AXA IM Euro Sélection

The Fund is compliant with European Directive 2009/65/EC

Prospectus :

I - General characteristics :

I -1 Form of the UCITS:

□ **Name:** AXA IM EURO SELECTION
□ **Legal form:** UCITS in the form of a Société d'Investissement à Capital Variable (SICAV), incorporated as a société anonyme under the laws of France.
Registered office: Tour Majunga - La Défense 9 - 6, place de la Pyramide -92800 Puteaux.

A SICAV created on 13 November 2017 for a 99 year term and expected to exist: SICAV resulting from the transformation of the FCP Matignon EURO SELECTION. This transformation approved by the AMF on 7 November 2017 was carried out by way of merger absorption with the FCP Matignon EURO SELECTION dated 20 February 2018.

A Summary of the management offer:

Share Classes	ISIN Code	Allocation of distributable amounts	Base Currency	Subscribers concerned	Initial net asset value	Minimum initial subscription amount	Subdivision of units
A	FR0010777391	Accumulation and/or distribution	Euro	All investors, Specifically targeted to AXA Group entities	The original net asset value is equal to the last calculated net asset value of the unit class A of the Matignon EURO SELECTION Fund on the day of the merger	€500000 with the exception of the management company or an affiliated entity	Shares up to ten thousandths
E	FR0012993160	Accumulation	Euro	All investors, Specifically targeted to AXA Group entities	The original net asset value is equal to the last calculated net asset value of the E unit class of the Matignon EURO SELECTION Fund on the day of the merger	€500000 with the exception of the management company or an affiliated entity	Decimalised Shares Up to ten thousandths

R	FR0013321023	Accumulation	Euro	Exclusively reserved for employees of companies or investors subscribing to a French employee savings or pension savings scheme and which are distributed by AXA FRANCE	€1000	1 share	Shares up to ten thousandths
T	FR0013321015	Accumulation	Euro	Exclusively reserved for employees of companies or investors subscribing to a French employee savings or pension savings scheme and which are distributed by AXA FRANCE	€1000	€100000 with the exception of the management company or an affiliated entity	Shares up to ten thousandths
S	FR0013321007	Accumulation	Euro	All subscribers - excluding employees of companies and investors subscribing to a employee savings or retirement savings scheme And which are distributed by AXA FRANCE	€1000	1 share	Shares up to ten thousandths
V	FR0013320991	Accumulation	Euro	Reserved for subscribers subscribing through financial intermediaries which, either according to regulatory requirements (e.g. in the European Union, financial intermediaries providing discretionary portfolio management or investment advice independently) or separate remuneration agreements with their clients, are not allowed to keep retrocessions for distribution.	€1000	€100000 with the exception of the management company or an affiliated entity	Shares up to ten thousandths
I	FR0013419843	Accumulation	Euro	Meet 1[minimum] high subscription requirements	€1,000	€10,000,000 with the exception of the management company or an affiliated entity	Shares up to ten thousandths

Description of the place where the latest annual report, the latest interim report and the most recent net asset value of the SICAV may be obtained, as well as information on its past performance, where applicable:

The latest annual reports, the latest net asset value, past performance and details of the assets will be sent to shareholders within eight business days upon written request to :

AXA INVESTMENT MANAGERS PARIS

Majunga Tower -6 place de la Pyramide
92908 Paris - La Défense Cedex

For further information, including the latest net asset value and information on past performance, you can contact AXA INVESTMENT MANAGERS Paris at the address above or send us an e mail at client@axa-im.com

I -2 Stakeholders :

□ **Management Company:** **AXA INVESTMENT MANAGERS PARIS**,
Société Anonyme (public limited company) with a Board of Directors
Registered office: Tour Majunga - La Défense 9 - 6, place de la Pyramide -92800 Puteaux.
Postal address: Tour Majunga -6 place de la Pyramide -92908 PARIS - La Défense cedex.
A company approved as a management company by the AMF on 7 April 1992 under number GP 92008 within the meaning of Directive 2009/65/EC (UCITS Directive).

Management and administration

The list of the members of the Board of Directors as well as the activities carried out by the members of the administrative or management bodies are mentioned in the most recent management report of the SICAV.

Shareholders' attention is drawn to the fact that the information held in this management report is updated only once a year and that this information is produced under the responsibility of each of the members mentioned.

The Depositary, Custodian and, by delegation, Centralising Agent and issuer account holder:

BNP PARIBAS SA,
Located at 9, rue du Débarcadère 93500 PANTIN (the 'Custodian'). BNP PARIBAS SA, a société anonyme (public limited company) registered in the French Trade and Companies Registry under number 662,042,449, is an institution approved by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and subject to the supervision of the Autorité des Marchés Financiers (AMF), whose registered office is located in Paris 9ème, 16, boulevard des Italiens.

Description of the Depositary's responsibilities and potential conflicts of interest:

The Custodian carries out three types of responsibilities: Checking the regularity of the decisions of the management company (as defined in Article 22.3 of the UCITS 5 directive), the monitoring of the UCITS cash flow (as defined in Article 22.4) and the safekeeping of the UCITS assets (as defined in Article 22.5).

The main objective of the Depositary is to protect the interests of shareholders/investors in the UCITS, which will always take precedence over commercial interests.

Potential conflicts of interest may be identified, in particular in the case where the Management Company also has business relationships with BNP Paribas SA in addition to its appointment as Custodian.

In order to manage such situations, the Custodian has implemented and maintains a conflict of interest management policy with the objective of:

- Identification and analysis of potential conflicts of interest situations
- To record, manage and monitor situations with conflicts of interest by:
    - O Using the permanent measures in place to manage conflicts of interest such as maintaining separate legal entities, segregation of duties, separation of reporting lines, monitoring of internal insider lists;
    - O Implementing on a case by case basis:

Preventive and appropriate measures such as the creation of an ad hoc watch list, new Chinese walls, or checking that transactions are processed in an appropriate manner and/or informing the relevant clients;

Or refusing to manage activities that could give rise to conflicts of interest.

Description of any custody duties delegated by the Custodian, list of delegates and sub delegates and identification of conflicts of interest that may result from such delegation *:*

The UCITS Depositary, BNP Paribas SA, is responsible for the safekeeping of the assets (as defined in article 22.5 of the Directive 2009/65/EC as amended by Directive 2014/91/EU). In order to offer services related to the safekeeping of assets in a large number of countries, enabling the UCITS to achieve their investment objectives, BNP Paribas SA has appointed sub custodians in countries where BNP Paribas SA has no local presence. These entities are listed on the following website http://securities.bnpparibas.com/solutions/asset-fund-services/depositary-bank-and-trustee-serv.html The appointment and monitoring process of the sub custodians adheres to the highest quality standards, including the management of potential conflicts of interest which may arise as a result of these appointments.

Up to date information relating to the above points will be sent to investors upon request.

□ **Prime Broker**
(Prime broker) : None.

□ **Auditor :** **MAZARS**
Exaltis -61, rue Henri Regnault -92400 Courbevoie.

Graduate Promoter: **AXA INVESTMENT MANAGERS PARIS**

AXA INVESTMENT MANAGERS PARIS may delegate to third parties duly authorised by the latter to market the shares of the SICAV. As the Fund is listed on Euroclear France, its shares may be subscribed or redeemed through financial intermediaries who are not known to the Management Company.

Delegates :

- **Financial management delegated to:** *AXA Investment Managers Paris does not delegate financial management.*

- **Accounting and middle office management delegation** :

STATE STREET BANK INTERNATIONAL GMBH PARIS BRANCH
German credit institution branch STATE STREET BANK INTERNATIONAL GMBH (parent company), which was established in accordance with the European passport requirements under Directive 2013/36/EU (CRD IV).

Address: Heart Défense - Tour A -100, Esplanade du Général de Gaulle - 92931 Paris La Défense Cedex, registered under the number 850,254,673 of the Nanterre Trade and Companies Register.

State STREET BANK INTERNATIONAL GMBH is a credit institution authorised in June 1994 by the predecessor of the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht - BaFin) under identification number 108514.
It is supervised directly by the European Central Bank (ECB).
The delegated accounting manager ensures the UCITS 'accounts and calculates the net asset value.

- **Administration delegated to:** AXA INVESTMENT MANAGERS Paris does not delegate the administration of the SICAV.

□ **Advisers:** None.

II - Operating and management procedures :

II -1 General characteristics :

The characteristics of the shares:

□ ISIN **Codes** : Class 'A' Shares : FR0010777391
Class 'E' Shares : FR0012993160
Class 'R' Shares : FR0013321023
Class 'T' Shares : FR0013321015
Class 'S' Shares : FR0013321007
Class 'V' Shares : FR0013320991
Class 'I' Shares : FR0013419843

A **Nature of the rights attached to each share class** : each shareholder has a co ownership right to the assets of the SICAV in proportion to the number of shares held.

• **Registration in a register or other details of liability accounting** : All shares are bearer or administered registered shares. The register is kept by BNP Paribas SA. The issuer account is managed by BNP Paribas SA (custodian). The securities must be registered and held, as the case may be, by the issuer or an authorised intermediary.

A **Voting Rights** : each share is attached to a voting right as a SICAV in the form of a public limited company. Decisions concerning its management are taken by the General Management under the direction of the Management Company

• **Form of units**: In bearer or administered registered form.

□ **Decimalisation** :
- Class 'A' shares, denominated in euros, are decimalised in ten thousandths of shares.
- the E share class, denominated in euros, is divided into ten thousandths of a share.
- the R class shares, denominated in euros, are decimalised in ten thousandths of shares
- T share class, denominated in euros, is divided into ten thousandths of a share.
- the S category shares, denominated in euros, are decimalised in ten thousandths of shares.
the V share class, denominated in euros, is divided into ten thousandths of a share.
- Class 'I' shares, denominated in euros, are decimalised in ten thousandths of shares.

□ **Closing date:** Last valuation day in December.

□ **First financial year closing date :** December 2010

SIE Indications sur la régime fiscal:
The SICAV is subject to the general tax regime applicable to UCITS.

If the subscription to the shares of the SICAV falls within the scope of participation in a life insurance contract, subscribers will be subject to the taxation of life insurance contracts.

If the subscription to the shares of the SICAV falls within the scope of participation in a Plan d'Epargne en Actions (PEA), subscribers will be subject to the taxation applicable to PEA.

This information is not a substitute for information provided under individual tax advice.

Warning: Depending on your tax regime, any capital gains and income associated with holding shares of the SICAV may be subject to taxation. We recommend that you consult your tax adviser on this subject.

FATCA Compliance obligation :

Under the terms of the Foreign Account Tax Compliance Act (FATCA), shareholders may be required to provide the UCI, the management company for each UCI or their agent with information, in particular concerning their personal identity and the place of residence (domicile and tax residence), to the US Person as defined by FATCA[1]. This information may be transmitted to the US tax authorities via the French tax authorities. Any failure by shareholders to comply with this obligation could result in a 30% flat rate withholding tax being imposed on US source financial flows. Notwithstanding the measures taken by the management company under FATCA, shareholders are advised to ensure that the financial intermediary they used to invest in the SICAV itself qualifies as a Participating FFI. For further details, shareholders may consult a tax advisor.

[1]*The US Internal Revenue Code defines the concept of 'U.S. Person' as being available on the website, https://funds.axa-im.com/ (*in the section *legal information).*

Automatic Exchange of Tax Information (CRS) :

To meet the requirements of Automatic Exchange of Information in the field of taxation and in particular the provisions of Article 1649 AC of the General Tax Code and of Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU, shareholders will be required to provide the UCI, the management company or their agent with information notably (but not exclusively) on their personal identity, direct or indirect beneficiaries, final beneficiaries and controlling persons. The shareholder will be required to comply with any request from the management company to provide such information to enable the management company and the UCI to comply with their reporting obligations. Such information may be transmitted by the French tax authorities to foreign tax authorities.

II -2 Special provisions:

A Classification : UCITS Euro zone equities.

□ **Investment objective:** the SICAV's objective is to seek performance through exposure to the equity markets in the Eurozone, by implementing a dynamic, discretionary management strategy based in particular on the selection of financial instruments based on the financial analysis of issuers.
The Company takes a socially responsible investment approach that respects the Environmental, Social and Governance (ESG) responsibility criteria, which are key elements of the investment decisions, and has a special interest in the environmental scores (E scores).

A Benchmark index : the increase in value can be compared to a Euro Stoxx Net Total Return index.

The Euro Stoxx index is a stock market index composed of shares of the largest stocks in the eurozone selected on the basis of capitalisation, liquidity and sector weight.

The benchmark's performance takes into account the dividends paid in respect of the shares comprising the benchmark index.

For additional information, you can log on to www stoxx.com

As the management of the SICAV is not index linked, its performance may differ significantly from its benchmark, which serves only as a basis for comparison.

□ **Investment strategy:**

1. On the strategies used :

The SICAV's investment strategy consists of active management and active exposure to the equity markets issued in one or more eurozone countries. The manager may or may not invest in the securities composing the reference indicator at his own discretion and without any particular restrictions. Exposure to currency risk or to markets other than those in the Eurozone will remain ancillary.

The Investment Manager takes into account attractive ESG characteristics that help to overweight or underweight positions relative to the Benchmark Index, which means that the deviation from the Benchmark Index may be large and may vary over time. For clarification, the Benchmark Index is a broad market index that does not necessarily take into account, in its composition or calculation methodology, the ESG characteristics promoted by the SICAV.

The SICAV is a financial product which promotes environmental characteristics within the meaning of Article 8 of European Regulation 2019/2088 of 27 November 2019 on the publication of sustainability information in the financial services sector. It should be noted, however, that to date the Fund does not take into account the criteria for sustainable environmental activities set out in Regulation 2020/852 on the establishment of a framework for the promotion of sustainable investments (hereafter 'Tax Regulation') and the alignment of its portfolio with the criteria of the Taxonomy Regulation is not calculated. Thus, for the moment, the principle of 'not causing material harm' is not considered on the assets of the SICAV.

The SICAV applies AXA IM's sectoral exclusion policies and the AXA IM Environmental, Social and Governance Standards Policy ('AXA IM ESG Standards Policy'), available on the website: https://www.axa-im.fr/investissement-responsable/nos-politiques-et-rapports, as described in the 'Risk Profile' section, under 'Integration of sustainability risks in the investment decision making process.'

AXA IM's sector exclusion policies and ESG Standards are applied systematically and continuously during the stock selection process and derivatives are used in accordance with the SICAV's ESG policy.

Our SRI approach focuses on three complementary themes in order to guarantee a comprehensive assessment of the company's fundamentals and ESG profile, from the definition of the investment universe to the construction of the portfolio.

1/Definition of investment universe:

The Investment Universe is composed of . broadlist of Euro zone equities listed on the regulated markets of the countries which form part of the Benchmark Index. These securities may or may not be constituents of the benchmark index.

Securities chosen outside the investment universe shall not exceed 10% of the net assets excluding bonds and other debt securities issued by public issuers, cash held on an ancillary basis and socially responsible assets, and provided that the issuer is eligible using the selectivity criteria.

The SICAV applies a 'selectivity '*Best in universe* approach to its investment universe, which is applied in a binding manner at all times. The ESG approach consists in focusing on the highest rated issuers from an extra financial perspective regardless of their industry sector and accepting a sector bias as sectors viewed as generally more virtuous will have greater coverage. The selectivity approach consists in eliminating at least 20% of the worst stocks in the investment universe defined above by excluding issuers based on a combination of AXA IM sector exclusion policies and ESG Standards and their E (Environmental) scores, excluding bonds and other debt securities issued by public issuers, ancillary liquid assets and socially responsible assets.

AXA IM uses an ESG scoring framework for structured issuers based on three pillars: environment, Social and Governance, to help assess how companies reduce ESG risk and use these criteria to improve their competitive positions in their business sector. The application of this framework results in an internal ESG rating per issuer ranging from 0 to 10. The AXA IM ESG rating methodology is described as follows: https://particuliers.axa-im.fr/investissement-responsable/notre-cadre-esg-et-notre-methodologie-de-notation?Linkid = investormanager menu cadreesg.

The SICAV continuously aims to outperform its reference indicator on the following key extra financial performance indicators: The first related to carbon intensity and the second related to water consumption.

The following minimum hedging rates apply within the portfolio: I) 90% of the SICAV's net assets (excluding bonds and other debt securities issued by public issuers, cash held on an ancillary basis and socially responsible assets) for ESG analysis, (II) 90% for the carbon intensity indicator; (III) 70% for the water consumption index.

In addition, the SICAV applies an additional ESG approach with the application of AXA IM's ESG Standards Policy and AXA IM Sector Exclusion policies, as described above.

The ESG approach implemented is described in detail in the SICAV's Transparency Code. Shareholders are informed that they can refer to the Transparency Code on the Management Company's website.

2/Basic research value by value:

The investment strategy is to actively manage investments using a primarily *bottom up* approach, supplemented by additional *top down* adjustments by a discretionary selection of companies offering growth potential. In this way, the manager will implement a diversified equity management strategy that generates long term profitability. The portfolio will seek to exhibit lower market volatility and minimise the risk of bankruptcy of the portfolio securities.

The *bottom up* approach consists in studying the company fundamentals. Thus, the stock selection process will be implemented through the analysis:

- quality of financial structure (review of traditional financial analysis ratios, dividend payout capability, growth outlook, etc.)
- competitive positioning and competitive advantage of the company (positioning the company into its sector, quality of management teams and employee expertise)
- future prospects (likely evolution of the shareholding, possibility of restructuring, etc.)

This analysis will allow the manager to adapt the composition of the portfolio to changes in the equity markets of the eurozone countries.

top down analysis will complement active stock selection to allow adjustments. To do this, the manager will comprehensively identify his benchmark market to seize sector and/or geographic opportunities through analysis:

- The general economic situation at the national and international levels (declining interest rates, increasing corporate profits, etc.),
- A review of a particular sector (study of trends, purchasing behaviours, etc.),
- Analysis of a company within this sector (positioning the company in its sector, quality of management teams and employee expertise, etc.).

In addition, the Investment Manager uses ESG data in the construction of the selection universe. ESG scores can also be used to target portfolio construction towards stocks with superior ESG characteristics.

The ESG data used in the investment process is based on ESG methodologies which, in part, rely on data provided by third parties, and in some cases developed in house. They are subjective and may change over time. Despite several initiatives, the lack of harmonised definitions may make ESG criteria heterogeneous. For example, the different investment strategies that use ESG criteria and ESG reporting are difficult to compare. Strategies that integrate ESG criteria and those that integrate sustainable development criteria may use ESG data which appear similar but which need to be distinguished because their calculation method may be different.

3/Portfolio construction:

Quantitative and qualitative analysis of ESG factors contributes to the criteria taken into account by the manager when determining the weighting of a security in the portfolio. The weight will depend on the company's management qualities, its growth strategy and its governance.

In choosing the security's weighting in the portfolio, the manager may also take into account the measures taken by the company to reduce existing ESG risks, the company's ability to focus its growth on environmental opportunities and also the quality of the company's communication on ESG issues.

This process is designed to take into account the factor exposure of each security in addition to ESG scoring. He naturally orients the portfolio of these UCIs to securities with higher ESG scores while maintaining exposure to the desired factors.

The manager systematically takes into account financial and extra financial analysis when determining the weighting of a security in the portfolio. However, the decision to hold, buy or sell a security does not automatically and exclusively rely on its ESG rating criteria and is based on the manager's internal analysis.

Furthermore, the manager may use techniques and instruments relating to transferable securities that he believes will contribute economically to the optimal management of the portfolio (purchases/sales of financial instruments, subscriptions/redemptions of units or shares in French or foreign UCIs, AXA Group investment funds or not, use of forward financial instruments aimed at exposing and/or hedging the portfolio to/against the risks associated with equity, interest rate, currency and credit markets).

The manager may decide to invest up to 10% of its net assets in bond markets (directly or through UCIs) or other markets through UCIs.

The choice of these diversified assets will be made on a discretionary basis by the manager, who will rely on the analyses of the specialised committees of the delegated manager.

The SICAV may be exposed to financial indices (or sub indices) that are periodically rebalanced or not. If the financial index (or sub index) is rebalanced, the costs of implementing the strategy shall be negligible. In exceptional market circumstances (for example, but not limited to, when an issuer is largely dominant on the benchmark market of the index (or sub index), or as a result of unusual market movements affecting one or more constituents of the financial index (or sub index), a single component of the financial index (or sub index) may represent more than 20% (not exceeding 35% of the net assets) of the financial index (or sub index).

Further information on the environmental and/or social characteristics promoted by the SICAV is available in its appendix 'SFDR.'

2. <u>The assets</u> :

Equities:
Between 90% and 100% of the SICAV's net assets are exposed to equities issued in one or more eurozone countries from all capitalisations from all economic sectors, and are permitted to invest on an ancillary basis in international equities.

It is specified that the SICAV invests directly and permanently at least 75% of its net assets in equities eligible for the French Plan d'Epargne en Actions (PEA) of all capitalisations and from all economic sectors.

The securities held may or may not have voting rights.

Debt securities (including bonds) and money market instruments:
Up to 10% of the SICAV's net assets may be invested in debt securities and money market instruments (directly and/or via UCIs).

<u>Type of assets used:</u>
- Bonds and debt securities issued or guaranteed by OECD member states or not within the Eurozone.
- Bonds and debt securities issued by public or private companies in OECD member countries or not, mortgage backed securities (securities resulting from the securitisation of mortgage loan portfolios), asset backed securities (securities resulting from the securitisation of non mortgage loan portfolios) or collateralised debt obligations (entities whose object is to acquire assets financed by the issue of debt) or equivalent securities, traded on regulated or over the counter markets.
- Variable rate or fixed rate indexed bonds and debt securities.

- Money Market Instruments, transferable debt securities with or without government guarantees, Treasury bills or equivalent financial instruments on international markets through purchase or repurchase agreements.

The rating of these assets will principally range from AAA to BBB- on the Standard & Poor's scale, or equivalent, it being understood that the selection of these assets is not based automatically and exclusively on the rating criteria and is based on an internal analysis of the credit or market risk. The manager's decision to buy or sell an asset is also based on other analysis criteria.

The SICAV may invest (up to 10% of its net assets) in eligible financial securities or money market instruments that do not meet the conditions mentioned in article R. 214-11-I.

Furthermore, the SICAV's cash is placed for liquidity purposes. It is managed by acquiring the following instruments: French money market instruments and securities issued on foreign money markets denominated in euros or other currencies, traded on regulated markets or not.

Units or shares of UCIs or investment funds:

The SICAV may invest up to 10% of its net assets in units or shares of UCITS under French or foreign law, regardless of their classification, including exchange traded funds (ETFs).

The ESG approach is also achieved by holding units or shares of SRI labelled UCIs.

The holding of units or shares in SRI UCIs is limited to 10% of the SICAV's net assets. The SRI approach of the underlying UCIs may be heterogeneous.

Investing in UCITS allows cash to be invested via money market UCITS within the meaning of European Regulation 2017/1131 and to expose itself to asset classes while benefiting from the expertise of specialised management teams.

These UCIs and investment funds may be managed by companies in the AXA Group.

Investors' attention is drawn to the fact that the SICAV is authorised to invest in one or more UCIs (hereinafter ‘Target Funds’) that may:
(i) Have different investment strategies to the SICAV
(ii) Have different investment constraints.

The specific risks listed in the prospectus (s) of the Target Fund (s) may in particular be different from the specific risks of the SICAV.

3. <u>Derivatives</u> :

To achieve the management objective and in accordance with the SICAV's significant SRI commitment policy, the SICAV may carry out transactions in financial futures described below, up to the limit of 100% of the assets using the commitment method:

- Markets invested in:

☒ Regulated;
☒ Organised;
☒ Over the counter.

- Risks to which the manager seeks exposure (either directly or through indices):

☒ Equities;
☐ Rates;
☒ Foreign exchange;
☐ Credit;
☐ Other risks (please note).

- Nature of investments (all transactions that must be limited to the achievement of the investment objective):

☒ Hedging;
☐ Exposure;
☐ Arbitrage;
☐ Other (please specify).

- Type of instruments used:

☒ Futures;
☒ Options (including caps and floors);
☒ Swaps;
☒ Forward exchange transactions;
☐ Credit derivatives;
☐ Other (please specify).

- The strategy for using derivatives to achieve the investment objective:

Depending on the commitment approach, the SICAV may use forward financial instruments up to a limit of 100% of net assets.

The use of forward financial instruments helps achieve the SICAV's investment objective and enables efficient management of the securities in which the SICAV is invested .

The use of derivatives is not intended to provide a significant or lasting distortion of the ESG selection policy.

Forward financial instruments allow:

- To hedge the portfolio against risks linked to equity markets, foreign exchange markets and/or changes in one or more of their parameters or components;

Forward financial instruments may be used to take advantage of the characteristics (in particular in terms of liquidity and prices) of these instruments in relation to financial instruments in which the SICAV invests directly.

In addition financial futures instruments may also be used to make adjustments due to subscription and redemption movements to maintain exposure or hedging in accordance with the circumstances set out above.

Exposure or overexposure to a security or index over a period of 1 months is possible in order to respond to a strong movement of liabilities. The temporary nature of the exposure applies only for the management of subscriptions and redemptions (temporary exposure to the Market Beta).

For single underlying derivatives whose securities are taken into account for transparency in the quantitative criteria of the SRI label, it is specified that the temporary use of derivatives for exposure or overexposure shall be understood for a period of 12 months.

The same rule (equivalent to 12 months) applies for index based derivatives that have demonstrated a significant level of significance in accordance with the quantitative standards and governmental provisions of the SRI label.

The SICAV will not use financial futures that constitute total return swaps (also known as *total return swaps*)

The SICAV may have as counterparty to forward financial instruments any financial institution meeting the criteria set out in article R214-19 II of the Financial Monetary Code and selected by the Management Company in accordance with its order execution policy available on its website.

Contracts constituting financial guarantees:
As part of the conclusion of financial futures instruments, and in accordance with the applicable regulations, the SICAV will be required to pay and/or receive a financial guarantee (called ‘collateral’) in order to reduce counterparty risk. This financial guarantee may be given in the form of liquidity and/or good quality assets, in particular bonds deemed liquid by the Management Company, with any maturity, issued or guaranteed by OECD Member States or by first class issuers, whose performance is not highly correlated with that of the counterparty.

In compliance with the provisions of AMF Recommendation 2013 - 06 and ESMA guidelines on collateral management for mutual funds, and risk division ratios on securities received as collateral, the SICAV may accept securities issued or guaranteed by:

- A Member State of the European Union ('EU'), by name France, Germany, Belgium, Denmark, Finland, Netherlands, Spain and/or Sweden,
- By one or more of its local authorities,
- By a third country being a member of the OECD, including Canada, the United States, Japan, Norway (also a member of the European Economic Area ('EEA')), the United Kingdom, and/or Switzerland,
- By a public or international body to which one or more Member States belong, by name the European Investment Bank ('EIB').

The SICAV may be fully guaranteed by one of these issuers.

In accordance with its internal collateral management policy, the management company determines:

- the level of financial guarantee required; and

- the haircut applicable to the assets received as a financial guarantee, in particular depending on their nature, the credit quality of the issuers, their maturity, their reference currency and their liquidity and volatility.

In accordance with the valuation rules set out in this prospectus, the Management Company shall proceed to a daily valuation of the financial guarantees received on a mark to market basis. Margin calls will be made in accordance with the terms of the financial guarantee contracts.

The SICAV may reinvest the financial guarantees received in the form of cash in accordance with the regulations in force. Non cash collateral received may not be sold, reinvested or pledged. The counterparty may also reinvest the financial guarantees received from the SICAV in accordance with the regulatory conditions applicable to it.

Collateral received by the Fund will be held by the depositary of the Fund or, failing that, by any third party custodian (such as Euroclear Bank SA/NV) which is subject to prudential supervision and which is unrelated to the provider of the collateral.

Despite the credit quality of the issuers of the securities received as a financial guarantee or the securities acquired with the cash received as a financial guarantee, the SICAV may bear a risk of loss in the event of default by these issuers or by the counterparty of these transactions.

4. On securities with embedded derivatives:

The SICAV may use securities with embedded derivatives up to the limit of 100% of the net assets. The strategy for the use of embedded derivatives is the same as that described for derivatives.
These are, for example, warrants or subscription certificates and other instruments listed in the 'Assets' section, which may be classified as securities with embedded derivatives, depending on changes in the regulations.

5. For deposits :

In order to manage its cash flow, the SICAV may make deposits with one or more credit institutions, up to the limit of 100% of its net assets.

6. For cash borrowings :

In the normal course of business, the SICAV may on occasion find itself in debt and in that case may borrow cash up to the limit of 10% of its net assets.

7. Temporary purchases and sales of securities :

Temporary purchases and sales of securities may not be used.

□ **Risk profile:**

Your money will be invested primarily in financial instruments selected by the management company. These instruments will be subject to market fluctuations and fluctuations.

General consideration:

The SICAV's risk profile is suitable for an investment horizon of over 5 years. As with any financial investment, potential investors should be aware that the value of the SICAV's assets is subject to market fluctuations and that it may vary significantly (depending on political, economic and market conditions, or the specific situation of the issuers). Accordingly, the SICAV's performance may not be in line with its objectives.

The Management Company does not guarantee subscribers that they will be repaid the capital they have invested in this SICAV, even if they retain the shares for the recommended investment period.

The risks described below are not exhaustive: It is up to investors to analyse the risk associated with each investment and to form their own opinion.
The principal risks to which the subscriber is exposed are as follows:

1. Risk of capital loss :
Risk that the investor does not get back all the net capital invested, as the SICAV does not benefit from any guarantee or protection of the invested capital other than under the conditions mentioned.

2 - Equity Risk:
The price of assets may fluctuate according to investors' expectations, causing a risk to the value of the shares . The equity market has historically been more subject to price movements than bonds.
In the event of a fall in the equity market, the net asset value of the SICAV will fall.

3 - Risk associated with discretionary management :
Discretionary management is based on anticipating trends in the equity markets.
The SICAV's performance will depend on the companies selected by the management company. There is a risk that the management company may not select the best performing companies.

4 - Small and Medium Sized Capitalisation Risk :
As there are fewer small and mid cap stocks listed on these markets, market movements are more pronounced up and down and faster than for large cap stocks.
The net asset value of the SICAV may therefore fluctuate rapidly and in large quantities.

5. ESG Risk :
The inclusion of ESG criteria and sustainability in the investment process may exclude securities of certain issuers for reasons other than investment and therefore certain market opportunities available for funds that do not use ESG or sustainability criteria may not be available to the SICAV, and the performance of the SICAV may sometimes be better or worse than that of comparable funds that do not use ESG or sustainability criteria. In part, the selection of assets may be based on an ESG rating process or on ‘ban list’ that is partly based on third party data. The absence of common or harmonized definitions and labels incorporating ESG criteria and sustainability at EU level can lead managers to adopt different approaches when defining ESG objectives and determining that these objectives have been achieved by the funds they manage. It also means that strategies with ESG criteria and sustainability criteria can be difficult to compare since the selection and weightings applied to the selected investments may be, to a certain extent, subjective or based on indicators that may share the same name, but which have different underlying meanings. Investors should note that the subjective value they may or may not assign to certain types of ESG criteria may differ materially from the Investment Manager's methodology. The lack of harmonised definitions may also result in certain investments not benefiting from preferential tax or credit regimes as ESG criteria are assessed differently than initially envisaged.

7 - Interest rate risk :
Interest rate risk is the risk of depreciation of fixed income instruments (long and/or short term) arising from changes in interest rates. For example, when interest rates rise, the price of a fixed rate bond tends to fall.

In addition, investors' attention is drawn to the fact that the price of shares of corporate borrowers may be indirectly impacted by the rise in long term interest rates.

8 - Credit Risk:
In the event of a default or deterioration in the quality of issuers of corporate bonds (for example a downgrade in their rating), the value of the debt securities in which the SICAV is invested may fall.
In addition, investors' attention is drawn to the fact that assessment of the credit quality of companies may have an indirect impact on their market price.

9 - Currency risk:
This is the risk of a fall in the listing currencies of the financial instruments in which the SICAV invests compared to its reference currency, which is the euro.
This fund is not subject to currency risk as its exposure to securities denominated in a currency other than the euro and its exposure to currency risk remain ancillary.

10 - Emerging market risk :
The risk associated with these investments results in particular from the operating and supervision conditions of these markets, which may deviate from the standards that exist on the major international markets.

11 - Counterparty Risk :
This is the risk that the counterparty of the SICAV will default (or default on all or part of its obligations) on any OTC financial contract and/or temporary purchases and sales of securities. The default (or non performance of all or part of its obligations) of a counterparty to these transactions may have a significant negative impact on the net asset value of the SICAV.

12 - Risk arising from securitisation assets :
For these instruments, the credit risk is mainly based on the quality of the underlying assets, which may be of various kinds (bank debts, debt securities, etc.).
These instruments result from complex structures that may involve legal risks and specific risks related to the characteristics of the underlying assets.
The materialisation of these risks will result in a fall in the net asset value.

13 - Risks related to the management of financial guarantees:
Such collateral may create risks for the SICAV such as:
(i) Counterparty risk (as described above),
(ii) Legal risk;
(iii) Custody risk,
(iv) Liquidity risk (i.e. the risk that arises from the difficulty of purchasing, selling, terminating or valuing a security or transaction because of a lack of buyers, sellers or counterparties), and where applicable,
(v) Risks involved in the re use of collateral (mainly the risk that the financial collateral posted by the SICAV may not be returned to it, for example as a result of the default of the counterparty).

14 - Integration of sustainability risks in the investment decision making process :
Sustainability risk is an event or situation relating to environmental, social or governance that, if it occurs, could have a material, actual or potential negative impact on the value of the investment in the SICAV.
The SICAV uses a sustainability risk approach that results from significant integration of ESG (Environment, Social and Governance) criteria into the research and investment process . The SICAV has set up a framework for integrating sustainability risks into investment decisions based on sustainability factors (or 'ESG factors,' hereinafter) which is based in particular on sector and normative exclusions and an ESG rating methodology.

Sectoral exclusions and normative
In order to manage extreme ESG and sustainability risks, the SICAV has put in place a series of exclusion based policies. These policies aim to manage extreme ESG risks and sustainability, notably through:
• E: Climate (coal and bituminous sands), Biodiversity (protection of ecosystems and deforestation),
• Health Tobacco and Human Rights (controversial weapons and white phosphorus weapons, violations of international standards and norms, serious human rights violations)
• G: Corruption (breaches of international norms and standards, grave controversies, breaches of the principles of the

United Nations Global Compact).

The Fund applies sector specific exclusion policies covering controversial weapons, agricultural commodities, ecosystem protection and deforestation and climate risks.

In addition, the SICAV applies AXA IM's ESG standards encouraging ESG investments and applies, to this end, additional exclusions related to white phosphorous weapons, tobacco, violations of UN Global Compact principles, violations of international standards and standards, serious controversies, countries with serious human rights violations and investments with low ESG ratings.
All of these exclusion policies aim to systematically address the most serious sustainable risks in the decision making process and may change over time. For more details, please refer to the following link : https://www.axa-im.fr/investissement-responsable/nos-politiques-et-rapports

ESG Rating
AXA IM uses rating methodologies to assess issuers with ESG criteria (corporate, sovereign, green, social and sustainable debt).
These methodologies are based on quantitative data from third party data providers, on extra financial information published by issuers and governments, and on internal and external research. Data used in these methods include carbon emissions, water stress, occupational health and safety, supply chain working standards, business ethics, corrupt practises and instability.
The company rating methodology is based on three pillars and several sub factors, covering the main issues faced by companies in the E, S and G. This framework is based on fundamental principles such as the United Nations Global Compact, the OECD Guidelines, the International Labor Organization conventions and other international principles and conventions that guide companies' activities in the field of sustainable development and social responsibility. The analysis is based on the most significant ESG risks and opportunities previously identified for each sector and company considering 10 factors: Climate change, natural capital, pollution and waste, opportunities related to environmental challenges, human capital, reliability of products, stakeholder opposition, access to essential services, corporate governance and business ethics. The ESG rating depends on the business sector, as for each sector the most material factors are identified and overweighted. Materiality is not limited to impacts related to business activity, but also includes impacts on external stakeholders as well as underlying reputational risk arising from a poor understanding of ESG issues.
Through our methodology, the seriousness of the controversies is evaluated and monitored continuously. Controversies are also used in order to ensure that the most significant risks are taken into account in the final ESG rating. Thus, the ratings of controversies will impact the definitive ESG rating and the severe controversies will trigger significant penalties on the rating of the sub factors considered and finally on the ESG rating.
These ESG scores provide a standardized, holistic view of issuer performance on ESG factors, and both promote environmental and social factors and further integrate ESG risks and opportunities in the investment decision.
One of the main limitations of this approach is the availability of data to assess sustainability risks: This data is not yet systematically disclosed by issuers and, when published, can follow different methodologies. Investors should be aware that most ESG factor information is based on historical data and may not reflect the future performance or risk of the investments.
ESG rating is fully integrated into the SICAV's investment process for both incorporating ESG criteria into the management strategy and for monitoring sustainability risk, which is assessed based on the SICAV's average ESG score.
Given the investment strategy and risk profile of the SICAV, the likely impact of sustainability risks on the returns of the SICAV is expected to be low.
For further details regarding the integration of sustainability risks into the investment decision process and the assessment of the likely impact of sustainability risks on the returns of the SICAV, you can refer to the heading Responsible Investment of our website: https://particuliers.axa-im.fr/investissement-responsable/.

15- Liquidity Risk :
Liquidity risk arises from the difficulty of purchasing or selling one or more securities because there is a lack of sellers or buyers. This risk may occur at several stages of the SICAV's management: The construction and adjustment of the portfolio, the management of subscriptions, the management of redemptions and the management of margin calls relating to derivative instruments and/or financing transactions on securities. It may result in a fall in the net asset value of the SICAV and therefore reduce the amount that will be returned to you in case of redemption.

In order to safeguard the interests of the Fund and its investors in the event of subscriptions or redemptions, the

Management Company may apply a swing pricing mechanism. In particular, in order to meet redemption requests from shareholders, the SICAV will generally be obliged to sell assets, which involves costs and may have an impact on the disposal value of the securities concerned. The effects of these sales will be greater in circumstances where market and liquidity conditions are unfavourable at the time of redemption, and your redemption net asset value may be affected by the swing pricing mechanism.

In addition, under very difficult market circumstances, or as a result of exceptionally high redemption requests or other exceptional circumstances, the Management Company may suspend subscriptions or redemptions, or extend the deadline for the settlement of redemptions through the application of a cap mechanism (the ‘Gates’ mechanism), under the conditions set out in the SICAV's statutes and/or prospectus where the activation of such liquidity protection mechanisms is allowed.

○ **Guarantee or Protection :** none

□ **Relevant subscribers and profile of the typical investor :**
Category ‘A’ shares : All investors, particularly AXA Group entities.

‘E’ shares : All investors, particularly AXA Group entities.

For ‘A’ and ‘E’ shares, with the exception of the Management Company or an entity belonging to the same group, which may only subscribe one share, the minimum initial subscription amount per shareholder is euros500,000.

Category ‘R’ shares : Exclusively reserved for employees of companies or investors subscribing to a employee savings or retirement savings scheme and which are distributed by AXA France.

Category ‘T’ shares : Exclusively reserved for employees of companies or investors subscribing to a employee savings or retirement savings scheme and which are distributed by AXA FRANCE

Category ‘S’ shares : All investors, excluding employees of companies and investors subscribing to a French employee savings plan (PEA) that is distributed by AXA FRANCE

Class ‘V’ Shares : reserved for subscribers subscribing through financial intermediaries which, pursuant to either regulatory requirements (e.g. in the European Union, financial intermediaries providing discretionary portfolio management or independent investment advice) or separate remuneration agreements with their clients, are not allowed to keep retrocessions for distribution.

Class ‘I’ Shares: large institutional investors that can meet a minimum minimum subscription requirements of 1.

For ‘T’ and ‘V’ shares, with the exception of the management company or an entity belonging to the same group, which can only subscribe one share, the minimum initial subscription amount per shareholder is euros100,000.

This SICAV is intended for investors seeking exposure to the equity markets of eurozone countries. They are informed of the significant and engaging approach of the SICAVrelated to socially responsible investing, respecting the criteria of Environmental, Social and Governance (ESG).

The share market is characterised by significant volatility: Investors should be aware that shares may fluctuate significantly, both upwards and downwards.

The amount that is reasonable to invest in this SICAV depends on each shareholder's personal situation. To determine this amount, investors should take into account their personal assets and the regulations applicable to them, their current financial needs over an investment period of more than 5 years, as well as their willingness to accept risks or their preference for a more prudent investment. It is also highly recommended that investors sufficiently diversify their investments so as not to be exposed solely to the risks of this SICAV.

Restrictions relating to US Investors:
The shares of the SICAV have not been and will not be registered under the U.S. Securities Act of 1933 and the SICAV has not been and will not be registered under the U.S. Investment Company Act of 1940.

Therefore, the shares may not be directly or indirectly subscribed, transferred, offered or sold in the United States of America by any US Person hereinafter ‘US Person’ or any person if they are subject to the provisions of Title 1 of the U.S. Employee Retirement Income Security Act (hereinafter ‘ERISA’) or the provisions of Section 4975 of the US Internal Revenue Code or if they are a ‘Benefit Plan Investor’ within the meaning of ERISA regulations.
The shareholders of the SICAV's shares must qualify as Non United States Persons under the Commodity Exchange Act.

The concepts ‘U.S. Person,’ ‘Non United States Person’ and ‘Benefit Plan Investor’ are available on the website: https://funds.axa-im.com/ (in the section *Legal Information*). For purposes hereof, ‘US Investors’ are ‘U.S. Persons,’ ‘Benefit Plan Investors’ and other persons subject to ERISA, and persons who are not ‘Non United States Persons.’

Persons wishing to purchase or subscribe shares may have to certify in writing that they are not US Investors. If they become, they shall no longer be allowed to acquire new shares and must immediately inform the SICAV's management company, which may, if necessary, force the redemption of their shares.

Exceptions may be granted in writing by the management company of the SICAV, in particular when these are necessary under the applicable law.

The recommended minimum investment period is more than 5 years.

□ **Income determination and allocation arrangements :**
- Class ‘A’ Shares : Accumulation and/or distribution.
Class ‘E,’ ‘R,’ ‘T,’ ‘S,’ ‘V’ and ‘I’ Shares : Accumulation.

Distributable Amounts consist of:
- Net income plus retained earnings, plus or minus the balance of accrued income;
- Realised capital gains after costs, less realised capital losses after costs, recognised during the financial year, plus capital gains after costs recognised during previous financial years that have not been distributed or capitalised and minus or plus the balance of capital gain accruals.

○ **Frequency of distribution**

- Class ‘A’ Shares : Accumulation and/or distribution.

The Distributable amounts, independently of each other, will be accumulated and/or distributed and/or carried forward, in whole or in part, as decided by the Management Company at the end of the financial year.

Interim dividends may be distributed during the financial year at the discretion of the Management Company within the limit of the Distributable Amounts realised at the date of the decision.

Class ‘E,’ ‘R,’ ‘T,’ ‘S,’ ‘V’ and ‘I’ Shares : Accumulation.

The Distributable Amounts are fully accumulated each year.

The characteristics of the shares :
- Class ‘A’ shares, denominated in euros, are decimalised in ten thousandths of shares
- the E share class, denominated in euros, is divided into ten thousandths of a share
- the R class shares, denominated in euros, are decimalised in ten thousandths of shares
- T share class, denominated in euros, is divided into ten thousandths of a share.
- the S category shares, denominated in euros, are decimalised in ten thousandths of shares.
the V share class, denominated in euros, is divided into ten thousandths of a share.
- Class ‘I’ shares, denominated in euros, are decimalised in ten thousandths of shares.

Fractions of shares are either settled in cash or supplemented to subscribe for one additional share or fraction of a share.

Subscription and redemption procedures : subscription, redemption and conversion orders are received by the custodian every day up to 14 a.m. (CET) and are executed on the basis of the next net asset value (i.e., unknown at the time of execution).

'Orders are executed in accordance with the table below :

J	*J*	*D: NAV calculation day*	*J +1 Business days*	*J +2 Business days*	*J +2 Business days*
Centralisation before 14: 00 a.m. Subscription[1]	*Centralisation before 14: 00 a.m. Redemption Orders*[1]	*Execution of the order no later than D*	*Publication of the net asset value*	*Settlement of subscriptions*	*Settlement of redemptions*

[1]*Unless a specific deadline has been agreed with your financial institution.* '

Shares and/or fractions of shares may be subscribed in amount or number of shares.

Redemptions are carried out in amount or in number of shares and/or fractions of shares.

Fractions of shares are either settled in cash or supplemented to subscribe for one additional share or fractions of shares.

Subscription, redemption and conversion requests are centralised by BNP PARIBAS SA, whose address is as follows:

BNP PARIBAS SA
Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin

- Original net asset value of a share in category 'A': the original net asset value is equal to the last calculated net asset value of the share class A of the Matignon EURO SELECTION FCP, calculated on the date of the merger
- the original net asset value of a share in category 'E': The original net asset value is the last net asset value of the E unit class of the Matignon EURO SELECTION fund, calculated on the date of the merger
- Original net asset value of share in category 'R': €1,000
- Original net asset value of a T share: €1,000
- Original net asset value of class 'S' share: €1,000
- Original net asset value of a 'V' share: €1,000
- Original net asset value of class 'I' share: €1,000

- Minimum subscription amount of 1ière for shares in category 'A': €500,000 (excluding the Management Company)
- Minimum subscription amount of 1ière for shares in category 'E': €500,000 (excluding the management company)
- Minimum subscription amount of 1ière for shares of category 'R': 1 share
- Minimum subscription amount of 1ière for shares in the T category: €100000 (excluding the management company)
- Minimum subscription amount of 1ière for shares of category 'S': 1 share
- Minimum subscription amount of 1ière for shares in category 'V': €100000 (excluding the management company)
- Minimum subscription amount of 1ière for shares in category 'I': €10,000,000 (excluding the management company).

- Procedure for switching from one share class to another share class (conversion): Subject to compliance with the access conditions, the shareholder's decision to switch from one share class to another share class is considered as a transaction:

• within 1er time, to sell one or more shares and/or fractions of shares held in the original class;
Within 2th time a subscription of one or more shares and/or fractions of shares in the new class.

Consequently, this shareholder's decision may result in a capital gain on the sale of securities subject to taxation.

('Gates') redemption capping scheme:
The SICAV may implement the so called *Gates* mechanism to spread redemption requests by SICAV shareholders to multiple net asset values as long as they exceed an objective level.

Description of the method selected :

Shareholders of the SICAV are reminded that the trigger level for *Gates* is the ratio of:

- the difference recorded on the same centralisation date between the number of shares of the SICAV for which the redemption is requested or the total amount of these redemptions, and the number of shares of the SICAV for which the subscription is requested or the total amount of these subscriptions; and
- the net assets or the total number of shares of the SICAV.

The threshold beyond which *Gates* will be released is 5% of the net assets of the SICAV and is appropriate given the timing, management and liquidity of the SICAV's assets. The latter applies to centralised redemptions for all of the Fund's assets. If the SICAV identifies several share classes, the threshold for capping redemptions is the same for all share classes in the SICAV.

Where redemption requests exceed the trigger level of *Gates*, the SICAV may resolve to honour redemption requests beyond the prescribed maximum level, thereby partially or completely executing orders that may be blocked.

Information for Shareholders :

Upon the activation of the *Gates*device, all of the SICAV's shareholders will be communicated via all means through the Management Company website (https://funds.axa-im.com/).
For shareholders of the SICAV whose orders have not been executed, they will be informed, in particular, as soon as possible.

Processing of non executed orders:

Redemption orders will be executed in the same proportions for shareholders of the SICAV that have applied for a redemption since the last centralisation date. For non executed orders, these will be automatically carried forward to the next net asset value and will not take priority over new redemption orders placed for execution on the next net asset value.
In any event, redemption orders that are not executed and are automatically deferred may not be revoked by the shareholders of the SICAV concerned.

Example illustrating the device:
For example, if the total redemption requests for the SICAV's shares are 10% while the trigger level is set at 5% of the net assets, the SICAV can decide to honour redemption requests up to 7.5% of the net assets (and thus execute 75% of redemption requests instead of 50% if it strictly applied the 5% cap).

Specific and complementary information on the Gates mechanism is included in the statutes of the SICAV.

□ **NAV calculation frequency :** daily.

The net asset value will not be established or published on trading days corresponding to legal holidays in France. The reference stock market calendar is that of Euronext (Paris).

Place of publication of the net asset value: premises of the Management Company.

□ **Fees and expenses:** subscription and redemption fees:
Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. Fees kept by the SICAV compensate it for the expenses it incurs in investing in the SICAV's assets or in divesting these assets. Fees not paid to the SICAV are paid to the management company, the promoter.

Fees payable by the investor, deducted at the time of subscriptions and redemptions **For shares in categories ‘A,’ ‘E,’ ‘R,’ ‘T,’ ‘S,’ ‘V’ and ‘I’**	**Basis**	**Rate**
Subscription fee not retained by the SICAV	Net asset value x number of shares	**For the A, E, R, T, S and V categories of shares:** None

		For shares in category 'I': 5% maximum
Subscription fee payable to the SICAV	Net asset value x number of shares	None
Redemption fee not payable to the SICAV	Net asset value x number of shares	None
Redemption fee payable to the SICAV	Net asset value x number of shares	None

Management fees:
These fees cover all the costs invoiced directly to the SICAV, except transaction costs. Operational AND MANAGEMENT FEES These fees cover all the costs invoiced directly to the Sub fund, except for transaction expenses, which include intermediary fees (brokerage, stock market taxes etc.) and any account activity charge that may be charged by the depositary or the management company.
The following may be charged in addition to the management fees:
• transaction fees charged to the SICAV;
• the remuneration received by the lending agent from the implementation of temporary purchases and sales of securities.
For more information on the fees or expenses that the SICAV must pay, see the Key Investor Information Document.

Fees charged to the SICAV	Basis	Rate
Class 'A' Shares: Financial management and operating expenses and other services	Net assets (Including UCIs)	Maximum rate: 0.70% inclusive of tax These fees are charged directly to the SICAV's income statement
Class 'E' Shares: Financial management and operating expenses and other services	Net assets (Including UCIs)	Maximum rate: 0.70% inclusive of tax These fees are charged directly to the SICAV's income statement
Class 'R' Shares: Financial management and operating expenses and other services	Net assets (Including UCIs)	Maximum rate: 1.60% inclusive of tax These fees are charged directly to the SICAV's income statement
Class 'T' Shares: Financial management and operating expenses and other services	Net assets (Including UCIs)	Maximum rate: 1.20% inclusive of tax These fees are charged directly to the SICAV's income statement
Class 'S' Shares: Financial management and operating expenses and other services	Net assets (Including UCIs)	Maximum rate: 1.60% inclusive of tax These fees are charged directly to the SICAV's income statement
Class 'V' Shares: Financial management and operating expenses and other services	Net assets (Including UCIs)	Maximum rate: 0.80% inclusive of tax These fees are charged directly to the SICAV's income statement
Class 'I' Shares: Financial management and operating expenses and other services	Net assets (Including UCIs)	Maximum rate: 0.45% inclusive of tax These fees are charged directly to the SICAV's income statement
Maximum indirect fees (management fees and charges)	Assets of the selected UCIs	Maximum rate: [1]
Transaction fees charged by service providers **Custodian**	Deducted from each transaction	€50 maximum inclusive of tax

Performance fee	Net assets	None

(1) Insofar as the SICAV's investment in underlying UCIs does not represent more than 20% of its assets, the level of indirect fees does not have to be specified in the table above, however this does not mean that no fees will be borne by the SICAV by reason of this investment.

The costs related to contributions due to the Autorité des Marchés Financiers (AMF), exceptional and non recurring government taxes, duties and fees as well as extraordinary legal costs related to the recovery of the receivables of the SICAV may be added to the expenses invoiced to the SICAV and specified in the table of expenses presented above.

□ **Selection of Intermediaries:**

The Management Company's selection of intermediaries is based on:

● a 'due diligence' phase involving requirements to collect documentation, and
● participation in the authorization process, beyond the management teams, of the various teams covering the spectrum of risks related to entering into relationship with a counterparty or broker: The Risk Management department, the Operations teams, the Compliance function and the Legal department.
Each team shall exercise its own vote.

For further information, shareholders may refer to the SICAV's annual report.

III - Commercial information :

Information about the Fund and the latest annual and interim reports may be obtained from the Management Company (postal address) :

AXA INVESTMENT MANAGERS PARIS,
Majunga Tower -6 place de la Pyramide
92908 Paris - La Défense Cedex

Subscription and redemption requests are centralised by BNP PARIBAS SA whose address is as follows:

BNP PARIBAS SA
Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin

□ **Compliance with social, environmental and governance quality goals:**

Information on the criteria relating to compliance with social, environmental and governance quality objectives (ESG criteria) is available on the Management Company's website (https://funds.axa-im.com/_) and is mentioned in the annual report for open financial years.

Voting rights policy and access to the report

Information on voting policy and the report on the conditions governing the exercise of voting rights is available on the Management Company's website (https://funds.axa-im.com).

Information in the event of changes to the SICAV's operating procedures:

Shareholders are informed of changes to the operating procedures of the SICAV, either individually, by the press or by any other means in accordance with the regulations in force. Where applicable, this information may be made through Euroclear France and the financial intermediaries affiliated therewith.

Professional Shareholders:

The management company informs shareholders of the SICAV that professional shareholders subject to regulatory requirements such as those related to Directive 2009/138/EC (Solvency 2) may receive the composition of the SICAV's portfolio before making this information available to all shareholders.

IV - Investment rules :

In compliance with the regulatory part of the French Monetary and Financial Code (Code monétaire et financier). Amendments to the French Monetary and Financial Code shall be taken into account by the management company in the management of the SICAV as soon as they are applied.

The SICAV is subject to the legal investment rules applicable to UCITS investing no more than 10% of their assets in shares or units of UCI or investment funds.

V - Overall risk:

The method used to calculate overall exposure of the SICAV is the commitment calculation method.

VI - Asset valuation and accounting rules :

The portfolio is valued at each net asset value date and at the end of the annual financial statements as follows:

Transferable Securities:

Financial instruments and securities traded on French or foreign regulated markets :

- Financial instruments and securities traded on French or foreign regulated market: Closing price on the valuation day (source: Thomson Reuters).

- Transferable securities whose price has not been noted on the valuation day are valued at the last officially published price or at their probable trading value, under the responsibility of the Management Company. Supporting documents are provided to the statutory auditor for audit purposes.

- Currencies: Foreign securities are converted into euro equivalent at 4: 00 pm in London on the valuation day (source: WM Company).

- Fixed rate or floating rate indexed bonds and interest products, including BTAN (annual Treasury Bonds), BTF (Fixed rate Treasury Bonds), are valued daily at their market value based on valuation prices from data providers considered eligible by the Management Company and classified in priority order according to the type of instrument. Ils are valued at coupon prices.

However, the following instruments are valued using the following specific valuation methods:

Units or shares of UCIs :

- Units or shares in UCIs are valued at the last published official net asset value. Undertakings for collective investment valued in a time period that is incompatible with the calculation of the net asset value of the funds are valued using estimates under the control and the responsibility of the Management Company.

- Negotiable Debt Securities (excluding Annual Treasury Bons (BTAN - Bons du Trésor à intérêts annuels), Fixed and Precounted Interest Treasury Bons (BTF)):

  Negotiable debt securities (negotiable debt securities) will be valued by application of an actuarial method, with the discount rate used being that of the issue or issue of equivalent securities affected, as applicable, by a differential representing the intrinsic characteristics of the security's issuer (market spread of the issuer).

The market rates used are:
- for the Euro, swap curve € STR (Overnight Indexed Swap OIS method),
- for USD, Fed Funds swap curve (Overnight Indexed Swap OIS method),
- for the GBP, SONIA swap curve (Overnight Indexed Swap OIS method).

The discount rate is an interpolated rate (using linear interpolation) between the two closest quoted periods applicable to the security's maturity.

<u>Securitisation instruments</u> :

- Asset backed securities (ABS): ABS are valued on the basis of a valuation price obtained from service providers, data providers, eligible counterparties and/or third parties appointed by the Management Company (i.e. eligible data providers).

- Collateralised Debt Obligations (CDOs) and collateralised loan obligations (CLOs):
  - (I) subordinated tranches issued by CDOs and/or CLOs and (II) 'custom' Clos are valued on the basis of a valuation price from arranged banks, Lead Managers, counterparties having undertaken to provide such valuation prices and/or third parties appointed by the Management Company (ie, eligible data providers)
  - (II) securities issued by CDOs and/or CLOs that are, or (I) subordinated tranches of CDOs and/or CLOs, or (II) 'custom' CLOs are valued on the basis of a valuation price from third parties appointed by the Management Company (i.e. eligible data providers).

  The prices used to value securitisation instruments are under the control and the responsibility of the Management Company.

<u>Temporary purchases and sales of securities</u> :

- Loans/Borrowings:
  - Securities lending: Securities lent are valued at the market value of the securities; the receivable representing the securities lent is valued in accordance with the terms of the debt contract.

  - Securities borrowing: The debt representing the securities borrowed is valued according to the contractual terms and conditions.

- Pensions:
  - Securities repurchase agreements: The receivable representing securities received under a repurchase agreement is valued according to the contractual terms and conditions.
  - Securities sold under repurchase agreements: Securities sold under repurchase agreements are valued at the market value of the securities; the debt representing securities sold under repurchase agreements is valued according to the contractual terms and conditions.

<u>**Financial instruments not traded on a regulated market**</u> :

They are valued under the Management Company's responsibility at their foreseeable sale prices.

- Contracts for Difference (CFD): CFD are valued at their market value based on the closing price on the valuation day of the underlying securities. The market value of these facilities mentions the difference between the market value and the strike price of the underlying securities.

- Credit event derivatives (CDS): CDS are valued according to the standard method for CDS stipulated by ISDA (sources: Markit for CDS curves and recovery rate, Bloomberg for interest rate curves).

- Forward Forex Forwards: Forward exchanges are valued based on a calculation which takes into account:
  - The nominal value of the instrument,
  - The exercise price of the instrument,
  - Discount factors for the remaining period,
  - The spot rate of exchange at market value,
  - Forward exchange rates for the remaining time to maturity are defined as the spot exchange rate product and the discount factors ratio in each currency calculated using the appropriate rate curves.

UNEP Over the counter derivatives in money management (excluding CDS, FX Forwards and CFD):

- Interest rate swaps:

Rate Swaps are valued at their market value based on the prices calculated by the counterparties (except the Rate Swaps against daily index capitalised in Cash funds), under the control and the responsibility of the Management Company.

- Rate swaps against daily index capitalised in money market funds (example: Swaps vs € STR, Fed Funds/SOFR, SONIA...):

They are valued according to the reversal cost method. Whenever the net asset value is calculated, interest rate and/or currency swaps are valued at their market value based on the price calculated by discounting future cash flows (principal and interest) at the market interest and/or currency rate. Discount is made using a zero coupon rate curve.

- Interest rate swaps against a forward benchmark (e.g. swaps vs EURIBOR):

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

UNEP OTC derivatives outside money management (excluding CDS, FX Forwards and CFD) :

Forward financial instruments are valued at their market value based on the prices calculated by the counterparties, under the control and the responsibility of the Management Company.

If the Management Company deems it necessary, a specific investment or 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. Where the value of an investment is not ascertainable by either the usual or an alternative method, it shall correspond to the estimated probable realisation value, under the control and responsibility of the Management Company.
In practice, if the management company is obliged to carry out a transaction at a price significantly different from the valuation provided for by reading the valuation rules presented here, all the remaining securities in the SICAV must be valued at this new price.

○ **Price adjustments (*swing pricing*):**
If the net subscription and redemption orders valued on the last available net asset value on a valuation day exceed a certain threshold on that valuation day, as determined and reviewed from time to time by the Delegated Management Company, the net asset value may be adjusted upwards or downwards to reflect the dealing and other costs that may be incurred in buying or selling assets to cover daily net transactions.

The Delegated Management Company may apply the price adjustment mechanism to the Fund. The amount of the price adjustment will be set by the Delegated Management Company.

□ **Accounting methods:**

Income is recorded on an accruals basis.

Transaction costs are recorded in the specific accounts of the SICAV and are therefore not added to the cost of the transferable securities (excluding costs).

The weighted Average Withdrawal Price (PRMP) is used as the method of liquidation of the securities. For derivatives, on the other hand, the FIFO method ('First In' 'First Out'; 'First In First Out') is used.

VII - Remuneration

AXA Investment Managers Paris has validated and adopted AXA IM's Global Compensation Policy, in accordance with applicable regulations and which ensures sound and effective risk management, does not encourage risk taking which is inappropriate relative to the risk profile of the Funds that it manages or its Constitutional Acts and does not compromise on its obligations to act in the best interests of each Fund.

The AXA IM Global Remuneration Policy, which was validated by the AXA IM Compensation Committee, sets out the remuneration principles for all AXA IM Group entities (including AXA Investment Managers Paris). It takes into account AXA IM's strategy, objectives, risk tolerance and long term interests of AXA IM's shareholders, employees and clients (including the Fund). AXA IM's Compensation Committee is responsible for defining and reviewing AXA IM's remuneration principles, including AXA IM's Global Compensation Policy, as well as reviewing the annual compensation of AXA IM Group senior management and supervisory executives.

AXA IM provides for both fixed and variable remuneration. The fixed remuneration of an employee is structured to reward the level of responsibility, professional experience and individual ability to perform function related tasks. Variable compensation is determined by performance and may be awarded annually on a non deferred basis and, for certain employees, on a deferred basis. The non deferred variable compensation may be awarded in cash or, where applicable, in compliance with local laws and regulations, in the form of performance linked instruments of AXA IM Funds. Deferred variable compensation is awarded in the form of various structured instruments to reward the medium and long term creation of value for clients and for AXA IM, and to reward the long term creation of value for the AXA Group. AXA IM ensures that the balance between fixed and variable remuneration, and deferred and non deferred remuneration is appropriate.

The updated details of AXA IM's Global Remuneration Policy are published online at www.axa-im.com/important-information/remuneration-policy. A description of how compensation and benefits are allocated to employees and information on the AXA IM Compensation Committee are available. AXA Investment Managers Paris will provide a paper copy on request and free of charge.

VIII - Payment of retrocessions and negotiated discounts

a) As part of its commercial development policy, the Management Company may decide to develop contacts with various financial intermediaries who in turn are in contact with customer segments that may invest in the Management Company's funds. The Management Company follows a strict selection policy for its partners and determines their conditions of one off or recurring remuneration, calculated either on a lump sum basis or in proportion to management fees earned in order to preserve long term stability of the relationship.

a) The Management Company may grant rebates, on a discretionary basis based on business interests, which are traded directly on request to investors. Negotiated rebates serve to reduce any fees or charges incurred by the relevant investors.

Negotiated rebates are permitted provided they are paid out of the remuneration received by the Management Company and therefore do not represent an additional charge to the Fund and are granted on objective criteria.

For more information, please refer to 'Fees for the distribution of Undertakings for Collective Investment and rebates traded on certain holders,' available on the website www.axa-im.fr/informations-importantes.

IX - Additional Information

The SICAVAXA IM EURO SELECTION resulting from the transformation of the Matignon EURO SELECTION fund was created on 13 November 2017. This transformation approved by the AMF on 7 November 2017 will be carried out by way of merger absorption with the FCP Matignon EURO SELECTION dated 20 February 2018.

The prospectus of the SICAV and the latest annual and interim documents are sent within 8 business days upon written request from the shareholder to (postal address):

AXA INVESTMENT MANAGERS PARIS
Majunga Tower -6 place de la Pyramide
92908 Paris - La Défense Cedex

For more information, you can contact: AXA INVESTMENT MANAGERS PARIS Tour Majunga - La Défense 9 - 6, place de la Pyramide -92800 Puteaux.

Additional information about the voting policy of AXA INVESTMENT MANAGERS is available upon request from the Management Company or on the website https://funds.axa-im.com/

Prospectus publication date: **30 November 2023**

The website of the A.M.F. (www.amf-france.org) contains additional information on the list of regulatory documents and all the provisions relating to investor protection.
This prospectus must be made available to subscribers prior to subscription of shares in the SICAV.

Product name: AXA IM EURO SELECTION **Legal Entity Identifier:** 969500VJSIZVFDIKGF19

Environmental and/or social features

Sustainable investment is defined as an investment in an economic activity that contributes to an environmental or social objective, provided that it does not cause significant harm to either of these objectives and that the investee companies apply good governance practices.

The **EU taxonomy** is a classification system established by Regulation (EU) 2020/852, which lists **environmentally sustainable activities**. This regulation does not list 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**
☐ It will **invest a minimum amount in activities that have an environmental objective:** ___%	☒ It **promotes environmental and social (E/S) features** and, although it does not have the objective of sustainable investment, will contain a minimum of 10% sustainable investments
☐ In economic activities that are considered environmentally sustainable under the EU taxonomy	☐ Having an environmental objective in economic activities that are considered environmentally sustainable under the EU taxonomy
☐ In economic activities that are not considered environmentally sustainable under the EU taxonomy	☒ Having an environmental objective in economic activities that are not considered environmentally sustainable under the EU taxonomy
	☒ With a social objective
☐ It will **invest a minimum amount in activities that have a social objective:** ___%	☐It promotes E/S features, but **will not make sustainable investments**

What environmental and/or social features are promoted by this financial product?

The environmental and social features promoted by the Financial Product concern:

- carbon emissions owing to investments in issuers that take into account their carbon intensity.
- water preservation owing to investments in issuers that take into account their water intensity.

The Financial Product also promotes other environmental and social features, including:

• Climate preservation through exclusion policies on coal and fossil fuels
• Protection of ecosystems and prevention of deforestation
• Health through the tobacco exclusion policy
• Human rights, labour rights, society, business ethics and the fight against corruption, through the exclusion of companies that cause, contribute or are linked to significant violations of international norms and standards, focusing in particular on the principles of the United Nations Global Compact (UNGC), the International Labour Organisation (ILO) conventions and the OECD Guidelines for Multinational Enterprises

No specific index has been designated as a benchmark to determine whether the Financial Product is aligned with the environmental and/or social features it promotes.

Sustainability indicators evaluate the extent to which the environmental or social features promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social features promoted by the financial product?

The promotion of the environmental and social features of the Financial Product described above is measured by the following sustainability indicators:

The ratio of carbon intensity to revenue is the weighted average of the Financial Product and of the Euro Stoxx Net Total Return index ("Reference Indicator"). This environmental indicator is obtained from a third-party data provider and represents the amount of greenhouse gas equivalent released into the atmosphere. Carbon intensity is expressed in tons of CO_2 equivalent per million dollars of revenue.

Water Intensity, the weighted average of this indicator over the assets of the Financial Product and its Reference Indicator, represents the amount of water from all sources diverted for the operation of the business, including, but not limited to, surface, ground, salt and municipal water. This includes cooling water. Water intensity is expressed in cubic meters per million dollars of revenue and is provided by a third party data provider.

The Financial Product outperforms its Reference Indicator on these sustainability indicators in order to promote the environmental and/or social features described above.

What are the sustainable investment objectives that the Financial Product intends to pursue in particular and how do the investments made contribute to these objectives?

The Financial Product aims to partially invest in instruments categorised as sustainable, having various social and environmental objectives (without any limitations), by assessing the positive contribution of portfolio companies through at least one of the following aspects:

1. **The portfolio companies' alignment with the United Nations Sustainable Development Goals (SDG)** as a reference framework, making it possible to consider companies that positively contribute to at least one SDG either through the "Products & Services" it provides or in accordance with how they conduct their activities ("Operations"). To be considered a sustainable asset, a company must meet at least one of the following criteria:
    a. The SDG score on the "Product & Services" the company provides is equal to or higher than 2, meaning that at least 20% of its Revenue stems from a sustainable activity;
    b. Based on a best-in-universe selective approach, which involves selecting as a priority the top-rated issuers from a non-financial viewpoint irrespective of their sector of activity, the SDG score on the issuer's Operations is among the top rated 2.5%, with the exception of SDG 5 (Gender Equality), SDG 8 (Promote shared economic growth and decent work for all), SDG 10 (Reduce social inequalities), SDG 12 (Ensure sustainable consumption and production patterns) and SDG 16 (Promote peace and justice, as well as the fight against all forms of organised crime). For these five SDGs, the criterion selected for an issuer to be categorised as stable concerns the SDG score on Operations for which the issuer is among the top-rated 5%. For these five SDGs, the selectivity criterion on the issuer's Operations is less restrictive, as these SDGs are assessed more adequately through operational excellence rather than based on the issuer's business activities. The selectivity criterion linked to Operations is also less restrictive for SDG 12, which can just as well be relevantly assessed by the issuer's Product & Services or Operations.

       The quantitative results on SDGs are obtained from third-party data providers and may be adjusted based on a qualitative analysis carried out by the Financial Manager.

2. **Integration of issuers engaged in a solid transition to carbon neutrality** aligned with the European Commission's ambition to help finance the transition to a world in which climate change is limited to 1.5°C – based on the framework developed by the Science Based Targets Initiative (SBTi) –, considering companies whose targets have been validated by the SBTi.

These methodologies are subject to change to take into account any improvement, for example, in data availability and reliability, or any change in regulations or other external frameworks or initiatives, without being limited to them.

The Financial Product does not take into account the environmental objectives of the European Union Taxonomy.

To what extent do the sustainable investments that the financial product intends to pursue in particular not cause significant harm to an environmentally or socially sustainable investment objective?

The **principal adverse impacts** correspond to the most significant adverse impacts of investment decisions on sustainability factors related to environmental, social and personnel issues, respect for human rights and the fight against corruption and bribery.

The application of the "Do no significant harm" principle for the sustainable investments that the Financial Product intends to partially make means that an issuing company cannot be considered sustainable if it meets at least one of the criteria listed below:

• The issuer causes significant harm to one of the SDGs when an SDG has a score of below -5, calculated using the database of a third-party provider and on a scale from +10 corresponding to a "significant contribution" to -10 corresponding to a "significant obstruction", unless the quantitative score has been adjusted following a qualitative analysis.
• The issuer appears in the exclusion lists as defined in the AXA IM Sector Exclusion Policies and ESG Standards (described below), which, among other factors, take into account the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.
• The issuer has an ESG rating equal to or lower than CCC (or 1.43) according to AXA IM's ESG assessment methodology. The ESG rating is based on the ESG score obtained from the third-party data provider, assessing the criteria through the Environment, Social and Governance (ESG) aspects. In the absence of coverage of or a disagreement on the ESG rating, AXA IM's analysts may supplement this rating with a fundamental and documented ESG analysis, provided it is approved by an AXA IM in-house governance body.

The indicators concerning adverse impacts on sustainability factors are taken into account, notably through the application of AXA IM's exclusion and engagement policies.

How have the indicators for adverse impacts been taken into account?

This Financial Product takes into account indicators on sustainability adverse impacts (**PAI**) to ensure that the sustainable investments do not cause significant harm to the other sustainable development goals defined as part of the SFDR. The PAIs are mitigated by the strict application of the exclusion lists as defined in the AXA IM sector exclusion policies and ESG Standards (described below), as well as by the application of a selection filter based on indicators relating to the UN Sustainable Development Goals.

Where appropriate, the engagement policies also make it possible to mitigate the risks associated with the PAIs through direct dialogue with companies on sustainability and governance issues. Through the engagement policies, the Financial Product will use its influence as an investor to encourage companies to mitigate the environmental and social risks associated with their sectors.
Voting at general meetings is also an important part of engagement with portfolio companies in order to sustainably support the long-term value of the companies in which the Financial Product invests and mitigate the sustainability adverse impacts.

Exclusion policies:

- **Environment:**

Associated AXA IM policies	PAI indicator
Climate Risk Policy Policy on the protection of ecosystems and the fight against deforestation	PAI 1: Greenhouse gas (GHG) emissions (levels 1, 2, & 3 from January 2023)
	PAI 2: Carbon footprint
	PAI 3: GHG intensity of investee companies
Climate Risk Policy	PAI 4: Exposure to fossil fuel companies
Climate Risk Policy (engagement only)	PAI 5: Percentage of non-renewable energy consumption and production
Climate Risk Policy (taking into account an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high climate impact sector
Policy on the protection of ecosystems and the fight against deforestation	PAI 7: Activities having an adverse impact on biodiversity sensitive areas

[1] The approach used to mitigate the risks associated with the PAI through this exclusion policy will evolve as the improvement in data availability and quality enables us to use the PAI more effectively. For the time being, not all high climate impact sectors are targeted by the exclusion policy.

[2] The approach used to mitigate the risks associated with the PAIs through this exclusion policy will evolve as the improvement in data availability and quality enables us to use the PAI more effectively.

- **Social and Governance:**

Associated AXA IM policies	PAI indicator
Voting and engagement policy with a systematic application of voting criteria related to diversity on Boards of Directors	PAI 13: Diversity within governance bodies
ESG Standards Policy: Violation of international norms and standards	PAI 10: Violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises
ESG Standards Policy: Violation of international norms and standards (considering that a correlation exists between companies that do not comply with international norms and the lack of implementation by companies of the compliance processes and mechanisms making it possible to monitor compliance with these norms)[2]	PAI 11: Absence of compliance processes and mechanisms making it possible to check compliance with the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises
Controversial Weapons Policy	PAI 14: Proportion of investment in companies involved in the manufacture or sale of controversial weapons

Filter on indicators relating to the UN SDGs:

AXA IM also draws on the SDG pillar of its responsibility policy to monitor and take into account adverse impacts on these sustainability factors by excluding portfolio companies that have an SDG score of below -5 for any SDG (on a range from +10 corresponding to "a significant contribution" to -10 corresponding to "a significant obstruction"), unless the quantitative score has been adjusted following a qualitative analysis duly documented by the AXA IM ESG & Impact Research team. This approach enables us to ensure that the portfolio companies with the most significant adverse impacts on an SDG are not considered sustainable investments.

Data availability and quality are currently weaker for certain sustainability factors, such as those linked to biodiversity for example, which may have an impact on the coverage of the following PAI indicators: emissions to water (PAI 8), ratio of hazardous waste radioactive waste (PAI 9) and unadjusted gender pay gap (PAI 12). These sustainability factors are part of the 17 goals targeted by the United Nations SDGs (more specifically, they are covered by SDG 5 "Gender equality", SDG 6 "Access to clean water and sanitation", SDG 8 "Access to decent work", SDG 10 "Reduced inequalities", SDG 12 "Responsible consumption" and SDG 14 "Protect life below water"). While waiting for improved data availability and quality, the AXA IM framework makes it possible to limit the worst impacts on these SDGs.

To what extent are the sustainable investments in line with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Detailed description:

The Financial Product does not invest in companies that cause, contribute or are linked to significant violations of international norms and standards. These standards relate in particular to human rights, society, labour and the environment. AXA IM uses the screening system of an external provider and excludes all companies that have been deemed "non-compliant" with the principles of the United Nations Global Compact, the International Labour Organisation (ILO) Conventions, the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights (UNGPs).

The EU taxonomy establishes a principle of "do no significant harm" under which investments aligned with the taxonomy should not cause significant harm to the objectives of the EU taxonomy and which is accompanied by specific EU criteria.

The principle of "do no significant harm" applies only to the underlying assets of the financial product that take into account the criteria of the European Union on environmentally sustainable economic activities. The remaining underlying assets of this financial product do not take into account the European Union criteria for environmentally sustainable economic activities.

Any other sustainable investment must also not cause significant harm to environmental or social objectives.

Does this financial product take into account the principal adverse impacts on sustainability factors?

☒ Yes

☐ No

Adverse impacts are taken into account by applying (i) qualitative and (ii) quantitative approaches:

(i) The qualitative approach to taking into account adverse impacts on sustainability factors is based on exclusion and, where applicable, engagement policies. The exclusion principles defined in AXA IM's ESG standards policy cover the risks associated with the most significant sustainability factors and are applied strictly and on an ongoing basis. Where appropriate, engagement policies provide additional mitigation of risks associated with adverse impacts on sustainability factors through direct dialogue with companies on sustainability and governance issues. Through its engagement activities, the Financial Product will use its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors. Voting at general meetings is an important part of engagement with portfolio companies in order to sustainably promote the long-term value of these companies and mitigate the principal adverse impacts on sustainability factors.

Thanks to these exclusion and engagement policies, this Financial Product takes into account the potential adverse impact on these specific PAI indicators:

	Associated AXA IM policies	**PAI indicator**
Climate and other environmental themes	Climate Risk Policy	PAI 1: Greenhouse gas (GHG) emissions (levels 1, 2, & 3 from January 2023)
	Policy on the protection of ecosystems and the fight against deforestation	
	Climate Risk Policy	PAI 2: Carbon footprint
	Policy on the protection of ecosystems and the fight against deforestation	
	Climate Risk Policy	PAI 3: GHG intensity of investee companies
	Policy on the protection of ecosystems and the fight against deforestation	
	Climate Risk Policy	PAI 4: Exposure to fossil fuel companies
	Climate Risk Policy (engagement only)	PAI 5: Percentage of non-renewable energy consumption and production
	Policy on the protection of ecosystems and the fight against deforestation	PAI 7: Activities having an adverse impact on biodiversity sensitive areas
Society and Respect for human rights, labour rights, anti-corruption	ESG Standards Policy: Violation of international norms and standards	PAI 10: Violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises
	Voting and engagement policy with a systematic application of voting criteria related to diversity on Boards of Directors	PAI 13: Diversity within governance bodies
	Controversial Weapons Policy	PAI 14: Exposure to controversial weapons

(ii) The principal adverse impacts on sustainability factors are also considered quantitatively through the measurement of PAI indicators and are reported annually in the annex to the SFDR Periodic Report. The objective is to ensure transparency for investors relating to significant adverse impacts on other sustainability factors. AXA IM measures all the mandatory PAIs, as well as an additional optional environmental indicator and an additional optional social indicator.

What investment strategy does this financial product follow?

The Investment Manager selects investments by applying a non-financial approach based on exclusion filters as described in AXA IM's sector exclusion policies and ESG standards.

The Financial Product is managed under a socially responsible investment (SRI) approach.

What are the constraints defined in the investment strategy to select investments in order to attain each of the environmental or social features promoted by this financial product?

The investment strategy guides the investment decisions based on factors such as investment objectives and risk tolerance.

The Financial Product applies the elements set out below, at all times.

1- The Investment Manager applies an initial exclusion filter at all times, including areas such as controversial weapons, climate risks, agricultural commodities, the protection of ecosystems and deforestation. The Financial Product also incorporates AXA IM's policy on ESG standards into the investment process by applying specific sector exclusions such as white phosphorus weapons and tobacco and by excluding investments in securities issued by companies in violation of international norms and standards such as the UN Global Compact principles or the OECD Guidelines for Multinational Enterprises; as well as investments in companies involved in serious ESG incidents or with a low ESG rating (which is, at the date of this Prospectus, below 1.43 (on a scale of 0-10) – this number being subject to regular review and adjustment). Instruments issued by countries where specific categories of serious human rights violations have been recorded are also prohibited.

2- The Financial Product applies a best-in-class socially responsible selectivity approach to its Investment Universe, comprised of a broad list of eurozone equities listed on the regulated markets of countries that are part of the benchmark index (the securities may or may not be components of the benchmark index) (the "Investment Universe"), on a constrictive and continuous basis. This ESG selection approach consists of favouring the top-rated issuers from a non-financial viewpoint, irrespective of their sector of activity, and assuming sector biases, as the sectors that are on the whole considered more virtuous will be more represented. The selectivity approach reduces the Investment Universe by a minimum of 20% by combining the sector exclusion policy and the AXA IM policy on ESG standards and their E (Environmental) scores, with the exception of bonds and other debt instruments issued by public issuers, liquidity held on an incidental basis and socially responsible assets.

AXA IM has put in place rating methodologies to rate issuers (corporate, sovereign, green, social and sustainable bonds) on ESG criteria. These methodologies make it possible to rate corporate and sovereign bond issuers, based on quantitative data from various third-party data providers and the quantitative analysis of internal and external research. The data used in these methodologies include carbon emissions, water scarcity, occupational health and safety, labour standards in the supply chain, business ethics, corruption and instability. The methodologies for rating corporate bonds and sovereign bonds are based on three pillars and several sub-factors that cover the most important risk factors encountered by issuers in the environmental (E), social (S) and governance (G) areas. The reference framework draws on fundamental principles, such as the United Nations Global Compact, the OECD guidelines, the International Labour Organisation conventions and other international conventions and principles that guide the activities of businesses and governments in the area of sustainable development and social responsibility. Analysis is based on the most significant ESG risks and opportunities previously identified for each sector and company, taking into account 10 factors: climate change, natural capital, pollution and waste, environmental opportunities, human capital, product liability, stakeholder opposition, social opportunities, corporate governance and corporate behaviour. The final ESG rating also incorporates the notion of factors linked to the industry and deliberately makes a distinction between sectors, so as to overweight each industry's most important factors. Materiality is not limited to the impacts linked to a company's operations: it also concerns the impacts on external stakeholders, as well as the underlying risk affecting reputation brought about by poor management of the main ESG issues. In the methodology applied for companies, the severity of controversies is continually assessed and monitored so that the most significant risks are reflected in the final ESG rating. Serious controversies result in significant declines in the scores of sub-factors and, ultimately, of ESG ratings.

These ESG ratings offer a standardised and holistic view of issuers' ESG performance and make it possible to promote the Financial Product's environmental and/or social features.

The Financial Product can invest up to 10% of its net assets (excluding bonds and other debt instruments from public issuers, liquidity held on an incidental basis and socially responsible assets) in securities that do not belong to its Investment Universe, as defined above, provided that the issuer is eligible based on the selection criteria.

3- In addition, the Financial Product outperforms at any time its Reference Indicator on at least two ESG key performance indicators, which are Carbon Intensity and Water Intensity.

4- The following minimum coverage rates apply to the Financial Product's portfolio (expressed as a minimum % of net assets excluding bonds and other debt instruments from public issuers, liquidity held on an incidental basis and socially responsible assets): i) 90% for the ESG analysis, ii) 90% for the Carbon Intensity indicator and iii) 70% for the Water Intensity indicator.

The scope of eligible securities is reviewed at least every six months, as described in the Financial Product's code of transparency available at https://www.axa-im.com/fund-centre.

The ESG data used in the investment process relies on ESG methodologies based in part on data provided by third parties, and in some cases is developed internally. They are subjective and may change over time. Despite several initiatives, inconsistent definitions can make ESG criteria differ from source to source. As such, the various investment strategies using ESG criteria and ESG reporting are difficult to compare. Strategies that incorporate ESG criteria and those that incorporate sustainable development criteria may use ESG data that appears similar but should not be assumed to be equivalent because their calculation method may be different. AXA IM's various ESG methodologies described in this document are subject to change in the future to factor in improved data availability and reliability, and developments in regulations or other external guidelines or initiatives, among other factors.

In what minimum proportion does the financial product commit to reducing its investment scope before the application of this investment strategy?

The initial Investment Universe is reduced by a minimum of 20% when applying the investment strategy described above.

Good governance practices concern healthy management structures, staff relations, staff compensation and compliance with tax obligations.

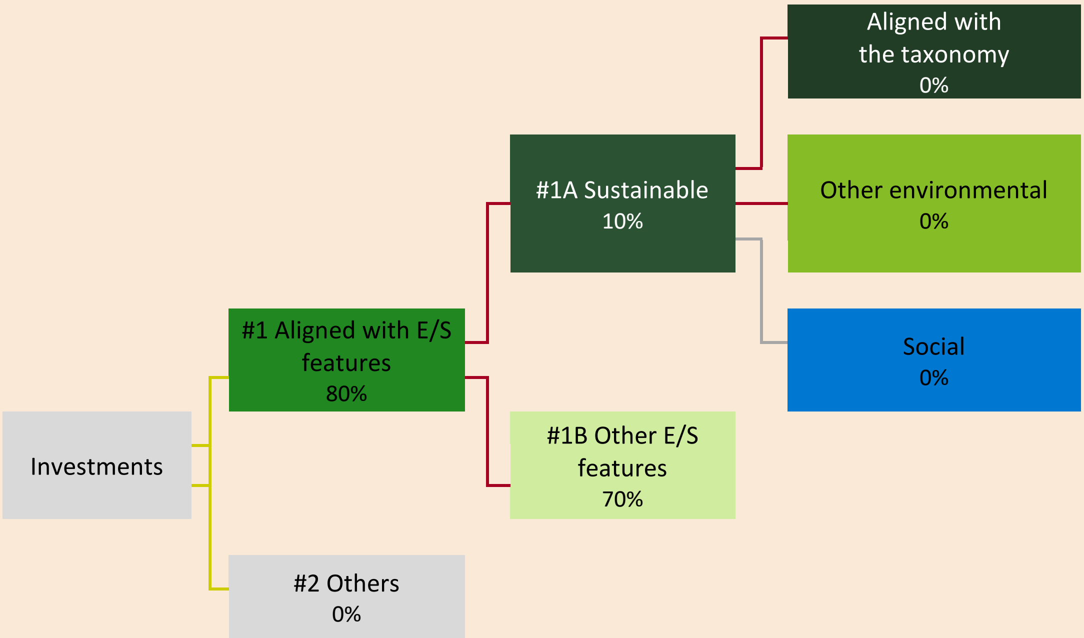
What is the policy for assessing the good governance practices of companies in which the financial product invests?

The Financial Product does not invest in companies that cause, contribute or are linked to significant violations of international norms and standards. These standards relate in particular to human rights, society, labour and the environment. AXA IM uses the screening system of an external provider and excludes all companies that have been deemed "non-compliant" with the principles of the United Nations Global Compact, the International Labour Organisation (ILO) Conventions, the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights (UNGPs).
In addition, the guarantee of good governance practices is incorporated into the engagement policies. AXA IM has established a comprehensive active shareholder strategy – engagement and voting – under which it acts as a manager of the investments made on behalf of clients. AXA IM sees engagement as a way for investors to influence, shape and change the policies and practices of portfolio companies to mitigate risks and ensure the sustainable value of companies. Corporate governance practices are engaged at the highest level by the portfolio managers and dedicated ESG analysts when they meet with the management teams of these companies. It is because of AXA IM's status as a long-term investor and its in-depth knowledge of investment objectives that it feels justified in engaging in a constructive but demanding dialogue with these companies.

What is the planned asset allocation for this financial product?

Asset allocation describes the percentage of investments in specific assets

Activities aligned with the taxonomy are expressed as a % of:
- **revenue** to reflect the proportion of revenue from the green activities of companies in which the financial product invests;
- **capital expenditure** (CapEx) to show the green investments made by the companies in which the financial product invests, for a transition to a green economy for example;
- **operating expenses** (OpEx) to reflect the green operational activities of the companies in which the financial product invests.



Category **#1 Aligned with E/S features** includes investments made by the financial product used to attain the environmental or social features promoted by the financial product.

Category **#2 Others** includes the remaining investments of the financial product that are neither aligned with environmental or social features nor considered as sustainable investments.

Category **#1 Aligned with E/S features** includes:

- subcategory **#1A Sustainable** covering sustainable investments with environmental or social objectives

- subcategory **#1B Other E/S features** covering investments aligned with environmental or social features that are not considered as sustainable investments.

The allocation of assets within the Financial Product is expected to be as shown in the chart above. Asset allocation may deviate temporarily from that expected.

The minimum expected percentage of investments used to attain environmental or social features promoted by the Financial Product is 80% of the Net Asset Value of the Financial Product.

The minimum expected percentage of sustainable investments is 10% of the Net Asset Value of the Financial Product.

The other investments will represent a maximum of 20% of the Net Asset Value of the Financial Product.

How does the use of derivatives make it possible to meet the environmental or social features promoted by the financial product?

Derivatives are not used to attain the environmental or social features promoted by this Financial Product with the exception of derivatives relating to a single issuer to which the exclusion policies apply.

To be compliant with the EU taxonomy, the criteria applicable to **fossil gas** include limitations on emissions and the switch to renewable electricity or low-carbon fuels by the end of 2035. Concerning **nuclear power**, the criteria include comprehensive rules on nuclear safety and waste management.

Enabling activities directly allow other activities to contribute substantially to the attainment of an environmental objective.

Transitional activities are activities for which there are not yet low-carbon alternatives and, among others, whose levels of greenhouse gas emissions correspond to the best achievable performance.

In what minimum proportion are sustainable investments with an environmental objective aligned with the EU taxonomy?

The Financial Product does not take into account the criteria of the environmental objectives of the European Union Taxonomy. The Financial Product does not take into account the criteria relating to the principle of "do no significant harm to sustainability factors" of the EU Taxonomy.

Does the financial product invest in activities linked to fossil gas and/or nuclear power that are compliant with the EU taxonomy[2]?

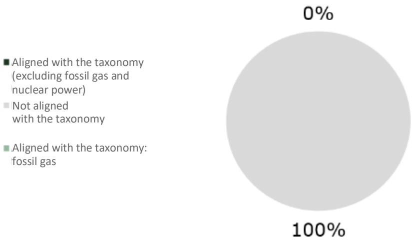
☐ Yes

☐ In fossil gas ☐ In nuclear power

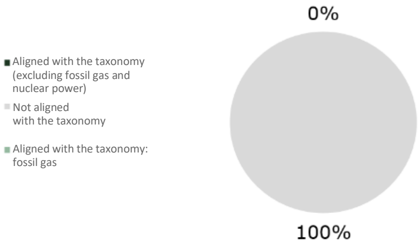
☒ No

The two charts below show in green the minimum percentage of investments aligned with the EU taxonomy. As there is no appropriate methodology to determine the taxonomy alignment of sovereign bonds*, the first chart shows the taxonomy alignment with respect to all the financial product's investments, including sovereign bonds, while the second chart represents the taxonomy alignment only with respect to the financial product's investments other than sovereign bonds.

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



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



This chart represents 100% of total investments.

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

What is the minimum proportion of investments in transitional and enabling activities?

The minimum percentage of investments in transitional and enabling activities is 0% of the Net Asset Value of the Financial Product.

What is the minimum proportion of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The minimum percentage of sustainable investments with an environmental objective not aligned with the Taxonomy of the European Union is 0% of the Net Asset Value of the Financial Product.

2 Activities linked to fossil gas and/or nuclear power will only be compliant with the EU taxonomy if they contribute to limiting climate change ("climate change mitigation") and do not cause significant harm to any objective of the EU taxonomy – see the explanatory note in the left-hand margin. All of the criteria applicable to economic activities in the fossil gas and nuclear power sectors that comply with the EU taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

The symbol represents sustainable investments with an environmental objective that **do not take into account the criteria** applicable to environmentally sustainable economic activities under the EU taxonomy.

What is the minimum proportion of socially sustainable investments?

The minimum percentage of socially sustainable investments is 0% of the Net Asset Value of the Financial Product.

What are the investments included in the category "#2 Other", what is their purpose and do minimum environmental or social guarantees apply to them?

"Other" assets may be comprised of:
- Investments in liquidities, i.e. bank deposits, eligible money market instruments and money market funds used to manage the Financial Product's liquidity; and
- Other instruments eligible for the Financial Product and not meeting the Environmental and/or Social criteria described in this appendix. These assets may be capital instruments, investments in derivatives and undertakings for collective investment that do not favour environmental or social features and that are used to achieve the Financial Product's financial objective and/or for diversification and/or hedging purposes.

Environmental or social guarantees are applied and assessed on all "other" assets, with the exception of (i) derivatives other than those relating to a single issuer, (ii) UCITS and/or UCIs managed by other management companies and (iii) investments in cash and cash equivalents described above.

Has a specific index been designated as a benchmark to determine whether this financial product is aligned with the environmental and/or social features it promotes?

Benchmark indices are indices that measure whether the financial product meets the environmental or social features it promotes.

The designated benchmark index Euro Stoxx Net Total Return is a broad market index that is not aligned with the environmental and/or social features promoted by the Financial Product.

Where can I find more specific information about this product online?

Further information on the Financial Product is available on the AXA IM website at Funds - AXA IM Global (axa-im.com).

Further information on AXA IM's sustainable investment frameworks can be found by clicking this link: Sustainable Finance | SFDR | AXA IM Corporate (axa-im.com).