



AXA Framlington is a leading equity expertise within the AXA Investment Managers Group, with teams in London and Paris.

We are primarily a bottom-up, active equity manager. This fundamental approach to stock selection, combined with the experience of our team of fund managers, focuses on delivering long-term investment performance for our clients.

We offer competitive products backed up with excellent service. Our structure and size creates a dynamic environment for our fund managers. This encourages a high level of personal responsibility in which both individual flair and teamwork flourish.

AXA Framlington funds under management exceed £53.4 billion (as at 31 October 2013).

AXA Framlington Health Fund

For the Year ended 31 October 2013

Investment objective and policy

Capital growth through investment in healthcare and medical services and product companies worldwide. Investment will be in producers of pharmaceuticals, biotechnology firms, medical device and instrument manufacturers, distributors of healthcare products, care providers and managers and other healthcare services companies.

Results

Unit Class	Unit Type	Price at 31.10.12 (p)	Price at 31.10.13 (p)	Unit Class Performance	Comparative Benchmark***
R	Acc*	846.4	1,102	30.20%	31.84%^
Z	Acc*	106.8	140.1	31.18%	31.84%^
R	Inc**	846.3	1,102	30.21%	29.49%^^

* Acc units include net revenue reinvested, total return. ** Inc units do not include net revenue reinvested, capital return dividends excluded. *** Please note that the comparative benchmark changed from Total Return to Net Return to allow better comparison of the Fund's performance against the rest of the industry. ^ MSCI World Healthcare Net Return Index. ^^ MSCI World Healthcare Capital Return Index. Past performance is not a guide to future returns. Source of all performance data: AXA Investment Managers and Lipper, bid to bid, to 31 October 2013.

Review

We are pleased to report a strong result for the year under review. Financial markets continued on their upward trajectory with certain indices, such as the S&P 500 Index, reaching record highs. Encouraging broad signs of continued economic recovery, as well as a somewhat higher appetite for equities from investors, contributed to this performance. It has not all been plain sailing though, and the market was unsettled over the summer as it digested the prospect of a gradual end to quantitative easing by the US Federal Reserve. While markets were also disturbed by the theatrical budget deficit negotiations, leading to a temporary government shutdown in the US, they were quick to recover on the successful conclusion of these negotiations and the raising of the debt ceiling. Globally, performance from emerging markets has been more muted as investors question the growth trajectory in these markets. Meanwhile, the period under review saw European markets shrug off a banking crisis in Cyprus and enjoy strong performance too.

The prevailing dogma is that, within such buoyant equity market environment, the healthcare sector would likely underperform, owing to its perceived lower risk, defensive characteristics. However, we are pleased to report that the period under review was another outstanding year for the healthcare sector. The AXA Framlington Health Fund's reference benchmark, the MSCI World Healthcare Index, returned +31.84% during the review period, comparing very favourably to the broader MSCI World Index return of +26.83%. There are a number of factors contributing to the healthcare sector's relative outperformance – investors have been attracted to the high yielding constituents, such as the large cap pharmaceutical industry, as well as the strong fundamentals in the higher growth areas of the sector, such as the large cap biotechnology industry. Investors have also been attracted to areas of the sector that stand to gain from the long anticipated increase in patient volumes as a result of US Healthcare Reform, which will begin in 2014. All of these characteristics, combined with attractive valuations, contributed to the outperformance.

AXA Framlington Health Fund

For the Year ended 31 October 2013

During the year under review, the Fund returned +30.20%. We consider this performance to be very encouraging, given the Fund weathered a couple of painful reminders about the binary risk inherent in the biotechnology industry.

At the industry level, the strongest asset allocation-based contribution to performance came from the Fund's underweight position in large cap pharmaceuticals industry. Despite the attractive dividend yield paid by many of these companies, this industry lagged others in the sector, as investor concerns regarding emerging market growth contributed to greater scrutiny of the growth trajectory for these companies. Another industry that is noteworthy for its positive contribution to Fund performance is the overweight position in the distributors – companies that deliver pharmaceuticals from the manufacturers to the pharmacies. These companies have been re-rated higher, from low valuations, and stand to gain from any increase in prescription volumes as a result of new patients entering the US healthcare system in 2014. As a group, the distributors delivered returns of +56% during the review period, greatly outperforming other areas of the sector. Unfortunately, asset allocation has not all been positive and the Fund has suffered from an overweight stance in the dialysis industry. While the drivers of demand for dialysis remain strong, the companies have been caught up in cost savings initiatives in the US. In July, a proposal was released to reduce the reimbursement for these companies. While the final rule (expected to be released in November 2013) will likely be less onerous than the initial proposal, the near term operating environment could be challenging.

Drilling down to look at the key stocks driving performance, the biggest positive contributor was DexCom. This is a medical device company that is focused on developing continuous glucose monitoring devices for patients suffering from diabetes. The company is outperforming expectations for the sale of its next generation sensor and reported a very strong set of Q2 and Q3 financial results. During the year under review, DexCom shares returned +119%. Other strong performers from the medical device industry included NuVasive (+121%) and Mako Surgical (+97%). Mako Surgical is an innovative company focused on the orthopaedic market and improving the placement of hip and knee implants through the use of robotics. Stryker announced its intention to acquire the company in September.

While on the subject of consolidation, it would be remiss to omit a number of holdings in other industries, such as specialty pharmaceuticals. Both Trius Pharmaceuticals and Optimer

Pharmaceuticals have been acquired, returning +149% and +33%, respectively. Elsewhere, Warner Chilcott, a specialty pharmaceutical company, was acquired by Actavis and returned +103% during the review period.

At the stock specific level, the main detractors from performance were biotechnology companies Affymax and Ariad. The former was discussed in the semi-annual report and, having exited the position, there is nothing noteworthy to add. Ariad is a biotech company focused on the treatment of rare cancers. Their lead compound, Iclusig, received accelerated approval by the Food and Drug Administration (FDA) in December 2012 and launched shortly thereafter. It was therefore very surprising and disappointing when the company announced, in October 2013, that the FDA had requested Ariad suspend its marketing and sales of Iclusig because of the risk of life threatening blood clots. The shares fell -90% during the review period. We are retaining our scaled back position until there is further clarity on the risk mitigation and the label changes needed to re-initiate marketing.

During the course of the year, we continued to invest in the major secular themes running through the portfolio. Under the theme of investing in innovation, the Fund added exposure to companies that develop medications to treat unmet medical needs. For example, we initiated a position in Biogen Idec on the strength of its portfolio of pipeline drugs for both multiple sclerosis and haemophilia. I am pleased to say that this investment has outperformed the comparative benchmark since we made the purchase.

Under the theme of investing in efficiency, we increased our exposure to the Contract Research Organisation (CRO) industry by participating in the Quintiles initial public offering (IPO) earlier in the year. The CRO industry is used by the biopharmaceutical industry to outsource the execution of clinical trials for pipeline drugs. The industry is emerging from a period of low growth as the biopharmaceutical industry has restructured its research and development pipeline, reducing the number of projects. Hopefully we are through the majority of this process and the trajectory of the CRO industry will be more visible as penetration of outsourcing continues.

Outlook

Given the strong performance of equities as an asset class during the year under review, it is appropriate to reflect on the sustainability of this performance. In the US, improving economic data is very encouraging, but one

cannot ignore the potential unsettling effects of tapering away accommodative monetary policy, as well as the need for Congress to negotiate a lasting solution regarding raising the debt ceiling. We remain optimistic that the healthcare sector will perform well going forward. While the sector has outperformed the broader markets for some time now, in our opinion, valuations remain supportive given the healthcare sector still trades below its long term average price/earnings multiple. Meanwhile, we are watching the implementation of healthcare reform unfold in the US. This will be one of the factors driving sector performance and will generate much headline noise. While there will be a lively debate around the trajectory of enrolment of new patients into the system, the likelihood is that there will be more patients with healthcare insurance by the end of 2014 than at the start, which should drive increased demand for healthcare goods and services. We remain optimistic that this will provide a meaningful contribution to volume growth for certain industries in the sector. Meanwhile, the innovative medical device and biopharmaceutical companies continue to bring novel, superior treatments to the market with recent launches performing better than expectations. In summary, we are hopeful that strong, improving fundamentals combined with reasonable valuations, will lead to another good year for the healthcare sector and the Fund.

Gemma Game

22 November 2013

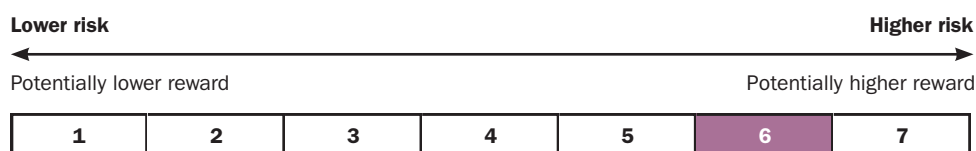
Source of all performance data: AXA Investment Managers and Lipper to 31 October 2013.

AXA Framlington Health Fund

For the Year ended 31 October 2013

Risk and reward profile

The Fund invests primarily in the shares of quoted companies on worldwide financial markets drawn from companies in the healthcare and medical services and product companies. As the Fund invests in a single sector it has the potential to be more volatile than a fund which invests in a more diversified portfolio of equities across a range of sectors. As many of these investments will be made in non sterling denominated listed equities, the value of the fund will not only be impacted by the market risk associated with investing in equities but also by exchange rate movements between those currencies and sterling in which the fund is based. The Fund also invests a limited proportion in emerging and newer markets which may involve a higher risk than investing in established markets. Such investments may involve a higher degree of risk than established markets due to heightened geopolitical risk in such countries (see below) and potential large currency volatility. The Fund's investment in companies fulfilling current medical needs is regarded as adopting a positive ethical stance, although investors should be aware that pharmaceutical companies are required by law to test their products on animals before entering clinical trials. Investors should consider carefully whether this investment risk is suitable for them. The value of investments and the income from them is not guaranteed and can go down as well as up.



The risk category is calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile. The risk category shown is not guaranteed and may shift over time. The lowest category does not mean risk free.

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which may be subject to sudden and significant variation, which may result in substantial gains or losses.

Additional risks

Geopolitical Risk: Investments in securities issued or listed in different countries may imply the application of different standards and regulations. Investments may be affected by movements of foreign exchange rates, changes in laws or restrictions application to such investments, changes in exchange control regulations or price volatility.

FUND FACTS

Lead Fund Manager	Gemma Game
Sector	Specialist
Comparative benchmark	MSCI World Health Care (Net Return)
Launch date	24 Apr 1987
Fund size at 31 Oct 2013	£336m
Fund size at 31 Oct 2012	£263m
Minimum investments	
Lump sum	R: £1,000 Z: £100,000
Minimum subscription	R: £100 / Z: £5,000
Net yield	
R Inc	Nil
R Acc	Nil
Z Acc #	0.17%
Unit type	Inc/Acc
Number of stocks	85
Initial charge	R: 5.50% / Z: 0.00%
Annual management charge	R: 1.50% / Z: 0.75%
Ongoing charges	
R Inc	1.57%
R Acc	1.57%
Z Acc #	0.82%
Accounting dates (interim)	30 Apr
Accounting dates (annual)	31 Oct
Distribution dates (interim)	30 Jun
Distribution dates (annual)	31 Dec

All data, source: AXA Investment Managers as at 31 October 2013.
Launched 16 April 2012

Top five purchases

For the year ended 31 October 2013

Sanofi
Roche
GlaxoSmithKline
Biogen Idec
Novartis

Top five sales

For the year ended 31 October 2013

Onyx Pharmaceuticals
Teva Pharmaceutical Industries
Thermo Fisher Scientific
Celgene
Stericycle

AXA Framlington Health Fund

For the Year ended 31 October 2013

Five year discrete annual performance %

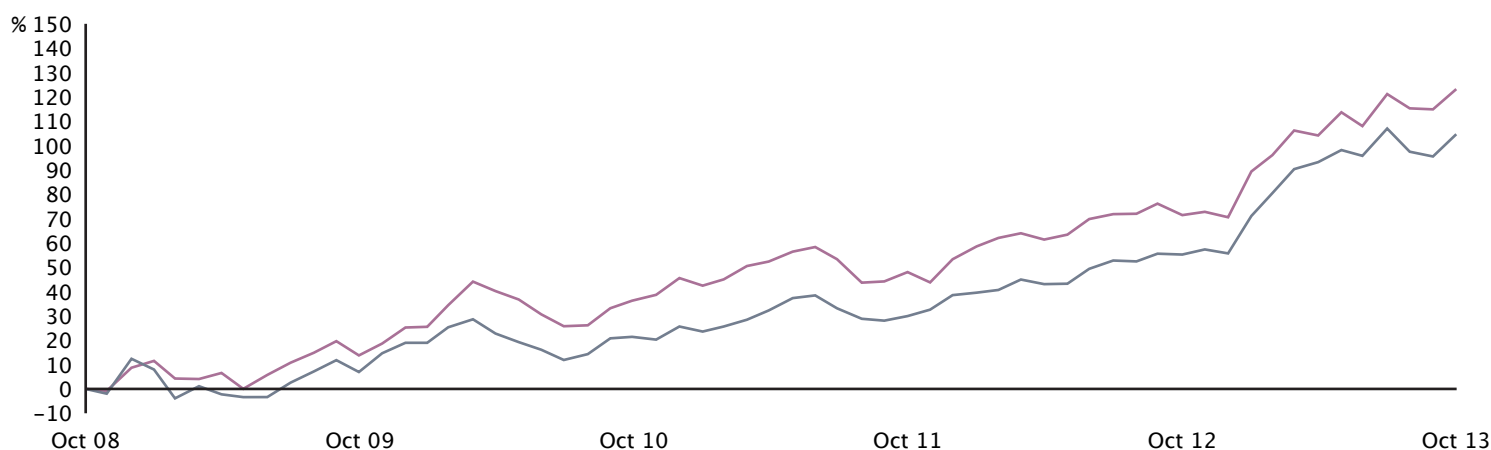
Oct 08 to Oct 09	Oct 09 to Oct 10	Oct 10 to Oct 11	Oct 11 to Oct 12	Oct 12 to Oct 13
13.77%	19.76%	8.62%	15.82%	30.20%

Past performance is not a guide to future returns. Sources: AXA Investment Managers and Lipper as at 31 October 2013. Basis: Bid to bid, with net revenue reinvested, net of fees in GBP. Performance is representative of R Acc class.

Cumulative fund performance versus comparative benchmark

as at 31 October 2013

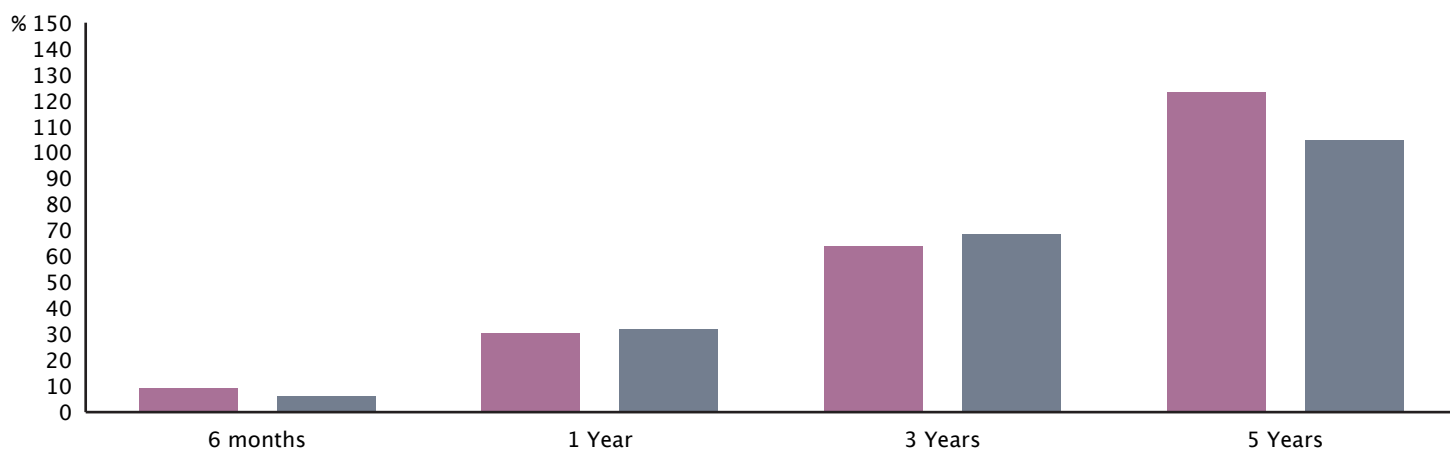
■ AXA Framlington Health Fund ■ MSCI World Health Care (Net Return)



Past performance is not a guide to future returns. Sources: AXA Investment Managers and Lipper as at 31 October 2013. Basis: Bid to bid, with net revenue reinvested, net of fees in GBP. Performance is representative of R Acc class.

as at 31 October 2013

■ AXA Framlington Health Fund ■ MSCI World Health Care (Net Return)



Past performance is not a guide to future returns. Sources: AXA Investment Managers and Lipper as at 31 October 2013. Basis: Bid to bid, with net revenue reinvested, net of fees in GBP. Performance is representative of R Acc class.

AXA Framlington Health Fund

For the Year ended 31 October 2013

Summary of historic prices and distributions

Year	Unit class	Unit type	Highest offer price (pence)	Lowest bid price (pence)	Total net distribution per unit (pence)
2008	R	Acc	601.8	459.6	Nil
2008	R	Inc	601.8	459.6	Nil
2009	R	Acc	670.3	472.1	Nil
2009	R	Inc	670.3	472.1	Nil
2010	R	Acc	770.9	614.5	Nil
2010	R	Inc	770.9	614.5	Nil
2011	R	Acc	846.7	638.3	Nil
2011	R	Inc	846.7	638.3	Nil
2012	R	Acc	935.3	751.3	Nil
2012	R	Inc	935.3	751.5	Nil
2012	Z	Acc	112.1	98.13	0.218
2013*+	R	Acc	1,174	846.5	Nil
2013*+	R	Inc	1,174	846.4	Nil
2013*+#	Z	Acc	140.9	107.0	0.235

* Highest offer and lowest bid price quoted at any time in the calendar year to 31 October 2013.

+ Distribution paid on 31 December 2013. # Launched 16 April 2012.

Net asset value record

Unit class	Unit type	Net asset value per unit as at 31 Oct 2013 (pence)	Net asset value per unit as at 31 Oct 2012 (pence)
R	Inc	1,104	849.0
R	Acc	1,102	849.1
Z#	Acc	139.9	107.1

Launched 16 April 2012. Please note, that the NAV prices shown above are different from the results prices as at 31.10.13. The differences are due to the fund performance tables taking the quoted valuation prices on the last day of the period, whereas the NAV table above is showing prices including any accounting adjustments at the end of the period (for example, notional dealing charges are removed).

ADDITIONAL INFORMATION

Report and accounts

The purpose of sending this Short Report for the Fund is to give you a summary of how the Fund has performed during the accounting period in accordance with the Collective Investment Schemes Sourcebook (COLL) Rules. If you would like any additional information about the Fund you can request a copy of the more detailed long form accounts for the Fund. For a copy of this, please contact our dedicated customer services team on 0845 777 5511.

European Savings Directive

The AXA Framlington Health Fund has been reviewed against the requirements of the directive 2003/48/EC on taxation of savings in the form of interest payments (ESD), in line with the HM Revenue & Customs debt investment reporting guidance notes. Under the Directive, information is collected about the payment of savings income to residents in certain other countries and is reported to HM Revenue & Customs to be exchanged with tax authorities in those countries. The AXA Framlington Health Fund does not meet the HM Revenue & Customs debt investment reporting thresholds. This means that no details of income distributions will be reported to HM Revenue & Customs.

AXA Framlington Health Fund

For the Year ended 31 October 2013

Top ten holdings as at 31 October 2013

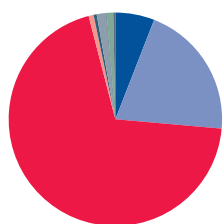
Company	Sector	%
Roche	Swiss Equities	6.08
Gilead Sciences	US Equities	3.97
Sanofi	French Equities	3.73
GlaxoSmithKline	UK Equities	3.71
Novartis	Swiss Equities	3.18
Express Scripts	US Equities	2.88
UnitedHealth	US Equities	2.78
Amgen	US Equities	2.61
Celgene	US Equities	2.42
McKesson	US Equities	2.31

Top ten holdings as at 31 October 2012

Company	Sector	%
Express Scripts	US Equities	3.36
UnitedHealth	US Equities	3.07
Pfizer	US Equities	2.94
Covidien	Irish Equities	2.46
Celgene	US Equities	2.42
McKesson	US Equities	2.36
Merck	US Equities	2.23
DaVita HealthCare	US Equities	2.22
Fresenius Medical Care	German Equities	2.10
Gilead Sciences	US Equities	2.10

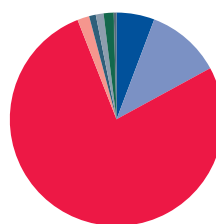
Portfolio breakdown

as at 31 October 2013



Sector	%
United Kingdom	5.92
Europe (ex UK & Eastern European)	20.48
North America	69.56
South America	0.77
Africa	0.46
Japan	1.51
Middle East	0.00
Australia	0.99
Net current assets (incl cash)	0.31

as at 31 October 2012



Sector	%
United Kingdom	5.75
Europe (ex UK & Eastern European)	11.31
North America	76.99
South America	1.81
Africa	1.01
Japan	1.19
Middle East	1.53
Australia	0.00
Net current assets (incl cash)	0.41

All data, source: AXA Investment Managers as at 31 October 2013

AXA Framlington Health Fund

For the Year ended 31 October 2013

Important information

Authorised Fund Manager and Investment Adviser

AXA Investment Managers UK Ltd
7 Newgate Street
London, EC1A 7NX

Authorised and regulated by the Financial Conduct Authority. Member of the IMA.

Trustee

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Trustee & Depositary Services
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3 Redheughs Avenue
Edinburgh, EH12 9RH

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0845 766 0184

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Our lines are open Monday to Friday between 9am and 5:30pm

Independent auditor

Ernst & Young LLP
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Edinburgh, EH2 2DZ

Registrar

AXA Investment Managers UK Ltd
7 Newgate Street
London, EC1A 7NX

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For more information on any AXA Framlington unit trust please contact us via our website or telephone number below.

Copies of the latest Manager's Report (long form) and Prospectus are available free of charge from the administration office: PO Box 10908, Chelmsford, CM99 2UT.

Telephone calls may be recorded or monitored for quality assurance purposes.

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