

Annual Report 30/12/2021

# AXA IM EURO LIQUIDITY

Legal form: Investment fund

Classification: Standard Money Market

Approval date: 07/09/2001

## MANAGEMENT REPORT

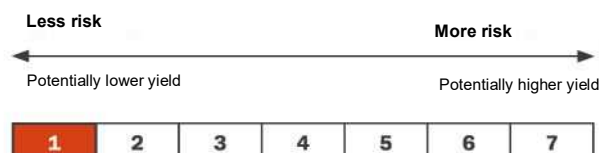
### Management objective

The objective of the UCITS is to outperform the capitalised EUR STR by 10.5 basis points after deducting actual management charges over a recommended minimum investment horizon of 2 months. The UCITS practices dynamic discretionary management based primarily on selecting financial instruments by analysing the financial strength of issuers while at the same time employing a socially responsible investment approach using environmental, social, and governance (ESG) criteria as the key elements in investment decision-making. The unitholder's attention is drawn to the fact that, should money-market interest rates be very low, the return provided by the UCITS could be insufficient to cover the management costs, and its net asset value likely to fall structurally.

### Benchmark index

Capitalised EUR STR (Ester or Euro Short-Term Rate). The EUR STR is a benchmark short-term interest rate in the Eurozone. It is calculated by the European Central Bank (ECB) daily based on the previous day's transactions. You can find further information at: <https://www.ecb.europa.eu>. The UCITS is not index-linked, and its performance could therefore differ to some extent from that of the benchmark index.

### Risk-return profile



Historical data like those used to calculate the summary index may not be reliable indicators of the UCITS's future risk profile. This UCITS's risk rating is not guaranteed and may change over time. The lowest rating does not mean 'no risk'. Why does the UCITS have this rating? The UCITS is not a capital guarantee

fund. It invests in markets and/or uses techniques or instruments that under normal market conditions are subject to small fluctuations but may nonetheless generate losses.

### Major risks not taken into account by the risk rating

Major risks not taken into account by the risk rating: Counterparty risk: risk of insolvency or default by a counterparty of the UCITS, which could lead to a default in payment or delivery. Credit risk: risk that the issuers of the debt instruments held by the UCITS may default or that their credit rating may be lowered, potentially resulting in a decrease in the net asset value.

### Overall risk

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

### Observations by Management

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

particularly in the US. Early retirements, late returns to the labour market and a lack of interest in certain sectors of activity led to a shortage of supply, while demand picked up strongly with the reopening. Production and distribution of manufactured goods was generally disrupted and disorganised, while demand for these goods recovered strongly. Bottlenecks arose in supply chains. The strong pressure on prices--which began in the second quarter and was reinforced by a base effect on the prices of raw materials, primarily oil and gas--was initially considered to be a temporary phenomenon. Inflation, which proved more durable than expected and reached levels not seen for decades, became the focus of attention. For 2021 as a whole, we expect inflation figures of +4.7% in the US, +2.6% in the Eurozone, +2.4% in the UK and -0.2% in Japan. In this context, almost all central banks have started to tighten their monetary policy, with all the more motivation as the tension observed in their labour markets was strong. The Federal Reserve announced a reduction in its asset purchase programme in November, then an acceleration of this reduction in December, with rate hikes envisaged from mid-2022. The Bank of England raised its key rates for the first time in December, from 0.15% to 0.25%. In the Eurozone, where the labour market is less tight, a rate hike by the ECB seemed unlikely before 2023. The ECB announced the end of the EPPP emergency programme at the end of March, but otherwise maintained some flexibility, with an increase in the APP asset purchase programme from the second quarter of 2022. Politically, Joe Biden's first year in office has been complicated, with numerous delays and downgrades to his various investment plans, the risk of a budget shutdown in the second half, and finally the erosion of his popularity rating, which point to difficult mid-term congressional elections in late 2022. In Germany, the elections marked the end of the Merkel era and the coming to power of an alliance of Social Democrats, Liberals and Greens, with a more pro-European ambition. In Japan, Prime Minister Suga gave way to Fumio Kishida, ensuring continuity of policy. China has again shown its singularity, first of all with its 'zero COVID' strategy, which has cost its economy dearly. It also experienced an electricity shortage, which was temporary thanks to the increase in its coal production. By contrast, the systemic risk of real estate financing, which manifested itself in the risk of default by Evergrande, appeared to be more durable. The Chinese authorities, who have to balance managing this systemic risk with supporting activity, finally made the late choice to ease their monetary policy (a 0.5% cut in the RRR rate in mid-December).

At the geopolitical level, although it has changed in form, the relationship between the United States and China has remained tense, with the issue of economic and political leadership persisting. Tensions between Russia and Ukraine have increased, with the Russian army massing on the Ukrainian border, leading to an exchange of warnings between Vladimir Putin and Western governments. Among the themes that will dominate the news in 2022, the COVID-19 and inflation should continue to make headlines. The success of medical research into developing vaccines may keep hopes alive, but the road ahead remains paved with uncertainty. Some of the factors that have driven inflation upwards should fade, either mechanically or through the adaptation of economic actors, but the labour market and wage developments will need to be monitored. Finally, the transition needed to minimise climate change has become a fundamental long-term issue. In 2021, the equity markets in most areas performed very strongly, with the global index up 24.2% in local currencies, equivalent to +29.3% in EUR. Among the developed countries, the United States was one of the best performers (+26.5%) followed by Canada (+24.9%), Switzerland (+23.0%), the Eurozone (+22.1%) where Italy (+23.8%) and France (+28.6%) outperformed Germany (+13.3%) and Spain (+9.1%). The UK (+19.6%) was also up strongly, while the Pacific excluding Japan (+12.6% in EUR) and Japan (+13.4%) performed somewhat more modestly, while emerging countries disappointed (+4.9% in EUR and -2.5% in USD) (MSCI indices, dividends reinvested in local currencies). Over the period, the best performances came from the energy (+40.3%), technology (+29.8%), financials (+27.9%) and real estate (+27.8%) sectors. In contrast, utilities (+9.8%), consumer staples (+13%) and communication services (+14.6%) were the weakest performers (MSCI World in USD). Finally, small caps performed slightly worse than large caps, with the MSCI Europe Small Caps in EUR up 23.8% compared to 25.1% for the MSCI Europe index. In the first quarter of 2021, long-term rates began to rise and then moved in line with inflation expectations and central bank policies in line with fears about growth and the evolution of the epidemic. In the US, 10-year yields are up 60 basis points (bps) to 1.51% after peaking at 1.77% in late March 2021. The same trend can be seen in the Euro zone: in Germany, the 10-year rate closed up 39 bps at -0.18% after a high of -0.07% and in France, 10-year rates rose 54 bps to +0.20% after a high of +0.33%. The same trend is observed in the peripheral countries: +52 bps at +0.57% for Spain and +63 bps at +1.17% for Italy. In the UK, 10-year yields are up 77 bps to +0.97% while in Japan they

were almost stable at +0.07% at the end of December. In the corporate bond markets, spreads narrowed significantly on investment grade and even more so on high yield bonds. The Bloomberg Barclays Global Aggregate index, which represents the global bond market for the investment grade, fell by -2.5% (performance hedged in euros). Lastly, inflation-linked bonds performed much better than nominal bonds (+4.5% for the Bloomberg Global Inflation index hedged in euros). On the foreign exchange market, most G10 currencies appreciated against the euro, with the exception of the yen (-3.6%) and the Swedish krona. The pound rose by +6.4%, the Swiss franc by +4.2% and the dollar by +7.4%. On the commodities market, oil prices rose sharply by +58.7% for WTI in dollar terms, as did industrial metals (copper +25.2%), while the ounce of gold fell by -3.6%. Overall, the Bloomberg Commodities index excluding agriculture and livestock rose by 28.8% in USD. During 2021, the European Central Bank (ECB) made no changes to its monetary policy instruments, including interest rates and its asset purchase programmes (PEPP and APP), concerned with sufficiently guaranteeing accommodating financial conditions in a context of economic recovery that is still fragile in the Eurozone but very advanced across the Atlantic. From the second quarter onwards, Ms Lagarde had to pick up the pace of PEPP purchases following the rise in rates in the Eurozone in conjunction with US rates. However, it is inflation that has monopolised all the market's attention, resurrecting expectations of a rate hike. And although perceived as transitory by the ECB, inflation was surprising in its robustness and persistence. Thus, following its July policy review, the ECB reinforced its forward guidance indicating that rate hikes will only be possible once inflation has reached 2%, with this 'well before' the end of the ECB's forecast horizon. ('Well before' could be interpreted as the middle of the forecast period.) The Governing Council will also have to judge whether inflation will remain at this level over the rest of the period. This speech strongly reduced expectations of a rate hike. It was only in autumn that Ms Lagarde recognised that the upward impact of energy prices on inflation and the bottleneck between production and demand would be more lasting than anticipated and, in view of the improved economic outlook, she decided to reduce the pace of PEPP purchases. In the December speech, the ECB announced that the programme would end in March 2022 with a temporary strengthening of the APP to facilitate the transition, although purchases would continue 'as long as necessary'. The ECB's inflation

projections for 2022 have been upgraded to 3.2%. However, for 2023 and 2024, the forecasts remain below the target at 1.8%, justifying the continuation of the loose policy. The proximity of the 2% target nevertheless justifies a reduction in monetary support with fewer asset purchases. Regarding interest rates, Ms Lagarde stressed that a rate hike in 2022 was 'very unlikely'. This will depend on more or less temporary inflationary pressures, and a rate hike should only occur when the purchase programme is fully completed. In this very loose environment, excess liquidity rose by more than a trillion from EUR 3.3 trillion to EUR 4.5 trillion in early November and fall back to EUR 4.1 trillion in December. This increase is explained by the ECB's purchases but also by the success of TLTRO III (3-year refinancing of banks from the ECB). The total TLTROs represented just above EUR 2.201 trillion at the end of 2021, versus slightly below EUR 1.8 trillion at the end of 2020. This excess liquidity allowed the €str to average around -0.568%, ranging from -0.558% to -0.59%. The 1-year €str swap rate was more volatile, fluctuating in line with the expectations of rate increases. It reached a low of -0.601% in January and a high of -0.515% after the ECB speech in October. However, it averaged around -0.567% over the year, in line with the fixing, and closed the year at -0.54%. Rate hike expectations were driven by ECB speeches and inflation figures. In January the market was expecting a first hike at the end of 2024, then little by little the market brought these expectations forward to 2023 and at the end of the year, rates went back up for Q4 2022 with a normalisation to 0% for mid-2024. On the treasury bill side, there was some volatility on 1-year bonds, notably with the extra cost of the year-end transition in November. Thus, French and German 1-year bonds traded on average over the year at around -0.64%, Spanish 1-year bonds at -0.54%, and lastly Italian 1-year bonds traded on average at -0.467% oscillating between -0.35% and -0.58% (closing at -0.54 at the end of December). On money markets, the levels were relatively stable in the banking sector, with the 3-month rate close to the €str, i.e. -0.56%, and around €str +5bp on the 1-year rate (on average around -0.50%). As for the Euribor rates, the curves have flattened. In fact, the 3-month Euribor settled on average at -0.55% (between -0.529% and -0.605%) and the 1-year Euribor traded on average at -0.491% (between -0.443% and -0.518%). As far as corporate issuers are concerned, the diversity of issuers was depleted, concentrating the market more and more with an ever increasing demand and reduced supply. The levels of these issuers thus fell sharply, particularly of

9-12 month bonds that no longer offer a premium over the banking sector. 3-month bonds traded from -0.50% to -0.55%, with some being able to offer -0.45% and on the 1-year bond, where the levels oscillated between -0.45% and -0.51%. In bonds, there were very few offers of the 0-2 year bonds, with the primary market being concentrated on the longer term. However, spreads tightened over the year as shown by the Bank of America Merrill Lynch 1-3 year global index with a high of +50bp in early January and a low of +18bp in mid-November. The cost of liquidity at the end of the year caused government bond yields to fall sharply and thus accentuated the gap between sovereign rates and swap rates (swap spread), pushing the credit index to +34bp against swap at the end of December. In the AXA IM Euro Liquidity fund, throughout the year we sought to extend the maturity as much as possible so as to reduce the refinancing risk and the risk of non-renewal on the part of corporate issuers, but also to pick up a few basis points related to the slope of the curve. The fund's WAL averaged around 145 days over the year with a peak of 161 days at the end of October. We maintained a good level of liquidity, notably due to a lack of remuneration on very short-term paper, often trading below the level of overnight cash. Overnight liquidity therefore fluctuated between 15% and 23% for an average of around 20% on the year. Investments were made almost exclusively via negotiable debt securities, which represented on average a little over 71% of the fund, with bonds accounting for only 8%. In terms of sector allocation, we remained stable over the first half of the year with just above 32% in banks and slightly over 46% in corporate debt. From July onwards, the fund obtained the SRI label and we therefore had a more targeted management on the social aspect (% of women on the management board) and climate (carbon intensity). For example, we stopped investing in Japan, where the percentage of women on management boards (MB) is around 10% compared to 35% for our benchmark, we increased our exposure to French banks, which have a low carbon intensity and a good percentage of women on their MBs, and we piloted our exposure to the energy and utilities sector. We also had to exit some issuers that were no longer eligible for the fund. Thus, in the second half of the year we increased our exposure to banks, which represented 42% at the end of the year, and reduced our exposure to corporates, which represented just over 36% at the end of December. We maintained our exposure to Italian issuers (mainly corporates) and Spanish issuers (banks and corporates), which represented an average of 11% of the fund. As regards interest rate sensitivity, we allowed the WAM to rise until the autumn of 2021 to

reach around 100 days. Throughout the year, we paid close attention to the level of the €str 1-year swap and took advantage of a few opportunities to add hedges when this rate fell below the fixing. We then increased the hedge as swap levels fell after the announcements of new lockdowns in some countries in Europe. While we still do not expect an ECB rate hike for 2022, we preferred to limit volatility and hedge when we were close to the €str fixing. The WAM was therefore lowered to about 50 days at the end of the year. Lastly, the average portfolio rate fell during the first half of the year, losing 7bp, and then stabilised at around -0.50% in a more stable context for issue levels. For 2022, inflation will still be at the heart of the central banks' concerns and we will have to pay attention to the speeches of the ECB members on the more or less transitory aspect of this inflation. These messages from the ECB could prove to be perilous, with a strong desire to maintain favourable financing conditions for banks (TLTRO) and governments (APP) while economic data should remain robust (growth and inflation) and the other central banks will have started to raise rates. We do not anticipate a rate hike for 2022, but it is highly likely that the first hike will occur as early as 2023. We will therefore have to remain very attentive to market expectations and carefully manage our interest rate sensitivity. We will continue our defensive management by maintaining a good level of liquidity, good diversification and by always emphasising social and climate aspects in our selection of issuers. We hope to be able to take advantage of the slope of the curve in this context of rising rates to optimise the portfolio's return. AXA IM Euro Liquidity's performance in 2021 was -0.53% against -0.57% for its benchmark, the Capitalised Eonia index.

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

### **Effective management techniques and derivative financial instruments**

In accordance with Articles 27 and 32 in FMA Position No. 2013-06 on listed funds and other issues related to UCITSs, information on exposure obtained using effective portfolio management techniques and by means of the UCITS's derivative financial instruments is attached to this report.

Effective portfolio management techniques (Article 27)	
Exposure obtained through effective management techniques (repo, securities lending/borrowing, temporary assignments)	None
Types and amounts of financial guarantees obtained by the UCITS to reduce the counterparty risk from effective portfolio management transactions	
Cash	None
Debt securities	None
Equity securities	None
Collective investments	None
Gross income obtained by the UCITS from these transactions *	-371,153.52
Direct and indirect costs and expenses borne by the UCITS directly related to these transactions *	-2,372.24
List of counterparties in these transactions	None
	-
	-
	-
	-
	-
	-
	-
	-
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	-
	-

List of counterparties in these transactions	BARCLAYS BANK IRELAND PLC BNP-PARI BAS SA CREDIT AGRICOLE CIB HSBC NATIXIS ROYAL BANK OF CANADA
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\* The amounts shown set out gross revenues together with the costs and expenses attached to effective portfolio management technique-related transactions during the financial year

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



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

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

## The exercise of voting rights

Over the course of the financial year just ended, the voting decisions have been taken by AXA Investment Managers in accordance with our voting policy and the best practise in place on a national basis in order to protect the interests of our shareholders. This policy is discussed in detail at the website of AXA Investment Managers (<https://particuliers.axa-im.fr/investissement-responsable/engagement-et-vote>). In compliance with the provisions of section 321-133 of the French General Regulation of the Financial Markets Authority [*Règlement Général de l'Autorité des Marchés Financiers*], a report in which the Company gives an account of the conditions under which it exercised voting rights is appended to the management report and is available on AXA INVESTMENT MANAGERS's website (<https://particuliers.axa-im.fr/nos-documents>).

## Information on remuneration

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

Governance - An Umbrella Governance Policy [Gouvernance – Une Politique globale], approved and validated each year by AXA IM's Remuneration Committee, frames the principles underlying compensation used by all entities in the Group. It addresses AXA IM's strategy, objectives, and risk tolerance and the long-term interests of its customers,

shareholders, and employees. In the framework of the compensation policies and procedures established and approved for the AXA IM Group, the Remuneration Committee ensures that the Umbrella Compensation Policy is applied consistently and fairly within AXA IM and that it complies with the regulations and recommendations regarding remuneration in force. AXA IM Group's internal Audit Department is responsible for centralised, independent evaluation of compliance by Umbrella Compensation Policy practices with the AXA IM Group's procedures and policies, and each year it presents its findings to AXA IM's Remuneration Committee for its consideration. Its findings have not contained any specific observations on compliance by Umbrella Compensation Policy practices. The findings of AXA IM's Remuneration Committee's annual review and any changes made to the Umbrella Compensation Policy are submitted to the Board of Directors of AXA Investment Managers Paris. These changes mainly concern an update to the global principles of the deferred compensation policy to ensure they comply with all applicable regulations and are in line with the AXA Investment Managers Group's business and human resources strategies, in particular by specifying the rules applicable to the co-investment scheme that may be considered as a deferred instrument under certain circumstances.

Quantitative information - The figures provided below relate to AXA Investment Managers for all subsidiaries of the AXA Investment Managers Group for the year ended 31 December 2021.

Total remuneration paid and/or awarded to all employees for the year that ended on 31 December 2021 (1)	
Fixed remuneration (2) (in thousands of euros)	1,850.60
Variable remuneration (3) (in thousands of euros)	2,164.83
Total number of employees (4)	2537, 680 of whom are employees of AXA IM Paris, the management company for the Fund

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

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

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

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

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

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

Aggregate remuneration paid and/or awarded to employees and other senior executives whose work bears significantly on the risk profiles of the managed portfolios (1)			
	Employees directly affecting the risk profiles of investment vehicles	Senior executives	Total
Fixed and variable remuneration (in thousands of euros) (2) (3)	951.81	756.05	1707.87
Number of employees concerned (5)	258, 107 of whom are employees of AXA IM Paris, the management company for the Fund	79, 17 of whom are employees of AXA IM Paris, the management company for the Fund	337, 124 of whom are employees of AXA IM Paris, the management company for the Fund

## Fees

The transaction fees charged by the Depositary are retained by the Depositary in full.

## Policy on selecting and executing orders

The Company has drawn up a document entitled "Execution Policy" that presents its policy for the

execution of orders, their monitoring, and communications, together with all appropriate information on the reasonable measures which they take with a view to achieving the best possible results for its clients.

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

This policy aims to encompass:

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

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

By regulation these intermediaries and counterparties are required to offer us the best possible execution.

AXA Investment Managers Paris regularly verifies the effectiveness of the policy which has been set up, and in particular the quality of execution of the entities selected under the terms of this policy.

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

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

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



## Information on Environmental, Social, and Governance ("ESG") criteria

Pursuant to Section 533-22-1 of the French Monetary and Financial Code [*Code monétaire et financier*], we must inform you that the UCITS does not concurrently apply environmental, social, and governance criteria as determined by the AXA INVESTMENT MANAGERS Group. At AXA IM, which has been active in Responsible Investment for nearly 20 years, we believe that responsible asset management is fundamental to our long-term success. In our view, ESG-related factors can influence not only investment portfolio management across all asset classes, sectors, businesses, and regions but also the diverse interests of customers and other stakeholders. AXA IM has devised a transparency code for each fund, with a significant and committed ESG approach. It is used by UCITSs to broadly describe the main criteria they rely on, the methods of analysis they employ, and the way in which the analytical results are integrated into the UCITSs' investment and divestment processes. The transparency code can be viewed on the AXA Investment Managers Paris website ([www.axa-im.fr](http://www.axa-im.fr)).

## Text in relation to the 'Climate/Energy Act'

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

AXA IM's climate strategy:

- As a founding investor of the Net Zero Asset Managers Initiative (NZAMI) launched in December 2020, AXA IM aims to achieve carbon neutrality by 2050 at the latest, as well as to play a key role in helping our clients to better understand climate change and the impact it may have on their portfolios and supporting them in adapting their investment decisions accordingly. As investors, we also have a responsibility to engage with companies. This engagement allows us to actively monitor our investments and ensure that we maintain open channels that can bring about change for the benefit of society and the planet. Our climate strategy is aligned with the framework proposed by the Task Force on Climate-related Financial Disclosures and is reflected in our active participation in international initiatives such as Climate Action 100+ and the Climate Bonds Initiative. It includes the following elements:
  - 'Carbon Neutral' Investment Framework: AXA IM has developed a Carbon Neutrality Framework, which follows industry standards and takes into account internal and external information to determine the carbon neutrality profile of its portfolio companies. These carbon neutrality profiles are monitored and reported on a regular basis with the objective of reducing the portion of investors considered late in the transition to carbon neutrality or with insufficiently ambitious commitments. At the end of 2021, 41% of AXA IM's eligible assets were already on track to achieve carbon neutrality by 2050 at the latest, with the aim of reducing their carbon intensity by at least 50% by 2030 compared to 2019.
  - Active climate ownership: engagement and ongoing dialogue with companies and our clients are crucial to influencing carbon neutrality trajectories. The climate is a significant part of our interactions, with over 25% of our discussions with companies dealing with this topic.
  - Exclusions: we exclude companies that do not

meet certain climate change criteria, focusing in particular on coal and unconventional oil and gas. Our investment portfolios exclude power generation and mining companies that do not credibly demonstrate a commitment to the energy transition. We are committed to exiting our coal investments in OECD countries by the end of this decade and in the rest of the world by 2040. This commitment will be realised over time, using exclusionary approaches, but also through engagement.

– Transparency: From early 2022, the ESG reporting available for our section 8 and section 9 products will include an enhanced climate section, combining historical indicators (carbon intensity for Scope 1 and 2 emissions as well as upstream Scope 3 emissions) and forward-looking indicators (including warming potential and the proportion of companies with science-based targets in the portfolio). This reporting will also include the carbon neutrality profile of the portfolio.

AXA IM's biodiversity strategy:

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

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

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

Our commitment to biodiversity protection is multifaceted:

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

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

– Indicators: We work closely with data providers to develop indicators to measure the impact of our investments on biodiversity ecosystem services (biodiversity footprint).

– Engagement: We complement our approach with engagement actions to establish a dialogue with our portfolio companies that are exposed to these biodiversity issues, but are not subject to serious controversy and are working to reduce these risks. We have launched an engagement programme targeting a selection of companies that have developed commodity-related activities that may have an impact on biodiversity.

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

## SFDR Regulation - Level 1 text

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

- i) sectoral exclusion policies covering controversial weapons, agricultural commodities, climate risks, and ecosystem protection and deforestation. In 2021, AXA IM extended this latter policy to cover investments with significant land use controversies responsible for biodiversity loss in relation to soy, livestock and timber.
- ii) the ESG standards (covering regulatory exclusions with the tobacco sector, white phosphorus weapons producers, companies in violation of international norms and standards, serious controversies and low ESG quality on the basis of ESG rating) were reviewed in 2021, with more stringent rules on human rights violations and compliance with international norms and standards. The ESG rating methodology was redesigned in 2021, to switch to a single-source ESG rating model bolstered by AXA IM's own internal analysis. Called Q<sup>2</sup>, this new and improved qualitative and quantitative approach offers increased coverage, as well as refined fundamental analysis. The latest versions of our policies can be found on our website at <https://www.axa-im.com/our-policies>;
- iii) The Fund has applied a socially responsible investment approach to its investment universe as described in its prospectus and pre-contractual documents. This selectivity approach has been applied on a mandatory and continuous basis. The Fund applies an NA approach. In addition, the investment strategy aims to outperform its investment universe on at least one 'customise with SRI Approach, SRI Criteria, and ESG KPI' indicator over the reference period.

The 'do no material harm' principle of the SFDR regulation to limit adverse impacts on sustainability factors is addressed by the most significant ESG risk exclusion policies. Active shareholder policies are another tool for mitigating risks on the key negative impact front, through direct engagement with companies on governance and sustainability issues. In addition, through our interactions, we have used our influence as investors to encourage companies to mitigate the environmental and social risks inherent in their sector. Voting at shareholders' meetings has been an important part of our engagement with portfolio companies, to sustain the long-term value of the companies in which we invest.

Implementing the responsible investment frameworks has had the following results:

The latest reports on our engagements and votes can be found at: <https://funds.axa-im.com>

A report on the main ESG indicators measured for the fund can be found at: <https://funds.axa-im.com>

## Text on the EU Taxonomy

The European regulation aimed at harmonising the classification of sustainable economic activities came into force on 1 January 2022. Known as the 'European taxonomy', it covers many areas related to environmental sustainability. Climate change mitigation and adaptation are the first two objectives covered, with four other objectives expected to be regulated in 2023 (water protection, pollution control, biodiversity preservation and circular economy). The EU Taxonomy applies from January 2022 with the first two environmental objectives: climate change adaptation and climate change mitigation. Based on available data, we estimate that 16.9% of the assets are aligned with the EU Taxonomy.

## Changes occurred

- Rewriting of the text on the integration of sustainability risks in the investment decision making process in the risk profile of your UCITS.
- Update of the address of the accounting manager:
- Update of the valuation rules of the assets mentioned in the prospectus.
- Updated the text on performance fees in line with European Securities Markets Authority (ESMA) guidance.
- Updated the investment strategy and management objective to reflect the significant commitment to the use of non-financial criteria (ESG and sustainable investment criteria
- transition to Article 9 of the SFDR),
- Adaptation to Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the 'SFDR').
- Annual update of the KID.
- Transition to EUR STR. Updated the prospectus and Key Investor Information Documents (management objective, benchmark, asset valuation rules... ). Parallel update of the provisions for the application of the performance fee (text and benchmark rate).
- Updated the 'fair valuation' principle in the asset valuation rules specified in the prospectus allowing for the valuation of a security using an alternative method.

## Changes due to occur

- Annual update of the KIID
- Amendment of the regulatory documentation (Key Investor Information Document (KID), prospectus and regulations) due to the name change. The new name is: AXA IM Euro Liquidity SRI
- Modification of the management objective. The UCITS's objective is now to seek to outperform, after deduction of actual management fees, the capitalised EUR STR plus 2 basis points (...) and no longer the

capitalised EUR STR plus 10.5 bps.

- In parallel to the change in the UCITS's management objective, the reference rate for calculating the performance fee was changed.

## Information concerning transparency of securities financing transactions and re-use (SFTR)

The UCI has not undertaken securities financing transactions during the period.

Since the outbreak of the Covid-19 epidemic in January 2020, it has spread throughout the world, precipitating wide-ranging instability in financial markets and forcing companies everywhere to take measures aimed at assuring the health and safety of their employees and the continued pursuit of their business activities. AXA IM has implemented appropriate measures as part of its Business Continuity Plan ('BCP'), a fundamental component in its Operational Resilience arrangements. Like other companies, the group has put in practice an extensive remote working plan and is sure of its ability to offer its customers the same level of service as before, while the crisis lasts. During this period of market turbulence, the fund is being monitored very closely, and AXA IM is convinced that it can continue to be managed in the best conditions possible thanks to implementation of its operational continuity plan.

The full prospectus (approved by the AMF) is available upon request from AXA Investment Managers Paris - Tour Majunga - La Défense 9 - 6, Place de la Pyramide - 92800 Puteaux.  
Statutory auditor:  
PRICEWATERHOUSECOOPERS AUDIT SAS



**AXA IM EURO LIQUIDITE**

**STATUTORY AUDITOR'S REPORT ON THE ANNUAL ACCOUNTS**  
**Financial year ending on 30 December 2021**

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*PricewaterhouseCoopers Audit, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex T: +33 (0) 156 5758 59, F: +33 (0) 156 5758 60, [www.pwc.fr](http://www.pwc.fr)*

A chartered accountancy firm registered in the Paris - Ile de France Register. Statutory auditors, members of the regional association of Versailles. Simplified stock company with EUR 2,510,460 in capital. Registered office: 63, rue de Villiers 92200 Neuilly-sur-Seine. Commercial Registry of Nanterre 672 006 483. VAT No. FR 76 672 006 483. Establishment Geographic Identification System (SIRET) no. 672 006 483 00362. Principal Enterprise Activity (APE) Code 6920 Z. Offices: Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Nice, Paris, Poitiers, Rennes, Rouen, Strasbourg, Toulouse.



**STATUTORY AUDITOR'S REPORT ON THE ANNUAL ACCOUNTS**  
**Financial year ending on 30 December 2021**

**AXA IM EURO LIQUIDITY**  
UCITS INCORPORATED IN THE FORM OF AN INVESTMENT FUND  
Governed by the French Monetary and Financial Code

Asset management company  
AXA INVESTMENT MANAGERS PARIS

TOUR MAJUNGA - 6 PLACE DE LA PYRAMIDE  
92208 PARIS LA DEFENSE CEDEX

**Opinion**

In the performance of the duties entrusted to us by the management company, we have audited the annual financial statement of the UCITS incorporated in the form of an investment fund 'AXA IM EURO LIQUIDITY' for the financial year that ended on 30 December 2021, as attached to this report.

We certify that the annual accounts are correct and honest in respect of French accounting rules and principles, and that they offer a fair view of the results of the operations in the financial year just ended as well as of the financial situation and the equity of the UCITS incorporated in the form of a collective investment fund at the end of that year.

**Basis for the opinion**

***Frame of reference for the audit***

We have conducted our audit in accordance with the standards of professional practice in France. It is our opinion that the documents which we have collected are sufficient and appropriate for us to reach an opinion. Our responsibilities pursuant to those standards are discussed in the '*Auditor's responsibilities with regard to the audit of the financial statement*' section of this report.

***Independence***

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

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A chartered accountancy firm registered in the Paris - Ile de France Register. Statutory auditors, members of the regional association of Versailles. Simplified stock company with EUR 2,510,460 in capital. Registered office: 63, rue de Villiers 92200 Neuilly-sur-Seine. Commercial Registry of Nanterre 672 006 483. VAT No. FR 76 672 006 483. Establishment Geographic Identification System (SIRET) no. 672 006 483 00362. Principal Enterprise Activity (APE) Code 6920 Z. Offices: Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Nice, Paris, Poitiers, Rennes, Rouen, Strasbourg, Toulouse.





## AXA IM EURO LIQUIDITY

### **Basis for our assessment**

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

It is in this complex and changing context that, pursuant to sections L(823)(9) and R(823)(7) of the Commercial Code relating to the justification of our assessments, we note that the assessments that, in our professional judgement, were the most significant for the audit of the annual financial statements for the financial year, concerned the appropriateness of the accounting principles applied and the reasonableness of the significant estimates made, as well as the overall presentation of the financial statements.

The assessment expressed here is issued in the context of the audit of the annual financial statement taken as a whole, and the formulation of our opinion as set out above. The opinion expressed does not refer to individual items in the financial statements.

### **Details of the audit**

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

We have no qualifications to make as to the truthfulness of the information provided in the management report issued by the management company or as to the conformity of that information with the annual accounts.



## AXA IM EURO LIQUIDITY

### **Responsibility of the management company for the annual financial statements**

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

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

The annual financial statement has been drawn up by the management company.

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

#### **Objective and approach of the audit**

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

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

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

the Statutory Auditor will identify and assess the risk that the annual financial statement contains material misstatements due either to fraud or to error, set and implement audit procedures to address those risks, and collect the evidence that it considers sufficient and appropriate as a basis for its opinion. The risk of failing to detect a material misstatement resulting from fraud is greater than that of failing to disclose a material misstatement caused by a mistake, since fraud may entail collusion, fabrication, voluntary omissions, false statements, or circumventing internal controls;



## AXA IM EURO LIQUIDITY

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

In Neuilly sur Seine, on the date of the electronic signature

*Document authenticated with electronic signature*  
Auditor  
PricewaterhouseCoopers Audit  
Frédéric SELLAM

## Balance Sheet – Assets in EUR on 30/12/2021

	30/12/2021	30/12/2020
<b>Net fixed assets</b>	<b>0.00</b>	<b>0.00</b>
<b>Deposits</b>	<b>644,554,665.34</b>	<b>587,990,978.34</b>
<b>Financial instruments</b>	<b>4,329,969,579.46</b>	<b>4,067,915,191.67</b>
<b>Shares and similar securities</b>	<b>0.00</b>	<b>0.00</b>
Traded on a regulated market or similar	0.00	0.00
Not traded on a regulated market or similar	0.00	0.00
<b>Bonds and similar securities</b>	<b>369,695,845.07</b>	<b>534,594,015.48</b>
Traded on a regulated market or similar	369,695,845.07	534,594,015.48
Not traded on a regulated market or similar	0.00	0.00
<b>Debt securities</b>	<b>3,959,998,819.23</b>	<b>3,351,223,891.70</b>
Traded on a regulated or organised market	357,233,571.32	70,171,911.54
<i>Negotiable debt securities</i>	357,233,571.32	70,171,911.54
<i>Other debt securities</i>	0.00	0.00
Not traded on a regulated market or similar	3,602,765,247.91	3,281,051,980.16
<b>Undertakings for collective investment</b>	<b>0.00</b>	<b>81,747,463.73</b>
General purpose UCITSs and AIFs for non-professional investors and the equivalent in other countries	0.00	81,747,463.73
Other non-professional investor funds and the equivalent in other Member States of the European Union	0.00	0.00
General purpose professional investor funds and the equivalent in other Member States of the European Union and listed securitisation vehicles	0.00	0.00
Other general purpose professional investor funds and the equivalent in other Member States of the European Union and unlisted securitisation vehicles	0.00	0.00
	0.00	0.00
<b>Temporary operations with securities</b>	<b>0.00</b>	<b>99,927,279.86</b>
Debts representing repo inward securities	0.00	99,927,279.86
Receivables in the form of borrowed securities	0.00	0.00
Borrowed financial securities	0.00	0.00
Repo outward financial securities	0.00	0.00
Other temporary transactions	0.00	0.00
<b>Financial contracts</b>	<b>274,915.16</b>	<b>422,540.90</b>
Transactions on a regulated market or similar	0.00	0.00
Other operations	274,915.16	422,540.90
<b>Other financial instruments</b>	<b>0.00</b>	<b>0.00</b>
<b>Debt securities</b>	<b>341,358.65</b>	<b>341,358.65</b>
<b>Currency futures</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>	<b>341,358.65</b>	<b>341,358.65</b>
<b>Financial accounts</b>	<b>521,844,233.39</b>	<b>446,777,950.66</b>
<b>Liquid assets</b>	<b>521,844,233.39</b>	<b>446,777,950.66</b>
<b>Total assets</b>	<b>5,496,709,836.84</b>	<b>5,103,025,479.32</b>

## Balance Sheet – Liabilities in EUR on 30/12/2021

	30/12/2021	30/12/2020
<b>Shareholders' Equity</b>		
<b>Capital</b>	<b>5,519,201,442.83</b>	<b>5,087,916,110.76</b>
<b>Previous net gains and losses, unallocated (a)</b>	<b>0.00</b>	<b>0.00</b>
<b>Balance brought forward (a)</b>	<b>0.00</b>	<b>0.00</b>
<b>Net gains and losses for the year (a, b)</b>	<b>-17,035,138.61</b>	<b>-8,640,516.55</b>
<b>Profit/loss for the year (a, b)</b>	<b>-6,821,494.79</b>	<b>-10,272,458.65</b>
<b>Total shareholders equity</b>	<b>5,495,344,809.43</b>	<b>5,069,003,135.56</b>
<i>(= Value of net assets)</i>		
<b>Financial instruments</b>	<b>10,464.87</b>	<b>37,170.38</b>
<b>Sale transactions on financial instruments</b>	<b>0.00</b>	<b>0.00</b>
<b>Temporary financial securities transactions</b>	<b>0.00</b>	<b>0.00</b>
Debts in the form of repo outward financial securities	0.00	0.00
Liabilities in the form of borrowed securities	0.00	0.00
Other temporary transactions	0.00	0.00
<b>Financial contracts</b>	<b>10,464.87</b>	<b>37,170.38</b>
Transactions on a regulated market or similar	0.00	0.00
Other operations	10,464.87	37,170.38
<b>Debts</b>	<b>1,354,562.54</b>	<b>33,985,173.38</b>
<b>Currency futures</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>	<b>1,354,562.54</b>	<b>33,985,173.38</b>
<b>Financial accounts</b>	<b>0.00</b>	<b>0.00</b>
<b>Current credit facilities</b>	<b>0.00</b>	<b>0.00</b>
<b>Borrowings</b>	<b>0.00</b>	<b>0.00</b>
<b>Total liabilities</b>	<b>5,496,709,836.84</b>	<b>5,103,025,479.32</b>

(a) Accrual accounts included

(b) Interim payments for the financial year

# Off balance sheet in EUR on 30/12/2021

	30/12/2021	30/12/2020
<b>Hedging transactions</b>		
Commitments on regulated markets and similar		
Total Commitments on regulated markets and similar	0.00	0.00
OTC Commitments		
Swaps		
RATES		
T000060122 -0.5/OIS	10,000,000.00	0.00
T000070121 -0.5/ESTR	30,000,000.00	0.00
T000070122 -0.5/ESTR	40,000,000.00	0.00
T000100122 -0.5/ESTR	50,261,723.00	0.00
T000150122 -0.5/ESTR	60,000,000.00	0.00
T000190122 -0.5/ESTR	20,094,477.00	0.00
T000190122 -0.5/ESTR	50,000,000.00	0.00
T000010222 -0.6/ESTR	60,000,000.00	0.00
T000010222 -0.6/ESTR	33,174,423.00	0.00
T000040222 -0.5/ESTR	100,000,000.00	0.00
T000280223 -0.5/ESTR	17,700,000.00	0.00
T000150123 -0.5/ESTR	22,700,000.00	0.00
T000161122 -0.5/ESTR	25,000,000.00	0.00
T000140922 -0.5/ESTR	50,000,000.00	0.00
T000260822 -0.5/ESTR	200,000,000.00	0.00
T000200223 -0.5/ESTR	30,000,000.00	0.00
T000150323 -0.5/ESTR	14,782,000.00	0.00
T000240323 -0.5/ESTR	33,524,000.00	0.00
T000070323 -0.5/ESTR	20,000,000.00	0.00
T000210423 -0.5/ESTR	17,000,000.00	0.00
T000171122 -0.5/ESTR	30,149,373.00	0.00
T000221122 -0.5/ESTR	150,000,000.00	0.00
T000231122 -0.5/ESTR	17,088,361.00	0.00
T000181122 -0.5/ESTR	49,253,986.00	0.00
T000290922 -0.5/0.00	100,000,000.00	0.00
T000291022 -0.5/ESTR	150,000,000.00	0.00
T000301022 -0.5/ESTR	100,000,000.00	0.00
T000010323 -0.5/ESTR	150,000,000.00	0.00
T000090421 -0.3/OIS	0.00	24,539,000.00
T000080321 -0.5/OIS	0.00	25,000,000.00
T000070121 -0.4/OIS	0.00	28,068,111.00
T000080121 -0.4/OIS	0.00	25,060,814.00
T000250121 0.00/0.00	0.00	50,096,240.00
T000280121 -0.4/OIS	0.00	50,136,873.00
T000280121 -0.4/OIS	0.00	25,053,196.00
T000050121 -0.4/OIS	0.00	30,053,135.00
T000150221 -0.4/OIS	0.00	50,101,315.00
T000040321 -0.5/OIS	0.00	34,112,405.00



	30/12/2021	30/12/2020
T000230621 -0.5/OIS	0.00	35,085,139.00
T000250621 -0.5/OIS	0.00	10,003,549.00
T000020721 -0.5/OIS	0.00	20,052,861.00
T000030821 -0.5/OIS	0.00	125,000,000.00
T000090921 -0.5/OIS	0.00	20,081,217.00
T000170921 -0.5/OIS	0.00	50,213,238.00
T000210921 -0.5/OIS	0.00	35,152,836.00
T000220921 -0.5/OIS	0.00	20,094,477.00
T000230921 -0.5/OIS	0.00	200,000,000.00
T000230921 -0.5/OIS	0.00	45,219,465.00
T000140921 -0.5/OIS	0.00	11,715,000.00
T000191021 -0.5/OIS	0.00	100,000,000.00
T000201021 -0.5/OIS	0.00	32,118,535.00
T000291021 -0.5/OIS	0.00	40,000,000.00
T000170521 -0.5/OIS	0.00	25,065,797.00
T000031221 -0.5/OIS	0.00	45,000,000.00
T000240122 -0.5/OIS	0.00	52,000,000.00
T000101221 -0.5/OIS	0.00	200,000,000.00
T000091221 -0.5/OIS	0.00	50,254,763.00
T000141221 -0.5/OIS	0.00	100,000,000.00
Total RATES	1,630,728,343.00	1,559,277,966.00
Total Swaps	1,630,728,343.00	1,559,277,966.00
Total OTC Commitments	1,630,728,343.00	1,559,277,966.00
Other transactions		
Total Other transactions	0.00	0.00
<b>Total Hedging transactions</b>	<b>1,630,728,343.00</b>	<b>1,559,277,966.00</b>
<b>Other transactions</b>		
Commitments on regulated markets and similar		
Total Commitments on regulated markets and similar	0.00	0.00
OTC Commitments		
Total OTC Commitments	0.00	0.00
Other transactions		
Total Other transactions	0.00	0.00
<b>Total Other transactions</b>	<b>0.00</b>	<b>0.00</b>

## Income Statement in EUR for the year ended on 30/12/2021

	30/12/2021	30/12/2020
<b>Gain on financial transactions</b>		
Gain on deposits and financial accounts	-2,254,271.86	-1,384,915.12
Gain on shares and similar securities	0.00	0.00
Gain on bonds and similar securities	1,647,062.33	1,269,289.17
Gain on debt securities	60,150.11	79,389.25
Gain on acquisitions and temporary transfers of securities	-371,153.52	-1,404,926.43
Gain on financial contracts	6,235,514.24	7,467,785.85
Other financial gains	0.00	0.00
<b>TOTAL (I)</b>	<b>5,317,301.30</b>	<b>6,026,622.72</b>
<b>Expenses on financial transactions</b>		
Charges on acquisitions and temporary transfers of securities	2,372.24	132.49
Charges on financial contracts	5,816,307.16	7,504,306.79
Expenses on financial debts	2,064,648.96	1,930,912.72
Other financial expenses	0.00	0.00
<b>TOTAL (II)</b>	<b>7,883,328.36</b>	<b>9,435,352.00</b>
<b>RESULTS OF FINANCIAL TRANSACTIONS (I - II)</b>	<b>-2,566,027.06</b>	<b>-3,408,729.28</b>
Other gains (III)	0.00	0.00
Management expenses and provisions for depreciation (IV)	3,188,650.12	5,776,414.53
<b>Net profit and loss for the financial year (L. 214-17-1) (I - II + III - IV)</b>	<b>-5,754,677.18</b>	<b>-9,185,143.81</b>
Adjustment for revenues for the year (V)	-1,066,817.61	-1,087,314.84
Interim payments against profits for the year (VI)	0.00	0.00
<b>Profit &amp; loss (I - II + III - IV ± V - VI)</b>	<b>-6,821,494.79</b>	<b>-10,272,458.65</b>

# Appendices

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## 1. ACCOUNTING RULES AND METHODS

The portfolio's currency of account is the euro.

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

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

Extraordinary events during the financial year: None.

Accounting changes presented for the information of unitholders: None.

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

Types of errors corrected during the year: None.

## 1. Rules for assessing and booking assets

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

### **Transferable securities:**

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

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

However, the following instruments are valued based on the following special methods:

#### **UCI units or shares:**

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

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

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

The markets rates employed are:

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

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

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

#### Securitisation instruments:

- Asset-backed securities (ABS): ABSs are valued based on valuations from a service provider, from data suppliers, from eligible counterparties, and/or third parties designated by the Asset Management Company (i.e., eligible data suppliers).
- Collateralised debt obligations (CDOs) and collateralised loan obligations (CLOs):
  - (i) subordinate tranches issued by CDOs and/or CLOs and (ii) custom CLOs are valued based on values from arranging banks, lead managers, counterparties who are committed to providing such valuations and/or and/or third parties designated by the Asset Management Company (i.e., eligible data suppliers)
  - (ii) securities issued by CDOs and/or CLOs that are neither (i) subordinate tranches of CDOs and/or CLOs nor (ii) custom CLOs are valued by third parties designated by the Asset Management Company (i.e., eligible data suppliers).

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

#### Transactions involving the temporary acquisition and sale of securities:

- Lending/borrowing:
  - Securities lending: loaned securities are valued at the market value of the securities; receivables representing the loaned securities are valued based on the terms of the loan agreement.
  - Loaned securities: the debt representing the loaned securities is valued in accordance with the conditions of the contract.
- Repos:
  - Reverse repurchase agreements: the loan representing the repo inward securities is valued in accordance with the conditions of the contract.
  - Repos outward: the repo outward securities are valued at the market value of the securities; the debt representing the outward repos is valued under the terms of contract.
- Financial instruments given in guarantee:
  - The management company will carry out, in accordance with the valuation rules specified in this prospectus, a daily valuation of the guarantees received based on the market price. However, these instruments and the corresponding refund debts are shown in the balance sheet at their cost price. The margin calls are made in accordance with the terms of the financial collateral arrangements.

#### **Financial instruments not traded on a regulated market:**

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

- Contract for difference (CFD): CFDs are valued at their market value on the basis of the closing rate of the underlying securities on the valuation day. The stock market value of the corresponding lines indicates the difference between the stock market value and the strike price of the underlying securities.
- Credit default swaps: CDSs are valued using the standard method for CDSs recommended by the ISDA (sources: Markit for CDS curves and the recovery rate, and Bloomberg for interest rate curves).
- Forex forwards: Forex forwards are valued based on a calculation taking into account:
  - The nominal value of the instrument,
  - The strike price of the instrument,

- Discount factors for the remainder of the term,
- The spot exchange rate at market value,
- The forward exchange rate for the remainder of the term, defined as the product of the spot exchange rate and the discount factor ratio in each currency calculated using the appropriate rate curves.

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

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

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

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

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

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

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

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

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

## 2. Accounting methods

The method used for the recognition of revenue is the coupons received method.

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

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

## 3. Distribution policy

In accordance with the legal provisions, the Distributable Amounts are comprised of:

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

The Distributable Amounts are fully capitalised each year.

## 4. Method of calculating operating and management fees

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

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

The following may be added to the management fees:

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

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

- Fees charged directly to the UCI's income statement:
  - Management costs, including management costs other than those of the management company (CAC, depositary, distribution, lawyers)
    - The maximum rate is 0.20 % of net assets (UCI included).
- Maximum indirect costs (fees and management costs):
  - The maximum rate is 0.20 % of the selected net assets of the UCI.
  - Indirect subscription/redemption fees are capped at 1%, and no indirect subscription/redemption fee will be paid when the underlying UCI is managed by the same management company, whether directly or by delegated management. The UCITS does not invest in units or shares of targeted money market UCIs whose subscription and redemption fees are acquired from the UCI.
- Transaction/Depositary's fee:
  - The maximum charge for each transaction is €50, all taxes included.
- Outperformance fee:
  - Equivalent to 30% of the outperformance between the performance of the Fund and the performance of the Capitalised EUR STR plus 10.5 bps.
  - Performance calculation:

In the event of outperformance, a provision for the performance fee of 30% of the outperformance will be set aside on each valuation day.

If the outperformance is less than that on the previous valuation day, this provision will be adjusted by reversing the provisions up to the total amount of provisions already set aside.
- Retrocession of management fees:

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

Not applicable



## 5. Calculation of ratios and commitments

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

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

## 6. 'Off balance sheet' table

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

<i><b>Unit concordance table</b></i>			
<b>Fund name:</b>	<b>AXA IM EURO LIQUIDITY SRI</b>		
<b>Portfolio code:</b>	<b>AVS2</b>		
<b>ISIN code</b>	<b>Class indicated in the prospectus/KIID</b>	<b>Allocation of the distributable amounts</b>	<b>Units included in the inventory</b>
<b>FR0000978371</b>	<b>C</b>	<b>Capitalisation</b>	<b>RC</b>

## 2. CHANGE IN NET ASSETS

	30/12/2021	30/12/2020
<b>Net assets at beginning of the financial year</b>	<b>5,069,003,135.56</b>	<b>3,843,773,000.54</b>
Subscriptions (including subscription fees collected from the UCITS)	15,504,802,903.49	22,665,266,171.88
Redemptions (with deduction of redemption commissions acquired from the UCITS)	-15,054,095,359.29	-21,421,809,926.97
Gains realised on deposits and financial instruments	198,222.49	280,563.66
Losses realised on deposits and financial instruments	-13,614,753.15	-7,970,963.72
Gains realised on financial contracts	0.00	0.00
Losses realised on financial contracts	0.00	0.00
Transaction fees	-5,547.40	-6,615.27
Exchange-rate differences	0.00	0.00
Change in the difference on estimates of deposits and financial instruments	-5,068,194.86	-1,595,118.35
<i>Difference in estimates for financial year N:</i>	<i>-8,625 2 78.84</i>	<i>-3,557,083.98</i>
<i>Difference in estimates for financial year N-1:</i>	<i>-3,557,083.98</i>	<i>-1,961,965.63</i>
Change in the difference in estimates for financial contracts	-120,920.23	251,167.60
<i>Difference in estimates for financial year N:</i>	<i>264,450.29</i>	<i>385,370.52</i>
<i>Difference in estimates for financial year N-1:</i>	<i>385370.52</i>	<i>134,202.92</i>
Asset distribution	0.00	0.00
Distribution of net gains and losses for the previous year	0.00	0.00
Distribution from the preceding financial year	0.00	0.00
Net earnings for the year before adjustment account	-5,754,677.18	-9,185,143.81
Interim payment(s) against net gains and losses paid during the year	0.00	0.00
Interim payment(s) against profits paid during the year	0.00	0.00
Other items *	0.00	0.00
<b>Net assets at the close of the financial year</b>	<b>5,495,344,809.43</b>	<b>5,069,003,135.56</b>

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

### 3. MOVEMENTS IN THE SHARE PORTFOLIO OVER THE PERIOD

Details of the share portfolio	Movements (amount)	
	Acquisitions	Transfers
a) Eligible financial securities and money market instruments that can be traded on a regulated market as described in section L(422)(1) of the Monetary and Financial Code.	9,533,678,510.72	8,909,451,482.91
b) Eligible financial securities and money market instruments that can be traded on other regulated markets, under normal operation, recognised, open to the public and where the head offices are located within a member state of the European Union or in a State that has an agreement with the European Economic Area	0.00	0.00
c) Eligible financial securities and money market instruments admitted to official listings on stock exchanges in third countries or traded on another market in third countries that is regulated, operating regularly, recognised and open to the public, provided the stock exchange or market does not appear on a list drawn up by the AMF, and the choice of stock exchange or market is permissible by law, regulations and the company Articles of Association of the UCITS/general investment fund	338,164,850.91	425,616,872.21
d) Newly issued financial securities referred to in section R(214)(11)(1)(4) of the Monetary and Financial Code; (section R[214][11][1][4] [UCITS] I section R[214][32][18][1][4] [GIF] of the Monetary and Financial Code)	0.00	0.00
e) Other assets: These are other assets mentioned under section R(214)(11)(II) of the Monetary and Financial Code and under sections R(214)(32)(19) (I) and (II). (sections R[214][1][II] [UCITS]/section R[214][32][19][I] and [II] [GIF] of the Monetary and Financial Code)	0.00	0.00

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

## 4. ADDITIONAL INFORMATION

### 4.1. Breakdown of instruments by legal or economic type

	Value	%
<b>ASSETS</b>		
<b>Bonds and similar securities</b>		
Fixed rate bonds traded on a regulated market or similar	228,482,040.61	4.16
Adjustable rate notes traded on a regulated market or similar	141,213,804.46	2.57
<b>TOTAL Bonds and similar securities</b>	<b>369,695,845.07</b>	<b>6.73</b>
<b>Debt securities</b>		
Short-term notes (NEW CP), bank issuers	357,233,571.32	6.50
Short-term notes (NEW CP), non-financial issuers	3,602,765,247.91	65.56
<b>TOTAL Debt securities</b>	<b>3,959,998,819.23</b>	<b>72.06</b>
<b>TOTAL ASSETS</b>	<b>4,329,694,664.30</b>	<b>78.79</b>
<b>LIABILITIES</b>		
<b>Sale transactions on financial instruments</b>		
<b>TOTAL Sales of financial instruments</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL LIABILITIES</b>	<b>0.00</b>	<b>0.00</b>
<b>Off Balance Sheet</b>		
<b>Hedging transactions</b>		
RATES	1,630,728,343.00	29.67
<b>TOTAL Hedging transactions</b>	<b>1,630,728,343.00</b>	<b>29.67</b>
<b>Other transactions</b>		
<b>TOTAL Other transactions</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL Off Balance Sheet</b>	<b>1,630,728,343.00</b>	<b>29.67</b>

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

	Fixed rate	%	Variable rate	%	Adjustable rate	%	Other	%
Assets								
Deposits	644,554,665.34	11.73						
Bonds and similar securities	228,482,040.61	4.16			141,213,804.46	2.57		
Debt securities	3,959,998,819.23	72.06						
Temporary financial securities transactions								
Financial accounts							521,844,233.39	9.50
Liabilities								
Temporary financial securities transactions								
Financial accounts								
Off-Balance Sheet								
Hedging operations	1,630,728,343.00	29.67						
Other operations								

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

	< 3 months	%	[3 months - 1 year]	%	[1 - 3 years]	%	[3 - 5 years]	%	>5 years	%
Assets										
Deposits	644,554,665.34	11.73								
Bonds and similar securities	48,027,634.67	0.87	126,309,585.18	2.30	195,358,625.22	3.55				
Debt securities	1,496,888,985.65	27.24	2,463,109,833.58	44.82						
Temporary financial securities transactions										
Financial accounts	521,844,233.39	9.50								
Liabilities										
Temporary financial securities transactions										
Financial accounts										
Off-Balance Sheet										
Hedging operations	453,530,623.00	8.25	871,491,720.00	15.86	305,706,000.00	5.56				
Other operations										

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

	Currency 1	%	Currency 2	%	Currency 3	%	Currency N	%
<b>Assets</b>								
Deposits								
Shares and similar securities								
Bonds and similar securities								
Debt securities								
UCI								
Temporary financial securities transactions								
Debt securities								
Financial accounts								
<b>Liabilities</b>								
Sale transactions on financial instruments								
Temporary financial securities transactions								
Debts								
Financial accounts								
<b>Off-Balance Sheet</b>								
Hedging operations								
Other operations								

#### 4.5. Breakdown of loan and debt postings by type

	30/12/2021
<b>Debt securities</b>	
Other accounts payable	341,358.65
<b>Total debt securities</b>	<b>341,358.65</b>
<b>Debts</b>	
Management fees	-1,353,418.11
Other Debts	-1,144.43
<b>Total debts</b>	<b>-1,354,562.54</b>
<b>Total debts and debt securities</b>	<b>-1,013,203.89</b>



## 4.6. Shareholders' Equity

### SUBSCRIPTIONS AND REDEMPTIONS

	By units	In value
<b>RC</b>		
Shares and units issued during the year	348,944.7318	15,504,802,903.49
Shares and units redeemed during the year	-338,711.8977	-15,054,095,359.29

### SUBSCRIPTION AND/OR REDEMPTION FEES

	In value
<b>RC</b>	
Value of subscription and/or redemption fees received	15,071,285.91
Value of subscription fees received	15,071,285.91
Value of redemption fees received	0.00
Value of subscription and/or redemption fees reassigned to third parties	15,071,285.91
Value of subscription fees reassigned to third parties	15,071,285.91
Value of redemption fees reassigned to third parties	0.00
Value of subscription and/or redemption fees acquired from the UCITS	0.00
Subscription fees collected by the UCI	0.00
Redemption fees collected by the UCI	0.00

## 4.7. Management fees

	30/12/2021
<b>RC</b>	
Percentage of fixed management fees	0.07
Fixed load	3,187,916.80
Percentage of variable management fees	0.00
Variable management fees	733.32
Retrocession of management fees	0.00

## 4.8. Commitments given and received

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

## 4.9. Other information

### CURRENT VALUE OF FINANCIAL INSTRUMENTS ACQUIRED TEMPORARILY

	30/12/2021
Securities acquired under repurchase agreement	0.00
Securities held under repurchase agreement	0.00
Borrowed securities	0.00

### CURRENT VALUE OF FINANCIAL INSTRUMENTS DEPOSITED AS GUARANTEES

	30/12/2021
Financial instruments given in guarantee and held in original posting	0.00
Instruments received in guarantee and not entered on balance sheet	0.00

### GROUP FINANCIAL INSTRUMENTS HELD IN PORTFOLIO

	30/12/2021
Shares	0.00
Bonds	0.00
NDIs	0.00
UCI	0.00
Financial futures	0.00
Total group securities	0.00

#### 4.10. Allocation table for sums available for distribution

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

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

Allocation table for sums available for distribution depending on profits (6)	30/12/2021	30/12/2020
<b>Sums remaining for appropriation</b>		
Brought forward	0.00	0.00
Results	-6,821,494.79	-10,272,458.65
<b>Total</b>	<b>-6,821,494.79</b>	<b>-10,272,458.65</b>

	30/12/2021	30/12/2020
<b>CAPITALISED ACCOUNTING PROFIT/LOSS</b>		
<b>Appropriation</b>		
Distribution	0.00	0.00
Carried forward for the financial year	0.00	0.00
Capitalisation	-6,821,494.79	-10,272,458.65
<b>Total</b>	<b>-6,821,494.79</b>	<b>-10,272,458.65</b>
<b>Information in respect of shares or units with right to distribution</b>		
Number of shares or units	0	0
Unit distribution	0.00	0.00
<b>Tax credits attaching to distribution of profits</b>	<b>0.00</b>	<b>0.00</b>

Allocation table for sums available for distribution based on net gains and losses (6)	Allocation of net gains and losses	
	30/12/2021	30/12/2020
<b>Sums remaining for appropriation</b>		
Previous net gains and losses, unallocated	0.00	0.00
Net gains and losses for the year	-17,035,138.61	-8,640,516.55
Interim payments against net gains and losses for the year	0.00	0.00
<b>Total</b>	<b>-17,035,138.61</b>	<b>-8,640,516.55</b>

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

Allocation table for sums available for distribution based on net gains and losses (6)	Allocation of net gains and losses	
	30/12/2021	30/12/2020
<b>CAPITALISED ACCOUNTING PROFIT/LOSS</b>		
<b>Appropriation</b>		
Distribution	0.00	0.00
Net gains and losses, unallocated	0.00	0.00
Capitalisation	-17,035,138.61	-8,640,516.55
<b>Total</b>	<b>-17,035,138.61</b>	<b>-8,640,516.55</b>
<b>Information in respect of shares or units with right to distribution</b>		
Number of shares or units	0	0
Unit distribution	0.00	0.00

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

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

Date	Share	Net assets	Number of shares or units	Unit net asset value €	Unit distribution of net gains or losses (interim payments) €	Unit distribution of results (interim payments incl.) €	Unit tax credits €	Unit capitalisation €
29/12/2017	RC	3,376,424,315.00	75,063.4493	44,980.9374				-105.16
31/12/2018	RC	4,615,537,744.72	102,947.8272	44,833.7557				-114.98
31/12/2019	RC	3,843,773,000.54	85,959.3796	44,716.1556				-140.20
30/12/2020	RC	5,069,003,135.56	113,791.6869	44,546.3396				-166.20
30/12/2021	RC	5,495,344,809.43	124,024.5210	44,308.5348				-192.35

## 4.12. Detailed inventory of deposits and financial instruments

Name of security	Qty in number or nominal	Stock market value	Currency	% Net assets
BANK OF AMERICA CORP SR UNSECURED REGS 09/22 1.625	50,000,000	50,977,089.04	EUR	0.93
BANQUE FED CRED MUTUEL SR UNSECURED REGS 11/22 0.5	25,000,000	25,221,438.36	EUR	0.46
BMW FINANCE NV COMPANY GUAR REGS 03/23 0.0000	33,524,000	33,644,015.92	EUR	0.61
BNP PARIBAS SR UNSECURED REGS 01/23 1.125	22,709,000	23,311,472.88	EUR	0.42
ENGIE SA SR UNSECURED REGS 02/23 0.375	17,700,000	17,863,630.44	EUR	0.33
SIEMENS FINANCIERINGSMAT COMPANY GUAR REGS 02/23 0.0000	30,000,000	30,121,200.00	EUR	0.55
SOCIETE GENERALE SR UNSECURED REGS 05/22 0.0000	30,000,000	30,055,200.00	EUR	0.55
UBS AG LONDON SR UNSECURED REGS 0.75% 21/04/2023	17,000,000	17,287,993.97	EUR	0.31
<b>TOTAL Fixed rate bonds traded on a regulated market or similar</b>		<b>228,482,040.61</b>		<b>4.16</b>
BANCO BILBAO VIZCAYA ARG SR UNSECURED REGS 09/23 VAR	21,900,000	22,241,060.45	EUR	0.40
BANCO BILBAO VIZCAYA ARG SR UNSECURED REGS 03/12/2023	50,000,000	50,889,251.56	EUR	0.94
BPCE SA SR UNSECURED 02/22 VAR	48,000,000	48,027,634.67	EUR	0.87
BPCE SA SR UNSECURED REGS 09/22 VAR	20,000,000	20,055,857.78	EUR	0.36
<b>TOTAL Adjustable rate notes traded on a regulated market or similar</b>		<b>141,213,804.46</b>		<b>2.57</b>
<b>TOTAL Bonds and similar securities traded on a regulated market or similar</b>		<b>369,695,845.07</b>		<b>6.73</b>
<b>TOTAL Bonds and similar securities</b>		<b>369,695,845.07</b>		<b>6.73</b>
CD DUP WITH AC 12401 BFCM 13/06/2022	65,000,000	65,158,835.29	EUR	1.19
CD NORDEA BANK ABP LONDON 12/09/2022	50,000,000	50,185,128.35	EUR	0.91
CD NORDEA BANK ABP LONDON 13/09/2022	40,000,000	40,148,669.92	EUR	0.73
CD NORDEA BANK ABP LONDON 19/08/2022	45,000,000	45,153,433.13	EUR	0.82
CD SOCIETE GENERALE (LONDON) (CD) 01/11/2022	25,000,000	25,097,907.47	EUR	0.46
CD SOCIETE GENERALE 24/10/2022	41,000,000	41,156,405.87	EUR	0.75
CD UBS AG LONDON 21/10/2022	50,000,000	50,201,117.73	EUR	0.91
CD ZURCHER KANTONALBANK 19/05/2022	10,000,000	10,020,835.92	EUR	0.18
Euro CD BFCM 0% 19/09/2022	30,000,000	30,111,237.64	EUR	0.55
<b>TOTAL Short-term notes (NEW CP), bank issuers</b>		<b>357,233,571.32</b>		<b>6.50</b>
<b>TOTAL Negotiable debt instruments</b>		<b>357,233,571.32</b>		<b>6.50</b>
<b>TOTAL Debt instruments traded on a regulated market or similar</b>		<b>357,233,571.32</b>		<b>6.50</b>
ECP APRR 24/06/22	39,000,000	39,091,248.47	EUR	0.71
ECP APRR SA 17/06/22	40,000,000	40,089,827.16	EUR	0.73
ECP APRR SA 30/09/22	30,000,000	30,102,840.08	EUR	0.55
ECP BERLINER EFFEKTEGESELLSCHAFT 02/05/2022	40,000,000	40,066,968.84	EUR	0.73
ECP BERLINER EFFEKTEGESELLSCHAFT 16/05/2022	20,000,000	20,037,208.68	EUR	0.36
ECP BFCM/NATIXIS FUNDS 06/05/2022	50,000,000	50,095,156.75	EUR	0.91
ECP BFCM/NATIXIS FUNDS 17/06/2022	67,000,000	67,167,299.01	EUR	1.22
ECP BNP PARIBAS SA 01/02/2022	50,000,000	50,024,458.86	EUR	0.91
ECP BNP PARIBAS SA 07/09/2022	40,000,000	40,139,613.74	EUR	0.73
ECP BPCE 06/06/2022	45,000,000	45,102,271.78	EUR	0.82
ECP BPCE 13/10/2022	40,000,000	40,147,539.84	EUR	0.73
ECP BPCE 26/05/2022	50,000,000	50,105,746.02	EUR	0.91
ECP BPCE 26/10/2022	35,000,000	35,134,425.62	EUR	0.64
ECP CAIXABANK SA 02/03/2022	20,000,000	20,017,607.21	EUR	0.36
ECP CAIXABANK SA 06/01/2022	18,000,000	18,001,620.45	EUR	0.33
ECP CAIXABANK SA 06/07/2022	25,000,000	25,063,830.87	EUR	0.46
ECP CAIXABANK SA 06/10/2022	20,000,000	20,073,203.76	EUR	0.37
ECP CAIXABANK SA 07/11/2022	20,000,000	20,080,002.74	EUR	0.37
ECP CAIXABANK SA 15/06/2022	17,000,000	17,039,290.35	EUR	0.31
ECP CAIXABANK SA 18/02/2022	20,000,000	20,014,149.88	EUR	0.36
ECP CAIXABANK SA 18/05/2022	22,000,000	22,042,362.78	EUR	0.40
ECP CAIXABANK SA 26/01/2022	20,000,000	20,007,659.35	EUR	0.36
ECP CREDIT AGROCOLE SA 29/03/2022	40,000,000	40,050,909.16	EUR	0.73
ECP CREDIT AGRICOLE SA 07/07/2022	60,000,000	60,160,287.64	EUR	1.09
ECP CREDIT MUTUEL ARKEA 18/02/2022	80,000,000	80,056,599.53	EUR	1.39

Name of security	Qty in number or nominal	Stock market value	Curre ncy	% Net assets
ECP DANAHER CORPORATION 12/01/2022	30,000,000	30,005,000.83	EUR	0.55
ECP ELECTRICITE DE FRANCE SA 04/01/2022	50,000,000	50,003,061.30	EUR	0.91
ECP ELECTRICITE DE FRANCE SA 15/06/2022	30,000,000	30,070,795.21	EUR	0.55
ECP ELECTRICITE DE FRANCE SA 27/07/2022	48,000,000	48,141,093.63	EUR	0.88
ECP ENBW INTERNATIONAL FINANCE BV 08/04/2022	30,000,000	30,037,141.03	EUR	0.55
ECP ENEL FINANCE INTERNATIONAL SA 25/02/2022	23,000,000	23,013,020.36	EUR	0.42
ECP ENEL FINANCE INTERNATIONAL SA 28/01/2022	22,000,000	22,006,086.05	EUR	0.40
ECP ENEL FINANCE INTERNATIONAL SA 30/03/2022	10,000,000	10,008,994.61	EUR	0.18
ECP ENGIE SA 17/01/2022	30,000,000	30,007,540.18	EUR	0.55
ECP ENGIE SA 21/01/2022	31,000,000	31,009,949.21	EUR	0.56
ECP ENGIE SA 07/03/2022	25,000,000	25,024,278.56	EUR	0.46
ECP ENI FINANCE INTERNATIONAL SA 13/01/2022	30,000,000	30,005,089.28	EUR	0.55
ECP ENI FINANCE INTERNATIONAL SA 13/10/2022	16,000,000	16,057,069.81	EUR	0.29
ECP ENI FINANCE INTERNATIONAL SA 14/01/2022	27,000,000	27,004,936.20	EUR	0.49
ECP FIDELITY NATIONAL INFORMATION 14/01/2022	46,000,000	46,008,051.92	EUR	0.84
ECP FIDELITY NATIONAL INFORMATION 15/02/2022	25,000,000	25,014,368.60	EUR	0.46
ECP FIDELITY NATIONAL INFORMATION 21/02/2022	50,000,000	50,032,471.02	EUR	0.91
ECP FIDELITY NATIONAL INFORMATION 22/02/2022	25,000,000	25,016,545.27	EUR	0.46
ECP FIDELITY NATIONAL INFORMATION 31/01/2022	45,000,000	45,017,658.62	EUR	0.82
ECP FS SOCIETE GEN./OSSIAM ETF 06/12/2022	50,000,000	50,218,703.57	EUR	0.91
ECP FS SOCIETE GEN./OSSIAM ETF 07/10/2022	62,000,000	62,227,728.60	EUR	1.13
ECP FS SOCIETE GEN./OSSIAM ETF 13/12/2022	25,000,000	25,111,501.36	EUR	0.46
ECP HONEYWELL INTERNATIONAL INC 11/04/2022	22,000,000	22,031,608.10	EUR	0.40
ECP IBERDROLA INTERNATIONAL B.V. 01/02/2022	33,000,000	33,015,714.16	EUR	0.60
ECP IBERDROLA INTERNATIONAL B.V. 02/03/2022	46,000,000	46,040,840.14	EUR	0.84
ECP IBERDROLA INTERNATIONAL B.V. 09/03/2022	25,000,000	25,024,745.30	EUR	0.46
ECP IBERDROLA INTERNATIONAL B.V. 10/01/2022	20,000,000	20,003,085.48	EUR	0.36
ECP IBERDROLA INTERNATIONAL BV 11/07/2022	30,000,000	30,076,779.47	EUR	0.55
ECP IBERDROLA INTERNATIONAL BV 19/10/2022	20,000,000	20,074,989.95	EUR	0.37
ECP IBERDROLA INTERNATIONAL BV 28/09/2022	19,000,000	19,067,535.16	EUR	0.35
ECP INTESA SANPAOLO BANK LUXEMBOUR 11/04/2022	35,000,000	35,048,316.19	EUR	0.64
ECP INTESA SANPAOLO BANK LUXEMBOUR 18/02/2022	30,000,000	30,020,407.02	EUR	0.55
ECP INTESA SANPAOLO BANK IRELAND 19/01/2022	35,000,000	35,009,424.69	EUR	0.64
ECP INTESA SANPAOLO BANK 24/01/2022	45,000,000	45,015,306.40	EUR	0.82
ECP INTESA SANPAOLO BANK LUXEMBOUR 24/05/2022	50,000,000	50,096,301.12	EUR	0.91
ECP KERING FINANCE 02/03/2022	25,000,000	25,023,706.56	EUR	0.46
ECP KLEPIERRE SA 05/09/2022	10,000,000	10,029,923.05	EUR	0.18
ECP KLEPIERRE SA 07/03/2022	10,000,000	10,009,239.36	EUR	0.18
ECP KLEPIERRE SA 15/06/2022	10,000,000	10,021,745.59	EUR	0.18
ECP KLEPIERRE SA 28/06/2022	11,000,000	11,025,202.23	EUR	0.20
ECP KLEPIERRE SA 29/08/2022	50,000,000	50,145,725.32	EUR	0.91
ECP LEGRAND FRANCE 04/02/2022	76,000,000	76,036,610.21	EUR	1.38
ECP NORDEA BANK ABP 06/10/2022	30,000,000	30,121,520.45	EUR	0.55
ECP OP CORPORATE BANK PLC 04/11/2022	40,000,000	40,165,313.58	EUR	0.73
ECP ORANGE SA 06/01/2022	30,000,000	30,002,750.75	EUR	0.55
ECP ORANGE SA 07/01/2022	30,000,000	30,003,208.68	EUR	0.55
ECP ORANGE SA 17/06/2022	55,000,000	55,131,248.06	EUR	1.00
ECP ORANGE SA 21/09/2022	50,000,000	50,176,840.88	EUR	0.91
ECP SCHNEIDER ELECTRIC SE 15/02/2022	43,000,000	43,029,665.25	EUR	0.78
ECP SCHNEIDER ELECTRIC SE 24/01/2022	25,000,000	25,009,003.91	EUR	0.46
ECP SNAM SPA 06/05/2022	40,000,000	40,064,885.88	EUR	0.73
ECP SNAM SPA 09/03/2021	24,000,000	24,022,656.30	EUR	0.44
ECP SNAM SPA 16/03/2022	30,000,000	30,031,251.27	EUR	0.55
ECP SNAM SPA 28/04/2022	47,000,000	47,071,473.02	EUR	0.86
ECP SUEZ SA 16/03/2022	60,000,000	60,063,755.17	EUR	1.09

Name of security	Qty in number or nominal	Stock market value	Curre ncy	% Net assets
ECP SVENSKA HANDELSBANKEN AB 05/05/2022	40,000,000	40,075,526.60	EUR	0.73
ECP SVENSKA HANDELSBANKEN AB 10/06/2022	50,000,000	50,118,793.29	EUR	0.91
ECP SVENSKA HANDELSBANKEN AB 13/06/2022	40,000,000	40,096,829.24	EUR	0.73
ECP SVENSKA HANDELSBANKEN AB 17/10/2022	48,000,000	48,190,459.14	EUR	0.88
ECP SVENSKA HANDELSBANKEN AB 18/11/2022	49,000,000	49,211,373.12	EUR	0.90
ECP SVENSKA HANDELSBANKEN AB 22/09/2022	30,000,000	30,108,742.12	EUR	0.55
ECP SVENSKA HANDELSBANKEN AB 23/11/2022	17,000,000	17,074,348.10	EUR	0.31
ECP TERNA RETE ELETTRICA NAZIONALE 09/06/2022	60,000,000	60,112,224.14	EUR	1.09
ECP THERMO FISHER SCIENTIFIC IVGN BV 07/01/2022	17,000,000	17,001,719.06	EUR	0.31
ECP THERMO FISHER SCIENTIFIC IVGN BV 07/03/2022	30,000,000	30,026,930.15	EUR	0.55
ECP THERMO FISHER SCIENTIFIC IVGN BV 08/03/2022	30,000,000	30,027,344.15	EUR	0.55
ECP UBS AG LONDON 09/11/2022	45,000,000	45,189,155.94	EUR	0.82
ECP UBS AG 17/03/22	35,000,000	35,039,915.91	EUR	0.64
ECP UBS AG LONDON 17/11/2022	30,000,000	30,129,042.43	EUR	0.55
ECP UNICREDIT SPA 01/06/2022	50,000,000	50,101,532.97	EUR	0.91
ECP UNICREDIT SPA 06/04/2022	61,000,000	61,083,197.68	EUR	1.11
ECP UNICREDIT SPA 31/03/2022	35,000,000	35,044,689.04	EUR	0.64
ECP VEOLIA ENVIRONNEMENT 01/09/2022	15,000,000	15,048,027.13	EUR	0.27
ECP VEOLIA ENVIRONNEMENT 06/10/2022	30,000,000	30,109,805.64	EUR	0.55
ECP VEOLIA ENVIRONNEMENT 09/09/2022	20,000,000	20,066,137.21	EUR	0.37
ECP VEOLIA ENVIRONNEMENT 12/08/2022	35,000,000	35,104,242.24	EUR	0.64
ECP VEOLIA ENVIRONNEMENT 13/06/2021	15,000,000	15,034,937.80	EUR	0.27
ECP VEOLIA ENVIRONNEMENT 18/07/2022	25,000,000	25,069,322.08	EUR	0.46
ECP VEOLIA ENVIRONNEMENT 19/01/2022	20,000,000	20,005,808.00	EUR	0.36
ECP VEOLIA ENVIRONNEMENT 24/03/2022	25,000,000	25,031,152.24	EUR	0.46
TOTAL Short-term notes (NEW CP), non-financial issuers		<b>3,602,765,247.91</b>		<b>65.55</b>
TOTAL Euro-Commercial Paper		<b>3,602,765,247.91</b>		<b>65.55</b>
TOTAL Debt instruments not traded on a regulated market or similar		<b>3,602,765,247.91</b>		<b>65.55</b>
TOTAL Debt securities		<b>3,959,998,819.23</b>		<b>72.05</b>
T000010222 -0.6/ESTR	-60,000,000	19,721.78	EUR	0.00
T000010222 -0.6/ESTR	-33,174,423	11,541.43	EUR	0.00
T000010323 -0.5/ESTR	-150,000,000	62,702.05	EUR	0.00
T000040222 -0.5/ESTR	<b>-100,000,000</b>	22,612.29	EUR	0.00
T000060122 -0.5/OIS	<b>-10,000,000</b>	2,901.12	EUR	0.00
T000070121 -0.5/ESTR	-30,000,000	9,603.99	EUR	0.00
T000070122 -0.5/ESTR	-40,000,000	8,317.14	EUR	0.00
T000070323 -0.5/ESTR	-20,000,000	8,652.19	EUR	0.00
T000100122 -0.5/ESTR	-50,261,723	10,630.70	EUR	0.00
T000140922 -0.5/ESTR	-50,000,000	1,925.23	EUR	0.00
T000150122 -0.5/ESTR	-60,000,000	8,654.93	EUR	0.00
T000150123 -0.5/ESTR	-22,700,000	4,964.39	EUR	0.00
T000150323 -0.5/ESTR	-14,782,000	6,856.94	EUR	0.00
T000161122 -0.5/ESTR	-25,000,000	2,096.87	EUR	0.00
T000171122 -0.5/ESTR	-30,149,373	-2,284.55	EUR	0.00
T000181122 -0.5/ESTR	-49,253,986	-1,853.24	EUR	0.00
T000190122 -0.5/ESTR	-20,094,477	4,881.50	EUR	0.00
T000190122 -0.5/ESTR	-50,000,000	10,157.52	EUR	0.00
T000200223 -0.5/ESTR	-30,000,000	11,052.63	EUR	0.00
T000210423 -0.5/ESTR	-17,000,000	3,878.60	EUR	0.00
T000221122 -0.5/ESTR	-150,000,000	465.10	EUR	0.00
T000231122 -0.5/ESTR	-17,088,361	99.55	EUR	0.00
T000240323 -0.5/ESTR	-33,524,000	17,622.97	EUR	0.00
T000260822 -0.5/ESTR	-200,000,000	25,688.59	EUR	0.00
T000280223 -0.5/ESTR	-17,700,000	16,350.17	EUR	0.00
T000290922 -0.5/0.00	<b>-100,000,000</b>	-2,964.42	EUR	0.00



Name of security	Qty in number or nominal	Stock market value	Curre ncy	% Net assets
T000291022 -0.5/ESTR	-150,000,000	-3,362.66	EUR	0.00
T000301022 -0.5/ESTR	-100,000,000	3,537.48	EUR	0.00
<b>TOTAL Interest rate swaps (IRS)</b>		<b>264,450.29</b>		<b>0.00</b>
<b>TOTAL Swaps</b>		<b>264,450.29</b>		<b>0.00</b>
<b>TOTAL Financial futures</b>		<b>264,450.29</b>		<b>0.00</b>
DP AT FIX -0.56 31122	90,000,000	89,998,600.00	EUR	1.64
DP AT FIX -0.58 31122	308,064,000	308,059,036.75	EUR	5.60
DP AT FIX -0.58 31122	246,501,000	246,497,028.59	EUR	4.49
<b>TOTAL Deposits</b>		<b>644,554,665.34</b>		<b>11.73</b>
<b>TOTAL Deposits and other financial instruments</b>		<b>644,554,665.34</b>		<b>11.73</b>



AXA IM EURO LIQUIDITY SRI

**Management company:** AXA Investment Managers Paris – Registered office: Tour Majunga – La Défense  
9 –  
6, Place de la Pyramide – 92800 Puteaux – Lead portfolio management company under  
FMA approval no. GP 92-08 dated 7 April 1992  
Limited Company with capital of 1,384,380 Euros – SIREN 353 534 506 RCS Nanterre

