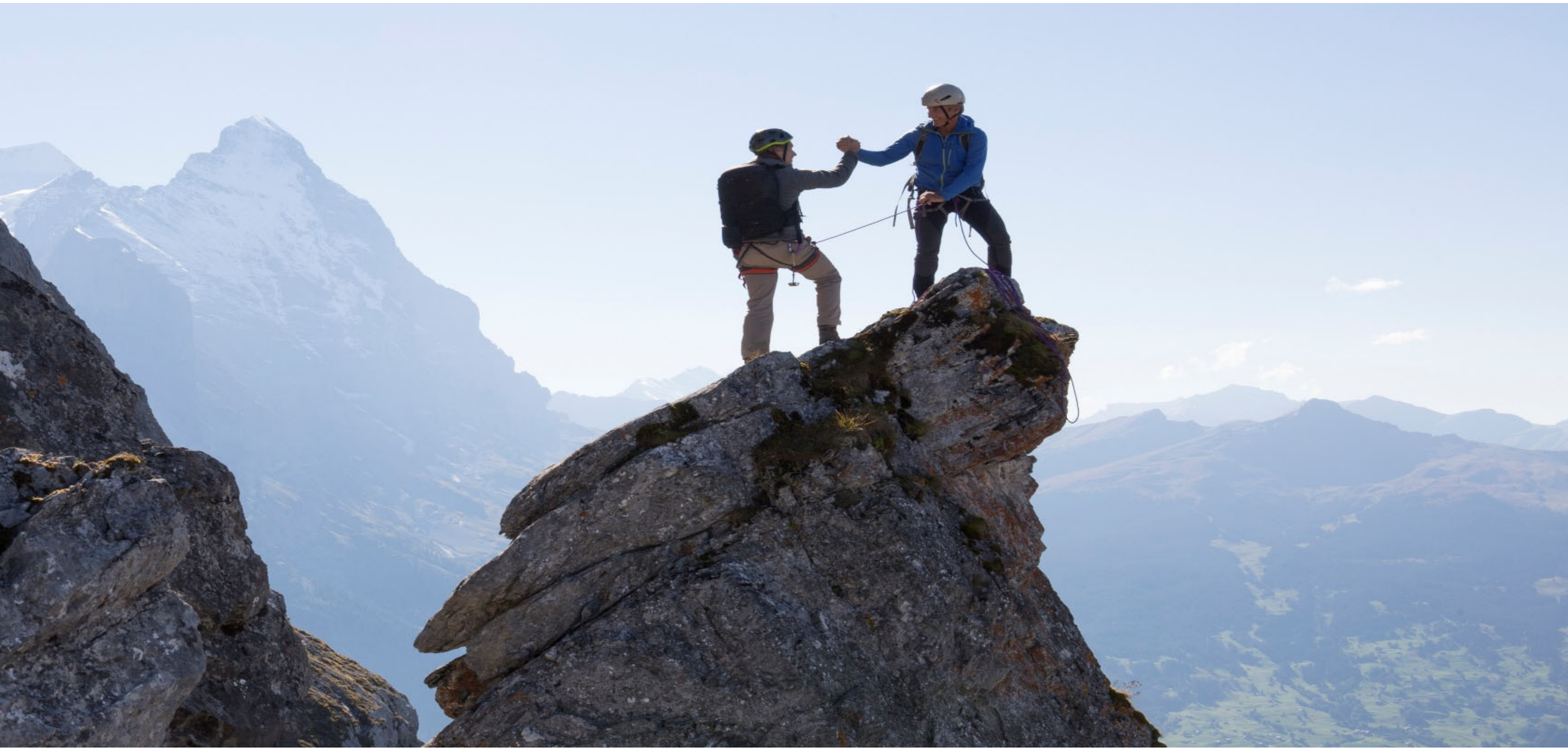
Annual Long Report and Audited Financial Statements
Year ended
30 June 2022

AXA Fixed Interest Investment ICVC



Issued by AXA Investment Managers UK Limited Authorised and regulated by the Financial Conduct Authority

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* Collectively, these comprise the Authorised Corporate Director’s Report.

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

Directory

The Company and Head Office
AXA Distribution Investment ICVC
22 Bishopsgate
London EC2N 4BQ

Authorised Corporate Director ("ACD")
AXA Investment Managers UK Limited
22 Bishopsgate
London EC2N 4BQ
www.axa-im.co.uk

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

Sub-Investment Managers
AXA Investment Managers Inc
100 West Putnam Avenue
4th Floor
Greenwich
CT 06830 USA

AXA Investment Managers Paris
Tour Majunga
La Défense 9
6, Place de la Pyramide
92800 Puteaux
France

Legal Advisers
Eversheds Sutherland (International) LLP
One Wood Street
London, EC2V 7WS

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

Directory

Depositary
HSBC Bank plc,
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.

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

Report of the Directors of AXA Fixed Interest Investment ICVC

AXA Fixed Interest Investment ICVC ("the Company") is an investment company with variable capital incorporated in England and Wales and authorised by the Financial Conduct Authority ("FCA").

Shareholders are not liable for the debts of the Company.

There are ten sub-funds which are currently available in the Company (each a "Fund"), and in the future there may be other sub-funds in the Company.

Each Fund has the investment powers equivalent to those of a UCITS (Undertakings for Collective Investment in Transferrable Securities) under the FCA's Collective Investment Schemes Sourcebook ("COLL"). The Funds are segregated portfolios of assets and, accordingly, the assets of a Fund belong exclusively to that Fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund, and shall not be available for any such purpose. Further details in relation to the segregated nature of the Funds can be found in the Prospectus.

AXA Global Short Duration Bond Fund has a holding of 4,770,000 shares in the AXA US Short Duration High Yield Fund with a market value of £6,840,180. There are no other cross holdings.

Important Events During the Year

AXA Sterling Buy and Maintain Credit Fund changed its name to AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund.

New fund AXA ACT Green Short Duration Bond Fund was launched on 5 January 2022.

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.

The Financial Statements of the AXA Sterling Strategic Bond Fund has been prepared on a break-up basis. The Authorised Corporate Director ('ACD') has carefully considered the future of the sub-fund and the best interests of shareholders. The ACD is planning for the possible merger of the sub-fund with another sub-fund managed by the ACD and/or the closure of the sub-fund. The ACD has or will provide advanced notification of its proposed course of action for the sub-fund to shareholders in accordance with the requirements of the FCA and COLL. The ACD, therefore, expects that it will terminate the sub-fund within one year of the date of approval of the financial statements. Furthermore, any administrative costs of the closure/merger of the sub-fund will not be charged to the sub-fund but will be paid by AXA IM. Please note we have submitted an application to the FCA to terminate the AXA Sterling Strategic Bond Fund. As a result the financial statements of this sub-fund only have been prepared on a break-up basis. In applying this basis of preparation, the assets and liabilities of the sub-fund continue to be stated at their recoverable value and settlement value respectively. No adjustments were necessary in the financial statements to reduce assets to their recoverable values, to bring liabilities to their settlement value, or to provide for liabilities arising from the decision. The financial statements as a whole continue to be prepared on a going concern basis.

AXA Global High Income Fund

Investment Manager's Report

For the year ended 30 June 2022

Investment Objective

The aim of the Fund is to provide long-term high income combined with any capital growth.

Investment Policy

The Fund invests primarily (meaning at least 70% of its assets) in a diversified portfolio of high yield bonds issued by companies anywhere in the world. The Manager focuses on credit analysis to create a portfolio of bonds that seeks diversification across companies showing improving resilience against default.

The Fund is managed with reference to the composition and risk profile of the BofA Merrill Lynch Global High Yield Return Index. However the Manager invests on a discretionary basis with a significant degree of freedom to take positions which are different from the index. The BofA Merrill Lynch Global High Yield Return index is designed to measure the performance of the global high yield bond market. This index best represents the types of bonds in which the Fund predominantly invests. Where bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets). The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM).

This Fund is actively managed in reference to the BofA Merrill Lynch Global High Yield Return index, which may be used by investors to compare the Fund's performance.

Risk and Reward Profile

As at 30 June 2022

By investing in a fund which invests primarily in fixed interest stocks you are likely to be looking for an investment which will generate an income but has less potential for capital return than is the case with funds which invest primarily in equities. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. You are aware that investing in a fund which has a global remit can increase risk because of currency movements in return for greater potential reward. However, the Fund is hedged back to Sterling. You are also aware that investing in sub investment grade bonds increases the potential income but also increases risk to your investment. Typically you would be investing for a period of at least five years.

Lower Risk ← → Higher Risk

Potentially lower reward | Potentially higher reward

1	2	3	**4**	5	6	7

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

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some level of variation which, may result in gains or losses.

AXA Global High Income Fund

Investment Manager's Report

For the year ended 30 June 2022

Additional risks

Under normal market conditions the Fund's key risk factors are:

• Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings (credit ratings are an assessment of a borrower's ability to meet its debt obligations (i.e. its ability to pay its debts). A higher credit rating means more confidence that a borrower will be able to pay its debts, which usually means cheaper funding costs for higher rated borrowers (i.e. it is less risky to lend to them, so investors require a smaller premium). There are 10 ratings within investment grade credit ratings, ranging from the highest rating AAA (credit rating agencies S&P and Fitch use this designation, Moody's used Aaa) to the lowest BBB (Baa3 Moody's). Risk level increases markedly for credit ratings below investment grade, considered speculative grade and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings). See further below under "High yield bonds risk".

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

• High yield bonds risk - high yield bonds (also known as sub-investment grade bonds) are fixed interest securities issued by companies or governments with lower credit ratings (Ba1 and below (Moody's) or BB+ and below (Standard & Poor's and Fitch Ratings)). They are potentially more risky than investment grade bonds which have higher ratings. The issuers of high yield bonds will be at greater risk of default or ratings downgrades. The capital value of the Fund's investment in high yield bonds and the level of income it receives may fall as a result of such issuers ceasing to trade. The Fund will endeavour to mitigate the risks associated with high yield bonds, by diversifying their holdings by issuer, industry and credit quality.

This is an inherent risk for funds invested within high yield bonds. Internal investment guidelines (which may include measures of credit quality, measures of sensitivity to credit spread moves and diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual fund's investment objectives and investment policy.

• Interest rate risk - is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

• Prepayment and extension risk - prepayment risk is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

AXA Global High Income Fund

Investment Manager's Report

For the year ended 30 June 2022

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

• LIBOR transition risk - LIBOR (London Inter-bank Offered Rate) is intended to reflect the interest rate that wholesale banks expect to pay each other to borrow money (without providing security). LIBOR is widely used in financial products as a reference to determine a target or amount to be paid. From the end of 2021, the banks that contribute to the setting of LIBOR will no longer be required to do so, and LIBOR is expected to become obsolete. It is expected that a different rate, SONIA, will replace LIBOR over time.

There are a number of risks for Funds associated with the transition to SONIA:

(i) SONIA is prepared on a different basis to LIBOR and has historically returned a lower rate of interest. Where the Fund's investments provide income based on LIBOR, the transition to SONIA or another reference rate may reduce the value of those investments and the Fund's income from them.

(ii) The ACD has a plan to reduce the Funds' exposure to LIBOR. However, this plan will be phased and the Fund may have some exposure to investments based, or dependent, on LIBOR during periods where those rates are encountering lower levels of reliability. Not all market participants have yet made plans for the transition away from LIBOR and there is a risk that they will be unable/unwilling to implement the change before LIBOR becomes unreliable. During such time, the value of the Fund's investments may be less reliable and therefore the Fund's price may be more volatile (it may change more frequently and/or by greater amounts).

(iii) Where the counterparty for an investment is reliant on LIBOR, a transition to SONIA, or another rate, may change that counterparty's economic position and increase the risk that they will default on their obligations. The Fund may suffer a loss if the counterparty is unable to meet its obligations. Additionally, the increased risk of default may reduce the value of the investment or cause the ACD to need to rebalance the portfolio.

Other risks which could have an impact in extreme market conditions include:

• 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 shareholders buying or selling shares 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.

AXA Global High Income Fund

Investment Manager's Report

For the year ended 30 June 2022

• Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

• 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 ACD 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 individual fund's investment objectives and investment policy.

AXA Global High Income Fund

Investment Manager's Report

For the year ended 30 June 2022

Performance Commentary

During the period from June 30, 2021 through June 30, 2022 the ICE BofA Global High Yield Index (GBP hedged) posted a significantly negative total return of -15.54%. This was driven by investor concerns regarding elevated inflation, increases in interest rates, monetary policy actions and the increasing risk of a recession. During the same period, the AXA Global High Income Fund significantly outperformed its benchmark, the ICE BofA Global High Yield Index (GBP hedged) on a gross basis (GBP). The Fund's relative outperformance was driven in part by the portfolio's underweight to emerging market securities which significantly underperformed the broad global high yield index during the period. The underlying performance drivers for the US and European portions of the Fund are detailed below.

US High Yield

The US portion of the portfolio outperformed relative to the broad US high yield market during the period. The outperformance was driven in part by macro risk positioning. Specifically, relative performance benefitted from both the overweight within the short duration segment of the market and an underweight to the intermediate duration, higher-quality segment. Portfolio performance benefitted from participating in multiple new issues which performed well post-pricing. From a sector perspective, the US portion of the portfolio was positively impacted by security selection within the Healthcare and Retail sectors while negative security selection within the Basic Industry and Consumer Goods sectors detracted from relative performance. Also, the portfolio's overweight to the Services sector added to relative performance while an underweight to the Energy sector detracted from performance during the period.

European High Yield

The outperformance of the European High Yield Carve-Out, relative to the broad European High Yield market, was driven by both carry and macro positioning. The shorter duration positioning provided some protection against the large moves seen in rates. The underweight position in longer-duration double-Bs was a positive contributor, offset somewhat by the greater spread widening of single-Bs, where the carve-out was overweight. On a sector level, a large underweight position in the poorly performing junior bank debt was the most significant positive factor.

Outlook

The Fund finished the month with a yield-to-worst of 9.12% compared to the benchmark yield-to-worst of 9.07%. The duration-to-worst was 4.4, which compares to the benchmark duration of 4.2. The primary narrative for most fixed income markets continues to be focused on central banks' abilities to fight inflation without causing significant harm to the global economy. The odds of a recession in the next 12 months have certainly increased, however we believe the risk of a severe recession is still a lower probability. We think portions of the market are now valued at levels that can result in attractive total returns over the next 12 months, even in a scenario where the global economy experiences a mild recession.

All performance data source: AXA Investment Managers.
Past performance is not a guide for future performance.

Major Purchases	Cost (£'000)
● Ritchie Bros 4.75% 15/12/31	860
● Directive 5.875% Perpetual	659
● HealthEquity 4.5% 01/10/29	645
● Minerva Merger 6.5% 15/02/30	628
● CommScope 4.75% 01/09/29	588

Major Sales	Proceeds (£'000)
● KAR Auction Services 5.125% 01/06/25	1,274
● Ascend Learning I 6.875% 01/08/25	1,270
● Dell International 7.125% 15/06/24	1,000
● Kenan Adventage 7.875% 31/07/23	974
● Granite Merger Sub 2 11% 15/07/27	954

Michael Graham
AXA Investment Managers UK Limited
30 June 2022

AXA Global High Income Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 99.20% (30/06/21: 93.33%)			
Australia 0.34% (30/06/21: 0.31%)			
Nufarm Australia 5% 27/01/30	392,000	274	0.34
Austria 0.00% (30/06/21: 0.06%)			
Belgium 0.32% (30/06/21: 0.31%)			
House of HR 7.5% 15/01/27	EUR 200,000	167	0.21
Sarens Finance 5.75% 21/02/27	EUR 150,000	86	0.11
Canada 3.79% (30/06/21: 4.03%)			
ATS Automation Tooling Systems 4.125% 15/12/28	276,000	193	0.24
Bausch Health 5.5% 01/11/25	514,000	375	0.47
Bausch Health 6.25% 15/02/29	362,000	162	0.20
Garda World Security 6% 01/06/29	431,000	274	0.34
Garda World Security 9.5% 01/11/27	812,000	616	0.76
GFL Environmental 4.75% 15/06/29	207,000	144	0.18
GFL Environmental 5.125% 15/12/26	339,000	268	0.33
Intelligent Packaging Finco 6% 15/09/28	325,000	225	0.28
New Red Finance 5.75% 15/04/25	171,000	140	0.17
Precision Drilling 7.125% 15/01/26	284,000	222	0.28
Ritchie Bros Auctioneers 5.375% 15/01/25	300,000	242	0.30
Videotron 3.625% 15/06/29	294,000	197	0.24
Cayman Islands 0.00% (30/06/21: 0.09%)			
Czech Republic 0.17% (30/06/21: 0.11%)			
Sazka 4.125% 20/11/24	EUR 167,000	136	0.17
Denmark 0.20% (30/06/21: 0.13%)			
DKT Finance 7% 17/06/23	EUR 200,000	163	0.20
Finland 0.09% (30/06/21: 0.31%)			
Ahlstrom-Munksjo 3 3.625% 04/02/28	EUR 100,000	70	0.09
France 2.64% (30/06/21: 2.60%)			
Afflelou 4.25% 19/05/26	EUR 124,000	91	0.11
Banijay 6.5% 01/03/26	EUR 190,000	137	0.17
CAB SELAS 3.375% 01/02/28	EUR 132,000	91	0.11
Casino Guichard Perrachon 3.58% 07/02/25	EUR 200,000	127	0.16
Chrome 5% 31/05/29	EUR 100,000	65	0.08
Constellium 4.25% 15/02/26	EUR 100,000	78	0.10
Crown European 3.375% 15/05/25	EUR 145,000	120	0.15
Faurecia 2.75% 15/02/27	EUR 140,000	94	0.12
Goldstory 5.375% 01/03/26	EUR 200,000	144	0.18
Iliad 5.125% 15/10/26	EUR 105,000	80	0.10
IM 6.625% 01/03/25	EUR 269,000	230	0.29
Kapla 3.375% 15/12/26	EUR 100,000	68	0.08
La Financiere Atalian 4% 15/05/24	EUR 200,000	132	0.16
Loxam 2.875% 15/04/26	EUR 200,000	145	0.18
Paprec 4% 31/03/25	EUR 100,000	74	0.09

AXA Global High Income Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Picard 3.875% 01/07/26	EUR 100,000	70	0.09
Renault 2.375% 25/05/26	EUR 200,000	147	0.18
Rubis Terminal Infra 5.625% 15/05/25	EUR 203,000	168	0.21
Seche Environnement 2.25% 15/11/28	EUR 100,000	68	0.08
Germany 1.96% (30/06/21: 1.67%)			
Cheplapharm Arzneimittel 3.5% 11/02/27	EUR 233,000	170	0.21
Cheplapharm Arzneimittel 5.5% 15/01/28	419,000	291	0.36
Ctec II 5.25% 15/02/30	EUR 167,000	104	0.13
DEMIRE Deutsche Mittelstand Real Estate 1.875% 15/10/24	EUR 200,000	142	0.18
Gruenenthal 3.625% 15/11/26	EUR 200,000	155	0.19
HT Troplast 9.25% 15/07/25	EUR 172,000	131	0.16
IHO Verwaltungs 3.75% 15/09/26	EUR 200,000	142	0.18
Nidda Healthcare 3.5% 30/09/24	EUR 100,000	76	0.09
Peach Property Finance 3.5% 15/02/23	EUR 200,000	146	0.18
SGL Carbon 4.625% 30/09/24	EUR 100,000	82	0.10
Techem Verwaltungsgesellschaft 675 2% 15/07/25	EUR 195,000	147	0.18
Greece 0.09% (30/06/21: 0.06%)			
Mytilineos 2.25% 30/10/26	EUR 102,000	76	0.09
Guernsey 0.00% (30/06/21: 0.15%)			
Ireland 0.30% (30/06/21: 0.47%)			
Ardagh Packaging Finance 4.75% 15/07/27	GBP 150,000	108	0.13
Cimpress 7% 15/06/26	213,000	140	0.17
Isle Of Man 0.00% (30/06/21: 0.15%)			
Italy 2.05% (30/06/21: 1.93%)			
ASR Media and Sponsorship 5.125% 01/08/24	EUR 119,636	92	0.11
Centurion Bidco 5.875% 30/09/26	EUR 246,000	185	0.23
doValue 5% 04/08/25	EUR 200,000	163	0.20
FIS Fabbrica Italiana Sintetici 5.625% 01/08/27	EUR 200,000	145	0.18
IMA Industria Macchine Automatiche 3.75% 15/01/28	EUR 200,000	138	0.17
Kedrion 3.375% 15/05/26	EUR 150,000	114	0.14
Paganini Bidco 4.25% 30/10/28	EUR 100,000	78	0.10
Rekeep 7.25% 01/02/26	EUR 114,000	85	0.11
Sisal 7% 31/07/23	EUR 137,500	117	0.14
TeamSystem 3.5% 15/02/28	EUR 200,000	144	0.18
Telecom Italia 2.375% 12/10/27	EUR 250,000	175	0.22
UniCredit 5.375% Perpetual	EUR 200,000	148	0.18
Verde Bidco 4.625% 01/10/26	EUR 100,000	70	0.09
Japan 0.13% (30/06/21: 0.10%)			
SoftBank 3.125% 19/09/25	EUR 150,000	108	0.13
Jersey 0.49% (30/06/21: 0.21%)			
Adient Global 3.5% 15/08/24	EUR 100,000	77	0.10
Galaxy Bidco 6.5% 31/07/26	GBP 250,000	229	0.28
Kane Bidco 6.5% 15/02/27	GBP 100,000	87	0.11

AXA Global High Income Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Liberia 0.39% (30/06/21: 0.00%)			
Royal Caribbean Cruises 5.375% 15/07/27	220,000	132	0.16
Royal Caribbean Cruises 5.5% 01/04/28	313,000	183	0.23
Luxembourg 2.76% (30/06/21: 3.03%)			
Altice Finco 4.75% 15/01/28	EUR 200,000	124	0.15
ARD Finance 6.5% 30/06/27	376,000	230	0.28
Camelot Finance 4.5% 01/11/26	625,000	473	0.59
ContourGlobal Power 3.125% 01/01/28	EUR 200,000	134	0.17
Cullinan 4.625% 15/10/26	EUR 200,000	139	0.17
ION Trading Technologies 5.75% 15/05/28	200,000	128	0.16
Lincoln Financing 3.625% 01/04/24	EUR 100,000	83	0.10
Lune 5.625% 15/11/28	EUR 150,000	105	0.13
Monitchem 3 5.25% 15/03/25	EUR 150,000	118	0.15
Motion Finco 7% 15/05/25	EUR 200,000	162	0.20
PLT VII Finance 4.625% 05/01/26	EUR 200,000	150	0.19
Rossini 6.75% 30/10/25	EUR 150,000	124	0.15
Summer 5.75% 31/10/26	EUR 151,000	113	0.14
Telenet Finance Luxembourg 3.5% 01/03/28	EUR 200,000	146	0.18
Mexico 0.00% (30/06/21: 0.25%)			
Netherlands 4.23% (30/06/21: 4.30%)			
Diamond 4.625% 01/10/29	150,000	100	0.12
Dufry One 2% 15/02/27	EUR 200,000	129	0.16
IPD 3 5.5% 01/12/25	EUR 100,000	77	0.09
Nobian Finance 3.625% 15/07/26	EUR 100,000	66	0.08
OCI 3.625% 15/10/25	EUR 90,000	76	0.09
PPF Telecom 3.125% 27/03/26	EUR 150,000	117	0.14
Promontoria 6.375% 01/03/27	EUR 225,000	161	0.20
Q-Park 2% 01/03/27	EUR 189,000	129	0.16
Sigma 5.75% 15/05/26	EUR 192,000	87	0.11
Sigma 7.875% 15/05/26	465,000	222	0.27
Titan II 5.125% 15/07/29	EUR 200,000	142	0.18
Trivium Packaging Finance 3.75% 15/08/26	EUR 150,000	118	0.15
Trivium Packaging Finance 5.5% 15/08/26	422,000	328	0.41
Trivium Packaging Finance 8.5% 15/08/27	400,000	311	0.39
United 3.125% 15/02/26	EUR 253,000	171	0.21
UPC 3.875% 15/06/29	EUR 200,000	138	0.17
VZ Secured Financing 5% 15/01/32	694,000	481	0.60
Ziggo Bond 3.375% 28/02/30	EUR 200,000	119	0.15
Ziggo Bond 6% 15/01/27	598,000	441	0.55
Norway 0.00% (30/06/21: 0.10%)			
Panama 0.07% (30/06/21: 0.00%)			
Carnival 6% 01/05/29	100,000	59	0.07
Romania 0.19% (30/06/21: 0.00%)			
RCS & RDS 2.5% 05/02/25	EUR 200,000	151	0.19

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	Holding	Market Value £'000	% of Total Net Assets
Spain 1.21% (30/06/21: 0.71%)			
eDreams ODIGEO 5.5% 15/07/27	EUR 116,000	80	0.10
Grifols Escrow Issuer 3.875% 15/10/28	EUR 210,000	149	0.18
Grifols Escrow Issuer 4.75% 15/10/28	313,000	226	0.28
Grupo Antolin-Irausa 3.5% 30/04/28	EUR 150,000	86	0.11
Lorca Telecom 4% 18/09/27	EUR 225,000	162	0.20
Neinor Homes 4.5% 15/10/26	EUR 162,000	113	0.14
Tendam Brands 5.25% 15/09/24	EUR 200,000	164	0.20
Sweden 0.12% (30/06/21: 0.47%)			
Intrum 3% 15/09/27	EUR 150,000	99	0.12
United Arab Emirates 0.31% (30/06/21: 0.40%)			
GEMS MENASA Cayman 7.125% 31/07/26	313,000	246	0.31
United Kingdom 4.25% (30/06/21: 3.66%)			
Bellis Acquisition 3.25% 16/02/26	GBP 100,000	78	0.10
Bracken MidCo1 6.75% 01/11/27	GBP 139,000	119	0.15
Constellation Automotive Financing 4.875% 15/07/27	GBP 150,000	118	0.15
Drax Finco 2.625% 01/11/25	EUR 100,000	78	0.10
eG Global Finance 6.25% 30/10/25	EUR 116,000	89	0.11
eG Global Finance 8.5% 30/10/25	629,000	507	0.63
Energia 4.75% 15/09/24	GBP 168,000	154	0.19
HSBC 5.25% Perpetual	EUR 200,000	169	0.21
INEOS Quattro Finance 1 3.75% 15/07/26	EUR 200,000	138	0.17
INEOS Quattro Finance 2 3.375% 15/01/26	212,000	147	0.18
Iron Mountain UK 3.875% 15/11/25	GBP 107,000	95	0.12
Jerrold Finco 4.875% 15/01/26	GBP 128,000	112	0.14
Newday 7.375% 01/02/24	GBP 200,000	189	0.23
Pinewood Finance 3.25% 30/09/25	GBP 150,000	131	0.16
Rolls-Royce 5.75% 15/10/27	367,000	273	0.34
Sherwood Financing 4.5% 15/11/26	EUR 229,000	165	0.20
Stonegate Pub Financing 2019 8.25% 31/07/25	GBP 100,000	91	0.11
Synthomer 3.875% 01/07/25	EUR 150,000	117	0.14
TalkTalk Telecom 3.875% 20/02/25	GBP 115,000	93	0.11
Thames Water Kemble Finance 4.625% 19/05/26	GBP 200,000	185	0.23
TI Automotive Finance 3.75% 15/04/29	EUR 228,000	136	0.17
Virgin Media Secured Finance 5% 15/04/27	GBP 100,000	91	0.11
Voyage Care BondCo 5.875% 15/02/27	GBP 172,000	158	0.20
United States 73.10% (30/06/21: 67.72%)			
ACI Worldwide 5.75% 15/08/26	529,000	422	0.52
AdaptHealth 5.125% 01/03/30	414,000	288	0.36
AdaptHealth 6.125% 01/08/28	300,000	220	0.27
ADT Security 4.875% 15/07/32	452,000	300	0.37
Advanced Drainage Systems 6.375% 15/06/30	55,000	45	0.06
Aethon United Finance 8.25% 15/02/26	276,000	223	0.28
Ahead 6.625% 01/05/28	282,000	195	0.24
Alliance Data Systems 7% 15/01/26	200,000	158	0.20
Alliant Intermediate 6.75% 15/10/27	GBP 669,000	487	0.60

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	Holding	Market Value £'000	% of Total Net Assets
Allied Universal 4.875% 01/06/28	129,000	102	0.13
Allied Universal 6.625% 15/07/26	586,000	444	0.55
Allied Universal 9.75% 15/07/27	559,000	396	0.49
AmWINS 4.875% 30/06/29	145,000	100	0.12
Antero Resources 7.625% 01/02/29	122,000	104	0.13
Aramark Services 5% 01/04/25	224,000	179	0.22
Aramark Services 6.375% 01/05/25	218,000	176	0.22
Ardagh Metal Packaging Finance 3% 01/09/29	EUR 100,000	64	0.08
Ardagh Metal Packaging Finance 4% 01/09/29	325,000	213	0.26
Armor 8.5% 15/11/29	323,000	222	0.28
Asbury Automotive 5% 15/02/32	414,000	278	0.34
Ascent Resources Utica 7% 01/11/26	484,000	371	0.46
Avantor Funding 3.875% 15/07/28	EUR 176,000	130	0.16
Axalta Coating Systems 4.75% 15/06/27	750,000	551	0.68
Bausch Health Americas 9.25% 01/04/26	445,000	272	0.34
Belden 3.375% 15/07/31	EUR 132,000	84	0.10
Blue Racer Midstream 6.625% 15/07/26	273,000	206	0.26
Blue Racer Midstream 7.625% 15/12/25	78,000	62	0.08
Boxer Parent 6.5% 02/10/25	EUR 100,000	81	0.10
Boxer Parent 7.125% 02/10/25	302,000	239	0.30
Caesars Entertainment 4.625% 15/10/29	224,000	145	0.18
Caesars Entertainment 6.25% 01/07/25	387,000	311	0.39
Catalent Pharma Solutions 2.375% 01/03/28	EUR 131,000	92	0.11
Catalent Pharma Solutions 3.5% 01/04/30	329,000	223	0.28
Catalent Pharma Solutions 5% 15/07/27	484,000	377	0.47
CCO 4.5% 01/05/32	360,000	239	0.30
CCO 4.5% 01/06/33	433,000	282	0.35
CCO 4.75% 01/03/30	170,000	120	0.15
CCO 4.75% 01/02/32	342,000	232	0.29
CCO 5.125% 01/05/27	226,000	175	0.22
CD&R Smokey Buyer 6.75% 15/07/25	728,000	534	0.66
CDI Escrow Issuer 5.75% 01/04/30	401,000	304	0.38
CEC Entertainment 6.75% 01/05/26	202,000	147	0.18
Central Garden & Pet 4.125% 30/04/31	207,000	137	0.17
Central Parent 7.25% 15/06/29	235,000	187	0.23
Change Healthcare 5.75% 01/03/25	744,000	599	0.74
Churchill Downs 5.5% 01/04/27	423,000	332	0.41
Clarivate Science 4.875% 01/07/29	760,000	513	0.64
Clydesdale Acquisition 8.75% 15/04/30	364,000	258	0.32
Colgate Energy Partners III 5.875% 01/07/29	193,000	141	0.17
CommScope 4.75% 01/09/29	602,000	397	0.49
CommScope 6% 01/03/26	599,000	454	0.56
CommScope 8.25% 01/03/27	336,000	221	0.27
CommScope Technologies 6% 15/06/25	209,000	150	0.19
Condor Merger 7.375% 15/02/30	260,000	176	0.22
CP Atlas Buyer 7% 01/12/28	366,000	224	0.28
Crescent Energy Finance 7.25% 01/05/26	270,000	206	0.26
Crestwood Midstream Partners 5.625% 01/05/27	201,000	150	0.19
Crestwood Midstream Partners 6% 01/02/29	459,000	332	0.41
Crocs 4.125% 15/08/31	234,000	137	0.17
Crown Americas 5.25% 01/04/30	153,000	118	0.15

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	Holding	Market Value £'000	% of Total Net Assets
CrownRock 5.625% 15/10/25	703,000	550	0.68
Curo 7.5% 01/08/28	612,000	316	0.39
Cushman & Wakefield US Borrower 6.75% 15/05/28	211,000	162	0.20
Dave & Buster's 7.625% 01/11/25	529,000	433	0.55
Delek Logistics Partners 6.75% 15/05/25	495,000	381	0.47
Dun & Bradstreet 5% 15/12/29	382,000	275	0.34
Dycom Industries 4.5% 15/04/29	335,000	241	0.30
Encino Acquisition Partners 8.5% 01/05/28	329,000	258	0.32
Energizer 4.75% 15/06/28	263,000	174	0.22
Ford Motor Credit 3.25% 15/09/25	EUR 150,000	118	0.15
Ford Motor Credit 4% 13/11/30	600,000	400	0.50
Ford Motor Credit 4.95% 28/05/27	313,000	238	0.30
Freedom Mortgage 6.625% 15/01/27	435,000	270	0.33
Freedom Mortgage 8.25% 15/04/25	346,000	243	0.30
Genesis Energy 7.75% 01/02/28	713,000	517	0.64
Getty Images 9.75% 01/03/27	1,070,000	848	1.05
G-III Apparel 7.875% 15/08/25	286,000	229	0.28
Gray Television 4.75% 15/10/30	340,000	221	0.27
Greystar Real Estate Partners 5.75% 01/12/25	714,000	559	0.69
HCA 7.69% 15/06/25	130,000	113	0.14
HealthEquity 4.5% 01/10/29	525,000	380	0.47
Helios Software 4.625% 01/05/28	742,000	493	0.61
Herbalife Nutrition 7.875% 01/09/25	385,000	288	0.36
Hilton Domestic Operating 5.75% 01/05/28	313,000	245	0.30
Holly Energy Partners 6.375% 15/04/27	170,000	132	0.16
Howard Hughes 4.375% 01/02/31	370,000	228	0.28
HUB International 7% 01/05/26	616,000	478	0.59
Icahn Enterprises 6.375% 15/12/25	235,000	185	0.23
II-VI 5% 15/12/29	161,000	117	0.15
Illuminate Buyer 9% 01/07/28	797,000	546	0.68
IQVIA 2.25% 15/03/29	EUR 100,000	68	0.08
IQVIA 5% 15/10/26	422,000	330	0.41
IQVIA 5% 15/05/27	278,000	217	0.27
Iron Mountain 5% 15/07/28	341,000	251	0.31
JELD-WEN 6.25% 15/05/25	337,000	268	0.33
Kaiser Aluminum 4.5% 01/06/31	424,000	270	0.33
Kinetik 5.875% 15/06/30	264,000	207	0.26
Kraft Heinz Foods 4.375% 01/06/46	375,000	256	0.32
Kraft Heinz Foods 6.875% 26/01/39	423,000	385	0.48
Kronos Acquisition 7% 31/12/27	88,000	54	0.07
LABL 5.875% 01/11/28	301,000	201	0.25
LABL 6.75% 15/07/26	384,000	285	0.35
LABL 10.5% 15/07/27	674,000	484	0.60
LBM Acquisition 6.25% 15/01/29	525,000	276	0.34
LCM Investments II 4.875% 01/05/29	456,000	287	0.36
Level 3 Financing 5.25% 15/03/26	450,000	347	0.43
Life Time 5.75% 15/01/26	502,000	375	0.46
Likewize 9.75% 15/10/25	340,000	266	0.33
Lions Gate Capital 5.5% 15/04/29	510,000	328	0.41
Live Nation Entertainment 4.875% 01/11/24	206,000	163	0.20
Live Nation Entertainment 6.5% 15/05/27	271,000	221	0.27

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	Holding	Market Value £'000	% of Total Net Assets
LogMeIn 5.5% 01/09/27	408,000	236	0.29
LSF11 A5 6.625% 15/10/29	230,000	160	0.20
Lumen Technologies 5.125% 15/12/26	584,000	404	0.50
Lumen Technologies 5.375% 15/06/29	477,000	309	0.38
Lumen Technologies 6.875% 15/01/28	263,000	193	0.24
Madison IAQ 5.875% 30/06/29	232,000	146	0.18
MajorDrive IV 6.375% 01/06/29	511,000	293	0.36
Matthews International 5.25% 01/12/25	698,000	536	0.66
Mauser Packaging Solutions 5.5% 15/04/24	470,000	370	0.46
Mauser Packaging Solutions 7.25% 15/04/25	903,000	653	0.81
McGraw-Hill Education 8% 01/08/29	641,000	431	0.53
Midas OpCo 5.625% 15/08/29	455,000	302	0.37
Minerals Technologies 5% 01/07/28	316,000	227	0.28
Minerva Merger 6.5% 15/02/30	609,000	421	0.52
Mozart Debt Merger 3.875% 01/04/29	397,000	280	0.35
Mozart Debt Merger 5.25% 01/10/29	305,000	208	0.26
NCR 5% 01/10/28	400,000	280	0.35
NCR 5.125% 15/04/29	653,000	461	0.57
NESCO II 5.5% 15/04/29	383,000	265	0.33
New Enterprise Stone & Lime 5.25% 15/07/28	217,000	149	0.18
Nexstar Media 5.625% 15/07/27	635,000	477	0.59
Nielsen Finance 4.75% 15/07/31	278,000	208	0.26
Nielsen Finance 5.875% 01/10/30	304,000	233	0.29
Northwest Fiber 6% 15/02/28	433,000	263	0.33
NortonLifeLock 5% 15/04/25	453,000	366	0.45
NuStar Logistics 5.75% 01/10/25	201,000	155	0.19
Occidental Petroleum 6.125% 01/01/31	161,000	134	0.17
Occidental Petroleum 6.45% 15/09/36	615,000	519	0.64
Occidental Petroleum 6.625% 01/09/30	220,000	187	0.23
Olympus Water US 4.25% 01/10/28	EUR 760,000	503	0.62
Olympus Water US 5.375% 01/10/29	200,000	123	0.15
Olympus Water US 6.25% 01/10/29	200,000	119	0.15
Open Text 4.125% 01/12/31	404,000	276	0.34
Organon 2.875% 30/04/28	EUR 128,000	92	0.11
Organon 5.125% 30/04/31	301,000	216	0.27
Outfront Media Capital 5% 15/08/27	465,000	339	0.42
Owens-Brockway Glass Container 6.625% 13/05/27	250,000	193	0.24
P&L Development 7.75% 15/11/25	291,000	169	0.21
Park Intermediate 4.875% 15/05/29	442,000	315	0.39
Park Intermediate 5.875% 01/10/28	372,000	281	0.35
Performance Food 6.875% 01/05/25	261,000	214	0.26
PHH Mortgage 7.875% 15/03/26	223,000	163	0.20
Photo Merger 8.5% 01/10/26	376,000	234	0.29
Picasso Finance 6.125% 15/06/25	253,000	205	0.25
Pike 5.5% 01/09/28	470,000	311	0.39
Post 4.5% 15/09/31	597,000	407	0.50
Post 4.625% 15/04/30	147,000	102	0.13
Post 5.75% 01/03/27	171,000	137	0.17
Powdr 6% 01/08/25	89,000	73	0.09
Prestige Brands 3.75% 01/04/31	300,000	201	0.25
Primo Water 4.375% 30/04/29	514,000	343	0.42

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	Holding	Market Value £'000	% of Total Net Assets
Rackspace Technology Global 5.375% 01/12/28	289,000	156	0.19
Rockcliff Energy II 5.5% 15/10/29	213,000	160	0.20
Rocket Mortgage 2.875% 15/10/26	274,000	188	0.23
Rocket Software 6.5% 15/02/29	534,000	321	0.40
Science Applications International 4.875% 01/04/28	88,000	67	0.08
Scientific Games 6.625% 01/03/30	259,000	184	0.23
SCIL USA 4.375% 01/11/26	EUR 200,000	140	0.17
Shift4 Payments 4.625% 01/11/26	405,000	296	0.37
Silgan 2.25% 01/06/28	EUR 200,000	135	0.17
Simmons Foods 4.625% 01/03/29	320,000	224	0.28
Sinclair Television 5.5% 01/03/30	314,000	193	0.24
Sirius XM Radio 3.125% 01/09/26	416,000	305	0.38
Sirius XM Radio 3.875% 01/09/31	262,000	173	0.21
Solaris Midstream 7.625% 01/04/26	459,000	358	0.44
Sonic Automotive 4.875% 15/11/31	375,000	235	0.29
Southwestern Energy 4.75% 01/02/32	328,000	232	0.29
Southwestern Energy 7.75% 01/10/27	287,000	244	0.30
Specialty Building Products 6.375% 30/09/26	797,000	549	0.68
Spectrum Brands 3.875% 15/03/31	138,000	91	0.11
Spectrum Brands 5.5% 15/07/30	98,000	73	0.09
Sprint Capital 8.75% 15/03/32	230,000	228	0.28
SRS Distribution 4.625% 01/07/28	456,000	330	0.41
SRS Distribution 6% 01/12/29	295,000	192	0.24
SS&C Technologies 5.5% 30/09/27	568,000	440	0.54
Standard Industries 4.375% 15/07/30	274,000	180	0.22
Station Casinos 4.5% 15/02/28	343,000	238	0.29
Summit Materials 5.25% 15/01/29	680,000	493	0.61
Summit Midstream 8.5% 15/10/26	222,000	165	0.20
Sunoco 4.5% 30/04/30	587,000	393	0.49
Superior Industries International 6% 15/06/25	EUR 100,000	69	0.09
TEGNA 4.625% 15/03/28	300,000	233	0.29
TEGNA 4.75% 15/03/26	217,000	173	0.21
Tenet Healthcare 4.875% 01/01/26	422,000	322	0.40
Tenet Healthcare 6.125% 15/06/30	239,000	187	0.23
Triton Water 6.25% 01/04/29	422,000	253	0.31
UGI International 2.5% 01/12/29	EUR 205,000	131	0.16
Unisys 6.875% 01/11/27	388,000	283	0.35
United Natural Foods 6.75% 15/10/28	522,000	405	0.50
Univar Solutions USA 5.125% 01/12/27	179,000	138	0.17
Univision Communications 7.375% 30/06/30	100,000	81	0.10
US Acute Care Solutions 6.375% 01/03/26	343,000	258	0.32
US Foods 4.625% 01/06/30	430,000	301	0.37
Varex Imaging 7.875% 15/10/27	410,000	324	0.40
Verscend Escrow 9.75% 15/08/26	829,000	673	0.83
Vista Outdoor 4.5% 15/03/29	875,000	559	0.69
Watco 6.5% 15/06/27	1,013,000	772	0.96
Weekley Homes 4.875% 15/09/28	150,000	98	0.12
WESCO Distribution 7.125% 15/06/25	270,000	220	0.27
WESCO Distribution 7.25% 15/06/28	461,000	373	0.46
White Cap Buyer 6.875% 15/10/28	438,000	296	0.37
Windstream Escrow 7.75% 15/08/28	338,000	230	0.28

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	Holding	Market Value £'000	% of Total Net Assets
WR Grace 5.625% 15/08/29	584,000	367	0.45
Wyndham Hotels & Resorts 4.375% 15/08/28	363,000	260	0.32
XHR 4.875% 01/06/29	217,000	154	0.19
XHR 6.375% 15/08/25	344,000	275	0.34
Yum! Brands 5.375% 01/04/32	485,000	368	0.46
Zayo 6.125% 01/03/28	530,000	317	0.39
ZoomInfo Technologies 3.875% 01/02/29	514,000	350	0.43
TOTAL CORPORATE BONDS		80,110	99.20
COLLECTIVE INVESTMENT SCHEMES 0.00% (30/06/21: 0.76%)			
Luxembourg 0.00% (30/06/21: 0.76%)			
FORWARD CURRENCY CONTRACTS (2.67%) (30/06/21: (0.57%))			
Bought EUR430,000 for GBP367,231 Settlement 29/07/2022		3	-
Bought EUR250,000 for GBP217,060 Settlement 31/08/2022		(2)	-
Bought EUR400,000 for GBP347,545 Settlement 31/08/2022		(3)	-
Bought EUR400,000 for GBP344,722 Settlement 31/08/2022		-	-
Bought USD1,000,000 for GBP824,217 Settlement 31/08/2022		1	-
Bought USD2,600,000 for GBP2,143,513 Settlement 31/08/2022		1	-
Sold EUR4,425,000 for GBP3,737,983 Settlement 29/07/2022		(68)	(0.08)
Sold EUR8,300,000 for GBP7,074,030 Settlement 31/08/2022		(77)	(0.09)
Sold EUR3,700,000 for GBP3,212,346 Settlement 30/09/2022		19	0.02
Sold USD15,100,000 for GBP12,048,087 Settlement 29/07/2022		(417)	(0.52)
Sold USD38,950,000 for GBP30,816,943 Settlement 31/08/2022		(1,315)	(1.63)
Sold USD33,600,000 for GBP27,405,385 Settlement 30/09/2022		(296)	(0.37)
TOTAL FORWARD CURRENCY CONTRACTS		(2,154)	(2.67)
Portfolio of investments		77,956	96.53
Net other assets		2,801	3.47
Total net assets		80,757	100.00

All bonds are denominated in US dollars (unless otherwise indicated).

At 30 June 2022, there were no investments in the Fund which were valued using a quote from a single broker (30/06/21 : £nil).

AXA Global High Income Fund

Comparative Tables

As at 30 June 2022

	A Gross Accumulation			A Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	132.91	117.60	118.77	88.29	81.90	87.32
Return before operating charges ^	(15.22)	15.95	(0.59)	(9.73)	10.97	(0.46)
Operating charges ^	(0.63)	(0.64)	(0.58)	(0.41)	(0.43)	(0.42)
Return after operating charges ^	(15.85)	15.31	(1.17)	(10.14)	10.54	(0.88)
Distributions	(6.83)	(6.07)	(6.29)	(4.45)	(4.15)	(4.54)
Retained distributions on accumulation shares	6.83	6.07	6.29	-	-	-
Closing net asset value per share †	117.06	132.91	117.60	73.70	88.29	81.90
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-11.93%	13.02%	-0.99%	-11.48%	12.87%	-1.01%
Other information						
Closing net asset value (£) †	4,420,013	34,854,912	25,201,828	425,719	266,546	174,200
Closing number of shares	3,775,897	26,224,156	21,430,735	577,665	301,910	212,709
Operating charges ^	0.48%	0.50%	0.49%	0.48%	0.50%	0.49%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	135.00	133.20	124.60	89.32	89.50	89.28
Lowest share price #	117.50	118.00	98.92	75.19	82.21	70.86

	H Gross Accumulation		
	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)
Opening net asset value per share †	267.08	235.21	236.45
Return before operating charges ^	(30.64)	31.97	(1.17)
Operating charges ^	(0.08)	(0.10)	(0.07)
Return after operating charges ^	(30.72)	31.87	(1.24)
Distributions	(15.01)	(13.35)	(13.64)
Retained distributions on accumulation shares	15.01	13.35	13.64
Closing net asset value per share †	236.36	267.08	235.21
*^ after direct transaction costs of:	-	-	-
Performance			
Return after operating charges	-11.50%	13.55%	-0.52%
Other information			
Closing net asset value (£) †	4,727	13,354	11,760
Closing number of shares	2,000	5,000	5,000
Operating charges ^	0.03%	0.04%	0.03%
Direct transaction costs *	0.00%	0.00%	0.00%
Prices			
Highest share price #	271.90	267.70	248.80
Lowest share price #	237.20	236.10	197.60

AXA Global High Income Fund

Comparative Tables

As at 30 June 2022

	R Gross Accumulation			R Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	245.11	218.61	222.57	92.44	85.75	91.41
Return before operating charges ^	(27.87)	29.56	(1.09)	(10.17)	11.48	(0.48)
Operating charges ^	(3.08)	(3.06)	(2.87)	(1.15)	(1.18)	(1.16)
Return after operating charges ^	(30.95)	26.50	(3.96)	(11.32)	10.30	(1.64)
Distributions	(10.61)	(9.34)	(9.96)	(3.94)	(3.61)	(4.02)
Retained distributions on accumulation shares	10.61	9.34	9.96	-	-	-
Closing net asset value per share †	214.16	245.11	218.61	77.18	92.44	85.75
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-12.63%	12.12%	-1.78%	-12.25%	12.01%	-1.79%
Other information						
Closing net asset value (£) †	7,309,677	9,060,001	9,120,792	1,941,686	2,654,687	3,451,435
Closing number of shares	3,413,262	3,696,272	4,172,183	2,515,952	2,871,885	4,025,013
Operating charges ^	1.28%	1.30%	1.29%	1.28%	1.30%	1.29%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	248.00	245.60	232.40	93.35	93.52	93.37
Lowest share price #	214.90	219.40	184.30	78.57	86.07	74.04

AXA Global High Income Fund

Comparative Tables

As at 30 June 2022

	Z Gross Accumulation			Z Gross Income		
Change in net assets per share	30/06/2022 (p)	30/06/2021 (p)	30/06/2020 (p)	30/06/2022 (p)	30/06/2021 (p)	30/06/2020 (p)
Opening net asset value per share †	247.94	219.48	221.77	97.97	90.88	96.90
Return before operating charges ^	(28.39)	29.76	(1.09)	(10.80)	12.17	(0.52)
Operating charges ^	(1.30)	(1.30)	(1.20)	(0.50)	(0.52)	(0.51)
Return after operating charges ^	(29.69)	28.46	(2.29)	(11.30)	11.65	(1.03)
Distributions	(12.61)	(11.20)	(11.63)	(4.89)	(4.56)	(4.99)
Retained distributions on accumulation shares	12.61	11.20	11.63	-	-	-
Closing net asset value per share †	218.25	247.94	219.48	81.78	97.97	90.88
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-11.97%	12.97%	-1.03%	-11.53%	12.82%	-1.06%
Other information						
Closing net asset value (£) †	32,228,139	47,232,877	44,973,679	34,426,691	44,488,563	99,775,064
Closing number of shares	14,766,329	19,050,387	20,491,253	42,096,575	45,410,650	109,790,279
Operating charges ^	0.53%	0.55%	0.54%	0.53%	0.55%	0.54%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	251.80	248.50	232.60	99.10	99.30	99.06
Lowest share price #	219.00	220.30	184.70	83.42	91.22	78.62

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). 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.

AXA Global High Income Fund

Statement of Total Return

For the year ended 30 June 2022

	Note	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Income:					
Net capital (losses)/gains	2		(17,826)		11,551
Revenue	3	6,728		7,502	
Expenses	4	(694)		(853)	
Interest payable and similar charges		(4)		(2)	
Net revenue before taxation		6,030		6,647	
Taxation	5	-		-	
Net revenue after taxation			6,030		6,647
Total return before distributions			(11,796)		18,198
Distributions	6		(6,030)		(6,647)
Change in net assets attributable to Shareholders from investment activities			(17,826)		11,551

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2022

	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Opening net assets attributable to Shareholders		138,571		182,709
Amounts receivable on issue of shares	12,246		42,586	
Amounts payable on cancellation of shares	(55,893)		(102,280)	
		(43,647)		(59,694)
Change in net assets attributable to Shareholders from investment activities (see above)		(17,826)		11,551
Retained distributions on accumulation shares		3,658		4,002
Unclaimed distributions		1		3
Closing net assets attributable to Shareholders		80,757		138,571

AXA Global High Income Fund

Balance Sheet

As at 30 June

	Note	30/06/22 £'000	30/06/21 £'000
Assets:			
Fixed assets:			
Investments		80,134	130,587
Current assets:			
Debtors	7	2,275	2,939
Cash and bank balances	8	1,321	7,767
Total assets		83,730	141,293
Liabilities:			
Investment liabilities		(2,178)	(991)
Creditors:			
Distribution payable		(605)	(538)
Other creditors	9	(190)	(1,193)
Total liabilities		(2,973)	(2,722)
Net assets attributable to Shareholders		80,757	138,571

AXA Global High Income Fund

Notes to the Financial Statements

For the year ended 30 June 2022

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 266-269.

2. Net capital (losses)/gains

	30/06/22 £'000	30/06/21 £'000
The net capital (losses)/gains comprise:		
Non-derivative securities	(6,681)	(4,119)
Currency gains/(losses)	1,125	(489)
Forward currency contracts	(12,272)	16,170
Transaction charges	2	(11)
Net capital (losses)/gains	(17,826)	11,551

3. Revenue

	30/06/22 £'000	30/06/21 £'000
Bank interest	1	-
Interest on debt securities	6,640	7,466
Offshore funds dividends	87	36
Total revenue	6,728	7,502

4. Expenses

	30/06/22 £'000	30/06/21 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	670	797
Registration fees	8	7
	678	804
Other expenses		
Audit fees	5	15
Depositary's fees	11	21
Printing fees	(2)	3
Safe custody fees	2	10
	16	49
Total expenses	694	853

Expenses include irrecoverable VAT where applicable.

AXA Global High Income Fund

Notes to the Financial Statements

For the year ended 30 June 2022

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net revenue before taxation. The differences are explained below:

	30/06/22 £'000	30/06/21 £'000
Net revenue before taxation	6,030	6,647
Net revenue for the year multiplied by the standard rate of corporation tax	1,206	1,329
Effects of:		
Tax deductible interest distributions	(1,206)	(1,329)
Tax charge for the year	-	-

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	30/06/22 £'000	30/06/21 £'000
First interim	1,632	1,620
Second interim	1,521	1,517
Third interim	1,466	1,514
Final	1,307	1,557
Add: Revenue paid on cancellation of shares	185	716
Deduct: Revenue received on creation of shares	(81)	(277)
Net distribution for the year	6,030	6,647

7. Debtors

	30/06/22 £'000	30/06/21 £'000
Amounts receivable for creation of shares	190	944
Sales awaiting settlement	628	14
Accrued revenue	1,457	1,981
Total debtors	2,275	2,939

8. Cash and bank balances

	30/06/22 £'000	30/06/21 £'000
Cash and bank balances	1,321	7,767
Total cash and bank balances	1,321	7,767

AXA Global High Income Fund

Notes to the Financial Statements

For the year ended 30 June 2022

9. Other creditors

	30/06/22 £'000	30/06/21 £'000
Amounts payable for cancellation of shares	86	156
Purchases awaiting settlement	-	936
Accrued annual management charge	85	69
Accrued other expenses	19	32
Total other creditors	190	1,193

10. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no shareholdings in the Company at the year end.

As at 30 June 2022 there are no shareholders with holdings over 25% (30/06/2021: no shareholders with holdings over 25%) of the Fund's shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

During the current year AXA Fixed Interest Investment ICVC Global High Income Fund sold out shares in AXA World Funds Asian High Yield Bonds (30/06/2021: 11,300). The total purchase cost of these investments during the year was £nil (30/06/2021: £nil), the total sales proceeds were £954,301 (30/06/2021: £nil). As at 30 June 2022 total revenue earned amounts to £86,670 (30/06/2021: £36,521).

11. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's annual management charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/21	Issued	Cancelled	Converted	30/06/22
A Gross Accumulation	0.45	26,224,156	304,194	(22,752,453)	-	3,775,897
A Gross Income	0.45	301,910	281,796	(6,041)	-	577,665
H Gross Accumulation	Nil	5,000	-	(3,000)	-	2,000
R Gross Accumulation	1.25	3,696,272	222,870	(471,785)	(34,095)	3,413,262
R Gross Income	1.25	2,871,885	195,236	(503,780)	(47,389)	2,515,952
Z Gross Accumulation	0.50	19,050,387	2,301,340	(6,618,972)	33,574	14,766,329
Z Gross Income	0.50	45,410,650	5,318,283	(8,677,055)	44,697	42,096,575

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2021: nil).

AXA Global High Income Fund

Notes to the Financial Statements

For the year ended 30 June 2022

13. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2021).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £8,010,903 (2021: £13,038,921). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

	Net foreign currency exposure	
Currency	30/06/22 £'000	30/06/21 £'000
Euro	(586)	58
US dollar	(1,604)	160
Total	(2,190)	218

Foreign exchange risk sensitivity

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

The table below shows the interest rate risk profile at the balance sheet date:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
Pound sterling	1,321	2,140	79,486	82,947
Euro	242	11,870	(12,698)	(586)
US dollar	-	65,858	(67,462)	(1,604)
Total	1,563	79,868	(674)	80,757

AXA Global High Income Fund

Notes to the Financial Statements

For the year ended 30 June 2022

30/06/21*				
Pound sterling	2,955	3,775	131,623	138,353
Euro	1,026	21,215	(22,183)	58
US dollar	4,254	103,882	(107,976)	160
Total	8,235	128,872	1,464	138,571

* Prior year figures have been restated.

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £3,332,536 (2021: £3,000,644). A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each fund.

Transactions in securities may expose a fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

	30/06/22		30/06/21	
	Market Value	%	Market Value	%
Credit Rating	£'000		£'000	
Investment grade (BBB- credit rating and above)	999	1.24	1,774	1.38
Below investment grade (below BBB- credit rating)	78,953	97.76	126,779	91.39
Unrated	158	0.20	786	0.56
Total value of bonds	80,110	99.20	129,339	93.33

AXA Global High Income Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties was as follows:

	30/06/22 Exposure	30/06/21 Exposure
Forwards		
Barclays Bank	43,157	45,460
BNP Paribas	31,264	41,292
Societe Generale	16,271	45,468
Total value of derivatives	90,692	132,220

14. Portfolio transaction costs

There were no transaction costs incurred during the year to 30 June 2022 (2021: nil).

At the balance sheet date the average portfolio dealing spread was 0.70% (2021: 0.45%).

15. Post balance sheet events

There are no post balance sheet events which require adjustments or disclosure.

16. Fair value disclosure

	30/06/22		30/06/21	
Valuation technique	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1 ^	-	-	-	-
Level 2 ^^	80,134	(2,178)	130,587	(991)
Level 3 ^^^	-	-	-	-
	80,134	(2,178)	130,587	(991)

^ 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.

AXA Global High Income Fund

Distribution Table

As at 30 June 2022

First Distribution in pence per share
Group 1 Shares purchased prior to 1 July 2021
Group 2 Shares purchased on or after 1 July 2021 to 30 September 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 30/11/21 (p)	Distribution paid 30/11/20 (p)
Share Class A Gross Accumulation				
Group 1	1.638	-	1.638	1.526
Group 2	0.925	0.713	1.638	1.526
Share Class A Gross Income				
Group 1	1.089	-	1.089	1.063
Group 2	0.646	0.443	1.089	1.063
Share Class H Gross Accumulation				
Group 1	3.616	-	3.616	3.340
Group 2	3.616	-	3.616	3.340
Share Class R Gross Accumulation				
Group 1	2.522	-	2.522	2.378
Group 2	0.975	1.547	2.522	2.378
Share Class R Gross Income				
Group 1	0.951	-	0.951	0.933
Group 2	0.638	0.313	0.951	0.933
Share Class Z Gross Accumulation				
Group 1	3.025	-	3.025	2.821
Group 2	1.440	1.585	3.025	2.821
Share Class Z Gross Income				
Group 1	1.195	-	1.195	1.168
Group 2	0.617	0.578	1.195	1.168

AXA Global High Income Fund

Distribution Table

As at 30 June 2022

Second Distribution in pence per share
Group 1 Shares purchased prior to 1 October 2021
Group 2 Shares purchased on or after 1 October 2021 to 31 December 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 28/02/22 (p)	Distribution paid 26/02/21 (p)
Share Class A Gross Accumulation				
Group 1	1.615	-	1.615	1.514
Group 2	0.363	1.252	1.615	1.514
Share Class A Gross Income				
Group 1	1.060	-	1.060	1.042
Group 2	0.397	0.663	1.060	1.042
Share Class H Gross Accumulation				
Group 1	3.577	-	3.577	3.329
Group 2	3.577	-	3.577	3.329
Share Class R Gross Accumulation				
Group 1	2.473	-	2.473	2.335
Group 2	1.272	1.201	2.473	2.335
Share Class R Gross Income				
Group 1	0.923	-	0.923	0.906
Group 2	0.341	0.582	0.923	0.906
Share Class Z Gross Accumulation				
Group 1	2.980	-	2.980	2.795
Group 2	1.607	1.373	2.980	2.795
Share Class Z Gross Income				
Group 1	1.164	-	1.164	1.144
Group 2	0.546	0.618	1.164	1.144

AXA Global High Income Fund

Distribution Table

As at 30 June 2022

Third Distribution in pence per share
Group 1 Shares purchased prior to 1 January 2022
Group 2 Shares purchased on or after 1 January 2022 to 31 March 2022

	Net revenue (p)	Equalisation (p)	Distribution paid 31/05/22 (p)	Distribution paid 28/05/21 (p)
Share Class A Gross Accumulation				
Group 1	1.651	-	1.651	1.505
Group 2	1.086	0.565	1.651	1.505
Share Class A Gross Income				
Group 1	1.071	-	1.071	1.024
Group 2	0.573	0.498	1.071	1.024
Share Class H Gross Accumulation				
Group 1	3.646	-	3.646	3.316
Group 2	3.646	-	3.646	3.316
Share Class R Gross Accumulation				
Group 1	2.553	-	2.553	2.309
Group 2	1.255	1.298	2.553	2.309
Share Class R Gross Income				
Group 1	0.944	-	0.944	0.888
Group 2	0.163	0.781	0.944	0.888
Share Class Z Gross Accumulation				
Group 1	3.049	-	3.049	2.779
Group 2	1.616	1.433	3.049	2.779
Share Class Z Gross Income				
Group 1	1.177	-	1.177	1.124
Group 2	0.618	0.559	1.177	1.124

AXA Global High Income Fund

Distribution Table

As at 30 June 2022

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 April 2022
Group 2 Shares purchased on or after 1 April 2022 to 30 June 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/08/22 (p)	Distribution paid 31/08/21 (p)
Share Class A Gross Accumulation				
Group 1	1.924	-	1.924	1.520
Group 2	1.183	0.741	1.924	1.520
Share Class A Gross Income				
Group 1	1.230	-	1.230	1.022
Group 2	0.588	0.642	1.230	1.022
Share Class H Gross Accumulation				
Group 1	4.170	-	4.170	3.360
Group 2	4.170	-	4.170	3.360
Share Class R Gross Accumulation				
Group 1	3.063	-	3.063	2.321
Group 2	1.406	1.657	3.063	2.321
Share Class R Gross Income				
Group 1	1.120	-	1.120	0.883
Group 2	0.709	0.411	1.120	0.883
Share Class Z Gross Accumulation				
Group 1	3.554	-	3.554	2.805
Group 2	1.209	2.345	3.554	2.805
Share Class Z Gross Income				
Group 1	1.354	-	1.354	1.121
Group 2	0.571	0.783	1.354	1.121

AXA Global Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Investment Objective

The aim of the Fund is to provide income combined with any capital growth.

Investment Policy

The Fund invests predominantly (meaning at least 80% of its assets) in a diversified portfolio of bonds (including index-linked bonds) issued by companies and governments globally (including in emerging markets) where the period for full repayment of the bond by the company or government is expected to be less than 5 years. The Fund aims to reduce the effect of fluctuations in interest rates and the frequency and magnitude of market movements while generating income. The Fund may invest up to 60% in high yield bonds. The Manager seeks to reduce the effect of credit risk through diversification and its analysis and selection of bonds.

The Fund does not have a benchmark. SONIA Compounded Index may be used may be used by investors to compare the Fund's performance. Where bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets). The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM).

The Fund is actively managed. It is not managed in reference to any benchmark.

Risk and Reward Profile

As at 30 June 2022

Lower Risk ← → Higher Risk

Potentially lower reward — Potentially higher reward

1	2	**3**	4	5	6	7

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

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some level of variation which, may result in gains or losses.

Additional risks

Under normal market conditions the Fund's key risk factors are:

• Credit risk - All bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

AXA Global Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

• Interest Rate risk - is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

• Prepayment and extension risk - is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions

• Index-linked bonds - are fixed interest securities whose capital repayment amounts and interest payments are adjusted in line with movements in inflation indices. They are designed to mitigate the effects of inflation on the value of a portfolio. The market value of index-linked bonds is determined by the market's expectations of future movements in both interest rates and inflation rates.

As with other bonds, the value of index-linked bonds will generally fall when expectations of interest rates rise and vice versa. However, when the market anticipates a rise in inflation rates, index-linked bonds will generally outperform other bonds, and vice versa.

Index-linked bonds bought in the secondary market (i.e., not directly from the issuer) whose capital values have been adjusted upward due to inflation since issuance, may decline in value if there is a subsequent period of deflation.

Due to the sensitivity of these bonds to interest rates and expectations of future inflation, there is no guarantee that the value of these bonds will correlate with inflation rates in the short to medium term.

Index-linked bonds risk is an inherent risk of investing in index-linked bonds. Exposure to this risk is managed by the allocation decision on the proportion of the portfolio to invest in index-linked bonds, as well as the amount of remaining maturity of these bonds, which will affect their sensitivity in value, to changes in expected inflation levels.

• High yield bonds risk (also known as sub-investment grade bonds) are fixed interest securities issued by companies or governments with lower credit ratings (Ba1 and below (Moody's) or BB+ and below (Standard & Poor's and Fitch Ratings)). They are potentially more risky than investment grade bonds which have higher ratings. The issuers of high yield bonds will be at greater risk of default or ratings downgrades. The capital value of a Fund's investment in high yield bonds and the level of income it receives may fall as a result of such issuers ceasing to trade. A Fund will endeavour to mitigate the risks associated with high yield bonds, by diversifying their holdings by issuer, industry and credit quality.

This is an inherent risk for funds invested within high yield bonds. Internal investment guidelines (which may include measures of credit quality, measures of sensitivity to credit spread moves and diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual fund's investment objectives and investment policy.

AXA Global Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

• Risks linked to investment in sovereign debt - The Funds may invest in bonds issued by countries and governments (sovereign debt). The governmental entity that controls the repayment of sovereign debt may not be able or willing to repay the capital and/or interest when due in accordance with the terms of such debt. In such a scenario, the value of investments of the Funds may be adversely affected. A governmental entity's willingness or ability to repay capital and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign currency reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest on their debt. In addition, there are no bankruptcy proceedings for such issuers under which money to pay the debt obligations may be collected in whole or in part. Holders may be requested to participate in the rescheduling of such sovereign debt and to extend further loans to the issuers.

Certain countries are especially large debtors to commercial banks and foreign governments. Investment in sovereign debt issued or guaranteed by such countries (or their governments or governmental entities) involves a higher degree of risk than investment in other sovereign debt.

Certain Funds may be further subject to the risk of high concentration in bonds issued by and/or guaranteed by a single sovereign issuer which is below investment grade and/or unrated which is also subject to higher credit risk. In the event of a default of the sovereign issuer, a Fund may suffer significant loss.

This is an inherent risk for funds invested within sovereign bonds. Internal investment guidelines, scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual fund's investment objectives and investment policy.

• Emerging Markets risk - Investment in emerging markets (countries that are transitioning towards more advanced financial and economic structures) may involve a higher risk than those inherent in established markets. Emerging markets and their currencies may experience unpredictable and dramatic fluctuations from time to time. Investors should consider whether or not investment in such Funds is either suitable for or should constitute a substantial part of an investor's portfolio.

Companies in emerging markets may not be subject to:

a. accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets;

b. the same level of government supervision and regulation of markets as countries with more advanced securities markets.

Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions.

Restrictions on foreign investment in emerging markets may preclude investment in certain securities by the Funds referred to above and, as a result, limit investment opportunities for those Funds. Substantial government involvement in, and influence on, the economy, as well as a lack of political or social stability, may affect the value of securities in certain emerging markets.

The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising investments.

Lack of liquidity and efficiency in certain emerging markets may mean that from time to time the ACD may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market.

This is an inherent risk for funds invested within Emerging Markets. Internal investment guidelines (such a diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual fund's investment objectives and investment policy.

AXA Global Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

• LIBOR transition risk - LIBOR (London Inter-bank Offered Rate) is intended to reflect the interest rate that wholesale banks expect to pay each other to borrow money (without providing security). LIBOR is widely used in financial products as a reference to determine a target or amount to be paid. From the end of 2021, the banks that contribute to the setting of LIBOR will no longer be required to do so, and LIBOR is expected to become obsolete. It is expected that a different rate, SONIA, will replace LIBOR over time.

There are a number of risks for Funds associated with the transition to SONIA:

(i) SONIA is prepared on a different basis to LIBOR and has historically returned a lower rate of interest. Where the Fund's investments provide income based on LIBOR, the transition to SONIA or another reference rate may reduce the value of those investments and the Fund's income from them.

(ii) The ACD has a plan to reduce the Funds' exposure to LIBOR. However, this plan will be phased and the Fund may have some exposure to investments based, or dependent, on LIBOR during periods where those rates are encountering lower levels of reliability. Not all market participants have yet made plans for the transition away from LIBOR and there is a risk that they will be unable/unwilling to implement the change before LIBOR becomes unreliable. During such time, the value of the Fund's investments may be less reliable and therefore the Fund's price may be more volatile (it may change more frequently and/or by greater amounts).

(iii) Where the counterparty for an investment is reliant on LIBOR, a transition to SONIA, or another rate, may change that counterparty's economic position and increase the risk that they will default on their obligations. The Fund may suffer a loss if the counterparty is unable to meet its obligations. Additionally, the increased risk of default may reduce the value of the investment or cause the ACD to need to rebalance the portfolio.

Other risks which could have an impact in extreme market conditions include:

• Liquidity risk - Under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, corporate and emerging market bonds may be affected by the demand in the market for such bonds carrying credit risk, particularly in times of significant market stress. As a Prospectus for the AXA Fixed Interest Investment ICVC, valid as at 13 November 2020 13 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 ACD may be forced to buy or sell such investments as a consequence of shareholders buying or selling shares 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.

AXA Global Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

• Counterparty risk - At any one time, a Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral a Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of this Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

• Currency risk - Assets of a 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 ACD aims to reduce the risk of movements in exchange rates on the value of all or part of the assets of a Fund through the use of currency exchange transactions. A 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 a Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. The performance of a Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by a 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 a 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 individual fund's investment objectives and investment policy.

AXA Global Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Investment Review

After widening slightly towards the end of 2021 due to concerns around the Omicron COVID-19 variant, credit spreads widened significantly in the first half of 2022 due to increased hawkishness from central banks and heightened recession risk as inflation kept rising globally. At first, inflationary pressures were mostly linked to the supply-chain shock caused by COVID-19, but the Russian invasion of Ukraine in February intensified them by causing another global supply chain shock and pushing up global commodity prices. As such, the UK's annual inflation rate rose to a 40-year high of 9.1% in May 2022 compared to only 2% back in July 2021. Similarly, in the US, the annual inflation rate rose to 8.6%, a level not seen since 1981, while the Eurozone reached 8.1%, an all-time high.

Central banks responded hawkishly to rein in runaway inflation, though the European Central Bank (ECB) acted more slowly. The Bank of England (BoE) increased the bank rate five consecutive times from 0.10% in June 2021 to 1.25% in June 2002. Similarly, the US Federal Reserve (Fed) increased its federal funds rate to 1.50-1.75%, up from 0-0.25% at the beginning of the review period, stating that they would take whatever measures necessary to control inflation. Finally, the ECB did not increase interest rates during the review period, but ECB president Lagarde announced in June that they would hike in July by 25bps, the first time in 11 years.

As a result, global government bond yields rose sharply during the review period, with most of the increase happening in the first half of 2022 as central banks increased interest rates aggressively to deal with rampant inflation. Curves flattened as a result, with short-dated yields rising more than longer-dated ones, and even inverted in the US at some point.

Fund activity

Due to expensive valuations, persistently elevated inflation, and increasingly hawkish central banks, we continued to de-risk the portfolio in the second half of 2021. As such, we increased our sovereign exposure by 13% to 31%, adding to US, German and French inflation linked bonds to benefit from supportive inflation indexation over the following months. This led our inflation linked exposure to increase by 10% to 15%, its highest level since inception of the fund. As a result, our exposure to investment grade markets fell by 5% to 35% as we reduced our exposure to the dollar and sterling investment grade markets due to the expectation of higher US treasury and UK gilt yields, while we kept our exposure to the euro credit market unchanged. We also decreased our exposure to high yield and emerging markets by 9% to 29%, with the focus being predominantly on reducing our exposure to US high yield, being down by 6% to only 2%, due to very expensive valuations and less supportive technicals. Our exposure to emerging markets also fell by 3% to 12% due to the headwinds of a more hawkish Fed, geopolitical tensions, and the collapse of Chinese property developers. We kept our exposure to European high yield unchanged at 16% as it was supported by more attractive valuations and better technicals. As a result, our overall exposure to high yield rated bonds also decreased by 7% to 23%.

At a sector level, we continued to reduce our exposure to cyclical sectors by 9% to 18% as valuations looked stretched with not much COVID-19 premium left even for very exposed names such as airlines, airports or shopping mall operators.

The large de-risking undertaken during the second half of 2021 helped us to minimise the drawdown experienced by the fund in the first half of 2022 as credit spreads widened significantly, and also gave us ample room to start adding back risk at much more attractive levels. As such, we increased our exposure to investment grade markets by 14% to 48%, predominantly focussing on BBB-rated bonds in the euro and sterling credit markets as they underperformed due to their proximity to the war in Ukraine. Similarly, we also increased our exposure to high yield and emerging markets by 8% to 37%, adding equally across US, European high yield and emerging markets. For the latter, we mostly focussed our investments on countries that are commodity exporters as the headwinds mentioned above remained. As a result, our overall exposure to high yield rated bonds increased by 6% to 29%. Due to this re-risking, we decreased our exposure to sovereign debt by 18% to 13%, mostly reducing our exposure to nominal government debt. We kept the exposure to short-dated inflation linked bonds broadly stable at 13% to benefit from still supportive inflation indexation over the following months, but switched out of French linkers into UK ones due to more attractive valuations. At a sector level, we increased our exposure to the financial sector by 10% to 37% as banks and insurance companies should directly benefit from the higher interest rate environment. We mostly focused on financial subordinated debt, doubling our exposure to 10%.

AXA Global Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

We were active in both primary and secondary markets throughout the period across investment grade, high yield and emerging markets in US dollar, euro, and sterling.

Our active management of the duration contributed positively to performance as we started the year with a duration close to 1 year, helping us to substantially minimise the drawdown experienced by the fund in the first half of 2022 as government bond yields rose significantly. We then made use of the full duration range available to us (between 1 and 3 years) by using futures, to benefit from the extreme level of yield volatility. Finally, we also lengthened the spread duration of the portfolio by increasing the exposure to bonds maturing between 3 and 5 years by 14% to 37% while reducing the exposure to bonds maturing between 1 and 3 years by 16% to 39%.

Outlook

We expect market conditions to remain very volatile over the short-term due to continued inflationary pressures, hawkish central banks, a protracted conflict in Ukraine and increased risk of a recession next year. In such an environment, it is paramount to retain flexibility and manage actively the duration and credit exposure.

As inflation should start gradually falling over the coming quarters, we expect yields to consolidate at these higher levels since they already reflect a very aggressive pace of tightening by central banks, helping credit spreads to also stabilise.

All performance data source: AXA Investment Managers and Bloomberg.
Past performance is not a guide for future performance.

Major Purchases	Cost (£'000)	Major Sales / Redemptions	Proceeds (£'000)
● AXA Fixed Interest Investment ICVC - US Short Duration High Yield	13,410	● AXA Fixed Interest Investment ICVC - US Short Duration High Yield	16,400
● United States Treasury Inflation Indexed Bonds 0.875% 30/06/26	11,440	● United States Treasury Inflation Indexed Bonds 0.875% 30/06/26	11,504
● United Kingdom Inflation-Linked Gilt 0.375% 22/10/26	9,539	● United Kingdom Gilt 0.125% 31/01/23	10,926
● Deutsche Bundesrepublik Inflation Linked Bond 0.1% 15/04/23	9,349	● United States Treasury Inflation Indexed Bonds 0.125% 31/03/23	9,550
● France Government Bond 0.25% 25/07/24	9,288	● France Government Bond 0.25% 25/07/24	9,527

Nicolas Trindade
AXA Investment Managers UK Limited
30 June 2022

AXA Global Short Duration Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 80.28% (30/06/21: 75.92%)			
Australia 1.34% (30/06/21: 0.39%)			
National Australia Bank 1.699% 15/09/31	GBP 1,654,000	1,417	0.83
Westfield America Management 2.125% 30/03/25	GBP 950,000	861	0.51
Belgium 0.70% (30/06/21: 1.16%)			
Belfius Bank 1.625% 15/03/28	EUR 1,400,000	1,184	0.70
Bermuda 2.20% (30/06/21: 2.05%)			
CBQ Finance 2% 15/09/25	1,333,000	1,026	0.60
Hiscox 2% 14/12/22	GBP 970,000	960	0.57
Tengizchevroil Finance International 2.625% 15/08/25	1,070,000	751	0.44
Triton Container International 1.15% 07/06/24	1,300,000	1,003	0.59
Brazil 1.59% (30/06/21: 1.21%)			
Banco do Brasil Cayman 3.25% 30/09/26	613,000	458	0.27
BRF 4.75% 22/05/24	1,200,000	972	0.57
Light Servicos de Eletricidade 4.375% 18/06/26	1,735,000	1,269	0.75
British Virgin Islands 0.65% (30/06/21: 1.14%)			
Contemporary Ruiding Development 1.875% 17/09/25	916,000	698	0.41
Eastern Creation II Investment 1% 10/09/23	506,000	406	0.24
Canada 1.70% (30/06/21: 0.67%)			
Bank of Montreal 3.7% 07/06/25	705,000	577	0.34
Element Fleet Management 3.85% 15/06/25	1,315,000	1,061	0.62
National Bank of Canada 0.55% 15/11/24	250,000	197	0.12
Toronto-Dominion Bank 2.875% 05/04/27	GBP 1,115,000	1,057	0.62
Cayman Islands 2.43% (30/06/21: 3.18%)			
Fibria Overseas Finance 5.5% 17/01/27	1,100,000	899	0.53
IHS 5.625% 29/11/26	801,000	542	0.32
MAR Sukuk 2.21% 02/09/25	1,355,000	1,060	0.62
QNB Finance 3.5% 28/03/24	1,982,000	1,626	0.96
Colombia 0.48% (30/06/21: 0.43%)			
Ecopetrol 5.875% 18/09/23	1,000,000	821	0.48
Cyprus 0.27% (30/06/21: 0.48%)			
MHP 7.75% 10/05/24	1,100,000	456	0.27
Denmark 0.00% (30/06/21: 0.84%)			
Finland 0.58% (30/06/21: 0.00%)			
Balder Finland 1% 18/01/27	EUR 1,582,000	978	0.58
France 5.39% (30/06/21: 8.09%)			
Afflelou 4.25% 19/05/26	EUR 414,000	302	0.18
Altice France 2.125% 15/02/25	EUR 941,000	698	0.41
Banijay Entertainment 3.5% 01/03/25	EUR 260,000	199	0.12
BNP Paribas 2% 24/05/31	GBP 900,000	779	0.46

AXA Global Short Duration Bond Fund

Portfolio Statement
As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
BNP Paribas 3.5% 01/03/23	800,000	661	0.39
BPCE 0.5% 14/01/28	EUR 1,200,000	900	0.53
Credit Agricole 0.625% 12/01/28	EUR 1,900,000	1,440	0.85
Elis SA 4.125% 24/05/27	EUR 300,000	244	0.14
Fnac Darty 1.875% 30/05/24	EUR 645,000	521	0.31
Picard 3.875% 01/07/26	EUR 581,000	406	0.24
RCI Banque 0.5% 14/07/25	EUR 704,000	544	0.32
Rubis Terminal 5.625% 15/05/25	EUR 897,000	744	0.44
Societe Generale 1.25% 15/02/24	EUR 2,000,000	1,690	1.00
Germany 3.18% (30/06/21: 4.88%)			
Commerzbank 1.125% 22/06/26	EUR 1,100,000	855	0.50
DEMIRE Deutsche Mittelstand Real Estate 1.875% 15/10/24	EUR 1,000,000	709	0.42
Deutsche Bank 0.75% 17/02/27	EUR 1,000,000	758	0.45
Deutsche Bank 4% 24/06/26	GBP 1,000,000	963	0.57
Hamburg Commercial Bank 0.5% 22/09/26	EUR 700,000	540	0.32
SGL Carbon SE 4.625% 30/09/24	EUR 700,000	571	0.34
ZF Finance 3% 21/09/25	EUR 1,300,000	980	0.58
Hong Kong 0.24% (30/06/21: 0.21%)			
CMB International Leasing Management 1.875% 12/08/25	519,000	399	0.24
Indonesia 0.00% (30/06/21: 0.13%)			
Ireland 3.47% (30/06/21: 2.78%)			
AerCap Global Aviation Trust 4.875% 16/01/24	993,000	818	0.48
AIB 1.25% 28/05/24	EUR 1,153,000	964	0.57
AIB Group 2.25% 04/04/28	EUR 1,727,000	1,361	0.80
Bank of Ireland 1% 25/11/25	EUR 2,376,000	1,923	1.13
eircom Finance 1.75% 01/11/24	EUR 1,041,000	829	0.49
Isle of Man 0.56% (30/06/21: 0.53%)			
Playtech 3.75% 12/10/23	EUR 1,129,000	949	0.56
Italy 4.18% (30/06/21: 5.70%)			
Aeroporti di Roma 5.441% 20/02/23	GBP 1,350,000	1,362	0.80
Banco BPM 3.375% 19/01/32	EUR 1,417,000	1,022	0.60
doValue 5% 04/08/25	EUR 950,000	775	0.46
Kedrion 3.375% 15/05/26	EUR 434,000	329	0.19
Rekeep 7.25% 01/02/26	EUR 919,000	683	0.40
Telecom Italia 5.875% 19/05/23	GBP 850,000	853	0.50
UniCredit 0.925% 18/01/28	EUR 1,182,000	883	0.52
UniCredit 1% 18/01/23	EUR 700,000	601	0.35
UniCredit 1.625% 03/07/25	EUR 736,000	606	0.36
Jersey 1.53% (30/06/21: 1.59%)			
CPUK Finance 7.239% 28/02/24	GBP 1,400,000	1,467	0.86
Heathrow Funding 7.125% 14/02/24	GBP 1,100,000	1,143	0.67
Luxembourg 2.62% (30/06/21: 1.75%)			
B&M European Value Retail 3.625% 15/07/25	GBP 924,000	777	0.46

AXA Global Short Duration Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
ContourGlobal Power 2.75% 01/01/26	EUR 714,000	502	0.30
ContourGlobal Power Holdings 4.125% 01/08/25	EUR 500,000	392	0.23
Logicor Financing 0.625% 17/11/25	EUR 821,000	628	0.37
Logicor Financing 0.75% 15/07/24	EUR 1,605,000	1,305	0.77
PLT VII Finance 4.625% 05/01/26	EUR 1,100,000	827	0.49
Netherlands 3.85% (30/06/21: 4.22%*)			
Citycon Treasury 1.25% 08/09/26	EUR 232,000	159	0.09
Citycon Treasury 2.5% 01/10/24	EUR 800,000	652	0.38
Enel Finance International 0.25% 17/11/25	EUR 1,723,000	1,367	0.81
IPD 3 5.5% 01/12/25	EUR 288,000	221	0.13
OCI 3.625% 15/10/25	EUR 900,000	756	0.45
Prosus NV 3.257% 19/01/27	760,000	547	0.32
Stellantis 3.75% 29/03/24	EUR 1,500,000	1,306	0.77
VEON 4% 09/04/25	1,200,000	682	0.40
Volkswagen Financial Services 3.25% 13/04/27	GBP 900,000	849	0.50
Nigeria 0.42% (30/06/21: 0.40%)			
SEPLAT Energy 7.75% 01/04/26	963,000	713	0.42
Norway 1.36% (30/06/21: 0.00%)			
Adevinta ASA 2.625% 15/11/25	EUR 1,100,000	849	0.50
DNB Bank 2.625% 10/06/26	GBP 1,500,000	1,452	0.86
Portugal 0.42% (30/06/21: 0.47%)			
Banco Comercial Portugues 1.125% 12/02/27	EUR 1,000,000	715	0.42
South Korea 0.52% (30/06/21: 0.46%)			
Mirae Asset Securities 2.625% 30/07/25	1,122,000	879	0.52
Spain 2.62% (30/06/21: 2.10%)			
Almirall 2.125% 30/09/26	EUR 294,000	224	0.13
Banco Bilbao Vizcaya Argentaria 3.104% 15/07/31	GBP 900,000	797	0.47
Banco de Sabadell 2.625% 24/03/26	EUR 500,000	407	0.24
Banco Santander 3.125% 06/10/26	GBP 1,000,000	956	0.56
CaixaBank 1.5% 03/12/26	GBP 600,000	538	0.32
CaixaBank 3.5% 06/04/28	GBP 800,000	749	0.44
Grifols 1.625% 15/02/25	EUR 1,000,000	789	0.46
Sweden 0.40% (30/06/21: 1.38%)			
Intrum 4.875% 15/08/25	EUR 868,000	677	0.40
Turkey 0.00% (30/06/21: 0.90%)			
United Arab Emirates 1.10% (30/06/21: 1.02%*)			
First Abu Dhabi Bank 1.375% 19/02/23	1,112,000	1,100	0.65
MDGH GMTN RSC 2.5% 07/11/24	945,000	758	0.45
United Kingdom 22.97% (30/06/21: 14.52%)			
Admiral 5.5% 25/07/24	GBP 789,000	792	0.47
Anglian Water Osprey Financing 5% 30/04/23	GBP 1,400,000	1,413	0.83

AXA Global Short Duration Bond Fund

Portfolio Statement
As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Babcock International 1.875% 05/10/26	GBP 1,000,000	892	0.53
Barclays 0.877% 28/01/28	EUR 990,000	741	0.44
Bellis Acquisition 3.25% 16/02/26	GBP 977,000	759	0.45
Bidvest 3.625% 23/09/26	841,000	613	0.36
BUPA Finance 5% 08/12/26	GBP 900,000	889	0.52
Close Brothers 2.75% 26/04/23	GBP 386,000	382	0.22
Co-Operative 5.125% 17/05/24	GBP 919,000	857	0.50
Drax Finco 2.625% 01/11/25	EUR 1,000,000	784	0.46
Go-Ahead 2.5% 06/07/24	GBP 950,000	903	0.53
GSK Consumer Healthcare Capital UK 3.125% 24/03/25	GBP 875,000	704	0.41
Hammerson 6% 23/02/26	GBP 850,000	788	0.46
INEOS Quattro Finance 2 2.5% 15/01/26	EUR 981,000	709	0.42
InterContinental Hotels 2.125% 24/08/26	GBP 1,000,000	903	0.53
InterContinental Hotels 3.75% 14/08/25	GBP 900,000	884	0.52
Investec Bank 4.25% 24/07/28	GBP 908,000	893	0.53
Just 9% 26/10/26	GBP 1,150,000	1,265	0.75
Land Securities Capital Markets 1.974% 08/02/24	GBP 1,700,000	1,665	0.98
Marks & Spencer 3.75% 19/05/26	GBP 1,000,000	875	0.52
Marston's Issuer 1.45438% 15/10/27	GBP 1,300,213	1,203	0.71
Mitchells & Butlers Finance 5.965% 15/12/23	GBP 492,488	497	0.29
Mitchells & Butlers Finance 6.013% 15/12/28	GBP 407,886	413	0.24
National Express 2.5% 11/11/23	GBP 1,000,000	982	0.58
Nationwide Building Society 3.766% 08/03/24	2,200,000	1,811	1.07
NatWest 2.105% 28/11/31	GBP 750,000	640	0.38
NatWest 3.622% 14/08/30	GBP 664,000	621	0.37
Ocado 3.875% 08/10/26	GBP 721,000	579	0.34
Pension Insurance 8% 23/11/26	GBP 1,150,000	1,252	0.74
Pinewood Finance 3.25% 30/09/25	GBP 759,000	663	0.39
Rothesay Life 5.5% 17/09/29	GBP 713,000	713	0.42
Rothesay Life 8% 30/10/25	GBP 950,000	1,011	0.60
Santander 0.262% 27/03/24	EUR 1,167,000	1,003	0.59
Sherwood Financing 4.5% 15/11/26	EUR 1,299,000	936	0.55
Society of Lloyd's 4.75% 30/10/24	GBP 900,000	891	0.52
Stagecoach 4% 29/09/25	GBP 974,000	947	0.56
Student Finance 2.6663% 30/09/24	GBP 900,000	872	0.51
Synthomer 3.875% 01/07/25	EUR 1,059,000	827	0.49
TalkTalk Telecom 3.875% 20/02/25	GBP 854,000	694	0.41
Tesco Personal Finance 3.5% 25/07/25	GBP 775,000	752	0.44
Virgin Money UK 0.375% 27/05/24	EUR 886,000	746	0.44
Virgin Money UK 7.875% 14/12/28	GBP 1,100,000	1,129	0.66
Whitbread 3.375% 16/10/25	GBP 1,360,000	1,307	0.77
United States 13.51% (30/06/21: 13.24%)			
AES 3.3% 15/07/25	1,145,000	886	0.52
Athene Global Funding 2.8% 26/05/23	1,357,000	1,111	0.65
Avantor Funding 2.625% 01/11/25	EUR 1,100,000	875	0.52
Aviation Capital 5.5% 15/12/24	324,000	265	0.16
Bank of America 0.981% 25/09/25	1,262,000	965	0.57
Brighthouse Financial Global Funding 1% 12/04/24	1,355,000	1,056	0.62
Cielo USA 3.75% 16/11/22	462,857	381	0.22
Cogent Communications 4.375% 30/06/24	-	-	

AXA Global Short Duration Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Dell International 5.45% 15/06/23	356,000	297	0.17
Ecolab 0.9% 15/12/23	284,000	227	0.13
First American Financial 4.6% 15/11/24	1,140,000	923	0.54
First Horizon 3.55% 26/05/23	1,000,000	825	0.49
First Horizon 4% 26/05/25	300,000	243	0.14
FNB 2.2% 24/02/23	1,410,000	1,151	0.68
Ford Motor Credit 3.021% 06/03/24	EUR 795,000	655	0.39
General Motors Financial 4.25% 15/05/23	1,300,000	1,076	0.63
IQVIA 1.75% 15/03/26	EUR 1,109,000	836	0.49
JPMorgan Chase 3.845% 14/06/25	706,000	578	0.34
KeyCorp 3.878% 23/05/25	324,000	266	0.16
Magallanes 3.638% 15/03/25	1,230,000	987	0.58
MercadoLibre 2.375% 14/01/26	1,300,000	924	0.54
Microchip Technology 0.972% 15/02/24	1,140,000	894	0.53
Nestle Holdings 2.125% 04/04/27	£942,000	901	0.53
Nucor 3.95% 23/05/25	576,000	473	0.28
Office Properties Income Trust 4.25% 15/05/24	1,176,000	941	0.55
Penske Truck Leasing 1.2% 15/11/25	1,150,000	848	0.50
People's United Financial 3.65% 06/12/22	1,340,000	1,107	0.65
Realty Income 1.875% 14/01/27	£609,000	557	0.33
Reliance Steel & Aluminum 1.3% 15/08/25	209,000	157	0.09
SK Battery America 2.125% 26/01/26	1,300,000	969	0.57
Skyworks Solutions 0.9% 01/06/23	1,450,000	1,161	0.68
VMware 1% 15/08/24	GBP 569,000	440	0.26
United Kingdom 22.97% (30/06/21: 14.52%)			
Thames Water Kemble Finance 5.875% 15/07/22	800,000	800	0.47
TOTAL CORPORATE BONDS		136,298	80.28
COLLECTIVE INVESTMENT SCHEMES 4.03% (30/06/21: 5.65%)			
United Kingdom 4.03% (30/06/21: 5.65%)			
AXA Fixed Interest Investment ICVC - US Short Duration High Yield Fund ^	4,770,000	6,840	4.03
TOTAL COLLECTIVE INVESTMENT SCHEMES		6,840	4.03
GOVERNMENT BONDS 13.52% (30/06/21: 13.44%)			
Dominican Republic 0.58% (30/06/21: 0.00%)			
Dominican Republic International Bond 5.5% 27/01/25	1,200,000	985	0.58
Egypt 0.38% (30/06/21: 0.45%)			
Egypt Government International Bond 4.75% 11/04/25	EUR 900,000	646	0.38
Germany 5.63% (30/06/21: 0.00%)			
Deutsche Bundesrepublik Inflation Linked Bond 0.1% 15/04/23	EUR 9,050,000	9,563	5.63

AXA Global Short Duration Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
United Kingdom 3.21% (30/06/21: 3.06%)			
United Kingdom Inflation-Linked Gilt 0.125% 22/03/24	GBP 3,750,000	5,445	3.21
United States 3.72% (30/06/21: 9.93%)			
United States Treasury Inflation Indexed Bonds 0.125% 15/01/23	6,000,000	6,319	3.72
TOTAL GOVERNMENT BONDS		22,958	14
FORWARD CURRENCY CONTRACTS (1.77%) (30/06/21: (0.72%))			
Bought EUR835,000 for GBP717,440 Settlement 05/07/2022		-	-
Bought EUR280,000 for GBP243,056 Settlement 05/07/2022		(3)	-
Bought EUR700,000 for GBP603,726 Settlement 05/07/2022		(2)	-
Bought EUR335,000 for GBP288,227 Settlement 02/08/2022		-	-
Bought USD830,000 for GBP685,140 Settlement 05/07/2022		-	-
Bought USD4,500,000 for GBP3,684,007 Settlement 05/07/2022		32	0.02
Bought USD500,000 for GBP396,912 Settlement 05/07/2022		16	0.01
Sold EUR68,100,000 for GBP57,863,474 Settlement 05/07/2022		(637)	(0.38)
Sold EUR65,800,000 for GBP56,588,000 Settlement 02/08/2022		(13)	(0.01)
Sold USD225,000 for GBP178,062 Settlement 05/07/2022		(8)	-
Sold USD66,400,000 for GBP52,537,735 Settlement 05/07/2022		(2,297)	(1.35)
Sold USD60,800,000 for GBP50,092,378 Settlement 02/08/2022		(94)	(0.06)
TOTAL FORWARD CURRENCY CONTRACTS		(3,006)	(1.77)
FUTURES 0.00% (30/06/21: 0.03%)			
Germany 0.06% (30/06/21: 0.00%)			
Euro-BOBL Futures September 2022	88	99	0.06
United States (0.06%) (30/06/21: 0.03%)			
5 Year Treasury Note Futures September 2022	182	(104)	(0.06)
TOTAL FUTURES		(5)	-
Portfolio of investments		163,085	96.06
Net other assets		6,693	3.94
Total net assets		169,778	100.00

All bonds are denominated in US dollars (unless otherwise indicated).

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

^ The Fund invests in the AXA Fixed Interest Investment ICVC - US Short Duration High Yield Fund which is a related party to the Fund.

At 30 June 2022, there were no investments in the Fund which were valued using a quote from a single broker (30/06/21 : £nil).

AXA Global Short Duration Bond Fund

Comparative Tables

As at 30 June 2022

	S Gross Accumulation			S Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	108.89	104.08	103.06	99.88	97.60	98.64
Return before operating charges ^	(5.06)	5.06	1.26	(4.60)	4.73	1.17
Operating charges ^	(0.23)	(0.25)	(0.24)	(0.21)	(0.23)	(0.23)
Return after operating charges ^	(5.29)	4.81	1.02	(4.81)	4.50	0.94
Distributions	(1.84)	(2.38)	(2.09)	(1.68)	(2.22)	(1.98)
Retained distributions on accumulation shares	1.84	2.38	2.09	-	-	-
Closing net asset value per share †	103.60	108.89	104.08	93.39	99.88	97.60
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-4.86%	4.62%	0.99%	-4.82%	4.61%	0.95%
Other information						
Closing net asset value (£) †	834,827	1,192,990	7,261,354	90,922,660	103,244,398	105,822,751
Closing number of shares	805,841	1,095,546	6,976,688	97,356,387	103,366,007	108,419,500
Operating charges ^	0.22%	0.23%	0.23%	0.22%	0.23%	0.23%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	109.30	108.70	105.50	100.20	100.70	99.98
Lowest share price #	103.90	104.40	98.50	94.19	97.90	93.33

	Z Gross Accumulation			Z Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	107.99	103.43	102.63	99.89	97.61	98.64
Return before operating charges ^	(5.04)	5.02	1.25	(4.60)	4.73	1.19
Operating charges ^	(0.44)	(0.46)	(0.45)	(0.41)	(0.43)	(0.43)
Return after operating charges ^	(5.48)	4.56	0.80	(5.01)	4.30	0.76
Distributions	(1.61)	(2.13)	(1.87)	(1.50)	(2.02)	(1.79)
Retained distributions on accumulation shares	1.61	2.13	1.87	-	-	-
Closing net asset value per share †	102.51	107.99	103.43	93.38	99.89	97.61
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-5.07%	4.41%	0.78%	-5.02%	4.41%	0.77%
Other information						
Closing net asset value (£) †	58,546,745	55,427,598	48,130,373	7,650,388	9,066,450	18,583,061
Closing number of shares	57,115,868	51,326,623	46,532,525	8,192,519	9,076,622	19,037,907
Operating charges ^	0.42%	0.43%	0.43%	0.42%	0.43%	0.43%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	108.30	107.90	104.90	100.20	100.70	99.95
Lowest share price #	102.80	103.70	97.94	94.15	97.90	93.29

AXA Global Short Duration Bond Fund

Comparative Tables

As at 30 June 2022

	ZI Gross Accumulation			ZI Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	107.94	103.22	102.26	99.69	97.42	98.45
Return before operating charges ^	(5.06)	5.02	1.25	(4.59)	4.71	1.18
Operating charges ^	(0.28)	(0.30)	(0.29)	(0.26)	(0.28)	(0.28)
Return after operating charges ^	(5.34)	4.72	0.96	(4.85)	4.43	0.90
Distributions	(1.77)	(2.30)	(2.02)	(1.62)	(2.16)	(1.93)
Retained distributions on accumulation shares	1.77	2.30	2.02	-	-	-
Closing net asset value per share †	102.60	107.94	103.22	93.22	99.69	97.42
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-4.95%	4.57%	0.94%	-4.87%	4.55%	0.91%
Other information						
Closing net asset value (£) †	3,287,935	3,795,317	25,197,142	8,535,573	7,404,066	30,591,536
Closing number of shares	3,204,477	3,516,290	24,411,777	9,156,691	7,427,109	31,402,686
Operating charges ^	0.27%	0.28%	0.28%	0.27%	0.28%	0.28%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	108.20	107.80	104.70	100.00	100.50	99.77
Lowest share price #	102.90	103.50	97.69	94.00	97.71	93.14

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). 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.

AXA Global Short Duration Bond Fund

Statement of Total Return

For the year ended 30 June 2022

	Note	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Income:					
Net capital (losses)/gains	2		(12,063)		5,069
Revenue	3	3,523		4,427	
Expenses	4	(534)		(583)	
Interest payable and similar charges		(19)		334	
Net revenue before taxation		2,970		4,178	
Taxation	5	-		-	
Net revenue after taxation			2,970		4,178
Total return before distributions			(9,093)		9,247
Distributions	6		(2,970)		(4,178)
Change in net assets attributable to Shareholders from investment activities			(12,063)		5,069

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2022

	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Opening net assets attributable to Shareholders		180,131		235,586
Amounts receivable on issue of shares	26,860		36,712	
Amounts payable on cancellation of shares	(26,149)		(98,454)	
		711		(61,742)
Change in net assets attributable to Shareholders from investment activities (see above)		(12,063)		5,069
Retained distributions on accumulation shares		999		1,218
Closing net assets attributable to Shareholders		169,778		180,131

AXA Global Short Duration Bond Fund

Balance Sheet

As at 30 June

	Note	30/06/22 £'000	30/06/21 £'000
Assets:			
Fixed assets:			
Investments		166,243	171,438
Current assets:			
Debtors	7	3,947	7,498
Cash and bank balances	8	7,807	10,027
Total assets		177,997	188,963
Liabilities:			
Investment liabilities		(3,158)	(1,542)
Creditors:			
Bank overdrafts	10	(42)	-
Distribution payable		(618)	(856)
Other creditors	9	(4,401)	(6,434)
Total liabilities		(8,219)	(8,832)
Net assets attributable to Shareholders		169,778	180,131

AXA Global Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 266-269.

2. Net capital (losses)/gains

	30/06/22 £'000	30/06/21 £'000
The net capital (losses)/gains comprise:		
Non-derivative securities	(6,418)	(8,752)
Brokers commission on futures	(8)	(1)
Currency gains/(losses)	2,919	(4,130)
Derivative contracts	1,697	(29)
Forward currency contracts	(10,252)	17,985
Transaction charges	(1)	(4)
Net capital (losses)/gains	(12,063)	5,069

3. Revenue

	30/06/22 £'000	30/06/21 £'000
Bank interest	1	-
Interest on debt securities	3,515	4,018
Interest income from Collective Investment Schemes	221	379
Overseas dividends	2	-
Rebates received from underlying funds	25	61
Futures Income	(241)	(31)
Total revenue	3,523	4,427

4. Expenses

	30/06/22 £'000	30/06/21 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	512	523
Registration fees	1	1
	513	524
Other expenses		
Audit fees	6	14
Depositary's fees	17	26
Printing fees	(3)	3
Safe custody fees	1	16
	21	59
Total expenses	534	583

Expenses include irrecoverable VAT where applicable.

AXA Global Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net revenue before taxation. The differences are explained below:

	30/06/22 £'000	30/06/21 £'000
Net revenue before taxation	2,970	4,178
Net revenue for the year multiplied by the standard rate of corporation tax	594	836
Effects of:		
Relief for indexation on UK Gilts	(6)	-
Tax deductible interest distributions	(588)	(836)
Tax charge for the year	-	-

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	30/06/22 £'000	30/06/21 £'000
First interim	750	1,024
Second interim	532	821
Third interim	734	922
Final	948	1,250
Add: Revenue paid on cancellation of shares	66	261
Deduct: Revenue received on creation of shares	(60)	(100)
Net distribution for the year	2,970	4,178

7. Debtors

	30/06/22 £'000	30/06/21 £'000
Amounts receivable for creation of shares	188	4,727
Sales awaiting settlement	2,305	873
Accrued revenue	1,450	1,286
Amounts due for rebates from underlying funds	4	5
Amounts receivable from ACD	-	607
Total debtors	3,947	7,498

AXA Global Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

8. Cash and bank balances

	30/06/22 £'000	30/06/21 £'000
Cash and bank balances	7,116	9,880
Amount held at futures clearing houses and brokers	649	147
Total cash and bank balances	7,765	10,027

9. Other creditors

	30/06/22 £'000	30/06/21 £'000
Amounts payable for cancellation of shares	817	170
Purchases awaiting settlement	3,478	6,190
Accrued annual management charge	85	42
Accrued other expenses	21	32
Total other creditors	4,401	6,434

10. Bank overdrafts

	30/06/22 £'000	30/06/21 £'000
Bank overdrafts	42	-
Total bank overdrafts	42	-

11. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no shareholdings in the Company at the year end.

As at 30 June 2022 material shareholders have holdings totalling 49.70% (30/06/2021: 55.51%) of the Fund's shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

During the current year AXA Fixed Interest Investment ICVC Global Short Duration Bond Fund held 4,770,000 shares in AXA Fixed Interest Investment ICVC US Short Duration High Yield Fund (30/06/2021: 6,636,000 shares, as detailed in the portfolio statement. The total purchase cost of these investments during the year was £13,409,939 (30/06/2021: £8,008,065), the total sales proceeds were £14,679,650 (30/06/2021: £10,677,220).As at 30 June 2022 total revenue earned amounts to £221,493 (30/06/2021: £379,314).

AXA Global Short Duration Bond Fund

Notes to the Financial Statements
For the year ended 30 June 2022

12. Share classes
The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's annual management charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/21	Issued	Cancelled	Converted	30/06/22
S Gross Accumulation	0.20	1,095,546	530	(290,235)	-	805,841
S Gross Income	0.20	103,366,007	5,881,839	(11,891,459)	-	97,356,387
Z Gross Accumulation	0.40	51,326,623	12,608,868	(6,819,623)	-	57,115,868
Z Gross Income	0.40	9,076,622	2,346,667	(3,230,770)	-	8,192,519
ZI Gross Accumulation	0.25	3,516,290	1,135,131	(1,446,944)	-	3,204,477
ZI Gross Income	0.25	7,427,109	4,048,139	(2,318,557)	-	9,156,691

13. Commitments, contingent liabilities and contingent assets
There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2021: nil).

14. Derivatives and other financial instruments
The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk
The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2021).

Market price risk sensitivity
A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £16,609,556 (2021: £17,114,960). A 10% decrease would have an equal and opposite effect.

Foreign currency risk
The table below shows the foreign currency risk profile at the balance sheet date:

	Net foreign currency exposure	
Currency	30/06/22 £'000	30/06/21 £'000
Euro	(56,694)	(38,674)
US dollar	(50,760)	(68,629)
Total	(107,454)	(107,303)

Foreign exchange risk sensitivity
Assuming all other factors remain stable, if GBP strengthens by 10% the resulting change in the net assets attributable to shareholders of the Fund would be a decrease of approximately (£10,744,916) (2021: (£10,730,244)). A 10% weakening in GBP would have an equal but opposite effect.

AXA Global Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
30/06/22				
Pound sterling	7,010	55,109	215,113	277,232
Euro	1,217	54,282	(112,193)	(56,694)
US dollar	435	48,862	(100,057)	(50,760)
Total	8,662	158,253	2,863	169,778
30/06/21*				
Pound sterling	8,311	55,557	223,566	287,434
Euro	3,301	36,090	(78,065)	(38,674)
US dollar	3,658	64,212	(136,499)	(68,629)
Total	15,270	155,859	9,002	180,131

*Prior year figures have been restated.

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £4,395,448 (2021: £1,786,840). A 1% decrease would have an equal and opposite effect.

AXA Global Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each fund.

Transactions in securities may expose a fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/22 Market Value £'000	%	30/06/21 Market Value £'000	%
Investment grade (BBB- credit rating and above)	155,252	91.45	118,581	65.84
Below investment grade (below BBB- credit rating)	9,340	5.50	42,396	23.52
Total value of bonds	164,592	96.95	160,977	89.36

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties was as follows:

	30/06/22 Exposure £'000	30/06/21 Exposure £'000
Futures		
Goldman Sachs	(5)	44
Total value of derivatives	(5)	44
Forwards		
BNP Paribas	(2,944)	75,622
Merrill Lynch	(61)	137,284
Total value of derivatives	(3,006)	212,906

15. Portfolio transaction costs

There were no transactions costs incurred during the year to 30 June 2022 (2021: Nil).

At the balance sheet date the average portfolio dealing spread was 0.56% (2021: 0.28%).

AXA Global Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

16. Post balance sheet events

There are no post balance sheet events which require adjustments or disclosure.

17. Fair value disclosure

	30/06/22		30/06/21	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1 ^	21,426	- 104	23,420	- 6
Level 2 ^^	144,817	- 3,054	148,018	- 1,536
Level 3 ^^^	-	-	-	-
	166,243	(3,158)	171,438	(1,542)

^ 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.

AXA Global Short Duration Bond Fund

Distribution Table

As at 30 June 2022

First Distribution in pence per share
Group 1 Shares purchased prior to 1 July 2021
Group 2 Shares purchased on or after 1 July 2021 to 30 September 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 30/11/21 (p)	Distribution paid 30/11/20 (p)
Share Class S Gross Accumulation				
Group 1	0.456	-	0.456	0.521
Group 2	0.456	-	0.456	0.521
Share Class S Gross Income				
Group 1	0.419	-	0.419	0.490
Group 2	0.154	0.265	0.419	0.490
Share Class Z Gross Accumulation				
Group 1	0.398	-	0.398	0.465
Group 2	0.159	0.239	0.398	0.465
Share Class Z Gross Income				
Group 1	0.367	-	0.367	0.440
Group 2	0.146	0.221	0.367	0.440
Share Class ZI Gross Accumulation				
Group 1	0.438	-	0.438	0.504
Group 2	0.126	0.312	0.438	0.504
Share Class ZI Gross Income				
Group 1	0.406	-	0.406	0.476
Group 2	0.132	0.274	0.406	0.476

AXA Global Short Duration Bond Fund

Distribution Table

As at 30 June 2022

Second Distribution in pence per share
Group 1 Shares purchased prior to 1 October 2021
Group 2 Shares purchased on or after 1 October 2021 to 31 December 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 28/02/22 (p)	Distribution paid 26/02/21 (p)
Share Class S Gross Accumulation				
Group 1	0.327	-	0.327	0.483
Group 2	0.327	-	0.327	0.483
Share Class S Gross Income				
Group 1	0.299	-	0.299	0.450
Group 2	0.124	0.175	0.299	0.450
Share Class Z Gross Accumulation				
Group 1	0.269	-	0.269	0.426
Group 2	0.082	0.187	0.269	0.426
Share Class Z Gross Income				
Group 1	0.248	-	0.248	0.400
Group 2	0.090	0.158	0.248	0.400
Share Class ZI Gross Accumulation				
Group 1	0.310	-	0.310	0.465
Group 2	0.239	0.071	0.310	0.465
Share Class ZI Gross Income				
Group 1	0.285	-	0.285	0.437
Group 2	0.118	0.167	0.285	0.437

AXA Global Short Duration Bond Fund

Distribution Table

As at 30 June 2022

Third Distribution in pence per share
Group 1 Shares purchased prior to 1 January 2022
Group 2 Shares purchased on or after 1 January 2022 to 31 March 2022

	Net revenue (p)	Equalisation (p)	Distribution paid 31/05/22 (p)	Distribution paid 28/05/21 (p)
Share Class S Gross Accumulation				
Group 1	0.460	-	0.460	0.599
Group 2	0.460	-	0.460	0.599
Share Class S Gross Income				
Group 1	0.419	-	0.419	0.557
Group 2	0.159	0.260	0.419	0.557
Share Class Z Gross Accumulation				
Group 1	0.403	-	0.403	0.542
Group 2	0.162	0.241	0.403	0.542
Share Class Z Gross Income				
Group 1	0.371	-	0.371	0.508
Group 2	0.168	0.203	0.371	0.508
Share Class ZI Gross Accumulation				
Group 1	0.443	-	0.443	0.581
Group 2	0.395	0.048	0.443	0.581
Share Class ZI Gross Income				
Group 1	0.406	-	0.406	0.544
Group 2	0.147	0.259	0.406	0.544

AXA Global Short Duration Bond Fund

Distribution Table

As at 30 June 2022

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 April 2022
Group 2 Shares purchased on or after 1 April 2022 to 30 June 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/08/22 (p)	Distribution paid 31/08/21 (p)
Share Class S Gross Accumulation				
Group 1	0.599	-	0.599	0.778
Group 2	0.599	-	0.599	0.778
Share Class S Gross Income				
Group 1	0.542	-	0.542	0.719
Group 2	0.353	0.189	0.542	0.719
Share Class Z Gross Accumulation				
Group 1	0.537	-	0.537	0.699
Group 2	0.280	0.257	0.537	0.699
Share Class Z Gross Income				
Group 1	0.512	-	0.512	0.669
Group 2	0.221	0.291	0.512	0.669
Share Class ZI Gross Accumulation				
Group 1	0.581	-	0.581	0.755
Group 2	0.131	0.450	0.581	0.755
Share Class ZI Gross Income				
Group 1	0.525	-	0.525	0.705
Group 2	0.285	0.240	0.525	0.705

AXA Global Strategic Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Investment Objective

The aim of the Fund is to generate income and growth over the medium term (being a period of five years or more).

Investment Policy

The Fund invests at least 80% of its assets in a mix of investment grade bonds (meaning bonds with a Standard & Poor's rating of at least BBB- or such equivalent rating by Moody's or Fitch), sub-investment grade bonds and securitisation vehicles (such as mortgage-backed and asset-backed securities, collateralised debt obligations (CDOs) and collateralised loan obligations (CLOs)), issued in or hedged back to Sterling. The Manager seeks to reduce the risk of defaults through its analysis and selection of bonds (with particular emphasis on industry and issuer). The Fund may also invest in other transferable securities, contingent convertible bonds, units in collective investment schemes (including those operated by the ACD), cash, cash-like instruments and deposits.

The Fund may use derivatives for investment purposes as well as for Efficient Portfolio Management. The Fund does not have a benchmark. The IA Sterling Strategic Bond sector may be used by investors to compare the Fund's performance. Where the bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets). The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate capital or income (known as Efficient Portfolio Management – EPM). The Fund avoids investing in bonds issued by companies presenting excessive degrees of environmental, social and governance (ESG) risk. The Manager applies AXA IM Group's sector specific investment guidelines relating to responsible investment to the Fund, according to which the Manager aims at applying specific sectorial exclusions (such as soft commodities, palm oil, controversial weapons and climate risks). The Manager also applies the AXA IM's ESG Standards policy. This policy excludes investment in companies based on: their contribution to climate change; tobacco production; manufacture of controversial weapons; human rights; anticorruption and other ESG factors. Further, in selecting investments, the Manager will take into account: (i) the issuer's ESG score (using an internal ESG scoring system as detailed in the AXA IM's ESG Standards policy); and (ii) its own analysis of the global bond universe. The Manager will use the ESG score and analysis 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.

The Fund is actively managed. It is not managed in reference to any benchmark.

Risk and Reward Profile

As at 30 June 2022

Lower Risk						Higher Risk
Potentially lower reward						Potentially higher reward
1	2	**3**	4	5	6	7

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

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some level of variation which, may result in gains or losses.

AXA Global Strategic Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Additional risks

Under normal market conditions the Fund's key risk factors are:

• Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

• Interest rate risk - is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

• Prepayment and extension risk - prepayment is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

• Index-linked bonds risk - are fixed interest securities whose capital repayment amounts and interest payments are adjusted in line with movements in inflation indices. They are designed to mitigate the effects of inflation on the value of a portfolio. The market value of index-linked bonds is determined by the market's expectations of future movements in both interest rates and inflation rates.

As with other bonds, the value of index-linked bonds will generally fall when expectations of interest rates rise and vice versa. However, when the market anticipates a rise in inflation rates, index-linked bonds will generally outperform other bonds, and vice versa.

Index-linked bonds bought in the secondary market (i.e., not directly from the issuer) whose capital values have been adjusted upward due to inflation since issuance, may decline in value if there is a subsequent period of deflation.

AXA Global Strategic Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Due to the sensitivity of these bonds to interest rates and expectations of future inflation, there is no guarantee that the value of these bonds will correlate with inflation rates in the short to medium term.

Index-linked bonds risk is an inherent risk of investing in index-linked bonds. Exposure to this risk is managed by the allocation decision on the proportion of the portfolio to invest in index-linked bonds, as well as the amount of remaining maturity of these bonds, which will affect their sensitivity in value, to changes in expected inflation levels.

• High Yield Bonds risk - high yield bonds risk (also known as sub-investment grade bonds) - are fixed interest securities issued by companies or governments with lower credit ratings (Ba1 and below (Moody's) or BB+ and below (Standard & Poor's and Fitch Ratings)). They are potentially more risky than investment grade bonds which have higher ratings. The issuers of high yield bonds will be at greater risk of default or ratings downgrades. The capital value of the Fund's investment in high yield bonds and the level of income it receives may fall as a result of such issuers ceasing to trade. The Fund will endeavour to mitigate the risks associated with high yield bonds, by diversifying their holdings by issuer, industry and credit quality.

This is an inherent risk for funds invested within high yield bonds. Internal investment guidelines (which may include measures of credit quality, measures of sensitivity to credit spread moves and diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual fund's investment objectives and investment policy.

• Risks linked to investment in sovereign debt - the Fund may invest in bonds issued by countries and governments (sovereign debt). The governmental entity that controls the repayment of sovereign debt may not be able or willing to repay the capital and/or interest when due in accordance with the terms of such debt. In such a scenario, the value of investments of the Funds may be adversely affected. A governmental entity's willingness or ability to repay capital and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign currency reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest on their debt. In addition, there are no bankruptcy proceedings for such issuers under which money to pay the debt obligations may be collected in whole or in part. Holders may be requested to participate in the rescheduling of such sovereign debt and to extend further loans to the issuers.

Certain countries are especially large debtors to commercial banks and foreign governments. Investment in sovereign debt issued or guaranteed by such countries (or their governments or governmental entities) involves a higher degree of risk than investment in other sovereign debt.

Certain funds may be further subject to the risk of high concentration in bonds issued by and/or guaranteed by a single sovereign issuer which is below investment grade and/or unrated which is also subject to higher credit risk. In the event of a default of the sovereign issuer, the Fund may suffer significant loss.

This is an inherent risk for funds invested within sovereign bonds. Internal investment guidelines, scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual fund's investment objectives and investment policy.

• Emerging markets risk - investment in emerging markets (countries that are transitioning towards more advanced financial and economic structures) may involve a higher risk than those inherent in established markets. Emerging markets and their currencies may experience unpredictable and dramatic fluctuations from time to time. Investors should consider whether or not investment in such funds is either suitable for or should constitute a substantial part of an investor's portfolio.

Companies in emerging markets may not be subject to:

a. accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets;

b. the same level of government supervision and regulation of markets as countries with more advanced securities markets.

AXA Global Strategic Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions.

Restrictions on foreign investment in emerging markets may preclude investment in certain securities by the funds referred to above and, as a result, limit investment opportunities for those funds. Substantial government involvement in, and influence on, the economy, as well as a lack of political or social stability, may affect the value of securities in certain emerging markets.

The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising investments.

Lack of liquidity and efficiency in certain emerging markets may mean that from time to time the ACD may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market.

This is an inherent risk for funds invested within Emerging Markets. Internal investment guidelines (such a diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual fund's investment objectives and investment policy.

• Securitised assets or CDO assets risk - securitised assets or CDO assets (CLO, ABS, RMBS, CMBS, CDO, etc.) are subject to credit, liquidity, market value, interest rate and certain other risks. Such financial instruments require complex legal and financial structuring and any related investment risk is heavily correlated with the quality of underlying assets which may be of various types (leveraged loans, bank loans, bank debt, debt securities, etc.), economic sectors and geographical zones.

• Contingent convertible bonds risk - in the framework of new banking regulations, banking institutions are required to increase their capital buffers and have therefore issued certain types of financial instrument known as subordinated contingent capital securities (often referred to as "CoCo" or "CoCos"). The main feature of a CoCo is its ability to absorb losses as required by banking regulations, but other corporate entities may also choose to issue them.

Under the terms of a CoCo, the instruments become loss absorbing upon certain triggering events, including events under the control of the management of the CoCo issuer which could cause the permanent write-down to zero of principal investment and / or accrued interest, or a conversion to equity that may coincide with the share price of the underlying equity being low. These triggering events may include (i) a deduction in the issuing bank's capital ratio below a pre-set limit, (ii) a regulatory authority making a subjective determination that an institution is "non-viable" or (iii) a national authority deciding to inject capital.

Furthermore, the trigger event calculations may also be affected by changes in applicable accounting rules, the accounting policies of the issuer or its group and the application of these policies. Any such changes, including changes over which the issuer or its group has a discretion, may have a material adverse impact on its reported financial position and accordingly may give rise to the occurrence of a trigger event in circumstances where such a trigger event may not otherwise have occurred, notwithstanding the adverse impact this will have on the position of holders of the CoCos.

CoCos are valued relative to other debt securities in the issuer's capital structure, as well as equity, with an additional premium for the risk of conversion or write-down. The relative riskiness of different CoCos will depend mainly on the distance between the current capital ratio and the effective trigger level, which once reached would result in the CoCo being automatically written-down or converted into equity.

It is possible in certain circumstances for interest payments on certain CoCos to be cancelled in full or in part by the issuer, without prior notice to bondholders. Therefore, there can be no assurances that investors will receive payments of interest in respect of CoCos. Unpaid interest may not be cumulative or payable at any time thereafter.

Notwithstanding that interest not being paid or being paid only in part in respect of CoCos or the principal value of such instruments may be written down to zero, there may be no restriction on the issuer paying dividends on its ordinary shares or making pecuniary or other distributions to the holders of its ordinary shares or making payments on securities ranking pari passu with the CoCos resulting in other securities by the same issuer potentially performing better than CoCos.

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CoCos generally rank senior to common stock in an issuer's capital structure and are consequently higher quality and entail less risk than the issuer's common stock; however, the risk involved in such securities is correlated to the solvency level and / or the access of the issuer to liquidity of the issuing financial institution.

The structure of CoCos is yet to be tested and there is some uncertainty as to how they may be impacted by liquidity challenges and industry concentration in a stressed environment of deteriorating financial condition.

• 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 relatable funds that do not use ESG or sustainability criteria. The selection of assets may in part rely on a proprietary ESG scoring process 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 Manager's methodology. The lack of harmonised definitions may also potentially result in certain investments not benefiting 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.

• LIBOR transition risk - LIBOR (London Inter-bank Offered Rate) is intended to reflect the interest rate that wholesale banks expect to pay each other to borrow money (without providing security). LIBOR is widely used in financial products as a reference to determine a target or amount to be paid. From the end of 2021, the banks that contribute to the setting of LIBOR will no longer be required to do so, and LIBOR is expected to become obsolete. It is expected that a different rate, SONIA, will replace LIBOR over time.

There are a number of risks for Funds associated with the transition to SONIA:

(i) SONIA is prepared on a different basis to LIBOR and has historically returned a lower rate of interest. Where the Fund's investments provide income based on LIBOR, the transition to SONIA or another reference rate may reduce the value of those investments and the Fund's income from them.

(ii) The ACD has a plan to reduce the Funds' exposure to LIBOR. However, this plan will be phased and the Fund may have some exposure to investments based, or dependent, on LIBOR during periods where those rates are encountering lower levels of reliability. Not all market participants have yet made plans for the transition away from LIBOR and there is a risk that they will be unable/unwilling to implement the change before LIBOR becomes unreliable. During such time, the value of the Fund's investments may be less reliable and therefore the Fund's price may be more volatile (it may change more frequently and/or by greater amounts).

(iii) Where the counterparty for an investment is reliant on LIBOR, a transition to SONIA, or another rate, may change that counterparty's economic position and increase the risk that they will default on their obligations. The Fund may suffer a loss if the counterparty is unable to meet its obligations. Additionally, the increased risk of default may reduce the value of the investment or cause the ACD to need to rebalance the portfolio.

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Other risks which could have an impact in extreme market conditions include:

• 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 shareholders buying or selling shares 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.

• Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

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• Derivatives risk - the Fund may enter into a variety of transactions taking the form of "derivatives transactions" (namely, options, futures or contracts for differences) or forward currency transactions. A derivatives transaction must either be in a derivative which is traded or dealt in on an eligible derivatives market and effected in accordance with the rules of that market, (an "exchange traded" derivative), or be an off-exchange derivative entered into with an eligible counterparty (an "over-the-counter" or "OTC" derivative). Forward currency transactions are over-the-counter transactions. Derivative transactions are designed to provide exposure to the value or performance of different assets including shares, bonds and indices, the credit risk of companies or governments, interest rates, the value of currencies or other assets or investments, without the Fund owning the relevant asset(s) or making a direct investment. A forward currency transaction is a contract that locks in the exchange rate for the sale or purchase of a particular currency on a future date. Each derivative and forward transaction bears various risks and its use may result in losses to the Fund. The price or value of derivative and forward currency transactions may move in unexpected ways, particularly in abnormal market conditions, and therefore the use of derivatives and forward currency transactions may increase the volatility of the price of shares in the Fund. If a derivative transaction involves leverage (i.e., it increases the Fund's exposure to the underlying asset or investment), this may magnify investment losses suffered by the Fund and the Fund may lose in excess of the amount invested. Exchange traded and OTC transactions are subject to liquidity risk as it may not always be possible to sell or terminate the relevant transaction. OTC derivative and forward currency transactions are subject to counterparty risk as the counterparty to the transaction may not settle the transaction in accordance with its terms and conditions (due to dispute of the terms or because of a credit or liquidity problem), thus causing the Fund to suffer a loss. Derivative and forward currency transactions may also involve legal risk which may result in loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly.

The successful use of derivative and forward currency transactions (whether for investment purposes or for Efficient Portfolio Management purposes) requires sophisticated management and the Fund will depend on the ability of the Manager to analyse and predict market movements and manage the transactions. The value of a derivative or forward currency transaction will be determined by a range of factors, including the volatility and market price of the underlying asset, interest rates, government intervention in derivatives markets, the duration of the contract and the risk of default of the counterparty. As a result, there are many factors upon which market participants may have divergent views and there is a risk that the Manager may incorrectly value the derivative/currency forward. Furthermore, there is a risk that the value of the derivative/currency forward may not correlate to the underlying asset or investment in the way anticipated by the Manager, due to unexpected market behaviour or interest rate trends. Therefore, where the Fund uses derivative or forward currency transactions to achieve a particular result, whether for investment purposes or for Efficient Portfolio Management, there is a risk that such use will not be successful and could leave the Fund in a worse position than if such transactions had not been used.

In certain circumstances, the Fund may use derivatives or forward currency transactions to reduce or eliminate risk arising from fluctuations in interest rates or exchange rates and in the price of investments or use them for other Efficient Portfolio Management purposes. Where such transactions are used for the purposes of reducing or eliminating (i.e., hedging) certain risks (for example, the use of forward currency transactions to hedge against movements in foreign currency exchange rates), such use will limit any potential gain for the Fund should the value of the hedged asset increase. The precise matching of the relevant contract amounts and the value of the hedged asset involved will not generally be possible because the future value of such assets will change as a consequence of market movements 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 rate 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.

The use of derivatives and forward currency transactions by the Fund is not intended to increase the overall risk profile of the Funds compared to similar funds investing directly in securities. However, in unusual market situations their use may lead to higher volatility in the Share Price of the Funds.

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• Leverage risk - a proportion of the capital of the Fund may be leveraged through borrowing cash or use of derivatives (i.e., the exposure of the Fund to an asset may be greater than the amount invested). While leverage presents opportunities for increasing the capital return, it has the effect of potentially increasing losses as well. Any event which adversely affects the Fund's underlying investment would be magnified to the extent the capital is leveraged. The cumulative effect of the use of leverage in a market that moves adversely to the underlying investment vehicles would result in a substantial loss to capital that would be greater than if capital were not leveraged.

• Political, economic, convertibility and regulatory risk - some geographical areas in which the Fund may invest (including but not limited to Asia, the Eurozone and the US) may be affected by economic or political events or measures, changes in government policies, laws or tax regulations, currency convertibility, or by currency redenomination, restrictions on foreign investments, and more generally by economic and financial difficulties. In such contexts, volatility, liquidity, credit and currency risks may increase and adversely impact the Net Asset Value of the Fund.

The ACD and the sub Investment Managers have established procedures and oversight for monitoring client's portfolios to ensure unexpected adverse events or scenarios are managed to mitigate impact it may have on portfolios investment objectives.

• 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 ACD 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 individual Fund's investment objectives and investment policy.

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Market Review

The 12-month period under review witnessed a period of great change from a macroeconomic perspective, which also reflected the impact of the pandemic on many people's lives and businesses. The first half of the period was defined by strong growth as global economies recovered from COVID-19 enforced lockdowns, rising inflation (generally deemed as transitory by most central banks and market participants), as well as lower unemployment. We then transitioned to a volatile landscape dominated by persistent and elevated inflation, resulting in central banks aggressively trying to regain control by raising interest rates and tightening financial conditions, with the threat of a hard landing and global recession looming large. The reasons for the elevated inflation have been much discussed, initially stemming from supply chain disruption and pent-up demand around the world after lockdowns, which then combined with a commodity rally as the Russian invasion of Ukraine exacerbated supply disruption and led to fears around food inflation – particularly affecting emerging markets. This turbulent economic outlook also led to signs of increased political disruption.

With this economic backdrop, interest rate expectations gradually increased and then quickly accelerated for developed market central bank policy. The US Federal Reserve raised rates incrementally by 25, 50 and 75 basis points to reach a 1.5% base rate, with the market now expecting a similar quantum during this economic cycle. The Bank of England (BoE) raised rates five times at consecutive meetings to 1.25% and expectations also increased for the European Central Bank (ECB) to raise rates for the first time in 11 years. These moves marked a turning point for global monetary policy, dominated by low interest rates for many years, which had been the stimulus for much of the market returns over recent times.

Such changes in central bank policy brought material changes in bond markets. While bond market moves for the first six months of the reporting period were relatively muted, with US 10-year treasuries settling around a 1.5% yield level, in 2022 there was a huge move upwards – peaking at 3.5% during June. UK 10-year gilt yields moved 25bps higher in the first six months to 1% and then rose another 1.5% to a peak of 2.5% by the end of the period. German 10-year bunds followed a similar path, finally moving from negative yields at the end of January 2022 to a positive level around 1.5% by June. With higher bond yields came wider credit spreads, as the market priced in rising expectations for defaults in the high yield market and emerging markets.

With such movements in yields and spreads came a global bond sell-off, which holds few comparisons in the previous 50 years. There was little differentiation between government bond returns and credit markets as everything sold off in tandem. In developed markets, government bond index returns ranged from -9 to -14%, whilst developed market credit - with its combination of interest rate and credit sensitivity - sold off to a similar extent, with US dollar investment grade credit returning -14%. European high yield posted a similar return of -15% and emerging markets was even worse at -21%.

During this period, the fund also lost -13% net of fees (Z GBP share class), as the strategy's diversification qualities failed to help performance.

Fund Activity

Over the period, management of the fund's duration exposure has been very active as we have tried to balance the need to mitigate volatility throughout very negative momentum and severe bond market turmoil, whilst aiming to also capture the better valuations on offer to boost returns. Clearly, markets did not move in a straight line and while at times we had a low duration position, there were some "false" signals which we followed – adding back duration in the belief, for example, that the Russian invasion of Ukraine and higher valuations in Q2 2022 would lead to a rally, whereas in fact inflation became the prevalent theme over the period. While having too much duration at these points was clearly mistaken, such was the magnitude of the sell-off that there was nowhere to hide – even had we held onto a shorter duration position throughout. We did prefer longer dated bonds for most of the period and offset some of the negative losses with a positive contribution from bond curve flattening.

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Within the credit allocation, we increased high yield and emerging markets during the latter part of 2021 as these markets performed strongest, but then spent the first half of 2022 reducing credit and high yield exposure as we looked to carry less credit risk during the extensive period of volatility and weakening growth environment. In trying to mitigate some of this volatility, firstly, we have held higher cash levels than normal; secondly, we have benefiting from our duration overlay (i.e. government bond futures) which reduced overall duration and, thirdly, we have tried to tactically use credit default swaps (CDS) at times to hedge some of our risk asset exposure. At the margin, these measures have helped to mitigate some losses but, all-in-all, performance was materially negative and beyond most people's expectations for bond markets – such was the magnitude of the negative environment created by the highest inflation seen for 40 years and end of central banks' loose monetary policy and quantitative easing which have dominated markets for so long.

Outlook

In a very volatile environment, where all markets have suffered losses, there has been no hiding place for diversified investors. On the one hand, inflation still appears to be stubbornly high and central banks have much more work to do. As rates will rise further, it is possible to envisage that market returns will continue in a similar vein. On the other hand, the biggest sell-off in decades does start to create more attractive valuation opportunities for fixed income. The asset class has been much criticised for many years as it has been bereft of yield due to generous central bank policy in developed markets, yet this sentiment arguably no longer holds. With the sell-off has come much more attractive yields and spreads on offer across the fixed income spectrum and, therefore, the potential to make better returns over coming months and years has increased.

We do not expect the recovery to be in a straight line, but we do think that fixed income is now competitive with other asset classes and, as such, should start to attract flows to stabilise markets and yield levels somewhat. Given the valuations on offer, we have started to add duration to the portfolio to potentially benefit from expectations that we are approaching the "peak" in inflation levels. Furthermore, should global growth weaken – as would be expected with such tightening of central bank policy – this should also be positive for high quality bonds. The credit outlook is slightly more complicated as a weaker growth outlook and move to a higher default environment could lead to more volatility. Despite the improved valuations, we are more inclined to be patient further down the credit curve.

All performance data source: AXA Investment Managers and Bloomberg.
Past performance is not a guide for future performance.

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
● United Kingdom Gilt 4.25% 07/06/32	3,852	● United Kingdom Gilt 4.25% 07/06/32	3,019
● United Kingdom Gilt 1% 22/04/24	3,852	● United Kingdom Gilt 1.75% 22/01/49	1,697
● French Republic Government Bond 0.1% 01/03/25	1,458	● United Kingdom Gilt 1% 22/04/24	1,535
● United States Treasury Note 1.25% 15/05/50	1,153	● United Kingdom Gilt 0.125% 22/03/29	1,125
● United States Treasury Note 0.625% 15/05/30	1,019	● United States Treasury Note 0.125% 31/05/22	806

Nick Hayes
AXA Investment Managers UK Limited
30 June 2022

AXA Global Strategic Bond Fund

Portfolio Statement
As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 61.05% (30/06/21: 60.47%)			
Australia 0.00% (30/06/21: 0.17%)			
Austria 0.65% (30/06/21: 0.60%)			
OMV 2.5% Perpetual	EUR 600,000	443	0.65
Azerbaijan 0.23% (30/06/21: 0.30%)			
State Oil Co of the Azerbaijan Republic 6.95% 18/03/30	200,000	158	0.23
Bermuda 0.24% (30/06/21: 0.25%)			
Ooredoo International Finance 3.25% 21/02/23	200,000	165	0.24
Brazil 0.29% (30/06/21: 0.00%)			
BRF 4.875% 24/01/30	300,000	197	0.29
British Virgin Islands 0.24% (30/06/21: 0.28%)			
Gold Fields Orogen 6.125% 15/05/29	200,000	166	0.24
Canada 1.47% (30/06/21: 1.12%)			
ATS Automation Tooling Systems 4.125% 15/12/28	190,000	133	0.20
CCL Industries 3.25% 01/10/26	450,000	353	0.52
Element Fleet Management 1.6% 06/04/24	400,000	314	0.46
Garda World Security 9.5% 01/11/27	232,000	176	0.26
Kronos Acquisition Holdings 7% 31/12/27	38,000	23	0.03
Cayman Islands 0.36% (30/06/21: 0.00%)			
DP World Salaam 6% Perpetual	300,000	248	0.36
Chile 0.49% (30/06/21: 0.26%)			
Celulosa Arauco y Constitucion 4.25% 30/04/29	200,000	148	0.22
Inversiones Latin America Power 5.125% 15/06/33	396,488	186	0.27
Colombia 0.20% (30/06/21: 0.00%)			
Ecopetrol 7.375% 18/09/43	200,000	134	0.20
Denmark 0.30% (30/06/21: 0.16%)			
Orsted 2.5% 18/02/3021	GBP 300,000	203	0.30
France 1.83% (30/06/21: 2.55%)			
BPCE 0.625% 28/04/25	EUR 600,000	491	0.72
RCI Banque 1.375% 08/03/24	EUR 600,000	503	0.74
Unibail-Rodamco-Westfield 2.125% Perpetual	EUR 400,000	253	0.37
Germany 1.74% (30/06/21: 1.34%)			
Allianz 2.625% Perpetual	EUR 600,000	369	0.54
Deutsche Bahn Finance 0.875% 11/07/31	EUR 400,000	295	0.43
Muenchener Rueckversicherungs-Gesellschaft 1.25% 26/05/41	EUR 800,000	523	0.77
Indonesia 0.00% (30/06/21: 0.45%)			

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	Holding	Market Value £'000	% of Total Net Assets
Italy 2.71% (30/06/21: 2.09%)			
Assicurazioni Generali 2.429% 14/07/31	EUR 600,000	404	0.59
Eni 3.375% Perpetual	EUR 600,000	405	0.59
IMA Industria Macchine Automatiche 3.75% 15/01/28	EUR 500,000	345	0.51
Rekeep 7.25% 01/02/26	EUR 400,000	297	0.44
UniCredit 2% 23/09/29	EUR 500,000	396	0.58
Jersey 0.60% (30/06/21: 0.51%)			
Heathrow Funding 2.625% 16/03/28	GBP 464,000	410	0.60
Kazakhstan 0.20% (30/06/21: 0.32%)			
KazMunayGas National 6.375% 24/10/48	200,000	138	0.20
Liberia 0.16% (30/06/21: 0.00%)			
Royal Caribbean Cruises 5.375% 15/07/27	179,000	108	0.16
Luxembourg 0.81% (30/06/21: 1.17%)			
ContourGlobal Power 3.125% 01/01/28	EUR 500,000	334	0.49
ION Trading Technologies 5.75% 15/05/28	200,000	128	0.19
MHP Lux 6.95% 03/04/26	200,000	88	0.13
Mexico 0.43% (30/06/21: 0.57%)			
Industrias Penoles 5.65% 12/09/49	400,000	294	0.43
Netherlands 2.60% (30/06/21: 4.10%)			
Braskem Netherlands Finance 4.5% 31/01/30	400,000	281	0.41
Cooperatieve Rabobank 4.625% 23/05/29	GBP 450,000	431	0.63
IHS Netherlands 8% 18/09/27	200,000	144	0.21
IPD 3 5.5% 01/12/25	EUR 300,000	230	0.34
Prosus 2.031% 03/08/32	EUR 200,000	119	0.18
Prosus 3.68% 21/01/30	200,000	132	0.19
Shell International Finance 1.75% 10/09/52	GBP 600,000	338	0.50
Sigma 7.875% 15/05/26	200,000	96	0.14
Nigeria 0.21% (30/06/21: 0.00%)			
United Bank for Africa 6.75% 19/11/26	200,000	145	0.21
Panama 0.23% (30/06/21: 0.26%)			
Banco General 4.125% 07/08/27	200,000	157	0.23
Peru 0.20% (30/06/21: 0.08%)			
InRetail Consumer 3.25% 22/03/28	200,000	137	0.20
Poland 0.20% (30/06/21: 0.15%)			
Canpack 2.375% 01/11/27	EUR 200,000	136	0.20
Spain 1.22% (30/06/21: 0.92%)			
Banco Bilbao Vizcaya Argentaria 2.575% 22/02/29	EUR 600,000	503	0.74
Bankinter 6.25% Perpetual	EUR 400,000	328	0.48

AXA Global Strategic Bond Fund

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	Holding	Market Value £'000	% of Total Net Assets
Sweden 0.29% (30/06/21: 0.29%)			
Verisure Midholding 5.25% 15/02/29	EUR 300,000	196	0.29
Turkey 0.45% (30/06/21: 0.52%)			
KOC Holding 6.5% 11/03/25	200,000	154	0.23
Turkiye Sise ve Cam Fabrikalari 6.95% 14/03/26	200,000	147	0.22
United Arab Emirates 0.00% (30/06/21: 0.15%)			
United Kingdom 18.73% (30/06/21: 16.33%)			
Aviva 6.875% Perpetual	GBP 639,000	583	0.86
Barclays 3.75% 22/11/30	GBP 500,000	467	0.69
Berkeley 2.5% 11/08/31	GBP 439,000	320	0.47
BP Capital Markets 3.25% Perpetual	EUR 600,000	464	0.68
BUPA Finance 4% Perpetual	GBP 550,000	366	0.54
Close Brothers 2% 11/09/31	GBP 606,000	524	0.77
Direct Line Insurance 4.75% Perpetual	GBP 500,000	382	0.56
Experian Finance 3.25% 07/04/32	GBP 450,000	423	0.62
Hammerson 6% 23/02/26	GBP 600,000	556	0.82
Investec Bank 4.25% 24/07/28	GBP 500,000	492	0.72
Just 5% Perpetual	GBP 473,000	335	0.49
Legal & General 3.75% 26/11/49	GBP 350,000	299	0.44
Legal & General 5.625% Perpetual	GBP 200,000	169	0.25
Lloyds Banking 2.707% 03/12/35	GBP 500,000	388	0.57
Marks & Spencer 3.75% 19/05/26	GBP 319,000	279	0.41
Marks & Spencer 4.25% 08/12/23	GBP 200,000	195	0.29
Mitchells & Butlers Finance 0.69838% 15/12/33	GBP 362,036	308	0.45
Mitchells & Butlers Finance 5.965% 15/12/23	GBP 125,566	127	0.19
National Express 4.25% Perpetual	GBP 250,000	226	0.33
Nationwide Building Society 5.75% Perpetual	GBP 300,000	268	0.39
NatWest 3.622% 14/08/30	GBP 500,000	467	0.69
NewRiver REIT 3.5% 07/03/28	GBP 500,000	424	0.62
NGG Finance 5.625% 18/06/73	GBP 500,000	471	0.69
OSB 6% Perpetual	GBP 200,000	182	0.27
Pension Insurance 4.625% 07/05/31	GBP 550,000	480	0.70
RL Finance Bonds No. 2 6.125% 30/11/43	GBP 450,000	457	0.67
Rothesay Life 5% Perpetual	GBP 700,000	520	0.76
TalkTalk Telecom Group 3.875% 20/02/25	GBP 250,000	203	0.30
Tesco Property Finance 5 5.6611% 13/10/41	GBP 483,627	500	0.73
TP ICAP Finance 2.625% 18/11/28	GBP 442,000	360	0.53
TP ICAP Finance 5.25% 29/05/26	GBP 200,000	194	0.28
Virgin Money UK 3.375% 24/04/26	GBP 300,000	284	0.42
Vodafone 3% 12/08/56	GBP 400,000	277	0.41
Whitbread 3% 31/05/31	GBP 600,000	501	0.74
WPP Finance 2013 2.875% 14/09/46	GBP 400,000	261	0.38
United States 23.97% (30/06/21: 25.53%)			
AES 3.3% 15/07/25	225,000	174	0.26
Aethon United 8.25% 15/02/26	219,000	177	0.26
Alliance Data Systems 4.75% 15/12/24	186,000	140	0.21
Alliant Intermediate 6.75% 15/10/27	254,000	185	0.27

AXA Global Strategic Bond Fund

Portfolio Statement
As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Allied Universal 6.625% 15/07/26	184,000	139	0.20
American Tower 1.25% 21/05/33	EUR 600,000	377	0.55
AmWINS 4.875% 30/06/29	189,000	131	0.19
Anheuser-Busch InBev Worldwide 5.55% 23/01/49	350,000	295	0.43
Ardagh Metal Packaging Finance USA 4% 01/09/29	200,000	131	0.19
AT&T 5.15% 15/11/46	350,000	284	0.42
Athene Global Funding 2.45% 20/08/27	250,000	180	0.26
Aviation Capital 1.95% 30/01/26	400,000	288	0.42
Aviation Capital 5.5% 15/12/24	275,000	225	0.33
Bank of America 2.972% 04/02/33	200,000	140	0.21
Bank of America 3.366% 23/01/26	200,000	160	0.23
Bausch Health 9% 15/12/25	62,000	39	0.06
Block Financial 3.875% 15/08/30	300,000	223	0.33
Blue Racer Midstream 6.625% 15/07/26	210,000	158	0.23
Brighthouse Financial 4.7% 22/06/47	250,000	163	0.24
Catalent Pharma Solutions 3.5% 01/04/30	200,000	136	0.20
CCO Holdings Capital 4.75% 01/02/32	384,000	260	0.38
CD&R Smokey Buyer 6.75% 15/07/25	163,000	119	0.17
CDI Escrow Issuer 5.75% 01/04/30	210,000	159	0.23
Central Parent 7.25% 15/06/29	116,000	92	0.14
Change Healthcare 5.75% 01/03/25	249,000	200	0.29
Clarivate Science 4.875% 01/07/29	357,000	241	0.35
Clydesdale Acquisition Holdings 8.75% 15/04/30	67,000	47	0.07
CP Atlas Buyer 7% 01/12/28	162,000	99	0.15
Crestwood Midstream Partners 5.625% 01/05/27	156,000	116	0.17
Crocs 4.125% 15/08/31	88,000	52	0.08
Crown Americas 5.25% 01/04/30	114,000	88	0.13
Dave & Buster's 7.625% 01/11/25	161,000	132	0.19
Delek Logistics Partners 7.125% 01/06/28	140,000	105	0.15
Dominion Energy 4.05% 15/09/42	225,000	158	0.23
Dun & Bradstreet 5% 15/12/29	208,000	150	0.22
Extra Space Storage 3.9% 01/04/29	400,000	308	0.45
First American Financial 4.6% 15/11/24	300,000	243	0.36
First Horizon 4% 26/05/25	425,000	344	0.51
First Horizon Bank 5.75% 01/05/30	250,000	211	0.31
Ford Motor Credit 4% 13/11/30	200,000	133	0.20
General Motors 6.75% 01/04/46	200,000	166	0.24
Genesis Energy 7.75% 01/02/28	164,000	119	0.17
Getty Images 9.75% 01/03/27	335,000	266	0.39
Greystar Real Estate Partners 5.75% 01/12/25	136,000	106	0.16
HB Fuller 4.25% 15/10/28	365,000	246	0.36
HealthEquity 4.5% 01/10/29	261,000	189	0.28
Helios Software 4.625% 01/05/28	400,000	266	0.39
Hillenbrand 3.75% 01/03/31	88,000	59	0.09
HUB International 7% 01/05/26	157,000	122	0.18
Illuminate Buyer 9% 01/07/28	372,000	255	0.37
IQVIA 5% 15/10/26	200,000	157	0.23
JPMorgan Chase 3.509% 23/01/29	450,000	347	0.51
Kinetik Holdings 5.875% 15/06/30	51,000	40	0.06
LABL 6.75% 15/07/26	214,000	159	0.23
LABL 10.5% 15/07/27	270,000	194	0.29

AXA Global Strategic Bond Fund

Portfolio Statement
As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
LBM Acquisition 6.25% 15/01/29	150,000	79	0.12
Level 3 Financing 5.25% 15/03/26	250,000	193	0.28
LSF11 A5 6.625% 15/10/29	267,000	186	0.27
Magallanes 5.391% 15/03/62	300,000	207	0.30
Marathon Oil 6.6% 01/10/37	200,000	175	0.26
Marathon Petroleum 5% 15/09/54	400,000	292	0.43
Matthews International 5.25% 01/12/25	241,000	185	0.27
Mauser Packaging Solutions 7.25% 15/04/25	149,000	108	0.16
Mauser Packaging Solutions 8.5% 15/04/24	300,000	244	0.36
McGraw-Hill Education 8% 01/08/29	84,000	57	0.08
MercadoLibre 3.125% 14/01/31	200,000	121	0.18
Minerals Technologies 5% 01/07/28	199,000	143	0.21
Minerva Merger 6.5% 15/02/30	313,000	216	0.32
Mozart Debt Merger 5.25% 01/10/29	255,000	174	0.26
NESCO II 5.5% 15/04/29	200,000	138	0.20
Occidental Petroleum 6.45% 15/09/36	135,000	114	0.17
Olympus Water US 6.25% 01/10/29	200,000	119	0.17
Park Intermediate 5.875% 01/10/28	144,000	109	0.16
Penske Truck Leasing 1.2% 15/11/25	300,000	221	0.32
Photo Holdings Merger 8.5% 01/10/26	198,000	123	0.18
Post 5.5% 15/12/29	266,000	197	0.29
Ryder System 2.9% 01/12/26	450,000	346	0.51
Shift4 Payments 4.625% 01/11/26	289,000	211	0.31
Solaris Midstream 7.625% 01/04/26	281,000	219	0.32
SRS Distribution 6% 01/12/29	273,000	178	0.26
Summit Midstream 8.5% 15/10/26	201,000	150	0.22
SVB Financial 2.1% 15/05/28	250,000	175	0.26
Union Pacific 4.1% 15/09/67	250,000	177	0.26
Unisys 6.875% 01/11/27	242,000	176	0.26
Varex Imaging 7.875% 15/10/27	148,000	117	0.17
Verizon Communications 3.7% 22/03/61	400,000	258	0.38
Verscend Escrow 9.75% 15/08/26	200,000	162	0.24
Watco 6.5% 15/06/27	261,000	199	0.29
WESCO Distribution 7.25% 15/06/28	120,000	97	0.14
WP Carey 2.4% 01/02/31	400,000	269	0.40
WR Grace 5.625% 15/08/29	408,000	257	0.38
Yum! Brands 5.375% 01/04/32	91,000	69	0.10
ZoomInfo Technologies 3.875% 01/02/29	264,000	180	0.26
TOTAL CORPORATE BONDS		41,588	61.05
GOVERNMENT BONDS 35.05% (30/06/21: 36.70%)			
Bahrain 0.21% (30/06/21: 0.24%)			
Bahrain Government International Bond 5.625% 30/09/31	200,000	143	0.21
Belarus 0.00% (30/06/21: 0.24%)			
Benin 0.17% (30/06/21: 0.00%)			
Benin Government International Bond 4.95% 22/01/35	EUR 200,000	112	0.17

AXA Global Strategic Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Dominican Republic 0.28% (30/06/21: 0.19%)			
Dominican Republic International Bond 4.875% 23/09/32	300,000	190	0.28
Ecuador 0.14% (30/06/21: 0.00%)			
Ecuador Government International Bond 1% 31/07/35	250,000	98	0.14
Egypt 0.16% (30/06/21: 0.29%)			
Egypt Government International Bond 5.625% 16/04/30	EUR 200,000	108	0.16
France 3.46% (30/06/21: 2.12%)			
French Republic Government Bond 0.1% 01/03/25	EUR 1,500,000	1,499	2.20
French Republic Government Bond 0.25% 25/11/26	EUR 1,050,000	860	1.26
Ghana 0.23% (30/06/21: 0.24%)			
Ghana Government International Bond 8.125% 26/03/32	400,000	158	0.23
Guatemala 0.00% (30/06/21: 0.28%)			
Honduras 0.28% (30/06/21: 0.39%)			
Honduras Government International Bond 6.25% 19/01/27	300,000	193	0.28
Indonesia 0.31% (30/06/21: 0.38%)			
Indonesia Government International Bond 8.5% 12/10/35	200,000	208	0.31
Ivory Coast 0.26% (30/06/21: 0.30%)			
Ivory Coast Government International Bond 6.625% 22/03/48	300,000	173	0.26
Jamaica 0.00% (30/06/21: 0.17%)			
Macedonia 0.23% (30/06/21: 0.15%)			
North Macedonia Government International Bond 2.75% 18/01/25	200,000	155	0.23
Morocco 0.17% (30/06/21: 0.23%)			
Morocco Government International Bond 3% 15/12/32	200,000	114	0.17
Paraguay 0.21% (30/06/21: 0.30%)			
Paraguay Government International Bond 6.1% 11/08/44	200,000	143	0.21
Romania 0.15% (30/06/21: 0.15%)			
Romanian Government International Bond 3.375% 28/01/50	200,000	102	0.15
Senegal 0.15% (30/06/21: 0.22%)			
Senegal Government International Bond 4.75% 13/03/28	150,000	105	0.15
Ukraine 0.06% (30/06/21: 0.27%)			
Ukraine Government International Bond 4.375% 27/01/30	200,000	43	0.06
United Kingdom 11.04% (30/06/21: 13.01%)			
United Kingdom Gilt 0.125% 31/01/23	GBP 750,000	743	1.09
United Kingdom Gilt 0.25% 31/07/31	GBP 500,000	415	0.61
United Kingdom Gilt 0.875% 31/07/33	GBP 500,000	423	0.62

AXA Global Strategic Bond Fund

Portfolio Statement
As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
United Kingdom Gilt 1% 22/04/24	GBP 3,500,000	3,439	5.05
United Kingdom Gilt 4.25% 07/06/32	GBP 600,000	701	1.03
United Kingdom Gilt Inflation Linked 0.125% 22/03/26	GBP 1,300,000	1,796	2.64
United States 17.54% (30/06/21: 17.53%)			
United States Treasury Inflation Indexed Bonds 0.125% 15/04/25	1,000,000	926	1.36
United States Treasury Inflation Indexed Bonds 0.5% 15/04/24	1,000,000	962	1.41
United States Treasury Note 0.25% 15/05/24	2,500,000	1,961	2.88
United States Treasury Note 0.625% 15/05/30	2,800,000	1,920	2.82
United States Treasury Note 1.125% 15/02/31	2,550,000	1,802	2.65
United States Treasury Note 1.25% 31/07/23	850,000	689	1.01
United States Treasury Note 1.25% 15/05/50	2,000,000	1,044	1.53
United States Treasury Note 2% 15/02/50	100,000	63	0.09
United States Treasury Note 2.5% 15/02/46	1,400,000	976	1.43
United States Treasury Note 3% 15/05/47	200,000	154	0.23
United States Treasury Note 4.5% 15/02/36	1,500,000	1,449	2.13
TOTAL GOVERNMENT BONDS		23,867	35.05
FORWARD CURRENCY CONTRACTS (2.40%) (30/06/21: (1.11%))			
Bought EUR350,000 for GBP304,036 Settlement 09/09/2022		(2)	-
Bought USD5,000,000 for GBP4,069,938 Settlement 09/09/2022		54	0.08
Bought USD675,000 for GBP548,660 Settlement 09/09/2022		8	0.01
Sold EUR13,500,000 for GBP11,528,638 Settlement 09/09/2022		(108)	(0.16)
Sold USD49,000,000 for GBP38,827,618 Settlement 09/09/2022		(1,588)	(2.33)
TOTAL FORWARD CURRENCY CONTRACTS		(1,636)	(2.40)
FUTURES (0.27%) (30/06/21: (0.19%))			
Germany 0.00% (30/06/21: (0.01%))			
EURO-BUND Futures September 2022	(3)	(2)	-
United Kingdom 0.14% (30/06/21: (0.11%))			
Long Gilt Futures September 2022	(18)	92	0.14
United States (0.41%) (30/06/21: (0.07%))			
US 10 Year Note (CBT) Futures September 2022	(156)	(397)	(0.58)
US 10 Year Ultra Futures September 2022	(63)	97	0.14
US 5 Year Note (CBT) Futures September 2022	20	27	0.04
US Long Bond (CBT) Futures September 2022	10	(17)	(0.02)
US Ultra Bond (CBT) Futures September 2022	24	10	0.01
TOTAL FUTURES		(190)	(0.27)

AXA Global Strategic Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
SWAPS 0.25% (30/06/21: 0.00%)			
BNP Paribas Credit Default Swap C00005074 EUR 5% 20/06/27	18,000,000	165	0.25
Portfolio of investments		63,794	93.68
Net other assets		4,303	6.32
Total net assets		68,097	100.00

All bonds are denominated in US dollars (unless otherwise indicated).

At 30 June 2022, there were no investments in the Fund which were valued using a quote from a single broker (30/06/21 : £nil).

AXA Global Strategic Bond Fund

Comparative Tables

As at 30 June 2022

	Z Accumulation		Z Income	
	30/06/2022	30/06/2021 +	30/06/2022	30/06/2021 +
Change in net assets per share	(p)	(p)	(p)	(p)
Opening net asset value per share †	101.40	100.00	100.40	100.00
Return before operating charges ^	(12.77)	1.78	(12.49)	1.79
Operating charges ^	(0.52)	(0.38)	(0.51)	(0.39)
Return after operating charges ^	(13.29)	1.40	(13.00)	1.40
Distributions	(2.04)	(1.00)	(2.00)	(1.00)
Retained distributions on accumulation shares	2.04	1.00	-	-
Closing net asset value per share †	88.11	101.40	85.40	100.40
*^ after direct transaction costs of:	-	-	-	-
Performance				
Return after operating charges	-13.11%	1.40%	-12.95%	1.40%
Other information				
Closing net asset value (£) †	1,695,020	2,157,287	605,609	649,301
Closing number of shares	1,923,751	2,127,573	709,136	646,745
Operating charges ^	0.53%	0.54%	0.53%	0.54%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price #	102.30	101.60	101.30	101.20
Lowest share price #	88.40	99.25	86.19	99.25

AXA Global Strategic Bond Fund

Comparative Tables

As at 30 June 2022

	ZI Accumulation		ZI Income	
	30/06/2022	30/06/2021 +	30/06/2022	30/06/2021 +
Change in net assets per share	(p)	(p)	(p)	(p)
Opening net asset value per share †	101.50	100.00	100.39	100.00
Return before operating charges ^	(12.80)	1.78	(12.48)	1.77
Operating charges ^	(0.37)	(0.28)	(0.36)	(0.28)
Return after operating charges ^	(13.17)	1.50	(12.84)	1.49
Distributions	(2.19)	(1.11)	(2.15)	(1.10)
Retained distributions on accumulation shares	2.19	1.11	-	-
Closing net asset value per share †	88.33	101.50	85.40	100.39
*^ after direct transaction costs of:	-	-	-	-
Performance				
Return after operating charges	-12.98%	1.50%	-12.79%	1.49%
Other information				
Closing net asset value (£) †	48,890,193	42,113,420	16,905,869	15,294,215
Closing number of shares	55,347,031	41,490,242	19,797,095	15,234,159
Operating charges ^	0.38%	0.40%	0.38%	0.40%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price #	102.40	101.70	101.30	101.20
Lowest share price #	88.63	99.26	86.22	99.26

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). 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.

+ ZI classes launched at 19 October 2020.

AXA Global Strategic Bond Fund

Statement of Total Return

For the year ended 30 June 2022

	Note	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Income:					
Net capital (losses)/gains	2		(12,040)		193
Revenue	3	1,898		754	
Expenses	4	(277)		(153)	
Interest payable and similar charges		(2)		-	
Net revenue before taxation		1,619		601	
Taxation	5	-		-	
Net revenue after taxation			1,619		601
Total return before distributions			(10,421)		794
Distributions	6		(1,619)		(601)
Change in net assets attributable to Shareholders from investment activities			(12,040)		193

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2022

	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Opening net assets attributable to Shareholders		60,214		-
Amounts receivable on issue of shares	27,463		60,100	
Amounts payable on cancellation of shares	(8,786)		(540)	
		18,677		59,560
Change in net assets attributable to Shareholders from investment activities (see above)		(12,040)		193
Retained distributions on accumulation shares		1,246		461
Closing net assets attributable to Shareholders		68,097		60,214

AXA Global Strategic Bond Fund

Balance Sheet

As at 30 June

	Note	30/06/22 £'000	30/06/21 £'000
Assets:			
Fixed assets:			
Investments		65,908	58,563
Current assets:			
Debtors	7	8,507	587
Cash and bank balances	8	3,786	2,048
Total assets		78,201	61,198
Liabilities:			
Investment liabilities		(2,114)	(840)
Creditors:			
Bank overdrafts	10	(28)	-
Distribution payable		(110)	(57)
Other creditors	9	(7,852)	(87)
Total liabilities		(10,104)	(984)
Net assets attributable to Shareholders		68,097	60,214

AXA Global Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 266-269.

2. Net capital (losses)/gains

	30/06/22 £'000	30/06/21 £'000
The net capital (losses)/gains comprise:		
Non-derivative securities	(6,751)	(1,954)
Brokers commission on futures	49	(5)
Currency gains	611	145
Derivative contracts	(216)	221
Forward currency contracts	(5,732)	1,787
Transaction charges	(1)	(1)
Net capital (losses)/gains	(12,040)	193

3. Revenue

	30/06/22 £'000	30/06/21 £'000
Bank interest	2	3
Interest on debt securities	2,148	882
Futures Income	(252)	(131)
Total revenue	1,898	754

4. Expenses

	30/06/22 £'000	30/06/21 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	259	135
Registration fees	1	-
	260	135
Other expenses		
Audit fees	8	9
Depositary's fees	7	7
Printing fees	1	-
Safe custody fees	1	2
	17	18
Total expenses	277	153

Expenses include irrecoverable VAT where applicable.

AXA Global Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net revenue before taxation. The differences are explained below:

	30/06/22 £'000	30/06/21 £'000
Net revenue before taxation	1,619	601
Net revenue for the year multiplied by the standard rate of corporation tax	324	120
Effects of:		
Relief for indexation on UK Gilts	(47)	(16)
Tax deductible interest distributions	(277)	(104)
Tax charge for the year	-	-

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	30/06/22 £'000	30/06/21 £'000
First interim	372	-
Second interim	373	174
Third interim	469	245
Final	426	214
Add: Revenue paid on cancellation of shares	48	1
Deduct: Revenue received on creation of shares	(69)	(33)
Net distribution for the year	1,619	601

7. Debtors

	30/06/22 £'000	30/06/21 £'000
Amounts receivable for creation of shares	46	27
Sales awaiting settlement	7,733	-
Accrued revenue	728	560
Total debtors	8,507	587

AXA Global Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

8. Cash and bank balances

	30/06/22 £'000	30/06/21 £'000
Cash and bank balances	3,388	1,510
Amount held at futures clearing houses and brokers	398	538
Total cash and bank balances	3,786	2,048

9. Other creditors

	30/06/22 £'000	30/06/21 £'000
Amounts payable for cancellation of shares	64	7
Purchases awaiting settlement	7,731	47
Accrued annual management charge	45	19
Accrued other expenses	12	14
Total other creditors	7,852	87

10. Bank overdrafts

	30/06/22 £'000	30/06/21 £'000
Amounts overdrawn at futures clearing houses and brokers	28	-
Total bank overdrafts	28	-

11. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 ‘Related Party Disclosures’.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders’ Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no shareholdings in the Company at the year end.

As at 30 June 2022 material shareholders have holdings totalling 38.90% (30/06/2021: 50.55%) of the Fund's shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

12. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD’s annual management charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/21	Issued	Cancelled	Converted	30/06/22
Z Accumulation	0.50	2,127,573	1,160,164	(1,363,986)	-	1,923,751
Z Income	0.50	646,745	679,066	(437,175)	(179,500)	709,136
ZI Accumulation	0.35	41,490,242	21,093,222	(7,236,433)	-	55,347,031
ZI Income	0.35	15,234,159	4,499,680	(116,230)	179,486	19,797,095

13. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2021: nil).

AXA Global Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

14. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2021).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £6,561,994 (2021: £5,850,509). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

	Net foreign currency exposure	
	30/06/22	30/06/21
Currency	£'000	£'000
Euro	(655)	13
US dollar	(1,221)	253
Total	(1,876)	266

Foreign exchange risk sensitivity

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

AXA Global Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
30/06/22				
Pound sterling	3,669	20,879	45,425	69,973
Euro	5	10,568	(11,228)	(655)
US dollar	392	33,700	(35,313)	(1,221)
Total	4,066	65,147	(1,116)	68,097
30/06/21*				
Pound sterling	1,414	17,861	40,673	59,948
Euro	147	8,528	(8,662)	13
US dollar	822	31,782	(32,351)	253
Total	2,383	58,171	(340)	60,214

* Prior year figures have been restated.

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £3,161,467 (2021: £1,895,565). A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each fund.

Transactions in securities may expose a fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/22 Market Value £'000	%	30/06/21 Market Value £'000	%
Investment grade (BBB- credit rating and above)	46,511	68.27	40,000	66.44
Below investment grade (below BBB- credit rating)	18,804	27.62	18,367	30.50
Unrated	140	0.21	138	0.23
Total value of bonds	65,455	96.10	58,505	97.17

AXA Global Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties was as follows:

	30/06/22 Exposure £'000	30/06/21 Exposure £'000
(a) Futures		
Goldman Sachs	92	(112)
Total value of derivatives	92	(112)
(b) Forwards		
BNP Paribas	11,637	-
Merrill Lynch	45,398	41,897
Total value of derivatives	57,035	41,897
(c) Swaps		
BNP Paribas	165	-
Total value of swaps	165	-

15. Portfolio transaction costs

There were no transactions costs incurred during the year to 30 June 2022 (2021: Nil).

At the balance sheet date the average portfolio dealing spread was 0.69% (2021: 0.42%).

16. Post balance sheet events

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

AXA Global Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

17. Fair value disclosure

	30/06/22		30/06/21	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1 ^	22,048	(416)	19,693	(138)
Level 2 ^^	43,860	(1,698)	38,870	(702)
Level 3 ^^^	-	-	-	-
	65,908	(2,114)	58,563	(840)

^ 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.

AXA Global Strategic Bond Fund

Distribution Table

As at 30 June 2022

First Distribution in pence per share
Group 1 Shares purchased prior to 1 July 2021
Group 2 Shares purchased on or after 1 July 2021 to 30 September 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 30/11/21 (p)
Share Class Z Accumulation			
Group 1	0.494	-	0.494
Group 2	0.149	0.345	0.494
Share Class Z Income			
Group 1	0.490	-	0.490
Group 2	0.388	0.102	0.490
Share Class ZI Accumulation			
Group 1	0.534	-	0.534
Group 2	0.377	0.157	0.534
Share Class ZI Income			
Group 1	0.528	-	0.528
Group 2	0.362	0.166	0.528

Second Distribution in pence per share
Group 1 Shares purchased prior to 1 October 2021
Group 2 Shares purchased on or after 1 October 2021 to 31 December 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 28/02/22 (p)	Distribution paid 26/02/21 (p)
Share Class Z Accumulation				
Group 1	0.477	-	0.477	0.288
Group 2	0.219	0.258	0.477	0.288
Share Class Z Income				
Group 1	0.470	-	0.470	0.291
Group 2	0.137	0.333	0.470	0.291
Share Class ZI Accumulation				
Group 1	0.515	-	0.515	0.318
Group 2	0.272	0.243	0.515	0.318
Share Class ZI Income				
Group 1	0.507	-	0.507	0.319
Group 2	0.282	0.225	0.507	0.319

AXA Global Strategic Bond Fund

Distribution Table

As at 30 June 2022

Third Distribution in pence per share
Group 1 Shares purchased prior to 1 January 2022
Group 2 Shares purchased on or after 1 January 2022 to 31 March 2022

	Net revenue (p)	Equalisation (p)	Distribution paid 31/05/22 (p)	Distribution paid 28/05/21 (p)
Share Class Z Accumulation				
Group 1	0.551	-	0.551	0.388
Group 2	0.256	0.295	0.551	0.388
Share Class Z Income				
Group 1	0.540	-	0.540	0.387
Group 2	0.349	0.191	0.540	0.387
Share Class ZI Accumulation				
Group 1	0.588	-	0.588	0.425
Group 2	0.219	0.369	0.588	0.425
Share Class ZI Income				
Group 1	0.576	-	0.576	0.425
Group 2	0.269	0.307	0.576	0.425

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 April 2022
Group 2 Shares purchased on or after 1 April 2022 to 30 June 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/08/22 (p)	Distribution paid 31/08/21 (p)
Share Class Z Accumulation				
Group 1	0.516	-	0.516	0.325
Group 2	0.237	0.279	0.516	0.325
Share Class Z Income				
Group 1	0.503	-	0.503	0.323
Group 2	0.182	0.321	0.503	0.323
Share Class ZI Accumulation				
Group 1	0.553	-	0.553	0.363
Group 2	0.244	0.309	0.553	0.363
Share Class ZI Income				
Group 1	0.538	-	0.538	0.360
Group 2	0.058	0.480	0.538	0.360

AXA Sterling Corporate Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Investment Objective

The aim of the Fund is to provide income combined with any capital growth.

Investment Policy

The Fund invests primarily (meaning at least 70% of its assets) in a diversified portfolio of investment grade bonds issued by companies. The fund manager seeks to reduce the effect of credit risk through its analysis and selection of bonds (with a particular emphasis on industry and issuer) and also positions the Fund to take advantage of the fund manager's expectation of interest rate movements.

The Fund is managed with reference to the composition and risk profile of the ICE BofAML Sterling Corporate & Collateralised index. However the fund manager invests on a discretionary basis with a significant degree of freedom to take positions which are different from the index. In particular, the Fund should demonstrate lower sensitivity to movements in market interest rates than the index. The ICE BofAML Sterling Corporate & Collateralised index is designed to measure the performance of sterling corporate bonds (or sterling fixed interest securities). This index best represents the types of bonds in which the Fund predominantly invests.

Where bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets). The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM).

This Fund is actively managed in reference to the ICE BofAML Sterling Corporate & Collateralised index, which will be used by investors to compare the Fund's performance.

Risk and Reward Profile

As at 30 June 2022

By investing in a fund which invests primarily in fixed interest stocks you are likely to be looking for an investment which will generate an income but has less potential for capital return than is the case with funds which invest primarily in equities. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you would prefer an investment with less risk than that of a fund which invests significantly in equities or overseas. Typically, you would be investing for a period of at least five years.

Lower Risk ← → Higher Risk

Potentially lower reward — Potentially higher reward

1	2	3	4	5	6	7

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

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some levels of variation, which may result in gains or losses.

AXA Sterling Corporate Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Additional risks

Under normal market conditions the Fund's key risk factors are:

• Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings (credit ratings are an assessment of a borrower's ability to meet its debt obligations (i.e. its ability to pay its debts). A higher credit rating means more confidence that a borrower will be able to pay its debts, which usually means cheaper funding costs for higher rated borrowers (i.e. it is less risky to lend to them, so investors require a smaller premium). There are 10 ratings within investment grade credit ratings, ranging from the highest rating AAA (credit rating agencies S&P and Fitch use this designation, Moody's used Aaa) to the lowest BBB (Baa3 Moody's). Risk level increases markedly for credit ratings below investment grade, considered speculative grade and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

• Interest rate risk - is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

• Prepayment and extension risk - prepayment risk is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

• LIBOR transition risk - LIBOR (London Inter-bank Offered Rate) is intended to reflect the interest rate that wholesale banks expect to pay each other to borrow money (without providing security). LIBOR is widely used in financial products as a reference to determine a target or amount to be paid. From the end of 2021, the banks that contribute to the setting of LIBOR will no longer be required to do so, and LIBOR is expected to become obsolete. It is expected that a different rate, SONIA, will replace LIBOR over time.

AXA Sterling Corporate Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

There are a number of risks for Funds associated with the transition to SONIA:

(i) SONIA is prepared on a different basis to LIBOR and has historically returned a lower rate of interest. Where the Fund's investments provide income based on LIBOR, the transition to SONIA or another reference rate may reduce the value of those investments and the Fund's income from them.

(ii) The ACD has a plan to reduce the Funds' exposure to LIBOR. However, this plan will be phased and the Fund may have some exposure to investments based, or dependent, on LIBOR during periods where those rates are encountering lower levels of reliability. Not all market participants have yet made plans for the transition away from LIBOR and there is a risk that they will be unable/unwilling to implement the change before LIBOR becomes unreliable. During such time, the value of the Fund's investments may be less reliable and therefore the Fund's price may be more volatile (it may change more frequently and/or by greater amounts).

(iii) Where the counterparty for an investment is reliant on LIBOR, a transition to SONIA, or another rate, may change that counterparty's economic position and increase the risk that they will default on their obligations. The Fund may suffer a loss if the counterparty is unable to meet its obligations. Additionally, the increased risk of default may reduce the value of the investment or cause the ACD to need to rebalance the portfolio.

Other risks which could have an impact in extreme market conditions include:

• 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 shareholders buying or selling shares 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.

• Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

AXA Sterling Corporate Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

• 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 ACD 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 individual fund's investment objectives and investment policy.

Investment Review

Our interim report, covering the six months to the end December 2021, had seen central banks admit that due to persistently high levels of inflation globally, inflation was no longer transitory as they had previously suggested. They were cautious, however, on raising rates to combat the inflationary threat, given risks to growth from the emergence of new variants of COVID-19; first Delta, which saw a resurgence in cases over the summer, then Omicron in late 2021 which appeared particularly transmissive. Of the major central banks, only the Bank of England (BoE) had raised rates from the emergency levels introduced at the onset of the pandemic – and only by 0.15% to 0.25%. Gilt yields had nudged higher as markets priced in base rates at 1.25% by the end of 2022, while the relative cost of borrowing for companies, measured by the corporate bond spread (yield premium over gilts), had increased marginally, with spreads a little wider.

The latest six months has seen COVID-19 become a background story, as central banks have been forced to address uncomfortably high inflation.

AXA Sterling Corporate Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

COVID-19 dominated the new year headlines, however, despite eye-watering new cases given the new Omicron variant, resultant hospitalisations and deaths remained relatively low. Restrictions that had been imposed in England were soon removed. COVID-19 hasn't gone away, but we continue to adapt to living with it. Occasional outbreaks in China, which has a zero-tolerance policy, risks a negative impact on growth and the global supply chain.

February saw the rapidly deteriorating political backdrop between Ukraine and Russia, as intelligence reports suggested aggressive Russian intentions to support Russian-backed separatist regions in Ukraine. Despite hopes of a diplomatic solution, intelligence reports proved correct; Russia launched a full-scale invasion of Ukraine on the 24th of February, citing concerns about constant threats from Ukraine claiming it intended to demilitarise, not occupy, Ukraine. Ukrainian resistance defied original expectations that superior Russian forces would achieve their military objectives swiftly. Russian bombardments intensified, devastating cities, forcing millions to flee the country. Negotiations yielded nothing tangible. There was widespread condemnation of Russia from the international community; sanctions were imposed against Russia aimed at having a maximum impact on its economy and were later extended to include businesses and individuals considered close to the Kremlin. External military support for Ukraine was limited to weapons, not personnel. Already elevated energy prices - the cause of much of the world's recent high inflation - spiked higher still, as Russia threatened gas supplies to Europe. With Russia and Ukraine also significant exporters of agricultural commodities, prices of these also rose sharply due to supply disruption. The war in Ukraine is now embedded in our daily news, but any resolution looks as remote as ever.

Supply chain problems caused by the pandemic had already pushed inflation to uncomfortably high levels, but inflationary pressures have been exacerbated by further supply shortages due to the war, propelling inflation to the top of the list of concerns for the world's central banks. Most stuck to forward guidance that it would soon be appropriate to raise rates. Still, rhetoric was clearly more hawkish. In the US, several US Federal Reserve (Fed) members talked up the need for quick action to underpin its credibility, risking loss of market confidence that inflation would abate if it did not act. When the Fed delivered its well flagged 25bp rate hike in March, the first of the current cycle, another six similar hikes this year were expected (rates to 1.75%) and more in 2023. Inflation measures significantly above target levels and continually hitting new multi-decade highs in the US, the UK and Europe, with little prospect of a near term return to more acceptable levels, heightened the Fed's vigilance, as it acknowledged it was behind the curve (i.e. it should have started raising rates sooner). Confident in the US economy, the Fed stepped up the pace of its policy tightening, hiking rates by 50bp in May, then by 75bp in June; these outsized moves were expected by markets by the time they were announced. The Fed also started to reduce the size of its balance sheet in June, further reversing its stimulative monetary policies. Given the Fed's strong commitment to return inflation to 2%, Fed Chairman Powell admitted that recession was a possibility, with rates now expected to peak around 3.5% in early 2023, compared with the current 1.75%.

The BoE had already raised rates from their low in December and, aiming to keep longer term inflation expectations anchored, continued its policy tightening, delivering expected 25bp rate hikes at consecutive meetings in February, March, May and June, taking rates to 1.25%. February's policy decision was more hawkish than expected; some of its policy-setting members preferred a more aggressive 50bp hike and the BoE also surprisingly announced its intention to sell its £20bn corporate bond holdings. Subsequent meetings also saw further votes for a 50bp hike. New economic forecasts in May suggested lower growth and a higher peak in inflation, but the subsequent forecast fall in inflation, even if energy prices remain elevated, suggested markets were pricing in too many rate hikes (peak c. 2.5% in 2023). The BoE is implementing its tougher monetary policy against a worsening growth backdrop, given the significant cost of living squeeze from massive increases in utility bills (partly countered by the government) and high inflation generally. European growth and inflation will be more affected by the war in Ukraine than the UK and the US; Europe is heavily reliant on Russian oil and gas, but the desire to reduce its dependence is hampered by the lack of immediately available alternative sources. Still, the European Central Bank (ECB) joined other central banks in adopting a more hawkish stance, dropping its reference to rates potentially being lower. In June, with European inflation projections up significantly, the ECB stated its intention to raise rates by 25bp at its July meeting, then likely by 50bp at its following meeting in September, thereby exiting negative rates which have been in place since 2014. Pressure on peripheral borrowing costs in Europe saw the ECB commit to creating a new instrument to tackle the so-called fragmentation.

AXA Sterling Corporate Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

More hawkish central banks saw government bond yields in an upward trajectory throughout the last six months. There were brief reversals on growth concerns in the early stages of the Ukraine war and again in May given upward pressure on rates. As central banks increased their hawkish rhetoric and the expected pace of policy tightening sped up, yields resumed their move higher. Yields peaked around the time of the Fed rate hike in June; perhaps markets inferred that more aggressive monetary policies would have a significant negative impact on growth, which prompted yields to retreat from their highest levels. 10-year gilt yields jumped 126bp to 2.23% over the last six months (+143bp over the 12 months), having peaked at 2.65%. 30-year yields rose by an even larger 144bp to 2.56% (+133bp), while 2-year yields rose 115bp to 1.84% (+178bp). The ICE Gilt index produced a total return of -14.75% (-14.29% over 12 months), with 0-5 years -2.15% (-3.08%), 5-15 years -8.90% (-9.83%) and Over 15 years -24.76% (-22.87%).

New issuance of corporate bonds picked up in the new year after the lull in December. Demand remained firm, although some of the pricing was less aggressive than it was previously, as risk assets showed signs of weakness against a backdrop of higher rate expectations. Corporate bond valuations started to cheapen (spreads widen) more meaningfully in February, initially in response to the BoE’s decision to sell its corporate bond holdings, then in the general risk-off that followed the start of the war in Ukraine. Spreads continued to widen given changing economic risks (higher rates causing a slowdown in growth), and this accelerated in June, as economic growth prospects weakened further given central banks’ determination to re-establish their anti-inflation credentials by hiking rates quicker and by more than previously expected, risking a sharper slowdown or even recession. This would negatively impact corporate profitability and balance sheets, removing some of the strong fundamental support for corporate bonds. Spreads rose by 86bp to +201bp over the last six months (+93bp over 12 months), which combined with sharply higher gilt yields pushed corporate bond yields 212bp higher to 4.17% (+243bp over 12 months), to give a total return on the ICE BAML Sterling Corporates & Collateralised index of -14.17% (-14.53% over 12 months), with 1-5 years -4.88% (-5.80%), 5-15 years -12.44% (-13.21%) and Over 15 years -24.14% (-23.79%). Remember, yields were as low as 1.37% in early 2021.

As is typical in a general risk-off, spreads for the weakest rated (BBB) bonds widened the most over the six months, +103bp (+111bp over 12 months) to +244bp, followed by single A rated bonds, +73bp (+79bp) to +168bp, with AAs +35bp (+43bp) to +94bp and AAAs +19bp (+30bp) to +55bp. By sector, subordinated financials (banks and insurance) as well as cyclical sectors (leisure and automotive) were significantly wider (100bp+). Higher quality sectors saw more limited spread widening. In total return terms, the longest duration sectors, services and real estate underperformed given the move in gilt yields (-28.07% and -19.90% respectively), followed by energy and transportation (sectors which had contained Russian credits which were subsequently removed from the indices). Despite significant spread widening, most subordinated financials performed in line with the overall market in total return terms. Short duration and/or high-quality sectors outperformed (covered bonds, automotive, quasi government, leisure and bank senior).

The AXA Sterling Corporate Bond Fund provided a total return of -12.48% (Z Acc, net of fees and gross of tax) over the six months to 30 June 2022, -12.98% in the last 12 months.

Participation in new corporate bond issues was more limited in the last six months, with only Haleon (GSK’s consumer healthcare spin-off) worth a mention. Still, the move higher in gilt yields and widening in corporate bond spreads provided the opportunity to do more relative value switching in the secondary market. We added long dated bonds from Vodafone and Northern Powergrid in February after the initial move higher in gilt yields. In March we took advantage of spread widening to add BBB rated bonds from Berkeley Group, New River REIT, TP ICAP and SocGen, and switched longer in Legal & General subordinated bonds. Later we added longer maturity bonds from Verizon and M&G. In June, we took advantage of much cheaper markets to add significant extra yield to the portfolio, buying hybrid bonds from utility groups Vattenfall and Orsted, and many bank (predominantly tier 2) bonds, from issuers such as Intesa, Santander, Lloyds and BBVA, all on yields over 5%, the latter nearer 6.5%. Purchases were mainly funded by sales of shorter dated credit, the intention being to lock into higher spreads and yields for longer. We remain comfortable in the quality of the credits selected and the significant extra yield they provide compared to gilts, even if the economic outlook is more uncertain. We have tweaked the fund’s overall duration positioning in both directions using gilt futures throughout the period, adding or reducing our sensitivity to the move in yields, depending on our view on whether gilt yields were cheap or rich at the time.

AXA Sterling Corporate Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Regaining control of inflation is the key priority for central banks, bringing an end to a period of ultra-low policy rates (including quantitative easing), which has been in place since the global financial crisis. The rapid shift in sentiment on inflation and the desire to rein it back has seen markets price in significant hikes in interest rates; so much so, that a global recession is forecast by many for next year. Central banks suggest this is a price they are willing to pay to get the upper hand on inflation. Workers' demands for pay increases to compensate for the cost of living squeeze caused by current high inflation has already led to some strike action in the UK; further rate hikes and industrial action will add to downward pressure on growth. Sentiment is poor. Any softening of inflation could prompt a rethink on the extent of rate rises, but the easy route to this – the end of the war in Ukraine - currently looks like hope rather than reality. There are some tough decisions ahead. The high inflation/low (negative) growth backdrop is challenging for corporate credit fundamentals; however, companies are starting from a relatively healthy position. The yield on corporate bonds is much more interesting than it has been for a considerable period.

All performance data source: AXA Investment Managers and Morningstar.
Past performance is not a guide for future performance.

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
● Rothesay Life 5% Perpetual	400	● UK Treasury 1.75% 22/01/49	624
● Lendlease Europe Finance 3.5% 02/12/33	397	● Yorkshire Power Finance 7.25% 04/08/28	552
● Just 5% Perpetual	392	● Santander UK 7.037% Perpetual	473
● BUPA Finance 4% Perpetual	391	● Aroundtown 4.75% Perpetual	377
● Enel Finance 2.875% 11/04/29	381	● Broadgate Financing 4.949% 05/04/29	354

Phil Roantree
AXA Investment Managers UK Limited
30 June 2022

AXA Sterling Corporate Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 96.35% (30/06/21: 95.22%)			
Australia 1.53% (30/06/21: 1.06%)			
Commonwealth Bank of Australia 3% 04/09/26	150,000	152	0.42
National Australia Bank 1.699% 15/09/31	236,000	203	0.56
Scentre Group Trust 1 3.875% 16/07/26	200,000	200	0.55
Belgium 0.70% (30/06/21: 0.63%)			
Anheuser-Busch InBev 2.25% 24/05/29	281,000	253	0.70
Bermuda 0.67% (30/06/21: 0.61%)			
Hiscox 6.125% 24/11/45	250,000	244	0.67
Canada 0.52% (30/06/21: 0.00%)			
Canadian Imperial Bank of Commerce 1.875% 27/01/26	200,000	187	0.52
Cayman Islands 0.00% (30/06/21: 1.31%)			
Denmark 0.56% (30/06/21: 0.21%)			
Orsted 2.5% 18/02/3021	300,000	203	0.56
Finland 0.33% (30/06/21: 0.00%)			
Nordea Bank 1.625% 09/12/32	142,000	118	0.33
France 4.48% (30/06/21: 4.68%)			
BNP Paribas 2% 24/05/31	200,000	174	0.48
BPCE 5.25% 16/04/29	300,000	297	0.82
Credit Agricole 1.25% 02/10/24	200,000	190	0.52
Electricite de France 6% Perpetual	200,000	176	0.48
Electricite de France 6.125% 02/06/34	150,000	166	0.46
LVMH Moet Hennessy Louis Vuitton 1.125% 11/02/27	200,000	184	0.51
Societe Generale 1.25% 07/12/27	300,000	252	0.69
Total Capital International 1.66% 22/07/26	200,000	188	0.52
Germany 0.88% (30/06/21: 1.01%)			
Deutsche Bahn Finance 1.875% 13/02/26	244,000	236	0.65
Deutsche Bank 1.875% 22/12/28	100,000	83	0.23
Ireland 0.38% (30/06/21: 0.51%)			
GE Capital UK Funding Unlimited 5.875% 18/01/33	125,000	137	0.38
Italy 0.57% (30/06/21: 0.00%)			
Intesa Sanpaolo 2.625% 11/03/36	300,000	208	0.57
Japan 1.02% (30/06/21: 0.84%)			
East Japan Railway 1.162% 15/09/28	174,000	153	0.42
East Japan Railway 4.75% 08/12/31	200,000	218	0.60

AXA Sterling Corporate Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Jersey 4.13% (30/06/21: 4.61%)			
CPUK Finance 3.588% 28/08/25	200,000	197	0.54
CPUK Finance 3.69% 28/08/28	400,000	386	1.06
CPUK Finance 7.239% 28/02/24	200,000	210	0.58
Gatwick Funding 4.625% 27/03/34	150,000	147	0.40
Heathrow Funding 6.45% 10/12/31	125,000	144	0.40
Heathrow Funding 7.125% 14/02/24	400,000	416	1.15
Luxembourg 0.00% (30/06/21: 0.90%)			
Netherlands 7.30% (30/06/21: 6.00%)			
ABN AMRO Bank 1.375% 16/01/25	300,000	284	0.78
BMW International Investment 1.375% 01/10/24	200,000	192	0.53
Cooperatieve Rabobank 1.875% 12/07/28	300,000	271	0.75
Cooperatieve Rabobank 4.625% 23/05/29	350,000	337	0.93
Daimler International Finance 1.625% 11/11/24	200,000	192	0.53
Daimler International Finance 2% 04/09/23	200,000	197	0.54
E.ON International Finance 6.25% 03/06/30	250,000	287	0.79
E.ON International Finance 6.375% 07/06/32	150,000	176	0.48
Enel Finance 2.875% 11/04/29	400,000	366	1.01
Shell International Finance 1% 10/12/30	180,000	147	0.40
Shell International Finance 1.75% 10/09/52	354,000	202	0.56
Spain 2.67% (30/06/21: 1.36%)			
Abertis Infraestructuras 3.375% 27/11/26	200,000	188	0.52
Banco Bilbao Vizcaya Argentaria 3.104% 15/07/31	300,000	266	0.73
Banco Santander 2.25% 04/0/32	300,000	247	0.68
Telefonica Emisiones 5.445% 08/10/29	250,000	268	0.74
Sweden 0.66% (30/06/21: 0.22%)			
Vattenfall 2.5% 29/06/83	300,000	238	0.66
United Arab Emirates 0.00% (30/06/21: 0.48%)			
United Kingdom 62.77% (30/06/21: 63.77%)			
ABP Finance 6.25% 14/12/26	350,000	388	1.07
abrdn 5.25% Perpetual	200,000	173	0.48
Anglian Water Services Financing 2.625% 15/06/27	150,000	145	0.40
Anglian Water Services Financing 4.5% 22/02/26	300,000	313	0.86
Aspire Defence Finance 4.674% 31/03/40	124,773	136	0.37
Barclays 3% 08/05/26	250,000	235	0.65
Barclays 3.75% 22/11/30	250,000	234	0.64
Berkeley 2.5% 11/08/31	250,000	184	0.51
BP Capital Markets 4.25% Perpetual	208,000	182	0.50
Broadgate Financing 4.851% 05/04/31	160,346	175	0.48
BUPA Finance 4% Perpetual	400,000	266	0.73
Cadent Finance 2.125% 22/09/28	250,000	226	0.62
Canary Wharf Finance II 6.8% 22/10/33	250,032	283	0.78
Centrica 4.375% 13/03/29	100,000	102	0.28
Centrica 5.25% 10/04/75	100,000	92	0.25
Compass 2% 03/07/29	100,000	91	0.25

AXA Sterling Corporate Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Compass 2% 05/09/25	150,000	145	0.40
Dignity Finance 3.5456% 31/12/34	276,988	276	0.76
Eastern Power Networks 6.25% 12/11/36	250,000	302	0.83
Electricity North West 8.875% 25/03/26	225,000	268	0.74
esure 6.75% 19/12/24	150,000	153	0.42
Folio Residential Finance NO 1 1.246% 31/10/27	280,000	253	0.70
Great Rolling Stock 6.875% 27/07/35	92,400	106	0.29
Greene King Finance 3.593% 15/03/35	454,986	421	1.16
Greene King Finance 5.318% 15/09/31	230,788	238	0.66
GSK Consumer Healthcare Capital UK 2.875% 29/10/28	100,000	96	0.26
Hammerson 3.5% 27/10/25	300,000	260	0.72
HSBC 2.256% 13/11/26	199,000	185	0.51
HSBC 5.75% 20/12/27	250,000	250	0.69
HSBC 6.75% 11/09/28	400,000	421	1.16
Imperial Brands Finance 5.5% 28/09/26	200,000	205	0.56
Just 5% Perpetual	400,000	283	0.78
Land Securities Capital Markets 1.974% 08/02/24	300,000	294	0.81
Legal & General 3.75% 26/11/49	250,000	215	0.59
Legal & General 5.5% 27/06/64	200,000	178	0.49
Legal & General 5.625% Perpetual	200,000	169	0.47
Lendlease Europe Finance 3.5% 02/12/33	400,000	311	0.86
Lloyds Bank Corporate Markets 1.75% 11/07/24	282,000	271	0.75
Lloyds Banking 2.707% 03/12/35	250,000	195	0.54
Logicor 2019-1 UK 1.875% 17/11/26	279,000	261	0.72
Longstone Finance 4.896% 19/04/31	400,000	414	1.14
M&G 5.56% 20/07/55	250,000	223	0.61
M&G 5.625% 20/10/51	250,000	237	0.65
M&G 6.34% 19/12/63	150,000	136	0.37
Marston's Issuer 1.63484% 15/10/27	515,179	477	1.31
Marston's Issuer 5.1774% 15/07/32	335,000	322	0.89
Martlet Homes 3% 09/05/52	150,000	123	0.34
Meadowhall Finance 4.986% 12/01/32	118,185	124	0.34
Mitchells & Butlers Finance 0.54838% 15/12/30	143,971	133	0.37
Mitchells & Butlers Finance 6.013% 15/12/28	426,426	432	1.19
Mitchells & Butlers Finance 6.469% 15/09/30	357,000	366	1.01
National Grid Electricity Transmission 1.375% 16/09/26	300,000	277	0.76
National Grid Gas 1.625% 14/01/43	300,000	178	0.49
Natwest 3.125% 28/03/27	206,000	194	0.53
NatWest 3.622% 14/08/30	138,000	129	0.36
NewRiver REIT 3.5% 07/03/28	500,000	426	1.17
Next 3.625% 18/05/28	400,000	364	1.00
Next 4.375% 02/10/26	100,000	100	0.28
NIE Finance 6.375% 02/06/26	200,000	222	0.61
Northern Gas Networks Finance 4.875% 30/06/27	275,000	293	0.81
Northern Powergrid Northeast 1.875% 16/06/62	300,000	176	0.49
Northumbrian Water Finance 1.625% 11/10/26	200,000	187	0.52
Notting Hill Genesis 2% 03/06/36	250,000	196	0.54
Notting Hill Genesis 3.75% 20/12/32	250,000	250	0.69
Places for People Homes 3.625% 22/11/28	384,000	384	1.06
Quadgas Finance 3.375% 17/09/29	400,000	367	1.01
Rothesay Life 5% Perpetual	400,000	297	0.82

AXA Sterling Corporate Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
RSL Finance No 1 6.625% 31/03/38	203,793	250	0.69
Sage 2.875% 08/02/34	158,000	135	0.37
Santander UK 6.5% 21/10/30	310,000	335	0.92
Scottish Widows 7% 16/06/43	250,000	264	0.73
Segro 2.375% 11/10/29	150,000	136	0.37
Segro 6.75% 23/02/24	249,000	261	0.72
Society of Lloyd's 4.75% 30/10/24	150,000	149	0.41
Southern Gas Networks 1.25% 02/12/31	137,000	107	0.29
Southern Gas Networks 3.1% 15/09/36	319,000	266	0.73
Southern Gas Networks 4.875% 21/03/29	200,000	214	0.59
SP Manweb 4.875% 20/09/27	265,000	282	0.78
SP Transmission 2% 13/11/31	250,000	215	0.59
Student Finance 2.6663% 30/09/24	400,000	389	1.07
Telereal Securitisation 5.3887% 10/12/31	107,588	118	0.33
Tesco Personal Finance 3.5% 25/07/25	100,000	97	0.27
Tesco Property Finance 2 6.0517% 13/10/39	273,456	295	0.81
Tesco Property Finance 3 5.744% 13/04/40	232,635	244	0.67
Tesco Property Finance 6 5.4111% 13/07/44	299,486	302	0.83
TP ICAP Finance 2.625% 18/11/28	300,000	245	0.68
Transport for London 4% 12/09/33	300,000	297	0.82
Vodafone 3% 12/08/56	350,000	246	0.68
Vodafone 4.875% 03/10/78	400,000	366	1.01
Western Power Distribution South West 2.375% 16/05/29	150,000	137	0.38
Western Power Distribution South West 5.875% 25/03/27	275,000	301	0.83
Whitbread 3% 31/05/31	100,000	84	0.23
Whitbread 3.375% 16/10/25	250,000	241	0.66
Yorkshire Building Society 3.375% 13/09/28	250,000	223	0.61
Yorkshire Water Finance 1.75% 26/11/26	300,000	281	0.77
Yorkshire Water Finance 3.75% 22/03/46	300,000	300	0.83
United States 7.18% (30/06/21: 7.02%)			
AT&T 4.375% 14/09/29	400,000	406	1.12
Athene Global Funding 1.75% 24/11/27	183,000	158	0.44
BAT Capital 2.125% 15/08/25	250,000	233	0.64
Berkshire Hathaway Finance 2.375% 19/06/39	300,000	242	0.67
Digital Stout Holding 3.75% 17/10/30	150,000	138	0.38
Goldman Sachs 3.125% 25/07/29	250,000	230	0.63
MassMutual Global Funding II 1.375% 15/12/26	200,000	182	0.50
McKesson 3.125% 17/02/29	300,000	283	0.78
Tennessee Valley Authority 5.625% 07/06/32	150,000	183	0.51
United Parcel Service 5.5% 12/02/31	300,000	339	0.93
Verizon Communications 1.875% 03/11/38	300,000	212	0.58
TOTAL CORPORATE BONDS		34,974	96.35
GOVERNMENT BONDS 1.82% (30/06/21: 2.92%)			
United Kingdom 1.82% (30/06/21: 2.92%)			
UK Treasury 1.75% 22/01/49	280,000	233	0.64
United Kingdom Gilt 0.625% 22/10/50	700,000	428	1.18
TOTAL GOVERNMENT BONDS		661	1.82

AXA Sterling Corporate Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
FUTURES 0.06% (30/06/21: 0.08%)			
United Kingdom 0.06% (30/06/21: 0.08%)			
Long Gilt Futures September 2022	17	23	0.06
TOTAL FUTURES		23	0.06
Portfolio of investments		35,658	98.23
Net other assets		643	1.77
Total net assets		36,301	100.00

All bonds are denominated in Sterling (unless otherwise indicated).

At 30 June 2022, there were no investments in the Fund which were valued using a quote from a single broker (30/06/21: £nil).

AXA Sterling Corporate Bond Fund

Comparative Tables

As at 30 June 2022

	B Gross Accumulation			B Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	133.48	129.06	123.40	112.35	111.50	110.02
Return before operating charges ^	(16.25)	5.05	6.26	(13.41)	4.36	5.51
Operating charges ^	(0.57)	(0.63)	(0.60)	(0.48)	(0.54)	(0.53)
Return after operating charges ^	(16.82)	4.42	5.66	(13.89)	3.82	4.98
Distributions	(3.71)	(3.47)	(3.97)	(3.09)	(2.97)	(3.50)
Retained distributions on accumulation shares	3.71	3.47	3.97	-	-	-
Closing net asset value per share †	116.66	133.48	129.06	95.37	112.35	111.50
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-12.60%	3.42%	4.59%	-12.36%	3.43%	4.53%
Other information						
Closing net asset value (£) †	7,205,934	8,946,525	9,495,425	250,792	336,727	336,543
Closing number of shares	6,176,785	6,702,288	7,357,557	262,972	299,706	301,839
Operating charges ^	0.44%	0.48%	0.47%	0.44%	0.48%	0.47%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	136.10	136.00	131.60	114.60	116.50	115.40
Lowest share price #	115.90	129.40	117.60	95.54	111.40	103.10

	H Gross Accumulation		
	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)
Opening net asset value per share †	182.57	175.71	167.27
Return before operating charges ^	(22.24)	6.91	8.51
Operating charges ^	(0.07)	(0.05)	(0.07)
Return after operating charges ^	(22.31)	6.86	8.44
Distributions	(5.87)	(5.56)	(6.16)
Retained distributions on accumulation shares	5.87	5.56	6.16
Closing net asset value per share †	160.26	182.57	175.71
*^ after direct transaction costs of:	-	-	-
Performance			
Return after operating charges	-12.22%	3.90%	5.05%
Other information			
Closing net asset value (£) †	4,808	4,983	4,978
Closing number of shares	3,000	2,729	2,833
Operating charges ^	0.04%	0.03%	0.04%
Direct transaction costs *	0.00%	0.00%	0.00%
Prices			
Highest share price #	186.30	185.60	178.90
Lowest share price #	159.20	176.20	159.90

AXA Sterling Corporate Bond Fund

Comparative Tables

As at 30 June 2022

	R Gross Accumulation			R Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	159.82	155.45	149.54	88.11	87.44	86.27
Return before operating charges ^	(19.35)	6.09	7.57	(12.28)	3.42	4.33
Operating charges ^	(1.62)	(1.72)	(1.66)	0.88	(0.96)	(0.95)
Return after operating charges ^	(20.97)	4.37	5.91	(11.40)	2.46	3.38
Distributions	(3.50)	(3.21)	(3.87)	(1.92)	(1.79)	(2.21)
Retained distributions on accumulation shares	3.50	3.21	3.87	-	-	-
Closing net asset value per share †	138.85	159.82	155.45	74.79	88.11	87.44
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-13.12%	2.81%	3.95%	-12.94%	2.81%	3.92%
Other information						
Closing net asset value (£) †	2,555,956	3,593,593	5,805,948	220,062	319,161	2,357,062
Closing number of shares	1,840,855	2,248,465	3,734,985	294,257	362,236	2,695,683
Operating charges ^	1.04%	1.08%	1.07%	1.04%	1.08%	1.07%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	162.90	163.30	158.80	89.79	91.19	90.39
Lowest share price #	138.00	155.80	141.90	74.82	87.28	80.78

AXA Sterling Corporate Bond Fund

Comparative Tables

As at 30 June 2022

	Z Gross Accumulation			Z Gross Income		
Change in net assets per share	30/06/2022 (p)	30/06/2021 (p)	30/06/2020 (p)	30/06/2022 (p)	30/06/2021 (p)	30/06/2020 (p)
Opening net asset value per share †	172.69	167.13	159.97	95.94	95.22	93.96
Return before operating charges ^	(21.00)	6.55	8.11	(11.46)	3.72	4.70
Operating charges ^	(0.91)	(0.99)	(0.95)	(0.50)	(0.56)	(0.55)
Return after operating charges ^	(21.91)	5.56	7.16	(11.96)	3.16	4.15
Distributions	(4.63)	(4.31)	(4.98)	(2.55)	(2.44)	(2.89)
Retained distributions on accumulation shares	4.63	4.31	4.98	-	-	-
Closing net asset value per share †	150.78	172.69	167.13	81.43	95.94	95.22
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-12.69%	3.33%	4.48%	-12.47%	3.32%	4.42%
Other information						
Closing net asset value (£) †	21,637,188	28,222,208	32,445,219	4,426,024	5,635,600	4,474,062
Closing number of shares	14,350,329	16,342,367	19,412,895	5,435,632	5,873,988	4,698,539
Operating charges ^	0.54%	0.58%	0.57%	0.54%	0.58%	0.57%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	176.10	176.10	170.40	97.85	99.43	98.53
Lowest share price #	149.80	167.60	152.30	81.56	95.14	88.06

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). 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.

AXA Sterling Corporate Bond Fund

Statement of Total Return

For the year ended 30 June 2022

	Note	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Income:					
Net capital (losses)/gains	2		(6,666)		469
Revenue	3	1,418		1,632	
Expenses	4	(237)		(331)	
Interest payable and similar charges		-		-	
Net revenue before taxation		1,181		1,301	
Taxation	5	-		-	
Net revenue after taxation			1,181		1,301
Total return before distributions			(5,485)		1,770
Distributions	6		(1,181)		(1,301)
Change in net assets attributable to Shareholders from investment activities			(6,666)		469

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2022

	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Opening net assets attributable to Shareholders		47,059		54,919
Amounts receivable on issue of shares	4,669		6,541	
Amounts payable on cancellation of shares	(9,777)		(15,963)	
		(5,108)		(9,422)
Change in net assets attributable to Shareholders from investment activities (see above)		(6,666)		469
Retained distributions on accumulation shares		1,016		1,093
Closing net assets attributable to Shareholders		36,301		47,059

AXA Sterling Corporate Bond Fund

Balance Sheet

As at 30 June

	Note	30/06/22 £'000	30/06/21 £'000
Assets:			
Fixed assets:			
Investments		35,658	46,221
Current assets:			
Debtors	7	969	741
Cash and bank balances	8	11	237
Total assets		36,638	47,199
Liabilities:			
Creditors:			
Bank overdrafts	10	(94)	-
Distribution payable		(38)	(41)
Other creditors	9	(205)	(99)
Total liabilities		(337)	(140)
Net assets attributable to Shareholders		36,301	47,059

AXA Sterling Corporate Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 266-269.

2. Net capital (losses)/gains

	30/06/22	30/06/21
	£'000	£'000
The net capital (losses)/gains comprise:		
Non-derivative securities	(6,420)	777
Brokers commission on futures	(1)	(1)
Derivative contracts	(245)	(306)
Transaction charges	-	(1)
Net capital (losses)/gains	(6,666)	469

3. Revenue

	30/06/22	30/06/21
	£'000	£'000
Interest on debt securities	1,380	1,606
Futures Income	38	26
Total revenue	1,418	1,632

4. Expenses

	30/06/22	30/06/21
Payable to the ACD, associates of the ACD, and agents of either of them	£'000	£'000
Annual management charge	225	291
Registration fees	4	5
	229	296
Other expenses		
Audit fees	5	16
Depositary's fees	4	11
Printing fees	(2)	3
Safe custody fees	1	5
	8	35
Total expenses	237	331

Expenses include irrecoverable VAT where applicable.

AXA Sterling Corporate Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net revenue before taxation. The differences are explained below:

	30/06/22 £'000	30/06/21 £'000
Net revenue before taxation	1,181	1,301
Net revenue for the year multiplied by the standard rate of corporation tax	236	260
Effects of:		
Tax deductible interest distributions	(236)	(260)
Tax charge for the year	-	-

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	30/06/22 £'000	30/06/21 £'000
First interim	309	336
Second interim	303	316
Third interim	276	311
Final	281	308
Add: Revenue paid on cancellation of shares	30	53
Deduct: Revenue received on creation of shares	(18)	(23)
Net distribution for the year	1,181	1,301

7. Debtors

	30/06/22 £'000	30/06/21 £'000
Amounts receivable for creation of shares	448	111
Accrued revenue	521	630
Total debtors	969	741

8. Cash and bank balances

	30/06/22 £'000	30/06/21 £'000
Cash and bank balances	-	158
Amount held at futures clearing houses and brokers	11	79
Total cash and bank balances	11	237

AXA Sterling Corporate Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

9. Other creditors	30/06/22 £'000	30/06/21 £'000
Amounts payable for cancellation of shares	159	55
Accrued annual management charge	33	22
Accrued other expenses	13	22
Total other creditors	205	99

10. Bank overdrafts	30/06/22 £'000	30/06/21 £'000
Bank overdrafts	94	-
Total bank overdrafts	94	-

11. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no shareholdings in the Company at the year end.

As at 30 June 2022 there are no shareholders with holdings over 25% (30/06/2021: 31.44% and 25.70%) of the Fund's shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

12. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's annual management charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/21	Issued	Cancelled	Converted	30/06/22
B Gross Accumulation	0.40	6,702,288	40,944	(561,978)	(4,469)	6,176,785
B Gross Income	0.40	299,706	1,469	(38,203)	-	262,972
H Gross Accumulation	Nil	2,729	2,901	(2,630)	-	3,000
R Gross Accumulation	1.00	2,248,465	86,119	(493,729)	-	1,840,855
R Gross Income	1.00	362,236	30,923	(65,624)	(33,278)	294,257
Z Gross Accumulation	0.50	16,342,367	1,468,039	(3,463,534)	3,457	14,350,329
Z Gross Income	0.50	5,873,988	2,115,328	(2,584,229)	30,545	5,435,632

13. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2021: nil).

14. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

AXA Sterling Corporate Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Market price risk

The Fund invests principally in equity and fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2021).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £3,563,500 (2021: £4,618,560). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30/06/22				
Pound sterling	133	35,502	666	36,301
Total	133	35,502	666	36,301
30/06/21*				
Pound sterling	237	46,185	637	47,059
Total	237	46,185	637	47,059

* Prior year figures have been restated.

AXA Sterling Corporate Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £2,170,172 (2021: £3,362,312). A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each fund.

Transactions in securities may expose a fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/22 Market Value £'000	%	30/06/21 Market Value £'000	%
Investment grade (BBB- credit rating and above)	32,447	89.39	42,599	90.52
Below investment grade (below BBB- credit rating)	3,035	8.36	3,304	7.02
Unrated	153	0.42	282	0.60
Total value of bonds	35,635	98.17	46,185	98.14

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties was as follows:

Futures	30/06/22 Exposure £'000	30/06/21 Exposure £'000
Goldman Sachs	23	36
Total value of derivatives	23	36

15. Portfolio transaction costs

There were no transactions costs incurred during the year to 30 June 2022 (2021: Nil).

At the balance sheet date the average portfolio dealing spread was 0.77% (2021: 0.67%).

AXA Sterling Corporate Bond Fund

Notes to the Financial Statements
For the year ended 30 June 2022

16. Post balance sheet events

Subsequent to the year end, on 19th October the Net Asset Value ("NAV") per share of the Fund had decreased below -10% on a all share class when compared to the year end date. The movements for each share class are shown below:

Share class	Price per share as at 30.06.22*	Price per share as at 19.10.22	Movement (%)
B Gross Accumulation	116.70	104.70	-10.28
B Gross Income	96.13	84.81	-11.78
H Gross Accumulation	160.20	144.00	-10.11
R Gross Accumulation	138.80	124.40	-10.37
R Gross Income	75.27	66.49	-11.66
Z Gross Accumulation	150.80	135.30	-10.28
Z Gross Income	82.06	72.40	-11.77

*Prices disclosed are based on quoted share prices and will therefore differ to net asset value per share shown in the comparative tables which are valued at bid-market prices.

17. Fair value disclosure

	30/06/22		30/06/21	
Valuation technique	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1 ^	684	-	1,413	-
Level 2 ^^	34,974	-	44,808	-
Level 3 ^^^	-	-	-	-
	35,658	-	46,221	-

^ 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.

AXA Sterling Corporate Bond Fund

Distribution Table

As at 30 June 2022

First Distribution in pence per share
Group 1 Shares purchased prior to 1 July 2021
Group 2 Shares purchased on or after 1 July 2021 to 30 September 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 30/11/21 (p)	Distribution paid 30/11/20 (p)
Share Class B Gross Accumulation				
Group 1	0.934	-	0.934	0.831
Group 2	0.293	0.641	0.934	0.831
Share Class B Gross Income				
Group 1	0.786	-	0.786	0.718
Group 2	0.786	-	0.786	0.718
Share Class H Gross Accumulation				
Group 1	1.493	-	1.493	1.341
Group 2	1.493	-	1.493	1.341
Share Class R Gross Accumulation				
Group 1	0.873	-	0.873	0.761
Group 2	0.460	0.413	0.873	0.761
Share Class R Gross Income				
Group 1	0.481	-	0.481	0.428
Group 2	0.309	0.172	0.481	0.428
Share Class Z Gross Accumulation				
Group 1	1.164	-	1.164	1.033
Group 2	0.537	0.627	1.164	1.033
Share Class Z Gross Income				
Group 1	0.647	-	0.647	0.589
Group 2	0.159	0.488	0.647	0.589

AXA Sterling Corporate Bond Fund

Distribution Table

As at 30 June 2022

Second Distribution in pence per share
Group 1 Shares purchased prior to 1 October 2021
Group 2 Shares purchased on or after 1 October 2021 to 31 December 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 28/02/22 (p)	Distribution paid 26/02/21 (p)
Share Class B Gross Accumulation				
Group 1	0.943	-	0.943	0.845
Group 2	0.573	0.370	0.943	0.845
Share Class B Gross Income				
Group 1	0.788	-	0.788	0.725
Group 2	0.788	-	0.788	0.725
Share Class H Gross Accumulation				
Group 1	1.497	-	1.497	1.359
Group 2	1.497	-	1.497	1.359
Share Class R Gross Accumulation				
Group 1	0.885	-	0.885	0.773
Group 2	0.501	0.384	0.885	0.773
Share Class R Gross Income				
Group 1	0.485	-	0.485	0.433
Group 2	0.088	0.397	0.485	0.433
Share Class Z Gross Accumulation				
Group 1	1.176	-	1.176	1.050
Group 2	0.689	0.487	1.176	1.050
Share Class Z Gross Income				
Group 1	0.649	-	0.649	0.595
Group 2	0.311	0.338	0.649	0.595

AXA Sterling Corporate Bond Fund

Distribution Table

As at 30 June 2022

Third Distribution in pence per share
Group 1 Shares purchased prior to 1 January 2022
Group 2 Shares purchased on or after 1 January 2022 to 31 March 2022

	Net revenue (p)	Equalisation (p)	Distribution paid 31/05/22 (p)	Distribution paid 28/05/21 (p)
Share Class B Gross Accumulation				
Group 1	0.900	-	0.900	0.878
Group 2	0.300	0.600	0.900	0.878
Share Class B Gross Income				
Group 1	0.747	-	0.747	0.749
Group 2	0.747	-	0.747	0.749
Share Class H Gross Accumulation				
Group 1	1.424	-	1.424	1.409
Group 2	1.424	-	1.424	1.409
Share Class R Gross Accumulation				
Group 1	0.846	-	0.846	0.816
Group 2	0.508	0.338	0.846	0.816
Share Class R Gross Income				
Group 1	0.462	-	0.462	0.455
Group 2	0.173	0.289	0.462	0.455
Share Class Z Gross Accumulation				
Group 1	1.123	-	1.123	1.093
Group 2	0.573	0.550	1.123	1.093
Share Class Z Gross Income				
Group 1	0.615	-	0.615	0.615
Group 2	0.382	0.233	0.615	0.615

AXA Sterling Corporate Bond Fund

Distribution Table

As at 30 June 2022

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 April 2022
Group 2 Shares purchased on or after 1 April 2022 to 30 June 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/08/22 (p)	Distribution paid 31/08/21 (p)
Share Class B Gross Accumulation				
Group 1	0.937	-	0.937	0.912
Group 2	0.395	0.542	0.937	0.912
Share Class B Gross Income				
Group 1	0.772	-	0.772	0.773
Group 2	0.772	-	0.772	0.773
Share Class H Gross Accumulation				
Group 1	1.457	-	1.457	1.450
Group 2	1.457	-	1.457	1.450
Share Class R Gross Accumulation				
Group 1	0.897	-	0.897	0.856
Group 2	0.491	0.406	0.897	0.856
Share Class R Gross Income				
Group 1	0.487	-	0.487	0.474
Group 2	0.300	0.187	0.487	0.474
Share Class Z Gross Accumulation				
Group 1	1.171	-	1.171	1.138
Group 2	0.625	0.546	1.171	1.138
Share Class Z Gross Income				
Group 1	0.637	-	0.637	0.636
Group 2	0.103	0.534	0.637	0.636

AXA Sterling Credit Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Investment Objective

The aim of the Fund is to provide income combined with any capital growth.

Investment Policy

The Fund aims to deliver income combined with any capital growth by investing primarily (meaning at least 70% of its assets) in sterling-denominated investment grade bonds with a bias towards shorter maturities (where the full repayment of the bond by the company is expected to be less than five years). The fund manager seeks to reduce the effect of credit risk through diversification and its analysis and selection of bonds.

The Fund does not have a benchmark. SONIA Compounded Index may be used by investors to compare the Fund's performance. Where bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets).

The Fund may also invest in other transferable securities (including, but not limited to, high yield debt securities, investment grade debt securities, convertibles, tbills), cash, deposits, units in collective investment schemes (including those that are operated by the ACD) and money market instruments. The Fund may use derivatives for investment purposes as well as for Efficient Portfolio Management. Use may be made of stock lending, borrowing, cash holdings, hedging and other investment techniques permitted in the applicable Financial Conduct Authority Rules.

The Fund is actively managed. It is not managed in reference to any benchmark.

Risk and Reward Profile

As at 30 June 2022

By investing in a fund which invests primarily in fixed interest stocks you are likely to be looking for an investment which will generate an income but has less potential for capital return than is the case with funds which invest primarily in equities. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you would prefer an investment with less risk than that of a fund which invests significantly in equities or overseas. Typically, you would be investing for a period of at least five years.

Lower Risk						Higher Risk
Potentially lower reward						Potentially higher reward
1	**2**	3	4	5	6	7

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

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some level of variation which, may result in gains or losses.

AXA Sterling Credit Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Additional risks

Under normal market conditions the Fund's key risk factors are:

• Credit Risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

• Interest rate risk - interest rate risk is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

• Prepayment and extension risk - prepayment risk is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

• LIBOR transition risk - LIBOR (London Inter-bank Offered Rate) is intended to reflect the interest rate that wholesale banks expect to pay each other to borrow money (without providing security). LIBOR is widely used in financial products as a reference to determine a target or amount to be paid. From the end of 2021, the banks that contribute to the setting of LIBOR will no longer be required to do so, and LIBOR is expected to become obsolete. It is expected that a different rate, SONIA, will replace LIBOR over time.

There are a number of risks for Funds associated with the transition to SONIA:

(i) SONIA is prepared on a different basis to LIBOR and has historically returned a lower rate of interest. Where the Fund's investments provide income based on LIBOR, the transition to SONIA or another reference rate may reduce the value of those investments and the Fund's income from them.

AXA Sterling Credit Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

(ii) The ACD has a plan to reduce the Funds' exposure to LIBOR. However, this plan will be phased and the Fund may have some exposure to investments based, or dependent, on LIBOR during periods where those rates are encountering lower levels of reliability. Not all market participants have yet made plans for the transition away from LIBOR and there is a risk that they will be unable/unwilling to implement the change before LIBOR becomes unreliable. During such time, the value of the Fund's investments may be less reliable and therefore the Fund's price may be more volatile (it may change more frequently and/or by greater amounts).

(iii) Where the counterparty for an investment is reliant on LIBOR, a transition to SONIA, or another rate, may change that counterparty's economic position and increase the risk that they will default on their obligations. The Fund may suffer a loss if the counterparty is unable to meet its obligations. Additionally, the increased risk of default may reduce the value of the investment or cause the ACD to need to rebalance the portfolio.

Other risks which could have an impact in extreme market conditions include:

• 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 shareholders buying or selling shares 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.

• Counterparty Risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral a Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

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• 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 ACD 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 individual fund's investment objectives and investment policy.

Market review

After widening slightly towards the end of 2021 due to concerns around the COVID-19 Omicron variant, sterling credit spreads widened significantly in the first half of 2022 due to increased hawkishness from central banks and heightened recession risk as inflation kept rising globally. At first, inflationary pressures were mostly linked to the supply chain shock caused by COVID-19, but the Russian invasion of Ukraine in February intensified them by causing another global supply chain shock and pushing up global commodity prices. As such, the UK's annual inflation rate rose to a 40-year high of 9.1% in May 2022 compared to only 2% back in July 2021. Similarly, in the US, the annual inflation rate rose to 8.6%, a level not seen since 1981, while the Eurozone reached 8.1%, an all-time high.

Central banks responded hawkishly to rein in runaway inflation, though the European Central Bank (ECB) acted more slowly. The Bank of England (BoE) increased the bank rate five consecutive times from 0.10% in June 2021 to 1.25% in June 2022. Similarly, the US Federal Reserve (Fed) increased its Federal Funds rate to 1.50-1.75%, up from 0-0.25% at the beginning of the review period, stating that they would take whatever measures necessary to control inflation. Finally, the ECB did not increase interest rates during the review period, but its president Lagarde announced in June that they would hike in July by 25bps, the first time in 11 years.

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As a result, UK gilt yields rose sharply during the review period, with most of the increase happening in the first half of 2022 as the BoE increased interest rates aggressively to deal with rampant inflation. The curve flattened as a result, with short-dated yields rising more than longer-dated ones, and even inverted in the US at some points.

Fund activity

Due to expensive valuations, persistently elevated inflation, and increasingly hawkish central banks, we continued to de-risk the portfolio in the second half of 2021. As such, we decreased our exposure to BBB-rated bonds by 4% to 45% while increasing our exposure to AAA-rated bonds by 5% to 10%. As a result, our exposure to UK gilts, government-guaranteed and supranational debt increased by 3% to 10%. We also reduced our exposure to emerging markets by 2% to 4% due to the headwinds of a more hawkish Fed, geopolitical tensions, and the collapse of the Chinese property developers. At a sector level, we left our exposure to cyclical names broadly stable at 20% as valuations looked uninspiring with not much COVID-19 premium left even for very exposed names such as airports or shopping mall operators.

The large de-risking undertaken during the second half of 2021 helped us to minimise the drawdown experienced by the fund in the first half of 2022 as sterling credit spreads widened significantly and also gave us ample room to start adding back risk at much more attractive levels. As such, we increased our exposure to BBB-rated bonds by 12% to 57% while decreasing our exposure to AAA and AA rated bonds by 8% to 12%. As a result, our exposure to UK gilts, government-guaranteed and supranational debt decreased by 6% to 4%. Our exposures to high yield and emerging markets were broadly stable at 4% and 5% respectively. At a sector level, we increased our exposure to the financial sector by 4% to 43% as banks and insurance companies should directly benefit from the higher interest rate environment. We mostly focused on financial subordinated debt, nearly doubling our exposure to 14%.

We were active in both primary and secondary markets throughout the period across sterling and euro investment grade markets.

Our active management of the duration contributed positively to performance as we started the year with a duration close to 1.6 years, helping us to substantially minimise the drawdown experienced by the fund in the first half of 2022 as UK gilt yields rose significantly. As yields rose and spreads widened, we lengthened the duration and spread duration of the portfolio by increasing the exposure to bonds maturing between 3 and 5 years by 16% to 35%, while reducing the exposure to bonds with less than 3 years to maturity by 14% to 61%.

Outlook

We expect market conditions to remain very volatile over the short-term due to continued inflationary pressures, hawkish central banks, a protracted conflict in Ukraine and increased risk of a recession next year.

As inflation should start gradually falling over the coming quarters, we expect yields to consolidate at these higher levels since they already reflect a very aggressive pace of tightening by central banks, helping credit spreads to also stabilise.

All performance data source: AXA Investment Managers and Bloomberg.
Past performance is not a guide for future performance.

AXA Sterling Credit Short Duration Bond Fund

Investment Manager's Report

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Major Purchases	Cost (£'000)
● United Kingdom Gilt 0.375% 22/10/26	46,651
● Kreditanstalt fuer Wiederaufbau 0.125% 30/12/26	18,130
● Kreditanstalt fuer Wiederaufbau 1.25% 29/12/23	12,310
● Kreditanstalt fuer Wiederaufbau 0.875% 15/03/22	10,026
● European Investment Bank 0.75% 14/07/23	9,010

Major Sales / Redemptions	Proceeds (£'000)
● United Kingdom Gilt 0.375% 22/10/26	46,709
● Kreditanstalt fuer Wiederaufbau 0.875% 15/03/22	19,724
● United Kingdom Gilt 0.125% 31/01/23	14,012
● Kreditanstalt fuer Wiederaufbau 1.25% 29/12/23	12,126
● European Investment Bank 0.75% 14/07/23	8,915

Nicolas Trindade
AXA Investment Managers UK Limited
30 June 2022

AXA Sterling Credit Short Duration Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 94.99% (30/06/21: 93.87%)			
Australia 4.64% (30/06/21: 4.90%)			
APA Infrastructure 4.25% 26/11/24	3,500,000	3,538	0.72
Australia & New Zealand Banking 1.809% 16/09/31	3,000,000	2,585	0.53
National Australia Bank 1.699% 15/09/31	6,689,000	5,742	1.17
Scentre Group Trust 1 .875% 16/07/26	200,000	200	0.04
Toyota Finance Australia 3.92% 28/06/27	3,846,000	3,891	0.79
Vicinity Centres Trust 3.375% 07/04/26	638,000	624	0.13
Westfield America Management 2.125% 30/03/25	6,400,000	5,815	1.18
Westpac Banking 2.625% 14/12/22	408,000	408	0.08
Belgium 0.52% (30/06/21: 0.00%)			
KBC 1.25% 21/09/27	2,900,000	2,577	0.52
Bermuda 1.12% (30/06/21: 0.90%)			
Hiscox 2% 14/12/22	5,544,000	5,518	1.12
Canada 2.28% (30/06/21: 0.81%)			
Bank of Nova Scotia 1.375% 05/12/23	4,101,000	3,981	0.81
Canadian Imperial Bank of Commerce 1.875% 27/01/26	4,629,000	4,329	0.88
Toronto-Dominion Bank 2.875% 05/04/27	3,035,000	2,890	0.59
China 1.90% (30/06/21: 1.44%)			
China Development Bank 1.25% 21/01/23	2,189,000	2,167	0.44
Industrial & Commercial Bank of China 1.5% 31/07/22	2,172,000	2,169	0.44
Industrial & Commercial Bank of China 1.625% 28/12/25	5,500,000	4,986	1.02
Denmark 0.88% (30/06/21: 0.93%)			
AP Moller 4% 04/04/25	4,300,000	4,315	0.88
Finland 1.73% (30/06/21: 0.68%)			
Balder Finland 1% 18/01/27	EUR 4,264,000	2,650	0.54
OP Corporate Bank 1.375% 04/09/26	2,327,000	2,090	0.42
OP Corporate Bank 3.375% 14/01/26	3,842,000	3,777	0.77
France 7.81% (30/06/21: 9.54%)			
Banque Federative du Credit Mutuel 1.692629% 26/01/25	1,600,000	1,582	0.32
Banque Federative du Credit Mutuel 1.875% 13/12/22	3,400,000	3,389	0.69
Banque Federative du Credit Mutuel 2.25% 18/12/23	4,000,000	3,919	0.80
BNP Paribas 2% 24/05/31	5,600,000	4,862	0.99
BPCE 2.125% 16/12/22	6,000,000	5,987	1.22
Credit Agricole 1.25% 02/10/24	2,600,000	2,470	0.50
Credit Agricole 1.27886% 24/04/23	USD 2,326,000	1,918	0.39
Credit Agricole 7.375% 18/12/23	3,750,000	3,890	0.79
Electricite de France 6.875% 12/12/22	3,100,000	3,151	0.64
LVMH Moet Hennessy Louis Vuitton 1% 11/02/23	2,700,000	2,676	0.55
RCI Banque 0.5% 14/07/25	EUR 1,283,000	993	0.20
RCI Banque 1.875% 08/11/22	3,571,000	3,552	0.72

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	Holding	Market Value £'000	% of Total Net Assets
Germany 7.02% (30/06/21: 3.72%)			
Commerzbank 1.5% 22/11/24	3,900,000	3,684	0.75
Deutsche Bank 2.625% 16/12/24	1,500,000	1,424	0.29
Deutsche Bank 4% 24/06/26	3,900,000	3,761	0.76
Hamburg Commercial Bank 0.5% 22/09/26	EUR 1,900,000	1,468	0.30
Henkel 1% 30/09/22	4,500,000	4,486	0.91
Kreditanstalt fuer Wiederaufbau 0.125% 30/12/26	19,500,000	17,536	3.57
Kreditanstalt fuer Wiederaufbau 1.125% 04/07/25	2,229,000	2,147	0.44
Ireland 0.00% (30/06/21: 0.52%)			
Italy 1.54% (30/06/21: 3.86%)			
Aeroporti di Roma 5.441% 20/02/23	7,500,000	7,572	1.54
Japan 1.31% (30/06/21: 1.61%)			
Sumitomo Mitsui Financial 0.98129% 18/10/22	USD 7,800,000	6,427	1.31
Jersey 3.43% (30/06/21: 3.49%)			
CPUK Finance 3.588% 28/08/25	200,000	197	0.04
CPUK Finance 7.239% 28/02/24	6,167,000	6,465	1.32
Gatwick Funding 5.25% 23/01/24	3,000,000	3,072	0.62
Gatwick Funding 6.125% 02/03/26	3,000,000	3,224	0.66
Heathrow Funding 7.125% 14/02/24	3,750,000	3,900	0.79
Luxembourg 1.25% (30/06/21: 3.23%)			
Logicor Financing 0.625% 17/11/25	EUR 2,214,000	1,700	0.35
Logicor Financing 0.75% 15/07/24	EUR 5,446,000	4,442	0.90
Netherlands 10.70% (30/06/21: 8.45%)			
ABN AMRO Bank 1.375% 16/01/25	3,600,000	3,406	0.69
BMW International Investment 1.25% 11/07/22	1,902,000	1,902	0.39
BMW International Investment 1.375% 01/10/24	3,700,000	3,549	0.72
BMW International Investment 1.875% 11/09/23	3,000,000	2,953	0.60
Citycon Treasury 1.25% 08/09/26	EUR 3,223,000	2,211	0.45
Citycon Treasury 2.5% 01/10/24	EUR 1,200,000	978	0.20
Daimler Truck International Finance 1.625% 06/04/27	EUR 2,700,000	2,171	0.44
E.ON International Finance 5.625% 06/12/23	3,200,000	3,300	0.67
EDP Finance 8.625% 04/01/24	6,700,000	7,226	1.47
Enel Finance 0.25% 17/11/25	EUR 4,644,000	3,696	0.75
GSK Consumer Healthcare 1.25% 29/03/26	EUR 1,385,000	1,141	0.23
Highbury Finance 7.017% 20/03/23	3,405,681	3,482	0.71
Mercedes-Benz International Finance 2% 04/09/23	1,500,000	1,479	0.30
PACCAR Financial Europe 2.375% 15/03/25	5,100,000	4,924	1.00
Siemens Financieringsmaatschappij 0.875% 05/06/23	1,900,000	1,869	0.38
Stellantis 3.75% 29/03/24	EUR 2,800,000	2,443	0.50
Volkswagen Financial 3.25% 13/04/27	2,600,000	2,453	0.50
Volkswagen International Finance 3.375% 16/11/26	3,600,000	3,449	0.70
New Zealand 1.32% (30/06/21: 1.40%)			
Fonterra Co-operative 9.375% 04/12/23	6,000,000	6,502	1.32

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	Holding	Market Value £'000	% of Total Net Assets
Norway 1.67% (30/06/21: 1.53%)			
DNB Bank 1.375% 02/12/25	1,733,000	1,639	0.33
DNB Bank 1.625% 15/12/23	2,679,000	2,607	0.53
DNB Bank 2.625% 10/06/26	4,083,000	3,962	0.81
Spain 5.73% (30/06/21: 2.92%)			
Abertis Infraestructuras 3.375% 27/11/26	6,300,000	5,937	1.21
Banco Bilbao Vizcaya Argentaria 3.104% 15/07/31	5,300,000	4,703	0.96
Banco de Sabadell 2.625% 24/03/26	EUR 1,000,000	816	0.17
Banco Santander 1.35829% 12/04/23	USD 3,400,000	2,807	0.57
Banco Santander 1.375% 31/07/24	2,500,000	2,384	0.48
Banco Santander 3.125% 06/10/26	2,800,000	2,684	0.55
CaixaBank 1.5% 03/12/26	2,000,000	1,798	0.36
CaixaBank 3.5% 06/04/28	2,100,000	1,977	0.40
Telefonica Emisiones 5.289% 09/12/22	5,000,000	5,054	1.03
Sweden 0.00% (30/06/21: 1.95%)			
United Arab Emirates 1.05% (30/06/21: 1.04%)			
First Abu Dhabi Bank 0.875% 09/12/25	2,423,000	2,198	0.45
First Abu Dhabi Bank 1.375% 19/02/23	2,965,000	2,932	0.60
United Kingdom 33.09% (30/06/21: 30.08%)			
A2D Funding II 4.5% 30/09/26	2,794,300	2,893	0.59
ABP Finance 6.25% 14/12/26	150,000	166	0.03
Admiral 5.5% 25/07/24	1,700,000	1,709	0.35
Anglian Water Osprey Financing 4% 08/03/26	3,500,000	3,481	0.71
Anglian Water Osprey Financing 5% 30/04/23	1,500,000	1,515	0.31
Anglian Water Services Financing 4.5% 22/02/26	4,000,000	4,171	0.85
Babcock International 1.75% 06/10/22	EUR 3,203,000	2,757	0.56
Babcock International 1.875% 05/10/26	5,300,000	4,738	0.96
Barclays 3% 08/05/26	2,500,000	2,353	0.48
Barclays 3.75% 22/11/30	1,500,000	1,406	0.29
Barclays Bank UK 0.61646% 09/01/23	2,100,000	2,101	0.43
BUPA Finance 5% 25/04/23	323,000	325	0.07
BUPA Finance 5% 08/12/26	3,300,000	3,266	0.66
Close Brothers 2% 11/09/31	3,000,000	2,603	0.53
Close Brothers 2.75% 26/04/23	2,223,000	2,202	0.45
Coventry Building Society 0.73247% 13/11/23	2,500,000	2,508	0.51
Coventry Building Society 1.5% 23/01/23	2,868,000	2,843	0.58
Coventry Building Society 5.875% 28/09/22	1,300,000	1,310	0.27
Experian Finance 0.739% 29/10/25	2,868,000	2,638	0.54
Go-Ahead 2.5% 06/07/24	3,900,000	3,740	0.76
Hammerson 3.5% 27/10/25	987,000	857	0.17
Hammerson 6% 23/02/26	3,600,000	3,338	0.68
InterContinental Hotels 3.75% 14/08/25	5,000,000	4,924	1.00
Investec Bank 4.25% 24/07/28	5,619,000	5,529	1.13
Just 9% 26/1026	5,600,000	6,143	1.25
Land Securities Capital Markets 1.974% 08/02/24	8,000,000	7,847	1.60
Liberty Living Finance 2.625% 28/11/24	4,500,000	4,350	0.88
Lloyds Bank Corporate Markets 1.5% 23/06/23	884,000	869	0.18

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	Holding	Market Value £'000	% of Total Net Assets
Lloyds Bank Corporate Markets 1.75% 11/07/24	4,804,000	4,619	0.94
Manchester Airport Funding 4.125% 02/04/24	4,100,000	4,149	0.84
Marks & Spencer 3.75% 19/05/26	2,700,000	2,368	0.48
Marston's Issuer 1.6359% 15/10/27	3,606,251	3,336	0.68
Mitchells & Butlers Finance 0.6734% 15/12/28	1,619,787	1,482	0.30
Mitchells & Butlers Finance 5.965% 15/12/23	1,418,896	1,432	0.29
Mitchells & Butlers Finance 6.013% 15/12/28	861,009	873	0.18
National Express 2.5% 11/11/23	4,362,000	4,288	0.87
Nationwide Building Society 0.94646% 10/01/24	4,133,000	4,156	0.84
NatWest 2.105% 28/11/31	3,600,000	3,075	0.63
NatWest 3.622% 14/08/30	1,825,000	1,708	0.35
Pension Insurance 6.5% 03/07/24	3,000,000	3,087	0.63
Pension Insurance 8% 23/11/26	2,500,000	2,727	0.55
Rothesay Life 5.5% 17/09/29	3,446,000	3,453	0.70
Rothesay Life 8% 30/10/25	2,400,000	2,560	0.52
Santander UK 0.664% 27/03/24	EUR 3,083,000	2,656	0.54
Scottish Widows 5.5% 16/06/23	3,500,000	3,527	0.72
Segro 6.75% 23/02/24	1,612,000	1,689	0.34
Society of Lloyd's 4.75% 30/10/24	3,000,000	2,975	0.61
Stagecoach 4% 29/09/25	3,850,000	3,756	0.76
Student Finance 2.6663% 30/09/24	7,274,000	7,068	1.44
Tesco Personal Finance 3.5% 25/07/25	4,550,000	4,424	0.90
Thames Water Utilities Finance 2.375% 03/05/23	1,700,000	1,676	0.34
Tritax Big Box 2.625% 14/12/26	200,000	190	0.04
Virgin Money UK 0.375% 27/05/24	EUR 2,953,000	2,493	0.51
Whitbread 3.375% 16/10/25	6,500,000	6,263	1.27
United States 6.00% (30/06/21: 10.87%)			
AbbVie 1.5% 15/11/23	EUR 2,257,000	1,936	0.39
Athene Global Funding 1.125% 02/09/25	EUR 2,786,000	2,256	0.46
BP Capital Markets America 0.86363% 19/09/22	USD 1,739,000	1,431	0.29
Citigroup 2.75% 24/01/24	5,022,000	4,946	1.01
Digital Stout 2.75% 19/07/24	1,021,000	995	0.20
Discovery Communications 2.5% 20/09/24	3,000,000	2,925	0.60
Ford Motor Credit 2.748% 14/06/24	2,000,000	1,855	0.38
General Motors Financial 2.35% 03/09/25	5,000,000	4,686	0.95
Nestle 2.125% 04/04/27	2,491,000	2,391	0.49
New York Life Global Funding 1.75% 15/12/22	4,532,000	4,515	0.92
Realty Income 1.875% 14/01/24	1,668,000	1,529	0.31
TOTAL CORPORATE BONDS		466,855	94.99
GOVERNMENT BONDS 0.00% (30/06/21: 2.75%)			
United Kingdom 0.00% (30/06/21: 2.75%)			
FORWARD CURRENCY CONTRACTS (0.25%) (30/06/21: (0.16%))			
Bought EUR825,000 for GBP703,532 Settlement 09/09/2022		9	-
Sold EUR46,100,000 for GBP39,311,051 Settlement 09/09/2022		(514)	(0.10)
Sold USD24,000,000 for GBP18,976,765 Settlement 09/09/2022		(761)	(0.15)
TOTAL FORWARD CURRENCY CONTRACTS		(1,266)	(0.25)

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	Holding	Market Value £'000	% of Total Net Assets
FUTURES 0.02% (30/06/21: 0.00%)			
Germany 0.02% (30/06/21: 0.00%)			
Euro-BOBL Futures September 2022	(112)	91	0.02
Euro-SCHATZ Futures September 2022	(114)	19	-
TOTAL FUTURES		110	0.02
Portfolio of investments		465,699	94.76
Net other assets		25,764	5.24
Total net assets		491,463	100.00

All bonds are denominated in Sterling (unless otherwise indicated).

At 30 June 2022, there were no investments in the Fund which were valued using a quote from a single broker (30/06/21 : £nil).

AXA Sterling Credit Short Duration Bond Fund

Comparative Tables

As at 30 June 2022

	A Gross Accumulation			A Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	113.09	109.88	108.64	101.46	99.95	100.41
Return before operating charges ^	(4.31)	3.62	1.64	(3.84)	3.30	1.50
Operating charges ^	(0.40)	(0.41)	(0.40)	(0.36)	(0.37)	(0.37)
Return after operating charges ^	(4.71)	3.21	1.24	(4.20)	2.93	1.13
Distributions	(1.73)	(1.56)	(1.73)	(1.54)	(1.42)	(1.59)
Retained distributions on accumulation shares	1.73	1.56	1.73	-	-	-
Closing net asset value per share †	108.38	113.09	109.88	95.72	101.46	99.95
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-4.16%	2.92%	1.14%	-4.14%	2.93%	1.13%
Other information						
Closing net asset value (£) †	1,821,576	2,301,695	5,126,346	58,637	98,222	148,481
Closing number of shares	1,680,777	2,035,198	4,665,508	61,259	96,813	148,550
Operating charges ^	0.36%	0.37%	0.37%	0.36%	0.37%	0.37%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	113.40	113.20	110.80	101.70	102.20	101.60
Lowest share price #	108.30	110.10	106.50	96.05	100.20	97.50

	H Gross Accumulation		
	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)
Opening net asset value per share †	133.78	129.52	127.61
Return before operating charges ^	(5.12)	4.28	1.93
Operating charges ^	(0.01)	(0.02)	(0.02)
Return after operating charges ^	(5.13)	4.26	1.91
Distributions	(2.51)	(2.31)	(2.48)
Retained distributions on accumulation shares	2.51	2.31	2.48
Closing net asset value per share †	128.65	133.78	129.52
*^ after direct transaction costs of:	-	-	-
Performance			
Return after operating charges	-3.83%	3.29%	1.50%
Other information			
Closing net asset value (£) †	1,049,654	621,911	602,118
Closing number of shares	815,901	464,877	464,877
Operating charges ^	0.01%	0.02%	0.01%
Direct transaction costs *	0.00%	0.00%	0.00%
Prices			
Highest share price #	134.20	133.90	130.50
Lowest share price #	128.50	129.80	125.40

AXA Sterling Credit Short Duration Bond Fund

Comparative Tables

As at 30 June 2022

	R Gross Accumulation			R Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	122.08	119.20	118.45	104.18	102.64	103.11
Return before operating charges ^	(4.65)	3.93	1.79	(3.93)	3.37	1.55
Operating charges ^	(1.03)	(1.05)	(1.04)	(0.88)	(0.90)	(0.90)
Return after operating charges ^	(5.68)	2.88	0.75	(4.81)	2.47	0.65
Distributions	(1.26)	(1.09)	(1.29)	(1.07)	(0.93)	(1.12)
Retained distributions on accumulation shares	1.26	1.09	1.29	-	-	-
Closing net asset value per share †	116.40	122.08	119.20	98.30	104.18	102.64
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-4.65%	2.42%	0.63%	-4.62%	2.41%	0.63%
Other information						
Closing net asset value (£) †	5,316,015	8,101,414	8,839,263	269,266	241,851	445,709
Closing number of shares	4,567,034	6,636,397	7,415,545	273,924	232,138	434,235
Operating charges ^	0.86%	0.87%	0.87%	0.86%	0.87%	0.87%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	122.30	122.20	120.40	104.40	104.90	104.20
Lowest share price #	116.30	119.40	115.70	98.53	102.80	100.10

	Z Gross Accumulation			Z Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	127.77	124.20	122.86	104.06	102.52	102.99
Return before operating charges ^	(4.88)	4.10	1.86	(3.93)	3.37	1.54
Operating charges ^	(0.51)	(0.53)	(0.52)	(0.42)	(0.43)	(0.43)
Return after operating charges ^	(5.39)	3.57	1.34	(4.35)	2.94	1.11
Distributions	(1.89)	(1.70)	(1.90)	(1.53)	(1.40)	(1.58)
Retained distributions on accumulation shares	1.89	1.70	1.90	-	-	-
Closing net asset value per share †	122.38	127.77	124.20	98.18	104.06	102.52
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-4.22%	2.87%	1.09%	-4.18%	2.87%	1.08%
Other information						
Closing net asset value (£) †	213,232,353	260,157,969	337,619,873	92,888,033	90,553,918	127,432,905
Closing number of shares	174,237,293	203,613,338	271,835,992	94,608,615	87,018,238	124,298,425
Operating charges ^	0.41%	0.42%	0.42%	0.41%	0.42%	0.42%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	128.10	127.90	125.30	104.30	104.80	104.20
Lowest share price #	122.30	124.50	120.40	98.51	102.70	100.00

AXA Sterling Credit Short Duration Bond Fund

Comparative Tables

As at 30 June 2022

	ZI Gross Accumulation			ZI Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	106.20	103.07	101.81	99.96	98.48	98.93
Return before operating charges ^	(4.06)	3.41	1.54	(3.78)	3.24	1.49
Operating charges ^	(0.27)	(0.28)	(0.28)	(0.25)	(0.27)	(0.27)
Return after operating charges ^	(4.33)	3.13	1.26	(4.03)	2.97	1.22
Distributions	(1.73)	(1.57)	(1.73)	(1.62)	(1.49)	(1.67)
Retained distributions on accumulation shares	1.73	1.57	1.73	-	-	-
Closing net asset value per share †	101.87	106.20	103.07	94.31	99.96	98.48
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-4.08%	3.04%	1.24%	-4.03%	3.02%	1.23%
Other information						
Closing net asset value (£) †	129,192,689	114,811,737	40,937,090	47,634,404	37,000,998	87,597,485
Closing number of shares	126,823,392	108,113,980	39,716,512	50,509,776	37,016,491	88,951,757
Operating charges ^	0.26%	0.27%	0.27%	0.26%	0.27%	0.27%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	106.50	106.30	103.90	100.20	100.70	100.10
Lowest share price #	101.80	103.30	99.87	94.66	98.68	96.06

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). 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.

AXA Sterling Credit Short Duration Bond Fund

Statement of Total Return

For the year ended 30 June 2022

	Note	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Income:					
Net capital (losses)/gains	2		(29,501)		9,084
Revenue	3	9,657		10,288	
Expenses	4	(1,818)		(2,230)	
Interest payable and similar charges		(6)		(11)	
Net revenue before taxation		7,833		8,047	
Taxation	5	-		-	
Net revenue after taxation			7,833		8,047
Total return before distributions			(21,668)		17,131
Distributions	6		(7,833)		17,131
Change in net assets attributable to Shareholders from investment activities			**(29,501)**		**9,084**

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2022

	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Opening net assets attributable to Shareholders		513,890		608,749
Amounts receivable on issue of shares	140,946		146,029	
Amounts payable on cancellation of shares	(139,694)		(255,529)	
		1,252		(109,500)
Change in net assets attributable to Shareholders from investment activities (see above)		(29,501)		9,084
Retained distributions on accumulation shares		5,822		5,556
Unclaimed distributions		-		1
Closing net assets attributable to Shareholders		491,463		513,890

AXA Sterling Credit Short Duration Bond Fund

Balance Sheet

As at 30 June

	Note	30/06/22 £'000	30/06/21 £'000
Assets:			
Fixed assets:			
Investments		466,974	496,568
Current assets:			
Debtors	7	10,669	7,301
Cash and bank balances	8	17,054	17,639
Total assets		494,697	521,508
Liabilities:			
Investment liabilities		(1,275)	(863)
Creditors:			
Bank overdrafts	10	(69)	-
Distribution payable		(607)	(432)
Other creditors	9	(1,283)	(6,323)
Total liabilities		(3,234)	(7,618)
Net assets attributable to Shareholders		491,463	513,890

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 266-269.

2. Net capital (losses)/gains

	30/06/22 £'000	30/06/21 £'000
The net capital (losses)/gains comprise:		
Non-derivative securities	(27,543)	1,574
Brokers commission on futures	(2)	(3)
Currency gains/(losses)	702	(838)
Derivative contracts	1,021	78
Forward currency contracts	(3,679)	8,274
Transaction charges	-	(1)
Net capital (losses)/gains	(29,501)	9,084

3. Revenue

	30/06/22 £'000	30/06/21 £'000
Bank interest	9	(1)
Interest on debt securities	9,758	10,311
Futures Income	(110)	(22)
Total revenue	9,657	10,288

4. Expenses

	30/06/22 £'000	30/06/21 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	1,787	2,133
Registration fees	3	4
	1,790	2,137
Other expenses		
Audit fees	5	15
Depositary's fees	18	27
Printing fees	(1)	4
Safe custody fees	6	47
	28	93
Total expenses	1,818	2,230

Expenses include irrecoverable VAT where applicable.

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net revenue before taxation. The differences are explained below:

	30/06/22 £'000	30/06/21 £'000
Net revenue before taxation	7,833	8,047
Net revenue for the year multiplied by the standard rate of corporation tax	1,567	1,609
Effects of:		
Tax deductible interest distributions	(1,567)	(1,609)
Tax charge for the year	-	-

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	30/06/22 £'000	30/06/21 £'000
First interim	1,637	2,145
Second interim	1,654	2,002
Third interim	2,412	1,945
Final	2,112	1,725
Add: Revenue paid on cancellation of shares	303	494
Deduct: Revenue received on creation of shares	(285)	(264)
Net distribution for the year	7,833	8,047

7. Debtors

	30/06/22 £'000	30/06/21 £'000
Amounts receivable for creation of shares	4,406	1,432
Accrued revenue	6,263	5,869
Total debtors	10,669	7,301

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

8. Cash and bank balances

	30/06/22 £'000	30/06/21 £'000
Cash and bank balances	17,054	17,570
Amount held at futures clearing houses and brokers	-	69
Total cash and bank balances	17,054	17,639

9. Other creditors

	30/06/22 £'000	30/06/21 £'000
Amounts payable for cancellation of shares	947	6,096
Accrued annual management charge	300	177
Accrued other expenses	36	50
Total other creditors	1,283	6,323

10. Bank overdrafts

	30/06/22 £'000	30/06/21 £'000
Amounts overdrawn at futures clearing houses and brokers	69	-
Total bank overdrafts	69	-

11. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no shareholdings in the Company at the year end.

As at 30 June 2022 material shareholders have holdings totalling 32.30% (30/06/2021: 26.76%) of the Fund's shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

12. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's annual management charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/21	Issued	Cancelled	Converted	30/06/22
A Gross Accumulation	0.35	2,035,198	413,099	(767,520)	-	1,680,777
A Gross Income	0.35	96,813	18,887	(54,441)	-	61,259
H Gross Accumulation	Nil	464,877	352,174	(1,150)	-	815,901
R Gross Accumulation	0.85	6,636,397	730,681	(2,732,030)	(68,014)	4,567,034
R Gross Income	0.85	232,138	105,535	(85,532)	21,783	273,924
Z Gross Accumulation	0.40	203,613,338	33,620,778	(63,062,544)	65,721	174,237,293
Z Gross Income	0.40	87,018,238	28,364,331	(21,066,479)	292,525	94,608,615
ZI Gross Accumulation	0.25	108,113,980	46,120,955	(27,385,631)	(25,912)	126,823,392
ZI Gross Income	0.25	37,016,491	17,930,353	(4,136,649)	(300,419)	50,509,776

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

13. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2021: nil).

14. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk

The Fund invests principally in equity and fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2021).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £46,790,077 (2021: £49,653,290). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Net foreign currency exposure 30/06/22 £'000	30/06/21 £'000
Euro	(2,141)	59
US dollar	(7,111)	(66)
Total	(9,252)	(7)

Foreign exchange risk sensitivity

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
30/06/22				
Pound sterling	27,833	405,636	67,246	500,715
Euro	2,586	34,151	(38,878)	(2,141)
US dollar	12,583	-	(19,694)	(7,111)
Total	**43,002**	**439,787**	**8,674**	**491,463**
30/06/21*				
Pound sterling	26,716	430,209	56,972	513,897
Euro	3,135	20,647	(23,723)	59
US dollar	28,293	4,602	(32,961)	(66)
Total	**58,144**	**455,458**	**288**	**513,890**

* Prior year figures have been restated.

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £8,916,933 (2021: £8,143,140). A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each fund.

Transactions in securities may expose a fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/22 Market Value £'000	%	30/06/21 Market Value £'000	%
Investment grade (BBB- credit rating and above)	442,414	90.00	477,825	92.98
Below investment grade (below BBB- credit rating)	16,869	3.45	18,708	3.64
Unrated	7,572	1.54	-	-
Total value of bonds	466,855	94.99	496,533	96.62

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties was as follows:

	30/06/22 Exposure £'000	30/06/21 Exposure £'000
(a) Futures		
Goldman Sachs	110	(4)
Total value of derivatives	110	(4)
(b) Forwards		
BNP Paribas	40,538	56,882
Merrill Lynch	19,738	-
Total value of derivatives	60,276	56,882

15. Portfolio transaction costs

There were no transactions costs incurred during the year to 30 June 2022 (2021: Nil).

At the balance sheet date the average portfolio dealing spread was 0.40% (2021: 0.24%).

16. Post balance sheet events

There are no post balance sheet events which require adjustments at the year end.

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

17. Fair value disclosure

	30/06/22		30/06/21	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1 ^	110	-	14,114	(4)
Level 2 ^^	466,864	(1,275)	482,454	(859)
Level 3 ^^^	-	-	-	-
	466,974	(1,275)	496,568	(863)

^ 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.

AXA Sterling Credit Short Duration Bond Fund

Distribution Table

As at 30 June 2022

First Distribution in pence per share
Group 1 Shares purchased prior to 1 July 2021
Group 2 Shares purchased on or after 1 July 2021 to 30 September 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 30/11/21 (p)	Distribution paid 30/11/20 (p)
Share Class A Gross Accumulation				
Group 1	0.372	-	0.372	0.382
Group 2	0.161	0.211	0.372	0.382
Share Class A Gross Income				
Group 1	0.334	-	0.334	0.349
Group 2	0.067	0.267	0.334	0.349
Share Class H Gross Accumulation				
Group 1	0.558	-	0.558	0.566
Group 2	0.433	0.125	0.558	0.566
Share Class R Gross Accumulation				
Group 1	0.247	-	0.247	0.263
Group 2	0.072	0.175	0.247	0.263
Share Class R Gross Income				
Group 1	0.211	-	0.211	0.227
Group 2	0.060	0.151	0.211	0.227
Share Class Z Gross Accumulation				
Group 1	0.404	-	0.404	0.416
Group 2	0.204	0.200	0.404	0.416
Share Class Z Gross Income				
Group 1	0.329	-	0.329	0.344
Group 2	0.195	0.134	0.329	0.344
Share Class ZI Gross Accumulation				
Group 1	0.376	-	0.376	0.385
Group 2	0.186	0.190	0.376	0.385
Share Class ZI Gross Income				
Group 1	0.354	-	0.354	0.368
Group 2	0.166	0.188	0.354	0.368

AXA Sterling Credit Short Duration Bond Fund

Distribution Table

As at 30 June 2022

Second Distribution in pence per share
Group 1 Shares purchased prior to 1 October 2021
Group 2 Shares purchased on or after 1 October 2021 to 31 December 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 28/02/22 (p)	Distribution paid 26/02/21 (p)
Share Class A Gross Accumulation				
Group 1	0.358	-	0.358	0.404
Group 2	0.201	0.157	0.358	0.404
Share Class A Gross Income				
Group 1	0.321	-	0.321	0.366
Group 2	0.318	0.003	0.321	0.366
Share Class H Gross Accumulation				
Group 1	0.543	-	0.543	0.593
Group 2	0.543	-	0.543	0.593
Share Class R Gross Accumulation				
Group 1	0.233	-	0.233	0.284
Group 2	0.134	0.099	0.233	0.284
Share Class R Gross Income				
Group 1	0.198	-	0.198	0.244
Group 2	0.081	0.117	0.198	0.244
Share Class Z Gross Accumulation				
Group 1	0.389	-	0.389	0.440
Group 2	0.164	0.225	0.389	0.440
Share Class Z Gross Income				
Group 1	0.316	-	0.316	0.362
Group 2	0.094	0.222	0.316	0.362
Share Class ZI Gross Accumulation				
Group 1	0.363	-	0.363	0.405
Group 2	0.196	0.167	0.363	0.405
Share Class ZI Gross Income				
Group 1	0.341	-	0.341	0.386
Group 2	0.209	0.132	0.341	0.386

AXA Sterling Credit Short Duration Bond Fund

Distribution Table

As at 30 June 2022

Third Distribution in pence per share
Group 1 Shares purchased prior to 1 January 2022
Group 2 Shares purchased on or after 1 January 2022 to 31 March 2022

	Net revenue (p)	Equalisation (p)	Distribution paid 31/05/22 (p)	Distribution paid 28/05/21 (p)
Share Class A Gross Accumulation				
Group 1	0.532	-	0.532	0.395
Group 2	0.291	0.241	0.532	0.395
Share Class A Gross Income				
Group 1	0.474	-	0.474	0.357
Group 2	0.068	0.406	0.474	0.357
Share Class H Gross Accumulation				
Group 1	0.745	-	0.745	0.582
Group 2	0.745	-	0.745	0.582
Share Class R Gross Accumulation				
Group 1	0.424	-	0.424	0.277
Group 2	0.185	0.239	0.424	0.277
Share Class R Gross Income				
Group 1	0.361	-	0.361	0.238
Group 2	0.140	0.221	0.361	0.238
Share Class Z Gross Accumulation				
Group 1	0.585	-	0.585	0.431
Group 2	0.163	0.422	0.585	0.431
Share Class Z Gross Income				
Group 1	0.474	-	0.474	0.353
Group 2	0.181	0.293	0.474	0.353
Share Class ZI Gross Accumulation				
Group 1	0.526	-	0.526	0.397
Group 2	0.288	0.238	0.526	0.397
Share Class ZI Gross Income				
Group 1	0.491	-	0.491	0.377
Group 2	0.267	0.224	0.491	0.377

AXA Sterling Credit Short Duration Bond Fund

Distribution Table

As at 30 June 2022

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 April 2022
Group 2 Shares purchased on or after 1 April 2022 to 30 June 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/08/22 (p)	Distribution paid 31/08/21 (p)
Share Class A Gross Accumulation				
Group 1	0.465	-	0.465	0.383
Group 2	0.311	0.154	0.465	0.383
Share Class A Gross Income				
Group 1	0.412	-	0.412	0.345
Group 2	0.174	0.238	0.412	0.345
Share Class H Gross Accumulation				
Group 1	0.666	-	0.666	0.569
Group 2	0.420	0.246	0.666	0.569
Share Class R Gross Accumulation				
Group 1	0.352	-	0.352	0.262
Group 2	0.132	0.220	0.352	0.262
Share Class R Gross Income				
Group 1	0.299	-	0.299	0.224
Group 2	0.124	0.175	0.299	0.224
Share Class Z Gross Accumulation				
Group 1	0.510	-	0.510	0.417
Group 2	0.258	0.252	0.510	0.417
Share Class Z Gross Income				
Group 1	0.411	-	0.411	0.340
Group 2	0.238	0.173	0.411	0.340
Share Class ZI Gross Accumulation				
Group 1	0.463	-	0.463	0.386
Group 2	0.228	0.235	0.463	0.386
Share Class ZI Gross Income				
Group 1	0.431	-	0.431	0.365
Group 2	0.137	0.294	0.431	0.365

AXA Sterling Index Linked Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Investment Objective

The aim of the Fund is to provide income and capital growth, with the objective of reducing the negative effect of inflation over the long term.

Investment Policy

The Fund invests primarily (meaning at least 70% of its assets) in a portfolio of Index-linked bonds issued by the UK government. The Manager also seeks to increase performance of the Fund by investing in non-governmental, non-index-linked, and non-Sterling denominated bonds where these offer better value.

The Fund is managed with reference to the composition and risk profile of the FTSE Actuaries UK Index-Linked Gilts Over 5 Years index. However, the Manager invests on a discretionary basis with a significant degree of freedom to take positions which are different from the index. The FTSE Actuaries UK Index-Linked Gilts Over 5 Years index is designed to measure the performance of UK Government index-linked bonds with over 5 years maturity. This index best represents the types of bonds in which the Fund predominantly invests.

Where bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets). The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM).

This Fund is actively managed in reference to the FTSE Actuaries UK Index-Linked Gilts Over 5 Years index, which may be used by investors to compare the Fund's performance.

Risk and Reward Profile

As at 30 June 2022

By investing in a fund which invests primarily in indexed-linked fixed interest stocks you are likely to be looking for an investment which will generate a steady and predictable income whilst providing some protection against inflation. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you would prefer an investment with less risk than that of a fund which invests significantly in equities or overseas and you would be investing for a period of at least five years.

Lower Risk — Higher Risk

Potentially lower reward — Potentially higher reward

1	2	3	4	**5**	6	7

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

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some levels of variation, which may result in gains or losses.

AXA Sterling Index Linked Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Additional risks

Under normal market conditions the Fund's key risk factors are:

• Interest rate risk - is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

• Index-linked bonds risk - are fixed interest securities whose capital repayment amounts and interest payments are adjusted in line with movements in inflation indices. They are designed to mitigate the effects of inflation on the value of a portfolio. The market value of index-linked bonds is determined by the market's expectations of future movements in both interest rates and inflation rates.

As with other bonds, the value of index-linked bonds will generally fall when expectations of interest rates rise and vice versa. However, when the market anticipates a rise in inflation rates, index-linked bonds will generally outperform other bonds, and vice versa.

Index-linked bonds bought in the secondary market (i.e., not directly from the issuer) whose capital values have been adjusted upward due to inflation since issuance, may decline in value if there is a subsequent period of deflation.

Due to the sensitivity of these bonds to interest rates and expectations of future inflation, there is no guarantee that the value of these bonds will correlate with inflation rates in the short to medium term.

Index-linked bonds risk is an inherent risk of investing in index-linked bonds. Exposure to this risk is managed by the allocation decision on the proportion of the portfolio to invest in index-linked bonds, as well as the amount of remaining maturity of these bonds, which will affect their sensitivity in value, to changes in expected inflation levels.

• LIBOR transition risk - LIBOR (London Inter-bank Offered Rate) is intended to reflect the interest rate that wholesale banks expect to pay each other to borrow money (without providing security). LIBOR is widely used in financial products as a reference to determine a target or amount to be paid. From the end of 2021, the banks that contribute to the setting of LIBOR will no longer be required to do so, and LIBOR is expected to become obsolete. It is expected that a different rate, SONIA, will replace LIBOR over time.

There are a number of risks for Funds associated with the transition to SONIA:

(i) SONIA is prepared on a different basis to LIBOR and has historically returned a lower rate of interest. Where the Fund's investments provide income based on LIBOR, the transition to SONIA or another reference rate may reduce the value of those investments and the Fund's income from them.

(ii) The ACD has a plan to reduce the Funds' exposure to LIBOR. However, this plan will be phased and the Fund may have some exposure to investments based, or dependent, on LIBOR during periods where those rates are encountering lower levels of reliability. Not all market participants have yet made plans for the transition away from LIBOR and there is a risk that they will be unable/unwilling to implement the change before LIBOR becomes unreliable. During such time, the value of the Fund's investments may be less reliable and therefore the Fund's price may be more volatile (it may change more frequently and/or by greater amounts).

AXA Sterling Index Linked Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

(iii) Where the counterparty for an investment is reliant on LIBOR, a transition to SONIA, or another rate, may change that counterparty's economic position and increase the risk that they will default on their obligations. The Fund may suffer a loss if the counterparty is unable to meet its obligations. Additionally, the increased risk of default may reduce the value of the investment or cause the ACD to need to rebalance the portfolio.

Other risks which could have an impact in extreme market conditions include:

• Credit Risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

• Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

• 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.

AXA Sterling Index Linked Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

The ACD 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 individual fund's investment objectives and investment policy.

Investment Review

The Fixed Income market endured a difficult and volatile 12 months to the end of June 2022. Although the period initially began with bonds continuing to deliver strong performance, as the summer of 2021 progressed bond market momentum and sentiment reversed, as global central banks began to adopt a more hawkish stance. This shift in policy was driven by the sharp pickup in headline inflation and set the tone for much of the remainder of the period under review as global central banks started to remove their pandemic-induced stimulus measures by delivering successive rate increases, as well as maintaining forward guidance around the need for even tighter monetary policy in order to restore price stability.

Looking at the period in more detail, July saw renewed anxieties on the global health situation as the Delta COVID-19 variant spread across many regions. This led to increased concerns around the sustainability of the economic rebound and alongside regulatory crackdowns by Chinese authorities on some domestic sectors, negatively impacted risk sentiment. In addition, technical factors such as positioning and summer trading conditions all helped to underpin the rally in bonds.

However, the bond market rally stalled in August as concerns around central banks tapering their asset purchase programmes grew, with bond yields generally drifting higher over the course of the month. The Bank of England (BoE) at their August MPC meeting gave investors clearer guidance on their sequencing intentions, announcing that they intended to stop their reinvestment of maturing holdings once base rates reached 0.5%, while they would consider actively selling assets once base rates got to 1%.

AXA Sterling Index Linked Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

September saw yields break out of their relatively narrow summer range with a sharp move higher late in the month, triggered by hawkish outcomes to some key central bank meetings. The US Federal Reserve (Fed) meeting on the 22nd September signalled that the criteria for tapering asset purchases had been “all but met” alongside an updated “dot-plot” suggesting that the committee was evenly split on rate hikes beginning as early as 2022. The following day, the BoE added to the bearish sentiment with 2 members of the Monetary Policy Committee (MPC) voting for an immediate end to the BoE’s asset purchase programme along with comments suggesting that the case for a modest tightening in rates had strengthened. Elsewhere there was considerable attention on China, and in particular the deterioration in the financial position of the property developer Evergrande. Equity markets suffered in September with this backdrop of higher rates, inflation and Asia credit concerns, breaking their 7-month winning streak with the S&P 500 closing the month down 4.7% and the MSCI ACWI down 4.1%.

October saw bond yields rise with concerns mounting around changes in global central bank policy across the advanced economies, as expectations of higher and more prolonged periods of inflation grew. Short-end rates sold off as markets brought forward the start of the global rate hike cycle. Comments from BoE Governor Bailey that the BoE would “have to act” in order to tame inflation saw the market price in 5 hikes over their next 9 meetings, with base rates forecast to rise to 1.25% by end of 2022. With the repricing of short rates, yield curves began to flatten aggressively.

November saw some of this bearish sentiment reverse, as investors digested news from the BoE, who surprised markets by failing to follow through on their hawkish communications early in the month. The BoE voted 7-2 to keep rates unchanged and 6-3 to allow their quantitative easing (QE) programme to complete as scheduled next month, despite market expectations for a rate hike and possible early end to their asset purchase programme. In the US, the Federal Open Market Committee (FOMC) also left rates unchanged, but announced the commencement of the tapering of their QE programme of $15bn/month for November and December. The reimposition of social restrictions in several European regions was supportive for Bunds and other European Government Bond markets.

December proved to be a month of two halves for global bond markets; initially bonds rallied on concerns of rising COVID-19 case numbers as the Omicron variant spread, before the tone changed mid-month as central banks appeared increasingly hawkish. The FOMC meeting on the 15th of December proved to be a hawkish pivot by the Fed, announcing a doubling of the pace of tapering of asset purchases to $30bn per month meaning the programme will end in March 2022. The Fed “dot plot” signalled three rate hikes in 2022 which was up from just one hike in its September projections. The BoE surprised markets by raising rates for the first time since 2018 at their December meeting, with the MPC voting 8-1 to raise rates 15bps to 0.25%. In Europe the European Central Bank (ECB) delivered a slightly hawkish surprise, announcing when its emergency asset purchase programme (PEPP) ended in March it would only increase its regular asset purchase programme (APP) by EUR40bn which appeared to underwhelm markets.

AXA Sterling Index Linked Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

As the new year began the bond markets started with the January blues as hawkish rhetoric from central banks led markets to price in a faster pace of monetary policy tightening than previously envisaged. The tone was set early in the month in the US following the release of the December FOMC minutes which highlighted the chance of earlier rate hikes at a "faster pace", with balance sheet reduction to take place relatively soon after the first-rate hike. This sentiment was echoed later in the month at the January FOMC meeting with the Fed explicitly stating it would "soon be appropriate" to raise rates. This theme continued when the ECB subtly changed their forward guidance at their meeting in early February when President Lagarde noted there was "unanimous concern" among the Governing Council about the inflation outlook and refused to rule out the possibility of a rate hike in 2022 at her press conference. In the UK, the BoE followed up their December rate hike by raising rates for the second time in succession and although this hike was expected, markets were surprised when 4 MPC members voted for a 50bp hike. However, as February progressed markets turned their attention towards escalating geopolitical concerns over developments on the Russian – Ukrainian border which saw the bond sell-off reverse course. On the 24th of February Russian President Putin ordered his troops to invade Ukraine which sparked a global sell-off in risk assets and saw sovereign bond yields fall sharply. This "safe-haven" bid for bonds proved short lived, as the implications for energy markets of the invasion saw oil and gas prices spike higher. In the US, inflation for February reached a new 40-year high at 7.9% year over year while German headline CPI rose to 7.3% year over year in March, also reaching a 40-year high amid the oil supply shock. At their March meeting the FOMC raised rates for the first time since 2018 and in their summary of economic projections (SEP) Fed officials signalled further rate rises with the median dot plot showing a further six 25bp hikes in 2022 followed by four more hikes in 2023. In the UK, the MPC voted 8-1 to raise the bank rate by 0.25% to 0.75%, its third successive hike for the first time since 2004. However, in the minutes of the meeting the BoE suggested a more cautious tone in its outlook, with the committee stating that "further modest tightening in monetary policy might be appropriate in the coming months" having previously said this was "likely" to be appropriate as recently as their February meeting.

April saw a continuation of the hawkish rhetoric from central banks dominating the airwaves, despite the backdrop of the ongoing war in Ukraine as well as an escalation in China's regional lockdowns. Fed officials followed up their March hike with warnings of an increase in the pace of tightening with Fed Chair Powell suggesting that a 50bp hike was "on the table" for May with further large moves to come, while Fed President Bullard suggested a 75bp move was also possible. This hawkish rhetoric was mirrored on the other side of the Atlantic with various ECB members talking of the imminent end to their QE programme to be followed up with the possibility of a rates lift-off in July. Data released during the month confirmed the continued rise in inflation expectations with US Consumer Price Index (CPI) printing 8.5% for March, UK CPI rising to 7% while German CPI was predicted to rise to 7.8% for April.

In May the FOMC delivered their first 0.5% rate hike since May 2000, raising rates to 0.75 -1% while also confirming the start of its quantitative tightening programme to begin in June. In the UK, the BoE raised rates for a fourth time in succession, leaving the benchmark rate at 1%. The minutes showed a split vote 6-3, with the 3 members voting for a larger 50bp move. However, despite these hawkish headlines gilts took some comfort from the fact that two members of the MPC believed that signalling further tightening was not appropriate at this juncture, while the BoE also downgraded its outlook for 2023, with Gross Domestic Product (GDP) now forecast to fall into negative territory. In Europe, the ECB stepped up its hawkishness, with the discussion moving from if they would raise rates in July to how much they would move by, with board member Klaas Knot suggesting the possibility of a 50bp move. In late May, President Lagarde wrote that the inflation outlook had "shifted notably upwards" and it was now appropriate for interest rates to adjust.

June saw some hints of the bond market moving beyond its peak hawkishness with some growing concerns around the possibility of a recession on the horizon. Initially the US data released early in the month reflected a buoyant labour market with non-farm payrolls beating market expectations while US CPI came in at 8.6%, a new 40-year high countering some expectations of inflation levels having already peaked. Later in the month a steady release of weaker than expected economic survey and activity data put pressure on risk assets and helped temper the bond market's bearish sentiment. Although the ECB left rates unchanged at their meeting in early June, President Lagarde gave ample forward guidance on future rate moves anticipating raising rates by 25bps at its July meeting with a larger hike being appropriate at its September meeting, unless the data improves. On 15th June the FOMC delivered a 75bp increase in rates, their first hike of this magnitude since 1994. In the FOMC's "dot plot" the median rate rose to 3.4% indicating the committee's determination to move rates into restrictive territory. The following day the Swiss National Bank surprised markets in a hawkish policy pivot by raising their rates by 50bps, while the BoE voted 6-3 to raise rates by 25bps noting that they may need to act "forcefully" on inflation if needed.

AXA Sterling Index Linked Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Global Government Bonds

Global developed government bond yields moved sharply higher over the period given the macro backdrop. Front end yields bore the brunt of the repricing of rate expectations as yield curves flattened. In the US, the yield on the benchmark 10-year treasury bond rose from 1.45% at the start of the review period to just over 3% by the end of June 2022, having traded to almost 3.5% in mid – June just before the June FOMC meeting. The US yield curve, which is seen as a barometer of markets expectations on the economic outlook, flattened aggressively over the period, with the 2-year vs. 10-year curve closing almost 120bps flatter to at zero by the end of June, having briefly inverted in early April. Gilts endured a volatile period given the often-confusing BoE communications as 10-year yields opened the review period at 0.7% and closed 150bps higher at 2.2%, then having reached as high as 2.65% in June. The gilt yield curve also flattened over the period with the 2s vs10s curve 30bps flatter.

Over the 12 months to 30 June 2022, UK gilts returned a negative 13.6%, as measured by the FTSE Actuaries UK Government All Stocks Index.

Index-linked Gilts

For much of the review period inflation remained the focus for markets, as inflation readings across the globe reached generational highs. The UK's rate of inflation (measured by the CPI) rose over the review period from 2.1% at the start of the period to 9.1% for the May 2022 release.

The Retail Price Index (RPI), which is more relevant for index-linked bonds, rose to 11.7% for May 2022 from 3.3% a year earlier.

Breakeven levels which illustrate the change in index linked yields relative to matched maturity nominal yields were wider over the period, with 10-year breakeven rates moving from 350bps to 370bps. However at the peak of higher inflation expectations, 10-year breakevens were as wide as 460bps following the Russian invasion of Ukraine which triggered a spike in natural gas prices.

November saw the Debt Management Office issue their longest maturity bond yet via syndication, a March 2073 index linked bond which was a very successful transaction, once again highlighting the strong structural demand for the asset class. This bond was reopened in April 2022.

Over the 12 months to 30 June 2022, Index-linked gilts returned a negative 16.33%, as measured by the FTSE Actuaries Index Linked All Stocks Index, underperforming its Gilt All Stock equivalent despite higher inflation levels due to the longer duration of the Index-Linked index.

Fund Activity

We entered the review period with an overweight duration (a measure of sensitivity of a bond's price to a change in interest rates) exposure relative to the comparative benchmark as well as a yield curve flattening bias. We actively managed the duration risk of the fund throughout this challenging period, overall remaining cautious in our exposure relative to its benchmark given the volatile market backdrop. Our yield curve exposure was generally favouring a flattening bias on the curve, which did face some headwinds given the sharp increase in realised inflation prints which steepened on the inflation curve. We also have had an active breakeven strategy, which has proven beneficial to the fund particularly when inflation linked bonds appeared expensive relative to nominal gilts, such as in March 2022.

Fund performance and outlook

During the 12 months to 30 June 2022, the AXA Sterling Index Linked Bond Fund provided a total return of negative 19.47% (Z Acc, net of fees, gross of tax and close of business pricing basis), compared with its benchmark FTSE Actuaries UK Govt Index-Linked 5 years+ index return of negative 19.1%.

AXA Sterling Index Linked Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

As we look ahead to the second half of 2022 and beyond, bond markets forecast central banks to maintain an aggressive path of policy tightening and to move policy rates into restrictive territory to restore price stability. Inflation readings in the near term are expected to remain at elevated levels and thus attract continued political focus, however the longer-term economic outlook is more troubled as we assess the impact of higher rates and inflation on businesses and households. Headline inflation pressures should appear to moderate over time as we move past the peak in inflation, due to base effects and as supply bottlenecks ease. Central bank communication will remain critical to watch as the year progresses, as they pilot their economies through an extremely tricky balancing act to avoid a hard landing. We expect market conditions to remain volatile for the period ahead, underscoring the need to remain diversified in terms of asset allocation within investment portfolios.

All performance data source: AXA Investment Managers and Bloomberg.
Past performance is not a guide to future performance.

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
● UK Treasury 0.125% IL 22/03/26	37,762	● UK Treasury 0.125% IL 22/03/26	38,088
● UK Treasury 0.125% IL 22/03/51	29,181	● UK Treasury 0.125% IL 22/03/51	29,306
● UK Treasury 0.875% IL 31/07/23	25,106	● UK Treasury 0.875% IL 31/07/23	25,008
● UK Treasury 0.25% IL 31/01/25	17,737	● UK Treasury 0.125% IL 10/08/31	20,575
● UK Treasury 0.125% IL 10/08/31	16,387	● UK Treasury 0.25% IL 31/01/25	17,612

Mark Healy
AXA Investment Managers UK Limited
30 June 2022

AXA Sterling Index Linked Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
GOVERNMENT BONDS 0.40% (30/06/21: 0.00%)			
United Kingdom 0.40% (30/06/21: 0.00%)			
UK Treasury 0.5% 22/10/61	1,000,000	511	0.40
TOTAL GOVERNMENT BONDS		511	0.40
INDEX LINKED GOVERNMENT BONDS 94.83% (30/06/21: 95.05%)			
United Kingdom 94.83% (30/06/21: 95.05%)			
UK Treasury 0.125% IL 22/03/26	3,000,000	4,179	3.29
UK Treasury 0.125% IL 10/08/28	1,000,000	1,330	1.05
UK Treasury 0.125% IL 22/03/29	4,000,000	6,284	4.95
UK Treasury 0.125% IL 10/08/31	2,000,000	2,633	2.07
UK Treasury 0.125% IL 22/11/36	3,000,000	4,590	3.61
UK Treasury 0.125% IL 22/03/39	1,000,000	1,325	1.04
UK Treasury 0.125% IL 10/08/41	2,000,000	2,919	2.30
UK Treasury 0.125% IL 22/03/44	3,500,000	5,899	4.64
UK Treasury 0.125% IL 22/03/46	3,000,000	4,792	3.77
UK Treasury 0.125% IL 10/08/48	3,000,000	4,544	3.58
UK Treasury 0.125% IL 22/03/51	1,600,000	2,284	1.80
UK Treasury 0.125% IL 22/11/56	1,600,000	2,617	2.06
UK Treasury 0.125% IL 22/03/58	2,000,000	3,425	2.70
UK Treasury 0.125% IL 22/11/65	2,300,000	4,112	3.24
UK Treasury 0.125% IL 22/03/68	3,500,000	6,750	5.31
UK Treasury 0.125% IL 22/03/73	1,200,000	2,036	1.60
UK Treasury 0.25% IL 22/03/52	3,000,000	5,419	4.27
UK Treasury 0.375% IL 22/03/62	3,000,000	6,170	4.86
UK Treasury 0.5% IL 22/03/50	2,600,000	5,576	4.39
UK Treasury 0.625% IL 22/03/40	1,500,000	3,024	2.38
UK Treasury 0.625% IL 22/11/42	1,000,000	2,107	1.66
UK Treasury 0.75% IL 22/03/34	3,000,000	5,384	4.24
UK Treasury 0.75% IL 22/11/47	3,000,000	6,834	5.38
UK Treasury 1.25% IL 22/11/27	500,000	1,003	0.79
UK Treasury 1.25% IL 22/11/32	2,000,000	3,968	3.12
UK Treasury 1.125% IL 22/11/37	2,000,000	4,520	3.56
UK Treasury 1.25% IL 22/11/55	2,500,000	7,449	5.86
UK Treasury 2% IL 26/01/35	1,441,000	3,912	3.08
UK Treasury 4.125% IL 22/07/30	1,500,000	5,380	4.23
TOTAL INDEX LINKED GOVERNMENT BONDS		120,465	94.83

AXA Sterling Index Linked Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
INDEX LINKED CORPORATE BONDS 4.11% (30/06/21: 3.57%)			
United Kingdom 4.11% (30/06/21: 3.57%)			
Network Rail Infrastructure Finance 1.375% IL 22/11/37	956,000	2,165	1.71
Network Rail Infrastructure Finance 1.75% IL 22/11/27	1,416,000	2,723	2.14
Network Rail Infrastructure Finance 1.9618% IL 01/12/25	160,000	332	0.26
TOTAL INDEX LINKED CORPORATE BONDS		5,220	4.11
FUTURES 0.00% (30/06/21: 0.01%)			
United Kingdom 0.00% (30/06/21: 0.01%)			
Long Gilt Futures September 2022	(10)	-	-
TOTAL FUTURES		-	-
Portfolio of investments		126,196	99.34
Net other assets		842	0.66
Total net assets		127,038	100.00

All bonds are denominated in Sterling (unless otherwise indicated).

At 30 June 2022, there were no investments in the Fund which were valued using a quote from a single broker (30/06/21 : £nil).

AXA Sterling Index Linked Bond Fund

Comparative Tables

As at 30 June 2022

	A Gross Accumulation			H Gross Accumulation		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	160.88	168.11	150.48	297.61	310.23	276.99
Return before operating charges ^	(30.96)	(6.78)	18.05	(57.46)	(12.53)	33.30
Operating charges ^	(0.44)	(0.45)	(0.42)	(0.05)	(0.09)	(0.06)
Return after operating charges ^	(31.40)	(7.23)	17.63	(57.51)	(12.62)	33.24
Distributions	-	-	-	-	-	-
Retained distributions on accumulation shares	-	-	-	-	-	-
Closing net asset value per share †	129.48	160.88	168.11	240.10	297.61	310.23
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-19.52%	-4.30%	11.72%	-19.32%	-4.07%	12.00%
Other information						
Closing net asset value (£) †	4,553,425	5,567,177	5,757,891	5,509,830	6,838,539	7,128,476
Closing number of shares	3,516,789	3,460,548	3,424,986	2,294,788	2,297,838	2,297,838
Operating charges ^	0.27%	0.28%	0.27%	0.02%	0.03%	0.02%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	187.00	170.10	170.40	346.40	314.00	314.50
Lowest share price #	124.00	148.40	132.80	229.90	274.30	244.80

AXA Sterling Index Linked Bond Fund

Comparative Tables

As at 30 June 2022

	R Gross Accumulation			Z Gross Accumulation		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	270.89	284.51	255.95	324.29	339.04	303.63
Return before operating charges ^	(51.81)	(11.50)	30.61	(62.38)	(13.68)	36.42
Operating charges ^	(2.14)	(2.12)	(2.05)	(1.05)	(1.07)	(1.01)
Return after operating charges ^	(53.95)	(13.62)	28.56	(63.43)	(14.75)	35.41
Distributions	-	-	-	-	-	-
Retained distributions on accumulation shares	-	-	-	-	-	-
Closing net asset value per share †	216.94	270.89	284.51	260.86	324.29	339.04
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-19.92%	-4.79%	11.16%	-19.56%	-4.35%	11.66%
Other information						
Closing net asset value (£) †	2,729,385	4,493,049	26,834,769	114,245,482	150,439,187	178,770,348
Closing number of shares	1,258,113	1,658,597	9,431,956	43,796,217	46,389,665	52,728,031
Operating charges ^	0.76%	0.78%	0.77%	0.32%	0.33%	0.32%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	314.20	287.80	288.50	376.90	343.10	343.70
Lowest share price #	207.70	250.30	225.00	249.80	299.20	267.80

† Valued at bid-market prices.
# High and low price disclosures are based on quoted share prices (Mid Market Price). 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.

AXA Sterling Index Linked Bond Fund

Statement of Total Return

For the year ended 30 June 2022

	Note	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Income:					
Net capital losses	2		(32,735)		(8,156)
Revenue	3	(1,676)		(1,768)	
Expenses	4	(560)		(684)	
Interest payable and similar charges		-		-	
Net expense before taxation		(2,236)		(2,452)	
Taxation	5	-		-	
Net expense after taxation			(2,236)		(2,452)
Total return before equalisation			(34,971)		(10,608)
Equalisation	6		-		-
Change in net assets attributable to Shareholders from investment activities			(34,971)		(10,608)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2022

	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Opening net assets attributable to Shareholders		167,338		218,491
Amounts receivable on issue of shares	31,088		22,023	
Amounts payable on cancellation of shares	(36,417)		(62,568)	
		(5,329)		(40,545)
Change in net assets attributable to Shareholders from investment activities (see above)		(34,971)		(10,608)
Closing net assets attributable to Shareholders		127,038		167,338

AXA Sterling Index Linked Bond Fund

Balance Sheet

As at 30 June

	Note	30/06/22 £'000	30/06/21 £'000
Assets:			
Fixed assets:			
Investments		126,196	165,041
Current assets:			
Debtors	7	1,544	374
Cash and bank balances	8	2,183	3,056
Total assets		129,923	168,471
Liabilities:			
Creditors:			
Other creditors	9	(2,885)	(1,133)
Total liabilities		(2,885)	(1,133)
Net assets attributable to Shareholders		127,038	167,338

AXA Sterling Index Linked Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 266-269.

2. Net capital losses

	30/06/22 £'000	30/06/21 £'000
The net capital losses comprise:		
Non-derivative securities	(32,995)	(8,106)
Brokers commission on futures	(1)	-
Derivative contracts	263	(48)
Transaction charges	(2)	(2)
Net capital losses	(32,735)	(8,156)

3. Revenue

	30/06/22 £'000	30/06/21 £'000
Bank interest	1	-
Interest on debt securities	(1,681)	(1,768)
Futures Income	4	-
Total revenue	(1,676)	(1,768)

4. Expenses

	30/06/22 £'000	30/06/21 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	538	631
Registration fees	2	2
	540	633
Other expenses		
Audit fees	5	17
Depositary's fees	17	26
Printing fees	(3)	2
Safe custody fees	1	6
	20	51
Total expenses	560	684

Expenses include irrecoverable VAT where applicable.

AXA Sterling Index Linked Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is hihger than the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net expense before taxation. The differences are explained below:

	30/06/22	30/06/21
	£'000	£'000
Net expense before taxation	(2,236)	(2,452)
Net expense for the year multiplied by the standard rate of corporation tax	(447)	(490)
Effects of:		
Movement in excess management expenses	4,225	1,587
Relief for indexation on UK Gilts	(3,778)	(1,097)
Tax charge for the year	-	-

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £13,022,735 (2021: £8,797,441) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Equalisation

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	30/06/22	30/06/21
	£'000	£'000
First interim	-	-
Second interim	-	-
Third interim	-	-
Final	-	-
Add: Revenue paid on cancellation of shares	-	-
Deduct: Revenue received on creation of shares	-	-
Net distribution for the year	-	-
Reconciliation of net expense after taxation to distributions		
Net expense after taxation	(2,236)	(2,452)
Revenue deficit	21,127	7,938
Indexation on UK Government Index-Linked Bonds	(18,891)	(5,486)
Net distribution for the year	-	-

AXA Sterling Index Linked Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

7. Debtors	30/06/22 £'000	30/06/21 £'000
Amounts receivable for creation of shares	-	228
Sales awaiting settlement	1,392	-
Accrued revenue	152	146
Total debtors	1,544	374

8. Cash and bank balances	30/06/22 £'000	30/06/21 £'000
Cash and bank balances	2,156	3,035
Amount held at futures clearing houses and brokers	27	21
Total cash and bank balances	2,183	3,056

9. Other creditors	30/06/22 £'000	30/06/21 £'000
Amounts payable for cancellation of shares	2,795	161
Purchases awaiting settlement	-	902
Accrued annual management charge	74	45
Accrued other expenses	16	25
Total other creditors	2,885	1,133

10. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no shareholdings in the Company at the year end.

As at 30 June 2022 there are no shareholders with holdings over 25% (30/06/2021: no holdings over 25%) of the Fund's shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

11. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's annual management charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/21	Issued	Cancelled	Converted	30/06/22
A Gross Accumulation	0.25	3,460,548	256,502	(200,261)	-	3,516,789
H Gross Accumulation	Nil	2,297,838	-	(3,050)	-	2,294,788
R Gross Accumulation	0.75	1,658,597	159,670	(547,348)	(12,806)	1,258,113
Z Gross Accumulation	0.30	46,389,665	8,702,931	(11,307,036)	10,657	43,796,217

AXA Sterling Index Linked Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2021: nil).

13. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2021).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £12,619,554 (2021: £16,503,170). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
30/06/22				
Pound sterling	2,184	126,196	(1,342)	127,038
Total	2,184	126,196	(1,342)	127,038
30/06/21*				
Pound sterling	3,056	165,031	(749)	167,338
Total	3,056	165,031	(749)	167,338

* Prior year figures have been restated.

AXA Sterling Index Linked Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £27,182,520 (2021: £39,360,060). A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each fund.

Transactions in securities may expose a fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/22 Market Value £'000	%	30/06/21 Market Value £'000	%
Investment grade (BBB- credit rating and above)	126,196	99.34	165,031	98.62
Below investment grade (below BBB- credit rating)	-	-	-	-
Unrated	-	-	-	-
Total value of bonds	126,196	99.34	165,031	98.62

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties was as follows:

Futures	30/06/22 Exposure £'000	30/06/21 Exposure £'000
Goldman Sachs	-	10
Total value of derivatives	-	10

14. Portfolio transaction costs

There were no transaction costs incurred during the year to 30 June 2022 (2021: nil).

At the balance sheet date the average portfolio dealing spread was 0.41% (2021: 0.16%).

AXA Sterling Index Linked Bond Fund

Notes to the Financial Statements
For the year ended 30 June 2022

15. Post balance sheet events
Subsequent to the year end, on 19th October the Net Asset Value ("NAV") per share of the Fund had decreased below -10% on a all share class when compared to the year end date. The movements for each share class are shown below:

Share class	Price per share as at 30.06.22*	Price per share as at 19.10.22	Movement (%)
A Gross Accumulation	124.00	101.40	-18.25
H Gross Accumulation	229.90	188.20	-18.14
R Gross Accumulation	207.70	169.60	-18.34
Z Gross Accumulation	249.80	204.20	-18.25

*Prices disclosed are based on quoted share prices and will therefore differ to net asset value per share shown in the comparative tables which are valued at bid-market prices.

16. Fair value disclosure

	30/06/22		30/06/21	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1 ^	120,976	-	159,075	-
Level 2 ^^	5,220	-	5,966	-
Level 3 ^^^	-	-	-	-
	126,196	-	165,041	-

^ 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.

AXA Sterling Strategic Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Investment Objective

The aim of the Fund is to provide an income combined with any capital growth over the long-term.

Investment Policy

The Fund invests primarily (meaning at least 70% of its assets) in a diversified portfolio of sterling denominated, investment grade bonds issued by companies and governments. The fund manager seeks to reduce the effect of credit risk through its analysis and selection of bonds (with a particular emphasis on industry and issuer) and also positions the Fund to take advantage of its expectation of interest rate movements.

The Fund is managed with reference to the composition and risk profile of the ICE BofAML Sterling Broad Market index. However the fund manager invests on a discretionary basis with a significant degree of freedom to take positions which are different from the index. The ICE BofAML Sterling Broad Market index is designed to measure the performance of gilts and sterling non-gilt fixed interest securities. This index best represents the types of bonds in which the Fund predominantly invests.

Where bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets). The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM).

This Fund is actively managed in reference to the ICE BofAML Sterling Broad Market index, which may be used by investors to compare the Fund's performance.

Risk and Reward Profile

As at 30 June 2022

Lower Risk Higher Risk

Potentially lower reward Potentially higher reward

1	2	3	4	5	6	7

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

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some levels of variation, which may result in gains or losses.

Additional risks

Under normal market conditions the Fund's key risk factors are:

• Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

AXA Sterling Strategic Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

• Interest Rate risk - interest rate risk is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

• LIBOR transition risk - LIBOR (London Inter-bank Offered Rate) is intended to reflect the interest rate that wholesale banks expect to pay each other to borrow money (without providing security). LIBOR is widely used in financial products as a reference to determine a target or amount to be paid. From the end of 2021, the banks that contribute to the setting of LIBOR will no longer be required to do so, and LIBOR is expected to become obsolete. It is expected that a different rate, SONIA, will replace LIBOR over time.

There are a number of risks for Funds associated with the transition to SONIA:

(i) SONIA is prepared on a different basis to LIBOR and has historically returned a lower rate of interest. Where the Fund's investments provide income based on LIBOR, the transition to SONIA or another reference rate may reduce the value of those investments and the Fund's income from them.

(ii) The ACD has a plan to reduce the Funds' exposure to LIBOR. However, this plan will be phased and the Fund may have some exposure to investments based, or dependent, on LIBOR during periods where those rates are encountering lower levels of reliability. Not all market participants have yet made plans for the transition away from LIBOR and there is a risk that they will be unable/unwilling to implement the change before LIBOR becomes unreliable. During such time, the value of the Fund's investments may be less reliable and therefore the Fund's price may be more volatile (it may change more frequently and/or by greater amounts).

(iii) Where the counterparty for an investment is reliant on LIBOR, a transition to SONIA, or another rate, may change that counterparty's economic position and increase the risk that they will default on their obligations. The Fund may suffer a loss if the counterparty is unable to meet its obligations. Additionally, the increased risk of default may reduce the value of the investment or cause the ACD to need to rebalance the portfolio.

Other risks which could have an impact in extreme market conditions include:

• Prepayment and extension risk - prepayment risk is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

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• Liquidity risk - under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, corporate and emerging market bonds may be affected by the demand in the market for such bonds 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 ACD may be forced to buy or sell such investments as a consequence of shareholders buying or selling shares 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.

• Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral a Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of this Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

• Currency risk - assets of a 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 ACD aims to reduce the risk of movements in exchange rates on the value of all or part of the assets of a Fund through the use of currency exchange transactions. A 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 a Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. The performance of a Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by a Fund may not correspond with the securities positions held.

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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 a 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 individual fund's investment objectives and investment policy.

Investment Review

Our interim report, covering the six months to the end of December 2021, had seen central banks admit that due to persistently high levels of inflation globally, inflation was no longer transitory as they had previously suggested. They were cautious, however, on raising rates to combat the inflationary threat, given risks to growth from the emergence of new variants of COVID-19; first Delta, which saw a resurgence in cases over the summer, then Omicron in late 2021 which appeared particularly transmissive. Of the major central banks, only the Bank of England (BoE) had raised rates from the emergency levels introduced at the onset of the pandemic – and only by 0.15% to 0.25%. Gilt yields had nudged higher as markets priced in base rates at 1.25% by the end of 2022, while the relative cost of borrowing for companies, measured by the corporate bond spread (yield premium over gilts), had increased marginally, with spreads a little wider.

The latest six months has seen COVID-19 become a background story, as central banks have been forced to address uncomfortably high inflation.

COVID-19 dominated the new year headlines, however, despite eye-watering new cases given the new Omicron variant, resultant hospitalisations and deaths remained relatively low. Restrictions that had been imposed in England were soon removed. COVID-19 hasn't gone away, but we continue to adapt to living with it. Occasional outbreaks in China, which has a zero-tolerance policy, risks a negative impact on growth and the global supply chain.

February saw the rapidly deteriorating political backdrop between Ukraine and Russia, as intelligence reports suggested aggressive Russian intentions to support Russian-backed separatist regions in Ukraine. Despite hopes of a diplomatic solution, intelligence reports proved correct; Russia launched a full-scale invasion of Ukraine on the 24th of February, citing concerns about constant threats from Ukraine and claiming it intended to demilitarise, not occupy, Ukraine. Ukrainian resistance defied original expectations that superior Russian forces would achieve their military objectives swiftly. Russian bombardments intensified, devastating cities and forcing millions to flee the country. Negotiations yielded nothing tangible. There was widespread condemnation of Russia from the international community; sanctions were imposed against Russia aimed at having a maximum impact on its economy and were later extended to include businesses and individuals considered close to the Kremlin. External military support for Ukraine was limited to weapons, not personnel. Already elevated energy prices - the cause of much of the world's recent high inflation - spiked higher still, as Russia threatened gas supplies to Europe. With Russia and Ukraine also significant exporters of agricultural commodities, prices of these also rose sharply due to supply disruption. The war in Ukraine is now embedded in our daily news, but any resolution looks as remote as ever.

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Supply chain problems caused by the pandemic had already pushed inflation to uncomfortably high levels, but inflationary pressures have been exacerbated by further supply shortages due to the war, propelling inflation to the top of the list of concerns for the world's central banks. Most stuck to forward guidance that it would soon be appropriate to raise rates. Still, rhetoric was clearly more hawkish. In the US, several US Federal Reserve (Fed) members talked up the need for quick action to underpin its credibility, risking loss of market confidence that inflation would abate if it did not act.

When the Fed delivered its well flagged 25bp rate hike in March, the first of the current cycle, another six similar hikes this year were expected (rates to 1.75%) and more in 2023. Inflation measures significantly above target levels and continually hitting new multi-decade highs in the US, the UK and Europe, with little prospect of a near term return to more acceptable levels, heightened the Fed's vigilance, as it acknowledged it was behind the curve (i.e. it should have started raising rates sooner). Confident in the US economy, the Fed stepped up the pace of its policy tightening, hiking rates by 50bp in May, then by 75bp in June. These outsized moves were expected by markets by the time they were announced. The Fed also started to reduce the size of its balance sheet in June, further reversing its stimulative monetary policies. Given the Fed's strong commitment to return inflation to 2%, Fed Chairman Powell admitted that recession was a possibility, with rates now expected to peak around 3.5% in early 2023, compared with the current 1.75%.

The BoE had already raised rates from their low in December and, aiming to keep longer term inflation expectations anchored, continued its policy tightening, delivering expected 25bp rate hikes at consecutive meetings in February, March, May and June, taking rates to 1.25%. February's policy decision was more hawkish than expected; some of its policy-setting members preferred a more aggressive 50bp hike and the BoE also surprisingly announced its intention to sell its £20bn corporate bond holdings. Subsequent meetings also saw further votes for a 50bp hike. New economic forecasts in May suggested lower growth and a higher peak in inflation, but the subsequent forecast fall in inflation, even if energy prices remain elevated, suggested markets were pricing in too many rate hikes (peak c. 2.5% in 2023). The BoE is implementing its tougher monetary policy against a worsening growth backdrop, given the significant cost of living squeeze from massive increases in utility bills (partly countered by the government) and high inflation generally. European growth and inflation will be more affected by the war in Ukraine than the UK and the US; Europe is heavily reliant on Russian oil and gas, but the desire to reduce its dependence is hampered by the lack of immediately available alternative sources. Still, the European Central Bank (ECB) joined other central banks, in adopting a more hawkish stance, dropping its reference to rates potentially being lower. In June, with European inflation projections up significantly, the ECB stated its intention to raise rates by 25bp at its July meeting, then likely by 50bp at its following meeting in September, thereby exiting negative rates which have been in place since 2014. Pressure on peripheral borrowing costs in Europe saw the ECB commit to creating a new instrument to tackle the so-called fragmentation.

Government bond yields were in an upward trajectory throughout the last six months; increasing inflation concerns prompted more hawkish central banks, and this rethink on rates forced yields higher. There was a brief rally in the early stages of the Ukraine war as growth concerns were raised, and again in May as a weaker growth outlook briefly dominated sentiment given upward pressure on rates. Yields resumed their move higher as inflation became the renewed focus, with central banks increasing their hawkish rhetoric and the expected pace of policy tightening sped up. Yields peaked around the time of the Fed rate hike in June; perhaps markets inferred that more aggressive monetary policies would have a significant negative impact on growth, which prompted yields to retreat from their highest levels. 10-year gilt yields jumped 126bp to 2.23% over the last six months (+143bp over the 12 months), having peaked at 2.65%. 30-year yields rose by an even larger 144bp to 2.56% (+133bp), while 2-year yields rose 115bp to 1.84% (+178bp). The ICE Gilt index produced a total return of -14.75% (-14.29% over 12 months), with 0-5 years -2.15% (-3.08%), 5-15 years -8.90% (-9.83%) and Over 15 years -24.76% (-22.87%).

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Corporate bond valuations started to cheapen (spreads widen) meaningfully in February, initially in response to the BoE's decision to sell its corporate bond holdings, then in the general risk-off that followed the start of the war in Ukraine. Spreads continued to widen given changing economic risks (higher rates causing a slowdown in growth), and this accelerated in June, as economic growth prospects weakened further given central banks' determination to re-establish their anti-inflation credentials by hiking rates quicker and by more than previously expected, risking a sharper slowdown or even recession. This would negatively impact corporate profitability and balance sheets, removing some of the strong fundamental support for corporate bonds. Spreads rose by 65bp to +163bp over the last six months (+72bp over 12 months), which combined with sharply higher gilt yields pushed corporate bond yields 190bp higher to 3.75% (+223bp over 12 months), to give a total return on the ICE BAML Sterling Non-Gilt index of -12.41% (-12.90% 12 months). Long bonds performed the worst, with the Over 15 years index -24.14% (-23.79%). Remember yields were as low as 1.16% in early 2021.

As is typical in a general risk-off, spreads for the weakest rated (BBB) bonds widened the most over the six months, +103bp (+111bp over 12 months) to +244bp. In total return terms, the longest duration sectors, services and real estate underperformed given the move in gilt yields (-28.07% and -19.90% respectively). Short duration and/or high-quality sectors outperformed (covered bonds, automotive, quasi government, leisure and bank senior). The ICE BofA Sterling Broad index (gilts and corporate bonds) fell 14.11% over the six months (-13.91% over 12 months).

The AXA Sterling Strategic Bond Fund provided a total return of -15.94% (Z Acc, net of fees and gross of tax) over the six months to 30 June 2022, -15.71% in the last 12 months.

The Fund follows a UK Aggregate strategy, giving investors exposure to gilts and investment grade corporate bonds (including high quality quasi-government bonds). We have maintained our overweight in corporate bonds, favouring bonds that are higher yielding, but shorter duration than the index. New issues bought included bonds from Realty Income, CIBC and Haleon (GSK's consumer healthcare spin-off). We added to BBB rated risk in March following spread widening (Berkeley Group, TP ICAP and SocGen), funded by selling some shorter dated higher quality bonds. After paring overall credit exposure by selling into strength in April, in May and June we increased our overweight, taking advantage of cheaper markets to add significant extra yield to the portfolio. We added to BBB rated names including New River REIT, Hammerson, and Berkeley Group (again), hybrid bonds from utility groups Vattenfall and Orsted, and many bank (predominantly tier 2) bonds, from issuers such as Santander, Deutsche Bank, Close Brothers, BBVA, BNP, Lloyds and National Australia Bank, several on yields over 5%. These were funded by sales of shorter dated credit and gilts. We remain comfortable in the quality of the credits selected and the significant extra yield they provide compared to gilts, even if the economic outlook is more uncertain. Duration positioning has not strayed far from neutral compared to the index. We moved to a smaller long duration position as yields backed up in January, and have maintained this duration stance since. In May, we bought some short-dated index-linked gilts, which added some specific inflation protection to the portfolio.

Regaining control of inflation is the key priority for central banks, bringing an end to a period of ultra-low policy rates (including quantitative easing), which has been in place since the global financial crisis. The rapid shift in sentiment on inflation and the desire to rein it back has seen markets price in significant hikes in interest rates, so much so, that a global recession is forecast by many for next year. Central banks suggest this is a price they are willing to pay to get the upper hand on inflation. Workers' demands for pay increases to compensate for the cost of living squeeze caused by current high inflation has already led to some strike action in the UK; further rate hikes and industrial action will add to downward pressure on growth. Sentiment is poor. Any softening of inflation could prompt a rethink on the extent of rate rises, but the easy route to this – the end of the war in Ukraine - currently looks like hope rather than reality. There are some tough decisions ahead. The high inflation/low (negative) growth backdrop is challenging for corporate credit fundamentals, however, companies are starting from a relatively healthy position. The yield on corporate bonds is much more interesting than it has been for a considerable period.

All performance data source: AXA Investment Managers, ICE BofAML and Bloomberg.
Past performance is not a guide for future performance.

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Major Purchases	Cost (£'000)
● UK Treasury 0.875% 31/07/33	10,764
● UK Treasury IL 0.125% 22/03/26	5,673
● UK Treasury 4.25% 07/06/32	4,120
● UK Treasury 0.375% 22/10/26	3,983
● UK Treasury 0.25% 31/01/25	3,468

Major Sales	Proceeds (£'000)
● UK Treasury 4.25% 07/12/27	7,180
● UK Treasury 4.25% 07/12/27	6,938
● UK Treasury 0.875% 31/07/33	6,595
● UK Treasury 4.25% 07/06/32	6,222
● UK Treasury 4.25% 07/06/32	3,768

Phil Roantree
AXA Investment Managers UK Limited
30 June 2022

AXA Sterling Strategic Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
GOVERNMENT BONDS 64.53% (30/06/21: 66.12%)			
United Kingdom 64.53% (30/06/21: 66.12%)			
UK Treasury 0.375% 22/10/26	2,525,000	2,356	3.13
UK Treasury 0.375% 22/10/30	700,000	608	0.81
UK Treasury 0.5% 22/11/61	2,775,000	1,418	1.88
UK Treasury 0.625% 31/07/35	2,425,000	1,896	2.52
UK Treasury 0.625% 22/10/50	1,625,000	994	1.32
UK Treasury 0.875% 22/10/29	1,250,000	1,148	1.52
UK Treasury 0.875% 31/07/33	3,825,000	3,257	4.33
UK Treasury 1.5% 22/07/26	3,050,000	2,996	3.98
UK Treasury 1.5% 22/07/47	2,425,000	1,914	2.54
UK Treasury 1.625% 22/10/28	1,700,000	1,663	2.21
UK Treasury 1.625% 22/10/54	350,000	278	0.37
UK Treasury 1.75% 07/09/37	850,000	756	1.00
UK Treasury 1.75% 22/01/49	1,325,000	1,102	1.46
UK Treasury 1.75% 22/07/57	700,000	572	0.76
UK Treasury 3.25% 22/01/44	1,249,000	1,360	1.81
UK Treasury 3.5% 22/01/45	1,552,000	1,765	2.34
UK Treasury 3.5% 22/07/68	1,020,000	1,312	1.74
UK Treasury 3.75% 22/07/52	700,000	866	1.15
UK Treasury 4% 22/01/60	1,250,000	1,702	2.26
UK Treasury 4.25% 07/12/27	350,000	389	0.52
UK Treasury 4.25% 07/06/32	700,000	820	1.09
UK Treasury 4.25% 07/03/36	2,099,199	2,497	3.32
UK Treasury 4.25% 07/09/39	1,400,001	1,708	2.27
UK Treasury 4.25% 07/12/40	1,428,000	1,756	2.33
UK Treasury 4.25% 07/12/46	1,328,000	1,702	2.26
UK Treasury 4.25% 07/12/55	1,210,000	1,664	2.21
UK Treasury 4.5% 07/09/34	1,685,677	2,039	2.71
UK Treasury 4.5% 07/12/42	1,430,175	1,841	2.44
UK Treasury 4.75% 07/12/30	350,000	421	0.56
UK Treasury 4.75% 07/12/38	1,500,000	1,926	2.56
UK Treasury IL 0.125% 22/03/26	2,775,000	3,865	5.13
TOTAL GOVERNMENT BONDS		48,591	64.53
CORPORATE BONDS 33.48% (30/06/21: 32.26%)			
Australia 0.74% (30/06/21: 0.57%)			
National Australia Bank 1.699% 15/09/31	450,000	386	0.51
Scentre Trust 3.875% 16/07/26	175,000	175	0.23
Belgium 0.00% (30/06/21: 0.15%)			
Bermuda 0.00% (30/06/21: 0.28%)			
Canada 0.51% (30/06/21: 0.51%)			
Canadian Imperial Bank of Commerce 1.875% 27/01/26	167,000	156	0.21
CPPIB Capital 1.125% 14/12/29	250,000	224	0.30
Denmark 0.31% (30/06/21: 0.07%)			
Orsted 2.5% 18/02/3021	350,000	237	0.31

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	Holding	Market Value £'000	% of Total Net Assets
France 2.98% (30/06/21: 3.00%)			
BNP Paribas 2% 24/05/31	300,000	261	0.35
BPCE 5.25% 16/04/29	300,000	297	0.39
Credit Agricole 1.25% 02/10/24	200,000	190	0.25
Electricite de France 5.5% 17/10/41	300,000	312	0.41
Electricite de France 6% Perpetual	400,000	351	0.47
Engie 7% 30/10/28	150,000	177	0.24
SNCF Reseau 5.25% 31/01/35	250,000	301	0.40
Societe Generale 1.25% 07/12/27	200,000	168	0.22
Societe Nationale SNCF 0.875% 28/12/26	200,000	185	0.25
Germany 1.15% (30/06/21: 1.41%)			
Deutsche Bahn Finance 0.375% 03/12/26	150,000	134	0.18
Deutsche Bank 4% 24/06/26	300,000	289	0.38
Kreditanstalt fuer Wiederaufbau 1.25% 29/12/23	450,000	442	0.59
Ireland 0.00% (30/06/21: 0.30%)			
Japan 0.22% (30/06/21: 0.00%)			
East Japan Railway 1.162% 15/09/28	189,000	167	0.22
Jersey 1.39% (30/06/21: 2.17%)			
CPUK Finance 3.588% 28/08/25	300,000	296	0.39
CPUK Finance 3.69% 28/08/28	350,000	338	0.45
Heathrow Funding 7.125% 14/02/24	400,000	416	0.55
Luxembourg 0.00% (30/06/21: 0.43%)			
Netherlands 2.19% (30/06/21: 1.79%)			
BMW International Investment 1.375% 01/10/24	200,000	192	0.26
E.ON International Finance 5.875% 30/10/37	150,000	169	0.22
Enel Finance International 2.875% 11/04/29	350,000	320	0.42
Highbury Finance 7.017% 20/03/23	382,476	391	0.52
Mercedes-Benz International Finance 1.625% 11/11/24	100,000	96	0.13
Mercedes-Benz International Finance 2% 04/09/23	200,000	197	0.26
Shell International Finance 1.75% 10/09/52	500,000	285	0.38
Spain 1.16% (30/06/21: 0.15%)			
Abertis Infraestructuras 3.375% 27/11/26	200,000	189	0.25
Banco Bilbao Vizcaya Argentaria 3.104% 15/07/31	400,000	355	0.47
Banco Santander 2.25% 04/10/32	400,000	330	0.44
Supranational 1.30% (30/06/21: 1.17%)			
European Investment Bank 4.5% 07/03/44	375,000	467	0.62
International Bank for Reconstruction & Development 4.875% 07/12/28	450,000	514	0.68

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	Holding	Market Value £'000	% of Total Net Assets
Sweden 0.37% (30/06/21: 0.07%)			
Vattenfall 2.5% 29/06/83	350,000	278	0.37
United Arab Emirates 0.00% (30/06/21: 0.23%)			
United Kingdom 17.74% (30/06/21: 17.14%)			
ABP Finance 6.25% 14/12/26	250,000	277	0.37
Anglian Water Services Financing 4.5% 22/02/26	200,000	209	0.28
Bank of Scotland 4.875% 20/12/24	150,000	158	0.21
Barclays 3.75% 22/11/30	350,000	328	0.44
Berkeley 2.5% 11/08/31	550,000	404	0.54
BUPA Finance 4% Perpetual	200,000	133	0.18
Cadent Finance 2.125% 22/09/28	180,000	163	0.22
Centrica 5.25% 10/04/75	300,000	275	0.36
Close Brothers 2% 11/09/31	250,000	217	0.29
Compass 2% 05/09/25	100,000	96	0.13
Folio Residential Finance NO 1 1.246% 31/10/27	200,000	181	0.24
Greene King Finance 3.593% 15/03/35	298,614	276	0.37
Hammerson 3.5% 27/10/25	150,000	130	0.17
Hammerson 7.25% 21/04/28	250,000	235	0.31
HSBC Bank 5.375% 22/08/33	200,000	198	0.26
Land Securities Capital Markets 1.974% 08/02/24	275,000	270	0.36
LCR Finance 4.5% 07/12/28	375,000	420	0.56
Legal & General 5.375% 27/10/45	263,000	263	0.35
Legal & General 5.5% 27/06/64	250,000	223	0.30
Lloyds Bank 7.625% 22/04/25	200,000	215	0.28
Lloyds Bank Corporate Markets 1.75% 11/07/24	183,000	176	0.23
Lloyds Banking 2.707% 03/12/35	350,000	273	0.36
Logicor 1.875% 17/11/26	223,000	209	0.28
Longstone Finance 4.896% 19/04/31	500,000	518	0.69
M&G 5.625% 20/10/51	400,000	379	0.50
Marston's Issuer 2.63193% 15/10/27	536,645	496	0.66
Mitchells & Butlers Finance 6.013% 15/12/28	712,687	723	0.96
National Grid Electricity Transmission 2.75% 06/02/35	250,000	209	0.28
NatWest 3.125% 28/03/27	206,000	194	0.26
NatWest 3.622% 14/08/30	176,000	165	0.22
NewRiver 3.5% 07/03/28	400,000	341	0.45
Next 3.625% 18/05/28	500,000	455	0.60
Northern Gas Networks Finance 5.625% 23/03/40	275,000	301	0.40
Northumbrian Water Finance 1.625% 11/10/26	225,000	210	0.28
Places For People Treasury 2.875% 17/08/26	200,000	197	0.26
Santander UK 2.92% 08/05/26	275,000	262	0.35
Santander UK 6.5% 21/10/30	200,000	216	0.29
Scottish Widows 7% 16/06/43	300,000	317	0.42
Southern Gas Networks 3.1% 15/09/36	273,000	228	0.30
Stagecoach 4% 29/09/25	176,000	172	0.23
Standard Chartered 5.125% 06/06/34	200,000	187	0.25
Tesco Property Finance 3 5.744% 13/04/40	418,743	439	0.58
Thames Water Utilities Finance 4% 19/06/25	250,000	254	0.34
TP ICAP Finance 2.625% 18/11/28	550,000	450	0.60
Tritax Big Box REIT 2.625% 14/12/26	200,000	190	0.25

AXA Sterling Strategic Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Vodafone 3% 12/08/56	350,000	246	0.33
Wellcome Trust 1.5% 14/07/71	350,000	194	0.26
Western Power Distribution South West 5.75% 23/03/40	200,000	227	0.30
Wheatley Capital 4.375% 28/11/44	200,000	206	0.27
Yorkshire Building Society 3.375% 13/09/28	275,000	245	0.32
United States 3.42% (30/06/21: 3.33%)			
AT&T 5.2% 18/11/33	275,000	290	0.38
Athene Global Funding 1.75% 24/11/27	267,000	231	0.31
Berkshire Hathaway Finance 2.375% 19/06/39	300,000	242	0.32
Citigroup 7.375% 01/09/39	175,000	237	0.31
MassMutual Global Funding II 1.375% 15/12/26	267,000	243	0.32
McKesson 3.125% 17/02/29	275,000	259	0.34
Prologis 2.25% 30/06/29	300,000	269	0.36
Realty Income 1.875% 14/01/27	160,000	147	0.20
Tennessee Valley Authority 5.625% 07/06/32	400,000	488	0.65
Verizon Communications 1.875% 19/09/30	200,000	171	0.23
TOTAL CORPORATE BONDS		25,212	33.48
FUTURES (0.07%) (30/06/21: (0.01%))			
United Kingdom (0.07%) (30/06/21: (0.01%))			
Long Gilt Futures September 2022	(38)	(51)	(0.07)
TOTAL FUTURES		(51)	(0.07)
Portfolio of investments		73,752	97.94
Net other assets		1,548	2.06
Total net assets		75,300	100.00

All bonds are denominated in Sterling (unless otherwise indicated).

At 30 June 2022, there were no investments in the Fund which were valued using a quote from a single broker (30/06/21 : £nil).

AXA Sterling Strategic Bond Fund

Comparative Tables

As at 30 June 2022

	B Gross Accumulation			B Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	123.97	129.16	117.45	112.83	119.20	110.15
Return before operating charges ^	(18.12)	(4.76)	12.24	(16.35)	(4.34)	11.42
Operating charges ^	(0.51)	(0.43)	(0.53)	(0.46)	(0.43)	(0.50)
Return after operating charges ^	(18.63)	(5.19)	11.71	(16.81)	(4.77)	10.92
Distributions	(1.77)	(1.75)	(2.00)	(1.60)	(1.60)	(1.87)
Retained distributions on accumulation shares	1.77	1.75	2.00	-	-	-
Closing net asset value per share †	105.34	123.97	129.16	94.42	112.83	119.20
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-15.03%	-4.02%	9.97%	-14.90%	-4.00%	9.91%
Other information						
Closing net asset value (£) †	32,202,350	42,299,976	47,472,459	390,347	482,017	547,250
Closing number of shares	30,569,882	34,121,498	36,755,079	413,435	427,213	459,117
Operating charges ^	0.42%	0.43%	0.43%	0.42%	0.43%	0.43%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	129.10	131.10	132.30	117.10	120.50	123.00
Lowest share price #	103.10	121.10	116.60	92.84	110.80	108.40

	H Gross Accumulation		
	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)
Opening net asset value per share †	174.91	181.45	164.31
Return before operating charges ^	(25.63)	(6.53)	17.17
Operating charges ^	(0.03)	(0.01)	(0.03)
Return after operating charges ^	(25.66)	(6.54)	17.14
Distributions	(3.21)	(3.22)	(3.54)
Retained distributions on accumulation shares	3.21	3.22	3.54
Closing net asset value per share †	149.25	174.91	181.45
*^ after direct transaction costs of:	-	-	-
Performance			
Return after operating charges	-14.67%	-3.60%	10.43%
Other information			
Closing net asset value (£) †	4,851	8,745	9,072
Closing number of shares	3,250	5,000	5,000
Operating charges ^	0.02%	0.01%	0.02%
Direct transaction costs *	0.00%	0.00%	0.00%
Prices			
Highest share price #	182.50	184.50	185.60
Lowest share price #	146.10	170.70	163.60

AXA Sterling Strategic Bond Fund

Comparative Tables

As at 30 June 2022

	R Gross Accumulation			R Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	146.45	153.87	141.12	100.88	106.57	98.49
Return before operating charges ^	(21.26)	(6.14)	14.65	(14.59)	(3.86)	10.19
Operating charges ^	(1.80)	(1.28)	(1.90)	(1.24)	(1.28)	(1.32)
Return after operating charges ^	(23.06)	(7.42)	12.75	(15.83)	(5.14)	8.87
Distributions	(0.88)	(0.80)	(1.13)	(0.61)	(0.55)	(0.79)
Retained distributions on accumulation shares	0.88	0.80	1.13	-	-	-
Closing net asset value per share †	123.39	146.45	153.87	84.44	100.88	106.57
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-15.75%	-4.82%	9.03%	-15.69%	-4.82%	9.01%
Other information						
Closing net asset value (£) †	1,315,730	2,018,412	2,171,514	30,853	66,377	53,300
Closing number of shares	1,066,337	1,378,256	1,411,231	36,538	65,797	50,015
Operating charges ^	1.27%	1.28%	1.28%	1.27%	1.28%	1.28%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	152.00	155.60	158.00	104.60	107.60	109.80
Lowest share price #	120.80	143.40	139.30	82.87	98.95	96.77

AXA Sterling Strategic Bond Fund

Comparative Tables

As at 30 June 2022

	Z Gross Accumulation			Z Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	181.68	189.39	172.36	114.44	120.90	111.73
Return before operating charges ^	221.76	(7.18)	18.00	(16.59)	(4.42)	11.57
Operating charges ^	(249.22)	(0.53)	(0.97)	(0.58)	(0.53)	(0.62)
Return after operating charges ^	(27.46)	(7.71)	17.03	(17.17)	(4.95)	10.95
Distributions	(2.42)	(2.38)	(2.76)	(1.51)	(1.51)	(1.78)
Retained distributions on accumulation shares	2.42	2.38	2.76	-	-	-
Closing net asset value per share †	154.22	181.68	189.39	95.76	114.44	120.90
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-15.11%	-4.07%	9.88%	-15.00%	-4.09%	9.80%
Other information						
Closing net asset value (£) †	41,266,712	101,805,767	133,798,794	88,682	305,392	154,342
Closing number of shares	26,757,496	56,035,010	70,647,951	92,604	266,847	127,657
Operating charges ^	0.52%	0.53%	0.53%	0.52%	0.53%	0.53%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	189.20	192.20	194.00	118.80	122.20	124.70
Lowest share price #	151.00	177.50	171.00	94.15	112.30	110.00

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). 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.

AXA Sterling Strategic Bond Fund

Statement of Total Return

For the year ended 30 June 2022

	Note	30/06/22 £'000	£'000	30/06/21 £'000	£'000
Income:					
Net capital losses	2		(21,685)		(9,988)
Revenue	3	2,459		3,065	
Expenses	4	(646)		(870)	
Interest payable and similar charges		-		-	
Net revenue before taxation		1,813		2,195	
Taxation	5	-		-	
Net revenue after taxation			1,813		2,195
Total return before distributions			(19,872)		(7,793)
Distributions	6		(1,813)		(2,195)
Change in net assets attributable to Shareholders from investment activities			(21,685)		(9,988)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2022

	30/06/22 £'000	£'000	30/06/21 £'000	£'000
Opening net assets attributable to Shareholders		146,987		184,207
Amounts receivable on issue of shares	4,429		20,209	
Amounts payable on cancellation of shares	(56,075)		(49,553)	
		(51,646)		(29,344)
Change in net assets attributable to Shareholders from investment activities (see above)		(21,685)		(9,988)
Retained distributions on accumulation shares		1,644		2,112
Closing net assets attributable to Shareholders		75,300		146,987

AXA Sterling Strategic Bond Fund

Balance Sheet

As at 30 June

	Note	30/06/22 £'000	30/06/21 £'000
Assets:			
Fixed assets:			
Investments		73,803	145,353
Current assets:			
Debtors	7	614	2,701
Cash and bank balances	8	1,251	327
Total assets		75,668	148,381
Liabilities:			
Investment liabilities		(51)	(14)
Creditors:			
Distribution payable		(2)	(3)
Other creditors	9	(315)	(1,377)
Total liabilities		(368)	(1,394)
Net assets attributable to Shareholders		75,300	146,987

AXA Sterling Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 266-269.

2. Net capital losses

	30/06/22 £'000	30/06/21 £'000
The net capital losses comprise:		
Non-derivative securities	(22,254)	(10,212)
Brokers commission on futures	(1)	(1)
Derivative contracts	571	229
Transaction charges	(1)	(4)
Net capital losses	(21,685)	(9,988)

3. Revenue

	30/06/22 £'000	30/06/21 £'000
Bank interest	1	-
Interest on debt securities	2,514	3,069
Futures Income	(56)	(4)
Total revenue	2,459	3,065

4. Expenses

	30/06/22 £'000	30/06/21 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	628	819
Registration fees	1	1
	629	820
Other expenses		
Audit fees	5	15
Depositary's fees	12	24
Printing fees	(2)	3
Safe custody fees	2	8
	17	50
Total expenses	646	870

Expenses include irrecoverable VAT where applicable.

AXA Sterling Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net revenue before taxation. The differences are explained below:

	30/06/22 £'000	30/06/21 £'000
Net revenue before taxation	1,812	2,195
Net revenue for the year multiplied by the standard rate of corporation tax	362	439
Effects of:		
Relief for indexation on UK Gilts	(3)	-
Tax deductible interest distributions	(359)	(439)
Tax charge for the year	-	-

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	30/06/22 £'000	30/06/21 £'000
First interim	457	571
Second interim	445	568
Third interim	427	497
Final	325	488
Add: Revenue paid on cancellation of shares	164	98
Deduct: Revenue received on creation of shares	(5)	(27)
Net distribution for the year	1,813	2,195

7. Debtors

	30/06/22 £'000	30/06/21 £'000
Amounts receivable for creation of shares	1	-
Sales awaiting settlement	-	1,642
Accrued revenue	613	1,059
Total debtors	614	2,701

AXA Sterling Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

8. Cash and bank balances

	30/06/22 £'000	30/06/21 £'000
Cash and bank balances	1,094	149
Amount held at futures clearing houses and brokers	157	178
Total cash and bank balances	1,251	327

9. Other creditors

	30/06/22 £'000	30/06/21 £'000
Amounts payable for cancellation of shares	210	454
Purchases awaiting settlement	-	833
Accrued annual management charge	88	64
Accrued other expenses	17	26
Total other creditors	315	1,377

10. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no shareholdings in the Company at the year end.

As at 30 June 2022 material shareholders have holdings totalling 50.50% and 32.70% (30/06/2021: 49.55%) of the Fund's shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

11. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's annual management charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/21	Issued	Cancelled	Converted	30/06/22
B Gross Accumulation	0.40	34,121,498	38,633	(3,590,249)	-	30,569,882
B Gross Income	0.40	427,213	2,235	(16,013)	-	413,435
H Gross Accumulation	Nil	5,000	-	(1,750)	-	3,250
R Gross Accumulation	1.25	1,378,256	50,361	(362,280)	-	1,066,337
R Gross Income	1.25	65,797	438	(32,399)	2,702	36,538
Z Gross Accumulation	0.50	56,035,010	2,570,337	(31,847,851)	-	26,757,496
Z Gross Income	0.50	266,847	9,737	(181,599)	(2,381)	92,604

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2021: nil).

13. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

AXA Sterling Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Market price risk

The Fund invests principally in fixed interest securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2021).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £7,380,293 (2021: £14,535,386). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

The functional currency of the Fund is Sterling. All assets and liabilities of the Fund are denominated in Pound sterling. There was no direct foreign currency exposure within the Fund at the balance sheet date.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30/06/22				
Pound sterling	1,251	73,803	246	75,300
Total	1,251	73,803	246	75,300
30/06/21				
Pound sterling	326	145,353	1,308	146,987
Total	326	145,353	1,308	146,987

* Prior year figures have been restated.

AXA Sterling Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £7,321,251 (2021: £16,323,238). A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each fund.

Transactions in securities may expose a fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/22 Market Value £'000	%	30/06/21 Market Value £'000	%
Investment grade (BBB- credit rating and above)	70,950	94.22	142,285	96.80
Below investment grade (below BBB- credit rating)	2,853	3.79	3,068	2.09
Unrated	-	-	-	-
Total value of bonds	73,803	98.01	145,353	98.89

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties was as follows:

Futures	30/06/22 Exposure £'000	30/06/21 Exposure £'000
Goldman Sachs	(51)	(14)
Total value of derivatives	(51)	(14)

14. Portfolio transaction costs

There were no transactions costs incurred during the year to 30 June 2022 (2021: Nil).

At the balance sheet date the average portfolio dealing spread was 0.39% (2021: 0.28%).

AXA Sterling Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2022

15. Post balance sheet events

Subsequent to the year end, on 19th October the Net Asset Value ("NAV") per share of the Fund had decreased below -10% on a all share class when compared to the year end date. The movements for each share class are shown below:

Share class	Price per share as at 30.06.22*	Price per share as at 19.10.22	Movement (%)
B Gross Accumulation	104.80	90.56	-13.59
B Gross Income	94.40	80.76	-14.45
H Gross Accumulation	148.50	128.50	-13.47
R Gross Accumulation	122.80	105.80	-13.84
R Gross Income	84.24	72.21	-14.28
Z Gross Accumulation	153.50	132.50	-13.68
Z Gross Income	95.72	81.91	-14.43

*Prices disclosed are based on quoted share prices and will therefore differ to net asset value per share shown in the comparative tables which are valued at bid-market prices.

16. Fair value disclosure

	30/06/22		30/06/21	
Valuation technique	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1 ^	48,591	(51)	97,208	(14)
Level 2 ^^	25,212	-	48,145	-
Level 3 ^^^	-	-	-	-
	73,803	(51)	145,353	(14)

^ 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.

AXA Sterling Strategic Bond Fund

Distribution Table

As at 30 June 2022

First Distribution in pence per share
Group 1 Shares purchased prior to 1 July 2021
Group 2 Shares purchased on or after 1 July 2021 to 30 September 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 30/11/21 (p)	Distribution paid 30/11/20 (p)
Share Class B Gross Accumulation				
Group 1	0.424	-	0.424	0.451
Group 2	0.291	0.133	0.424	0.451
Share Class B Gross Income				
Group 1	0.386	-	0.386	0.416
Group 2	0.386	-	0.386	0.416
Share Class H Gross Accumulation				
Group 1	0.787	-	0.787	0.830
Group 2	0.787	-	0.787	0.830
Share Class R Gross Accumulation				
Group 1	0.181	-	0.181	0.208
Group 2	0.080	0.101	0.181	0.208
Share Class R Gross Income				
Group 1	0.125	-	0.125	0.144
Group 2	0.052	0.073	0.125	0.144
Share Class Z Gross Accumulation				
Group 1	0.575	-	0.575	0.613
Group 2	0.258	0.317	0.575	0.613
Share Class Z Gross Income				
Group 1	0.362	-	0.362	0.392
Group 2	0.229	0.133	0.362	0.392

AXA Sterling Strategic Bond Fund

Distribution Table

As at 30 June 2022

Second Distribution in pence per share
Group 1 Shares purchased prior to 1 October 2021
Group 2 Shares purchased on or after 1 October 2021 to 31 December 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 28/02/22 (p)	Distribution paid 26/02/21 (p)
Share Class B Gross Accumulation				
Group 1	0.435	-	0.435	0.444
Group 2	0.225	0.210	0.435	0.444
Share Class B Gross Income				
Group 1	0.395	-	0.395	0.408
Group 2	0.395	-	0.395	0.408
Share Class H Gross Accumulation				
Group 1	0.803	-	0.803	0.819
Group 2	0.803	-	0.803	0.819
Share Class R Gross Accumulation				
Group 1	0.198	-	0.198	0.200
Group 2	0.081	0.117	0.198	0.200
Share Class R Gross Income				
Group 1	0.136	-	0.136	0.139
Group 2	0.037	0.099	0.136	0.139
Share Class Z Gross Accumulation				
Group 1	0.591	-	0.591	0.603
Group 2	0.274	0.317	0.591	0.603
Share Class Z Gross Income				
Group 1	0.371	-	0.371	0.384
Group 2	0.123	0.248	0.371	0.384

AXA Sterling Strategic Bond Fund

Distribution Table

As at 30 June 2022

Third Distribution in pence per share
Group 1 Shares purchased prior to 1 January 2022
Group 2 Shares purchased on or after 1 January 2022 to 31 March 2022

	Net revenue (p)	Equalisation (p)	Distribution paid 31/05/22 (p)	Distribution paid 28/05/21 (p)
Share Class B Gross Accumulation				
Group 1	0.437	-	0.437	0.417
Group 2	0.197	0.240	0.437	0.417
Share Class B Gross Income				
Group 1	0.395	-	0.395	0.382
Group 2	0.395	-	0.395	0.382
Share Class H Gross Accumulation				
Group 1	0.792	-	0.792	0.772
Group 2	0.792	-	0.792	0.772
Share Class R Gross Accumulation				
Group 1	0.220	-	0.220	0.182
Group 2	0.137	0.083	0.220	0.182
Share Class R Gross Income				
Group 1	0.152	-	0.152	0.126
Group 2	0.051	0.101	0.152	0.126
Share Class Z Gross Accumulation				
Group 1	0.597	-	0.597	0.566
Group 2	0.349	0.248	0.597	0.566
Share Class Z Gross Income				
Group 1	0.374	-	0.374	0.359
Group 2	0.224	0.150	0.374	0.359

AXA Sterling Strategic Bond Fund

Distribution Table

As at 30 June 2022

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 April 2022
Group 2 Shares purchased on or after 1 April 2022 to 30 June 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/08/22 (p)	Distribution paid 31/08/21 (p)
Share Class B Gross Accumulation				
Group 1	0.475	-	0.475	0.436
Group 2	0.311	0.164	0.475	0.436
Share Class B Gross Income				
Group 1	0.428	-	0.428	0.398
Group 2	0.428	-	0.428	0.398
Share Class H Gross Accumulation				
Group 1	0.830	-	0.830	0.798
Group 2	0.830	-	0.830	0.798
Share Class R Gross Accumulation				
Group 1	0.282	-	0.282	0.208
Group 2	0.190	0.092	0.282	0.208
Share Class R Gross Income				
Group 1	0.194	-	0.194	0.143
Group 2	0.097	0.097	0.194	0.143
Share Class Z Gross Accumulation				
Group 1	0.653	-	0.653	0.594
Group 2	0.460	0.193	0.653	0.594
Share Class Z Gross Income				
Group 1	0.408	-	0.408	0.376
Group 2	0.143	0.265	0.408	0.376

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Investment Manager's Report

For the year ended 30 June 2022

Investment Objective

The aim of the Fund is to: (i) generate an income and capital return (net of fees) over the long term (being a period of five years or more) in line with the sterling denominated investment grade corporate bond market, as represented by the ICE BofAML Sterling Non-Gilt index (the Index) ; and (ii) keep its weighted average carbon intensity (WACI)[1] lower than the Manager's carbon emissions benchmark (the Emissions Benchmark), while maintaining a low turnover of bonds held by the Fund. The Emissions Benchmark is calculated initially as a 30% reduction of the WACI of the Index as at 31st December 2021. Thereafter, the Emissions Benchmark will be calculated as a further 7% reduction of the WACI of the Emissions Benchmark per year, based on the WACI of the Emissionsm Benchmark from the previous year.

Investment Policy

The Fund seeks to achieve its investment objective by investing at least 70% of its Net Asset Value in sterling-denominated investment grade corporate bonds (meaning bonds with a credit rating of at least BBB- by Standard & Poor or equivalent rating by Moody's or Fitch or, if unrated, an equivalent rating as deemed by the Manager) but may also invest in non-sterling denominated investment grade corporate bonds hedged back into sterling. Investment will be made globally, largely in more developed markets, but may also be made in emerging markets. The Fund is managed in a way that seeks to limit turnover and therefore avoids unnecessary trading costs. The Manager also focuses on avoiding downgrades and defaults through its analysis and selection of issuers and bonds and, by diversifying the Fund's portfolio across different corporate sectors, it aims to mitigate the risks associated with any particular sector.

To seek to achieve the Fund's decarbonisation objective, the Manager takes into account the decarbonisation goals of an issuer, their level of commitment to and progress towards these goals to differentiate and select between bonds of a similar profile in terms of sector, credit risk and duration. The Manager will use certain carbon metrics provided by our selected external provider(s), as well as its own research to determine whether an issuer: (i) is aligned or aligning to net zero carbon emissions; (ii) is providing climate solutions (being investments in projects or businesses that directly enable the transition to a net zero world, such as green bonds); (iii) is not aligned or providing climate solutions; or (iv) does not yet have any suitable data available. The “Responsible Investment” section of the Fund's prospectus contains details on our selected external provider(s) and the carbon metrics used. The Manager may invest in an issuer which falls within categories (iii) and (iv) above if it determines, from the available carbon metrics and/or its own research, that such issuer has a clear and credible commitment to achieving net zero carbon emissions. The Manager may also engage with such issuers to define clear climate objectives such as decarbonisation targets and will monitor the actions taken by such issuers to achieve these objectives. The Manager will not invest in an issuer whose impact on the climate it deems as high where such issuer does not show a clear and credible commitment to achieving net zero carbon emissions and/or climate solutions, unless such issuer is responsive to our engagement efforts and has produced a clear and credible commitment to achieving net zero carbon emissions as a result.

In addition, the Manager will consider the issuer's environmental, social and governance (ESG) score as one factor within its broader analysis of the issuer to identify bonds which are expected to generate both income and capital growth. ESG scores are obtained from our selected external provider (s) and adjusted by the fund manager using its own research. The Manager will not invest in bonds with the lowest ESG scores.

To avoid investing in bonds which present excessive degrees of ESG risk, the Manager applies AXA IM Group's sector specific investment guidelines and AXA IM's ESG Standards policy relating to responsible investment to the Fund. These policies are subject to change and the latest copies are accessible via the links provided in the “Responsible Investment” section of the Fund's prospectus and are available from the Manager on request.

If the Manager deems that an investment no longer meets the criteria set out in this investment policy or its expectations in terms of that investment's prospects for achieving income and capital growth and/or the Fund's decarbonisation objective, the Manager will disinvest as soon as practicable having regard to the best interests of the Fund's investors and in accordance with its best execution policy.

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Investment Manager's Report

For the year ended 30 June 2022

The Manager has full discretion to select investments for the Fund in line with the above investment policy and in doing so may reference the composition and the risk profile of the ICE BofAML Sterling Non-Gilt index (the Index). The average credit quality and duration[2] of the bonds held by the Fund are expected to be very similar to the average credit quality and duration of the Index but otherwise the Manager has complete discretion to take positions which are different from the Index. The Index is designed to measure the performance of sterling corporate and other sterling non-gilt fixed interest securities. This Index best represents the types of bonds in which the Fund predominantly invests.

The Fund may also invest in other transferable securities, cash, deposits, units in collective investment schemes (including those that are managed by the Manager or its associates) and money market instruments. The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM). The Fund may use derivatives for investment purposes but does not currently do so. Use may be made of stock lending, borrowing, cash holdings, hedging and other investment techniques permitted in the applicable Financial Conduct Authority Rules.

The Fund is actively managed in reference to the Index, which may be used by investors to compare the Fund's financial performance. The Fund seeks to have a WACI that is lower than the Emissions Benchmark, which the Manager deems an appropriate target by reason of its alignment with internationally recognised climate targets.

[1]Weighted Average Carbon Intensity (WACI) of a fund or index is used to show the fund's or the index's exposure to carbon-intensive companies and is calculated by summing each holding's carbon emissions (measured in tons of carbon dioxide emissions per USD 1 million of their revenue) by its portfolio weight. For more detail on how the WACI is calculated, please refer to the “Responsible Investment” section of the Fund's prospectus.

[2]The duration of a bond refers to its price sensitivity to a change in interest rates.

Risk and Reward Profile

As at 30 June 2022

By investing in a fund which invests primarily in fixed interest stocks you are likely to be looking for an investment which will generate an income but has less potential for capital return than is the case with funds which invest primarily in equities. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you would prefer an investment with less risk than that of a fund which invests significantly in equities or overseas. Typically, you would be investing for a period of at least five years.

Lower Risk						Higher Risk
Potentially lower reward						Potentially higher reward
1	2	3	**4**	5	6	7

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

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some levels of variation, which may result in gains or losses.

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Investment Manager's Report

For the year ended 30 June 2022

Additional risks

Under normal market conditions the Fund's key risk factors are:

• 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 relatable funds that do not use ESG or sustainability criteria. The selection of assets may in part rely on the 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 benefiting 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.

• Carbon transition risk - the Fund implement a carbon transition criteria within their responsible investment approach, which may use, where stated in a Fund's investment policy, criteria aimed at selecting issuers either with a low carbon emissions intensity or with a clear and credible commitment to reduce their carbon emissions intensity. As a result, their respective performance may be different from a fund implementing a similar investment strategy which does not apply a carbon transition criteria within their responsible investment approach. The selection of assets may in part rely on third party data provided at the time of investment that may evolve over time.

• Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

• Interest rate risk - is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Investment Manager's Report

For the year ended 30 June 2022

• LIBOR transition risk - LIBOR (London Inter-bank Offered Rate) is intended to reflect the interest rate that wholesale banks expect to pay each other to borrow money (without providing security). LIBOR is widely used in financial products as a reference to determine a target or amount to be paid. From the end of 2021, the banks that contribute to the setting of LIBOR will no longer be required to do so, and LIBOR is expected to become obsolete. It is expected that a different rate, SONIA, will replace LIBOR over time.

There are a number of risks for Funds associated with the transition to SONIA:

(i) SONIA is prepared on a different basis to LIBOR and has historically returned a lower rate of interest. Where the Fund’s investments provide income based on LIBOR, the transition to SONIA or another reference rate may reduce the value of those investments and the Fund’s income from them.

(ii) The ACD has a plan to reduce the Funds’ exposure to LIBOR. However, this plan will be phased and the Fund may have some exposure to investments based, or dependent, on LIBOR during periods where those rates are encountering lower levels of reliability. Not all market participants have yet made plans for the transition away from LIBOR and there is a risk that they will be unable/unwilling to implement the change before LIBOR becomes unreliable. During such time, the value of the Fund’s investments may be less reliable and therefore the Fund’s price may be more volatile (it may change more frequently and/or by greater amounts).

(iii) Where the counterparty for an investment is reliant on LIBOR, a transition to SONIA, or another rate, may change that counterparty’s economic position and increase the risk that they will default on their obligations. The Fund may suffer a loss if the counterparty is unable to meet its obligations. Additionally, the increased risk of default may reduce the value of the investment or cause the ACD to need to rebalance the portfolio.

Other risks which could have an impact in extreme market conditions include:

• Prepayment and extension risk - is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond’s expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

• Liquidity risk - under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, corporate and emerging market bonds may be affected by the demand in the market for such bonds 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 ACD may be forced to buy or sell such investments as a consequence of shareholders buying or selling shares 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.

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Investment Manager's Report

For the year ended 30 June 2022

• Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform their obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

• 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 ACD 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 individual Fund's investment objectives and investment policy.

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Investment Manager's Report

For the year ended 30 June 2022

Investment Review

Our interim report, covering the six months to the end of December 2021, has seen central banks admit that due to persistently high levels globally, inflation was no longer transitory as they had previously suggested. They were cautious, however, on raising rates to combat the inflationary threat, given risks to growth from the emergence of new variants of COVID-19; first Delta, which saw a resurgence in cases over the summer, then Omicron in late 2021 which appeared particularly transmissive. Of the major central banks, only the Bank of England (BoE) raised rates from the emergency levels introduced at the onset of the pandemic – and only by 0.15% to 0.25%. Gilt yields nudged higher as markets priced in base rates at 1.25% by the end of 2022, while the relative cost of borrowing for companies, measured by the corporate bond spread (yield premium over gilts), had increased marginally, with spreads a little wider.

The latest six months has seen COVID-19 become a background story, as central banks have been forced to address uncomfortably high inflation.

COVID-19 dominated the new year headlines, however despite eye-watering new cases given the new Omicron variant, resultant hospitalisations and deaths remained relatively low. Restrictions that had been imposed in England were soon removed. COVID-19 hasn't gone away, but we continue to adapt to living with it. Occasional outbreaks in China, which has a zero-tolerance policy, risks a negative impact on growth and the global supply chain.

February saw the rapidly deteriorating political backdrop between Ukraine and Russia, as intelligence reports suggested aggressive Russian intentions to support Russian-backed separatist regions in Ukraine. Despite hopes of a diplomatic solution, intelligence reports proved correct; Russia launched a full-scale invasion of Ukraine on 24 February, citing concerns about constant threats from Ukraine, claiming it intended to demilitarise, not occupy Ukraine. Ukrainian resistance defied original expectations that superior Russian forces would achieve their military objectives swiftly. Russian bombardments intensified, devastating cities and forcing millions to flee the country. Negotiations yielded nothing tangible. There was widespread condemnation of Russia from the international community; sanctions were imposed against Russia aimed at having a maximum impact on its economy and were later extended to include businesses and individuals considered close to the Kremlin. External military support for Ukraine was limited to weapons, not personnel. Already elevated energy prices - the cause of much of the world's recent high inflation - spiked higher still, as Russia threatened gas supplies to Europe. With Russia and Ukraine also significant exporters of agricultural commodities, prices of these were also up sharply due to supply disruption. The war in Ukraine is now embedded in our daily news, but any resolution looks as remote as ever.

Supply chain problems caused by the pandemic had already pushed inflation to uncomfortably high levels, but inflationary pressures have been exacerbated by further supply shortages due to the war, propelling inflation to the top of the list of concerns for the world's central banks. Most stuck to forward guidance that it would soon be appropriate to raise rates. Still, rhetoric was clearly more hawkish. Several US Federal Reserve (Fed) members talked up the need for quick action to underpin its credibility, risking loss of market confidence that inflation would abate if it did not act. When the Fed delivered its well-flagged 25bp rate hike in March, the first of the current cycle, another six similar hikes this year were expected (rates to 1.75%) and more in 2023. Inflation measures rose significantly above target levels and continually hit new multi-decade highs in the US, the UK and Europe, with little prospect of a near term return to more acceptable levels, heightened the Fed's vigilance as it acknowledged it was behind the curve (i.e. it should have started raising rates sooner). Confident in the US economy, the Fed stepped up the pace of its policy tightening, hiking rates by 50bp in May, then by 75bp in June; these outsized moves were expected by markets by the time they were announced. The Fed also started to reduce the size of its balance sheet in June, further reversing its stimulative monetary policies. Given the Fed's strong commitment to return inflation to 2%, Fed Chairman Powell admitted that recession was a possibility, with rates now expected to peak around 3.5% in early 2023, compared with the current 1.75%.

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Investment Manager's Report

For the year ended 30 June 2022

The BoE had already raised rates from their low in December and, aiming to keep longer term inflation expectations anchored, continued its policy tightening, delivering expected 25bp rate hikes at consecutive meetings in February, March, May and June, taking rates to 1.25%. February's policy decision was more hawkish than expected; some of its policy-setting members preferred a more aggressive 50bp hike and the BoE also surprisingly announced its intention to sell its £20bn corporate bond holdings. Subsequent meetings also saw further votes for a 50bp hike. New economic forecasts in May suggested lower growth and a higher peak in inflation, but the subsequent forecast fall in inflation (even if energy prices remain elevated), suggested markets were pricing in too many rate hikes (peak c. 2.5% in 2023). The BoE is implementing its tougher monetary policy against a worsening growth backdrop, given the significant cost of living squeeze from massive increases in utility bills (partly countered by the government) and high inflation generally. European growth and inflation will be more affected by the war in Ukraine than the UK and the US; Europe is heavily reliant on Russian oil and gas, but the desire to reduce its dependence is hampered by the lack of immediately available alternative sources. Still, the European Central Bank (ECB) joined other central banks in adopting a more hawkish stance, dropping its reference to rates potentially being lower. In June, with European inflation projections up significantly, the ECB stated its intention to raise rates by 25bp at its July meeting, then likely by 50bp at its following meeting in September, thereby exiting negative rates which have been in place since 2014. Pressure on peripheral borrowing costs in Europe saw the ECB commit to creating a new instrument to tackle the so-called fragmentation.

More hawkish central banks saw government bond yields in an upward trajectory throughout the last six months. There were brief reversals on growth concerns in the early stages of the Ukraine war and again in May given upward pressure on rates. As central banks increased their hawkish rhetoric and the expected pace of policy tightening sped up, yields resumed their move higher. Yields peaked around the time of the Fed rate hike in June; perhaps markets inferred that more aggressive monetary policies would have a significant negative impact on growth, which prompted yields to retreat from their highest levels. 10-year gilt yields jumped 126bp to 2.23% over the last six months (+143bp over the 12 months), having peaked at 2.65%. 30-year yields rose by an even larger 144bp to 2.56% (+133bp), while 2-year yields rose 115bp to 1.84% (+178bp). The ICE Gilt index produced a total return of -14.75% (-14.29% over 12 months), with 0-5 years -2.15% (-3.08%), 5-15 years -8.90% (-9.83%) and Over 15 years -24.76% (-22.87%).

New issuance of corporate bonds picked up in the new year after the lull in December. Demand remained firm, although some of the pricing was less aggressive than previously, as risk assets showed signs of weakness against a backdrop of higher rate expectations. Corporate bond valuations started to cheapen (spreads widened) more meaningfully in February, initially in response to the BoE's decision to sell its corporate bond holdings, then in the general risk-off that followed the start of the war in Ukraine. Spreads continued to widen given changing economic risks (higher rates causing a slowdown in growth), and this accelerated in June, as economic growth prospects weakened further given central banks' determination to re-establish their anti-inflation credentials by hiking rates quicker and by more than previously expected, risking a sharper slowdown or even recession. This would negatively impact corporate profitability and balance sheets, removing some of the strong fundamental support for corporate bonds. Spreads rose by 86bp to +201bp over the last six months (+93bp over 12 months) which, combined with sharply higher gilt yields, pushed corporate bond yields 212bp higher to 4.17% (+243bp over 12 months), to give a total return on the ICE BAML Sterling Corporates & Collateralised index of -14.17% (-14.53% over 12 months), with 1-5 years -4.88% (-5.80%), 5-15 years -12.44% (-13.21%) and Over 15 years -24.14% (-23.79%). Remember, yields were as low as 1.37% in early 2021.

As is typical in a general risk-off, spreads for the weakest rated (BBB) bonds widened the most over the six months, +103bp (+111bp over 12 months) to +244bp, followed by single A rated bonds, +73bp (+79bp) to +168bp, with AAs +35bp (+43bp) to +94bp and AAAs +19bp (+30bp) to +55bp. By sector, subordinated financials (banks and insurance) as well as cyclical sectors (leisure and automotive) were significantly wider (100bp+). Higher quality sectors saw more limited spread widening. In total return terms, the longest duration sectors, services and real estate underperformed given the move in gilt yields (-28.07% and -19.90% respectively), followed by energy and transportation (sectors which had contained Russian credits which were subsequently removed from the indices). Despite significant spread widening, most subordinated financials performed in line with the overall market in total return terms. Short duration and/or high-quality sectors outperformed (covered bonds, automotive, quasi-government, leisure and bank senior). The ICE BofA Sterling Broad index (gilts and corporate bonds) fell 14.11% over the six months (-13.91% over 12 months).

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Investment Manager's Report

For the year ended 30 June 2022

The AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund provided a negative total return over the six months to 30 June 2022 very much in line with the Sterling Non-Gilt index.

Participation in new corporate bond issues was more limited in the last six months. Still, the move higher in gilt yields and widening in corporate bond spreads provided the opportunity to incrementally add exposure to the credit market. In March we took advantage of spread widening to add BBB rated bonds from Real Estate companies and financials which underperformed year to date. In June, we took advantage of much cheaper markets to continue to add to credit and maintain the overall long structural credit beta of the portfolio. Purchases were mainly funded by flows, the intention being to lock into higher spreads and yields for longer.

We remain comfortable in the quality of the credits selected and the significant extra yield they provide compared to gilts, even if the economic outlook is more uncertain.

Regaining control of inflation is the key priority for central banks, bringing an end to a period of ultra-low policy rates (including quantitative easing), which has been in place since the global financial crisis. The rapid shift in sentiment on inflation and the desire to rein it back has seen markets price in significant hikes in interest rates; so much so, that a global recession is forecast by many for next year. Central banks suggest this is a price they are willing to pay to get the upper hand on inflation. Workers' demands for pay increases to compensate for the cost-of-living squeeze caused by current high inflation has already led to some strike action in the UK; further rate hikes and industrial action will add to downward pressure on growth. Sentiment is poor. Any softening of inflation could prompt a rethink on the extent of rate rises, but the easy route to this – the end of the war in Ukraine - currently looks like hope rather than reality. There are some tough decisions ahead. The high inflation/low (negative) growth backdrop is challenging for corporate credit fundamentals; however, companies are starting from a relatively healthy position. The yield on corporate bonds is much more interesting than it has been for a considerable period and offers compelling value for institutional investor to top up their long-term allocation to IG credit.

All performance data source: AXA Investment Managers and Bloomberg.
Past performance is not a guide for future performance.

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
● Anchor Hanover 2% 21/07/51	1,365	● Credit Suisse 2.75% 08/08/25	2,052
● Volkswagen Financial Services 2.125% 18/01/28	1,363	● Kia 1.75% 16/10/26	1,252
● Athene Global Funding 1.875% 30/11/28	1,339	● McDonald's 5.875% 23/04/32	1,235
● Berkeley 2.5% 11/08/31	1,338	● Saudi Arabian Oil 3.5% 16/04/29	1,099
● Commerzbank 1.75% 22/01/25	1,282	● Equinor 6.875% 11/03/31	1,064

Lionel Pernias
AXA Investment Managers UK Limited
30 June 2022

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 97.41% (30/06/21: 99.16%)			
Australia 2.87% (30/06/21: 2.42%)			
APA Infrastructure 2.5% 15/03/36	800,000	594	0.39
APA Infrastructure 3.5% 22/03/30	200,000	186	0.12
APA Infrastructure 4.25% 26/11/24	350,000	354	0.24
Macquarie Bank 1.125% 15/12/25	940,000	859	0.57
Scentre Trust 3.875% 16/07/26	1,107,000	1,109	0.73
Vicinity Centres Trust 3.375% 07/04/26	1,279,000	1,251	0.82
Belgium 0.44% (30/06/21: 0.56%)			
Anheuser-Busch InBev 2.85% 25/05/37	809,000	666	0.44
Bermuda 0.00% (30/06/21: 0.57%)			
Canada 1.60% (30/06/21: 1.14%)			
Bank of Montreal 1% 09/09/26	997,000	885	0.58
Royal Bank of Canada 1.125% 15/12/25	400,000	365	0.24
Toronto-Dominion Bank 2.875% 05/04/27	1,245,000	1,185	0.78
Cayman Islands 0.83% (30/06/21: 1.34%)			
Lunar Funding I 5.75% 18/10/33	850,000	1,009	0.66
Southern Water Services Finance 5.125% 30/09/56	61,000	73	0.05
Southern Water Services Finance 6.64% 31/03/26	166,000	184	0.12
China 0.13% (30/06/21: 0.59%)			
Industrial & Commercial Bank of China 1.5% 31/07/22	199,000	199	0.13
Denmark 0.65% (30/06/21: 0.72%)			
Orsted 2.5% 16/05/33	1,129,000	988	0.65
Finland 0.29% (30/06/21: 0.21%)			
OP Corporate Bank 1.375% 04/09/26	499,000	448	0.29
France 7.80% (30/06/21: 7.79%)			
Banque Federative du Credit Mutuel 0.875% 07/12/27	200,000	171	0.11
Banque Federative du Credit Mutuel 1.5% 07/10/26	600,000	546	0.36
BNP Paribas 1.25% 13/07/31	1,000,000	758	0.50
BNP Paribas 3.375% 23/01/26	400,000	387	0.25
BPCE 5.25% 16/04/29	1,000,000	990	0.65
Credit Agricole 7.375% 18/12/23	950,000	985	0.65
Electricite de France 6.125% 02/06/34	900,000	998	0.66
Electricite de France 6.25% 30/05/28	50,000	55	0.04
Engie 5% 01/10/60	200,000	215	0.14
Klepierre 1.625% 13/12/32	EUR 1,100,000	728	0.48
LVMH Moet Hennessy Louis Vuitton 1.125% 11/02/27	500,000	460	0.30
Orange 5.625% 23/01/34	518,000	586	0.39
Orange 8.125% 20/11/28	380,000	475	0.31
Societe Generale 1.25% 07/12/27	1,400,000	1,177	0.77
Societe Nationale SNCF 5.375% 18/03/27	522,000	581	0.38
Sodexo 1.75% 26/06/28	1,230,000	1,111	0.73

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Suez 5.375% 02/12/30	700,000	771	0.51
Vinci 2.25% 15/03/27	900,000	859	0.57
Germany 2.07% (30/06/21: 1.05%)			
Commerzbank 1.75% 22/01/25	1,300,000	1,210	0.80
Deutsche Bahn Finance GMBH 1.875% 13/02/26	300,000	290	0.19
Deutsche Bank 1.875% 22/12/28	1,400,000	1,169	0.77
Mercedes-Benz 0.75% 10/09/30	EUR 647,000	464	0.31
Ireland 0.70% (30/06/21: 0.81%)			
ESB Finance 1.875% 21/07/35	334,000	264	0.17
GE Capital UK Funding Unlimited 8% 14/01/39	596,000	800	0.53
Italy 0.79% (30/06/21: 0.69%)			
Intesa Sanpaolo 2.5% 15/01/30	948,000	790	0.52
Intesa Sanpaolo 5.25% 12/01/24	USD 500,000	414	0.27
Japan 0.14% (30/06/21: 0.24%)			
East Japan Railway 4.5% 25/01/36	200,000	211	0.14
Jersey 2.73% (30/06/21: 2.60%)			
CPUK Finance 7.239% 28/02/24	1,000,000	1,048	0.69
Gatwick Funding 6.5% 02/03/41	960,000	1,119	0.74
Heathrow Funding 4.625% 31/10/46	978,000	939	0.62
Porterbrook Rail Finance 4.625% 04/04/29	1,010,000	1,034	0.68
Mexico 0.80% (30/06/21: 0.65%)			
America Movil 5% 27/10/26	300,000	317	0.21
America Movil 5.75% 28/06/30	800,000	893	0.59
Netherlands 6.56% (30/06/21: 6.63%)			
ABB Finance 0% 19/01/30	EUR 1,266,000	874	0.58
Aegon 6.625% 16/12/39	700,000	862	0.57
Allianz Finance II 4.5% 13/03/43	800,000	853	0.56
BMW International Investment 1.375% 01/10/24	431,000	413	0.27
Cooperatieve Rabobank 4.625% 23/05/29	744,000	715	0.47
Deutsche Telekom International Finance 7.625% 15/06/30	625,000	785	0.52
E.ON International Finance 4.75% 31/01/34	100,000	102	0.07
E.ON International Finance 6.125% 06/07/39	700,000	807	0.53
EDP Finance 8.625% 04/01/24	1,050,000	1,133	0.75
Enel Finance International 2.875% 11/04/29	432,000	395	0.26
Enel Finance International 5.75% 14/09/40	500,000	549	0.36
ING Bank 5.8% 25/09/23	USD 400,000	337	0.22
Siemens 3.75% 10/09/42	900,000	898	0.59
Volkswagen Financial Services 2.125% 18/01/28	1,400,000	1,234	0.81
Norway 0.11% (30/06/21: 0.88%)			
Avinor 0.75% 01/10/30	EUR 230,000	163	0.11
Saudi Arabia 0.00% (30/06/21: 0.65%)			

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
South Korea 0.00% (30/06/21: 0.74%)			
Spain 2.87% (30/06/21: 1.68%)			
Banco Bilbao Vizcaya Argentaria 1% 21/06/26	EUR 1,100,000	879	0.58
Banco Santander 1.125% 23/06/27	EUR 500,000	387	0.25
Banco Santander 2.5% 18/03/25	EUR 100,000	84	0.06
Banco Santander 2.75% 12/09/23	400,000	394	0.26
Banco Santander 2.958% 25/03/31	USD 400,000	276	0.18
Banco Santander 3.125% 19/01/27	EUR 100,000	82	0.05
CaixaBank SA 1.5% 03/12/26	1,300,000	1,169	0.77
Red Electrica Financiaciones SAU 0.5% 24/05/33	EUR 500,000	342	0.23
Telefonica Emisiones 5.375% 02/02/26	700,000	740	0.49
Sweden 0.18% (30/06/21: 0.81%)			
Essity 1.625% 30/03/27	EUR 341,000	280	0.18
Switzerland 0.81% (30/06/21: 0.96%)			
UBS 3.126% 13/08/30	USD 1,700,000	1,237	0.81
United Kingdom 46.34% (30/06/21: 43.26%)			
ABP Finance 6.25% 14/12/26	800,000	887	0.58
Anchor Hanover 2% 21/07/51	1,550,000	1,010	0.67
Anglian Water Services Financing 2.75% 26/10/29	700,000	670	0.44
Aspire Defence Finance 4.674% 31/03/40	774,424	846	0.56
Associated British Foods 2.5% 16/06/34	247,000	214	0.14
Aster Treasury 1.405% 27/01/36	651,000	477	0.31
AstraZeneca 5.75% 13/11/31	400,000	476	0.31
Babcock International 1.875% 05/10/26	800,000	715	0.47
Barclays 3.25% 12/02/27	600,000	561	0.37
Barclays 3.25% 17/01/33	100,000	85	0.06
Berkeley 2.5% 11/08/31	1,409,000	1,035	0.68
Broadgate Financing 4.821% 05/07/33	275,000	306	0.20
Broadgate Financing 4.999% 05/10/31	710,000	746	0.49
BUPA Finance 4.125% 14/06/35	300,000	248	0.16
BUPA Finance 5% 08/12/26	800,000	792	0.52
Canary Wharf Finance II 5.952% 22/01/35	580,000	696	0.46
Cardiff University 3% 07/12/55	474,000	408	0.27
Clarion Funding 3.125% 19/04/48	250,000	210	0.14
Compass 2% 03/07/29	400,000	363	0.24
Connect Plus M25 Issuer 2.607% 31/03/39	1,148,295	1,064	0.70
Coventry Building Society 1% 21/09/25	400,000	366	0.24
Coventry Building Society 2% 20/12/30	220,000	181	0.12
Diageo Finance 1.25% 28/03/33	564,000	438	0.29
Diageo Finance 2.75% 08/06/38	350,000	299	0.20
DWR Cymru Financing 1.375% 31/03/33	265,000	212	0.14
DWR Cymru Financing 2.5% 31/03/36	600,000	516	0.34
DWR Cymru Financing 6.015% 31/03/28	166,000	188	0.12
Eastern Power Networks 6.25% 12/11/36	100,000	121	0.08
ENW Finance 1.415% 30/07/30	952,000	794	0.52
Experian Finance 3.25% 07/04/32	100,000	95	0.06
Experian Finance 4.25% 01/02/29	USD 1,000,000	805	0.53

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Genfinance II 6.064% 21/12/39	450,000	554	0.37
GlaxoSmithKline Capital 5.25% 19/12/33	100,000	116	0.08
GlaxoSmithKline Capital 6.375% 09/03/39	540,000	700	0.46
Great Rolling Stock 6.5% 05/04/31	1,046,250	1,176	0.77
GSK Consumer Healthcare Capital UK 3.375% 29/03/38	159,000	143	0.09
Harbour Funding 5.28% 31/03/34	202,570	224	0.15
Haven Funding 8.125% 30/09/37	403,503	527	0.35
High Speed Rail Finance 1 4.375% 01/11/38	1,063,000	1,115	0.73
HSBC 3% 22/07/28	100,000	93	0.06
HSBC 5.75% 20/12/27	451,000	450	0.30
HSBC Bank 6.5% 07/07/23	612,000	624	0.41
Hyde Housing Association 5.125% 23/07/40	240,000	271	0.18
Juturna European Loan Conduit No 16 5.0636% 10/08/33	764,957	846	0.56
Land Securities Capital Markets 1.974% 08/02/24	600,000	589	0.39
Legal & General Finance 5.875% 11/12/31	495,000	568	0.37
Legal & General Finance 5.875% 05/04/33	388,000	447	0.29
Liberty Living Finance 2.625% 28/11/24	1,058,000	1,023	0.67
Lloyds Bank 6.5% 17/09/40	108,000	139	0.09
Lloyds Bank 7.625% 22/04/25	967,000	1,037	0.68
London & Quadrant Housing Trust 3.125% 28/02/53	500,000	413	0.27
London Power Networks 2.625% 01/03/29	650,000	608	0.40
London Stock Exchange 1.625% 06/04/30	802,000	690	0.45
Longstone Finance 4.896% 19/04/31	680,000	705	0.46
Manchester Airport Funding 2.875% 31/03/39	392,000	309	0.20
Manchester Airport Funding 2.875% 30/09/44	650,000	483	0.32
Manchester Airport Funding 4.75% 31/03/34	182,000	186	0.12
Meadowhall Finance 4.986% 12/01/32	992,752	1,043	0.69
Mitchells & Butlers Finance 5.574% 15/12/30	145,263	153	0.10
Motability Operations 1.5% 20/01/41	552,000	382	0.25
Motability Operations 1.75% 03/07/29	700,000	632	0.42
National Express 2.375% 20/11/28	1,356,000	1,201	0.79
National Grid Electricity Transmission 7.375% 13/01/31	445,000	540	0.36
National Grid Gas 1.375% 07/02/31	290,000	231	0.15
Nationwide Building Society 3.25% 20/01/28	1,200,000	1,168	0.77
Nats En Route 1.375% 31/03/31	102,000	92	0.06
NatWest 2.875% 19/09/26	650,000	616	0.41
NatWest Markets 7.5% 29/04/24	160,000	171	0.11
Next 3% 26/08/25	662,000	641	0.42
NIE Finance 2.5% 27/10/25	100,000	97	0.06
Northern Gas Networks Finance 4.875% 30/06/27	185,000	197	0.13
Northern Gas Networks Finance 4.875% 15/11/35	900,000	923	0.61
Northern Powergrid Northeast 1.875% 16/06/62	320,000	187	0.12
Northumbrian Water Finance 6.875% 06/02/23	257,000	263	0.17
Notting Hill Genesis 2.875% 31/01/29	207,000	199	0.13
Octagon Healthcare Funding 5.333% 31/12/35	954,608	1,087	0.72
Omnicom Capital 2.25% 22/11/33	659,000	537	0.35
Onward Homes 2.125% 25/03/53	1,007,000	687	0.45
Peabody Capital No 2 3.25% 14/09/48	900,000	764	0.50
Places for People Homes 5.09% 31/07/24	577,000	599	0.39
Places For People Treasury 2.875% 17/08/26	383,000	377	0.25
Prudential 6.125% 19/12/31	960,000	999	0.66

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Rio Tinto Finance 4% 11/12/29	300,000	306	0.20
RSL Finance No 1 6.625% 31/03/38	149,992	184	0.12
Sage 2.875% 08/02/34	1,106,000	946	0.62
Sanctuary Capital 2.375% 14/04/50	367,000	270	0.18
Sanctuary Capital 6.697% 23/03/39	440,000	584	0.39
Santander 3.625% 14/01/26	900,000	874	0.58
Santander UK 3.875% 15/10/29	300,000	301	0.20
Scottish Widows 5.5% 16/06/23	250,000	252	0.17
Scottish Widows 7% 16/06/43	742,000	784	0.52
Segro 2.375% 11/10/29	900,000	818	0.54
Segro 2.875% 11/10/37	100,000	83	0.05
Segro 5.75% 20/06/35	44,000	50	0.03
Severn Trent Utilities Finance 2.75% 05/12/31	600,000	549	0.36
Society of Lloyd's 4.75% 30/10/24	1,200,000	1,190	0.78
South Eastern Power Networks 1.75% 30/09/34	248,000	191	0.13
Southern Gas Networks 3.1% 15/09/36	1,373,000	1,146	0.75
Sovereign Housing Capital 5.705% 10/09/39	486,000	591	0.39
SP Manweb 4.875% 20/09/27	1,050,000	1,116	0.74
Standard Chartered 5.125% 06/06/34	1,050,000	982	0.65
Student Finance 2.6663% 30/09/24	1,220,000	1,185	0.78
Sunderland SHG Finance 6.38% 31/03/42	181,763	213	0.14
Tesco Property Finance 1 7.6227% 13/07/39	916,080	1,097	0.72
Thames Water Utilities Finance 5.125% 28/09/37	800,000	845	0.56
Thames Water Utilities Finance 6.75% 16/11/28	120,000	139	0.09
THFC Funding No 2 6.35% 08/07/39	540,000	686	0.45
Together Housing Finance 4.5% 17/12/42	650,000	691	0.46
Transport for London 3.875% 23/07/42	800,000	744	0.49
Transport for London 4.5% 31/03/31	350,000	364	0.24
Tritax Big Box REIT 1.5% 27/11/33	1,215,000	909	0.60
Unilever 1.875% 15/09/29	200,000	181	0.12
United Utilities Water Finance 0.875% 28/10/29	100,000	83	0.05
United Utilities Water Finance 1.75% 10/02/38	384,000	283	0.19
United Utilities Water Finance 2% 03/07/33	769,000	644	0.42
University College London 1.625% 04/06/61	200,000	127	0.08
University of Leeds 3.125% 19/12/50	700,000	610	0.40
University of Liverpool 3.375% 25/06/55	413,000	389	0.26
University of Manchester 4.25% 04/07/53	320,000	350	0.23
University of Southampton 2.25% 11/04/57	559,000	394	0.26
Wales & West Utilities Finance 3% 03/08/38	300,000	253	0.17
Western Power Distribution South West 2.375% 16/05/29	300,000	273	0.18
Westfield Stratford City Finance 1.642% 04/08/26	1,051,000	985	0.65
Wheatley Capital 4.375% 28/11/44	1,004,000	1,032	0.68
White City Property Finance 5.1202% 17/04/35	703,778	779	0.51
WPP Finance 2010 3.75% 19/09/24	USD 1,078,000	869	0.57
Yorkshire Building Society 3.5% 21/04/26	550,000	544	0.36
Yorkshire Water Finance 1.75% 27/10/32	200,000	164	0.11
Yorkshire Water Finance 6.375% 19/08/39	570,000	712	0.47
United States 18.70% (30/06/21: 22.17%)			
AbbVie 3.2% 21/11/29	USD 648,000	490	0.32
AbbVie 4.5% 14/05/35	USD 216,000	172	0.11

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
American Honda Finance 0.75% 25/11/26	400,000	355	0.23
American Honda Finance 1.5% 19/10/27	378,000	340	0.22
American International 5% 26/04/23	400,000	407	0.27
Amgen 4% 13/09/29	1,050,000	1,069	0.70
Apple 3.05% 31/07/29	715,000	714	0.47
AT&T 4.25% 01/06/43	400,000	367	0.24
AT&T 7% 30/04/40 I	400,000	500	0.33
AT&T 7% 30/04/40 II	100,000	125	0.08
Athene Global Funding 1.875% 30/11/28	1,400,000	1,186	0.78
Bank of America 2.3% 25/07/25	610,000	585	0.39
Bank of America 7% 31/07/28	550,000	638	0.42
Becton Dickinson 3.7% 06/06/27	USD 60,000	48	0.03
Berkshire Hathaway Finance 2.625% 19/06/59	851,000	613	0.40
Boston Properties 3.4% 21/06/29	USD 1,209,000	891	0.59
Cigna 2.375% 15/03/31	USD 1,343,000	934	0.61
Citigroup 1.75% 23/10/26	189,000	171	0.11
Citigroup 4.5% 03/03/31	874,000	831	0.55
Citigroup 5.15% 21/05/26	132,000	137	0.09
Comcast 1.875% 20/02/36	300,000	233	0.15
Comcast 5.5% 23/11/29	700,000	786	0.52
Eli Lilly 1.625% 14/09/43	209,000	146	0.10
Eversource Energy 2.55% 15/03/31	USD 1,310,000	913	0.60
Fidelity National Information Services 3.36% 21/05/31	300,000	277	0.18
Fiserv 3% 01/07/31	900,000	808	0.53
General Motors Financial 0.6% 20/05/27	EUR 155,000	111	0.07
General Motors Financial 2.9% 26/02/25	USD 1,128,000	884	0.58
Goldman Sachs 3.125% 25/07/29	416,000	383	0.25
Goldman Sachs 4.25% 29/01/26	750,000	749	0.49
Johnson & Johnson 5.5% 06/11/24	250,000	266	0.18
JPMorgan Chase 3.5% 18/12/26	1,150,000	1,133	0.75
McKesson 3.125% 17/02/29	750,000	706	0.46
Metropolitan Life Global Funding I 3.5% 30/09/26	850,000	845	0.56
Morgan Stanley 2.625% 09/03/27	1,350,000	1,275	0.84
New York Life Global Funding 0.75% 14/12/28	196,000	165	0.11
Pfizer 2.735% 15/06/43	500,000	423	0.28
Procter & Gamble 1.8% 03/05/29	100,000	92	0.06
Prologis 2.25% 30/06/29	1,143,000	1,026	0.68
RELX Capital 4% 18/03/29	USD 1,035,000	824	0.54
Schlumberger 3.9% 17/05/28	USD 562,000	437	0.29
Schlumberger 4% 21/12/25	USD 604,000	494	0.33
Toyota Motor Credit 0.75% 19/11/26	455,000	405	0.27
UDR 2.1% 15/06/33	USD 1,401,000	878	0.58
United Parcel Service 5.125% 12/02/50	500,000	604	0.40
UnitedHealth 2% 15/05/30	USD 862,000	607	0.40
Verizon Communications 3.375% 27/10/36	1,054,000	935	0.62
Walmart 5.625% 27/03/34	400,000	473	0.31
Welltower 4.8% 20/11/28	935,000	964	0.63
TOTAL CORPORATE BONDS		147,983	97.41

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Portfolio Statement
As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
FORWARDS CURRENCY CONTRACTS (0.27%) (30/06/21: (0.30%))			
Bought EUR300,000 for GBP256,608 Settlement 09/09/2022		3	-
Bought USD300,000 for GBP239,611 Settlement 09/09/2022		7	0.01
Sold EUR5,900,000 for GBP5,069,475 Settlement 09/09/2022		(27)	(0.02)
Sold USD15,000,000 for GBP11,942,644 Settlement 09/09/2022		(393)	(0.26)
TOTAL FORWARDS CURRENCY CONTRACTS		(410)	(0.27)
FUTURES 0.06% (30/06/21: (0.02%))			
Germany (0.05%) (30/06/21: (0.02%))			
Euro Bond Futures September 2022	18	(78)	(0.05)
United Kingdom 0.05% (30/06/21: 0.07%)			
Long Gilt Futures September 2022	(26)	71	0.05
United States 0.06% (30/06/21: (0.07%))			
10 Year Treasury Note September 2022	(109)	90	0.06
TOTAL FUTURES		83	0.06
Portfolio of investments		147,656	97.20
Net other assets		4,252	2.80
Total net assets		151,908	100.00

All bonds are denominated in Sterling (unless otherwise indicated).

At 30 June 2022, there were no investments in the Fund which were valued using a quote from a single broker (30/06/21 : £nil).

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Comparative Tables

As at 30 June 2022

	Z Gross Accumulation			Z Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	146.52	144.26	135.87	105.86	106.37	102.66
Return before operating charges ^	(19.46)	2.48	8.60	(13.81)	1.83	6.44
Operating charges ^	(0.21)	(0.22)	(0.21)	(0.15)	(0.16)	(0.16)
Return after operating charges ^	(19.67)	2.26	8.39	(13.96)	1.67	6.28
Distributions	(2.95)	(2.98)	(3.43)	(2.12)	(2.18)	(2.57)
Retained distributions on accumulation shares	2.95	2.98	3.43	-	-	-
Closing net asset value per share †	126.85	146.52	144.26	89.78	105.86	106.37
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-13.42%	1.57%	6.18%	-13.19%	1.57%	6.12%
Other information						
Closing net asset value (£) †	67,825,808	128,863,917	113,992,416	84,082,447	40,235,350	230,166,205
Closing number of shares	53,467,466	87,948,926	79,020,435	93,653,759	38,007,831	216,390,867
Operating charges ^	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	150.00	151.20	146.30	108.40	110.70	109.20
Lowest share price #	126.20	143.50	127.80	89.89	104.60	95.37

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). 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.

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Statement of Total Return

For the year ended 30 June 2022

	Note	30/06/22 £'000	£'000	30/06/21 £'000	£'000
Income:					
Net capital losses	2		(25,003)		(3,864)
Revenue	3	3,460		7,290	
Expenses	4	(222)		(510)	
Interest payable and similar charges		(2)		(19)	
Net revenue before taxation		3,236		6,761	
Taxation	5	-		-	
Net revenue after taxation			3,236		6,761
Total return before distributions			(21,767)		2,897
Distributions	6		(3,236)		(6,761)
Change in net assets attributable to Shareholders from investment activities			(25,003)		(3,864)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2022

	30/06/22 £'000	£'000	30/06/21 £'000	£'000
Opening net assets attributable to Shareholders		169,099		344,159
Amounts receivable on issue of shares	58,735		96,485	
Amounts payable on cancellation of shares	(52,958)		(270,265)	
		5,777		(173,780)
Change in net assets attributable to Shareholders from investment activities (see above)		(25,003)		(3,864)
Retained distributions on accumulation shares		2,035		2,584
Closing net assets attributable to Shareholders		151,908		169,099

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Balance Sheet

As at 30 June

	Note	30/06/22 £'000	30/06/21 £'000
Assets:			
Fixed assets:			
Investments		148,154	167,822
Current assets:			
Debtors	7	2,071	1,831
Cash and bank balances	8	4,521	1,842
Total assets		154,746	171,495
Liabilities:			
Investment liabilities		(498)	(692)
Creditors:			
Bank overdrafts	10	(120)	-
Distribution payable		(521)	(215)
Other creditors	9	(1,699)	(1,489)
Total liabilities		(2,838)	(2,396)
Net assets attributable to Shareholders		151,908	169,099

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2022

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 266-269.

2. Net capital losses

	30/06/22 £'000	30/06/21 £'000
The net capital losses comprise:		
Non-derivative securities	(24,889)	(8,497)
Brokers commission on futures	(4)	(8)
Currency gains	40	342
Derivative contracts	1,550	429
Forward currency contracts	(1,693)	3,879
Transaction charges	(7)	(9)
Net capital losses	(25,003)	(3,864)

3. Revenue

	30/06/22 £'000	30/06/21 £'000
Bank interest	1	(2)
Interest on debt securities	3,758	7,885
Futures Income	(299)	(593)
Total revenue	3,460	7,290

4. Expenses

	30/06/22 £'000	30/06/21 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	203	435
Registration fees	1	1
	204	436
Other expenses		
Audit fees	6	14
Depositary's fees	14	27
Printing fees	(4)	2
Safe custody fees	2	31
	18	74
Total expenses	222	510

Expenses include irrecoverable VAT where applicable.

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2022

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net revenue before taxation. The differences are explained below:

	30/06/22	30/06/21
	£'000	£'000
Net revenue before taxation	3,236	6,761
Net revenue for the year multiplied by the standard rate of corporation tax	647	1,352
Effects of:		
Tax deductible interest distributions	(647)	(1,352)
Tax charge for the year	-	-

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	30/06/22	30/06/21
	£'000	£'000
First interim	763	1,904
Second interim	765	1,685
Third interim	970	2,118
Final	938	899
Add: Revenue paid on cancellation of shares	117	502
Deduct: Revenue received on creation of shares	(317)	(347)
Net distribution for the year	3,236	6,761

7. Debtors

	30/06/22	30/06/21
	£'000	£'000
Amounts receivable for creation of shares	8	65
Accrued revenue	2,063	1,766
Total debtors	2,071	1,831

8. Cash and bank balances

	30/06/22	30/06/21
	£'000	£'000
Cash and bank balances	4,392	1,146
Amount held at futures clearing houses and brokers	129	696
Total cash and bank balances	4,521	1,842

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2022

9. Other creditors

	30/06/22 £'000	30/06/21 £'000
Amounts payable for cancellation of shares	1,634	1,429
Accrued annual management charge	35	20
Accrued other expenses	30	40
Total other creditors	1,699	1,489

10. Bank overdrafts

	30/06/22 £'000	30/06/21 £'000
Amounts overdrawn at futures clearing houses and brokers	120	-
Total bank overdrafts	120	-

11. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no shareholdings in the Company at the year end.

As at 30 June 2022 there are no shareholders with holdings over 25% (30/06/2021: 25.65% and 25.07%) of the Fund's shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

12. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's annual management charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/21	Issued	Cancelled	Converted	30/06/22
Z Gross Accumulation	0.13	87,948,926	1,745,788	(36,227,248)	-	53,467,466
Z Gross Income	0.13	38,007,831	57,733,549	(2,087,621)	-	93,653,759

13. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2021: nil).

14. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2021).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £14,798,369 (2021: £16,768,628). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

	Net foreign currency exposure	
Currency	30/06/22 £'000	30/06/21 £'000
Euro	(549)	46
US dollar	(465)	124
Total	(1,014)	170

Foreign exchange risk sensitivity

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

Currency	Floating rate financial assets/ (liabilities) £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
30/06/22				
Pound sterling	4,261	132,079	16,582	152,922
Euro	(57)	4,394	(4,886)	(549)
US dollar	(63)	11,510	(11,912)	(465)
Total	4,141	147,983	(216)	151,908

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2022

30/06/21*				
Pound sterling	843	140,366	27,720	168,929
Euro	230	6,821	(7,005)	46
US dollar	448	20,500	(20,824)	124
Total	1,521	167,687	(109)	169,099

* Prior year figures have been restated.

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £9,678,133 (2021: £13,180,141). A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each fund.

Transactions in securities may expose a fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

	30/06/22		30/06/21	
	Market Value	%	Market Value	%
Credit Rating	£'000		£'000	
Investment grade (BBB- credit rating and above)	147,983	97.41	165,606	97.92
Below investment grade (below BBB- credit rating)	-	-	557	0.33
Unrated	-	-	1,524	0.91
Total value of bonds	147,983	97.41	167,687	99.16

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties was as follows:

	30/06/22 Exposure £'000	30/06/21 Exposure £'000
(a) Futures		
Goldman Sachs	83	(44)
Total value of derivatives	83	(44)
(b) Forwards		
BNP Paribas	-	27,806
Merrill Lynch	(410)	158
Total value of derivatives	(410)	27,964

15. Portfolio transaction costs

There were no transactions costs incurred during the year to 30 June 2022 (2021: nil).

At the balance sheet date the average portfolio dealing spread was 0.82% (2021: 0.76%).

16. Post balance sheet events

Subsequent to the year end, on 19th October the Net Asset Value ("NAV") per share of the Fund had decreased below -10% on a all share class when compared to the year end date. The movements for each share class are shown below:

Share class	Price per share as at 30.06.22*	Price per share as at 19.10.22	Movement (%)
Z Gross Accumulation	126.70	113.50	-10.42
Z Gross Income	90.26	79.70	-11.70

*Prices disclosed are based on quoted share prices and will therefore differ to net asset value per share shown in the comparative tables which are valued at bid-market prices.

17. Fair value disclosure

	30/06/22		30/06/21	
Valuation technique	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1 ^	161	(78)	114	(158)
Level 2 ^^	147,993	(420)	167,708	(534)
Level 3 ^^^	-	-	-	-
	148,154	(498)	167,822	(692)

^ 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.

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Distribution Tables

As at 30 June 2022

First Distribution in pence per share
Group 1 Shares purchased prior to 1 July 2021
Group 2 Shares purchased on or after 1 July 2021 to 30 September 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 30/11/21 (p)	Distribution paid 30/11/20 (p)
Share Class Z Gross Accumulation				
Group 1	0.705	-	0.705	0.784
Group 2	0.319	0.386	0.705	0.784
Share Class Z Gross Income				
Group 1	0.510	-	0.510	0.578
Group 2	0.217	0.293	0.510	0.578

Second Distribution in pence per share
Group 1 Shares purchased prior to 1 October 2021
Group 2 Shares purchased on or after 1 October 2021 to 31 December 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 28/02/22 (p)	Distribution paid 28/02/21 (p)
Share Class Z Gross Accumulation				
Group 1	0.721	-	0.721	0.687
Group 2	0.400	0.321	0.721	0.687
Share Class Z Gross Income				
Group 1	0.518	-	0.518	0.504
Group 2	0.225	0.293	0.518	0.504

AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund

Distribution Tables

As at 30 June 2022

Third Distribution in pence per share
Group 1 Shares purchased prior to 1 January 2022
Group 2 Shares purchased on or after 1 January 2022 to 31 March 2022

	Net revenue (p)	Equalisation (p)	Distribution paid 31/05/22 (p)	Distribution paid 31/05/21 (p)
Share Class Z Gross Accumulation				
Group 1	0.742	-	0.742	0.735
Group 2	0.178	0.564	0.742	0.735
Share Class Z Gross Income				
Group 1	0.531	-	0.531	0.536
Group 2	-	0.531	0.531	0.536

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 April 2022
Group 2 Shares purchased on or after 1 April 2022 to 30 June 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/08/22 (p)	Distribution paid 31/08/21 (p)
Share Class Z Gross Accumulation				
Group 1	0.780	-	0.780	0.778
Group 2	0.500	0.280	0.780	0.778
Share Class Z Gross Income				
Group 1	0.556	-	0.556	0.565
Group 2	0.008	0.548	0.556	0.565

AXA ACT Green Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Investment Objective

The aim of this Fund is: (i) to provide income and capital growth over the medium term (being three years); and (ii) to invest in bonds which finance projects which will generate an environmental benefit, known as “green bonds”.

Investment Policy

The Fund seeks to achieve its objective by investing at least 75% of its Net Asset Value in “green bonds” issued by governments and companies anywhere in the world, with a bias towards corporate bonds. Investment will be made largely in more developed markets but may also be made in emering markets. The Fund invests at least 75% of its Net Asset Value in investment grade bonds (meaning bonds with a rating of at least BBB- by Standard & Poor or equivalent rating by Moody's or Fitch), with a maximum of 10% in sub-investment grade bonds. At least 70% of the Fund's Net Asset Value will be invested in bonds of shorter (i) maturities (where the full repayment of the bond is expected to occur within five years of its purchase by the Fund) and (ii) duration, the price sensitivity of a bond (or a portfolio of bonds) to a change in interest rates (where the duration of the Fund is expected to be between 0 and 5 years), with the aim of reducing the effect of fluctuations in interest rates. The Manager will aim to hedge any non-sterling denominated bonds back to sterling. The Manager selects bonds by carrying out comprehensive analysis of the global economic markets in order to (i) decide the asset allocation across different types of bonds, issuers, sectors and geographical location; (ii) to manage the risk of changes in yields on the price of the bonds in the Fund and (iii) identify “green bonds” by applying its proprietary Green Bonds Framework. When applying its proprietary Green Bonds Framework, the Manager evaluates the relevant bond and its issuer against the following four pillars:
(i) the quality of the issuer's Environmental, Social and Governance (ESG) practices; (ii) whether the projects undertaken and financed by the issuer will generate an environmental benefit; (iii) the controls that the issuer has in place to manage and allocate proceeds of the bonds to eligible projects; and (iv) the reporting that the issuer provides on the impact of eligible projects.

The Manager will deem a bond as generating an environmental benefit where such bond finances a project which: (i) addresses an environmental theme, such as low carbon transport or smart energy, which either directly or indirectly contributes to one or more of the environmentally focussed UN Sustainable Development Goals (UN SDG), with a focus on UN SDG 11 (Sustainable cities and communities) and UN SDG 13 (Climate action); (ii) does not significantly harm any UN SDG and (iii) can demonstrate such contribution against the relevant environmental theme and UN SDG, by showing a positive impact of the project against relevant environmental key performance indicators. In addition, the Manager will consider the issuer's ESG score as one factor within its broader analysis of the issuer in order to identify bonds which are expected to generate: (i) both income and capital growth; and (ii) an environmental benefit. ESG scores are produced by our selected external provider(s), as detailed in the “Responsible Investment” section of the prospectus. The Manager will not invest in bonds with the lowest ESG scores.

To avoid investing in bonds 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 (including deforestation and natural ecosystems conversion), controversial weapons and climate risks.

The Manager also applies the AXA Investment Managers' ESG Standards policy. This policy excludes investment in companies based on: tobacco production; manufacture of white phosphorus weapons; human rights; anticorruption and other environmental, social and governance (ESG) factors. The AXA Investment Managers' ESG Standards policy and AXA IM Group's sector specific investment guidelines are subject to change.

If the Manager deems that an investment no longer meets the criteria set out in this investment policy or its expectations in terms of that investment's prospects for achieving income and capital growth and/or generating an environmental benefit, the Manager will disinvest as soon as practicable having regard to the best interests of the Fund's investors and in accordance with its best execution policy.

AXA ACT Green Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

In selecting the bonds for the Fund, the Manager may reference the composition and risk profile of the ICE BofAML Green Bond 0-5Y. However the Manager invests on a discretionary basis with a significant degree of freedom to take positions which are different from the index. The ICE BofAML Green Bond 0-5Y is designed to measure the performance of the green bond universe with a maturity of between 0-5 years. This index best represents the types of bonds in which the Fund predominantly invests. The Fund may also invest at the Manager's discretion in other transferable securities (for example, fixed income investments), cash, deposits, units in collective investment schemes (including funds managed by the Manager and its associates) and money market instruments. The Fund may use derivatives (such as credit default swaps, interest rate futures and foreign exchange swaps) for investment purposes as well as for Efficient Portfolio Management. Use may be made of borrowing, cash holdings, hedging and other investment techniques permitted in the applicable Financial Conduct Authority rules.

The ICE BofAML Green Bond 0-5Y may be used by investors to compare the Fund's performance.

Risk and Reward Profile

As at 30 June 2022

Lower Risk ← → Higher Risk

Potentially lower reward — Potentially higher reward

1	2	3	**4**	5	6	7

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

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some level of variation which, may result in gains or losses.

Additional risks

Under normal market conditions the Fund's key risk factors are:

• Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

• Interest rate risk - is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

AXA ACT Green Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

• Prepayment and extension risk - prepayment is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

• Index-linked bonds risk - are fixed interest securities whose capital repayment amounts and interest payments are adjusted in line with movements in inflation indices. They are designed to mitigate the effects of inflation on the value of a portfolio. The market value of index-linked bonds is determined by the market's expectations of future movements in both interest rates and inflation rates.

As with other bonds, the value of index-linked bonds will generally fall when expectations of interest rates rise and vice versa. However, when the market anticipates a rise in inflation rates, index-linked bonds will generally outperform other bonds, and vice versa.

Index-linked bonds bought in the secondary market (i.e., not directly from the issuer) whose capital values have been adjusted upward due to inflation since issuance, may decline in value if there is a subsequent period of deflation.

Due to the sensitivity of these bonds to interest rates and expectations of future inflation, there is no guarantee that the value of these bonds will correlate with inflation rates in the short to medium term.

Index-linked bonds risk is an inherent risk of investing in index-linked bonds. Exposure to this risk is managed by the allocation decision on the proportion of the portfolio to invest in index-linked bonds, as well as the amount of remaining maturity of these bonds, which will affect their sensitivity in value, to changes in expected inflation levels.

• High Yield Bonds risk - high yield bonds risk (also known as sub-investment grade bonds) - are fixed interest securities issued by companies or governments with lower credit ratings (Ba1 and below (Moody's) or BB+ and below (Standard & Poor's and Fitch Ratings)). They are potentially more risky than investment grade bonds which have higher ratings. The issuers of high yield bonds will be at greater risk of default or ratings downgrades. The capital value of the Fund's investment in high yield bonds and the level of income it receives may fall as a result of such issuers ceasing to trade. The Fund will endeavour to mitigate the risks associated with high yield bonds, by diversifying their holdings by issuer, industry and credit quality.

This is an inherent risk for funds invested within high yield bonds. Internal investment guidelines (which may include measures of credit quality, measures of sensitivity to credit spread moves and diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual fund's investment objectives and investment policy.

AXA ACT Green Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2022

• Risks linked to investment in sovereign debt - the Fund may invest in bonds issued by countries and governments (sovereign debt). The governmental entity that controls the repayment of sovereign debt may not be able or willing to repay the capital and/or interest when due in accordance with the terms of such debt. In such a scenario, the value of investments of the Funds may be adversely affected. A governmental entity's willingness or ability to repay capital and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign currency reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest on their debt. In addition, there are no bankruptcy proceedings for such issuers under which money to pay the debt obligations may be collected in whole or in part. Holders may be requested to participate in the rescheduling of such sovereign debt and to extend further loans to the issuers.

Certain countries are especially large debtors to commercial banks and foreign governments. Investment in sovereign debt issued or guaranteed by such countries (or their governments or governmental entities) involves a higher degree of risk than investment in other sovereign debt.

Certain funds may be further subject to the risk of high concentration in bonds issued by and/or guaranteed by a single sovereign issuer which is below investment grade and/or unrated which is also subject to higher credit risk. In the event of a default of the sovereign issuer, the Fund may suffer significant loss.

This is an inherent risk for funds invested within sovereign bonds. Internal investment guidelines, scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual fund's investment objectives and investment policy.

• Emerging Markets risk - investment in Emerging Markets (countries that are transitioning towards more advanced financial and economic structures) may involve a higher risk than those inherent in established markets. Emerging Markets and their currencies may experience unpredictable and dramatic fluctuations from time to time. Investors should consider whether or not investment in such funds is either suitable for or should constitute a substantial part of an investor's portfolio.

Companies in Emerging Markets may not be subject to:

a. accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets;

b. the same level of government supervision and regulation of markets as countries with more advanced securities markets.

Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions.

Restrictions on foreign investment in Emerging Markets may preclude investment in certain securities by the funds referred to above and, as a result, limit investment opportunities for those funds. Substantial government involvement in, and influence on, the economy, as well as a lack of political or social stability, may affect the value of securities in certain Emerging Markets.

The reliability of trading and settlement systems in some Emerging Markets may not be equal to that available in more developed markets, which may result in delays in realising investments.

Lack of liquidity and efficiency in certain Emerging Markets may mean that from time to time the ACD may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market.

This is an inherent risk for funds invested within Emerging Markets. Internal investment guidelines (such a diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual fund's investment objectives and investment policy.

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• LIBOR transition risk - LIBOR (London Inter-bank Offered Rate) is intended to reflect the interest rate that wholesale banks expect to pay each other to borrow money (without providing security). LIBOR is widely used in financial products as a reference to determine a target or amount to be paid. From the end of 2021, the banks that contribute to the setting of LIBOR will no longer be required to do so, and LIBOR is expected to become obsolete. It is expected that a different rate, SONIA, will replace LIBOR over time.

There are a number of risks for Funds associated with the transition to SONIA:

(i) SONIA is prepared on a different basis to LIBOR and has historically returned a lower rate of interest. Where the Fund's investments provide income based on LIBOR, the transition to SONIA or another reference rate may reduce the value of those investments and the Fund's income from them.

(ii) The ACD has a plan to reduce the Funds' exposure to LIBOR. However, this plan will be phased and the Fund may have some exposure to investments based, or dependent, on LIBOR during periods where those rates are encountering lower levels of reliability. Not all market participants have yet made plans for the transition away from LIBOR and there is a risk that they will be unable/unwilling to implement the change before LIBOR becomes unreliable. During such time, the value of the Fund's investments may be less reliable and therefore the Fund's price may be more volatile (it may change more frequently and/or by greater amounts).

(iii) Where the counterparty for an investment is reliant on LIBOR, a transition to SONIA, or another rate, may change that counterparty's economic position and increase the risk that they will default on their obligations. The Fund may suffer a loss if the counterparty is unable to meet its obligations. Additionally, the increased risk of default may reduce the value of the investment or cause the ACD to need to rebalance the portfolio.

Other risks which could have an impact in extreme market conditions include:

• 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 shareholders buying or selling shares 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.

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• 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 relatable funds that do not use ESG or sustainability criteria. The selection of assets may in part rely on a proprietary ESG scoring process 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 Manager’s methodology. The lack of harmonised definitions may also potentially result in certain investments not benefiting 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.

• Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty’s debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled “Treatment of Collateral” in the “Investment and borrowing powers applicable to the Funds” section in Appendix II of the Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

• 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 ACD 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.

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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 individual Fund's investment objectives and investment policy.

Investment Review

In the first half of 2022, inflation took centre stage as a result of rising commodity prices fuelled by the war in Ukraine. Central banks have therefore been pushed to act earlier and more strongly than expected. The Federal Reserve has already hiked by 150 basis points to 1.75% and is expected to hike by a further 170 basis points by the end of the year. The European Central Bank signalled the end of its Asset Purchase Program earlier than expected and committed to a first hike of 25 basis points in July and a potential 50 basis points in September, while markets expect a total hike of 130 basis points to 0.75% by the end of the year.

Growth has proved resilient thanks to strong private consumption supported by accumulated savings and a tight labour market. Yet, despite fiscal support to cap household energy prices in most European countries, inflationary pressures continued to build, spreading to the core components. This has weighed on the macroeconomic environment, which is showing signs of deceleration, with a decline in economic sentiment, weaker Purchasing Manager's Indices and consumer confidence returning to near 2020 levels. Against this backdrop, central banks have made it clear that inflation is their main concern and that they will tighten monetary policy to anchor inflation expectations, even if this comes at the expense of growth.

This triggered a massive revaluation of bond markets, with the US 10-year bond yield rising 154bp to 3.01% and the German 10-year bond yield rising 154bp to 1.34%. This volatility in yields, coupled with the declining growth outlook and tightening of monetary policy, had a significant impact on credit spreads. The ICE Euro Corporate Index diverged 128bp to end June at 212bp and the ICE US Corporate Index diverged 78bp to close at 164bp.

The Fund was launched in January 2022 with an underweight in terms of duration compared to the reference index. As rates rebounded, the strategy progressively lengthened its duration relative to the index to adopt as at end of May a slight overweight position reflecting the fears of recession that could limit central banks' ability to deliver the anticipated rate hikes. Yet central banks made clear their primary focus would remain inflation despite a probable economic slowdown and considering that inflation was still expected to print higher until the autumn, the fund adopted again an underweight in overall duration coming mostly from euro rates.

On the credit side, the strategy favoured over the period an overweight credit compared to the index. Yet, this position has been progressively softened over the period reflecting the uncertainty that should continue to weight on the asset class despite attractive valuations.

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Inflation data continue to print higher and should reach new high by the autumn. Yet the market's focus has shifted towards recession fears over the past months as data continued to disappoint. In the meantime, central banks are pursuing their hiking cycles.

In the short term, recession fears could continue to support the bond market. Yet, higher inflation prints, especially on the core front, combined with resilient employment market should provide comfort for Central banks to keep on hiking rates, hence renewing upward pressures on yields.

Credit spreads have widened significantly, making the asset class attractive from a carry perspective. The asset class should remain volatile in a context of recession fears and hawkish central banks but could benefit from a softening stance from the latter.

All performance data source: AXA Investment Managers and Bloomberg.
Past performance is not a guide for future performance.

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
● NRW Bank 0.375% 17/11/26	1,890	● First Abu Dhabi Bank 1.625% 07/04/27	322
● Adif Alta Velocidad 1.25% 04/05/26	451	● Citigroup 1% 15/05/2024	314
● Westpac Banking 0.766% 13/05/31	437	● Iberdrola 1% 31/12/99	254
● Banco Bilbao Vizcaya Argentaria 6% Perpetual	360	● ANZ Banking 1% 05/05/31	232
● Alexandria Real Estate 3.8% 15/04/26	359	● KFW 0.875% 15/09/26	194

Johann Plé, Rui Li
AXA Investment Managers UK Limited
30 June 2022

AXA ACT Green Short Duration Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 88.04%			
Australia 1.90%			
Australia & New Zealand Banking Group 1.125% 21/11/29	EUR 300,000	242	0.91
Westpac Banking 0.766% 13/05/31	EUR 350,000	262	0.99
Belgium 0.87%			
KBC Group 0.375% 16/06/27	EUR 300,000	232	0.87
Cayman Islands 0.58%			
QNB Finance 1.625% 22/09/25	200,000	153	0.58
China 6.78%			
Agricultural Bank of China 1.25% 19/01/26	400,000	305	1.15
Agricultural Bank of China Hong Kong 2% 01/03/25	200,000	159	0.60
Bank of China EUR 0% 28/04/24	EUR 200,000	164	0.62
Bank of China Johannesburg 1.875% 16/02/25	400,000	317	1.19
Bank of China USD 1.4% 28/04/26	200,000	152	0.57
China Construction Bank 0% 22/04/24	EUR 100,000	83	0.31
China Construction Bank 1.25% 04/08/25	400,000	309	1.16
Industrial & Commercial Bank of China 1% 28/10/24	400,000	313	1.18
Denmark 0.92%			
Orsted 2.25% 24/11/3017	EUR 300,000	244	0.92
Finland 0.58% (30/06/21: 0.00%)			
Kojamo 2% 31/03/26	201,000	154	0.58
France 12.35%			
Agence Francaise de Developpement EPIC 1.375% 17/09/24	EUR 200,000	172	0.65
BNP Paribas 0.375% 14/10/27	EUR 300,000	227	0.86
BNP Paribas 0.5% 04/06/26	EUR 300,000	240	0.90
BNP Paribas 1.125% 28/08/24	EUR 300,000	251	0.95
BNP Paribas 1.675% 30/06/27	200,000	146	0.55
BPCE 0.5% 14/01/28	EUR 300,000	225	0.85
Covivio 1.875% 20/05/26	EUR 400,000	328	1.24
Credit Agricole 0.375% 21/10/25	EUR 300,000	239	0.90
Credit Agricole 0.75% 05/12/23	EUR 300,000	255	0.96
Electricite de France 3.625% 13/10/25	400,000	324	1.22
Gecina 1.5% 20/01/25	EUR 300,000	250	0.94
Getlink 3.5% 30/10/25	EUR 300,000	246	0.93
Unibail-Rodamco-Westfield 1% 14/03/25	EUR 250,000	201	0.76
Unibail-Rodamco-Westfield 2.5% 26/02/24	EUR 200,000	171	0.64
Germany 5.76%			
Commerzbank 0.75% 24/03/26	EUR 300,000	240	0.90
Commerzbank 1.25% 23/10/23	EUR 300,000	254	0.96
Deutsche Bank 1.875% 23/02/28	EUR 300,000	231	0.87
E.ON 0.875% 08/01/25	EUR 98,000	82	0.31

AXA ACT Green Short Duration Bond Fund

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	Holding	Market Value £'000	% of Total Net Assets
EnBW Energie Baden-Wuerttemberg 1.875% 29/06/80	EUR 300,000	217	0.82
Landesbank Baden-Wuerttemberg 1.125% 08/12/25	£200,000	181	0.68
NRW Bank 0.375% 17/11/26	EUR 400,000	325	1.22
Ireland 2.99%			
AIB Group 0.5% 17/11/27	EUR 350,000	259	0.98
AIB Group 2.875% 30/05/31	EUR 350,000	272	1.02
Bank of Ireland Group 0.375% 10/05/27	EUR 350,000	262	0.99
Italy 6.34%			
A2A SpA 2.5% 15/06/26	EUR 141,000	119	0.45
ACEA SpA 0% 28/09/25	EUR 300,000	238	0.90
Ferrovie dello Stato Italiane 1.125% 09/07/26	EUR 350,000	281	1.06
Hera SpA 2.375% 04/07/24	EUR 200,000	174	0.66
Intesa Sanpaolo SpA 1.5% 10/04/24	EUR 300,000	255	0.96
Leasys SpA 0% 22/07/24	EUR 400,000	328	1.24
Terna - Rete Elettrica Nazionale 1% 10/04/26	EUR 350,000	285	1.07
Japan 2.30%			
Nidec 0.046% 30/03/26	EUR 400,000	311	1.17
Toyota Motor 1.339% 25/03/26	400,000	300	1.13
Luxembourg 2.12%			
European Investment Bank 2.125% 13/04/26	300,000	239	0.90
European Investment Bank 2.5% 15/10/24	300,000	245	0.92
Segro Capital Sarl 1.25% 23/03/26	EUR 100,000	80	0.30
Netherlands 14.90%			
Alliander 0.875% 22/04/26	EUR 200,000	163	0.61
CTP 2.125% 01/10/25	EUR 350,000	265	1.00
de Volksbank 0.25% 22/06/26	EUR 300,000	227	0.86
de Volksbank 1.75% 22/10/30	EUR 300,000	235	0.89
EDP Finance 0.375% 16/09/26	EUR 400,000	312	1.18
Enel Finance International 1% 16/09/24	EUR 200,000	168	0.63
Enel Finance International 1.125% 16/09/26	EUR 350,000	281	1.06
Enel Finance International 1.5% 21/07/25	EUR 300,000	252	0.95
Iberdrola International 1.45% Perpetual	EUR 200,000	142	0.53
Iberdrola International 1.875% Perpetual	EUR 200,000	168	0.63
ING Groep 4.625% 06/01/26	400,000	330	1.24
Koninklijke Philips 0.5% 22/05/26	EUR 350,000	278	1.05
LeasePlan 0.25% 07/09/26	EUR 250,000	187	0.70
LeasePlan 1.375% 07/03/24	EUR 200,000	169	0.64
Naturgy Finance 0.875% 15/05/25	EUR 300,000	246	0.93
Nederlandse Waterschapsbank 1% 03/09/25	EUR 300,000	254	0.96
TenneT Holding 2.374% Perpetual	EUR 350,000	277	1.04
Philippines 0.88%			
Asian Development Bank 1.75% 14/08/26	300,000	234	0.88

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	Holding	Market Value £'000	% of Total Net Assets
Portugal 2.57%			
Caixa Geral de Depositos 2.875% 15/06/26	EUR 300,000	255	0.96
EDP - Energias de Portugal 1.7% 20/07/80	EUR 300,000	221	0.83
EDP - Energias de Portugal 1.875% 02/08/81	EUR 300,000	208	0.78
South Korea 2.30%			
Hyundai Capital Services 1.25% 08/02/26	400,000	297	1.12
Kia 1% 16/04/24	400,000	314	1.18
Spain 8.97%			
Banco Bilbao Vizcaya Argentaria 1% 21/06/26	EUR 300,000	239	0.90
Banco Bilbao Vizcaya Argentaria 6% Perpetual	EUR 400,000	312	1.18
Banco de Sabadell 1.125% 11/03/27	EUR 300,000	235	0.89
Banco de Sabadell 2.625% 24/03/26	EUR 300,000	244	0.92
Banco Santander 0.3% 04/10/26	EUR 300,000	232	0.87
CaixaBank 0.375% 18/11/26	EUR 400,000	309	1.16
CaixaBank 1.25% 18/06/31	EUR 300,000	224	0.84
Iberdrola Finanzas 0.875% 16/06/25	EUR 200,000	166	0.63
Iberdrola Finanzas 1.25% 28/10/26	EUR 200,000	165	0.62
Telefonica Emisiones 1.069% 05/02/24	EUR 300,000	256	0.96
Sweden 2.51%			
Telia 1.375% 11/05/81	EUR 300,000	228	0.86
Vattenfall 0.05% 15/10/25	EUR 200,000	160	0.60
Vattenfall 0.5% 24/06/26	EUR 350,000	280	1.05
United Kingdom 5.71%			
Barclays 0.625% 14/11/23	EUR 300,000	257	0.97
Barclays 1.7% 03/11/26	£350,000	317	1.19
National Grid Electricity Transmission 0.19% 20/01/25	EUR 400,000	325	1.22
Transport for London 2.125% 24/04/25	£350,000	336	1.27
Vodafone Group 0.9% 24/11/26	EUR 350,000	281	1.06
United States 6.71%			
Alexandria Real Estate 3.8% 15/04/26	450,000	363	1.37
Bank of America 2.456% 22/10/25	350,000	276	1.04
Georgia Power 3.25% 01/04/26	400,000	320	1.21
International Bank for Reconstruction & Development 3.125% 20/11/25	300,000	247	0.93
International Finance 1.25% 15/12/23	£200,000	196	0.74
Prudential Financial 1.5% 10/03/26	300,000	227	0.86
Welltower 2.7% 15/02/27	200,000	149	0.56
TOTAL CORPORATE BONDS		23,369	88.04
GOVERNMENT BONDS 10.10%			
Canada 1.12%			
Province of Quebec Canada 1.85% 13/02/27	CAD 500,000	297	1.12

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	Holding	Market Value £'000	% of Total Net Assets
France 1.93%			
Agence Francaise de Developpement EPIC 0.5% 31/10/25	EUR 300,000	249	0.94
Bpifrance SACA 2.125% 29/11/27	EUR 300,000	262	0.99
Hong Kong 1.45%			
Hong Kong Government International Bond 0% 24/11/26	EUR 300,000	234	0.88
Hong Kong Government International Bond 0.625% 02/02/26	200,000	151	0.57
Indonesia 1.77%			
Perusahaan Penerbit SBSN Indonesia III 2.3% 23/06/25 (Frankfurt quoted)	400,000	314	1.18
Perusahaan Penerbit SBSN Indonesia III 2.3% 23/06/25 (Singapore quoted)	200,000	157	0.59
Norway 0.91%			
Kommunalbanken 2.125% 11/02/25	300,000	241	0.91
South Korea 1.19%			
Korea International Bond 0% 15/10/26	EUR 400,000	316	1.19
Spain 1.73%			
Adif Alta Velocidad 1.25% 04/05/26	EUR 400,000	337	1.27
Instituto de Credito Oficial 0% 30/04/26	EUR 150,000	121	0.46
TOTAL GOVERNMENT BONDS		2,679	10.10
FORWARD CURRENCY CONTRACTS (1.39%)			
Bought EUR100,000 for GBP85,451 Settlement 07/07/2022		-	-
Bought EUR500,000 for GBP427,670 Settlement 07/07/2022		2	0.01
Bought EUR570,000 for GBP486,249 Settlement 07/07/2022		3	0.01
Bought USD693,086 for EUR650,000 Settlement 07/07/2022		14	0.05
Sold CAD540,000 for GBP339,983 Settlement 07/07/2022		(5)	(0.02)
Sold EUR21,600,000 for GBP18,433,980 Settlement 07/07/2022		(123)	(0.46)
Sold EUR300,000 for GBP257,417 Settlement 07/07/2022		-	-
Sold USD120,000 for GBP98,486 Settlement 07/07/2022		(1)	-
Sold USD8,810,000 for GBP7,016,234 Settlement 07/07/2022		(259)	(0.98)
TOTAL FORWARD CURRENCY CONTRACTS		(369)	-1.39
FUTURES (0.04%)			
Germany (0.02%)			
Euro-BOBL Futures September 2022	(1)	-	-
Euro-SCHATZ Futures September 2022	(96)	(4)	(0.02)

AXA ACT Green Short Duration Bond Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
United States (0.02%)			
US 2 Year Note (CBT) Futures September 2022	6	(8)	(0.03)
US 5 Year Note (CBT) Futures September 2022	13	3	0.01
TOTAL FUTURES		(9)	(0.04)
Portfolio of investments		25,670	96.71
Net other assets		873	3.29
Total net assets		26,543	100.00

All bonds are denominated in US dollars (unless otherwise indicated).
At 30 June 2022, there were no investments in the Fund which were valued using a quote from a single broker.

AXA ACT Green Short Duration Bond Fund

Comparative Tables

As at 30 June 2022

	Z Accumulation +	Z Income +
	30/06/2022	30/06/2022
Change in net assets per share	(p)	(p)
Opening net asset value per share †	100.00	100.00
Return before operating charges ^	(6.66)	(6.66)
Operating charges ^	(0.24)	(0.24)
Return after operating charges ^	(6.90)	(6.90)
Distributions	(0.27)	(0.27)
Retained distributions on accumulation shares	0.27	-
Closing net asset value per share †	93.10	92.83
*^ after direct transaction costs of:	-	-
Performance		
Return after operating charges	-6.90%	-6.90%
Other information		
Closing net asset value (£) †	5,992,316	5,985
Closing number of shares	6,436,604	6,447
Operating charges ^	0.51%	0.51%
Direct transaction costs *	0.00%	0.00%
Prices		
Highest share price #	100.00	100.00
Lowest share price #	92.82	92.71

AXA ACT Green Short Duration Bond Fund

Comparative Tables

As at 30 June 2022

	ZI Accumulation +	ZI Income +
	30/06/2022	30/06/2022
Change in net assets per share	(p)	(p)
Opening net asset value per share †	100.00	100.00
Return before operating charges ^	(6.67)	(6.65)
Operating charges ^	(0.17)	(0.17)
Return after operating charges ^	(6.84)	(6.82)
Distributions	(0.34)	(0.35)
Retained distributions on accumulation shares	0.34	-
Closing net asset value per share †	93.16	92.83
*^ after direct transaction costs of:	-	-
Performance		
Return after operating charges	-6.84%	-6.82%
Other information		
Closing net asset value (£) †	20,539,643	4,642
Closing number of shares	22,048,026	5,000
Operating charges ^	0.36%	0.36%
Direct transaction costs *	0.00%	0.00%
Prices		
Highest share price #	100.00	100.00
Lowest share price #	92.87	92.75

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). 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 period.

The figures used within the table have been calculated against the average net asset value for the accounting period.

+ Data are shown since inception 5 January 2022.

AXA ACT Green Short Duration Bond Fund

Statement of Total Return

For the period ended 30 June 2022

	Note	30/06/22 £'000	£'000
Income:			
Net capital losses	2		(1,646)
Revenue	3	123	
Expenses	4	(41)	
Interest payable and similar charges		(1)	
Net revenue before taxation		81	
Taxation	5	-	
Net revenue after taxation			81
Total return before distributions			(1,565)
Distributions	6		(81)
Change in net assets attributable to Shareholders from investment activities			(1,646)

Statement of Change in Net Assets Attributable to Shareholders

For the period ended 30 June 2022

	30/06/22 £'000	£'000
Opening net assets attributable to Shareholders		-
Amounts receivable on issue of shares	32,530	
Amounts payable on cancellation of shares	(4,433)	
		28,097
Change in net assets attributable to Shareholders from investment activities (see above)		(1,646)
Retained distributions on accumulation shares		92
Closing net assets attributable to Shareholders		26,543

AXA ACT Green Short Duration Bond Fund

Balance Sheet

As at 30 June

	Note	30/06/22 £'000
Assets:		
Fixed assets:		
Investments		26,071
Current assets:		
Debtors	7	243
Cash and bank balances	8	675
Total assets		26,989
Liabilities:		
Investment liabilities		(401)
Creditors:		
Other creditors	9	(45)
Total liabilities		(446)
Net assets attributable to Shareholders		26,543

AXA ACT Green Short Duration Bond Fund

Notes to the Financial Statements

For the period ended 30 June 2022

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 266-269.

2. Net capital losses

	30/06/22
	£'000
The net capital losses comprise:	
Non-derivative securities	(603)
Brokers commission on futures	(1)
Currency gains	183
Derivative contracts	109
Forward currency contracts	(1,333)
Transaction charges	(1)
Net capital losses	(1,646)

3. Revenue

	30/06/22
	£'000
Interest on debt securities	140
Overseas dividends	(1)
Futures Income	(16)
Total revenue	123

4. Expenses

	30/06/22
Payable to the ACD, associates of the ACD, and agents of either of them	£'000
Annual management charge	30
	30
Other expenses	
Audit fees	9
Depositary's fees	1
Safe custody fees	1
	11
Total expenses	41

Expenses include irrecoverable VAT where applicable.

5. Taxation

(a) Analysis of the tax charge in the period

There is no corporation tax charge in the current year or prior year.

AXA ACT Green Short Duration Bond Fund

Notes to the Financial Statements

For the period ended 30 June 2022

(b) Factors affecting current tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax for an open ended investment company of 20% is applied to the net revenue before taxation. The differences are explained below:

	30/06/22 £'000
Net revenue before taxation	81
Net revenue for the period multiplied by the standard rate of corporation tax	16
Effects of:	
Tax deductible interest distributions	(16)
Tax charge for the period	-

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	30/06/22 £'000
Final	91
Add: Revenue paid on cancellation of shares	3
Deduct: Revenue received on creation of shares	(13)
Net distribution for the period	81

7. Debtors

	30/06/22 £'000
Amounts receivable for creation of shares	105
Accrued revenue	138
Total debtors	243

8. Cash and bank balances

	30/06/22 £'000
Cash and bank balances	622
Amount held at futures clearing houses and brokers	53
Total cash and bank balances	675

9. Other creditors

	30/06/22 £'000
Amounts payable for cancellation of shares	21
Accrued annual management charge	13
Accrued other expenses	11
Total other creditors	45

AXA ACT Green Short Duration Bond Fund

Notes to the Financial Statements

For the period ended 30 June 2022

10. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no shareholdings in the Company at the year end.

As at 30 June 2022 there are holdings no shareholders with holdings over 25% of the Fund's shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the period.

11. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's annual management charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/21	Issued	Cancelled	Converted	30/06/22
Z Accumulation	0.40	-	6,742,093	(305,489)	-	6,436,604
Z Income	0.39	-	6,850	(403)	-	6,447
ZI Accumulation	0.02	-	26,299,007	(4,250,981)	-	22,048,026
ZI Income	0.23	-	5,408	(408)	-	5,000

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2021: nil).

13. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration.

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £2,625,891. A 10% decrease would have an equal and opposite effect.

AXA ACT Green Short Duration Bond Fund

Notes to the Financial Statements

For the period ended 30 June 2022

Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Net foreign currency exposure 30/06/22 £'000
Canadian dollar	(46)
Euro	(120)
US dollar	(148)
Total	**(314)**

Foreign exchange risk sensitivity

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

The table below shows the interest rate risk profile at the balance sheet date:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
30/06/22				
Pound sterling	412	1,030	25,415	26,857
Canadian dollar	-	297	(343)	(46)
Euro	16	18,139	(18,275)	(120)
US dollar	37	6,582	(6,767)	(148)
Total	**465**	**26,048**	**30**	**26,543**

AXA ACT Green Short Duration Bond Fund

Notes to the Financial Statements

For the period ended 30 June 2022

Sensitivity analysis

Changes in bond yields, which can happen without any change in official central bank interest rates, may result in an increase or decrease in the market value of the investments held. Based on the Fund's current duration, a 1% rise in bond yields is estimated to have an impact decreasing net assets by £664,247. A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each fund.

Transactions in securities may expose a fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

Credit Rating	30/06/22 Market Value £'000	%
Investment grade (BBB- credit rating and above)	24,024	90.52
Below investment grade (below BBB- credit rating)	2,024	7.62
Total value of bonds	26,048	98.14

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties was as follows:

	30/06/22 Exposure £'000
Futures	
Goldman Sachs	(9)
Total value of derivatives	(9)
Forwards	
Merrill Lynch	(369)
Total value of derivatives	(369)

AXA ACT Green Short Duration Bond Fund

Notes to the Financial Statements

For the period ended 30 June 2022

14. Portfolio transaction costs

There were no transactions costs incurred during the year to 30 June 2022.

At the balance sheet date the average portfolio dealing spread was 0.43%.

15. Post balance sheet events

There are no post balance sheet events which require adjustments or disclosure.

16. Fair value disclosure

	30/06/22	
	Assets	Liabilities
Valuation technique	£'000	£'000
Level 1 ^	3	(12)
Level 2 ^^	26,068	(389)
Level 3 ^^^	-	-
	26,071	(401)

^ 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.

AXA ACT Green Short Duration Bond Fund

Distribution Table

As at 30 June 2022

First Distribution in pence per share
Group 1 Shares purchased prior to 5 January 2022
Group 2 Shares purchased on or after 5 January 2022 to 31 March 2022

	Net revenue (p)	Equalisation (p)	Distribution paid 31/05/2022 (p)
Share Class Z Accumulation			
Group 1	0.108	-	0.108
Group 2	0.057	0.051	0.108
Share Class Z Income			
Group 1	0.112	-	0.112
Group 2	0.112	-	0.112
Share Class ZI Accumulation			
Group 1	0.137	-	0.137
Group 2	0.098	0.039	0.137
Share Class ZI Income			
Group 1	0.144	-	0.144
Group 2	0.144	-	0.144

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 April 2022
Group 2 Shares purchased on or after 1 April 2022 to 30 June 2022

	Net revenue (p)	Equalisation (p)	Distribution paid 31/08/22 (p)
Share Class Z Accumulation			
Group 1	0.166	-	0.166
Group 2	0.094	0.072	0.166
Share Class Z Income			
Group 1	0.161	-	0.161
Group 2	0.152	0.009	0.161
Share Class ZI Accumulation			
Group 1	0.202	-	0.202
Group 2	0.103	0.099	0.202
Share Class ZI Income			
Group 1	0.202	-	0.202
Group 2	0.202	-	0.202

AXA US Short Duration High Yield Fund

Investment Manager's Report

For the year ended 30 June 2022

Investment Objective

The aim of the Fund is to generate income by investing in high yield debt securities (being sub-investment grade corporate bonds) while seeking to avoid the risk of default.

Investment Policy

The Fund aims to deliver a return by investing generally (meaning at least 60 per cent of its assets) in high yield bonds (being sub-investment grade corporate bonds) with a bias towards shorter maturities (where the full repayment of the bond by the company is expected to be less than three years), issued primarily by companies with their predominant place of business in the US.

The Fund may also invest in such bonds denominated in US Dollars and issued by non-US companies. The ACD seeks to reduce the effect of credit risk through diversification and its analysis and selection of bonds. The Fund does not have a benchmark. SONIA Compounded Index may be used by investors to compare the Fund's performance.

The Fund may also invest in other transferable securities (including, but not limited to, high yield debt securities, investment grade debt securities, convertibles, tbills), cash, deposits, units in collective investment schemes (including those that are operated by the ACD) and money market instruments. The Fund may use derivatives for investment purposes as well as for Efficient Portfolio Management. Use may be made of stock lending, borrowing, cash holdings, hedging and other investment techniques permitted in the applicable Financial Conduct Authority Rules.

The Fund is actively managed. It is not managed in reference to any benchmark.

Risk and Reward Profile

As at 30 June 2022

By investing in a fund which invests primarily in fixed interest stocks you are likely to be looking for an investment which will generate an income but had less potential for capital return than is the case with funds which invest primarily in equities. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. You are aware that investing in a fund which has a US remit can increase risk because of currency movements in return for greater potential reward. You are also aware that investing in sub investment grade bonds may increase the potential income but also increases risk to your investment. Typically you would be investing for a period of at least five years.

Lower Risk ← → Higher Risk

Potentially lower reward — Potentially higher reward

1	2	**3**	4	5	6	7

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

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some level of variation which, may result in gains or losses.

AXA US Short Duration High Yield Fund

Investment Manager's Report

For the year ended 30 June 2022

Additional risks

Under normal market conditions the Fund's key risk factors are:

• Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings). See further below under "High yield bonds risk".

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

• High Yield Bonds risk - high yield bonds (also known as sub-investment grade bonds) are fixed interest securities issued by companies or governments with lower credit ratings (Ba1 and below (Moody's) or BB+ and below (Standard & Poor's and Fitch Ratings). They are potentially more risky than investment grade bonds which have higher ratings. The issuers of high yield bonds will be at greater risk of default or ratings downgrades. The capital value of the Fund's investment in high yield bonds and the level of income it receives may fall as a result of such issuers ceasing to trade. The Fund will endeavour to mitigate the risks associated with high yield bonds, by diversifying their holdings by issuer, industry and credit quality.

This is an inherent risk for funds invested within high yield bonds. Internal investment guidelines (which may include measures of credit quality, measures of sensitivity to credit spread moves and diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual fund's investment objectives and investment policy.

• Interest Rate risk - interest rate risk is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

• Prepayment and extension risk - prepayment risk is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

AXA US Short Duration High Yield Fund

Investment Manager's Report

For the year ended 30 June 2022

• LIBOR transition risk - LIBOR (London Inter-bank Offered Rate) is intended to reflect the interest rate that wholesale banks expect to pay each other to borrow money (without providing security). LIBOR is widely used in financial products as a reference to determine a target or amount to be paid. From the end of 2021, the banks that contribute to the setting of LIBOR will no longer be required to do so, and LIBOR is expected to become obsolete. It is expected that a different rate, SONIA, will replace LIBOR over time.

There are a number of risks for Funds associated with the transition to SONIA:

(i) SONIA is prepared on a different basis to LIBOR and has historically returned a lower rate of interest. Where the Fund's investments provide income based on LIBOR, the transition to SONIA or another reference rate may reduce the value of those investments and the Fund's income from them.

(ii) The ACD has a plan to reduce the Funds' exposure to LIBOR. However, this plan will be phased and the Fund may have some exposure to investments based, or dependent, on LIBOR during periods where those rates are encountering lower levels of reliability. Not all market participants have yet made plans for the transition away from LIBOR and there is a risk that they will be unable/unwilling to implement the change before LIBOR becomes unreliable. During such time, the value of the Fund's investments may be less reliable and therefore the Fund's price may be more volatile (it may change more frequently and/or by greater amounts).

(iii) Where the counterparty for an investment is reliant on LIBOR, a transition to SONIA, or another rate, may change that counterparty's economic position and increase the risk that they will default on their obligations. The Fund may suffer a loss if the counterparty is unable to meet its obligations. Additionally, the increased risk of default may reduce the value of the investment or cause the ACD to need to rebalance the portfolio.

Other risks which could have an impact in extreme market conditions include:

• 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 shareholders buying or selling shares 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.

AXA US Short Duration High Yield Fund

Investment Manager's Report

For the year ended 30 June 2022

• Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

• 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 ACD 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 individual fund's investment objectives and investment policy.

AXA US Short Duration High Yield Fund

Investment Manager's Report

For the year ended 30 June 2022

Investment Review

The High Yield market posted a negative return in the twelve-month period ending on June 30 2022, as the ICE BofA Merrill Lynch U.S. High Yield Index generated a total return of -12.66% for the period. While the second half of 2021 was characterised by the continued recovery from the COVID-19 pandemic and a modestly positive +1.60% return, the first half of 2022 brought about concerns regarding inflation, interest rates, the US Federal Reserve (Fed), and a potential recession, resulting in a -14.04% decline. Flows for the high yield market were negative for the period, with roughly -$42.3 billion of outflows. Outflows were concentrated in the first half of 2022 where we saw outflows of -$27.2 in Q1 and -$15.4 billion in Q2. The second half of 2021 saw a cumulative inflow of +$0.3 billion. The high yield primary market priced roughly $252.9 billion of high yield bonds during the twelve-month period, although the majority of this was during the second half of 2021, followed by a very quiet first half of 2022. The period saw approximately $11.2 billion of high yield default volume, significantly lower than the roughly $24.3 billion of high yield default volume for the twelve-month period ending on June 30, 2021. The par weighted high yield default rate ended the period at 0.76%, down from 1.63% in June 2021.

During the twelve months ending on June 30 2022, U.S. High Yield outperformed US Corporates (-13.83%), but underperformed US Equities (S&P 500 -10.64%) and US Treasuries (-8.91%). Within U.S. High Yield, CCC-and-lower rated credits (-16.43%) significantly underperformed single-B rated credits (-12.48%) and double-B rated credits (-11.97%). From a sector perspective, all the 18 sectors posted negative total returns over the period. Energy (-7.58%), Transportation (-9.45%) and Insurance (-10.43%) were the best performing sectors. On a relative basis, Retail (-15.95%), Media (-15.49%), and Healthcare (-15.32%) were the worst performing sectors. During the period, the High Yield Index's Option Adjusted Spread widened from 304 basis points to 587 basis points. The yield to worst of the High Yield Index increased from 3.86% at the beginning of the period to 8.94% at the end of the period. The High Yield Index's average price was $85.58 on June 30, 2022, down from the $105.25 average price at the start of the period.

For the twelve-month period ending June 30 2022, the AXA U.S. Short Duration High Yield Fund was not immune to the substantial high yield sell-off, yet significantly outperformed the overall market, returning -6.20% (gross USD) and capturing roughly half of the market's -12.66% decline. The Fund performed very well during the volatile first half of 2022, and performance mainly benefitted from the shorter duration nature of our holdings, as well as general security selection across sectors and our cash holding. During the fiscal year, the yield-to-worst of the Fund (exclusive of cash) widened by 562 bps to 8.11%, while the market yield widened by 508 bps to 8.94%. The Option Adjusted Spread of the Fund widened by 266 bps to 498 bps. The Fund duration (using a calculation of modified duration-to-worst) increased from 0.9 to 3.1, while the market duration increased from 3.6 to 4.6.

Position count decreased during the fiscal year, but the portfolio remains well diversified. We believe that diversification of portfolio holdings is important for the Fund and helps to manage credit risk. Our top holding at fiscal year-end, a 1.4% position, was Gray Television. As of June 30 2022, approximately 68% of the portfolio was invested in securities in excess of three years, but which we expect to be redeemed early. This is down roughly 16% from the previous year. Market technicals (supply and demand) were mixed during the fiscal year as flows were negative (but mostly during the first half of 2022), and the primary market was active (but mostly in the second half of 2021). Although new issuance has been extremely light in 2022, we expect it to pick up once market volatility subsides. While inflationary pressures and a hawkish Fed have led to an increased probability of an US recession, we believe corporate credit remains fairly healthy and the default rate will remain relatively benign, resulting in a potentially mild recessionary environment. We expect interest rates and inflation expectations to continue to drive near-term market movements; however with the substantial sell-off year-to-date, valuations are very attractive and represent a buying opportunity. With markets focused on the trajectory of interest rates and the impact of an US recession, we believe the Short Duration strategy remains well positioned in this market environment.

All performance data source: AXA Investment Managers and Morningstar.
Past performance is not a guide for future performance.

AXA US Short Duration High Yield Fund

Investment Manager's Report

For the year ended 30 June 2022

Major Purchases	Cost (£'000)
● Rocket Mortgage 2.875% 15/10/26	9,381
● Photo Merger 8.5% 01/10/26	8,013
● US Treasury Bills 0% 30/09/21	7,875
● Prime Security Services Borrower 5.25% 15/04/24	7,500
● Specialty Building Products 6.375% 30/09/26	7,153

Major Sales	Proceeds (£'000)
● Cincinnati Bell 8% 15/10/25	11,584
● Granite Merger Sub 2 11% 15/07/27	10,162
● IRB 6.75% 15/02/26	9,251
● CommScope 5.5% 01/03/24	9,044
● Ziggo 5.5% 15/01/27	8,592

Peter Vecchio
AXA Investment Managers UK Limited
30 June 2022

AXA US Short Duration High Yield Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 98.81% (30/06/21: 96.20%)			
Australia 0.00% (30/06/21: 0.68%)			
Canada 5.11% (30/06/21: 3.86%)			
Bausch Health 5.5% 01/11/25	11,350,000	8,274	1.09
Bausch Health 9% 15/12/25	10,685,000	6,717	0.89
GFL Environmental 3.75% 01/08/25	5,591,000	4,292	0.57
GFL Environmental 4.25% 01/06/25	4,272,000	3,345	0.44
GFL Environmental 5.125% 15/12/26	6,155,000	4,861	0.64
New Red Finance 5.75% 15/04/25	3,179,000	2,611	0.35
NOVA Chemicals 4.875% 01/06/24	2,845,000	2,239	0.30
NOVA Chemicals 5% 01/05/25	750,000	568	0.08
Quebecor Media 5.75% 15/01/23	1,796,000	1,487	0.20
Ritchie Bros Auctioneers 5.375% 15/01/25	5,179,000	4,180	0.55
Cayman Islands 0.21% (30/06/21: 0.52%)			
Sable International Finance 5.75% 07/09/27	2,110,000	1,589	0.21
Finland 0.00% (30/06/21: 0.05%)			
France 0.45% (30/06/21: 0.73%)			
Altice France 8.125% 01/02/27	4,565,000	3,401	0.45
Ireland 1.93% (30/06/21: 2.35%)			
Ardagh Packaging Finance 4.125% 15/08/26	10,030,000	7,020	0.93
Ardagh Packaging Finance 5.25% 30/04/25	9,817,000	7,537	1.00
Luxembourg 2.26% (30/06/21: 2.46%)			
Altice France 10.5% 15/05/27	5,375,000	3,744	0.49
Camelot Finance 4.5% 01/11/26	6,205,000	4,695	0.62
Dana Financing Luxembourg 5.75% 15/04/25	820,000	658	0.09
Nielsen Luxembourg 5% 01/02/25	9,875,000	8,012	1.06
Netherlands 2.10% (30/06/21: 1.28%)			
Sensata Technologies 4.875% 15/10/23	2,030,000	1,644	0.22
Trivium Packaging Finance 5.5% 15/08/26	8,815,000	6,843	0.90
Trivium Packaging Finance 8.5% 15/08/27	2,290,000	1,782	0.24
Ziggo 6% 15/01/27	7,575,000	5,583	0.74
Poland 0.19% (30/06/21: 0.22%)			
CANPACK 3.125% 01/11/25	2,015,000	1,447	0.19
United Kingdom 1.44% (30/06/21: 1.52%)			
eG Global Finance 8.5% 30/10/25	4,004,000	3,230	0.43
INEOS Quattro Finance 2 3.375% 15/01/26	6,410,000	4,434	0.59
International Game Technology 4.125% 15/04/26	4,264,000	3,188	0.42
United States 85.12% (30/06/21: 82.53%)			
Academy 6% 15/11/27	4,630,000	3,472	0.46
ACI Worldwide 5.75% 15/08/26	7,780,000	6,202	0.82
AECOM 5.125% 15/03/27	3,435,000	2,679	0.35

AXA US Short Duration High Yield Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Aethon United 8.25% 15/02/26	2,825,000	2,280	0.30
Albertsons 3.25% 15/03/26	5,205,000	3,761	0.50
Albertsons 3.5% 15/02/23	547,000	448	0.06
Alliance Data Systems 4.75% 15/12/24	10,182,000	7,688	1.02
Alliance Data Systems 7% 15/01/26	7,735,000	6,100	0.81
Allied Universal 6.625% 15/07/26	8,320,000	6,303	0.83
Allied Universal 9.75% 15/07/27	5,475,000	3,882	0.51
Amkor Technology 6.625% 15/09/27	4,855,000	3,809	0.50
Aramark Services 5% 01/04/25	6,630,000	5,293	0.70
Aramark Services 6.375% 01/05/25	10,497,000	8,462	1.12
Ardagh Metal Packaging Finance USA 6% 15/06/27	1,339,000	1,089	0.14
Avient 5.75% 15/05/25	3,623,000	2,873	0.38
B&G Foods 5.25% 01/04/25	13,194,000	10,039	1.33
Bausch Health Americas 9.25% 01/04/26	3,665,000	2,242	0.30
Beacon Roofing Supply 4.5% 15/11/26	6,305,000	4,770	0.63
Berry Global 4.5% 15/02/26	6,159,000	4,713	0.62
Berry Global 5.625% 15/07/27	1,435,000	1,135	0.15
Blackstone Mortgage Trust 3.75% 15/01/27	5,705,000	3,852	0.51
Blue Racer Midstream 7.625% 15/12/25	3,381,000	2,669	0.35
Brink's 4.625% 15/10/27	1,130,000	830	0.11
Brink's 5.5% 15/07/25	5,085,000	4,046	0.54
Caesars Resort Collection 5.75% 01/07/25	5,090,000	4,058	0.54
Caesars Entertainment 6.25% 01/07/25	5,730,000	4,602	0.61
Caesars Entertainment 8.125% 01/07/27	2,465,000	1,973	0.26
Catalent Pharma Solutions 5% 15/07/27	6,111,000	4,756	0.63
CCO 4% 01/03/23	480,000	394	0.05
CCO 5.5% 01/05/26	3,295,000	2,643	0.35
CCO Capital 5.125% 01/05/27	4,460,000	3,463	0.46
CD&R Smokey Buyer 6.75% 15/07/25	13,377,000	9,804	1.30
CDW 4.125% 01/05/25	1,383,000	1,105	0.15
Change Healthcare 5.75% 01/03/25	9,828,000	7,909	1.05
Churchill Downs 5.5% 01/04/27	3,210,000	2,519	0.33
Cogent Communications 3.5% 01/05/26	7,942,000	5,971	0.79
Commercial Metals 4.875% 15/05/23	763,000	627	0.08
CommScope 6% 01/03/26	11,815,000	8,962	1.19
CommScope Technologies 6% 15/06/25	11,684,000	8,393	1.11
Crestwood Midstream Partners 5.75% 01/04/25	10,920,000	8,522	1.13
Crown Americas 4.75% 01/02/26	3,010,000	2,368	0.31
CrownRock 5.625% 15/10/25	4,740,000	3,706	0.49
CSC 5.5% 15/04/27	6,785,000	5,099	0.67
Darling Ingredients 5.25% 15/04/27	795,000	639	0.08
Dave & Buster's 7.625% 01/11/25	3,400,000	2,780	0.37
DCP Midstream Operating 5.375% 15/07/25	2,170,000	1,752	0.23
Delek Logistics Partners 6.75% 15/05/25	2,745,000	2,114	0.28
Dell International 5.85% 15/07/25	1,362,000	1,160	0.15
Endeavor Energy Resources 6.625% 15/07/25	2,870,000	2,377	0.31
Energizer Holdings 6.5% 31/12/27	2,642,000	1,921	0.25
Ford Motor Credit 4.95% 28/05/27	1,343,000	1,019	0.13
General Motors Financial 3.8% 07/04/25	2,687,000	2,161	0.29
Getty Images 9.75% 01/03/27	4,425,000	3,508	0.46
G-III Apparel 7.875% 15/08/25	6,935,000	5,562	0.74

AXA US Short Duration High Yield Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Gray Television 5.875% 15/07/26	13,035,000	10,069	1.33
Gray Television 7% 15/05/27	10,480,000	8,324	1.10
Greystar Real Estate Partners 5.75% 01/12/25	9,013,000	7,052	0.93
Hanesbrands 4.625% 15/05/24	1,635,000	1,327	0.18
Hanesbrands 4.875% 15/05/26	1,645,000	1,261	0.17
HCA 5.375% 01/02/25	815,000	672	0.09
Herbalife Nutrition 7.875% 01/09/25	11,355,000	8,490	1.12
Hillenbrand 5.75% 15/06/25	1,221,000	1,024	0.14
Hilton Domestic Operating 5.375% 01/05/25	4,364,000	3,551	0.47
HUB International 7% 01/05/26	4,425,000	3,435	0.45
Icahn Enterprises 4.75% 15/09/24	7,563,000	5,887	0.78
Icahn Enterprises 6.25% 15/05/26	7,730,000	5,925	0.78
Icahn Enterprises 6.375% 15/12/25	8,478,000	6,668	0.88
Indigo Merger 2.875% 15/07/26	2,814,000	2,087	0.28
IQVIA 5% 15/10/26	3,115,000	2,438	0.32
IQVIA 5% 15/05/27	5,520,000	4,304	0.57
IRB 7% 15/06/25	7,485,000	6,058	0.80
JELD-WEN 4.625% 15/12/25	9,504,000	6,671	0.88
JELD-WEN 6.25% 15/05/25	835,000	664	0.09
KAR Auction Services 5.125% 01/06/25	9,835,000	7,648	1.01
LABL Escrow Issuer 6.75% 15/07/26	11,655,000	8,663	1.15
Level 3 Financing 4.625% 15/09/27	3,805,000	2,683	0.36
Level 3 Financing 5.25% 15/03/26	10,535,000	8,132	1.08
Level 3 Financing 5.375% 01/05/25	3,285,000	2,607	0.35
Live Nation Entertainment 4.875% 01/11/24	3,291,000	2,597	0.34
Live Nation Entertainment 6.5% 15/05/27	3,579,000	2,916	0.39
Lumen Technologies 5.125% 15/12/26	2,250,000	1,555	0.21
Lumen Technologies 6.75% 01/12/23	3,830,000	3,143	0.42
Lumen Technologies 7.5% 01/04/24	4,845,000	3,971	0.53
Magnum Management 5.5% 01/05/25	4,050,000	3,262	0.43
Mattel 3.375% 01/04/26	2,340,000	1,783	0.24
Matthews International 5.25% 01/12/25	8,575,000	6,586	0.87
Mauser Packaging Solutions 5.5% 15/04/24	11,553,000	9,106	1.21
MGM Resorts International 6% 15/03/23	432,000	353	0.05
MPT Operating Partnership 5% 15/10/27	1,620,000	1,224	0.16
MPT Operating Partnership 5.25% 01/08/26	8,570,000	6,741	0.89
NCR 5.75% 01/09/27	220,000	161	0.02
Nexstar Broadcasting 5.625% 15/07/27	10,515,000	7,894	1.04
NortonLifeLock 5% 15/04/25	8,345,000	6,737	0.89
Novelis 3.25% 15/11/26	9,113,000	6,367	0.84
NuStar Logistics 5.75% 01/10/25	5,640,000	4,355	0.58
Olin 5.125% 15/09/27	2,340,000	1,776	0.23
Outfront Media Capital 5% 15/08/27	3,110,000	2,267	0.30
Outfront Media Capital 6.25% 15/06/25	5,580,000	4,379	0.58
Owens-Brockway Glass Container 5.375% 15/01/25	2,495,000	1,947	0.26
Owens-Brockway Glass Container 5.875% 15/08/23	2,121,000	1,751	0.23
Owens-Brockway Glass Container 6.375% 15/08/25	7,455,000	5,972	0.79
Owens-Brockway Glass Container 6.625% 13/05/27	3,529,000	2,731	0.36
Penske Automotive 3.5% 01/09/25	2,763,000	2,139	0.28
Performance Food 5.5% 15/10/27	2,895,000	2,194	0.29
Performance Food 6.875% 01/05/25	4,124,000	3,380	0.45

AXA US Short Duration High Yield Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
Photo Merger 8.5% 01/10/26	10,910,000	6,802	0.90
Picasso Finance 6.125% 15/06/25	7,136,000	5,774	0.76
Post 5.75% 01/03/27	4,212,000	3,382	0.45
Prime Security Services Borrower 5.25% 15/04/24	8,285,000	6,722	0.89
Prime Security Services Borrower 5.75% 15/04/26	8,645,000	6,693	0.89
PTC 3.625% 15/02/25	2,947,000	2,304	0.30
Raptor Acquisition 4.875% 01/11/26	6,844,000	4,960	0.66
RLJ Lodging Trust 3.75% 01/07/26	9,320,000	6,799	0.90
Rocket Mortgage 2.875% 15/10/26	12,267,000	8,408	1.11
SBA Communications 3.875% 15/02/27	1,535,000	1,149	0.15
Shift4 Payments 4.625% 01/11/26	5,290,000	3,866	0.51
Sirius XM Radio 3.125% 01/09/26	6,343,000	4,647	0.62
Sirius XM Radio 5% 01/08/27	7,945,000	6,102	0.81
Six Flags Entertainment 4.875% 31/07/24	4,320,000	3,383	0.45
Six Flags Theme Parks 7% 01/07/25	140,000	117	0.02
Specialty Building Products 6.375% 30/09/26	9,325,000	6,419	0.85
Spectrum Brands 5.75% 15/07/25	5,618,000	4,580	0.61
Sprint 7.125% 15/06/24	700,000	595	0.08
Sprint 7.875% 15/09/23	126,000	107	0.01
Square 2.75% 01/06/26	1,668,000	1,208	0.16
SS&C Technologies 5.5% 30/09/27	9,285,000	7,197	0.95
Standard Industries 5% 15/02/27	11,100,000	8,320	1.10
Starwood Property Trust 3.625% 15/07/26	2,945,000	2,062	0.27
Starwood Property Trust 3.75% 31/12/24	3,165,000	2,384	0.32
Starwood Property Trust 4.375% 15/01/27	3,580,000	2,545	0.34
Starwood Property Trust 5.5% 01/11/23	3,231,000	2,615	0.35
Stericycle 5.375% 15/07/24	6,260,000	4,972	0.66
Sunoco 6% 15/04/27	2,445,000	1,918	0.25
Surgery Center 10% 15/04/27	3,760,000	3,022	0.40
Surgery Center 6.75% 01/07/25	4,480,000	3,379	0.45
Targa Resources Partners 6.5% 15/07/27	3,120,000	2,626	0.35
TEGNA 4.75% 15/03/26	8,315,000	6,641	0.88
Tenet Healthcare 4.625% 15/07/24	1,276,000	1,021	0.14
Tenet Healthcare 4.625% 01/09/24	8,124,000	6,464	0.86
Tenet Healthcare 4.875% 01/01/26	5,500,000	4,200	0.56
Tenet Healthcare 6.25% 01/02/27	5,880,000	4,540	0.60
T-Mobile USA 2.25% 15/02/26	7,109,000	5,283	0.70
T-Mobile USA 2.625% 15/04/26	690,000	520	0.07
Unisys 6.875% 01/11/27	6,639,000	4,840	0.64
Univar Solutions USA 5.125% 01/12/27	1,240,000	953	0.13
US Foods 6.25% 15/04/25	7,870,000	6,450	0.85
Vail Resorts 6.25% 15/05/25	2,673,000	2,197	0.29
Verscend Escrow 9.75% 15/08/26	10,723,000	8,700	1.15
VICI Properties 3.5% 15/02/25	2,454,000	1,902	0.25
VICI Properties 4.625% 15/06/25	5,178,000	4,062	0.54
VICI Properties 5.625% 01/05/24	4,285,000	3,485	0.46
Watco Finance 6.5% 15/06/27	9,019,000	6,871	0.91
Welbilt 9.5% 15/02/24	7,782,000	6,411	0.85
WESCO Distribution 7.125% 15/06/25	7,641,000	6,238	0.83
WR Grace 5.625% 01/10/24	1,740,000	1,412	0.19
XHR 6.375% 15/08/25	7,520,000	6,004	0.79

AXA US Short Duration High Yield Fund

Portfolio Statement

As at 30 June 2022

	Holding	Market Value £'000	% of Total Net Assets
XPO Logistics 6.25% 01/05/25	5,582,000	4,587	0.61
Zayo 4% 01/03/27	2,558,000	1,753	0.23
TOTAL CORPORATE BONDS		746,403	98.81
FORWARD CURRENCY CONTRACTS (2.99%) (30/06/21: (1.02%))			
Sold USD270,675,084 for GBP223,889,000 Settlement 18/07/2022		399	0.05
Sold USD345,192,010 for GBP264,283,070 Settlement 18/07/2022		(20,733)	(2.75)
Sold USD336,615,138 for GBP275,566,202 Settlement 15/08/2022		(2,215)	(0.29)
TOTAL FORWARD CURRENCY CONTRACTS		(22,549)	(2.99)
Portfolio of investments		723,854	95.82
Net other assets		31,557	4.18
Total net assets		755,411	100.00

All bonds are denominated in US dollars (unless otherwise indicated).

At 30 June 2022, there were no investments in the Fund which were valued using a quote from a single broker (30/06/21: £nil).

AXA US Short Duration High Yield Fund

Comparative Tables

As at 30 June 2022

	Z Gross Accumulation			Z Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	148.14	138.93	139.52	90.32	87.92	92.03
Return before operating charges ^	(8.96)	10.31	0.48	(5.33)	6.49	0.37
Operating charges ^	(1.11)	(1.10)	(1.07)	(0.67)	(0.69)	(0.70)
Return after operating charges ^	(10.07)	9.21	(0.59)	(6.00)	5.80	(0.33)
Distributions	(6.16)	(5.42)	(5.76)	(3.72)	(3.40)	(3.78)
Retained distributions on accumulation shares	6.16	5.42	5.76	-	-	-
Closing net asset value per share †	138.07	148.14	138.93	80.60	90.32	87.92
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-6.80%	6.63%	-0.42%	-6.64%	6.60%	-0.36%
Other information						
Closing net asset value (£) †	79,721,732	81,570,599	77,652,230	31,211,668	33,905,639	34,250,567
Closing number of shares	57,741,148	55,063,926	55,892,839	38,721,880	37,538,966	38,957,188
Operating charges ^	0.75%	0.76%	0.76%	0.75%	0.76%	0.76%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	150.00	148.40	143.10	91.49	92.20	93.74
Lowest share price #	138.50	139.30	123.70	82.77	88.18	79.94

AXA US Short Duration High Yield Fund

Comparative Tables

As at 30 June 2022

	ZI Gross Accumulation			ZI Gross Income		
	30/06/2022	30/06/2021	30/06/2020	30/06/2022	30/06/2021	30/06/2020
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	152.98	143.05	143.22	90.09	87.69	91.78
Return before operating charges ^	(9.28)	10.62	0.50	(5.32)	6.49	0.36
Operating charges ^	(0.69)	(0.69)	(0.67)	(0.40)	(0.42)	(0.42)
Return after operating charges ^	(9.97)	9.93	(0.17)	(5.72)	6.07	(0.06)
Distributions	(6.83)	(6.04)	(6.39)	(3.98)	(3.67)	(4.03)
Retained distributions on accumulation shares	6.83	6.04	6.39	-	-	-
Closing net asset value per share †	143.01	152.98	143.05	80.39	90.09	87.69
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-6.52%	6.94%	-0.12%	-6.35%	6.92%	-0.07%
Other information						
Closing net asset value (£) †	399,083,235	426,546,019	383,142,137	245,393,997	250,255,155	268,843,458
Closing number of shares	279,055,688	278,818,729	267,847,241	305,254,412	277,776,460	306,569,045
Operating charges ^	0.45%	0.46%	0.46%	0.45%	0.46%	0.46%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	155.20	153.30	147.20	91.39	92.10	93.63
Lowest share price #	143.40	143.50	127.20	82.69	87.96	79.78

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). 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.

AXA US Short Duration High Yield Fund

Statement of Total Return

For the year ended 30 June 2022

	Note	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Income:					
Net capital (losses)/gains	2		(90,100)		19,496
Revenue	3	40,325		31,898	
Expenses	4	(4,077)		(3,606)	
Interest payable and similar charges		-		-	
Net revenue before taxation		36,248		28,292	
Taxation	5	-		-	
Net revenue after taxation			36,248		28,292
Total return before distributions			(53,852)		47,788
Distributions	6		(36,248)		(28,292)
Change in net assets attributable to Shareholders from investment activities			(90,100)		19,496

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2022

	30/06/22 £'000	30/06/22 £'000	30/06/21 £'000	30/06/21 £'000
Opening net assets attributable to Shareholders		792,277		763,888
Amounts receivable on issue of shares	198,724		187,014	
Amounts payable on cancellation of shares	(168,309)		(196,020)	
		30,415		(9,006)
Change in net assets attributable to Shareholders from investment activities (see above)		(90,100)		19,496
Retained distributions on accumulation shares		22,819		17,899
Closing net assets attributable to Shareholders		755,411		792,277

AXA US Short Duration High Yield Fund

Balance Sheet

As at 30 June

	Note	30/06/22 £'000	30/06/21 £'000
Assets:			
Fixed assets:			
Investments		746,802	763,616
Current assets:			
Debtors	7	19,578	14,335
Cash and bank balances	8	25,716	46,028
Total assets		792,096	823,979
Liabilities:			
Investment liabilities		(22,948)	(9,502)
Creditors:			
Distribution payable		(7,060)	(5,732)
Other creditors	9	(6,677)	(16,468)
Total liabilities		(36,685)	(31,702)
Net assets attributable to Shareholders		755,411	792,277

AXA US Short Duration High Yield Fund

Notes to the Financial Statements

For the year ended 30 June 2022

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 266-269.

2. Net capital (losses)/gains

	30/06/22 £'000	30/06/21 £'000
The net capital (losses)/gains comprise:		
Non-derivative securities	17,549	(41,361)
Currency gains/(losses)	5,239	(23,529)
Forward currency contracts	(112,886)	84,392
Transaction charges	(2)	(6)
Net capital (losses)/gains	(90,100)	19,496

3. Revenue

	30/06/22 £'000	30/06/21 £'000
Bank interest	6	-
Interest on debt securities	40,319	31,898
Total revenue	40,325	31,898

4. Expenses

	30/06/22 £'000	30/06/21 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual management charge	4,049	3,524
Registration fees	4	4
	4,053	3,528
Other expenses		
Audit fees	5	14
Depositary's fees	18	27
Printing fees	(3)	2
Safe custody fees	4	35
	24	78
Total expenses	4,077	3,606

Expenses include irrecoverable VAT where applicable.

AXA US Short Duration High Yield Fund

Notes to the Financial Statements

For the year ended 30 June 2022

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net revenue before taxation. The differences are explained below:

	30/06/22 £'000	30/06/21 £'000
Net revenue before taxation	36,248	28,292
Net revenue for the year multiplied by the standard rate of corporation tax	7,250	5,658
Effects of:		
Tax deductible interest distributions	(7,250)	(5,658)
Tax charge for the year	-	-

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	30/06/22 £'000	30/06/21 £'000
Interim	17,748	13,842
Final	18,927	15,745
Add: Revenue paid on cancellation of shares	1,793	1,438
Deduct: Revenue received on creation of shares	(2,220)	(2,733)
Net distribution for the year	36,248	28,292

7. Debtors

	30/06/22 £'000	30/06/21 £'000
Amounts receivable for creation of shares	7,520	2,837
Accrued revenue	12,058	11,498
Total debtors	19,578	14,335

AXA US Short Duration High Yield Fund

Notes to the Financial Statements

For the year ended 30 June 2022

8. Cash and bank balances

	30/06/22	30/06/21
	£'000	£'000
Cash and bank balances	25,716	46,028
Total cash and bank balances	25,716	46,028

9. Other creditors

	30/06/22	30/06/21
	£'000	£'000
Amounts payable for cancellation of shares	5,983	2,903
Purchases awaiting settlement	-	13,189
Accrued annual management charge	663	332
Accrued other expenses	31	44
Total other creditors	6,677	16,468

10. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no shareholdings in the Company at the year end.

As at 30 June 2022 there are no shareholders with holdings over 25% (30/06/2021: no holdings over 25%) of the Fund's shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

11. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's annual management charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/21	Issued	Cancelled	Converted	30/06/22
Z Gross Accumulation	0.75	55,063,926	17,690,727	(15,104,207)	90,702	57,741,148
Z Gross Income	0.75	37,538,966	6,180,063	(4,860,863)	(136,286)	38,721,880
ZI Gross Accumulation	0.45	278,818,729	40,652,444	(40,327,683)	(87,802)	279,055,688
ZI Gross Income	0.45	277,776,460	120,804,517	(93,463,075)	136,510	305,254,412

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2021: nil).

13. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

AXA US Short Duration High Yield Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2021).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £74,640,262 (2021: £76,218,339). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

	Net foreign currency exposure	
Currency	30/06/22 £'000	30/06/21 £'000
US dollar	(27,827)	10,532
Total	(27,827)	10,532

Foreign exchange risk sensitivity

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

AXA US Short Duration High Yield Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
30/06/22				
Pound sterling	25,716	-	757,522	783,238
US dollar	-	746,403	(774,230)	(27,827)
Total	25,716	746,403	(16,708)	755,411
30/06/21*				
Pound sterling	5,582	-	776,163	781,745
US dollar	40,446	762,184	(792,098)	10,532
Total	46,028	762,184	(15,935)	792,277

* Prior year fugures have been restated.

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £20,973,914 (2021: £6,859,651). A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each fund.

Transactions in securities may expose a fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/22 Market Value £'000	%	30/06/21 Market Value £'000	%
Investment grade (BBB- credit rating and above)	25,138	3.33	39,933	5.05
Below investment grade (below BBB- credit rating)	707,477	93.65	710,258	89.64
Unrated	13,788	1.83	11,993	1.51
Total value of bonds	746,403	98.81	762,184	96.20

AXA US Short Duration High Yield Fund

Notes to the Financial Statements

For the year ended 30 June 2022

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties was as follows:

	30/06/22 Exposure	30/06/21 Exposure
Forwards		
Barclays Bank	277,782	-
Credit Suisse	223,490	-
JP Morgan	285,016	790,407
Total value of derivatives	786,288	790,407

14. Portfolio transaction costs

There were no transactions costs incurred during the year to 30 June 2022 (2021: Nil).

At the balance sheet date the average portfolio dealing spread was 0.57% (2021: 0.39%).

15. Post balance sheet events

There are no post balance sheet events which require adjustments at the year end.

16. Fair value disclosure

	30/06/22		30/06/21	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£'000	£'000	£'000	£'000
Level 1 ^	-	-	-	-
Level 2 ^^	746,802	(22,948)	763,616	(9,502)
Level 3 ^^^	-	-	-	-
	746,802	(22,948)	763,616	(9,502)

^ 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.

AXA US Short Duration High Yield Fund

Distribution Table

As at 30 June 2022

Interim Distribution in pence per share
Group 1 Shares purchased prior to 1 July 2021
Group 2 Shares purchased on or after 1 July 2021 to 31 December 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 28/02/22 (p)	Distribution paid 26/02/21 (p)
Share Class Z Gross Accumulation				
Group 1	2.921	-	2.921	2.687
Group 2	1.342	1.579	2.921	2.687
Share Class Z Gross Income				
Group 1	1.781	-	1.781	1.700
Group 2	0.913	0.868	1.781	1.700
Share Class ZI Gross Accumulation				
Group 1	3.251	-	3.251	2.991
Group 2	1.552	1.699	3.251	2.991
Share Class ZI Gross Income				
Group 1	1.915	-	1.915	1.834
Group 2	1.240	0.675	1.915	1.834

Final Distribution in pence per share
Group 1 Shares purchased prior to 1 January 2022
Group 2 Shares purchased on or after 1 January 2022 to 30 June 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/08/22 (p)	Distribution paid 31/08/21 (p)
Share Class Z Gross Accumulation				
Group 1	3.242	-	3.242	2.738
Group 2	1.859	1.383	3.242	2.738
Share Class Z Gross Income				
Group 1	1.939	-	1.939	1.701
Group 2	0.876	1.063	1.939	1.701
Share Class ZI Gross Accumulation				
Group 1	3.582	-	3.582	3.051
Group 2	1.518	2.064	3.582	3.051
Share Class ZI Gross Income				
Group 1	2.067	-	2.067	1.834
Group 2	0.992	1.075	2.067	1.834

Accounting Policies

For the year ended 30 June 2022

1. Accounting Basis and Policies

(a) Basis of accounting

The Financial Statements of the Company comprise the Financial Statements of each of the sub-funds and 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 are prepared in accordance with the Instrument of Incorporation and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL").

The ACD is confident that the Company as a whole will continue in operation for the foreseeable future. There are no material events that have been identified that may cast significant doubt about the sub-funds' (other than AXA Sterling Strategic Bond Fund) ability to continue as a going concern for at least the next twelve months from the date these financial statements are authorised for issue. The ACD believes that the sub-funds (other than AXA Sterling Strategic Bond Fund) have adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements.

As a result, the Financial Statements of the Company and its sub-funds (other than AXA Sterling Strategic Bond Fund) have been prepared on a going concern basis. The financial statements of the AXA Sterling Strategic Bond Fund have been prepared on a break-up basis as the Authorised Corporate Director ('ACD') intends to terminate within one year of the date of approval of the financial statements. Under this basis assets are recorded at their recoverable value and liabilities are recorded at their expected settlement value. Any additional costs in respect of the termination of the sub-fund will be borne by the ACD.

(b) Recognition of revenue

Revenue on debt securities (including allowance for interest bought and sold) is accounted for on an accruals basis. Where it is considered that a bond has a likelihood of default appropriate provisions are made against any accrued revenue. Revenue from debt securities is accounted for on a basis which takes account of the amortisation of any discount or premium between the purchase price and the expected final maturity price over the remaining life of the security. Accrued interest on purchase and sale contracts is recognised as revenue and transferred to revenue or capital as appropriate.

Interest on bank and other cash deposits is recognised on an accruals basis.

Returns on derivative transactions have been treated as either revenue or capital depending on the motives and circumstances on acquisition.

(c) Treatment of expenses

Expenses of the Funds are charged against revenue except for costs associated with the purchase and sale of investments which are allocated to the capital of the Funds. Accrued interest on purchase and sale contracts is recognised as revenue and transferred to revenue or capital as appropriate.

(d) Allocation of revenue and expenses to multiple share classes and Funds

Any revenue or expenses not directly attributable to a particular share class or fund will normally be allocated pro-rata to the net assets of the relevant share classes and funds.

(e) Taxation

Tax is provided for using tax rates and laws which have been enacted or substantively enacted at the balance sheet date.

Corporation tax is provided for on the income liable to corporation tax less deductible expenses.

Accounting Policies

For the year ended 30 June 2022

Deferred tax is provided using the liability method on all timing differences arising on the treatment of certain items for taxation and accounting purposes, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

(f) Distribution policy

The net revenue after taxation, as disclosed in the Financial Statements, after adjustment for items of a capital nature, is distributable to shareholders as dividend distributions. Any revenue deficit is deducted from capital.

In addition, the portfolio transaction charges will be charged wholly to the capital of all Funds. Accordingly, the imposition of such charges may constrain the capital growth of every Fund.

Where the revenue from investments exceeds the expenses of a Fund, transfers are made to capital on behalf of all holders of Accumulation shares in all Funds. Tax vouchers will be issued to shareholders.

Funds which predominantly hold Index-Linked securities will disregard the amounts recognised in respect of indexation when determining the amount available for distribution.

(g) Basis of valuation of investments

All investments are valued at their fair value price as at 4:30pm (UK time) on 30 June 2022, being the last business day of the accounting period (with the exception of Global High Income Fund, US Short Duration High Yield Fund & Global Short Duration Fund which value at midday (UK time)).

The value of derivative contracts is calculated with reference to the price/value of the underlying asset(s) and other relevant factors such as interest rates and volatility.

(h) Exchange rates

Transactions in foreign currencies are recorded in Sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into Sterling at the closing mid market exchange rates ruling on that date.

(i) Dilution adjustment

The ACD may require a dilution adjustment on the sale and redemption of shares if, in its opinion, the existing shareholders (for sales) or remaining shareholders (for redemptions) might otherwise be adversely affected. In particular, the dilution adjustment may be charged in the following circumstances: where the scheme property is in continual decline; on a Fund experiencing large levels of net sales relative to its size; on ‘large deals’; in any case where the ACD is of the opinion that the interests of remaining shareholders require the imposition of a dilution adjustment.

(i) Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares.

After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for Capital Gains tax purposes.

2. Derivatives and other financial instruments

In pursuing the investment objectives a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for hedging purposes.

The main risks from the Company's holdings of financial instruments are discussed below, the ACD's policy for managing these risks are shown in the individual Fund Investment Manager's Report.

Accounting Policies

For the year ended 30 June 2022

(a) Foreign currency risk

A significant portion of the Company's assets may be denominated in a currency other than the base currency of the Company or Class. There is the risk that the value of such assets and/or the value of any distributions from such assets may decrease if the underlying currency in which assets are traded falls relative to the base currency in which shares of the relevant Fund are valued and priced. Foreign currency risk is analysed within the financial statements of each individual sub-fund.

(b) Interest rate risk profile of financial assets and liabilities

The interest rate risk is the risk that the value of the Company's investments will fluctuate due to changes in the interest rate. Cashflows from floating rate securities, bank balances, or bank overdrafts will be affected by the changes in interest rates. These cashflows are considered to be of secondary importance and are not actively managed.

The Company did not have any long term financial liabilities at the balance sheet date.

Interest rate risk is analysed within the financial statements of each individual sub-fund.

(c) Credit risk

All bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market.

Generally, a higher level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

(d) Liquidity risk

Subject to the Regulations, the Company may invest up to and including 10% of the Scheme Property of the Company in transferable securities which are not approved securities (essentially transferable securities which are admitted to official listing in an EEA state or traded on or under the rules of an eligible securities market). Such securities and instruments are generally not publicly traded, may be unregistered for securities law purposes and may only be able to be resold in privately negotiated transactions with a limited number of purchasers. The difficulties and delays associated with such transactions could result in the Company's inability to realise a favourable price upon disposal of such securities, and at times might make disposition of such securities and instruments impossible. To the extent the Company invests in securities and instruments the terms of which are privately negotiated, the terms of such securities and instruments may contain restrictions regarding resale and transfer.

In addition, certain listed securities and instruments, particularly securities and instruments of smaller capitalised or less seasoned issuers, may from time to time lack an active secondary market and may be subject to more abrupt or erratic price movements than securities of larger, more established companies or stock market averages in general. In the absence of an active secondary market the Company's ability to purchase or sell such securities at a fair price may be impaired or delayed.

Under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, corporate and emerging market bonds may be affected by the demand in the market for such bonds 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 ACD may be forced to buy or sell such investments as a consequence of shareholders buying or selling shares in the Fund. Depending on market conditions at the time, this could lead to a significant drop in the Fund's value.

Accounting Policies

For the year ended 30 June 2022

Analysis does not suggest that liquidity risk is currently a concern to any of the sub-funds and therefore no numerical analysis is presented. Regular monitoring is conducted to ensure a high degree of confidence that Fund liquidity will meet the Fund's expected liquidity requirements.

(e) Market price risk

The Company invests principally in fixed income securities. The value of these instruments fluctuate which may be the result of a specific factor affecting the value or caused by general market factors which can affect the entire portfolio. The main risks affecting the value of the portfolio are the credit, interest rates and currency risk. The Investment Manager monitors and seeks to minimize these risks as a part of the overall investment process and in accordance with investment guidelines and to investment and borrowing powers set out in the Prospectus. For example, the Investment Manager will focus on credit analysis to create a portfolio that seeks diversification so that it improves resilience against default. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as prior year).

(f) Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties.

Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

(g) Inflation risk

Inflation Linked Bond Risk: unlike other bonds, an inflation protected security (such as index linked gilts) reduces the negative effect of inflation on its real value. The market value of such securities will be affected both by the market's perception of future movements in interest rates and the future rate of inflation. Therefore the market value of such securities (and the value of the Fund) may not move in line with inflation rates in the short to medium term.

(h) Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Statement of the Authorised Corporate Director's ("ACD") Responsibilities

The Open-Ended Investment Companies Regulations 2001 and the Collective Investment Schemes sourcebook ("COLL") require the ACD to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of its net revenue and the net capital gains/(losses) on the property of the Company for the period. In preparing the financial statements the ACD is required to:

• Select suitable accounting policies and then apply them consistently;
• Conform with the disclosure requirements of the Statement of Recommended Practice - Financial statements of UK Authorised Funds issued by the Investment Management Association ("IMA SORP 2014") in May 2014, and amended in June 2017;
• Follow generally accepted accounting principles and applicable accounting standards;
• Keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements.
• Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation. For reasons stated in the ACD's report and Note 1 (a), the financial statements have been prepared on a break-up basis for the AXA Sterling Strategic Bond Fund.

The ACD is responsible for the management of each portfolio in accordance with the Instrument of Incorporation, Prospectus and COLL.

The ACD is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the AXA Investment Managers UK Limited website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors approval

In accordance with the requirements of the Financial Conduct Authority Sourcebook, the contents of this report have been approved on behalf of AXA Investment Managers UK Limited by:

Marcello Arona
Director

27th October 2022

John Stainsby
Director

27th October 2022

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the AXA Fixed Interest Investment ICVC ("the Company") for the year ended 30th June 2022.

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation 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 Company and its investors.

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

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company'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 Company is managed in accordance with the Regulations and Scheme documents in relation to the investment and borrowing powers applicable to the Company.

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

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company; and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

HSBC Bank PLC

27th October 2022

Independent Auditor's Report to the members of AXA Fixed Interest Investment ICVC

Opinion

We have audited the financial statements of AXA Fixed Interest Investment ICVC ("the Company") comprising each of its sub-funds for the year ended 30 June 2022, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Company, 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 Company comprising each of its sub-funds as at 30 June 2022 and of the net revenue/expense and the net capital losses on the scheme property of the Company comprising each of its sub-funds 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 Company 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.

Emphasis of matter – financial statements prepared on a break-up basis

We draw attention to Note 1 (a) of the financial statements which explains that the ACD intends to terminate the AXA Sterling Strategic Bond Fund and, therefore, do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements for this sub-fund only, have been prepared on a break-up basis as described in Note 1 (a). The financial statements for the Company as a whole remain prepared on a going concern basis. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

The financial statements for the AXA Sterling Strategic Bond Fund has been prepared on a break-up basis as disclosed in Note1 (a). In auditing the financial statements of the remaining sub-funds, we have concluded that the Authorised Corporate Director's ("the ACD") 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 doubts on the remaining sub-funds' ability to continue as a going concern.

Our responsibilities and the responsibilities of the ACD 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 remaining sub-funds' 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 auditor's report thereon. The ACD 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.

Independent Auditor's Report to the members of AXA Fixed Interest Investment ICVC

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 Instrument of Incorporation; 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 ACD'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 ACD

As explained more fully in the ACDs responsibilities statement set out on page 270, the ACD 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 ACD 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 ACD is responsible for assessing the Company'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 ACD either intends to wind up or terminate the Company 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.

Independent Auditor's Report to the members of AXA Fixed Interest Investment ICVC

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 Company 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 OEIC Regulations, the Company's Instrument of Incorporation and the Prospectus.

• We understood how the Company is complying with those frameworks through discussions with the ACD and the Company's administrators and a review of the Company's documented policies and procedures.

• We assessed the susceptibility of the Company'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.

• 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 ACD 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 Company.

• Due to the regulated nature of the Company, 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 Company's Shareholders, 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 Company's Shareholders 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 Company and the Company's Shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor
Edinburgh
27th October 2022

Further Information (unaudited)

Classes of Shares

The Company can issue different classes of shares in respect of any Fund. Holders of Income shares are entitled to be paid the revenue attributable to such shares, in respect of each annual or accounting period. Holders of Accumulation shares are not entitled to be paid the revenue attributable to such shares, but that revenue is retained and accumulated for the benefit of shareholders and is reflected in the price of shares.

Valuation Point

All investments are valued at their fair value price as at 4:30pm on 31 December 2022 being the last business day of the accounting period (with the exception of Global High Income Fund, US Short Duration High Yield Fund, AXA Global Short Duration Bond Fund, AXA ACT Green Short Duration Bond Fund & AXA Global Strategic Bond Fund which are valued at midday). The fair value for non-derivative securities is bid price. Other investments have been stated at the Manager's valuation and this has been indicated in the portfolio statements.

Significant Information (unaudited)

Remuneration policy of the ACD

The ACD 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 Funds or the Instrument of Incorporation, and does not impair compliance of the ACD's duty to act in the best interests of each of the Funds.

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 ACD) 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 Funds). 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 ACD free of charge upon request.

Further Information (unaudited)

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

Other Information

The Instrument of Incorporation, Prospectus and the most recent and annual reports may be inspected at the office of the ACD which is also the Head Office of the Company and copies may be obtained upon application. Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR.

Report

The annual report of the Company will be published within four months of each annual accounting period and the report will be published within two months of each accounting period.

Interim accounts	period ended 31 December
Annual accounts	year ended 30 June

Data Protection

The details you have provided will be held on computer by the Funds' Registrar but will not be used for any purpose except to fulfil its obligations to shareholders.

Further Information (unaudited)

Effects of Personal Taxation

Investors should be aware that unless their shares are held within an ISA, or switched between Funds in this OEIC, selling shares is treated as a disposal for the purpose of Capital Gains tax.

Risk Warning

An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

The Securities Financing Transactions Regulation

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

Annual Management Charge

AXA Investment Managers UK Limited, as ACD, will receive an Annual Management Charge out of the property for AXA Global High Income Fund at the rate of 0.45% per annum for Class A Shares, 1.25% per annum for Class R Shares, 0.50% per annum for Class Z Shares; for AXA Sterling Corporate Bond Fund at the rate of 1% per annum for Class R Shares, 0.50% per annum for Class Z Shares, 0.40% per annum for Class B Shares; for AXA Sterling Index Linked Bond Fund at the rate of 0.25% per annum for Class A Shares, 0.75% per annum for Class R Shares, 0.30% per annum for Class Z Shares; for AXA Sterling Strategic Bond Fund at the rate of 1.25% per annum for Class R Shares, 0.50% per annum for Class Z Shares, 0.40% per annum for Class B Shares; for AXA Sterling Credit Short Duration Bond Fund at the rate of 0.35% per annum for Class A Shares, 0.85% per annum for Class R Shares, 0.40% per annum for Class Z Shares, 0.25% per annum for Class ZI Shares; for AXA US Short Duration High Yield Fund at the rate of 0.75% per annum for Class Z Shares, 0.45% per annum for Class ZI Shares; for AXA Global Short Duration Bond Fund at the rate of 0.40% per annum for Class Z Shares, 0.25% per annum for Class ZI Shares, 0.20% per annum for Class S Shares; for AXA Global Strategic Bond Fund at the rate of 0.50% per annum for Class Z Shares, 0.35% per annum for Class ZI Shares; for AXA ACT Carbon Transition Sterling Buy And Maintain Credit Fund at the rate of 0.13% per annum for Class Z Shares; for AXA ACT Green Short Duration Bond Fund at the rate of 0.40% per annum for Class Z Shares, 0.25% per annum for Class ZI Shares based on the net asset value of the relevant Fund calculated on a mid-market basis. The Annual Management Charge accrues monthly and is payable monthly in arrears. The maximum permitted Annual Management Charge payable to the ACD is 2% per annum for Class A, Class B, Class R, Class S, Class Z and Class ZI Shares.

Preliminary Charge

There is currently no initial charge on Class A Shares, Class B Shares, Class R Shares, Class S Shares, Z classes (only for US Short Duration High Yield Fund there is initial charge 5%) and Class ZI Shares (only for US Short Duration High Yield Fund there is initial charge 5%); for Class H Shares there is initial charge 5%.

Value Assessment

It is our duty as Authorised Corporate Director (“ACD”) 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 ACDs 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: https://retail.axa-im.co.uk/fund-centre