

**Interim Long Report and Unaudited Financial Statements**  
**Six Months ended**  
**31 May 2023**

## **AXA ACT People & Planet Equity Fund**



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

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

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

## Fund Objective & Investment Policy

The aim of AXA ACT People & Planet Equity Fund ("the Fund") is to : (i) provide capital growth over the long term (being a period of five years or more); and (ii) invest in companies that contribute to the achievement of the United Nation's Sustainable Development Goals (<https://sdgs.un.org/goals>).

The Fund invests at least 80% of its Net Asset Value in shares of listed companies of any size based anywhere in the world. The Manager selects shares based upon: (i) a company's positive contribution to the achievement of one or more of UN's Sustainable Development Goals (the "UN SDGs") and (ii) an analysis of a company's financial status, quality of its management, expected profitability and prospects for growth. The UN SDGs provide a globally accepted framework through which companies can align their strategic goals, products and services to help solve the global environmental and social challenges faced by people and planet.

To identify and invest in companies that contribute to the achievement of the environmentally and/or socially focussed UN SDGs, the Manager will assess how much of a company's revenue generated by its core products and services provide environmental or social benefits for the people and/or planet and therefore contribute to the realisation of the targets set by the UN for the achievement of such UN SDGs. The Manager primarily uses a company's products and services score ("P&S Score"), calculated by its selected external provider, to assess the total revenue generated by a company's core products and services that provide environmental and social benefits for the people and/or planet and contribute to such targets and the achievement of any one of the UN SDGs.

In addition, the Manager will use its proprietary analytical framework to analyse qualitative factors such as the alignment of a company's products and services to the UN SDGs, the company's commitment to achieve and measure the contribution its core products and services make to the achievement of the environmentally and socially focussed UN SDGs, its longterm strategic direction and the extent to which it makes such core products and services more accessible to society or commercially viable through innovation and new technologies, lower prices, or better distribution. The Manager will also take into account any controversies or harmful impacts of a company's activities on the people and/or planet, its corporate practices or its products or services which may have negative consequences for the people and/or planet.

Companies selected by the Manager for the Fund are deemed to provide products and services with an environmental or social benefit for the people and/or planet and make (or have the potential to make) a significant positive contribution to the targets set by the UN and the achievement of one or more of such UN SDGs. Companies will typically provide products and services in sectors such as healthcare, transport, sustainable energy production, education and food manufacturing which help to solve urgent and important societal and environmental problems reflected in the UN SDGs and their targets.

The Manager expects companies selected for the Fund to define clear criteria by which their positive contribution to the achievement of the UN SDGs can be measured. The Manager may also engage with companies to define clear objectives to achieve a significant positive contribution for the people and/or planet and will monitor the actions taken by companies to achieve these objectives.

In addition, the Manager will consider the company's environmental, social and governance (ESG) score as one factor within its broader analysis to identify companies which are expected to generate capital growth. The Manager believes that companies with higher ESG scores manage risk associated with ESG issues more effectively, contributing to better financial performance of such companies in the long term. ESG scores are obtained from our selected external provider(s) and adjusted by the Manager using its own research. The Manager will only consider the lowest scoring issuers in exceptional circumstances.

To avoid investing in companies 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 soft commodity derivatives or exposure to certain companies based on their involvement in specific sectors (such as unsustainable palm oil production, 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; certain criteria relating to human rights and anti-corruption as well as other ESG factors. The AXA Investment Managers' ESG Standards policy and AXA IM Group's sector specific investment guidelines are subject to change 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 the Fund's 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.

The Fund may also invest in other transferable securities and units in collective investment schemes. The Fund may use derivatives for Efficient Portfolio Management. Use may be made of borrowing, cash holdings, hedging and other investment techniques permitted in the applicable FCA rules.

The Manager has full discretion to select investments for the Fund in line with the above investment policy. This Fund is actively managed in reference to the MSCI All Country World Total Return Index (the "Index"), which may be used by investors to compare the Fund's financial performance. The Index is designed to measure equity market performance in global markets. This index best represents the types of companies in which the Fund predominantly invests.

AXA ACT People & Planet Equity Fund ('the Fund') is authorised and regulated by the Financial Conduct Authority.

## **Important Events During the Year**

### **CHANGE OF NAME, INVESTMENT OBJECTIVE AND INVESTMENT POLICY**

AXA Framlington Emerging Markets Fund changed its name to AXA ACT People & Planet Equity Fund on 06 April 2023. This Fund is now part of the AXA IM's global ACT range of products, which implement a responsible approach as part of their investment strategy. Further information in relation to this can be found in the Investment Review on Page 6.

## Investment Review

### Fund evolution

The AXA Framlington Emerging Markets Fund evolved on 6 April 2023 into a new strategy called AXA ACT People & Planet Equity Fund, an unconstrained multi-cap global equity portfolio that aims to generate financial returns by investing in companies making measurable, positive contributions towards environmental and social progress, embodied in the United Nations Sustainable Development Goals (SDGs). The strategy invests in companies that support three underlying sustainable growth themes that align with the UN SDGs:

1. **Social** – Improving access to essential services thereby increasing inclusion of underserved populations. Empowering people through education and supporting small businesses, enabling people to take care of their health, wellbeing and physical safety.
2. **Energy Transition** – Investing into solutions which support the energy transition; renewable energy, digitalising electricity networks energy efficiency. Investing in the low carbon transport value chain across car makers, battery producers & enablers.
3. **Biodiversity** – Facilitating recycling and contributing to a circular economy. Investing into sustainable materials, green materials and chemical and water treatment solutions.

### Top Ten Holdings as at 31 May 2023

	%
<b>Schneider Electric</b>	<b>3.07</b>
<i>France</i>	
<b>AstraZeneca</b>	<b>2.95</b>
<i>United Kingdom</i>	
<b>Darling Ingredients</b>	<b>2.90</b>
<i>United States</i>	
<b>HDFC Bank</b>	<b>2.56</b>
<i>India</i>	
<b>NextEra Energy</b>	<b>2.45</b>
<i>United States</i>	
<b>Taiwan Semiconductor Manufacturing</b>	<b>2.38</b>
<i>Taiwan</i>	
<b>Cadence Design Systems</b>	<b>2.31</b>
<i>United States</i>	
<b>Waste Connections</b>	<b>2.30</b>
<i>Canada</i>	
<b>Xylem</b>	<b>2.29</b>
<i>United States</i>	
<b>AIA</b>	<b>2.26</b>
<i>Hong Kong</i>	

### Market backdrop (prior to 6 April)

The emerging markets index retreated by -2.3% (sterling terms) over the period, mildly underperforming the world index, which saw a decline of -1.2%. Within the emerging markets universe, the best performing region was Asia, which fell -1.2%; however, China - its largest component and of the index overall – registered a gain of +4.3%, as it recovered from the lows made in October. The principal driver of this performance was the reversal of the ‘zero Covid’ policy at the end of 2022; the policy had acted to significantly suppress growth in the economy, so its removal raised expectations of economic recovery. Elsewhere in the Asian region, Taiwan also delivered a positive return, rising +3.0%, with the rally led by the semiconductor sector, a significant part of the market. Meanwhile, the two other major markets in the region – Korea and India – both registered declines over the period, with Korea down -2.9%, and India falling -13.9%. The weakness in the latter market was exacerbated in the first quarter of 2023 by the impact of a short report into the Ambani Group, a leading Indian conglomerate, which raised questions about the quality of corporate governance in India.

Of the other regions within the universe, Latin America fell -5.6%, whilst the EMEA region was down -6.7%. Brazil and Mexico, the two main markets in Latin America, saw contrasting fortunes, with Brazil falling -10.8% and Mexico rising +5.6%, to record the best performance within the emerging markets index. Brazil came under pressure after Lula da Silva was returned to presidential office following elections in 2022; uncertainty around the extent of his fiscal plans, as well as concerns about political interference with the central bank, saw investors take a more cautious attitude towards Brazilian assets. Meanwhile, Mexico benefited from the strength of the US market and of its economy, reflecting the strong economic linkages between the two countries. Within EMEA, both South Africa and Saudi Arabia saw declines; South Africa fell -8.8%, as power shortages resulting from issues at the state utility Eskom raised concerns about the trajectory of growth. A softer oil price was a contribution to the weakness in Saudi Arabia, reflecting the importance of the commodity to its economy.

## Investment Review (continued)

### Market backdrop (from 6 April to 31 May)

Global stocks rose modestly supported by a positive corporate earnings season, which has so far delivered better-than-expected profits. The positive stock momentum held off despite generally worsening macroeconomic data. Central banks in the US, UK and Europe all continued to raise rates over the period as they face persistent elevated inflation.

The technology sector had a stellar performance moving up double digit in contrast to the rest of the market, which was much more subdued. Strong momentum for artificial intelligence applications saw big gains for certain chip makers and software companies. Cyclical sectors such as energy and materials retreated following a faltering Chinese economic recovery. Bond proxies and defensive sectors such as utilities and healthcare also moved lower.

### Fund performance (prior to 6 April)

The Fund underperformed its benchmark, the MSCI Emerging Markets Index, over the period. In terms of asset allocation, there were positive contributions from its overweight positions in Mexico and Taiwan, but these offset by the underweight position in China, and especially the overweight in India. Stock selection was the more significant detractor to performance. Despite the positive performance of the market, the holdings in China witnessed notable variations in returns, even within the same sectors – thus, amongst the big internet names Alibaba and Netease both enjoyed solid double-digit returns, but JD.com and Meituan fell over the period, with the latter's performance impacted by the announcement from major shareholder Tencent of its decision to divest its holding in the company via an in specie transfer. This created an overhang for the stock, adding to the pressures on its performance. On a more positive note, automaker BYD delivered a good performance, reflecting its strong sales numbers as the company has taken share in the domestic market. In Taiwan, the positive contribution from the overweight position in the market was enhanced by stock selection, with TSMC (the Fund's largest holding), MediaTek and Sinbon Electronics in particular all delivering gains ahead of the market.

Inevitably stock selection in India also impacted performance, with market heavyweights TCS, Reliance and HDFC Bank all seeing weak returns. Poor numbers from Dr Lal Pathlab's also contributed to that stock's weak performance; the company, an operator of diagnostic and pathology labs, has struggled to replace the testing volumes witnessed during the COVID-19 pandemic – an issue which has challenged similar operators globally. In contrast, Godrej Consumer Products was up over the period, as its results suggested that new management has been improving the company's operations. Similarly, WEG in Brazil was able to buck the negative trend in the market by delivering a positive return, also an indication of the fact that it has been executing well. However, Cia Brasileira de Alumínio, an aluminium producer, was particularly weak after delivering disappointing numbers. Within Mexico, both Grupo Financiero Banorte and Orbia Advance enjoyed a strong run over the period.

### Fund performance (from 6 April to 31 May)

The Fund underperformed its global benchmark index (MSCI All Country World Index) over the period. From an allocation standpoint, the strategy was held back by its underweight position in the technology sector, which moved up double digit, and its overweight in the healthcare sector, which moved lower. The underweight position to the US (which makes up 60% of the index) was also a drag.

From a stock selection perspective, several holdings detracted to performance. LONGi Green Energy Technology, a leading manufacturer of solar wafer and modules, reported continued strong growth but lower-than-expected wafer margins in the latest quarter following a rebound in polysilicon prices. South African retail bank Capitec Bank reported solid gains but a deteriorating asset quality, which is a watch point. International student placement services company IPD Education also weighed on performance after the company lost its exclusivity arrangement for providing English proficiency tests in Canada. Despite this, we think the student placement side of the business remains attractive given strong top line growth supported by activity in new geographies. While e-commerce platform Etsy reported reassuring revenue growth, it remains exposed to a tightening of consumer discretionary spend, which is a concern for investors.

## Investment Review (continued)

We had positive contribution from global industrials group Schneider Electric, a major player in electrification, which reported another solid quarter with its order backlog reaching record levels, thus demonstrating continued strong business momentum. Intuitive Surgical, a leading robotic surgery platform, benefitted from a strong recovery in surgery volumes after years of pandemic-related disruptions. Microloan disbursements picked up at Bank Rakyat Indonesia, although a deterioration in asset quality and intense loan competition are two watch points. Position in leading electric vehicle manufacturer Tesla added to returns. Shares were supported by a surge in interest in companies with strong Artificial Intelligence (AI) credentials given its leading position in machine learning, and almost five million vehicles equipped with full self-driving hardware. Investors also welcomed the news that CEO Elon Musk intends to transition out of his leadership role at Twitter over the coming months.

### Outlook

While there are signs that inflation is easing in the U.S. and in continental Europe, central banks around the world are pressing on for now with their monetary tightening agenda. Consensus remains that while advanced economies are most likely heading towards a recession, it is more likely to be a soft landing. However, the recent banking crisis reminded us that the full effect of this rapid tightening of financial conditions and monetary liquidity is not yet clear, and we should expect the macroeconomic backdrop to remain volatile in the near term.

We believe the outlook for companies providing solutions to the world's greatest social and environmental challenges remains strong despite macroeconomic uncertainties. Support for the energy transition continues to increase with most major nations now having meaningful decarbonisation plans in place. Meanwhile, the newly adopted Global Biodiversity Framework sets out an ambitious plan to halt and reverse biodiversity loss by 2030. Achieving these goals requires significant investment in renewable energy and grid infrastructure, while transportation systems will move away from fossil fuels towards a combination of electric vehicles, biofuels and green hydrogen. Within the high stakes agriculture sector, elevated crop prices and rising input costs are supporting demand for agritech solutions which improve yield and farming efficiency. Elsewhere, companies that facilitate recycling and reusing, along with the use of more sustainable materials, are helping to mitigate environmental damage while meeting the needs of a growing population. On the social side, we invest in companies that are well positioned to benefit from secular themes such as the growth in healthcare needs of an ageing society, the rise of the middle-class purchasing power in emerging markets, a steady societal focus on health and safety standards, as well as governments' push for better access to essential products and services for all. In the context of this economic uncertainty, a number of companies held in the portfolio display defensive franchises focused on delivering essential products and services or are underpinned by growing sustainability regulatory drivers. We remain long-term oriented in our investment philosophy. We retain the view that high quality management teams, operating businesses with a sustainable competitive advantage in their markets and with the benefit of secular tailwinds are best placed to weather the current storm and to seize opportunities for growth.

**Simon Weston & Anne Tolmunen**

Source of all performance data: AXA Investment Managers, Morningstar to 31 May 2023.

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



## Portfolio Changes

For the six months ended 31 May 2023

Major Purchases	Cost (£'000)	Major Sales	Proceeds (£'000)
Naspers	1,898	Taiwan Semiconductor Manufacturing	6,192
Meituan	862	Tencent	3,686
AstraZeneca	836	Samsung Electronics	2,857
Schneider Electric	772	Grupo Financiero Banorte	2,446
Darling Ingredients	749	Wal-Mart de Mexico	2,088
NextEra Energy	748	MediaTek	1,948
Waste Connections	657	Yum China	1,883
Xylem	651	Tata Consultancy Services	1,827
Infineon Technologies	639	Naspers	1,769
UnitedHealth	607	Alibaba ADR	1,767
Other purchases	20,130	Other sales	44,700
<b>Total purchases for the period</b>	<b>28,549</b>	<b>Total sales for the period</b>	<b>71,163</b>

Stocks shown as ADRs represent American Depositary Receipts.

## Managing Risks

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

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

### RISK PROFILE

The Fund invests primarily in the shares of quoted companies on worldwide financial markets drawn from all economic sectors. As many of these investments will be made in non sterling denominated listed equities, the value of the Fund will not only be impacted by the market risk associated with investing in equities but also by exchange rate movements between those currencies and sterling in which the Fund is based. The Fund also invests in emerging and newer markets which may involve a higher risk than investing in established markets due to heightened geopolitical risk (see below) and potential large currency volatility. Investors should consider carefully whether this investment risk is suitable for them. The value of investments and the income from them is not guaranteed and can go down as well as up.

### EQUITY RISK

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

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

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

### ESG RISK

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

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

## CONCENTRATION RISK

The Fund may hold a small number of stocks. This can give rise to more risk than where investments are spread over a larger number of companies. Whilst this may increase the potential gains, it may also increase the risk of loss to the Fund as a result of the Fund's greater exposure to the performance of individual companies.

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

## CURRENCY RISK

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

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

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

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

## 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 developed markets;
- b. the same level of government supervision and regulation of stock exchanges 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 Fund referred to above and, as a result, limit investment opportunities for the Fund. 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 investment.

Lack of liquidity and efficiency in certain of the stock markets or foreign exchange markets in certain emerging markets may mean that from time to time the Manager 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 as diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with the Fund's investment objectives and investment policy.

## INDUSTRY SECTOR RISK

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

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

## UN SDG ALIGNMENT RISK

Certain Funds seek to contribute to the achievement of certain UN Sustainable Development Goals within their responsible investment approach, and as such, their investment universe is limited to assets that meet specific criteria designed to measure contribution to the UN SDGs (intentionality, materiality, additionality, negative externality and measurability). As a result, their respective performance may be different from a fund implementing a similar investment strategy an otherwise similar investment strategy which does not apply such 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.

## SMALLER COMPANIES RISK

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

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

## INVESTMENT IN CHINA A SHARES VIA THE STOCK CONNECT PROGRAM RISK

The Fund may invest in China A shares (shares issued by domestic markets in mainland China in Chinese renminbi) through the Stock Connect program. China A shares are generally only available for investment by residents of mainland China or by foreign investors through tightly regulated structures. The Stock Connect program is one structure through which foreign investors can invest in China A shares by providing mutual market access via the Hong Kong Stock Exchange, Shanghai Stock Exchange and Shenzhen Stock Exchange. In addition to the risks disclosed under Emerging Markets Risk and Political, Economic, Convertibility and Regulatory Risk, investment by the Funds via the Stock Connect program also involves the following risks.

### *Investment limitations*

The Stock Connect program is subject to quota limitations applying across all participants and utilised on a first-come-first-served basis. Once the quota is exceeded, buy orders will be rejected although sell orders would not be impacted. Such quota limitations may restrict the Fund's ability to invest in China A shares through the Stock Connect program on a timely basis, and the Fund may not be able to effectively pursue its investment strategy.

In addition a particular stock may be recalled from the scope of eligible stocks for trading via the Stock Connect program and in such a case the Fund would not be able to buy that stock (although it could sell it). This may affect the ability of the Fund to implement its investment strategy.

Each of the stock exchanges participating in the Stock Connect program reserves the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. A suspension could adversely affect the Fund's ability to access the mainland China stock markets.

The Stock Connect program only operates on days when both the Chinese and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. As a result there may be occasions when it is a normal trading day for the mainland China market but the Fund cannot trade China A Shares via the Stock Connect program as that day is not a trading day in Hong Kong. The Fund would be subject to a risk of price fluctuations in China A Shares for the period it cannot trade via the Stock Connect program.

In practice, the Fund mitigates the above risks by the relatively small proportion of the Fund which is invested using the Hong Kong Stock Connect. For making new or increased investments, it is also notable that the portfolio manager has access to a broad range of opportunities elsewhere in the market.

### *Operational risk*

The Stock Connect program is premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain operational and risk management requirements. The securities regimes and legal systems of Hong Kong stock exchange and the mainland China stock exchanges differ significantly and market participants may need to address issues arising from the differences on an on-going basis.

There is no assurance that the system of the stock exchanges and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. the Fund's ability to access the China A share market and pursue its investment strategy may be adversely affected.

The Manager monitors the normal functioning of trading activity on an ongoing basis.

### *Execution issues*

The Stock Connect program permits trades to be executed through one or multiple brokers that are market participants. Given the custody requirements for the Funds, the Manager may determine that it is in the interest of the Fund that it only executes trades via the Stock Connect program through a market participant that is part of the Trustee's sub-custodian network. In that situation, whilst the Manager will be cognisant of its best execution obligations, it will not have the ability to trade through multiple brokers and any switch to a new broker will not be possible without a commensurate change to the Trustee's sub-custody arrangements.

The Manager performs ongoing transaction cost analysis to ensure that all brokers used continue to provide value for their services.

### *Ownership of Stock Connect securities*

China A shares purchased via the Stock Connect program are held by the sub-custodian in accounts in the clearing system of Hong Kong's central securities depository. The Hong Kong central securities depository, in turn, holds the China A shares as nominee through an omnibus securities account in its name registered with the Chinese central securities depository. This means that there are multiple legal frameworks involved in establishing legal title to the China A shares and there are increased operational risks involved in the servicing of the holding of the shares (e.g. processing dividend payments). The Fund will be exposed to the credit risk of both the Hong Kong and Chinese central securities depository but neither the Manager nor the Trustee have a legal relationship with such depositories and therefore have no direct recourse in the event of suffering a loss resulting from their performance or insolvency. While the Stock Connect program recognises the Fund's beneficial ownership of the China A shares, there is a risk that the nominee structure may not be recognised under Chinese law and, in the event of the insolvency of the Hong Kong central securities depository, there is uncertainty as to whether the Fund's China A shares would be available to creditors of the Hong Kong central securities depository or regarded as held on behalf of the Fund. Trading via the Stock Connect program is not covered by investor protection/compensation funds in either Hong Kong or mainland China.

Such risks are mitigated by the low proportion of the fund which is typically invested via the Hong Kong Stock Connect.

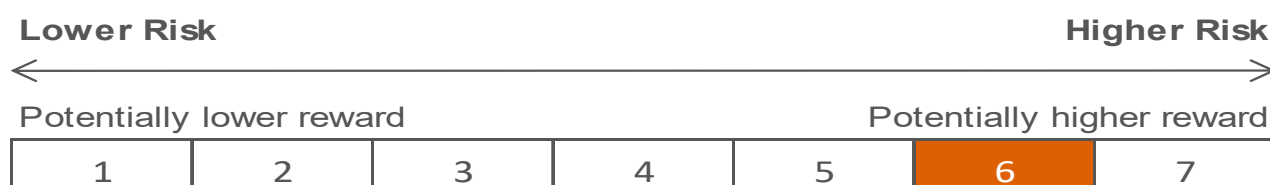
Investment Holdings subject to the Investment in China A Share selection via the stock connect program risk will be marked within the Portfolio Statement.

## STOCK LENDING RISK

The Fund may participate in a stock lending programme managed by an affiliate of the Manager (acting as stock lending agent) for the purpose of lending the Fund's securities via entering into a stock lending authorisation agreement. If engages in stock lending it will be exposed to counterparty credit risk in that the borrower may default on a loan, the Fund become insolvent or otherwise be unable to meet, or refuse to honour, its obligations to return loaned or equivalent securities. In this event, the relevant Fund could experience delays in recovering the loaned securities, may not be able to recover the loaned securities and may incur a capital loss which might result in a reduction in the net asset value of the relevant Fund. The Fund's exposure to its counterparty will be mitigated by the fact that the counterparty will be requested to post collateral, in the form of cash or debt or equity securities, as from time to time set out in the relevant stock lending agreement, and will forfeit its collateral if it defaults on the transaction. If a counterparty defaults and fails to return equivalent securities to those loaned, the Fund may suffer a loss equal to any shortfall between the value of the realised collateral and the market value of the replacement securities. Such collateral shortfall may arise as a result of inaccurate pricing of the collateral, unfavourable market movements in the value of the collateral, or a lack of liquidity in the market on which the collateral is traded. If the relevant transaction with a counterparty is not fully collateralised, then the Fund's credit exposure to the counterparty in such circumstances will be higher than if the transaction had been fully collateralised. When entering into stock lending the Fund may also be exposed to settlement risk (i.e. the possibility that one or more parties to the transactions will fail to deliver the assets at agreed-upon time) and legal risk, which is the risk of loss due to the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable. In addition to the specific risks identified above stock lending carry other risks, as described in this Risk Factors section, notably (i) counterparty risk, ii) custody insolvency and iii) liquidity risk.

For Stock Lending the risks are partially mitigated by: (i) the lending agent seeking to lend only to counterparties who are considered to have a strong financial standing; (ii) the requirement to receive collateral of good quality and liquidity (the anticipated ability to sell the collateral if needed) covering the value of assets lent, and this amount being regularly reviewed to reflect any market movement in the value of assets lent and received; (iii) carrying out the transaction under legal documentation corresponding to recognised market standards; (iv) limiting the amount of lending to individual counterparties; (v) ensuring the terms of the loan allow it to be requested to be recalled at any time.

## RISK AND REWARD PROFILE



The risk category is calculated using historical performance data for the Comparator Benchmark used by the Fund 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. Please note that the risk category has changed from 5 to 6 during the last six months.

## WHY IS THIS FUND IN THIS CATEGORY?

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

## ADDITIONAL RISKS

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

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

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

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



## Fund Information

### FIVE YEAR PERFORMANCE

In the five years to 31 May 2023, the price of Z Accumulation units, with net income reinvested, fell by -3.29%. The MSCI AC World Total Return Net\* increased by +7.24% over the same time period. During the same period, the price of Z Income units, with zero income reinvested, fell by -6.39%. (Source: AXA Investment Managers and Morningstar) (Prices in GBP).

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

Date	AXA ACT People & Planet Equity Fund Z Acc	MSCI AC World Total Return Net*
31 May 2018 to 31 May 2019	+0.64%	-3.61
31 May 2019 to 31 May 2020	-4.12%	-2.52
31 May 2020 to 31 May 2021	+33.65%	+31.33
31 May 2021 to 31 May 2022	-16.31%	-9.57
31 May 2022 to 31 May 2023	-10.40%	-3.89

\*MSCI EMERGING MARKETS TO 05/04/2023, MSCI AC WORLD NET THEREAFTER.

Source: AXA Investment Managers & Morningstar. Basis: single price basis (NAV) with net income reinvested for Accumulation units, net of fees in GBP.

Past performance is not a guide to future performance.

### YIELD

D Inc	0.27%
D Acc	0.27%
P Inc*	Nil
P Acc*	Nil
R Inc	0.05%
R Acc	0.05%
S Inc**	Nil
S Acc**	Nil
Z Inc	0.90%
Z Acc	0.89%

### CHARGES

	Initial Charge	Annual Management Charge
D	Nil	1.10%
P^*	Nil	0.20%
R	Nil	1.50%
S^**	Nil	0.25%
Z	Nil	0.75%

^Units in Class P and Class S are only available at the ACD's discretion by contractual agreement.

### ONGOING CHARGES\*\*\*

D Inc	1.32%
D Acc	1.32%
P Inc*	0.42%
P Acc*	0.42%
R Inc	1.72%
R Acc	1.72%
S Inc**	0.47%
S Acc**	0.47%
Z Inc	0.97%
Z Acc	0.97%

\* P unit class launched on 28 April 2023.

\*\* S unit class launched on 14 April 2023.

\*\*\*For more information on AXA's fund charges and costs please use the following link:

<https://retail.axa-im.co.uk/fund-charges-and-costs>

### UNIT TRUST INDIVIDUAL SAVINGS ACCOUNTS

The AXA ACT People & Planet Equity Fund is available as a Stocks and Shares ISA through the AXA Investment Managers Stocks and Shares ISA.

### THE TASK FORCE ON CLIMATE RELATED FINANCIAL DISCLOSURES (TCFD)

From June 2023 the FCA has introduced requirements for Managers of UK UCITS to report annually on a broad set of climate related disclosures that can promote more informed investment decisions. The reporting includes data relating to greenhouse gas emissions, carbon emissions, carbon footprint, and weighted carbon intensity. You can find a copy of the latest TCFD report for the AXA ACT People & Planet Equity Fund here:

<https://funds.axa-im.co.uk/en/individual/fund/axa-act-people-planet-equity-fund-z-accumulation-gbp/#documents>

## Comparative Tables

	D Inc~		D Acc~	
	31/05/2023	30/11/2022	31/05/2023	30/11/2022
Closing net asset value per unit (p) <sup>†</sup>	231.18	244.49	253.28	267.82
Closing net asset value <sup>†</sup> (£'000)	4	84	8	8,257
Closing number of units	1,900	34,185	3,364	3,083,072
Operating charges <sup>^</sup>	1.32%	1.25%	1.32%	1.25%

	P Inc~~	P Acc~~
	31/05/2023	31/05/2023
Closing net asset value per unit (p) <sup>†</sup>	98.16	98.16
Closing net asset value <sup>†</sup> (£'000)	5	5
Closing number of units	5,000	5,000
Operating charges <sup>^</sup>	0.42%	0.42%

	R Inc			R Acc		
	31/05/2023	30/11/2022	30/11/2021	31/05/2023	30/11/2022	30/11/2021
Closing net asset value per unit (p) <sup>†</sup>	229.75	244.52	291.07	252.32	267.28	318.02
Closing net asset value <sup>†</sup> (£'000)	21	265	415	936	8,277	42,609
Closing number of units	9,064	108,515	142,493	370,813	3,096,668	13,398,350
Operating charges <sup>^</sup>	1.72%	1.64%	1.64%	1.72%	1.64%	1.64%

	S Inc~~~	S Acc~~~
	31/05/2023	31/05/2023
Closing net asset value per unit (p) <sup>†</sup>	95.72	95.72
Closing net asset value <sup>†</sup> (£'000)	1,664	16,016
Closing number of units	1,738,107	16,732,599
Operating charges <sup>^</sup>	0.47%	0.47%

	Z Inc			Z Acc		
	31/05/2023	30/11/2022	30/11/2021	31/05/2023	30/11/2022	30/11/2021
Closing net asset value per unit (p) <sup>†</sup>	121.42	128.18	152.64	135.09	142.67	168.48
Closing net asset value <sup>†</sup> (£'000)	1,930	26,114	31,488	7,236	22,161	23,165
Closing number of units	1,589,666	20,373,505	20,627,795	5,356,549	15,533,410	13,749,842
Operating charges <sup>^</sup>	0.97%	0.89%	0.89%	0.97%	0.89%	0.89%

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

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

~ D unit class launched on 25 May 2022.

~~ P unit class launched on 28 April 2023.

~~~ S unit class launched on 14 April 2023.

## Portfolio Statement

The AXA ACT People & Planet Equity Fund portfolio as at 31 May 2023 consisted of the following investments, which are ordinary shares unless otherwise stated.

| Holding                                                     | Market value<br>£'000 | Total net<br>assets (%) |
|-------------------------------------------------------------|-----------------------|-------------------------|
| <b>AFRICA: 2.18%</b><br><b>(30/11/2022: 3.24%)</b>          |                       |                         |
| <b>South Africa: 2.18%</b><br><b>(30/11/2022: 3.24%)</b>    |                       |                         |
| 5,575 Capitec Bank                                          | 313                   | 1.13                    |
| 30,003 Clicks                                               | 293                   | 1.05                    |
|                                                             | <b>606</b>            | <b>2.18</b>             |
| <b>AMERICAS: 46.99%</b><br><b>(30/11/2022: 30.63%)</b>      |                       |                         |
| <b>Brazil: 0.00%</b><br><b>(30/11/2022: 8.54%)</b>          |                       |                         |
| <b>Canada: 2.30%</b><br><b>(30/11/2022: 0.00%)</b>          |                       |                         |
| 5,817 Waste Connections                                     | 641                   | 2.30                    |
|                                                             | <b>641</b>            | <b>2.30</b>             |
| <b>Cayman Islands: 0.00%</b><br><b>(30/11/2022: 11.45%)</b> |                       |                         |
| <b>Mexico: 0.00%</b><br><b>(30/11/2022: 8.00%)</b>          |                       |                         |
| <b>United States: 44.69%</b><br><b>(30/11/2022: 2.64%)</b>  |                       |                         |
| 7,648 AECOM                                                 | 475                   | 1.71                    |
| 2,183 Albemarle                                             | 356                   | 1.28                    |
| 1,767 Alnylam Pharmaceuticals                               | 266                   | 0.96                    |
| 11,734 Ameresco                                             | 415                   | 1.49                    |
| 3,383 Cadence Design Systems                                | 642                   | 2.31                    |
| 15,704 Darling Ingredients                                  | 808                   | 2.90                    |
| 1,799 Deere                                                 | 510                   | 1.83                    |
| 5,406 Dexcom                                                | 497                   | 1.79                    |
| 3,088 Enphase Energy                                        | 435                   | 1.56                    |
| 5,702 Etsy                                                  | 380                   | 1.37                    |
| 3,437 First Solar                                           | 563                   | 2.02                    |
| 1,626 Intuit                                                | 534                   | 1.92                    |
| 2,100 Intuitive Surgical                                    | 522                   | 1.88                    |
| 4,110 MSA Safety                                            | 470                   | 1.69                    |

## Portfolio Statement (Continued)

| Holding                                      |                               | Market value<br>£'000 | Total net<br>assets (%) |
|----------------------------------------------|-------------------------------|-----------------------|-------------------------|
| 11,617                                       | NextEra Energy                | 683                   | 2.45                    |
| 8,185                                        | Planet Fitness                | 430                   | 1.55                    |
| 654                                          | Regeneron Pharmaceuticals     | 385                   | 1.38                    |
| 2,492                                        | Stryker                       | 547                   | 1.97                    |
| 4,477                                        | Sun Communities               | 461                   | 1.66                    |
| 3,314                                        | Tesla                         | 539                   | 1.94                    |
| 1,241                                        | Thermo Fisher Scientific      | 516                   | 1.85                    |
| 8,904                                        | Trimble                       | 342                   | 1.23                    |
| 1,450                                        | UnitedHealth                  | 563                   | 2.02                    |
| 3,446                                        | Veeva Systems                 | 456                   | 1.64                    |
| 7,967                                        | Xylem                         | 636                   | 2.29                    |
|                                              |                               | <b>12,431</b>         | <b>44.69</b>            |
| ASIA/PACIFIC: 20.37%<br>(30/11/2022: 73.10%) |                               |                       |                         |
| Australia: 3.43%<br>(30/11/2022: 0.00%)      |                               |                       |                         |
| 3,639                                        | CSL                           | 584                   | 2.10                    |
| 32,457                                       | IDP Education                 | 371                   | 1.33                    |
|                                              |                               | <b>955</b>            | <b>3.43</b>             |
| China: 1.08%<br>(30/11/2022: 18.04%)         |                               |                       |                         |
| 91,500                                       | LONGi Green Energy Technology | 300                   | 1.08                    |
|                                              |                               | <b>300</b>            | <b>1.08</b>             |
| Hong Kong: 2.26%<br>(30/11/2022: 3.35%)      |                               |                       |                         |
| 81,071                                       | AIA                           | 629                   | 2.26                    |
|                                              |                               | <b>629</b>            | <b>2.26</b>             |
| India: 4.55%<br>(30/11/2022: 18.81%)         |                               |                       |                         |
| 53,469                                       | Godrej Consumer Products      | 555                   | 1.99                    |
| 45,250                                       | HDFC Bank                     | 713                   | 2.56                    |
|                                              |                               | <b>1,268</b>          | <b>4.55</b>             |
| Indonesia: 2.08%<br>(30/11/2022: 3.18%)      |                               |                       |                         |
| 1,932,600                                    | Bank Rakyat Indonesia         | 579                   | 2.08                    |
|                                              |                               | <b>579</b>            | <b>2.08</b>             |

## Portfolio Statement (Continued)

| Holding                                                            |                                    | Market value<br>£'000 | Total net<br>assets (%) |
|--------------------------------------------------------------------|------------------------------------|-----------------------|-------------------------|
| <b>Japan: 2.86%</b><br><b>(30/11/2022: 0.00%)</b>                  |                                    |                       |                         |
| 27,400                                                             | Katitas                            | 396                   | 1.42                    |
| 13,100                                                             | Unicharm                           | 400                   | 1.44                    |
|                                                                    |                                    | <b>796</b>            | <b>2.86</b>             |
| <b>South Korea: 1.73%</b><br><b>(30/11/2022: 10.53%)</b>           |                                    |                       |                         |
| 1,104                                                              | Samsung SDI                        | 482                   | 1.73                    |
|                                                                    |                                    | <b>482</b>            | <b>1.73</b>             |
| <b>Taiwan: 2.38%</b><br><b>(30/11/2022: 19.19%)</b>                |                                    |                       |                         |
| 45,000                                                             | Taiwan Semiconductor Manufacturing | 661                   | 2.38                    |
|                                                                    |                                    | <b>661</b>            | <b>2.38</b>             |
| <b>EUROPE (excluding UK): 20.33%</b><br><b>(30/11/2022: 2.47%)</b> |                                    |                       |                         |
| <b>Denmark: 1.90%</b><br><b>(30/11/2022: 0.00%)</b>                |                                    |                       |                         |
| 7,351                                                              | Orsted                             | 529                   | 1.90                    |
|                                                                    |                                    | <b>529</b>            | <b>1.90</b>             |
| <b>France: 5.56%</b><br><b>(30/11/2022: 0.00%)</b>                 |                                    |                       |                         |
| 2,870                                                              | Capgemini                          | 399                   | 1.43                    |
| 6,037                                                              | Schneider Electric                 | 853                   | 3.07                    |
| 10,413                                                             | Verallia                           | 296                   | 1.06                    |
|                                                                    |                                    | <b>1,548</b>          | <b>5.56</b>             |
| <b>Germany: 3.80%</b><br><b>(30/11/2022: 0.00%)</b>                |                                    |                       |                         |
| 20,135                                                             | Infineon Technologies              | 611                   | 2.20                    |
| 3,328                                                              | Siemens                            | 445                   | 1.60                    |
|                                                                    |                                    | <b>1,056</b>          | <b>3.80</b>             |
| <b>Ireland: 1.80%</b><br><b>(30/11/2022: 0.00%)</b>                |                                    |                       |                         |
| 6,292                                                              | Kerry                              | 501                   | 1.80                    |
|                                                                    |                                    | <b>501</b>            | <b>1.80</b>             |
| <b>Italy: 1.48%</b><br><b>(30/11/2022: 0.00%)</b>                  |                                    |                       |                         |
| 40,380                                                             | Infrastrutture Wireless Italiane   | 413                   | 1.48                    |
|                                                                    |                                    | <b>413</b>            | <b>1.48</b>             |

## Portfolio Statement (Continued)

| Holding                                                     |                                     | Market value<br>£'000 | Total net<br>assets (%) |
|-------------------------------------------------------------|-------------------------------------|-----------------------|-------------------------|
| <b>Jersey: 1.33%</b><br><b>(30/11/2022: 0.00%)</b>          |                                     |                       |                         |
| 5,024                                                       | Aptiv                               | 371                   | 1.33                    |
|                                                             |                                     | <b>371</b>            | <b>1.33</b>             |
| <b>Netherlands: 2.93%</b><br><b>(30/11/2022: 0.13%)</b>     |                                     |                       |                         |
| 13,639                                                      | Corbion                             | 303                   | 1.09                    |
| 5,190                                                       | Koninklijke DSM                     | 511                   | 1.84                    |
|                                                             |                                     | <b>814</b>            | <b>2.93</b>             |
| <b>Poland: 0.00%</b><br><b>(30/11/2022: 2.33%)</b>          |                                     |                       |                         |
| <b>Russia: 0.00%</b><br><b>(30/11/2022: 0.01%)</b>          |                                     |                       |                         |
| 120,799                                                     | Sberbank of Russia ADR <sup>1</sup> | -                     | -                       |
|                                                             |                                     | -                     | -                       |
| <b>Spain: 1.53%</b><br><b>(30/11/2022: 0.00%)</b>           |                                     |                       |                         |
| 42,978                                                      | Iberdrola                           | 425                   | 1.53                    |
|                                                             |                                     | <b>425</b>            | <b>1.53</b>             |
| <b>UNITED KINGDOM: 10.04%</b><br><b>(30/11/2022: 0.00%)</b> |                                     |                       |                         |
| 6,987                                                       | AstraZeneca                         | 821                   | 2.95                    |
| 344,025                                                     | Helios Towers                       | 309                   | 1.11                    |
| 51,841                                                      | National Grid                       | 571                   | 2.05                    |
| 21,863                                                      | RELX                                | 554                   | 1.99                    |
| 83,934                                                      | Rentokil Initial                    | 539                   | 1.94                    |
|                                                             |                                     | <b>2,794</b>          | <b>10.04</b>            |
| Investments as shown in the balance sheet                   |                                     | 27,799                | 99.91                   |
| Net current assets                                          |                                     | 26                    | 0.09                    |
| <b>Total net assets</b>                                     |                                     | <b>27,825</b>         | <b>100.00</b>           |

Stocks shown as ADRs represent American Depositary Receipts.

<sup>1</sup>Unquoted securities manually priced by the Manager.

## Statement of Total Return

For the six months ended 31 May

|                                                                                    | £'000 | 2023<br>£'000 | £'000 | 2022<br>£'000   |
|------------------------------------------------------------------------------------|-------|---------------|-------|-----------------|
| Income                                                                             |       |               |       |                 |
| Net capital losses                                                                 |       | (939)         |       | (10,548)        |
| Revenue                                                                            | 541   |               | 613   |                 |
| Expenses                                                                           | (211) |               | (550) |                 |
| Interest payable and similar charges                                               | -     |               | -     |                 |
| Net revenue before taxation                                                        | 330   |               | 63    |                 |
| Taxation                                                                           | -     |               | 136   |                 |
| Net revenue after taxation                                                         |       | 330           |       | 199             |
| <b>Total return before equalisation</b>                                            |       | <b>(609)</b>  |       | <b>(10,349)</b> |
| Equalisation                                                                       |       | (154)         |       | (3)             |
| <b>Change in net assets attributable to unitholders from investment activities</b> |       | <b>(763)</b>  |       | <b>(10,352)</b> |

## Statement of Change in Net Assets Attributable to Unitholders

For the six months ended 31 May

|                                                                             | £'000    | 2023<br>£'000 | £'000   | 2022<br>£'000 |
|-----------------------------------------------------------------------------|----------|---------------|---------|---------------|
| Opening net assets attributable to unitholders                              |          | 65,158        |         | 97,677        |
| Amounts receivable on creation of units                                     | 474      |               | 5,596   |               |
| Amounts payable on cancellation of units                                    | (37,044) |               | (2,454) |               |
|                                                                             |          | (36,570)      |         | 3,142         |
| Change in net assets attributable to unitholders from investment activities |          | (763)         |         | (10,352)      |
| <b>Closing net assets attributable to unitholders</b>                       |          | <b>27,825</b> |         | <b>90,467</b> |

The above statement shows the comparative closing net assets at 31 May 2022 whereas the current accounting period commenced 1 December 2022.



## Balance Sheet

As at

|                                               | 31 May 2023<br>£'000 | 30 November 2022<br>£'000 |
|-----------------------------------------------|----------------------|---------------------------|
| <b>ASSETS</b>                                 |                      |                           |
| Fixed assets                                  |                      |                           |
| Investments                                   | 27,799               | 71,307                    |
| Current assets                                |                      |                           |
| Debtors                                       | 49                   | 15                        |
| Cash and bank balances                        | 209                  | 1,414                     |
| <b>Total assets</b>                           | <b>28,057</b>        | <b>72,736</b>             |
| <b>LIABILITIES</b>                            |                      |                           |
| Provision for liabilities                     | 59                   | 478                       |
| Creditors                                     |                      |                           |
| Distribution payable                          | -                    | 223                       |
| Other creditors                               | 173                  | 6,877                     |
| <b>Total liabilities</b>                      | <b>232</b>           | <b>7,578</b>              |
| <b>Net assets attributable to unitholders</b> | <b>27,825</b>        | <b>65,158</b>             |

## Notes to the Financial Statements

### Accounting policies

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

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 November 2022 and are described in those annual financial statements.

## DIRECTORS' APPROVAL

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



Marcello Arona  
Director  
Friday 28<sup>th</sup> July 2023



Marion Le Morhedec  
Director  
Friday 28th July 2023

## **Further Information**

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

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) or total return swaps will be required on all reports & accounts published after 13 January 2017. During the period to 31 May 2023 and at the balance sheet date, the Fund did not use SFTs or total return swaps, as such no disclosure is required.

## Directory

### The Manager

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

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

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

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

### Trustee

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

### Fund Accounting Administrator

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

### Legal adviser

Eversheds LLP  
One Wood Street  
London, EC2V 7WS

### Auditor

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

### Dealing and Correspondence

PO Box 10908  
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Our lines are open Monday to Friday between 9am and 5:30pm  
As part of our commitment to quality service, telephone calls are recorded.