

Annual Long Report and Audited Financial Statements
Year ended
15 May 2022

AXA Framlington UK Sustainable Equity 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 UK Sustainable Equity Fund ("the Fund") is to provide long-term capital growth over a period of 5 years or more.

The Fund has at least 70% of its investments in shares of companies domiciled, incorporated or having significant business in the UK which the Manager believes will provide above-average returns. The Fund invests principally (meaning at least 80% of its assets) in large and medium-sized companies.

The Manager aims to select companies that it deems will create a net positive contribution to society. These companies will either demonstrate leadership on sustainability issues through strong environmental, social and governance (ESG) practices (leaders) or that have shown a clear commitment to improve their ESG practices (companies in transition). The majority of the Fund's investments (50% or more) will be in "leaders". The Manager will actively engage on sustainability issues with a particular focus on "companies in transition". The Manager will also analyse a company's financial status, quality of its management, expected profitability and prospects for growth when selecting shares.

To avoid investing in issuers which present excessive degrees of ESG risk, the Manager applies AXA IM Group's sector specific investment guidelines relating to responsible investment to the Fund. Such guidelines exclude investment in (or exposure to) certain companies based on their involvement in specific sectors (such as soft commodity derivatives, palm oil, controversial weapons and climate risks).

The Manager also applies the AXA Investment Managers' ESG Standards policy. This policy excludes investment in companies based on: their contribution to climate change; tobacco production; manufacture of controversial weapons; human rights; anti-corruption and other environmental, social and governance (ESG) factors.

Further, in selecting investments, the Manager will, in addition to the application of the above policies, take into account the issuer's ESG score (using an ESG scoring system as detailed in the AXA Investment Managers' ESG Standards policy). The Manager will use the ESG score as one factor within its broader analysis of the issuer to make selections which are expected to generate sustained growth and returns over time. It is, however, just one component of the Manager's investment process and ESG scores are not the principal driver of investment decision making. If an investment no longer meets the criteria above, the Manager will disinvest in accordance with its best execution policy.

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 FTSE All Share index. The FTSE All Share index is designed to measure the performance of all eligible companies listed on the London Stock Exchange. This index best represents the types of companies in which the Fund predominantly invests.

This Fund is actively managed in reference to the FTSE All Share 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.

CHANGE OF TRUSTEE

Please note that since 24th September 2021, the Trustee of the Framlington Unit Trust range changed from NatWest Trustee & Depositary Services to HSBC Global Trustee & Fiduciary Services (UK).

CHANGE OF NAME

The AXA Framlington UK Growth Fund name was changed to the AXA ACT Framlington UK Sustainable Equity Fund on 13 September 2021.

Investment Review

Although cliched, it has been a year of two halves. During the first half equities performed strongly as economies continued to recover from the pandemic, enabled by strong vaccination uptake which allowed governments to ease their COVID-19 restrictions. However, this reopening has started a chain of events that has led inflation to escalate to levels not seen in over 40 years. Initially, supply chain bottlenecks and then sharply accelerating commodity prices, most notably the oil and gas price, has led to a very different view around the appropriate interest rate that central banks should set.

At first during this period, quality growth stocks performed well along with the more cyclical sectors of banking, mining, and oil and gas that are well represented in the UK indices. The Fund has always maintained a limited exposure to these industries due to their cyclical nature, preferring to concentrate our efforts on identifying and investing in a focused list of quality, compounding, UK companies that can embrace enduring secular trends - defined by our 'People, Planet, Progress' thematic lens.

However, 2022 started with a ferocious style rotation as 'growth companies' fell indiscriminately as a result of central banks changing their rhetoric on inflation from temporary to more entrenched. The war in Ukraine added a further catalyst to inflation as commodity prices soared as the US and Europe shunned Russian supplies.

Central banks have started what could be considered an aggressive interest rate hiking cycle in a bid to combat inflation. Expectations of these interest rate rises, and future increases, have led to the 10-year treasury yield rising from c.0.5% at the low in August 2020, to over 3% by May 2022.

This shift in monetary policy has led many investors to continue purchasing 'old economy' companies in sectors that have historically provided inflation hedging such as oil and gas, healthcare, tobacco, and mining. Long duration assets such as software and clean technology companies have been sold along with consumer discretionary assets as concerns continued to build around the risk of an economic slowdown with consumer spending likely curtailed.

The share price leadership of some of the FTSE 100 Index heavyweights has disguised the extent of the sell-off that has been occurring within the UK market, this is better reflected by the much weaker performance of the FTSE 250 Index. Market volatility has also meant that new listings to the UK stock market are no longer a feature as they were in 2021.

The quality metrics that the Fund seeks when making an investment include strong balance sheets, high levels of recurring or repeating revenue, pricing power, innovative and dependable management teams, and the ability to generate high returns on capital employed. In a high inflationary environment with falling demand these are the kind of businesses that are likely to perform relatively well and it is hoped that the commodity leadership currently experienced in the market will start to fade.

The significant fall in valuations of companies has however been seen as an opportunity for those with longer time horizons. We have already highlighted that Vectura and Sanne were taken over in the first half of the period and HomeServe received a bid in the second, along with rumours surrounding a number of other holdings in the portfolio. It wouldn't be a surprise if this continued to remain a feature of the market.

Top Ten Holdings as at 15 May 2022

	%
AstraZeneca	5.64
<i>Health Care</i>	
Diageo	4.71
<i>Consumer Staples</i>	
GlaxoSmithKline	4.00
<i>Health Care</i>	
Reckitt Benckiser	3.71
<i>Consumer Staples</i>	
Experian	3.15
<i>Industrials</i>	
SSE	3.08
<i>Utilities</i>	
London Stock Exchange	3.00
<i>Financials</i>	
Legal & General	2.98
<i>Financials</i>	
BP	2.83
<i>Energy</i>	
Prudential	2.63
<i>Financials</i>	

Investment Review (Continued)

Holdings that have performed well in this difficult environment - aside from those receiving bids - have mainly fallen into the more defensive category with examples including SSE, Rentokil Initial, Diageo, Reckitt Benckiser, and Croda International.

Performance has been impacted typically by one of the following 3 company reasons: 1. Those not held on cyclical or sustainability grounds but which have performed well in the short term such as Glencore, British American Tobacco & Shell. 2. Those that have continued to report excellent results but the market either deems them overvalued in the short term or expects results to deteriorate, examples include GB Group, Intermediate Capital and Ceres Power. 3. Those that have disappointed following the decision to invest further for growth which has impacted numbers in the short term. Examples include Aveva, RWS & Hargreaves Lansdown.

In addition to our regular meetings with management, we also held 24 dedicated ESG engagement meetings on areas such as carbon emission reduction targets, employee engagement, and diversity policies and practices. These meetings took place with companies that are considered to be both ESG 'leaders' and those that are 'in transition' - with an ESG score below UK sector median. Examples included Experian, Persimmon, RWS, and Ashted. Extensive ESG analysis also continues to be carried out on the portfolio holdings alongside the more fundamental analysis with the portfolio consisting of 76% in companies that are deemed as ESG leaders and 24% that are 'in transition' and cash.

OUTLOOK

Market direction continues to be shaped by inflation, interest rates, and commodity prices. However, we are currently reassured by our company management meetings and by the generally strong results we are currently seeing which appear at odds with current share prices and valuations. Pockets of inflationary pressures remain and will need to be managed by companies; however, anecdotal evidence suggests that wage inflation in particular is easing. The Russia-Ukraine conflict has added to complications around the timing of future interest rate rises. Striking the right balance between controlling inflation and not slowing the economy as it recovers is a tricky balancing act for central banks, especially while governments are withdrawing their fiscal support.

At times of heightened risk and uncertainty, it is easy to focus exclusively on the macro and geopolitical news flow and lose focus on the fundamental drivers of profitability and cashflow at the corporate level. The UK stock market is home to numerous growing businesses that generate cash, are well managed, have strong balance sheets, and are operating in end markets that should expand over the long term. Earnings forecasts are set modestly, and valuations look attractive, in many instances trading at multi-year lows. Attractive valuations have meant M&A continues to be a feature in the UK market. Another positive indication is the current increase in insider buying of shares.

Market sentiment is currently very low and any good news is likely to see the market react positively, whether it be a resolution to the Ukraine conflict, inflation rolling over, or central banks reining in proposed interest rate hikes.

Our approach remains centred on owning good quality businesses that can reinvest and compound their returns over time. We continue to believe that understanding longer-term structural trends and identifying responsible, reliable, and ultimately sustainable companies, in a targeted, focused, and active approach, remains the key to longer-term success.

Nigel Yates
15 May 2022

Source of all performance data: AXA Investment Managers, Morningstar to 15 May 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 year ended 15 May 2022

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
accesso Technology	1,915	Sanne	3,289
Genus	1,561	Vectura	2,049
Auction Technology	1,253	IG	1,930
NCC	1,217	AstraZeneca	1,816
RS	1,197	Sage	1,717
Treatt	1,162	BP	1,691
Ashtead	995	TP ICAP	1,665
DiscoverIE	958	Safestore	1,371
GB	834	Clinigen	1,209
Kainos	771	Croda International	1,011
Other purchases	6,287	Other sales	7,874
Total purchases for the year	18,150	Total sales for the year	25,622

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 principally in listed equities of UK large and medium capitalised companies. The value of investments and the revenue from them is not guaranteed and can go down as well as up.

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.

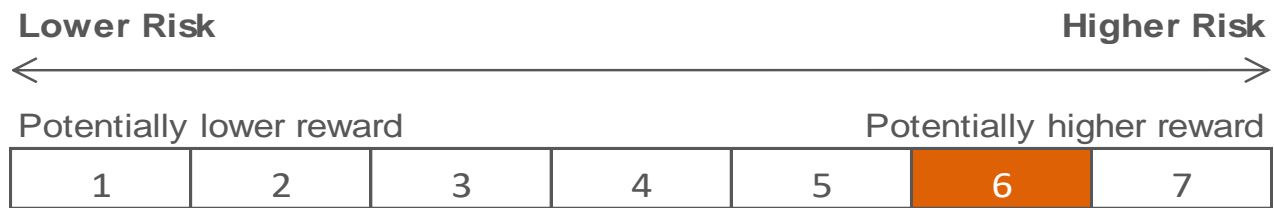
Internal investment guidelines are set, if necessary, to ensure equity risk is maintained within a range deemed suitable based on the Fund's investment objectives and investment policy.

ESG RISK

Applying ESG and sustainability criteria to the investment process may exclude securities of certain issuers for non-investment reasons and therefore some market opportunities available to funds that do not use ESG or sustainability criteria may be unavailable for the Fund, and the Fund's performance may at times be better or worse than the performance of comparable funds that do not use ESG or sustainability criteria. The selection of assets may in part rely on an ESG scoring process (as set out in the AXA Investment Managers' ESG Standards policy) or ban lists that rely partially on third party data. The lack of common or harmonised definitions and labels integrating ESG and sustainability criteria at EU level may result in different approaches by managers when setting ESG objectives and determining that these objectives have been met by the funds they manage. This also means that it may be difficult to compare strategies integrating ESG and sustainability criteria to the extent that the selection and weightings applied to select investments may to a certain extent be subjective or based on metrics that may share the same name but have different underlying meanings. Investors should note that the subjective value that they may or may not assign to certain types of ESG criteria may differ substantially from the fund manager's methodology. The lack of harmonised definitions may also potentially result in certain investments not benefitting from preferential tax treatments or credits because ESG criteria are assessed differently than initially thought.

ESG risk as defined, is an inherent risk to following a strategy which incorporates ESG factors. For data quality and consistency aspects, exposure is managed where possible by the use of carefully selected data providers.

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 15 May 2022, the price of Z Accumulation units, with net income reinvested, rose by +14.52%. The FTSE All-Share Index (Total Return) increased by +20.29% over the same time period. During the same period, the price of Z Income units, with zero income reinvested, rose by +4.20%. (Source: AXA Investment Managers and Morningstar) (Prices in GBP).

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

Date	AXA Framlington UK Sustainable Equity Z Acc	FTSE All-Share (TR)
15 May 2017 - 15 May 2018	+4.76%	+8.05%
15 May 2018 - 15 May 2019	-0.17%	-1.99%
15 May 2019 - 15 May 2020	-4.44%	-17.09%
15 May 2020 - 15 May 2021	+25.29%	+29.65%
15 May 2021 - 15 May 2022	-8.54%	+5.66%

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

Past performance is not a guide to future performance.

YIELD

R Inc	0.63%
R Acc	0.63%
Z Inc	1.48%
Z Acc	1.48%

CHARGES

	Initial Charge	Annual Management Charge
R	Nil	1.50%
Z	Nil	0.75%

ONGOING CHARGES*

R Inc	1.58%
R Acc	1.58%
Z Inc	0.83%
Z Acc	0.83%

*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 UK Sustainable Equity Fund is available as a Stocks and Shares ISA through the AXA Investment Managers Stocks and Shares ISA.

Comparative Tables

	R Inc			R Acc		
Change in net assets per unit	15/05/2022 (p)	15/05/2021 (p)	15/05/2020 (p)	15/05/2022 (p)	15/05/2021 (p)	15/05/2020 (p)
Opening net asset value per unit [†]	245.03	196.72	210.13	372.01	297.43	313.82
Return before operating charges [^]	(17.59)	52.97	(7.40)	(26.70)	79.96	(11.10)
Operating charges	(3.96)	(3.56)	(3.54)	(6.01)	(5.38)	(5.29)
Return after operating charges [^]	(21.55)	49.41	(10.94)	(32.71)	74.58	(16.39)
Distributions	(1.40)	(1.10)	(2.47)	(2.13)	(1.66)	(3.69)
Retained distributions on accumulation units	-	-	-	2.13	1.66	3.69
Closing net asset value per unit[†]	222.08	245.03	196.72	339.30	372.01	297.43
 * [^] after direct transaction costs of:	 0.17	 0.32	 0.50	 0.26	 0.49	 0.74
Performance						
Return after charges	-8.79%	25.12%	-5.21%	-8.79%	25.07%	-5.22%
Other Information						
Closing net asset value [†] (£'000)	7,384	9,226	8,149	42,382	50,218	42,633
Closing number of units	3,324,717	3,765,139	4,142,426	12,491,150	13,499,181	14,333,743
Operating charges	1.58%	1.59%	1.59%	1.58%	1.59%	1.59%
Direct transaction costs [*]	0.07%	0.14%	0.22%	0.07%	0.14%	0.22%
Prices						
Highest unit price #	273.10	249.40	250.10	414.60	377.00	373.50
Lowest unit price #	209.20	202.00	159.10	317.70	305.30	237.50

Comparative Tables (Continued)

Change in net assets per unit	Z Inc			Z Acc		
	15/05/2022 (p)	15/05/2021 (p)	15/05/2020 (p)	15/05/2022 (p)	15/05/2021 (p)	15/05/2020 (p)
Opening net asset value per unit [†]	174.47	139.95	149.61	214.03	169.85	177.87
Return before operating charges [^]	(12.66)	37.84	(5.36)	(15.53)	45.80	(6.43)
Operating charges	(1.49)	(1.34)	(1.34)	(1.83)	(1.62)	(1.59)
Return after operating charges [^]	(14.15)	36.50	(6.70)	(17.36)	44.18	(8.02)
Distributions	(2.34)	(1.98)	(2.96)	(2.88)	(2.41)	(3.51)
Retained distributions on accumulation units	-	-	-	2.88	2.41	3.51
Closing net asset value per unit[†]	157.98	174.47	139.95	196.67	214.03	169.85
* [^] after direct transaction costs of:	0.12	0.23	0.35	0.15	0.28	0.42
Performance						
Return after charges	-8.11%	26.08%	-4.48%	-8.11%	26.01%	-4.51%
Other Information						
Closing net asset value [†] (£'000)	7,309	11,837	10,604	54,465	59,952	76,802
Closing number of units	4,626,684	6,784,259	7,577,113	27,693,259	28,011,721	45,218,389
Operating charges	0.83%	0.84%	0.84%	0.83%	0.84%	0.84%
Direct transaction costs [*]	0.07%	0.14%	0.22%	0.07%	0.14%	0.22%
Prices						
Highest unit price #	194.90	178.80	179.10	239.10	216.80	212.90
Lowest unit price #	149.90	144.20	114.00	183.90	174.90	135.50

[†] Valued at bid-market prices.

High and low price disclosures are based on quoted unit prices. Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

[^] Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return.

* Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, within the accounting year.

The figures used within the table have been calculated against the average Net Asset Value for the accounting year.

Portfolio Statement

The AXA Framlington UK Sustainable Equity Fund portfolio as at 15 May 2022 consisted of the following investments, which are ordinary shares unless otherwise stated.

Holding	Market value £'000	Total net assets (%)
UNITED KINGDOM: 94.47% (15/05/2021: 90.97%)		
BASIC MATERIALS: 4.94% (15/05/2021: 4.27%)		
Chemicals: 3.10% (15/05/2021: 2.46%)		
38,612 Croda International	2,652	2.38
102,500 Treatt	804	0.72
	3,456	3.10
Industrial Metals & Mining: 1.84% (15/05/2021: 1.81%)		
156,235 Hill & Smith	2,053	1.84
	2,053	1.84
CONSUMER DISCRETIONARY: 10.35% (15/05/2021: 11.10%)		
Automobiles & Parts: 0.67% (15/05/2021: 0.89%)		
408,879 TI Fluid Systems	750	0.67
	750	0.67
Consumer Services: 0.95% (15/05/2021: 1.42%)		
99,058 HomeServe	1,059	0.95
	1,059	0.95
Household Goods & Home Construction: 1.74% (15/05/2021: 2.20%)		
91,821 Persimmon	1,937	1.74
	1,937	1.74
Retailers: 3.44% (15/05/2021: 3.39%)		
355,514 Moonpig	852	0.76
480,170 Pets at Home	1,368	1.23
109,053 WH Smith	1,618	1.45
	3,838	3.44

Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
Travel & Leisure: 3.55% (15/05/2021: 3.20%)			
668,142	Hollywood Bowl	1,620	1.45
603,250	Restaurant	333	0.30
661,482	Trainline	2,002	1.80
		3,955	3.55
CONSUMER STAPLES: 8.42% (15/05/2021: 6.47%)			
Beverages: 4.71% (15/05/2021: 3.85%)			
137,389	Diageo	5,253	4.71
		5,253	4.71
Personal Care, Drug & Grocery: 3.71% (15/05/2021: 2.62%)			
64,000	Reckitt Benckiser	4,133	3.71
		4,133	3.71
ENERGY: 4.01% (15/05/2021: 4.36%)			
Alternative Energy: 1.18% (15/05/2021: 1.30%)			
199,500	Ceres Power	1,310	1.18
		1,310	1.18
Oil, Gas & Coal: 2.83% (15/05/2021: 3.06%)			
761,665	BP	3,159	2.83
		3,159	2.83
FINANCIALS: 13.06% (15/05/2021: 16.82%)			
Finance & Credit Services: 3.00% (15/05/2021: 2.59%)			
46,411	London Stock Exchange	3,350	3.00
		3,350	3.00
Investment Banking & Brokerage: 2.81% (15/05/2021: 5.41%)			
145,128	Hargreaves Lansdown	1,284	1.15
129,610	Intermediate Capital	1,848	1.66
		3,132	2.81

Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
Life Insurance: 7.25% (15/05/2021: 8.82%)			
2,247,832	Just	1,832	1.64
1,336,179	Legal & General	3,322	2.98
304,979	Prudential	2,927	2.63
		8,081	7.25
HEALTH CARE: 16.44% (15/05/2021: 16.19%)			
Medical Equipment & Services: 4.17% (15/05/2021: 4.31%)			
1,044,407	ConvaTec	2,312	2.07
183,616	Smith & Nephew	2,343	2.10
		4,655	4.17
Pharmaceuticals & Biotechnology: 12.27% (15/05/2021: 11.88%)			
61,181	AstraZeneca	6,292	5.64
49,087	Dechra Pharmaceuticals	1,605	1.44
41,250	Genus	1,049	0.94
254,225	GlaxoSmithKline	4,462	4.00
98,782	Oxford Nanopore Technologies	281	0.25
		13,689	12.27
INDUSTRIALS: 13.90% (15/05/2021: 12.86%*)			
Construction & Materials: 2.91% (15/05/2021: 3.22%)			
367,333	Genuit	1,567	1.41
309,942	Marshalls	1,674	1.50
		3,241	2.91
Electronic & Electrical Equipment: 1.33% (15/05/2021: 1.30%*)			
550,000	Rotork	1,486	1.33
		1,486	1.33
General Industrials: 0.65% (15/05/2021: 0.99%)			
624,057	Melrose Industries	724	0.65
		724	0.65

Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
Industrial Engineering: 2.01% (15/05/2021: 2.14%)			
148,586	Weir	2,241	2.01
		2,241	2.01
Industrial Support Services: 4.98% (15/05/2021: 3.78%)			
543,310	Rentokil Initial	2,813	2.52
100,000	RS	922	0.83
411,666	RWS	1,822	1.63
		5,557	4.98
Industrial Transportation: 2.02% (15/05/2021: 1.43%)			
56,785	Ashtead	2,254	2.02
		2,254	2.02
REAL ESTATE: 5.10% (15/05/2021: 4.79%)			
Real Estate Investment & Services: 3.46% (15/05/2021: 2.83%)			
677,162	Grainger	2,000	1.79
331,249	Rightmove	1,866	1.67
		3,866	3.46
Real Estate Investment Trusts: 1.64% (15/05/2021: 1.96%)			
169,799	Safestore	1,832	1.64
		1,832	1.64
TECHNOLOGY: 13.82% (15/05/2021: 9.84%*)			
Software & Computer Services: 12.52% (15/05/2021: 9.26%)			
200,000	accesso Technology	1,492	1.34
173,618	Auction Technology	1,623	1.45
62,133	AVEVA	1,323	1.19
525,000	Blanco Technology	1,050	0.94
290,000	Bytes Technology	1,262	1.13
436,874	GB	2,361	2.12
143,981	Kainos	1,628	1.46
769,879	Kin & Carta	1,778	1.59
709,299	NCC	1,447	1.30
		13,964	12.52

Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
	Technology Hardware & Equipment: 1.30% (15/05/2021: 0.58%*)		
201,060	DiscoverIE	1,448	1.30
		1,448	1.30
	TELECOMMUNICATIONS: 1.35% (15/05/2021: 1.62%)		
	Telecommunications Service Providers: 1.35% (15/05/2021: 1.62%)		
133,581	Gamma Communications	1,507	1.35
		1,507	1.35
	UTILITIES: 3.08% (15/05/2021: 2.65%)		
	Electricity: 3.08% (15/05/2021: 2.65%)		
185,628	SSE	3,435	3.08
		3,435	3.08
	ASIA: 1.12% (15/05/2021: 1.02%)		
	Singapore: 1.12% (15/05/2021: 1.02%)		
38,100	XP Power	1,252	1.12
		1,252	1.12
	EUROPE (excluding UK): 3.15% (15/05/2021: 6.57%)		
	Jersey: 3.15% (15/05/2021: 6.57%)		
130,534	Experian	3,518	3.15
		3,518	3.15
	Investments as shown in the balance sheet	110,135	98.74
	Net current assets	1,405	1.26
	Total net assets	111,540	100.00

* Since the previous report industry classifications have been updated. Comparative figures have been updated where appropriate.

Statement of Total Return

For the year ended 15 May

	Notes	£'000	2022 £'000	£'000	2021 £'000
Income					
Net capital (losses)/ gains	3		(11,605)		28,739
Revenue	4	2,781		2,649	
Expenses	5	(1,520)		(1,506)	
Interest payable and similar charges		-		-	
Net revenue before taxation		1,261		1,143	
Taxation	6	-		(2)	
Net revenue after taxation			1,261		1,141
Total return before distributions			(10,344)		29,880
Distributions	7		(1,261)		(1,141)
Change in net assets attributable to unitholders from investment activities			(11,605)		28,739

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 15 May

	£'000	2022 £'000	£'000	2021 £'000
Opening net assets attributable to unitholders		131,233		138,188
Amounts receivable on creation of units	7,812		10,634	
Amounts payable on cancellation of units	(16,968)		(47,231)	
		(9,156)		(36,597)
Change in net assets attributable to unitholders from investment activities		(11,605)		28,739
Retained distribution on accumulation units		1,063		899
Unclaimed distribution		5		4
Closing net assets attributable to unitholders		111,540		131,233

Balance Sheet

As at 15 May

		2022 £'000	2021 £'000
	Notes		
ASSETS			
Fixed assets			
Investments		110,135	129,346
Current assets			
Debtors	8	706	1,832
Cash and bank balances	9	1,597	2,681
Total assets		112,438	133,859
LIABILITIES			
Creditors			
Distribution payable		155	176
Other creditors	10	743	2,450
Total liabilities		898	2,626
Net assets attributable to unitholders		111,540	131,233

Notes to the Financial Statements

1.1 Accounting policies

a) 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").

There are no material events that have been identified that may cast significant doubt about the Fund's ability to continue as a going concern for the next twelve months from the date these financial statements are authorised for issue. The Manager believes that the Fund has adequate resources to continue in operational existence for the foreseeable future and, following consideration of the impact of COVID-19, they continue to adopt the going concern basis in preparing the financial statements.

b) Dividends on quoted ordinary shares and preference shares are recognised when the securities are quoted ex-dividend. Where such securities are not quoted, dividends are recognised when the right to receive payment is established. Dividends from Real Estate Investment Trusts ('REITs') are recognised as distributable income when the securities are quoted ex-dividend.

c) The listed investments of the Fund are valued at world close bid prices on the last business day of the accounting year. The fair value of unlisted securities, and unquoted securities where the quotation has been suspended, is estimated by the Manager, using independent sources where available.

d) The functional currency of the Fund is Sterling (GBP). Any transactions in overseas currencies are translated to Sterling at the rates of exchange ruling on the day of any such transaction. Foreign currency balances and investments priced in overseas currencies at the end of the year are converted into Sterling at the exchange rates ruling at 12 noon on the last business day of the accounting year.

e) All expenses are charged in full against revenue on an accruals basis, with the exception of transaction charges which are charged directly to capital. The Manager is entitled to receive (with effect from the dealing day on which units of any class are first allotted) an annual management charge payable on and out of the scheme property of each unit class of the Fund. The annual management charge will be based on the value of the scheme property of the Fund on the immediately preceding dealing day as determined in accordance with the Trust Deed and the Regulations for the purpose of calculating the price of units.

f) Corporation Tax is provided at 20% on revenue, after deduction of expenses. Overseas dividends are disclosed gross of any foreign tax suffered, the tax element being disclosed in the tax note. Where overseas tax has been deducted from overseas revenue, that tax can, in some cases, be set off against Corporation Tax payable, by way of double taxation relief. Deferred taxation is provided on a full provision basis on timing differences arising from the different treatment of items for accounting and tax purposes. Potential future liabilities and assets are recognised where the transactions or events giving rise to them occurred before the balance sheet date. A deferred tax asset is only recognised to the extent that a timing difference will be of future benefit.

g) Bank interest is accounted for on an accruals basis.

Notes to the Financial Statements (Continued)

h) Revenue equalisation currently applies to the Fund, with the result that part of the purchase price of a unit reflects the relevant share of accrued revenue received or to be received by the Fund. This sum is returned to a unitholder with the first allocation of revenue in respect of a unit issued during a distribution period. The amount representing the revenue equalisation in the unit's price is a return of capital and is not taxable in the hands of the unitholder. The amount of revenue equalisation is calculated by dividing the aggregate of the amounts of revenue included in the price of units issued or sold to unitholders in an annual or interim distribution period by the number of those units and applying the resultant average to each of the units in question. Equalisation on distributions received is deducted from the cost of the investment.

i) With the exception of the annual management charge, which is directly attributable to individual unit classes, all revenue and expenses are allocated to unit classes pro rata to the value of the net assets of the relevant unit class on the day the revenue or expense is recognised.

j) The Fund is not required to produce a cash flow statement as it meets the exemption criteria set out in FRS102.7.1A.

1.2 Distribution policy

a) The Fund will distribute any net revenue two months after the accounting year end. Any net revenue deficit will be transferred to the capital account. The type of distribution being made by the Fund is a dividend distribution.

b) Special dividends and share buybacks are treated as revenue or capital depending on the facts of each particular case. It is likely that where the receipt of a special dividend results in a significant reduction in the capital value of the holding, then the special dividend should be treated as capital in nature so as to ensure that the matching principle is applied to gains and losses. Otherwise, the special dividends should be recognised as revenue. Where special dividends are treated as revenue, they are included in the amount available for distribution. The tax accounting treatment follows the principal amount.

c) If a distribution payment of the Fund remains unclaimed for a period of 6 years after it has become due, it will be forfeited and will revert to and become part of the scheme property.

d) The annual management charge is charged against revenue for the purposes of calculating the amount available for distribution.

2 Financial instruments

The analysis and tables provided below refer to the narrative disclosure on financial instruments risks on pages 8 to 9 of the Manager's Report.

Price risk sensitivity

At 15 May 2022, if the price of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, the net assets would increase or decrease by £5,506,735 (2021: £6,467,278) respectively.

Foreign currency risk sensitivity

Assuming all other factors remain stable, if GBP strengthens by 5% the resulting change in the net assets attributable to unitholders of the Fund would be a decrease of approximately £1,704 (2021: £2,387). A 5% weakening in GBP would have an equal but opposite effect.

Notes to the Financial Statements (Continued)

Interest rate risk sensitivity

As the majority of the Fund's financial assets are non-interest bearing, the Fund is only subject to limited exposure to fair value interest rate risk due to fluctuations in levels of market interest rates. No interest rate risk sensitivity analysis is therefore provided.

Currency exposures

A proportion of the financial assets of the Fund are denominated in currencies other than Sterling, with the effect that the Fund's balance sheet and total return can be directly affected by currency movements.

	Monetary Exposure £'000	Non Monetary exposure £'000	Total £'000
2022			
US Dollar	34	-	34
Total	34	-	34

	Monetary Exposure £'000	Non Monetary exposure £'000	Total £'000
2021			
US Dollar	48	-	48
Total	48	-	48

3 Net capital (losses)/gains

The net (losses)/ gains during the year comprise:

	2022 £'000	2021 £'000
(Losses)/gains on non-derivative securities	(11,608)	28,737
Gains on foreign currency exchange	3	2
Net capital (losses)/ gains	(11,605)	28,739

4 Revenue

	2022 £'000	2021 £'000
UK dividends	2,642	2,500
REIT dividends	54	66
Overseas dividends	85	83
Total revenue	2,781	2,649

Notes to the Financial Statements (Continued)

5 Expenses

	2022 £'000	2021 £'000
Payable to the Manager		
Annual management charge	1,412	1,384
Registrar's fees	78	78
	1,490	1,462
Other expenses		
Audit fee	8	9
Trustee's fees	22	35
	30	44
Total expenses	1,520	1,506

Expenses include irrecoverable VAT where applicable.

6 Taxation

a) Analysis of tax in the year:

	2022 £'000	2021 £'000
Irrecoverable overseas tax	-	2

b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised unit trust (20%) (2021: 20%).

The differences are explained below:

	2022 £'000	2021 £'000
Net revenue before taxation	1,261	1,143
Corporation tax at 20%	252	229
Effects of:		
Irrecoverable overseas tax	-	2
Movement in excess management expenses	293	288
Revenue not subject to taxation	(545)	(517)
Total effects	(252)	(227)
Total tax charge for the year (see note 6a)	-	2

Authorised unit trusts are exempt from tax on capital gains.

Notes to the Financial Statements (Continued)

c) Deferred taxation:

There is no provision required for deferred taxation at the Balance sheet date (2021: nil).

d) Factors that may affect future tax charges:

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £8,527,617 (2021: £8,234,555) relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

7 Distributions

The distributions take account of income received on the creation of units and income deducted on the cancellation of units, and comprise:

	2022 £'000	2021 £'000
Final	1,218	1,075
Add: Income deducted on cancellation of units	92	161
Deduct: Income received on creation of units	(49)	(95)
Net distribution for the year	1,261	1,141

8 Debtors

	2022 £'000	2021 £'000
Sales awaiting settlement	191	1,136
Amounts receivable on creation of units	11	177
Accrued revenue	504	507
Accrual class action	-	12
Total debtors	706	1,832

9 Cash and bank balances

	2022 £'000	2021 £'000
Cash and bank balances	1,597	2,681
Total cash and bank balances	1,597	2,681

10 Other creditors

	2021 £'000	2021 £'000
Amounts payable on cancellation of units	435	786
Purchases awaiting settlement	139	1,467
Accrued expenses	149	174
- Manager	20	23
- Other		
Total other creditors	743	2,450

Notes to the Financial Statements (Continued)

11 Unitholders' funds

The Fund currently has four unit classes in issue.

	R Inc	R Acc	Z Inc	Z Acc
Opening units in issue	3,765,139	13,499,181	6,784,259	28,011,721
Units issued	30,040	169,109	293,875	3,186,398
Units cancelled	(470,462)	(1,177,140)	(2,451,450)	(3,504,860)
Unit conversions	-	-	-	-
Closing units in issue	3,324,717	12,491,150	4,626,684	27,693,259

12 Related parties

AXA Investment Managers UK Limited acts as principal on all the transactions of units in the Fund. The aggregate monies received through creations and liquidations are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and Note 7, amounts due to/from AXA Investment Managers UK Limited in respect of unit transactions are disclosed in Note 8 and Note 10 respectively.

At 15 May 2022, there were no unitholders that hold more than 50% of units in the Fund. Other than disclosed elsewhere in the Financial Statements, there were no transactions between the Fund and related parties during the year.

Amounts paid to AXA Investment Managers UK Limited in respect of administration and registration services are disclosed in Note 5.

13 Portfolio transaction costs

2022

	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Analysis of purchases						
Equity	18,075	9	0.05	66	0.37	18,150
Total	18,075	9		66		18,150

2022

	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Analysis of sales						
Equity	25,633	(11)	(0.04)	-	-	25,622
Total	25,633	(11)		-		25,622

2021

	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Analysis of purchases						
Equity	41,091	20	0.05	136	0.33	41,247
Total	41,091	20		136		41,247

2021

	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Analysis of sales						
Equity	74,919	(31)	(0.04)	-	-	74,888
Total	74,919	(31)		-		74,888

Commission as a % of average net assets

0.02% (2021: 0.04%)

Taxes as a % of average net assets

0.05% (2021: 0.10%)

Portfolio dealing spread

The average portfolio dealing spread as at the year end was 0.18% (2021: 0.17%).

14 Fair value disclosure

	15 May 2022		15 May 2021	
Valuation technique	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1 [^]	110,135	-	129,346	-
Level 2 ^{^^}	-	-	-	-
Level 3 ^{^^^}	-	-	-	-
Total	110,135	-	129,346	-

[^] Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

^{^^} Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

^{^^^} Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The fair value of the Fund's investments has been determined using the hierarchy above.

15 Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2021: none).

16 Post balance sheet events

There are no significant post balance sheet events which require adjustment or disclosure at the year end.

Distribution Tables

For the year ended 15 May 2022

		Net revenue	Equalisation	Distribution payable/paid	
				Current year	Prior year
R Inc					
Final	Group 1	1.405	-	1.405	1.101
	Group 2	0.850	0.555	1.405	1.101
R Acc					
Final	Group 1	2.133	-	2.133	1.665
	Group 2	1.163	0.970	2.133	1.665
Z Inc					
Final	Group 1	2.344	-	2.344	1.985
	Group 2	1.315	1.029	2.344	1.985
Z Acc					
Final	Group 1	2.876	-	2.876	2.407
	Group 2	1.516	1.360	2.876	2.407

(All figures shown in pence per unit)

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

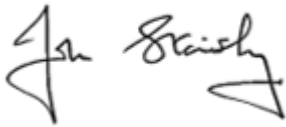
Equalisation is the average amount of income included in the purchase price of Group 2 units and is refundable to holders of these units as a return of capital. Being a capital item it is not liable to income tax, but must be deducted from the cost of units for capital gains tax purposes.

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

	Group 2 units from	to	Group 1 & 2 units paid/transferred
Final	16.05.21	15.05.22	15.07.22

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
Tuesday 13th September 2022



Amanda Prince
Director
Tuesday 13th September 2022

Statement of Manager's Responsibilities

STATEMENT OF THE MANAGER'S RESPONSIBILITIES IN RELATION TO THE REPORT AND ACCOUNTS OF THE FUND

The Financial Conduct Authority's Collective Investment Schemes sourcebook requires the Authorised Fund Manager to prepare financial statements for each annual accounting year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland), of the financial affairs of the Fund and of its revenue and expenditure and capital gains for the year.

In preparing the accounts the Manager is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Statement of Recommended Practice for Authorised Funds and the Trust Deed;
- follow applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the accounts prepared comply with the above requirements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Fund will continue in business.

The Manager is responsible for the management of the Fund in accordance with its Trust Deed, Prospectus and the Regulations, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Trustee

STATEMENT OF THE TRUSTEE'S RESPONSIBILITIES AND REPORT OF THE TRUSTEE TO THE UNITHOLDERS OF THE AXA FRAMLINGTON UK SUSTAINABLE EQUITY FUND FOR THE YEAR ENDED 15TH MAY 2022.

The Depositary in its capacity as Trustee of AXA Framlington UK Sustainable Equity Fund must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Trust in accordance with the Regulations.

The Depositary must ensure that:

- the Trust's cash flows are properly monitored and that cash of the Trust is booked in cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust's assets is remitted to the Trust within the usual time limits;
- the Trust's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Regulations and the Scheme documents of the Trust in relation to the investment and borrowing powers applicable to the Trust.

Having carried out such procedures as we considered necessary to discharge our responsibilities as Depositary of the Trust, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects the Trust, acting through the AFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's income in accordance with the Regulations and the Scheme documents of the Trust; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Trust in accordance with the Regulations and the Scheme documents of the Trust.

Trustee
HSBC Global Trustee & Fiduciary Services (UK)
Tuesday 13th September 2022

Report of the Independent Auditor

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE AXA FRAMLINGTON UK SUSTAINABLE EQUITY FUND

OPINION

We have audited the financial statements of AXA Framlington UK Sustainable Equity Fund for the year ended 15 May 2022, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Fund, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 15 May 2022 and of the net revenue and net capital losses on the scheme property of the Fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the "FRC") Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Fund's ability to continue as a going concern for a period which is 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Fund's ability to continue as a going concern.

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our audit report thereon. The Manager is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially

misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE RULES OF THE COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK OF THE FINANCIAL CONDUCT AUTHORITY (THE “FCA”)

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the FCA and the Trust Deed; and
- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the Manager’s report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the FCA requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

RESPONSIBILITIES OF THE MANAGER

As explained more fully in the Manager’s responsibilities statement set out on page 29, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Fund’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to wind up or terminate the Fund or to cease operations, or has no realistic alternative but to do so.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Fund and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP), Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the Fund's Trust Deed and the Prospectus.
- We understood how the Fund is complying with those frameworks through discussions with the Manager and the Fund's administrators and a review of the Fund's documented policies and procedures.
- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified a fraud risk with respect to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. We tested appropriateness of management's classification of material special dividends as either a capital or revenue return.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Manager with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Fund.
- Due to the regulated nature of the Fund, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the Fund's unitholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the FCA. Our audit work has been undertaken so that we might state to the Fund's unitholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor
Edinburgh
Tuesday 13th September 2022

Further Information (Unaudited)

REMUNERATION POLICY OF THE MANAGER

The Manager has approved and adopted AXA IM's Global Remuneration Policy, in accordance with the Regulations, which is consistent with, and promotes, sound and effective risk management; does not encourage risk-taking which is inconsistent with the risk profiles of the Fund's or the Trust Deeds, and does not impair compliance of the Manager's duty to act in the best interests of each of the Fund's.

AXA IM's Global Remuneration Policy, which has been approved by the AXA IM Remuneration Committee, sets out the principles relating to remuneration within all entities of AXA IM (including the Manager) and takes into account AXA IM's business strategy, objectives, and risk tolerance, as well as the long-term interests of AXA IM's shareholders, employees and clients (including the Fund's). The AXA IM Remuneration Committee is responsible for determining and reviewing the AXA IM remuneration guidelines, including the AXA IM Global Remuneration Policy, as well as reviewing the annual remuneration of senior executives of the AXA IM Group and senior officers in control functions.

AXA IM provides both fixed and variable remuneration. An employee's fixed remuneration is structured to reward organizational responsibility, professional experience and the individual's capability to perform the duties of the role. Variable remuneration is based on performance and may be awarded annually on both a non-deferred and, for certain employees, a deferred basis. Non-deferred variable remuneration may be awarded in cash or, where appropriate and subject to local laws and regulation, in instruments linked to the performance of AXA IM Funds. Deferred remuneration is awarded through various instruments structured to reward medium and long-term value creation for clients and AXA IM and long-term value creation for the AXA Group. AXA IM ensures appropriate balances between fixed and variable remuneration and deferred and non-deferred remuneration.

Details of the up-to-date Global Remuneration Policy are published online at <https://www.axa-im.com/remuneration>. This includes the description of how remuneration and benefits are awarded for employees, and further information on the AXA IM remuneration committee. A paper copy of the up-to-date Global Remuneration Policy is also available from the Manager free of charge upon request.

In line with the requirements of the Undertakings for Collective Investments in Transferable Securities (UCITS) V, AXA Investment Managers UK Limited is required to make quantitative disclosures of remuneration. These disclosures are made in line with the currently available guidance on quantitative remuneration disclosures. The amounts shown below reflect payments made in respect of the financial year 1 January 2021 to 31 December 2021:

Total amount of remuneration paid and / or allocated to all staff for the year ended December 31, 2021 ⁽¹⁾	
Fixed Pay ⁽²⁾ (£'000)	197,213
Variable Pay ⁽³⁾ (£'000)	230,700
Number of employees ⁽⁴⁾	2,537

⁽¹⁾ Excluding social charges.

⁽²⁾ Fixed Pay amount is based on 2020/21 compensation review final data.

⁽³⁾ Variable compensation, includes:

- the amounts awarded for the performance of the previous year and fully paid over the financial year under review,
- deferred variable remuneration,
- and long-term incentives set up by the AXA Group.

⁽⁴⁾ Number of employees includes Permanent and Temporary contracts excluding internships (based on Staff list as of 31/12/2021).

Remuneration to Identified Employee:

Aggregate amount of compensation paid and / or allocated to risk takers and senior management whose activities have a significant impact on the risk profile of investment vehicles			
	Risk Takers	Senior Management	Total
Fixed Pay and Variable Remuneration (£'000)	101,432	80,571	182,003
Number of employees	258	79	337

UK Identified Employee Remuneration:

Weighted amount of compensation paid and / or allocated to risk takers and senior management whose activities have a significant impact on the risk profile of all investment vehicles where AXA IM UK act as Authorised Fund Manager or Alternative Investment Fund Manager			
	Risk Takers	Senior Management	Total
Fixed Pay and Variable Remuneration (£'000)	2,779	2,207	4,986
Number of employees	57	13	70

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 year to 15 May 2022 and at the balance sheet date, the Fund did not use SFTs or total return swaps, as such no disclosure is required.

VALUE ASSESSMENT

It is our duty as Authorised Fund Manager ("AFM") to act in the best interests of our investors. As part of fulfilling this duty, we need to consider whether the charges taken from our Funds are justified in the context of the overall service and value that we provide to our investors.

The FCA have introduced new rules requiring the Boards of AFMs to consider robustly and in detail whether they are delivering value for money to their investors and to explain the assessment annually in a Value Statement made available to the public.

The Value Statement report is available on the AXA IM website:

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

For the period up to 23rd September 2021
NatWest Trustee and Depositary Services Limited
Trustee and Depositary Services
House A, Floor 0
Gogarburn
175 Glasgow Road
Edinburgh, EH12 1HQ
Authorised and regulated by the Financial Conduct Authority.

From 24th September 2021 to 15th May 2022
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

State Street Bank & Trust Company
20 Churchill Place
London, E14 5HJ
Authorised and regulated by the Financial Conduct Authority.

Legal advisers

Eversheds LLP
One Wood Street
London, EC2V 7WS

Auditor

Ernst & Young LLP
Atria One, 144 Morrison Street
Edinburgh, EH3 8EX

Dealing and Correspondence

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