	Unadjusted average gender pay gap of investee companies	0,111%
Voting and engagement policy with systematic application of gender-related voting criteria on boards	PAI 13: Gender diversity on governance bodies	Expressed as a % of total board members	0.39
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	N/A

The methods used to calculate the PAI have been defined on the basis of our interpretations of the laws and the reliability and availability of the data. In addition, the reporting of PAIs is based on the reporting reference period, but may also include earlier or later data if the availability and reliability of data for this period requires. The definition of the PAIs and the calculation methods may change in the future as a result of various factors, such as new regulatory specifications, changes in data and data availability, changes in the methods applied by our data suppliers, and changes in the scope of the data, particularly to align our various reports where possible.

--- Did the sustainable investments comply with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Detailed description:

During the reporting period, the Financial Product did not invest in companies that cause, contribute to or are linked to significant violations of international norms and standards. These standards relate to human rights, society, labour and the environment. AXA IM has excluded companies that have been found to be 'non-compliant' with the principles of the United Nations Global Compact, the International Labour Organization (ILO) conventions, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGP).

² The approach used to mitigate the risks associated with the PAI through this carve-out policy will evolve as the availability and quality of data improves and we can use the PAI more effectively.

The EU taxonomy establishes a 'do no significant harm' principle under which investments aligned with the taxonomy must do no significant harm to the objectives of the EU taxonomy, accompanied by specific EU criteria.

The 'do no significant harm' principle applies only to investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.

The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.



How has this financial product taken into account the main adverse impacts on sustainability factors?

Through the exclusion, engagement and voting policies, the Financial Product has considered the following PAI indicators (principal adverse impacts):

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors related to environmental, social and labour issues, respect for human rights and anti-corruption and bribery.

Related AXA IM policies	PAI indicator	Unit	Measure
Climate Risk Policy	PAI 1: Greenhouse gas (GHG) emissions (levels 1, 2, & 3 from January 2023)	Metric tonnes	Scope 1: 2015.01 Scope 2: 2615.977
Ecosystem protection and anti-deforestation policy			Scope 3: 106212.375 Scope 1+2: 4630.987 Scope 1+2+3: 110289.734
Climate Risk Policy	PAI 2: Carbon footprint	Metric tonnes of carbon dioxide equivalent per million euros or dollars invested (tCO ₂ e/M€ or tCO ₂ e/M\$)	Scope 1+2: 8.757 Scope 1+2+3: 184.804
Ecosystem protection and anti-deforestation policy			
Climate Risk Policy	PAI 3: GHG intensity of investee companies	Metric tonnes per million euros of turnover	Scope 1+2+3: 954.513
Ecosystem protection and anti-deforestation policy			
Climate Risk Policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	2:27
Climate Risk Policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	Energy consumption: 50.3
Ecosystem protection and anti-deforestation policy	PAI 7: Activities with a negative impact on biodiversity-sensitive areas	% of investments	1:37
Policy on ESG standards: Violation of international norms and standards	PAI 10: Violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises	% of investments	N/A
Voting and engagement policy with systematic application of gender-related voting criteria on boards	PAI 13: Gender diversity on governance bodies	Expressed as a % of total board members	0.39
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	N/A

The methods used to calculate the PAI have been defined on the basis of our interpretations of the laws and the reliability and availability of the data. In addition, the reporting of PAIs is based on the reporting reference period, but may also include earlier or later data if the availability and reliability of data for this period requires. The definition of the PAIs and the calculation methods may change in the future as a result of various factors, such as new regulatory specifications, changes in data and data availability, changes in the methods applied by our data suppliers, and changes in the scope of the data, particularly to align our various reports where possible.

N.B.: The PAIs are presented based on a quarterly average of the available data.

What were this financial product's main investments?

The main investments of the Financial Product are detailed below:

Most significant investments	Sector	% of assets	Country
ASML HOLDING NVXAMS EUR	Manufacture of machinery and equipment not included under other headings.	7.2%	NL
LVMH MOET HENNESSY LOUIS VUI XPAR EUR	Manufacture of leather and related products	6.6%	FR
SAFRAN SA XPAR EUR	Manufacture of other transport equipment	4.43%	FR
FERRARI NV MTAA EUR	Manufacture of motor vehicles, trailers and semi-trailers	4.18%	IT
L'OREAL XPAR EUR	Manufacture of chemicals and chemical products	4.16%	FR
DASSAULT SYSTEMES SE XPAR EUR	Publishing activities	3.62%	FR
PUMA SE XETR EUR	Manufacture of wearing apparel	3.41%	DE
SYMRISE AG XETR EUR	Manufacture of chemicals and chemical products	3.36%	DE
AMPLIFON SPA MTAA EUR	Wholesale trade, except of motor vehicles and motorcycles	3.34%	IT
SIEMENS HEALTHINEERS AG XETR EUR	Other manufacturing	3.27%	DE
HERMES INTERNATIONAL XPAR EUR	Manufacture of wearing apparel	3.25%	FR
GIVAUDAN-REG XSWX CHF	Manufacture of chemicals and chemical products	3.14%	CH
PERNOD RICARD SA XPAR EUR	Manufacture of beverages	3.05%	FR
KERING XPAR EUR	Manufacture of wearing apparel	3.03%	FR
CAPGEMINI SE XPAR EUR	Computer programming, consultancy and related activities	3.01%	FR

The proportions presented above for the investments in the portfolio are the average during the reference period.

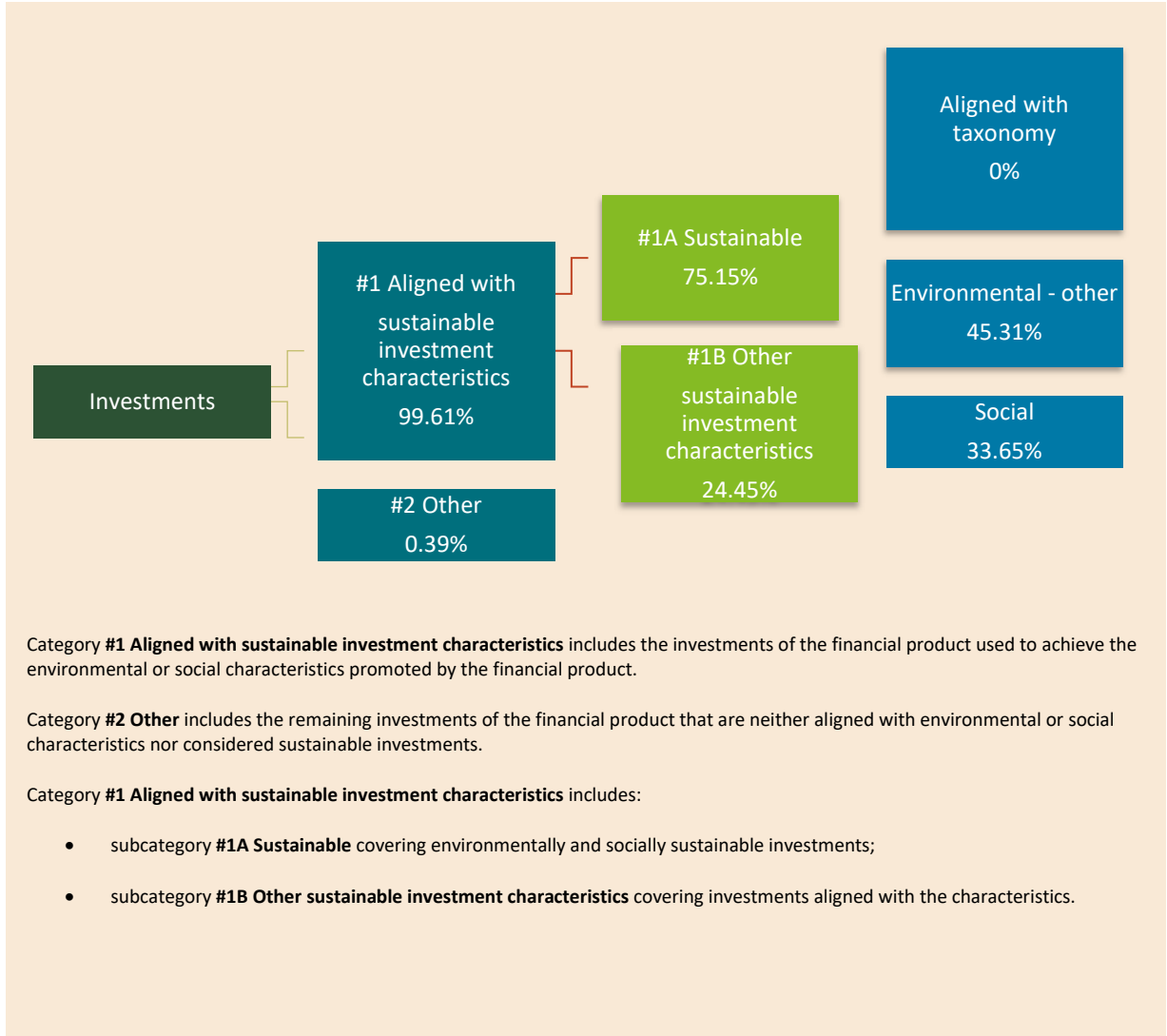
The list includes the investments **constituting the largest proportion of the Financial Product's investments** during the reporting period, namely: 29/12/2023



What was the proportion of sustainability-related investments?

What was the asset allocation?

The **asset allocation** describes the proportion of investments in specific assets.



The actual asset allocation is published on the basis of the weighted average of the assets at the end of the reference period.

Depending on the potential use of derivatives applied by the Financial Product's investment strategy, the expected exposure detailed below may be subject to variation as the net asset value of the portfolio may be impacted by the mark-to-market valuation of derivatives. For further details on the potential use of derivatives by this Financial Product, please refer to its pre-contractual documentation and the description of the investment strategy in that documentation.

Which economic sectors were the investments made in?

The investments of the Financial Product were made in the economic sectors detailed below:

Sector	Proportion
Manufacture of Chemicals and Chemical Products	10.97%
Manufacture of machinery and equipment not included under other headings.	10.13%
Manufacture of wearing apparel	9.69%
Manufacture of leather and related products	6.6%
Publishing activities	5.97%
Manufacture of computer, electronic and optical products	5.13%
Manufacture of other transport equipment	4.43%
Manufacture of motor vehicles, trailers and semi-trailers	4.18%
Manufacture of beverages	4.11%
Motion picture, video and television programme production, Sound recording and music publishing activities	4.03%
Computer programming, consultancy and related activities	3.86%
Electricity, gas, steam and air conditioning supply	3.44%
Wholesale trade, except of motor vehicles and motorcycles	3.34%
Other manufacturing	3.27%
Manufacture of basic pharmaceutical products and pharmaceutical preparations	3.01%
Manufacture of electrical equipment	2.94%
Scientific research and development	2.92%
Wholesale and retail trade and repair of motor vehicles and motorcycles	2.53%
Manufacture of coke and refined petroleum products	2.05%
Manufacture of food products	1.91%
Civil engineering	1.5%
Activities auxiliary to financial services and Insurance activities	1.38%
Rental and leasing activities	1.22%
Real estate activities	0.99%
Other	0.4%

The proportions presented above for the investments in the portfolio are the average during the reference period.



To what extent were sustainable investments with an environmental objective aligned with the EU taxonomy?

The Financial Product has not considered the environmental goals criterion of the EU taxonomy. The Financial Product did not consider the 'do no significant harm' criterion of the EU taxonomy.

Has the Financial Product invested in fossil gas and/or nuclear energy activities that comply with the EU taxonomy?³

Yes

In fossil gas

In nuclear energy

No

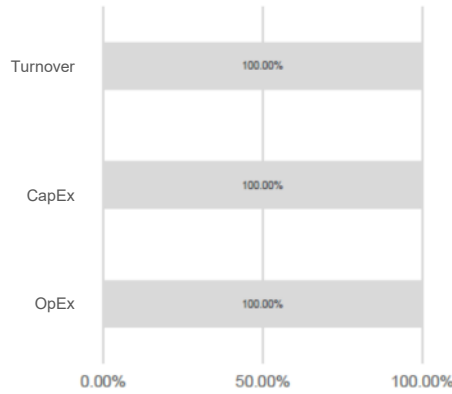
³ Fossil gas and/or nuclear activities will only be compliant with the EU taxonomy if they contribute to limiting climate change ('climate change mitigation') and do no significant harm to any of the objectives of the EU taxonomy - see explanatory note in the left margin. The set of criteria for economic activities in the fossil gas and nuclear energy sectors that are in line with the EU taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

The taxonomy-aligned activities are expressed as a percentage of:

- **turnover** to reflect the share of revenue from the green activities of the companies in which the financial product has invested;
- **capital expenditures (CapEx)** to show the green investments made by the companies in which the financial product has invested, for example in a transition to a green economy;
- **operating expenses (OpEx)** to reflect the green operational activities of the companies in which the financial product has invested.

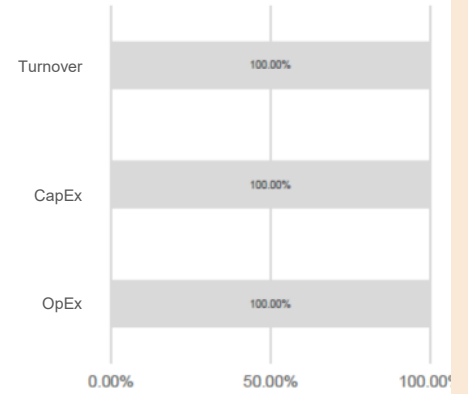
The graphs below show the percentage of investments aligned with the EU taxonomy in green. As there is no appropriate method to determine the taxonomy alignment of sovereign bonds, the first graph shows the taxonomy alignment in relation to all financial product investments, including sovereign bonds, while the second graph represents the taxonomy alignment only in relation to financial product investments other than sovereign bonds.*

1. Alignment of investments with the taxonomy, including sovereign bonds*



- Aligned with taxonomy: Fossil gas
- Aligned with taxonomy: Nuclear
- Aligned with taxonomy (without gas and nuclear)
- Not aligned with taxonomy

2. Alignment of investments with the taxonomy, excluding sovereign bonds*



- Aligned with taxonomy: Fossil gas
- Aligned with taxonomy: Nuclear
- Aligned with taxonomy (without gas and nuclear)
- Not aligned with taxonomy

This chart represents 100% of the total investments.

*For the purposes of these charts, 'sovereign bonds' include all sovereign exposures

To be consistent with the EU taxonomy, the criteria for **fossil gas** include emission limits and a shift to 100% renewable electricity or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive nuclear safety and waste management rules.

How much of the investment was in transitional and enabling activities?


The Financial Product has not considered the environmental goals criterion of the EU taxonomy. The Financial Product did not consider the 'do no significant harm' criterion of the EU taxonomy.


What is the percentage of investments aligned with the EU taxonomy compared to previous reporting periods?

The Financial Product was not aligned with the EU taxonomy during the reference period or during the period of the previous year.

Enabling activities directly allow other activities to make a substantial contribution to achieving an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and, inter alia, whose greenhouse gas emission levels correspond to the best achievable performance.

 The symbol represents sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

 **What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?**

The share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy was 45.31% for this Financial Product during the reporting period. Companies benefiting from investments with an environmental sustainability objective according to the SFDR Regulation contribute to the achievement of the UN Sustainable Development Goals or to the transition towards decarbonisation on the basis of defined criteria, as described above. These criteria, which apply to issuers, are different from the technical screening criteria defined in the EU taxonomy, which apply to economic activities.

 **What was the share of socially sustainable investments?**

During the reporting period, the financial product invested in 33.65% of sustainable investments with a social objective.

 **What investments were included in the 'Other' category, what was their purpose and were there any minimum environmental or social safeguards?**

The remaining 'Other' investments represented 0.39% of the Financial Product's net assets.

The 'other' assets may have consisted, as defined in the pre-contractual annex, of:

- investments in cash and cash equivalents such as bank deposits, money market instruments and money market funds used for the purpose of managing the liquidity of the Financial Product; and
- other instruments eligible for the Financial Product that do not meet the environmental and/or social criteria described in this appendix. These assets may be equity instruments, derivative investments and collective investment schemes that do not promote
- environmental or social characteristics and that are used to achieve the financial objective of the Financial Product and/or for diversification and/or hedging purposes.

Environmental or social safeguards have been applied and assessed to all 'Other' assets with the exception of (i) derivatives other than single-issues; (ii) UCITS and/or UCLs managed by other management companies; and (iii) investments in cash and cash equivalents described above.

 **What steps were taken to meet environmental and/or social characteristics during the reporting period?**

In 2023, the Financial Product strengthened the exclusion policies it applies with new exclusions related to unconventional oil and gas, mainly (i) oil sands, with the exclusion of companies whose activity represents more than 5% of the global oil sands production; (ii) shale gas/hydraulic fracturing, with the exclusion of players that produce less than 100 kboe/d and have more than 30% of their total production derived from hydraulic fracturing; and (iii) the Arctic by divesting from companies that derive more than 10% of their production from the Arctic Monitoring and Assessment Programme (AMAP) region or account for more than 5% of total Arctic production. More details on these improvements are available at: <https://www.axa-im.com/our-policies-and-reports>

 **How did this financial product perform against its benchmark?**

Benchmarks are indices that measure whether the financial product achieves the environmental or social characteristics it promotes.

Not applicable.

Section 29 of the Energy-Climate Act

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 and its approach to ESG risks are presented below.

The fund has also incorporated specific ESG characteristics which are described above in the Annex in accordance with Regulation (EU) 2019/2088 (the "Sustainable Finance Disclosure Regulation" or SFDR) of the fund's annual report and in its legal documentation available at the AXA IM Fund Centre: [Fund Centre - AXA IM - Core \(axa-im.com\)](https://www.axa-im.com)

AXA IM's climate strategy

As a founding investor of the [Net Zero Asset Managers Initiative \(NZAM\)](#) launched in December 2020, AXA IM aims to achieve carbon neutrality¹ in all its portfolios 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 shareholders, 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 engender change for the benefit of society and the planet.

Our climate strategy is aligned with the frameworks proposed by the [Task Force on Climate-related Financial Disclosures \(TCFD\)](#), the [Institutional Investor Group on Climate Change \(IIGCC\)](#) and the [Paris Aligned Investment Initiative \(PAII\)](#) coordinated by the IIGCC, and put into action by our active participation in international collaborative initiatives such as the [Climate Action 100+ \(CA 100+\)](#) and the [Climate Bonds Initiative](#). It includes the following elements:

- **Net zero emissions objectives:**²
 - o AXA IM published its first net zero target in October 2021, as part of the first NZAM progress report.³ This objective was revised again in April 2022,⁴ and it covered 65 % of AXA IM's total assets under management at the end of 2022.⁵
 - o Specific zero-net-issue frameworks for the asset classes of listed companies (bonds and listed equities), sovereign bonds and real estate, in line with industry standards⁶ taking into account internal and external information, have been defined and are used to determine the zero-net-issue profiles of our issuers.
- **Active shareholding:**⁷
 - o Engagement and ongoing dialogue with companies and our clients are crucial to influencing carbon neutrality trajectories. Mitigating climate change is a significant part of our engagement as a shareholder. We have developed a "Three strikes and you're out" engagement policy, focusing on companies that are lagging behind in reducing climate change. In this regard, using a priority list of companies, if we do not see any progress on their part towards the specific targets set at the start of the engagement, we will disengage from them after three years. In 2023, we continued our engagement with at least one meeting with each company identified as a 'climate laggard', including those that did not respond in 2022. We reviewed the list of companies identified at the end of 2023 and concluded that two companies no longer met the definition of 'laggards' having significantly improved their strategies and that they met our engagement objectives. As a result, the list will evolve in 2024 with the entry of new companies, which have fallen behind their peers since the launch of our "Three strikes and you're out" policy in 2022.

¹ "Our road to net zero", AXA Investment Managers, <https://www.axa-im.com/who-we-are/our-road-net-zero>

² AXA IM has set an initial reduction target of 25% by 2025 compared with 2019 at entity level, and it will soon set a climate target for 2030, in line with its 2050 net zero emissions objective: see sections 2.2 "Climate strategy" and 4.6 "Climate dashboard" of AXA IM's 2022 Climate Report.

³ Cf., 2021 progress report of the NZAM Initiative, December 2021: [NZAM-Progress-Report.pdf \(netzeroassetmanagers.org\)](#)

⁴ Cf., Initial objective publication report of the NZAM initiative, May 2022: [NZAM-Initial-Target-Disclosure-Report-May-2022-1.pdf \(netzeroassetmanagers.org\)](#)

⁵ These targets are not currently implemented for other alternative asset classes (for alternative credits and structured finance).

⁶ The recommendations of the [Task Force on Climate-related Financial Disclosures \(TCFD\) on indicators and objectives](#), the [Net Zero Investment Framework](#) of the IIGCC, the [decarbonisation pathways of the Carbon Risk Real Estate Monitor \(CRREM\)](#) and the [Germanwatch Climate Change Performance Index \(CCPI\)](#).

⁷ See AXA IM's active shareholding and engagement policy: [Active shareholding and engagement | Responsible investing | AXA IM Corporate \(axa-im.com\)](#)

- We also hold ESG discussions with sovereign issuers in regular meetings with Treasury agencies, central banks and other government ministries and agencies, as well as in the context of specific green and social bond issues, an opportunity to delve deeper into sovereign issuers' sustainable public spending programmes and thus gain a better understanding of a country's ESG risks.
- In terms of voting, we may vote against management, the chair of the board and the CEO if companies in climate-exposed sectors do not have a net zero emissions strategy with short-, medium- and long-term carbon emission reduction targets, as well as executive remuneration aligned with climate strategy objectives. In addition, we assess the consistency of portfolio companies' transition plans with their climate strategy and will require them to report to shareholders and stakeholders on their interim achievement of the objectives of these transition plans. In addition, since 2023, we have formally required sufficient transparency on the governance of climate-related issues at board level, in line with TCFD recommendations. Insufficient disclosure may result in a vote against the chair of the governance committee or the chair of the board.
- **Exclusions:**⁸ AXA IM excludes companies that do not meet certain climate change criteria, focusing in particular on coal and unconventional oil and gas. Our investment portfolios exclude carbon-based power generation and mining companies that do not credibly demonstrate a commitment to the energy transition. Since early 2022, we have also excluded companies in the unconventional oil and gas sector, in particular oil sands, Arctic and shale. More recently, since April 2023, we have tightened a number of our criteria relating to coal, oil and gas: (i) by imposing a stricter exclusion threshold on companies that obtain more than 15% of their revenues from extracting thermal coal and/or generating electricity from thermal coal (compared with 30% previously); (ii) by excluding all companies with new coal mining or coal-fired power generation projects or expansion plans; and (iii) by imposing a stricter exclusion threshold on companies that obtain more than 5% of their revenues from oil sands production (previously 20%). The exclusion threshold based on turnover from coal should also be reduced to 10% from 2026 in OECD countries as part of our commitment to move away from coal by 2030 in OECD countries, and we are committed to moving away from all investment in coal 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). Since 2023, this reporting has also included the net zero profile of the portfolio.

The detailed climate strategy applied by AXA IM and, consequently, by the product in accordance with the implementation decree of section 29 Energy/Climate Act is described in AXA IM's annual Climate Report (joint TCFD section 29 Energy/Climate Act report):⁹ [Policies and reports | AXA IM Corporate \(axa-im.fr\)](#)

[If the “Carbon Transition” field is “Yes”: additional note to add at the bottom of the “Climate Strategy” subsection]

The fund is also committed to aligning itself with the climate change mitigation objectives of the Paris Agreement, with specific decarbonisation targets outlined above in the Annex in accordance with Regulation (EU) 2019/2088 (the "Sustainable Finance Disclosure Regulation" - or SFDR) of the fund's annual report, in the section dedicated to the sustainable investment objective of the financial product, and in its legal documentation available at the AXA IM Fund Centre: [Fund Centre - AXA IM - Core \(axa-im.com\)](#)

AXA IM's biodiversity strategy:

AXA IM is committed to protecting biodiversity. We have strengthened our strategy to better integrate biodiversity protection issues into our investment process, our specific research and our engagement strategy. As an investor, we believe we have a role to play in:

- Improving our understanding of biodiversity loss, the impact of economic activities on biodiversity and the dependence of industries on natural capital;

⁸ As part of the AXA Group, the fund applies the energy policy of the AXA Group and not that of AXA IM, which is available on the AXA website: [AXA 2023 Energy Policy \(axa-contento-118412.eu\)](#)

⁹ This includes the full scope of AXA IM's climate strategy: its quantitative targets (both at company level and for each major asset class), their time horizons, underlying indicators and baseline scenarios: see sections 2.2 “Climate strategy” and 4.6 “Climate dashboard” of the 2022 AXA IM Climate Report.

- Engaging with our portfolio companies on their practices and the integration of biodiversity into their strategy;
- Integrating biodiversity risks and opportunities into our investment analyses;
- Working on setting targets as part of the Finance for Biodiversity commitment signed in 2021 and promoting more nature-friendly investments, whether in solution enablers or natural capital.

Exclusions¹⁰

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, natural ecosystems 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. Faced with these consequences, AXA IM actively pursues a rigorous policy in its forestry investments, selecting its assets and forestry partners and adapting its management practices to meet these global challenges.

Indicators

We work closely with data providers, including Iceberg Data Lab (IDL), to support the development of biodiversity-related indicators. We are currently testing a Corporate Biodiversity Footprint (CBF) indicator that measures the negative impact in terms of biodiversity loss associated with the pressure on biodiversity generated by the economic activities of our portfolio companies along their value chain. The pressures are linked to the drivers of biodiversity loss identified by the IPBES. The CBF currently covers pressures related to land use change, GHG emissions, water and air pollution. As an innovative and relatively new indicator, the CBF is a work in progress and is subject to planned methodological improvements such as, for example, greater coverage of pressures. Other biodiversity-related indicators are being developed by IDL, such as dependencies and positive impacts. We will continue to participate in these advances.

Active shareholding¹¹

Our approach to engagement on the complex and emerging topic of biodiversity has been to begin aligning our main engagement efforts in a way that integrates existing knowledge on pressures such as deforestation with emerging knowledge on the negative impacts and sectors that matter most for biodiversity and nature. Our key engagement activities include a programme that we began piloting in 2022 using the biodiversity footprint tool developed by IDL described above, as well as engagement programmes on specific issues, namely deforestation and pollution.

To tackle deforestation, we complement our exclusionary policy with engagement approaches by talking to companies that are exposed to these issues, but are not subject to serious controversy and are working to reduce these risks. Our policy focuses on companies involved in the supply chain of agricultural/forestry products, specifically the value chain of key commodities associated with deforestation and ecosystem conversion. Our dialogues are progressing adequately, although some of our engagements became more intense in 2023 through voting and collaboration to signal the need for further progress and improved dialogue. As part of AXA IM's policy and in particular this engagement, we are also working on topics beyond deforestation with the aim of understanding how these companies are responding to the challenges of protecting biodiversity and natural capital. For engagement actions based on biodiversity footprint data, AXA IM uses this data to help select and prioritise sectors and companies with a significant biodiversity footprint and to help inform our dialogues by taking into account a company's key biodiversity pressures as indicated by the CBF. The ultimate aim is to encourage companies to develop a comprehensive biodiversity strategy that effectively mitigates biodiversity impacts and supports 'nature positive' transformation, as well as to improve their reporting. We are also engaging collaboratively on pollution in the chemicals sector to tackle pollution and health risks arising from the production and use of hazardous substances, and in the agri-food sector to tackle nutrient pollution risks posed by the high level of animal waste in industrial livestock farming.

Following the strengthening of our biodiversity engagement approach, and with a view to holding companies accountable for insufficient progress during our engagement work, we also updated our Corporate Governance and Voting Policy in

¹⁰ As part of the AXA Group, the fund applies the exclusions policy of the AXA Group and not that of AXA IM, which is available on the AXA website: [Investissements | AXA](#)

¹¹ See AXA IM's active shareholding and engagement policy: [Active shareholding and engagement | Responsible investing | AXA IM Corporate \(axa-im.com\)](#)

early 2023 to formalise the ability to vote against the boards of companies that have not responded sufficiently to our biodiversity requests.

Initiatives

AXA IM engages in constructive discussions on biodiversity-related topics with the WWF, the CDP, Ceres and other external experts. In 2022, AXA IM became a member of two collaborative engagement initiatives described above: the Investor Initiative on Hazardous Chemicals sponsored by ChemSec;¹² and the Collaborative Engagement on Waste and Pollution led by FAIRR.¹³ In 2023, we joined the Emerging Markets Investor Alliance where we are a member of the Consumer Staples Working Group, which undertakes advocacy for sustainable and transparent best practices in emerging markets on a range of issues, including deforestation. We are also part of Nature Action 100 (NA100), a key initiative that should further strengthen the global momentum on biodiversity. NA100 was launched operationally in September 2023. AXA IM was a member of the launching investor group and is currently a member of the steering group. NA100 aims to engage companies in key sectors considered to be of systemic importance to reverse the loss of nature and biodiversity by 2030. AXA IM also continues to actively participate in the industry-leading initiatives of the Finance for Biodiversity Foundation,¹⁴ the organisation behind the Finance for Biodiversity Pledge.¹⁵

The detailed biodiversity strategy applied by AXA IM and, consequently, by the product in application of the implementation decree of section 29 Energy/Climate Act is described in AXA IM's annual Climate Report (joint TCFD section 29 Energy/Climate Act report):¹⁶ [Policies and reports | AXA IM Corporate \(axa-im.fr\)](#)

In this regard, it should be noted that AXA IM has not yet set a quantitative target for biodiversity by 2030, as required by the implementing decree of section 29 Energy/Climate Act, as market-based guidance for setting targets aligned with the Global Biodiversity Framework targets is still being developed, and we still lack market-based methodological developments to measure the alignment of investment strategies with medium- and long-term global targets.

AXA IM's management of financial risks linked to ESG criteria

AXA IM uses an approach to manage ESG-related financial risks (or “sustainability risks”) that stems from integrating ESG criteria into its research and investment processes. We have established a framework for integrating sustainability risks into our investment decisions based on sustainability factors. This framework includes the following elements in particular:

- **Sectoral and regulatory exclusions policies**¹⁷ covering E, S and G factors:
 - o **Environment - E:** climate (coal mining and coal-fired power generation; oil sands production and pipelines linked to oil sands; shale oil and gas and tight oil and gas; Arctic oil and gas), biodiversity (protection of ecosystems and deforestation) and agricultural raw materials (derivatives of food raw materials);
 - o **Social - S:** health (tobacco producers), labour, society and human rights (violations of international norms and standards);¹⁸ manufacture of controversial weapons; producers of white phosphorus weapons; exclusion of investments in securities issued by countries where serious human rights violations have been observed);
 - o **Governance - G:** business ethics (severe controversies, violations of international norms and standards), corruption (severe controversies, violations of international norms and standards).
- **ESG scoring methodologies** for listed corporate bonds, sovereign bonds and green, social and/or sustainable bonds:

¹² See the press release: [Investors with \\$8 trillion call for phase-out of dangerous “forever chemicals” – ChemSec](#)

¹³ See: [Biodiversity loss due to waste and pollution - FAIRR](#)

¹⁴ AXA IM leads the Finance for Biodiversity Foundation's Biodiversity Impact Metrics Working Group and actively participates in the Engagement Working Group.

¹⁵ Finance for Biodiversity Pledge: <https://www.financeforbiodiversity.org/signatories/>

¹⁶ This includes funds for which a specific biodiversity strategy is applied and the associated impact measurement: see sections 2.3 'Biodiversity strategy' and 4.7 'Introduction of biodiversity-specific indicators' of the 2022 AXA IM Climate Report.

¹⁷ As part of the AXA Group, the fund applies the exclusions policy of the AXA Group and not that of AXA IM, which is available on the AXA website: [Investissements | AXA](#)

¹⁸ UN Global Compact Principles, International Labour Organisation (ILO) Conventions, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights (UNGPs).

- AXA IM has scoring methods for rating issuers based on ESG criteria. We recently adopted a single-source ESG rating model that we combine with AXA IM's in-house analysis. Called Q² (Qual and Quant), this new and improved qualitative and quantitative approach offers increased coverage, as well as refined fundamental analysis, and it provides structured scoring. Using MSCI's ESG rating model as a starting point, the Q² methodology increases the coverage provided by MSCI. Thus, when MSCI does not provide a rating for an issuer, AXA IM's ESG analysts can provide a documented fundamental ESG analysis, which in turn will be turned into a quantitative ESG score following MSCI's pillar aggregation methodology and score normalisation. These coverage-enhancing ESG scores are referred to as “Qual” + “Quant”;
- In the methodology applied to companies, the severity of controversies is continuously assessed and monitored to ensure that the most significant risks are reflected in the final ESG score. High severity controversies will result in significant decreases in sub-factor scores and ultimately ESG scores.
- Data used in these methodologies include carbon emissions, water stress, occupational health and safety, supply chain labour standards, business ethics, energy security risks, and well-being. AXA IM rates issuers according to ESG criteria (listed corporate and sovereign bonds) based on quantitative data and/or a qualitative assessment derived from internal and external research.
- These ESG scores provide a standardised and holistic view of issuers' performance on ESG factors while also helping to promote environmental and social factors and to further integrate ESG risks and opportunities into our investment decisions.

This framework helps us to ensure that we examine the impact of sustainability on a company's development, performance or positioning, as well as any significant impacts on financial valuation in the broad sense (financial materiality). This also helps us assess the external impacts of an asset's activities on ESG factors (ESG materiality).

This framework is complemented with the following elements:

- **Internal ESG research** on key themes such as climate change, biodiversity, diversity between men and women, and human capital, cybersecurity and data privacy, as well as health and nutrition, supported by research provided by brokers and in regular meetings with companies, participation in conferences and various events. This research helps us better understand the materiality of ESG issues on sectors, companies and countries.
- **Qualitative analysis of ESG and internal impacts** at company and **country** level.
- **ESG KPIs:** Our investment teams have access to a wide range of non-financial ESG data and analysis across all asset classes. More specifically, a set of environmental KPIs is available in the Front Office tool to provide a comprehensive understanding and analysis at issuer level. These tools are supported by our relationship with providers such as MSCI, Trucost and Beyond Ratings.
- **Active shareholding strategy:**¹⁹ We take an active and impactful approach to active shareholding (engagement and voting), using our scale as a global investment manager to influence company and market practices. In doing so, we strive to reduce investment risk, improve returns and have a positive impact on society and the environment. These factors are key to creating long-term sustainable value for our customers.

If these sustainability risks materialise in respect of an investment, they may have a negative impact on its financial performance. AXA IM does not guarantee that investments will be free from sustainability risks and there is no guarantee that its sustainability risk assessment will identify all the sustainability risks at all times. Investors should understand that assessing the impact of sustainability risks on the performance of a given product is difficult to predict and is subject to inherent limitations such as data availability and quality.

The detailed approach for taking ESG risks into account in the risk management processes applied by AXA IM and, by extension, by the fund, in accordance with the implementing decree of section 29 of the Energy/Climate Act is described in AXA IM's annual Climate Report (joint TCFD and section 29 Energy/Climate Act report):²⁰ [Policies and reports | AXA IM Corporate \(axa-im.fr\)](#)

¹⁹ See AXA IM's active shareholding and engagement policy: [Active shareholding and engagement | Responsible investing | AXA IM Corporate \(axa-im.com\)](#)

²⁰ This includes AXA IM's ESG risk management framework, the impact of ESG factors on returns, and the assessment of physical and climate transition risks (including value-at-risk analysis for 1.5°C, 2°C and 3°C scenarios, using MSCI's Climate VaR methodology): see sections 3. “Risk management” and 4.6 “Climate dashboard” of AXA IM's 2022 Climate Report.



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AXA IM EURO SELECTION UCITS

Statutory Auditor's report on the annual financial statements

Financial year ended on 29 December 2023

AXA IM EURO SELECTION UCITS

Tour Majunga - 6 Place de la Pyramide

92800 Puteaux

[Statutory Auditor's report on the annual financial statements](#)

Financial year ended on 29 December 2023

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 statements of the AXA IM EURO SELECTION undertaking for collective investment in transferable securities (UCITS) for the financial year that ended on 29 December 2023, as attached to this report.

We certify that the financial statements are fair and honest in keeping with French accounting principles and standards and provide 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 statements" 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 29 December 2022 to the date of issue of our report.

Basis for our assessment

It is in this changing context that, in accordance with sections L(821)(53) and R(821)(180) 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 statements 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 statements

Management is responsible for drawing up the annual financial statements 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 statements

It is our duty to draw up a report on the annual financial statements. It is our objective to secure reasonable assurance that the annual financial statements taken as a whole do 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 statements.

As prescribed by section L(821)(55) Commercial Code, our task of certifying the financial statements does not extend to guaranteeing your investment fund'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 statements contain 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 statements;

- 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 statements 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 statements 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 the date of the electronic signature. Document authenticated with electronic signature

26/02/2024

DocuSigned by:

DUNAND-ROUX Gilles

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Gilles DUNAND-ROUX

Balance Sheet – Assets in EUR on 29 December 2023

	29/12/2023	30/12/2022
Net fixed assets	0.00	0.00
Deposits	0.00	0.00
Financial instruments	616,336,452.86	549,802,966.75
Shares and similar securities	616,336,452.86	549,802,966.75
Traded on a regulated market or similar	616,336,452.86	549,802,966.75
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 UCITSs 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	1,683,510.61	1,148,027.70
Liquid assets	1,683,510.61	1,148,027.70
Total assets	618,053,641.82	550,984,672.80

Balance Sheet – Liabilities in EUR on 29 December 2023

	29/12/2023	30/12/2022
Shareholders' Equity		
Capital	613,677,401.52	380,278,222.44
Previous net gains and losses, unallocated (a)	18,020,207.05	152,493,292.97
Balance brought forward (a)	1,254,055.76	9,594,438.90
Net gains and losses for the year (a, b)	-19,971,502.33	5,547,641.23
Profit/loss for the year (a, b)	4,591,653.43	2,478,907.54
Total shareholders equity	617,571,815.43	550,392,503.08
<i>(= Value of net assets)</i>		
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	481,826.39	592,169.72
Currency futures	0.00	0.00
Other	481,826.39	592,169.72
Financial accounts	0.00	0.00
Current credit facilities	0.00	0.00
Borrowings	0.00	0.00
Total liabilities	618,053,641.82	550,984,672.80

(a) Accrual accounts included

(b) Interim payments for the financial year

Off balance sheet in EUR on 29 December 2023

	29/12/2023	30/12/2022
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 Statement in EUR for the year ended on 29 December 2023

	29/12/2023	30/12/2022
Gain on financial transactions		
Gain on deposits and financial accounts	63,643.95	3,931.08
Gain on shares and similar securities	7,472,858.40	6,135,180.51
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)	7,536,502.35	6,139,111.59
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	0.00	9,711.20
Other financial expenses	0.00	0.00
TOTAL (II)	0.00	9,711.20
RESULTS OF FINANCIAL TRANSACTIONS (I - II)	7,536,502.35	6,129,400.39
Other gains (III)	0.00	0.00
Management expenses and provisions for depreciation (IV)	2,956,479.85	3,739,032.29
Net profit and loss for the financial year (L. 214-17-1) (I - II + III - IV)	4,580,022.50	2,390,368.10
Adjustment for revenues for the year (V)	11,630.93	88,539.44
Interim payments against profits for the year (VI)	0.00	0.00
Profit & loss (I - II + III - IV ± V - VI)	4,591,653.43	2,478,907.54

Appendices

1. ACCOUNTING RULES AND METHODS

The portfolio's currency of account is the euro.

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. The attesting documents are communicated to the auditor during audits.
- 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 using the following specific methods:

Units or shares in UCIs:

- Units or shares in UCIs 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.

Negotiable debt securities other than annual interest-earning treasury notes (BTANs), fixed-rate discount treasury notes (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 €STR swap curve (Overnight Indexed Swap [OIS] method),
- in the case of the USD, the Fed Funds swap curve (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: the loan representing the repo inward securities is valued in accordance with the terms of the contract.
 - Repurchase agreements: repo outward securities are valued at the market value of the securities; the debt representing the outward repos is valued in accordance with the terms of the contracts.
- Financial instruments received as collateral:
 - Pursuant to the valuation rules specified in this prospectus, the management company will make a daily valuation of the guarantees received based on the market price. However, these instruments and the corresponding repayment debts are presented on the balance sheet at their resale price. Margin calls are made in accordance with the terms of the financial collateral arrangements.

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 product of the spot exchange rate and the discount factor ratio in each currency calculated using the appropriate rate curves.

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

- Rate swaps against €STR, 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.

Then, selecting, based on the type of UCI units in question:

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:
 - o 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 investment of the UCITS in UCIs does not represent 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	C1
FR0013321015	T	Capitalisation	C2
FR0013321007	S	Capitalisation	C3
FR0013320991	V	Capitalisation	C4
FR0012993160	E	Capitalisation	RC
FR0013419843	I	Capitalisation	IC
FR0010777391	A	Capitalisation and/or distribution shares	RD

2. CHANGE IN NET ASSETS

	29/12/2023	30/12/2022
Net assets at beginning of the financial year	550,392,503.08	787,108,305.88
Subscriptions (including subscription fees collected from the UCITS)	443,553,527.02	449,075,425.83
Redemptions (with deduction of redemption commissions acquired from the UCITS)	-456,832,104.64	-501,937,300.45
Gains realised on deposits and financial instruments	24,189,265.23	29,222,731.59
Losses realised on deposits and financial instruments	-42,728,165.20	-22,983,469.54
Gains realised on financial contracts	0.00	0.00
Losses realised on financial contracts	0.00	0.00
Transaction fees	-424,898.32	-446,206.78
Exchange-rate differences	659,515.55	-558,589.61
Change in the difference on estimates of deposits and financial instruments	94,182,150.21	-191,478,761.94
<i>Difference in estimates for financial year N:</i>	<i>76,068 3 74.13</i>	<i>-18113 776.08</i>
<i>Difference in estimates for financial year N-1:</i>	<i>-18,113,776.08</i>	<i>1 73,364,985.86</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	4,580,022.50	2,390,368.10
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	617,571,815.43	550,392,503.08

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

3. MOVEMENTS IN THE SHARE PORTFOLIO OVER THE PERIOD

Details of the share portfolio	Transactions (total)	
	Purchases	Sales
a) Eligible financial securities and money market instruments that can be traded on a regulated market as described in section L(422)(1) Monetary and Financial Code	227,231,252.74	251,354,893.55
b) Eligible financial securities and money market instruments traded on other public, recognised, regularly operating, regulated markets based in an EU Member State or in another State party to the European Economic Area Agreement	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	15,720,494.16	1,304,957.37
d) Newly issued financial securities referred to in section R(214)(11)(4) Monetary and Financial Code; (section R[214][11][1][4] (UCITS)/section R[214][32][18][1][4] [GIF] Monetary and Financial Code)	0.00	0.00
e) Other assets: These are other assets mentioned under section R(214)(11)(II) of the Monetary and Financial Code and under section R(214)(32)(19). (sections R[214][1][III] [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.

4. ADDITIONAL INFORMATION

4.1. 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
Other financial instruments		
TOTAL Other financial instruments	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

4.2. 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							1,683,510.61	0.27
Liabilities								
Temporary financial securities transactions								
Financial accounts								
Off balance sheet								
Hedging operations								
Other operations								

4.3. 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	1,683,510.61	0.27								
Liabilities										
Temporary financial securities transactions										
Financial accounts										
Off balance sheet										
Hedging operations										
Other operations										

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

	Currency 1 DDK	% DDK	Currency 2 USD	% USD	Currency 3 CHF	% CHF	Currency N	%
Assets								
Deposits								
Shares and similar securities	23,411,875.97	3.79	16,339,944.78	2.65	14,615,037.11	2.37		
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								

4.5. Breakdown of loan and debt postings by type

	29/12/2023
Receivables	
Other accounts payable	33,678.35
Total debt securities	33,678.35
Debts	
Management fees	-481,802.39
Other Debts	-24.00
Total debts	-481,826.39
Total debts and debt securities	-448,148.04

4.6. Shareholders' Equity

SUBSCRIPTIONS AND REDEMPTIONS

	By units	In value
C1		
Shares and units issued during the year	79.7528	95,530.82
Shares and units redeemed during the year	-252.2164	-304,029.17

	By units	In value
C2		
Shares and units issued during the year	1,834.2249	2,261,645.52
Shares and units redeemed during the year	-1,497.524	-1,841,869.85

	By units	In value
C3		
Shares and units issued during the year	79.3662	95,388.39
Shares and units redeemed during the year	-698.7022	-849,501.04

	By units	In value
C4		
Shares and units issued during the year	100	123,032.00
Shares and units redeemed during the year	-25	-32,063.25

	By units	In value
IC	institutional capital	
Shares and units issued during the year	358,853.4809	413,106,900.57
Shares and units redeemed during the year	-90,324.715	-105,516,097.82

	By units	In value
RC		
Shares and units issued during the year	17,064.5809	25,113,083.32
Shares and units redeemed during the year	-21,479.7145	-31,505,588.39

	By units	In value
RD		
Shares and units issued during the year	748.474	2,757,946.40
Shares and units redeemed during the year	-87,869.5553	-316,782,955.12

SUBSCRIPTION AND/OR REDEMPTION FEES

	In value
C1	
Value of subscription and/or redemption fees received	0.00
Total subscription fees received	0.00
Total redemption fees received	0.00
Subscription and/or redemption fees reassigned to third parties	0.00
Total subscription fees reassigned to third parties	0.00
Total 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
Total subscription fees received	0.00
Total redemption fees received	0.00
Subscription and/or redemption fees reassigned to third parties	0.00
Total subscription fees reassigned to third parties	0.00
Total 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
Total subscription fees received	0.00
Total redemption fees received	0.00
Subscription and/or redemption fees reassigned to third parties	0.00
Total subscription fees reassigned to third parties	0.00
Total 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
Total subscription fees received	0.00
Total redemption fees received	0.00
Subscription and/or redemption fees reassigned to third parties	0.00
Total subscription fees reassigned to third parties	0.00
Total 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
Total subscription fees received	0.00
Total redemption fees received	0.00
Subscription and/or redemption fees reassigned to third parties	0.00
Total subscription fees reassigned to third parties	0.00
Total 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
Total subscription fees received	0.00
Total redemption fees received	0.00
Subscription and/or redemption fees reassigned to third parties	0.00
Total subscription fees reassigned to third parties	0.00
Total 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
Total subscription fees received	0.00
Total redemption fees received	0.00
Subscription and/or redemption fees reassigned to third parties	0.00
Total subscription fees reassigned to third parties	0.00
Total 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

4.7. Management fees

	29/12/2023
C1	
Percentage of fixed management fees	1.59
Fixed load	35,903.32
Percentage variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

	29/12/2023
C2	
Percentage of fixed management fees	1.20
Fixed load	15,059.28
Percentage variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

	29/12/2023
C3	
Percentage of fixed management fees	1.60
Fixed load	36,696.83
Percentage variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

	29/12/2023
C4	
Percentage of fixed management fees	0.80
Fixed load	49,684.56
Percentage variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

	29/12/2023
IC institutional capital	
Percentage of fixed management fees	0.45
Fixed load	2,219,175.81
Percentage variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

	29/12/2023
RC	
Percentage of fixed management fees	0.70
Fixed load	229,876.21
Percentage variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

	29/12/2023
RD	
Percentage of fixed management fees	0.70
Fixed load	370,083.84
Percentage variable management fees	0.00
Variable management fees	0.00
Retrocession of management fees	0.00

4.8. Commitments given and received

Description of guarantees received by the UCI				
Type of guarantee	Bank Guarantor	Beneficiary	Maturity	Modalities
	NONE			
Other commitments given and/or received			NONE	

4.9. Other information

CURRENT VALUE OF FINANCIAL INSTRUMENTS ACQUIRED TEMPORARILY

	29/12/2023
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

	29/12/2023
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

	29/12/2023
Shares	0.00
Bonds	0.00
NDIs	0.00
UCI	0.00
Financial futures	0.00
Total group securities	0.00

4.10. Allocation table for sums available for distribution

Interim payments against profits for the year						
	Date	Unit	Value amount	Value value	Tax credits totals	Tax credits value
Total interim payments			0	0	0	0

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

Allocation table for sums available for distribution depending on profits (6)	29/12/2023	30/12/2022
Sums remaining for appropriation		
Brought forward	1,254,055.76	9,594,438.90
Results	4,591,653.43	2,478,907.54
Total	5,845,709.19	12,073,346.44

	29/12/2023	30/12/2022
C1		
Appropriation		
Distribution	0.00	0.00
Carried forward for the financial year	0.00	0.00
Capitalisation	-6,939.70	-12,204.53
Total	-6,939.70	-12,204.53
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

	29/12/2023	30/12/2022
C2		
Appropriation		
Distribution	0.00	0.00
Carried forward for the financial year	0.00	0.00
Capitalisation	1,033.89	-1,419.76
Total	1,033.89	-1,419.76
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

	29/12/2023	30/12/2022
C3		
Appropriation		
Distribution	0.00	0.00
Carried forward for the financial year	0.00	0.00
Capitalisation	-6,334.44	-14,060.59
Total	-6,334.44	-14,060.59
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

	29/12/2023	30/12/2022
C4		
Appropriation		
Distribution	0.00	0.00
Carried forward for the financial year	0.00	0.00
Capitalisation	29,222.81	15,184.45
Total	29,222.81	15,184.45
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

	29/12/2023	30/12/2022
IC		
Appropriation		
Distribution	0.00	0.00
Carried forward for the financial year	0.00	0.00
Capitalisation	4,172,252.26	1,120,099.34
Total	4,172,252.26	1,120,099.34
Information in respect of shares or units with right to distribution		
Number of shares or units	0.00	0.00
Unit distribution	0.00	0.00
Tax credits attaching to distribution of profits	0.00	0.00

	29/12/2023	30/12/2022
RC		
Appropriation		
Distribution	0.00	0.00
Carried forward for the financial year	0.00	0.00
Capitalisation	162,651.95	120,411.96
Total	162,651.95	120,411.96
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

	29/12/2023	30/12/2022
RD		
Appropriation		
Distribution	0.00	0.00
Carried forward for the financial year	1,493,822.42	10,845,335.57
Capitalisation	0.00	0.00
Total	1,493,822.42	10,845,335.57
Information in respect of shares or units with right to distribution		
Number of shares or units	11,391,0431	98,512,1244
Unit distribution	0.00	0.00
Tax credits attaching to distribution of profits	0.00	0.00

Allocation table for sums available for distribution according to net gains and losses (6)	Allocation of net gains and losses	
	29/12/2023	30/12/2022
Sums remaining for appropriation		
Previous net gains and losses, unallocated	18,020,207,05	152,493,292,97
Net gains and losses for the year	-19,971,502,33	5,547,641,23
Interim payments against net gains and losses for the year	0.00	0.00
Total	-1,951,295.28	158,040,934.20

(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	
	29/12/2023	30/12/2022
C1		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	0.00	0.00
Capitalisation	-71,694.90	21,740.40
Total	-71,694.90	21,740.40
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	
	29/12/2023	30/12/2022
C2		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	0.00	0.00
Capitalisation	-49,108.26	9,635.36
Total	-49,108.26	9,635.36
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	
	29/12/2023	30/12/2022
C3		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	0.00	0.00
Capitalisation	-65,444.04	25,046.48
Total	-65,444.04	25,046.48
Information in respect of shares or units with right to distribution		
Number of shares or units	0	0
Unit distribution	0.00	0.00

(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	
	29/12/2023	30/12/2022
C4		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	0.00	0.00
Capitalisation	-209,979.72	56,441.90
Total	-209,979.72	56,441.90
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	
	29/12/2023	30/12/2022
IC institutional capital		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	0.00	0.00
Capitalisation	-17,190,341.73	1,763,152.70
Total	-17,190,341.73	1,763,152.70
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	
	29/12/2023	30/12/2022
RC		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	0.00	0.00
Capitalisation	-963,956.01	322,397.91
Total	-963,956.01	322,397.91
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	
	29/12/2023	30/12/2022
RD		
Appropriation		
Distribution	0.00	0.00
Net gains and losses, unallocated	18,020,207.05	155,842,519.45
Capitalisation	-1,420,977.67	0.00
Total	16,599,229.38	155,842,519.45
Information in respect of shares or units with right to distribution		
Number of shares or units	11,391.0431	98,512.1244
Unit distribution	0.00	0.00

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

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

Date	Unit	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 €
31/12/2019	C1	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
	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 1 73,796.14	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				
30/12/2022	C1	2,131,510.42	1,930.4115	1,104.17				4.94
	C2	949,267.14	843.1925	1,125.80				9.74
	C3	2,455,690.94	2,224.0208	1,104.16				4.94
	C4	5,588,092.84	4,866.8817	1,148.18				14.70
	IC	175,310,567.42	162,987.3323	1,075.60				17.68
	RC	31,958,377.37	23,850.8934	1,339.92				18.55
	RD	331,998,996.95	98,512.1244	3,370.13				
29/12/2023	C1	2,198,449.90	1,757.9479	1,250.57				-44.72
	C2	1,510,460.99	1,179.8934	1,280.16				-40.75
	C3	2,006,771.88	1,604.6848	1,250.57				-44.72
	C4	6,478,030.89	4,941.8817	1,310.84				-36.57
	IC	531,745,327.12	431,516.0982	1,232.27				-30.17
	RC	29,761,260.22	19,435.7598	1,531.26				-41.23
	RD	43,871,514.43	11,391.0431	3,851.40				-124.74

4.12. Detailed inventory of deposits and financial instruments

Name of security	Qty in number or nominal	Stock market value	Currency	% Net assets
AMPLIFON SPA COMMON STOCK EUR.02	580,000	18,177,200.00	EUR	2.94
ASML HOLDING NV COMMON STOCK EUR.09	68,500	46,696,450.00	EUR	7.57
CAPGEMINI SE COMMON STOCK EUR8.0	70,000	13,212,500.00	EUR	2.14
DASSAULT SYSTEMES SE COMMON STOCK EUR. 1	420,000	18,578,700.00	EUR	3.01
DAVIDE CAMPARI MILANO NV COMMON STOCK EUR.01	1,300,000	13,279,500.00	EUR	2.15
D IETEREN GROUP COMMON STOCK	95,000	16,805,500.00	EUR	2.72
ELIA GROUP SA/NV COMMON STOCK	160,000	18,128,000.00	EUR	2.94
FERRARI NV COMMON STOCK EUR.01	97,000	29,604,400.00	EUR	4.79
GIVAUDAN REG COMMON STOCK CHF10.0	3,900	14,615,037.11	CHF	2.37
HERMES INTERNATIONAL COMMON STOCK	13,300	25,520,040.00	EUR	4.13
INFINEON TECHNOLOGIES AG COMMON STOCK	480,000	18,144,000.00	EUR	2.94
INFRASTRUTTURE WIRELESS ITAL COMMON STOCK NPV	750,000	8,587,500.00	EUR	1.39
KERING COMMON STOCK EUR4.0	37,000	14,763,000.00	EUR	2.39
KINEPOLIS COMMON STOCK	173,000	7,733,100.00	EUR	1.25
L OREAL COMMON STOCK EUR.2	65,000	29,292,250.00	EUR	4.74
LOTUS BAKERIES COMMON STOCK	1,100	9,053,000.00	EUR	1.47
LVMH MOET HENNESSY LOLTS VUI COMMON STOCK EUR.3	53,800	39,467,680.00	EUR	6.39
MICROSOFT CORP COMMON STOCK USD.00000625	48,000	16,339,944.78	USD	2.65
NESTE OYJ COMMON STOCK	420,000	13,528,200.00	EUR	2.19
NOVO NORDISK A/S B COMMON STOCK	250,000	23,411,875.97	DKK	3.79
PERNOD RICARD SA COMMON STOCK EUR1.55	77,500	12,380,625.00	EUR	2.00
PUMA SE COMMON STOCK	430,000	21,723,600.00	EUR	3.52
RATION AL AG COMMON STOCK	23,000	16,088,500.00	EUR	2.61
SAFRAN SA COMMON STOCK EUR.2	200,000	31,892,000.00	EUR	5.16
SAP SE COMMON STOCK	180,000	25,106,400.00	EUR	4.07
SARTORIUS AG VORZUG PREFERENCE	48,000	15,993,600.00	EUR	2.59
SCHNEIDER ELECTRIC SE COMMON STOCK EUR4.0	80,000	14,542,400.00	EUR	2.35
SIEMENS HEALTHINEERS AG COMMON STOCK	250,000	13,150,000.00	EUR	2.13
S INT SE COMMON STOCK	75,000	7,590,000.00	EUR	1.23
SYMRISE AG COMMON STOCK	240,000	23,913,600.00	EUR	3.87
UCB SA COMMON STOCK	209,000	16,490,100.00	EUR	2.67
UNIVERSAL MUSIC GROUP NV COMMON STOCK EUR10.0	525,000	13,550,250.00	EUR	2.19
WAREHOUSES DE PAUW NV REIT	315,000	8,977,500.00	EUR	1.45
Total assets and similar securities traded on a regulated market or similar (except warrants)		616,336,452.86		99.80
TOTAL Shares and similar securities traded on a regulated market or similar		616,336,452.86		99.80
TOTAL Shares and similar securities		616,336,452.86		99.80



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AXA IM EURO SELECTION UCITS

Statutory Auditor's special report on regulated agreements

Financial year ended on 29 December 2023

AXA IM EURO SELECTION UCITS

Tour Majunga - 6 Place de la Pyramide

92800 Puteaux

[Statutory Auditor's special report on regulated agreements](#)

Financial year ended on 29 December 2023

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 the date of the electronic signature. Document authenticated with electronic signature

6 March 2024

DocuSigned by:

DUNAND-ROUX Gilles

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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 4,591,653.43.

It shows that the capital, as defined in section L(214)(7)(5) of the Monetary and Financial Code, of EUR 380,278,222.44, divided into 196,702.7322 class C shares (i.e. 1,930.4115 C1 shares, 843.1925 C2 shares, 2,224.0208 C3 shares, 4,866.8817 C4 shares, 162,987.3323 IC shares and 23,850.8934 C shares) and 98,512.1244 D shares as at 30 December 2022, was EUR 613,677,401.52, divided into 460,436.2658 C shares (i.e. 1,757.9479 C1 shares, 1,179.8934 C2 shares, 1,604.6848 C3 shares, 4,941.8817 C4 shares, 431,516.0982 IC shares and 19,435.7598 C shares) and in 11,391.0431 D shares as at 29 December 2023, for a net increase of EUR 233,399,179.08.

SECOND RESOLUTION

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

- Net earnings for the year	€ 4,591,653.43
- Carried forward from the preceding financial year	€ 1,254,055.76
- Net gains and losses for the year	(EUR 19,971,502.33)
- Previous net gains and losses, unallocated	€ 18,020,207.05

amounting to EUR 3,894,413.91, decides, in accordance with the articles of association, to allocate it as follows:

- Capitalisation	(€ 15,619,615.56)
- Carried forward for the financial year	€ 1,493,822.42
- Net gains and losses, unallocated	€ 18,020,207.05

The meeting notes that no dividends were distributed in the last three years.

THIRD RESOLUTION

The General Meeting, having heard the special report from the auditor, notes that no new agreement was made by the board during the year ended 29 December 2023, within the scope of section L(225)(38) of the Commercial Code.

FOURTH RESOLUTION

The general meeting ratifies the appointment as director of Caroline MOLEUX, appointed by the board at its meeting of 12 February 2024, to replace Amaury BOYENVAL for the remainder of his 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 2025.

FIFTH RESOLUTION

The general meeting ratifies the appointment as director of Sophie SEIGNIBRARD, appointed by the board at its meeting of 12 February 2024, to replace AXA FRANCE VIE for the remainder of its 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 2025.

SIXTH RESOLUTION

The general meeting ratifies the appointment as director of Gilles GUIBOUT, appointed by the board at its meeting of 12 February 2024, to replace Fabrice VIGIER for the remainder of his 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 2025.



AXA IM EURO SELECTION

Investment company with variable capital

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SIREN [French Company ID No.] 833,878,838 - 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 Approval AMF no. GP 92008 dated 7 April 1992

Limited-Liability Company with capital of EUR 1421906, Commercial Registry of Nanterre no. 353 534 506.