

**Interim Long Report and Unaudited Financial Statements**  
**Six Months ended**  
**30 April 2022**

## **AXA Framlington Health Fund**



**Issued by AXA Investment Managers UK Ltd authorised and regulated by the Financial Conduct Authority**

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\* These collectively comprise the Authorised Fund Manager's ("the Manager's") Report for the Trust.

More detailed information about AXA Investment Managers' UK funds is available on the Fund Centre of our website where you can find the Prospectus, Key Investor Information Document (KIID), annual reports and monthly fund factsheets at <https://retail.axa-im.co.uk/fund-centre>.

## **Fund Objective & Investment Policy**

The aim of AXA Framlington Health Fund (“the Fund”) is to provide long-term capital growth.

The Fund invests in shares of listed healthcare companies including producers of pharmaceuticals, biotechnology firms, medical device and instrument manufacturers, distributors of healthcare products, care providers and managers and other healthcare services companies, which the Manager believes will provide above-average returns. The Fund invests in companies of any size which can be based anywhere in the world albeit the Fund tends to be biased towards the US, as this is where the majority of healthcare related companies are based. The Manager selects shares based upon analysis of a company's financial status, quality of its management, expected profitability and prospects for growth.

The Manager has full discretion to select investments for the Fund in line with the above investment policy and in doing so may take into consideration the MSCI World Healthcare index. The MSCI World Healthcare index is designed to measure the performance of large and mid-cap segments across a number of developed markets as selected by the index provider. This index best represents the types of companies in which the Fund predominantly invests.

This Fund is actively managed in reference to the MSCI World Healthcare index, which may be used by investors to compare the Fund's performance.

## **Important Events During the Year**

The Russian invasion of Ukraine launched on 24 February 2022 has been negative for the global economy primarily as a result of the disruption it has caused in the supply of energy and other commodities. Inflation had already arisen as a concern following supply issues related to COVID and energy price hikes resulting from the conflict have worsened the situation. This, and the continuing geopolitical uncertainties raised by the war have led to high levels of market volatility. Bond yields have risen in anticipation of interest rate hikes, credit spreads have increased and there have been pronounced swings in equity prices as investors digest how the unpredictable news flow affects company earnings and countries' projected growth rates.

## Investment Review

Healthcare capital market performance was more challenging in 2021, although by year end the sector was within 1.5% of the broader US market. The first quarter of 2022 has been just as difficult with concerns on inflation outlook, the Russian Ukraine conflict and interest rate rises raising the threat of recession. Healthcare is a diverse sector dominated by the larger capitalisation biopharmaceutical names but offers access to quality growth in tools, medtech and biotechnology alongside less correlated sectors like healthcare providers, digital health and insurance. Despite significant underperformance during the period from subsectors such as biotechnology and healthcare tools (impacted by macro concerns), the healthcare sector has outperformed markets over the period under review, driven by the large cap pharma companies which continue to demonstrate defensive business fundamentals at below market valuations.

The AXA Framlington Health Fund underperformed its benchmark during the period under review. The Fund remains overweight the innovation focused, higher growth subsectors and underweight large cap pharmaceuticals which, given the above macro concerns, detracted from relative performance. More specifically at a stock level, our holding in Biogen detracted from performance. Despite the US commercial launch of the group's first-of-a-kind Alzheimer's Disease treatment, specialist doctor scepticism around the approval, clinical data and the launch price has impacted commercial success. The company has withdrawn commercial support and is looking for a new CEO. We continue to believe that if upcoming data from Biogen, Eisai, Eli Lilly and Roche demonstrate efficacy for this drug mechanism in Alzheimer's Disease, Biogen is well placed to capture significant market share which would impact the share price materially. Zai Labs also detracted from performance. The share price decline is driven by geopolitical tensions raising the risk that stocks are delisted from US exchanges. Company fundamentals remain sound, in our view. Outside of therapeutics Amedisys, a US home nursing company, disappointed versus expectations as COVID-19 continued to have a bigger impact on business, and recruiting and retaining staff has been challenging. The overall trend of patients and doctors preferring home care and healthcare payers seeking lower cost settings remains and should benefit this sector over the longer term.

The company has withdrawn commercial support and is looking for a new CEO. We continue to believe that if upcoming data from Biogen, Eisai, Eli Lilly and Roche demonstrate efficacy for this drug mechanism in Alzheimer's Disease, Biogen is well placed to capture significant market share which would impact the share price materially. Zai Labs also detracted from performance. The share price decline is driven by geopolitical tensions raising the risk that stocks are delisted from US exchanges. Company fundamentals remain sound, in our view. Outside of therapeutics Amedisys, a US home nursing company, disappointed versus expectations as COVID-19 continued to have a bigger impact on business, and recruiting and retaining staff has been challenging. The overall trend of patients and doctors preferring home care and healthcare payers seeking lower cost settings remains and should benefit this sector over the longer term.

Our large cap pharma holdings, Merck & Co, AstraZeneca and Eli Lilly all contributed positively to performance. We also successfully added a position in US drug distributor McKesson this year which has performed well. As a defensive business, we view the potential growth profile as undervalued and see several catalysts ahead which could materially improve the group's outlook. This remains a core holding in the Fund.

### Outlook

The value of healthcare innovation to the global economy has been undeniable over the last two years, delivering multiple safe and effective vaccines, treatments and diagnostics for a previously unknown disease. The industry demonstrated its capabilities in a high-profile way with COVID-19, but what is exciting for the long-term is that disruptive innovation is happening across the healthcare ecosystem. To highlight just a few examples, in the past year we have seen data showing algorithms combined with wearable blood glucose sensors and insulin pumps can produce superior results in managing diabetes. We've seen tantalising evidence that, in the future, many cancers could be accurately diagnosed at an early stage by a simple blood test. Further, we have seen potentially practise changing clinical data for obesity treatments that are finally on par with bariatric surgery. Within the next 12 months these drugs could show that they prevent heart attacks and stroke in obese, at-risk patients. Positive data here would likely change the way obesity is managed medically and open one of the larger market opportunities for pharmaceutical sales globally. We also await proof of concept on new

### Top Ten Holdings as at 30 April 2022

	%
<b>UnitedHealth</b>	<b>8.60</b>
<i>US Equities</i>	
<b>Merck &amp; Co</b>	<b>5.16</b>
<i>US Equities</i>	
<b>Eli Lilly</b>	<b>4.95</b>
<i>US Equities</i>	
<b>AstraZeneca</b>	<b>4.86</b>
<i>UK Equities</i>	
<b>Thermo Fisher Scientific</b>	<b>4.66</b>
<i>US Equities</i>	
<b>Anthem</b>	<b>3.27</b>
<i>US Equities</i>	
<b>GlaxoSmithKline</b>	<b>3.03</b>
<i>UK Equities</i>	
<b>Roche</b>	<b>2.70</b>
<i>Swiss Equities</i>	
<b>Medtronic</b>	<b>2.55</b>
<i>Irish Equities</i>	
<b>McKesson</b>	<b>2.48</b>
<i>US Equities</i>	

## Investment Review (Continued)

treatments for Alzheimer's Disease with Biogen/Eisai, Roche and Eli Lilly all expected to report late-stage clinical data. We expect these data points to be a meaningful determinant of sentiment in the sector in the later part of 2022.

The developments above represent investible innovations that offer long-term growth opportunities for the Fund. However, we must also be cognisant of the broader economic environment. Rising inflation, disruption to global supply chains and labour shortages in some industries present risks to growth for the broader market, and healthcare companies specifically. The impact on individual firms is difficult to predict in the short-term, increasing the risk of share price volatility if financial results do not keep pace with high investor expectations and challenging market sentiment. While retaining a balanced holding in larger capitalisation, defensive stocks with quality fundamentals the Fund continues to seek long term growth, and we retain our investment approach to build a balanced portfolio with growth and innovation at its core

As a long-term headwind for sector equity performance there continues to be investor focus on potential changes to healthcare legislation in the US, the largest market for healthcare. Healthcare spending accounts for almost one fifth of US gross domestic product and has historically grown faster than the rate of economic growth driven by an older population and an increasing prevalence of lifestyle diseases, such as obesity. It is clear that this path is not sustainable, and we favour changes that help build a long-term sustainable system. We see innovation as a key tool for containing rising healthcare costs. Current proposals if enacted are largely manageable for the sector, in our view.

Overall, the tailwinds driving healthcare utilisation are likely to continue and we believe key stakeholders in the healthcare system will continue to value innovation that drives up the standard of care and reduces burden on limited healthcare resources. We believe the Fund is well-positioned to benefit from these trends.

**Peter Hughes**  
**30 April 2022**

Source of all performance data: AXA Investment Managers, Morningstar to 30 April 2022.

Past performance is not a guide to future performance. All performance figures calculated as follows: Single Priced NAV (Net Asset Value) with net income reinvested, net of fees in GBP, gross of tax. Performance is representative of Z Acc Class.

## Portfolio Changes

For the six months ended 30 April 2022

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
Bristol-Myers Squibb	12,961	AbbVie	13,361
Sanofi	12,031	Roche	13,124
Align Technology	9,575	Zoetis	12,870
Novo Nordisk	9,454	Horizon Therapeutics	9,420
Argenx ADR	9,168	Gilead Sciences	8,715
Alnylam Pharmaceuticals	8,430	LHC	6,469
McKesson	6,987	Jazz Pharmaceuticals	6,269
Eli Lilly	5,466	Hill-Rom	6,086
Gilead Sciences	3,439	Teladoc Health	4,732
Daiichi Sankyo	3,256	Masimo	4,299
Other purchases	17,551	Other sales	31,282
<b>Total purchases for the period</b>	<b>98,318</b>	<b>Total sales for the period</b>	<b>116,627</b>

Stocks shown as ADRs represent American Depositary Receipts.

## Managing Risks

Past performance is not a guide to future performance. The price of units and the revenue from them can go down as well as up and investors may not get back the amount originally invested. An initial charge is usually made when you purchase units. Changes in exchange rates will affect the value of Fund investments overseas. Investment in smaller companies and newer markets offers the possibility of higher returns but may also involve a higher degree of risk.

The Fund is managed in accordance with the objective set out on page 3. By investing in financial markets there are associated risks and the following explains the Manager's approach to managing those risks.

### RISK 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 the 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.

### EQUITY RISK

The value of shares in which the Fund invests fluctuate pursuant to market expectations. The value of such shares will go up and down and equity markets have historically been more volatile than fixed interest markets. Should the price of shares in which the Fund has invested fall, the Net Asset Value of the Fund will also fall.

Funds investing in shares are generally more volatile than funds investing in bonds or a combination of shares and bonds, but may also achieve greater returns.

Internal investment guidelines are set, if necessary, to ensure equity risk is maintained within a range deemed suitable based on the Fund's investment objectives and investment policy.

### CURRENCY RISK

Assets of the Fund (including cash), and any income paid on those assets, may be denominated in a currency other than the base currency of the Fund. Changes in the exchange rate between the base currency and the currency of an asset may cause the value of the asset/income (expressed in the base currency) to fall as well as rise even if there is no change of the value of such assets in its local currency. This may also cause additional volatility in the Fund's price. It may not be possible or practicable to hedge against such exchange rate risk.

The Manager aims to reduce the risk of movements in exchange rates on the value of all or part of the assets of the Fund through the use of currency exchange transactions. The Fund may enter into currency exchange transactions either on a spot basis (i.e., exchanging at the current price) or through forward currency transactions (i.e., agreeing to purchase the currency at an agreed price at a future date). Neither spot transactions nor forward currency transactions will completely eliminate fluctuations in the prices of the Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. The performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

Although these transactions are intended to minimise the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. Forward currency transactions may also have the effect of reducing or enhancing the Fund's performance due to the difference between the exchange rate available on such transactions compared to the current (spot) exchange rate. Under normal market conditions this difference in exchange rates is mainly caused by the different short term interest rates applicable to the currency of the assets and the base currency of the Fund. Where the interest rate applying to the foreign currency is higher than that of the Fund's base currency, this can reduce the Fund's performance and vice-versa. This impact on performance is usually far less pronounced than the effect of fluctuations of exchange rates that the use of such transactions is intended to reduce, but the impact can be significant over time, particularly where there is a wide gap between the interest rates applicable to the two currencies. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. Therefore, the successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. Furthermore, it may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the Fund from the anticipated decline in value of its assets as a result of such fluctuations.

Internal investment guidelines are set, if necessary, to ensure currency risk is maintained within a range deemed suitable based on the Fund's investment objectives and investment policy.

## INDUSTRY SECTOR OR REGION RISK

The Fund may invest in a portfolio of shares which is focused towards one particular market sector or geographic region. This focus may result in higher risk when compared to the Fund that has spread or diversified investments more broadly. Some sectors and regions can experience rapid and extreme price movements when compared with movements in securities markets generally. Investors should note that funds with a specific focus should be considered for investment as part of a wider diversified portfolio.

Internal investment guidelines seek to ensure suitable levels of diversification based on the Fund's investment objectives and investment policy.

## SMALLER COMPANIES RISK

Investments in smaller companies offers the possibility of higher return but also involve a higher degree of risk than investment in well established, larger companies. The shares of smaller companies can be more volatile which may lead to increased volatility in the price of the units of the Fund.

This is an inherent risk for funds invested within smaller companies. Investment guidelines (including diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with the Fund's investment objectives and investment policy.



## RISK AND REWARD PROFILE



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. There has been no change from prior year.

## 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

**Liquidity risk:** Under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, smaller company shares may trade infrequently and in small volumes and corporate and emerging market bonds may be affected by the demand in the market for such securities carrying credit risk, particularly in times of significant market stress. As a result, it may not be possible to buy or sell such investments at a preferred time, close to the last market price quoted or in the volume desired. The Manager may be forced to buy or sell such investments as a consequence of unitholders buying or selling units in the Fund. Depending on market conditions at the time, this could lead to a significant drop in the Fund's value.

Monthly monitoring is conducted, using an in-house liquidity tool, to ensure a high degree of confidence that Fund liquidity will meet the Fund's expected liquidity requirements. Any concerns indicated by the tool are analysed by the Manager's risk team who may also discuss the results with portfolio management staff, or other senior professionals within the firm, as needed, to ensure an appropriate scrutiny.

Based on the analysis, the Manager believes that the liquidity profile of the Fund is appropriate.

Further explanation of the risks associated with an investment in this Fund can be found in the prospectus.

## Fund Information

### FIVE YEAR PERFORMANCE

In the five years to 30 April 2022, the price of Z Accumulation units, with net income reinvested, rose by +61.56% . The MSCI World Health Care Index (Net Return) increased by +76.93% over the same time period. During the same period, the price of Z Income units, with zero income reinvested, rose by +59.45%. (Source: AXA Investment Managers and Morningstar) (Prices in GBP).

### FIVE YEAR DISCRETE PERFORMANCE (DISCRETE YEARS TO LATEST REPORTING DATE)

Date	AXA Framlington Health Z Acc	MSCI World Health Care (NR)
30 Apr 2017- 30 Apr 2018	-1.78%	+1.56%
30 Apr 2018- 30 Apr 2019	+9.86%	+14.43%
30 Apr 2019- 30 Apr 2020	+17.60%	+19.46%
30 Apr 2020- 30 Apr 2021	+15.10%	+9.46%
30 Apr 2021- 30 Apr 2022	+10.62%	+16.44%

Source: AXA Investment Managers & Morningstar. Basis: Single Price NAV, with net revenue reinvested, net of fees in GBP.

Past performance is not a guide to future performance.

### YIELD

A Acc	0.54%
R Inc	Nil
R Acc	Nil
Z Inc	0.40%
Z Acc	0.40%

### CHARGES

	Initial Charge	Annual Management Charge
A*	Nil	0.65%
R	Nil	1.50%
Z	Nil	0.75%

\*Units in Class ZI are only available at the Manager's discretion by contractual agreement.

### ONGOING CHARGES\*\*

A Acc	0.72%
R Inc	1.57%
R Acc	1.57%
Z Inc	0.82%
Z Acc	0.82%

\*\*For more information on AXA's fund charges and costs please use the following link  
<https://retail.axa-im.co.uk/fund-charges-and-costs>

### UNIT TRUST INDIVIDUAL SAVINGS ACCOUNTS

The AXA Framlington Health Fund is available as a Stocks and Shares ISA through the AXA Investment Managers Stocks and Shares ISA.

## Comparative Tables

	A Acc		
	30/04/2022	31/10/2021	31/10/2020
Closing net asset value per unit (p) <sup>†</sup>	239.31	237.57	194.70
Closing net asset value <sup>†</sup> (£'000)	2,759	2,374	2,080
Closing number of units	1,152,802	999,288	1,068,339
Operating charges <sup>^</sup>	0.72%	0.73%	0.72%

	R Inc			R Acc		
	30/04/2022	31/10/2021	31/10/2020	30/04/2022	31/10/2021	31/10/2020
Closing net asset value per unit (p) <sup>†</sup>	2,880.55	2,871.79	2,373.60	2,880.75	2,872.44	2,373.78
Closing net asset value <sup>†</sup> (£'000)	7,999	8,204	8,352	206,460	215,763	196,475
Closing number of units	277,713	285,670	351,851	7,166,875	7,511,482	8,276,903
Operating charges <sup>^</sup>	1.57%	1.58%	1.57%	1.57%	1.58%	1.57%

	Z Inc			Z Acc		
	30/04/2022	31/10/2021	31/10/2020	30/04/2022	31/10/2021	31/10/2020
Closing net asset value per unit (p) <sup>†</sup>	192.86	191.76	157.77	390.38	387.74	318.09
Closing net asset value <sup>†</sup> (£'000)	58,496	58,603	49,288	329,784	326,817	272,578
Closing number of units	30,330,395	30,560,121	31,240,287	84,477,343	84,287,940	85,691,444
Operating charges <sup>^</sup>	0.82%	0.83%	0.82%	0.82%	0.83%	0.82%

<sup>†</sup> Valued at bid-market prices.

<sup>^</sup> Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in expenses within the Statement of Total Return. The figures used within the table have been calculated against the average Net Asset Value for the accounting period.

## Portfolio Statement

The AXA Framlington Health portfolio as at 30 April 2022 consisted of the following investments, which are ordinary shares unless otherwise stated.

Holding	Market value £'000	Total net assets (%)
EUROPE (excluding UK & EASTERN EUROPE): 17.00% (31/10/2021: 17.19%)		
Belgium: 1.27% (31/10/2021: 1.22%)		
84,119 UCB	7,700	1.27
	<b>7,700</b>	<b>1.27</b>
Denmark: 1.54% (31/10/2021: 0.00%)		
102,410 Novo Nordisk	9,316	1.54
	<b>9,316</b>	<b>1.54</b>
France: 2.17% (31/10/2021: 0.00%)		
153,398 Sanofi	13,152	2.17
	<b>13,152</b>	<b>2.17</b>
Ireland: 5.00% (31/10/2021: 8.09%)		
129,300 Horizon Therapeutics	10,403	1.72
25,032 ICON	4,440	0.73
182,609 Medtronic	15,412	2.55
	<b>30,255</b>	<b>5.00</b>
Netherlands: 1.44% (31/10/2021: 0.00%)		
38,595 Argenx ADR	8,744	1.44
	<b>8,744</b>	<b>1.44</b>
Sweden: 0.66% (31/10/2021: 1.06%)		
296,229 Medcover	3,990	0.66
	<b>3,990</b>	<b>0.66</b>

## Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
<b>Switzerland: 4.92%</b> <b>(31/10/2021: 6.82%)</b>			
18,273	Lonza	8,640	1.43
68,100	PolyPeptide	4,762	0.79
55,267	Roche	16,373	2.70
		<b>29,775</b>	<b>4.92</b>
<b>JAPAN: 0.60%</b> <b>(31/10/2021: 0.00%)</b>			
180,100	Daiichi Sankyo	3,636	0.60
		<b>3,636</b>	<b>0.60</b>
<b>NORTH AMERICA: 69.37%</b> <b>(31/10/2021: 72.50%)</b>			
<b>Cayman Islands: 0.62%</b> <b>(31/10/2021: 1.08%)</b>			
119,554	Zai Lab ADR	3,755	0.62
		<b>3,755</b>	<b>0.62</b>
<b>United States of America: 68.75%</b> <b>(31/10/2021: 71.42%)</b>			
113,549	AbbVie	13,989	2.31
26,300	Align Technology	6,309	1.04
57,800	Alnylam Pharmaceuticals	6,517	1.08
42,872	Amedisys	4,455	0.74
48,729	Anthem	19,832	3.27
158,218	Axonics	6,595	1.09
57,414	Becton Dickinson	11,455	1.89
51,431	Biogen	8,523	1.41
176,404	BioMarin Pharmaceutical	11,471	1.89
266,925	Boston Scientific	8,985	1.48
218,517	Bristol-Myers Squibb	13,287	2.19
108,431	Catalent	7,685	1.27
75,099	CONMED	8,068	1.33
29,957	Cooper	8,805	1.45
32,040	DexCom	10,424	1.72
118,646	Edwards Lifesciences	10,259	1.69
127,931	Eli Lilly	29,953	4.95
11,482	Embecta	279	0.05
138,745	Exact Sciences	6,287	1.04
108,088	Globus Medical	5,664	0.94
81,910	Guardant Health	4,146	0.68
28,418	HCA Healthcare	4,902	0.81
151,823	Hologic	8,532	1.41
39,230	Humana	14,185	2.34

## Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
347,809	Insmed	6,120	1.01
46,811	IQVIA	8,095	1.34
59,402	McKesson	15,000	2.48
447,523	Merck & Co	31,237	5.16
514,404	Mirum Pharmaceuticals	9,626	1.59
149,561	Phreesia	2,826	0.47
25,700	Regeneron Pharmaceuticals	13,664	2.26
122,594	Tandem Diabetes Care	9,504	1.57
64,180	Thermo Fisher Scientific	28,241	4.66
210,306	TransMedics	3,621	0.60
101,280	Ultragenyx Pharmaceutical	5,664	0.94
126,014	UnitedHealth	52,060	8.60
		<b>416,265</b>	<b>68.75</b>
<b>UNITED KINGDOM: 8.99%</b>			
<b>(31/10/2021: 7.89%)</b>			
281,809	AstraZeneca	29,410	4.86
163,844	Bicycle Therapeutics ADR	3,111	0.51
1,020,808	GlaxoSmithKline	18,328	3.03
1,154,000	Oxford Nanopore Technologies	3,600	0.59
		<b>54,449</b>	<b>8.99</b>
Investments as shown in the balance sheet		581,037	95.96
Net current assets		24,461	4.04
<b>Total net assets</b>		<b>605,498</b>	<b>100.00</b>

Stocks shown as ADRs represent American Depositary Receipts.

## Statement of Total Return

For the six months ended 30 April

	£'000	2022 £'000	£'000	2021 £'000
Income				
Net capital gains		2,217		56,666
Revenue	3,563		3,855	
Expenses	(3,202)		(3,138)	
Interest payable and similar charges	-		-	
Net revenue before taxation	361		717	
Taxation	(510)		(564)	
Net (expense)/revenue after taxation		(149)		153
<b>Total return before distributions/equalisation</b>		<b>2,068</b>		<b>56,819</b>
Distributions/equalisation		(397)		25
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>1,671</b>		<b>56,844</b>

## Statement of Change in Net Assets Attributable to Unitholders

For the six months ended 30 April

	£'000	2022 £'000	£'000	2021 £'000
Opening net assets attributable to unitholders		611,761		528,773
Amounts receivable on creation of units	13,342		20,788	
Amounts payable on cancellation of units	(21,637)		(24,607)	
		(8,295)		(3,819)
Change in net assets attributable to unitholders from investment activities		1,671		56,844
Retained distribution on accumulation units		361		-
<b>Closing net assets attributable to unitholders</b>		<b>605,498</b>		<b>581,798</b>

The above statement shows the comparative closing net assets at 30 April 2021 whereas the current accounting period commenced 1 November 2021.

## Balance Sheet

As at

	30 April 2022 £'000	31 October 2021 £'000
<b>ASSETS</b>		
Fixed assets		
Investments	581,037	596,946
Current assets		
Debtors	1,163	548
Cash and bank balances	24,876	15,655
<b>Total assets</b>	<b>607,076</b>	<b>613,149</b>
<b>LIABILITIES</b>		
Creditors		
Distribution payable	63	171
Other creditors	1,515	1,217
<b>Total liabilities</b>	<b>1,578</b>	<b>1,388</b>
<b>Net assets attributable to unitholders</b>	<b>605,498</b>	<b>611,761</b>



## **Notes to the Financial Statements**

### **Accounting policies**

The Financial Statements have been prepared on a historical cost basis, as modified by the revaluation of investments, and in accordance with Financial Reporting Standard 102 ("FRS 102") and the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association ("IMA") in May 2014, and amended in June 2017. The Financial Statements have been prepared on a going concern basis. The Financial Statements are prepared in accordance with the Trust Deed and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL").

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2021 and are described in those annual financial statements.

## Distribution Tables

For the year ended 30 April 2022

		Net revenue	Equalisation	Distribution payable/paid	
				Current year	Prior year
<b>A Accc</b>					
Interim	Group 1	0.375	-	0.375	-
	Group 2	0.021	0.354	0.375	-
<b>R Inc</b>					
Interim	Group 1	-	-	-	-
	Group 2	-	-	-	-
<b>R Acc</b>					
Interim	Group 1	-	-	-	-
	Group 2	-	-	-	-
<b>Z Inc</b>					
Interim	Group 1	0.209	-	0.209	-
	Group 2	0.133	0.076	0.209	-
<b>Z Acc</b>					
Interim	Group 1	0.423	-	0.423	-
	Group 2	0.213	0.210	0.423	-

(All figures shown in pence per unit)

Units are classified as Group 2 for the following period in which they were acquired, thereafter they rank as Group 1 units.

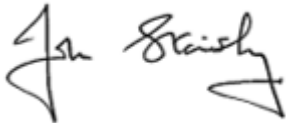
Equalisation is the average amount of income included in the purchase price of Group 2 units and is refundable to holders of these units as a return of capital. Being a capital item it is not liable to income tax, but must be deducted from the cost of units for capital gains tax purposes.

The relevant period for Group 2 units and the payment/transfer dates are shown below:

	Group 2 units from	to	Group 1 & 2 units paid/transferred
Interim	01.11.21	30.04.22	30.06.22

**DIRECTORS' APPROVAL**

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL"), the contents of this report have been approved on behalf of AXA Investment Managers UK Limited by:



John Stainsby  
Director  
27<sup>th</sup> June 2022



Amanda Prince  
Director  
27<sup>th</sup> June 2022

## **Further Information**

### **THE SECURITIES FINANCING TRANSACTIONS REGULATION**

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) or total return swaps will be required on all reports & accounts published after 13 January 2017. During the period to 30 April 2022 and at the balance sheet date, the Fund did not use SFTs or total return swaps, as such no disclosure is required.

## Directory

### The Manager

AXA Investment Managers UK Limited  
22 Bishopsgate  
London, EC2N 4BQ

Authorised and regulated by the Financial Conduct Authority.  
Registered in England and Wales No. 01431068.  
The company is a wholly owned subsidiary of AXA S.A., incorporated in France.  
Member of the IA.

### The Administrator and address for inspection of Register:

SS&C Financial Services International Limited and SS&C Financial Services Europe Limited  
SS&C House  
St Nicholas Lane  
Basildon Essex, SS15 5FS  
Authorised and regulated by the Financial Conduct Authority.

### Trustee

HSBC Global Trustee & Fiduciary Services (UK)  
8 Canada Square,  
London, E14 5HQ  
HSBC Bank plc is a subsidiary of HSBC Holdings plc.  
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

### Fund Accounting Administrator

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