Annual Long Report and Audited Financial Statements
Year ended
15 May 2025

AXA UK Sustainable Equity Fund

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

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

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

Fund Objective & Investment Policy

The aim of AXA UK Sustainable Equity Fund ("the Fund") is to: (i) provide long-term capital growth over a period of 5 years or more and (ii) contribute to the global transition to net zero by investing in shares issued by UK companies which demonstrate a clear and credible commitment to achieving net zero carbon emissions by 2050 or are decreasing their carbon emissions intensity to achieve net zero emissions by 2050. The Manager will seek to keep the Fund's weighted average carbon intensity (WACI)[1] lower than its Emissions Benchmark. The Fund's Emissions Benchmark is calculated as an initial 30% reduction of the WACI of the FTSE All Share Index as at 31st December 2021 and thereafter, it will be reduced by 7% year on year. The Emissions Benchmark has been calculated by the Manager to ensure that the Fund and its equity investments are on a trajectory to reach net zero carbon emissions by 2050[2].

The Fund invests: at least 70% of its Net Asset Value in shares of companies domiciled, incorporated or having significant business in the UK which the Manager believes will provide above-average returns, relative to their industry peers; and at least 70% of its Gross Asset Value in companies which are categorized by the Manager as either Committed to Align (being companies which have communicated long term goals consistent with achieving global net zero by 2050); Aligning (being companies which have communicated quantified and credible net zero targets); or Aligned to a net zero carbon economy (being companies which are on track to meeting their quantified and credible net zero targets). To assess which category a company falls into, the Manager will evaluate, through quantitative and qualitative methods, a company's targets and timeframes to align to Net Zero or its commitment to align with the goal of Net Zero emissions by 2050, as well as, among other things, a company's decarbonization strategy, supportive actions, expenditure, governance and performance in relation to the same; at least 80% of its Net Asset Value in shares in large and medium-sized companies[3].

The Fund may invest outside its sustainable objective in other transferable securities, cash, deposits and money market instruments for liquidity and/ or for the purpose of pursuing its financial objective. Any investments falling in this category (save cash) will be screened using our exclusion policies (described below). No investments falling in this category will conflict with the Fund's sustainability objective. 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.

When defining the Fund's investment universe, the Manager will seek to exclude companies which it considers present excessive degrees of environmental, social and governance ("ESG") risk, by applying (i) AXA IM's sector specific investment guidelines[4], which exclude investment in soft commodity derivatives or exposure to certain companies based on their involvement in specific sectors (such as tobacco production, natural ecosystem conversion and deforestation, controversial weapons and climate risks) and (ii) applying the AXA Investment Managers' ESG Standards policy[5], which excludes investment in companies based on: (a) manufacture of white phosphorus weapons; certain criteria relating to human rights and anticorruption as well as other ESG factors, (b) companies which cause, contribute, or are linked to violations of international norms and standards in a material manner or which are involved in incidents and/or events that pose a severe business or reputational risk to the relevant company due to the impact of its involvement on stakeholders or the environment and (c) companies with the lowest ESG score.

The Manager will not invest in companies which are not aligned to Net Zero. The Manager may invest in companies which have insufficient data to show their net zero alignment where, based on available data, there is not a conflict with the sustainability objective.

When selecting shares in accordance with the objectives, the Manager will also analyse a company's financial status, quality of its management, expected profitability and prospects for growth.

Where the Manager deems that a company no longer meets the criteria set out in the investment policy, and after unsatisfactory engagement or escalation, the Manager will divest from such company as soon as practicable, considering the best interests of the Fund's investors and in line with the Manager's best execution policy.

The Manager will calculate the Fund's WACI and verify whether it is below the Emissions Benchmark on a monthly basis. If for any reason, the Fund has a higher WACI than the Emissions Benchmark, the Manager will aim to bring the Fund's WACI back below the Emissions Benchmark as soon as practicable having regard to the best interests of the Fund's investors.

Fund Objective & Investment Policy (continued)

The Manager has full discretion to select investments for the Fund in line with the above investment policy and in doing so may take into consideration the FTSE All-Share Index Total Return Gross. The FTSE All-Share Index Total Return Gross is designed to measure the performance of all eligible companies listed on the London Stock Exchange. This index best represents the types of companies in which the Fund predominantly invests. This Fund is actively managed in reference to the FTSE All-Share Index Total Return Gross, which may be used by investors to compare the Fund's financial performance. The Manager currently does not consider any available benchmarks as a suitable performance comparator for investors to compare the Fund's performance against its sustainability objective.

AXA UK Sustainable Equity Fund ('the Fund') is authorised and regulated by the Financial Conduct Authority.

[1] The 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 Scope 1 and 2 carbon emissions (measured in tons of carbon dioxide emissions per USD 1 million of their revenue) by its portfolio weight.

[2] The Emissions Benchmark is not a benchmark or an index in the typical sense (i.e. it is not tracking the performance of a particular group of assets), but is being used as a marker (calculated relative to the Index) to track the success of the sustainability objective. The marker is in line with the minimum standards for reduction of carbon emissions intensity set by EU climate transition benchmarks (which is a 30 per cent reduction initially, followed by a 7 per cent reduction year on year).

[3] Large companies are those in the FTSE 100, medium-sized companies are those in the FTSE 250.

[4] All sector specific policies are accessible via the following link: Our Policies and Reports | AXA IM UK (axa-im.co.uk)

[5] AXA IM's Responsible Investment policy is accessible via the following link: Our Policies and Reports | AXA IM UK (axa-im.co.uk)

Important Events During the Year

ACQUISITION OF AXA INVESTMENT MANAGERS BY BNP PARIBAS GROUP

We are pleased to confirm the acquisition of AXA Investment Managers (AXA IM) by BNP Paribas Cardif, the insurance subsidiary of BNP Paribas, as of 1 July 2025.

AXA IM is now part of the BNP Paribas Group and will join forces with BNP Paribas Asset Management (BNPP AM) and BNP Paribas Real Estate Investment Management (BNPP REIM) to build an unmatched global platform for long-term savings and investment. This will bring together complementary expertise across traditional and alternative asset classes and strengthens our ability to accelerate innovation, particularly in digital and data analytics, while re-enforcing our commitment to sustainability.

With the backing of BNP Paribas, we believe that the combination enhances our scale and global reach. AXA IM's leadership in alternative assets and expertise in insurance portfolio management, alongside BNPP AM and BNPP REIM's breadth and strength of investment capabilities and international distribution network, position us to deliver a comprehensive and differentiating range of solutions with a focus on performance. Together, we are well placed to drive long-term growth and value for you.

The legal closing of the acquisition on 1 July marks the beginning of a coordinated transition across our organisations, with the aim of progressively merging legal entities, subject to works councils' opinions and regulatory approvals.

During the transition, AXA IM will continue to operate under its current name, and we will keep you informed as our plans evolve.

More information can be found on the AXA IM and BNP Paribas websites. The press release announcing the completion of the sale here can be found here: https://group.bnpparibas/en/news/axa-im-joins-bnp-paribas-the-birth-of-a-leading-asset-management-platform

CHANGE OF SETTLEMENT PERIOD FOR THE SALE AND PURCHASE OF UNITS

The settlement period for the sale and purchase of units in the AXA UK Sustainable Equity Fund shortened from four working days (from the dealing day) to two working days for trades placed from 27 January 2025 onwards.

SUSTAINABLE INVESTMENT LABEL – SUSTAINABILITY DISCLOSURE REQUIREMENTS (SDR)

Sustainability Improvers

Under the UK's Sustainability Disclosure Requirements (SDR), Sustainable investment labels help investors find products that have a specific sustainability goal. The AXA UK Sustainable Equity Fund has been labelled 'Sustainability Improvers'. Sustainability improvers invest mainly in assets that may not be sustainable now, with an aim to improve their sustainability for people or the planet over time. The Consumer Facing Disclosure document which outlines the funds sustainability approach can be found here:
https://funds.axa-im.co.uk/en/individual/fund/axa-uk-sustainable-equity-fund-z-accumulation-gbp/#documents

CHANGE OF INVESTMENT OBJECTIVE AND INVESTMENT POLICY

On 17th January 2025, an investor vote was passed on the changes to the Fund's investment objective and policy which were subsequently implemented on 24th January 2025. From 24th January 2025 the 'Sustainability Improvers' label for the Fund was adopted.

Important Events During the Year (continued)

The new sustainability objective aims to support the transition to a net zero carbon economy by 2050, by reducing carbon emissions of the Fund at a rate deemed sufficient to keep the Fund's weighted carbon average intensity in line with the goals set out in the Paris Agreement. The rate is calculated and represented by reference to a carbon emissions benchmark (the Emissions Benchmark), which the Fund will aim to beat. The Emissions Benchmark has been designed to ensure that the Fund is on a trajectory to reach net zero carbon emissions by 2050 and is a marker by which we (and you as investor) can assess the Fund's performance against the sustainable aspect of the strategy. Further detail on how the Emissions Benchmark is calculated is described in the investment objective, set out on pages 3 to 4 of this report.

The investment policy has been changed from: investing in "leaders" and "companies in transition", with more than 50% of the Fund's Net Asset Value in "leaders", to: investing at least 70% of the Fund's Gross Asset Value in companies which either: (i) have a long term 2050 goal consistent with achieving global net zero (termed by us as "committed to aligning" to net zero); (ii) have set carbon reduction targets, disclose their carbon emissions and have a quantified plan setting out the measures that they will use to achieve their targets (termed by us as "aligning" to net zero); or (iii) have a current carbon emissions intensity in line with, or adequately achieving, its targets; and (termed by us as "aligned" to net zero).

The updated Investment Objective and Investment Policy can be seen on pages 3 to 4 of this report.

CHANGE OF FUND NAME

AXA Framlington UK Sustainable Equity Fund changed its name AXA UK Sustainable Equity Fund on 24 January 2025, to remove the "Framlington" brand from the name. This is part of AXA IM's general rebranding of certain funds, which still have their historic branding.

Investment Review

MARKET REVIEW

The Fund decreased by -0.64% (Z class net of fees) versus a rise of 5.99% for the Fund's comparative Index (FTSE All-Share) in a period dominated by the effects of inflation, interest rate expectations, macroeconomic data points and the path of conflict in Ukraine and the Middle East.

Top Ten Holdings as at 15 May 2025	%
AstraZeneca *Health Care*	4.41
London Stock Exchange Group *Financials*	4.26
RELX *Technology*	4.22
Experian *Industrials*	3.36
Compass Group *Consumer Discretionary*	3.24
HSBC *Financials*	3.23
Prudential *Financials*	2.75
NatWest Group *Financials*	2.42
Rightmove *Real Estate*	2.33
ConvaTec Group *Health Care*	2.23

The reporting period started off brightly, not that you could tell by the weather, with a whole raft of economic data points clearly showing the UK economy was on an upward trajectory thanks to falling inflation, robust wage growth and tax cuts. UK inflation dropped to the Bank of England's (BoE) 2% target for the first time in nearly three years in May 2024, although there were concerns that services inflation still remained high at 5.7%. The GfK Consumer Confidence indicator in the United Kingdom also rose in July, improving for the fourth consecutive month, to the highest level since September 2021. UK business confidence also improved to the highest level in the last two years on easing inflationary pressures.

Amid wider global political uncertainty, UK markets moved notably higher over the summer on the back of a landslide Labour Party election victory, which at the time, provided a welcome sense of clarity and stability. This created the backdrop for the UK domestic banks and a number of retailers to outperform the market as a whole.

In August, the BoE cut the base rate for the first time since 2020 from a 16-year high of 5.25% to 5% in a widely anticipated move, with further interest rate cuts anticipated in the Autumn. US Federal Reserve (Fed) officials also signalled their readiness to cut interest rates in September.

During the 12-month period to the end of May 2025, there has been a noticeable divergence in the performance of companies exposed to 'small ticket' consumer spend compared to those businesses exposed to 'big ticket' items and corporate spending. Consumers, despite the naysayers, have coped remarkably well with high interest rates (near full employment, robust wage increases and high savings rates) as opposed to companies who have become much more cautious in their spending decisions. It was hoped at the time of the first rate cut by the BoE, that this would be the start of an extended rate cutting cycle which will help to stimulate corporate investment, potentially benefitting a number of companies in the Fund.

By October however, the early optimism that had surrounded the new government evaporated. Despite inflation in the UK falling faster than expected (with the Consumer Price Index (CPI) dropping from 2.2% to 1.7% in September) and the much-feared services inflation falling faster too (from 5.6% to 4.9%), UK 10 year gilt yields still rose 45bp to 4.45% over the month. The first Labour budget for 14 years was always expected to be a tax and spend affair, and it did not disappoint on that front. Rising yields however were not just a UK phenomenon. Global fixed interest markets were also nervous ahead of the US election given the increased risk of higher government spending, whoever was seen as the winner.

The wait for the UK budget during October was a protracted affair, with potential fiscal changes rumoured daily in the various news outlets. This, along with the Prime Minister's warning of a 'painful' budget created uncertainty for companies and the financial market. Potential Capital Gains Tax changes had a particularly detrimental impact on the UK equity market as investors increased their selling ahead of these rumoured changes.

Investment Review (Continued)

UK gilt yields hit a one-year high at the beginning of October as investors braced for Donald Trump's return to the White House and fears of increased government spending delivered by the first Labour budget in 14 years. It pushed yields on 5, 10 and 20-year government bonds to their highest levels since 1st November 2023 as gilt prices fell faster than those of US Treasuries and German Bunds. The CPI rose by an annual rate of 2.3% in October. This was mostly due to an increase in the energy price cap, following a 1.7% rise in September, which was the first-time inflation had fallen below the BoE's target price since 2021. Core inflation excluding food and energy ticked up 4.1% from 4.0% in September.

November brought another interest rate cut to 4.75% in a widely expected move. However, the BoE indicated that while the extra spending outlined in the Budget would initially boost growth it also expected prices to rise too. Governor Andrew Bailey said rates were likely to 'continue to fall gradually from here' but cautioned they would not be cut 'too quickly or by too much'. This was disappointing news especially as it ignored the sluggish GDP growth.

Towards the very end of the reporting period, Rachel Reeves gave her first Mansion House speech. The Financial Services industry was said to be the 'crown jewel in our economy' and that it should play a central part in economic growth. A Financial Services Growth and Competitiveness Strategy is said to be published in the spring with a more business friendly regulatory backdrop. The government are also looking to restructure aspects of the UK pension industry to focus on growth, an initiative the previous Conservative government had begun discussions on.

This is clearly a welcome statement and is much needed given the level of takeover activity seen in the UK market during 2024 and 2025 so far. The clear message is that valuation anomalies persist and the conviction and confidence of suitors to act has surged. Hopefully these anomalies correct themselves over 2025, otherwise they will continue to correct via acquisition.

Following disappointing equity returns in December as the famed 'Santa Rally' failed to materialise, UK equities however enjoyed a strong start to 2025 as they remained remarkably buoyant in the face of macro, political, and stock market headwinds. The FTSE 100 Index closed at a record high after its best monthly performance since November 2023 thanks to a robust US dollar (international earnings) and strength in the banking sector which is benefiting from 'higher for longer' inflation expectations.

Unfortunately, this outperformance has not extended to the more domestically orientated UK mid- and small-cap stocks due to a combination of sluggish GDP growth, persistent inflation fears, asset allocation outflows and a lack of confidence that the BoE will enact the interest rate cuts that are so clearly needed. The UK economy has contracted in four out of the seven months since Labour took office, with GDP only 0.3% higher than it was in June. This has coincided with government borrowing levels not seen since 1998 while the benchmark 10-year gilt yields soared to levels last seen around the 2008 financial crisis.

The growth versus inflation debate has split the market more recently with Berenberg only expecting one more rate cut this year, whereas Cavandish could see interest rates reaching as low as 2.75%. In this latter scenario, market leadership would look very different with significant gains likely in the domestic stocks. Regardless of this outcome, valuations further down the market cap scale are increasingly strong with many languishing near decade lows, while sectors such as defence and banking are seeing the opposite effect.

In the meantime, the threat of tariffs and a cessation of support for the defence of Ukraine looming large meant market volatility dramatically increased towards the end of the period. An apparent drive to end debt funded growth is driving a raft of government reform in the US. The pace of change is remarkable with 75 Executive Orders signed in the first 40 days of Government, marking a new record (Harry Truman managed 57 in his first 100 days).

This has seemingly crystallised a wariness in US markets as flows appear to have been directed towards European large-caps which are seeing a level of outperformance not seen since 2000. It is hoped that UK equities could also be set to benefit from this trend too if confidence can be gained in the much talked about domestic economic and political stability.

Investment Review (Continued)

President Trump ultimately bowed to market pressure with regards to tariffs, offering a mixture of deferrals, reprieves and reductions. This backtracking helped ease investor anxiety. Commodity price falls and uncertainty around the health of the global economy has led investors to anticipate a more dovish BoE, with another 25 basis point (bp) interest rate cut expected at its May meeting. It may also be able to revise down its inflation forecasts, signalling that the balance of risks has shifted to a less inflationary outlook. Higher for longer inflation and thus interest rates had provided a headwind to the UK economy so the potential for this to ease has been welcomed by investors. This outcome would help the more domestically orientated FTSE 250 UK market where the Fund has an overweight position.

PORTFOLIO REVIEW

The sustainability objective of the fund is to invest in UK companies which demonstrate a clear and credible commitment to achieving net zero carbon emissions by 2050 or are decreasing their carbon emissions intensity to achieve net zero emissions by 2050. In order to do this, we will seek to keep the Fund's weighted average carbon intensity (WACI)[1] lower than its Emissions Benchmark. The Fund's Emissions Benchmark is calculated as an initial 30% reduction of the WACI of the FTSE All Share Index as at 31st December 2021 and thereafter, it will be reduced by 7% year on year. As at 30 April (the last reported date before the Fund's year-end) the Carbon Intensity by revenues of the Fund was 25 tCO2e/$M revenue versus the Emissions Benchmark of 75 tCO2e/$M.

We continue to meet numerous company management teams, looking for those businesses that exhibit an ability to grow and compound their profitability and cash flows, are well managed, have pricing power, a return on capital ahead of cost of capital and have sufficient balance sheet strength to support that growth. Rightmove, Cranswick, RELX, Compass Group and London Stock Exchange are all businesses that typify these characteristics and have yet again continued to produce impressive results during this period.

There have also been a number of other excellent performers within the portfolio during this period. Just Group continued to benefit from a buoyant pension outsourcing market as many corporate schemes have reached a surplus position, helped by the rise in interest rates. NCC Group, which is a cyber security consultant, has performed well following several high-profile cyberattacks in the retail industry, which should provide a robust demand backdrop for their services. It is also rumoured that private equity are interested in their Escode division.

A number of the new portfolio holdings that were detailed in the Interim Report provided attractive returns during the period. This included Raspberry Pi, which has now been sold from the portfolio on valuation grounds following its phenomenal share price ascent post its IPO in 2024. XPS Pensions highlighted better than expected demand for their pension consultancy services alongside an earnings enhancing acquisition of Polaris, which all contributed to their share pricing being boosted. Games Workshop also continues to trade above expectations, in part due to the success of their Space Marines 2 franchised video game.

The fact that the UK equity market is cheap is not new news. However, while investors, globally and locally, may be ignoring the opportunity, it has not gone unnoticed by private equity and international corporations with a notable recent pick up in aforementioned M&A activity. During the period two of the portfolio holdings were subject to takeover activity. The acquisition of Hargreaves Lansdown was disappointing, especially as the future prospects for this business were thought to be very bright. In addition, Alpha Group, a relatively recent addition to the portfolio has attracted an approach from Corpay, a US listed financial with a market cap of $23bn. At the time of writing, this offer has yet to be recommended by the Board.

On the more disappointing side, RWS Holdings and Treatt Plc provided more cautious guidance than the market had expected in the face of economic uncertainty following the introduction of Trump's tariffs. Accesso stated their revenue has been impacted by weaker than expected footfall to theme parks and entertainment venues over the summer months alongside a slower ramp up to their Middle Eastern project. Kainos announced an in-line profit statement but stated that revenue would be weaker than expected as demand from their public sector clients has been offset by some delays around project mobilisation. This was also taken poorly by the market.

Investment Review (Continued)

'Higher for longer' interest rates have meant companies in sectors such as real estate have also impacted portfolio performance negatively. We are terming this the 'lost decade,' and it includes high quality companies solving environmental and societal issues where demand has been held back by short-term economic uncertainty and which are now trading at valuations not seen for many years. Examples include Grainger, Segro and Safestore. If the Government can free up planning permission or if interest rates are able to be cut faster than the market currently expects, these companies could be in demand once again with investors.

The biggest detractor of performance however has come from not holding defence, tobacco and having an underweight position in the banks sector. Companies such Rolls Royce, BAE Systems, British American Tobacco and Barclays have been exceptionally strong as the market backdrop has led investors to crowd into a small number of companies with positive earnings momentum.

During the period the strategy continued to take advantage of share price weakness in existing holdings that are deemed to be high quality. Examples include Bytes Technology Group and Genus Plc.

Over the period, the Fund sold out of Hargreaves Lansdown following the takeover bid and WH Smith, Croda, Lloyds Banking Group, BP Plc and Diageo as new positions were added in Natwest Group, HSBC Holdings, Unilever, Tesco, JTC PLC, Alpha Group, XPS Pensions, Diploma, Raspberry Pi, Games Workshop, Spirax Group and Dunelm Group.

Natwest was added as their structural interest rate hedge provides revenue visibility and their capital discipline means 50% of earnings are returned to shareholders. Whilst it is not the cheapest bank, we feel it provides the lowest risk in the sector given it is not exposed to the motor finance issues which could be a problem for Lloyds and Barclays.

Food retail has always been a sector we have been slightly wary of in the past. It is hugely competitive, made even more so by two disrupters seemingly playing to their own financial rules. However, this has changed. The disrupters have become more rational and amongst the big players, two have lost their way and are saddled by debt leaving little strategic optionality. At the same time Tesco has managed to arrest its market share loss by drastically improving its customer offering including at key price points, retrenched its operations to focus on its core competency and focussed on returning cash to shareholders. This strategy has reaped handsome rewards with exceptional recent share price performance. What is interesting however, is that the company is trading within its recent historic price-to-earnings (PE) range whilst offering very attractive mid double digit EPS growth (forecasted for the next three years).

Diploma has a strong track record of delivering consistent growth over time, running a proven financial model that has created value for shareholders for many years. The Group's clear strategy of focusing on end markets, geographic penetration and product extension, as well as its trading resilience, provides confidence in its future prospects. The Group targets 5% per annum organic revenue growth and continued M&A, operating margins of >20% and double-digit EPS growth. Disciplined M&A has been a key driver of earnings upgrades and there is significant balance sheet capacity for more.

XPS has high levels of recurring income, an inflation linked fee model, low client attrition, and a well-diversified client base, while regulatory change continues to be a strong driver of new business. The market share opportunity within the pensions industry is significant and the adjacent insurance industry could offer another material growth runway in the fullness of time. Operating leverage is starting to come through too as the group continues to focus on higher-margin work and technology efficiencies. We estimate that the company could sustainably deliver double digit revenue growth over the medium term which is ahead of analyst forecasts.

Investment Review (Continued)

BP was sold following its pivot away from renewable investments along with its leveraged balance sheet, uncertain demand for oil given Chinese electric vehicle (EV) penetration and the unlikeliness of them ever reaching Net Zero carbon emissions.

The sustainability objective of the fund is to invest in UK companies which demonstrate a clear and credible commitment to achieving net zero carbon emissions by 2050 or are decreasing their carbon emissions intensity to achieve net zero emissions by 2050. In order to do this, we will seek to keep the Fund's weighted average carbon intensity (WACI)[1] lower than its Emissions Benchmark. The Fund's Emissions Benchmark is calculated as an initial 30% reduction of the WACI of the FTSE All Share Index as at 31st December 2021 and thereafter, it will be reduced by 7% year on year. As at 30 April (the last reported date before the Fund's year-end) the Carbon Intensity by revenues of the Fund was 25 tCO_2e/\$M revenue versus the Emissions Benchmark of 75 tCO_2e/\$M.

To achieve this sustainability objective, we apply our proprietary Climate Colours Framework which evaluates a company's commitment, targets and timeframes to align to Net Zero based data from selected external providers and our own research. Companies that are either committed to align, aligning or aligned to the transition to a Net Zero carbon economy are eligible for investments based on this framework. Companies that are deemed to not meet these criteria do not form part of the investment universe.

As responsible investors we recognise that we have a role to play to help encourage companies on their decarbonisation journey and we will do this through continuous engagement with them. In addition to our regular meetings with management we also held 11 dedicated ESG engagement meetings on areas such as carbon emission reduction targets, board structure and employee engagement and diversity policies and practices. Examples included Rightmove, Auction Technology Group, Bytes Technology Group, DiscoverIE Plc and Marshalls.

Alongside our climate colours framework, a thorough analysis of environmental, social and governance factors (ESG) also takes place. Companies that disregard their environmental impact, treat their employees poorly or don't pay due regard to the communities in which they operate in will lose their social licence to exist and be regulated or taxed out of the market. As long-term investors, we need to be very conscious as the drivers of change are powerful and immediate, and businesses that are not set up for this new world will not provide the desired returns to investors.

OUTLOOK

The combination of a stabilisation in consumer confidence and a pick-up in business optimism is encouraging, particularly in the context of current UK domestic valuations. Morgan Stanley observed that while the more domestically weighted FTSE 250 index continues to trade at a discount to the FTSE 100 (which in itself is hardly richly valued), the MidCap index is seeing EPS growth expectations exceeding its large-cap peers at a level not seen in four years. Of course, near term uncertainty reigns, with further tariff policy volatility likely and a wariness that recent changes to national insurance contributions and some inflationary household costs could lead to a spike in both unemployment and inflation. We hope that a more benign environment over the summer can allow for a more constructive UK equity case to be presented and for the raft of outflows from UK ETFs and funds, which according to Morningstar totalled £11.4bn year to date, to begin to reverse.

This is coinciding at the same time with risk sentiment souring towards the US economy as a result of their self-induced tariff trade war, prompting hopes that international and domestic capital could be redeployed in the UK. In the meantime, the frustration in the perceived value of UK listed companies is manifesting itself in a lengthening list of UK companies buying in their own shares with surplus cashflow as well as continuing acquisition interest from private equity and the corporate world.

Investment Review (Continued)

At times of heightened risk and uncertainty, it is easy to focus exclusively on the macro and geopolitical news flow and lose focus on the fundamental drivers of profitability and cashflow at the corporate level. Our approach remains centred on owning good quality businesses that can reinvest and compound their returns over time. We continue to believe that understanding longer term structural trends and identifying responsible, reliable and ultimately sustainable companies, in a targeted, focused and active approach, remains the key to longer-term success.

Nigel Yates

Source of all performance data: AXA Investment Managers, Morningstar to 15 May 2025.

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.

[1] The 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 Scope 1 and 2 carbon emissions (measured in tons of carbon dioxide emissions per USD 1 million of their revenue) by its portfolio weight.

Portfolio Changes

For the year ended 15 May 2025

Major Purchases	Cost (£'000)
HSBC	1,822
NatWest Group	1,438
Unilever	1,322
Tesco	1,273
JTC	1,038
XPS Pensions Group	966
Diploma	956
Alpha Group International	934
Dunelm Group	821
Spirax Group	801
Other purchases	1,069
Total purchases for the year	12,440

Major Sales	Proceeds (£'000)
Hargreaves Lansdown	1,921
Lloyds Banking Group	1,786
BP	1,578
Diageo	1,502
Just Group	1,422
GSK	1,382
WH Smith	1,352
Weir Group	987
AstraZeneca	927
Trainline	863
Other sales	12,524
Total sales for the year	26,244

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 pages 3 to 4. By investing in financial markets there are associated risks and the following paragraphs explains the Manager's approach to managing those risks.

RISK PROFILE

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

EQUITY RISK

The value of shares in which a 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-financial 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 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. In certain cases, scores may not be available, or the Manager may disagree with the score attributed by that third party and allocate the Manager's own score based on its own research. 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.

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 the Fund engages in stock lending it will be exposed to counterparty credit risk in that the borrower may default on a loan, 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

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. There has been no change from prior year.

WHY IS THIS FUND IN THIS CATEGORY?

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

ADDITIONAL RISKS

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

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

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

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

Fund Information

FIVE YEAR PERFORMANCE

In the five years to 15 May 2025, the price of Z Accumulation units, with net income reinvested, rose by +19.35%. The FTSE All-Share Index (Total Return) increased by +75.5% over the same time period. During the same period, the price of Z Income units, with zero income reinvested, rose by +10.21% (Source: AXA Investment Managers and Morningstar) (Prices in GBP).

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

Date	AXA UK Sustainable Equity Z Acc	FTSE All-Share (TR)
15 May 2020 - 15 May 2021	+25.29%	+29.65%
15 May 2021 - 15 May 2022	-8.54%	+5.66%
15 May 2022 - 15 May 2023	+0.77%	+7.29%
15 May 2023 - 15 May 2024	+4.02%	+12.65%
15 May 2024 - 15 May 2025	-0.64%	+5.99%

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	1.70%
D Acc	1.70%
R Inc	1.30%
R Acc	1.30%
Z Inc	2.05%
Z Acc	2.04%

CHARGES

	Initial Charge	Annual Management Charge
D Unit Classes	Nil	1.10%
R Unit Classes	Nil	1.50%
Z Unit Classes	Nil	0.75%

ONGOING CHARGES*

D Inc	1.19%
D Acc	1.19%
R Inc	1.59%
R Acc	1.59%
Z Inc	0.84%
Z Acc	0.84%

*Ongoing Charges are sourced from the Fund's latest Key Investor Information Document (KIID). The KIID for each share class for AXA Framlington UK Sustainable Equity Fund can be found on the fund centre:
https://retail.axa-im.co.uk/fund-centre

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 UK Sustainable 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 UK Sustainable Equity Fund here: https://funds.axa-im.co.uk/en/adviser/fund/axa-uk-sustainable-equity-fund-z-income-gbp/#documents

Comparative Tables

	D Inc~			D Acc~		
Change in net assets per unit	15/05/2025 (p)	15/05/2024 (p)	15/05/2023 (p)	15/05/2025 (p)	15/05/2024 (p)	15/05/2023 (p)
Opening net asset value per unit†	222.70	217.72	227.20	349.57	337.11	347.20
Return before operating charges^	0.42	10.53	(4.13)	0.62	16.33	(6.30)
Operating charges	(2.62)	(2.49)	(2.48)	(4.11)	(3.87)	(3.79)
Return after operating charges^	(2.20)	8.04	(6.61)	(3.49)	12.46	(10.09)
Distributions	(3.75)	(3.06)	(2.87)	(5.88)	(4.73)	(4.39)
Retained distributions on accumulation units	-	-	-	5.88	4.73	4.39
Closing net asset value per unit†	**216.75**	**222.70**	**217.72**	**346.08**	**349.57**	**337.11**
*^after direct transaction costs of:	0.22	0.13	0.08	0.34	0.21	0.13
Performance						
Return after charges	-0.99%	3.69%	-2.91%	-1.00%	3.70%	-2.91%
Other Information						
Closing net asset value† (£'000)	4,497	5,159	5,055	22,459	24,956	12,824
Closing number of units	2,074,783	2,316,663	2,321,554	6,489,363	7,138,985	3,804,134
Operating charges	1.19%	1.19%	1.18%	1.19%	1.19%	1.18%
Direct transaction costs*	0.10%	0.06%	0.04%	0.10%	0.06%	0.04%
Prices						
Highest unit price #	227.50	226.00	229.20	357.10	349.90	350.30
Lowest unit price #	193.60	189.80	193.60	303.90	293.80	295.90

Comparative Tables (Continued)

	R Inc			R Acc		
Change in net assets per unit	15/05/2025 (p)	15/05/2024 (p)	15/05/2023 (p)	15/05/2025 (p)	15/05/2024 (p)	15/05/2023 (p)
Opening net asset value per unit†	222.63	217.73	222.08	346.86	335.77	339.30
Return before operating charges^	0.41	10.45	1.10	0.60	16.16	1.70
Operating charges	(3.50)	(3.31)	(3.42)	(5.43)	(5.07)	(5.23)
Return after operating charges^	(3.09)	7.14	(2.32)	(4.83)	11.09	(3.53)
Distributions	(2.86)	(2.24)	(2.03)	(4.46)	(3.49)	(3.11)
Retained distributions on accumulation units	-	-	-	4.46	3.49	3.11
Closing net asset value per unit†	**216.68**	**222.63**	**217.73**	**342.03**	**346.86**	**335.77**
*^after direct transaction costs of:	0.22	0.13	0.08	0.33	0.20	0.13
Performance						
Return after charges	-1.39%	3.28%	-1.04%	-1.39%	3.30%	-1.04%
Other Information						
Closing net asset value† (£'000)	261	699	1,280	2,837	6,758	22,809
Closing number of units	120,684	313,823	587,811	829,367	1,948,359	6,793,217
Operating charges	1.59%	1.59%	1.58%	1.59%	1.59%	1.58%
Direct transaction costs*	0.10%	0.06%	0.04%	0.10%	0.06%	0.04%
Prices						
Highest unit price #	227.00	225.10	228.80	353.70	347.20	349.60
Lowest unit price #	192.90	189.40	193.40	300.50	292.20	295.40

Comparative Tables (Continued)

	Z Inc			Z Acc		
Change in net assets per unit	15/05/2025 (p)	15/05/2024 (p)	15/05/2023 (p)	15/05/2025 (p)	15/05/2024 (p)	15/05/2023 (p)
Opening net asset value per unit†	158.45	154.88	157.98	204.05	196.10	196.67
Return before operating charges^	0.30	7.53	0.79	0.36	9.53	1.03
Operating charges	(1.32)	(1.25)	(1.28)	(1.69)	(1.58)	(1.60)
Return after operating charges^	(1.02)	6.28	(0.49)	(1.33)	7.95	(0.57)
Distributions	(3.22)	(2.71)	(2.61)	(4.15)	(3.43)	(3.26)
Retained distributions on accumulation units	-	-	-	4.15	3.43	3.26
Closing net asset value per unit†	**154.21**	**158.45**	**154.88**	**202.72**	**204.05**	**196.10**
*^after direct transaction costs of:	0.15	0.09	0.06	0.20	0.12	0.07
Performance						
Return after charges	-0.64%	4.05%	-0.31%	-0.65%	4.05%	-0.29%
Other Information						
Closing net asset value† (£'000)	4,027	5,589	6,340	33,093	39,517	44,197
Closing number of units	2,611,291	3,527,693	4,093,443	16,324,484	19,366,448	22,538,126
Operating charges	0.84%	0.84%	0.83%	0.84%	0.84%	0.83%
Direct transaction costs*	0.10%	0.06%	0.04%	0.10%	0.06%	0.04%
Prices						
Highest unit price #	162.10	161.30	163.50	208.70	204.20	203.60
Lowest unit price #	138.20	135.20	138.00	178.00	171.20	171.80

† Valued at bid-market prices.

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

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

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

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

~ D unit classes launched as at 25 May 2022, figures in the table have been annualised, where appropriate.

Portfolio Statement

The AXA UK Sustainable Equity Fund portfolio as at 15 May 2025 consisted of the following investments, which are ordinary shares unless otherwise stated.

Holding		Market value £'000	Total net assets (%)
	UNITED KINGDOM: 94.30% (15/05/2024: 96.42%)		
	BASIC MATERIALS: 2.84% (15/05/2024: 4.99%)		
	Chemicals: 1.05% (15/05/2024: 2.99%)		
272,739	Treatt	706	1.05
		706	1.05
	Industrial Metals & Mining: 1.79% (15/05/2024: 2.00%)		
61,905	Hill & Smith	1,200	1.79
		1,200	1.79
	CONSUMER DISCRETIONARY: 10.59% (15/05/2024: 9.45%*)		
	Consumer Services: 3.24% (15/05/2024: 2.53%)		
83,148	Compass Group	2,176	3.24
		2,176	3.24
	Media: 0.00% (15/05/2024: 0.00%*)		
	Leisure Goods: 1.47% (15/05/2024: 0.00%)		
6,435	Games Workshop Group	987	1.47
		987	1.47
	Retailers: 2.69% (15/05/2024: 3.01%)		
65,095	Dunelm Group	760	1.13
411,548	Pets at Home Group	1,048	1.56
		1,808	2.69
	Travel & Leisure: 3.19% (15/05/2024: 3.91%)		
406,129	Hollywood Bowl Group	1,210	1.80
350,531	Trainline	932	1.39
		2,142	3.19

Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
	CONSUMER STAPLES: 7.52% (15/05/2024: 5.06%)		
	Beverages: 0.00% (15/05/2024: 1.96%)		
	Food Producers: 2.04% (15/05/2024: 1.66%)		
26,781	Cranswick	1,371	2.04
		1,371	2.04
	Personal Care, Drug & Grocery: 5.48% (15/05/2024: 1.44%)		
24,311	Reckitt Benckiser Group	1,165	1.73
335,000	Tesco	1,211	1.80
28,772	Unilever	1,313	1.95
		3,689	5.48
	ENERGY: 0.26% (15/05/2024: 2.78%)		
	Alternative Energy: 0.26% (15/05/2024: 0.50%)		
224,500	Ceres Power	174	0.26
		174	0.26
	Oil, Gas & Coal: 0.00% (15/05/2024: 2.28%)		
	FINANCIALS: 21.22% (15/05/2024: 16.85%)		
	Banks: 5.65% (15/05/2024: 2.14%)		
247,494	HSBC	2,170	3.23
326,693	NatWest Group	1,625	2.42
		3,795	5.65
	Finance & Credit Services: 4.26% (15/05/2024: 3.51%)		
25,372	London Stock Exchange Group	2,859	4.26
		2,859	4.26

Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
	Investment Banking & Brokerage: 5.07% (15/05/2024: 3.87%)		
38,729	Alpha Group International	1,187	1.77
53,981	Intermediate Capital Group	1,099	1.64
277,194	XPS Pensions	1,116	1.66
		3,402	5.07
	Life Insurance: 6.24% (15/05/2024: 7.33%)		
828,587	Just Group	1,221	1.82
466,579	Legal & General Group	1,124	1.67
211,339	Prudential	1,845	2.75
		4,190	6.24
	HEALTH CARE: 11.75% (15/05/2024: 15.20%)		
	Medical Equipment & Services: 3.69% (15/05/2024: 4.16%)		
553,885	ConvaTec Group	1,498	2.23
91,742	Smith & Nephew	984	1.46
		2,482	3.69
	Pharmaceuticals & Biotechnology: 8.06% (15/05/2024: 11.04%)		
29,176	AstraZeneca	2,964	4.41
54,103	Genus	1,120	1.67
98,966	GSK	1,333	1.98
		5,417	8.06
	INDUSTRIALS: 15.19% (15/05/2024: 15.35%)		
	Construction & Materials: 3.45% (15/05/2024: 3.73%)		
275,869	Genuit Group	1,105	1.65
413,763	Marshalls	1,212	1.80
		2,317	3.45
	Electronic & Electrical Equipment: 3.56% (15/05/2024: 3.50%)		
176,510	DiscoverIE Group	1,110	1.65
411,365	Rotork	1,285	1.91
		2,395	3.56

Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
	Industrial Engineering: 3.01% (15/05/2024: 2.50%)		
12,000	Spirax Group	739	1.10
53,166	Weir Group	1,280	1.91
		2,019	3.01
	Industrial Support Services: 3.52% (15/05/2024: 3.03%)		
20,000	Diploma	837	1.25
299,468	Rentokil Initial	1,031	1.54
577,578	RWS	490	0.73
		2,358	3.52
	Industrial Transportation: 1.65% (15/05/2024: 2.59%)		
25,648	Ashtead Group	1,109	1.65
		1,109	1.65
	REAL ESTATE: 6.91% (15/05/2024: 7.55%)		
	Real Estate Investment & Services: 4.03% (15/05/2024: 4.33%)		
530,054	Grainger	1,145	1.70
209,748	Rightmove	1,565	2.33
		2,710	4.03
	Real Estate Investment Trusts: 2.88% (15/05/2024: 3.22%)		
144,616	Safestore	917	1.37
153,370	Segro	1,017	1.51
		1,934	2.88
	TECHNOLOGY: 14.28% (15/05/2024: 13.75%*)		
	Software & Computer Services: 14.28% (15/05/2024: 13.75%*)		
201,995	accesso Technology Group	974	1.45
196,825	Auction Technology Group	996	1.48
257,500	Bytes Technology Group	1,308	1.95
451,405	GB Group	1,307	1.95
131,401	Kainos Group	1,081	1.61
699,245	NCC Group	1,091	1.62
70,434	RELX	2,835	4.22
		9,592	14.28

Portfolio Statement (Continued)

Holding		Market value £'000	Total net assets (%)
	TELECOMMUNICATIONS: 1.53% (15/05/2024: 2.42%)		
	Telecommunications Service Providers: 1.53% (15/05/2024: 2.42%)		
89,713	Gamma Communications	1,025	1.53
		1,025	1.53
	UTILITIES: 2.21% (15/05/2024: 3.02%)		
	Electricity: 2.21% (15/05/2024: 3.02%)		
86,556	SSE	1,486	2.21
		1,486	2.21
	EUROPE (excluding UK): 4.73% (15/05/2024: 3.25%)		
	Jersey: 4.73% (15/05/2024: 3.25%)		
58,532	Experian	2,259	3.36
100,889	JTC	919	1.37
		3,178	4.73
Investments as shown in the balance sheet		66,521	99.03
Net current assets		653	0.97
Total net assets		67,174	100.00

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

Statement of Total Return

For the year ended 15 May

	Notes	£'000	2025 £'000	£'000	2024 £'000
Income					
Net capital (losses)/gains	3		(2,080)		1,216
Revenue	4	2,139		2,197	
Expenses	5	(764)		(877)	
Interest payable and similar charges		-		-	
Net revenue before taxation		1,375		1,320	
Taxation	6	-		-	
Net revenue after taxation			1,375		1,320
Total return before distributions			(705)		2,536
Distributions	7		(1,375)		(1,320)
Change in net assets attributable to unitholders from investment activities			(2,080)		1,216

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 15 May

	£'000	2025 £'000	£'000	2024 £'000
Opening net assets attributable to unitholders		82,678		92,505
Amounts receivable on creation of units	279		292	
Amounts payable on cancellation of units	(14,803)		(12,409)	
		(14,524)		(12,117)
Change in net assets attributable to unitholders from investment activities		(2,080)		1,216
Retained distribution on accumulation units		1,096		1,069
Unclaimed distribution		4		5
Closing net assets attributable to unitholders		67,174		82,678

Balance Sheet

As at 15 May

	Notes	2025 £'000	2024 £'000
ASSETS			
Fixed assets			
Investments		66,521	82,404
Current assets			
Debtors	8	1,097	457
Cash and bank balances	9	-	274
Total assets		67,618	83,135
LIABILITIES			
Creditors			
Bank overdrafts	10	113	-
Distribution payable		165	173
Other creditors	11	166	284
Total liabilities		444	457
Net assets attributable to unitholders		67,174	82,678

Notes to the Financial Statements

1.1 Accounting policies

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

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

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

Special dividends and share buybacks are treated as revenue or capital depending on the facts of each particular case. It is likely that where the receipt of a special dividend results in a significant reduction in the capital value of the holding, then the special dividend should be treated as capital in nature so as to ensure that the matching principle is applied to gains and losses. Otherwise, the special dividends should be recognised as revenue.

c) The listed investments of the Fund are valued at bid-market prices ruling at 12 noon on the last business day of the accounting year. Where certain securities are listed on global markets which are closed at the 12 noon valuation point, the last available closing bid-price will be utilised, subject to the application of any fair value pricing adjustment. The fair value of unlisted securities, and unquoted securities where the quotation has been suspended, is estimated by the Manager, using independent sources where available.

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

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

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

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

Notes to the Financial Statements (Continued)

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

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

j) The Fund is not required to produce a cash flow statement as it meets the exemption criteria set out in FRS102.7.IA.

k) Any income arising from stock lending is treated as revenue on an accruals basis and is disclosed in the notes to the Financial Statements net of directly attributable fees. The value of the collateral must always exceed the value of the stock on loan. The accepted collateral includes cash, equities, certain types of bonds and money market instruments as agreed with the Depositary.

1.2 Distribution policy

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

b) Where special dividends are treated as revenue, they are included in the amount available for distribution. The tax accounting treatment follows the principal amount.

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

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

2 Financial instruments

The analysis and tables provided below refer to the narrative disclosure on financial instruments risks on pages 14 to 16 of the Manager's Report.

Price risk sensitivity

At 15 May 2025, if the price of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, the net assets would increase or decrease by £3,326,034 (2024: £4,120,197) respectively.

Foreign currency risk sensitivity

Assuming all other factors remain stable, if GBP strengthens by 5% the resulting change in the net assets attributable to unitholders of the Fund would be a decrease of approximately £1,728 (2024: £1,545). A 5% weakening in GBP would have an equal but opposite effect.

Notes to the Financial Statements (Continued)

Interest rate risk sensitivity

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

Currency exposures

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

2025	Monetary Exposure £'000	Non Monetary exposure £'000	Total £'000
US Dollar	35	-	35
Total	35	-	35

2024	Monetary Exposure £'000	Non Monetary exposure £'000	Total £'000
US Dollar	31	-	31
Total	31	-	31

3 Net capital (losses)/gains

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

	2025 £'000	2024 £'000
(Losses)/gains on non-derivative securities	(2,079)	1,217
Transaction charges	(1)	(1)
Net capital (losses)/gains	(2,080)	1,216

4 Revenue

	2025 £'000	2024 £'000
UK dividends	1,997	2,069
REIT dividends	89	45
Overseas dividends	34	53
Bank interest	18	29
Stock lending income	1	1
Total revenue	2,139	2,197

Notes to the Financial Statements (Continued)

5 Expenses

	2025 £'000	2024 £'000
Payable to the Manager		
Annual management charge	699	804
Registrar's fees	45	49
	744	853
Other expenses		
Audit fee*	11	11
Safe custody charges	1	4
Trustee's fees	8	9
	20	24
Total expenses	764	877

Expenses include irrecoverable VAT where applicable.

* Audit fees for the financial year ending 2025 were £9,050 (2024: £8,900) (excluding VAT).

6 Taxation

a) Analysis of tax in the year:

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

b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised unit trust (20%) (2024: 20%).

The differences are explained below:

	2025 £'000	2024 £'000
Net revenue before taxation	1,375	1,320
Corporation tax at 20%	275	264
Effects of:		
Movement in excess management expenses	138	164
Revenue not subject to taxation	(413)	(428)
Total effects	(275)	(264)
Total tax charge for the year (see note 6a)	-	-

Authorised unit trusts are exempt from tax on capital gains.

c) Deferred taxation:

There is no provision required for deferred taxation at the Balance sheet date (2024: nil).

d) Factors that may affect future tax charges:

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £9,039,304 (2024: £8,901,531) relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Notes to the Financial Statements (Continued)

7 Distributions

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

	2025 £'000	2024 £'000
Final	1,261	1,242
Add: Income deducted on cancellation of units	117	174
Deduct: Income received on creation of units	(3)	(96)
Net distribution for the year	1,375	1,320

8 Debtors

	2025 £'000	2024 £'000
Sales awaiting settlement	716	-
Amounts receivable on creation of units	18	-
Accrued revenue	363	457
Total debtors	1,097	457

9 Cash and bank balances

	2025 £'000	2024 £'000
Cash and bank balances	-	274
Total cash and bank balances	-	274

10 Bank overdrafts

	2025 £'000	2024 £'000
Bank overdrafts	113	-
Total cash and bank balances	113	-

11 Other creditors

		2025 £'000	2024 £'000
Amounts payable on cancellation of units		75	165
Accrued expenses	- Manager	74	99
	- Other	17	20
Total other creditors		166	284

Notes to the Financial Statements (Continued)

12 Unitholders' funds

The Fund currently has six unit classes in issue.

	D Inc	D Acc	R Inc	R Acc	Z Inc	Z Acc
Opening units in issue	2,316,663	7,138,985	313,823	1,948,359	3,527,693	19,366,448
Units issued	8,445	35,839	28	20,052	30,237	71,150
Units cancelled	(250,325)	(685,461)	(193,167)	(1,139,044)	(946,639)	(3,113,114)
Unit conversions	-	-	-	-	-	-
Closing units in issue	2,074,783	6,489,363	120,684	829,367	2,611,291	16,324,484

13 Related parties

AXA Investment Managers UK Limited acts as principal on all the transactions of units in the Fund. The aggregate monies received through creations and liquidations are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and Note 7, amounts due to/from AXA Investment Managers UK Limited in respect of unit transactions are disclosed in Note 8 and Note 11 respectively.

At 15 May 2025, there were no unitholders that hold more than 50% of units in the Fund. Other than disclosed elsewhere in the Financial Statements, there were no transactions between the Fund and related parties during the year.

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

14 Portfolio transaction costs

2025

Analysis of purchases	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Equity	12,379	5	0.04	56	0.45	12,440
Total	12,379	5		56		12,440

2025

Analysis of sales	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Equity	26,256	(12)	(0.05)	-	-	26,244
Total	26,256	(12)		-		26,244

Notes to the Financial Statements (Continued)

2024

Analysis of purchases	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Equity	8,324	4	0.05	40	0.48	8,368
Total	8,324	4		40		8,368

2024

Analysis of sales	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Equity	18,693	(9)	(0.05)	-	-	18,684
Total	18,693	(9)		-		18,684

Commission as a % of average net assets	0.02% (2024: 0.01%)
Taxes as a % of average net assets	0.08% (2024: 0.05%)

Portfolio dealing spread

The average portfolio dealing spread as at the year end was 0.19% (2024: 0.19%).

15 Fair value disclosure

	15 May 2025		15 May 2024	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Valuation technique				
Level 1^	66,521	-	82,404	-
Level 2^^	-	-	-	-
Level 3^^^	-	-	-	-
Total	66,521	-	82,404	-

^ 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.

16 Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2024: none).

17 Post balance sheet events

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

Distribution Tables

For the year ended 15 May 2025

		Net revenue	Equalisation	Distribution payable/paid Current year	Distribution payable/paid Prior year
D Inc					
Final	Group 1	3.750	-	3.750	3.062
	Group 2	0.204	3.546	3.750	3.062
D Acc					
Final	Group 1	5.883	-	5.883	4.728
	Group 2	3.038	2.845	5.883	4.728
R Inc					
Final	Group 1	2.863	-	2.863	2.235
	Group 2	2.073	0.790	2.863	2.235
R Acc					
Final	Group 1	4.458	-	4.458	3.490
	Group 2	2.620	1.838	4.458	3.490
Z Inc					
Final	Group 1	3.222	-	3.222	2.706
	Group 2	2.183	1.039	3.222	2.706
Z Acc					
Final	Group 1	4.147	-	4.147	3.426
	Group 2	2.318	1.829	4.147	3.426

(All figures shown in pence per unit)

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

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

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

	Group 2 units from	to	Group 1 & 2 units paid/transferred
Final	16.05.24	15.05.25	15.07.25

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:

DocuSigned by:
Ouajnat Karim
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Ouajnat Karim
Director
Wednesday 10th September 2025

DocuSigned by:
Jane Wadia
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Jane Wadia
Director
Wednesday 10th September 2025

Statement of Manager's Responsibilities

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

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

In preparing the accounts the Manager is required to:

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

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

Report of the Trustee

STATEMENT OF THE TRUSTEE'S RESPONSIBILITIES IN RESPECT OF THE SCHEME AND REPORT OF THE TRUSTEE TO THE UNITHOLDERS OF THE AXA UK SUSTAINABLE EQUITY FUND OF THE AXA FRAMLINGTON RANGE OF AUTHORISED UNIT TRUST SCHEMES ("THE TRUST") FOR THE YEAR ENDED 15 MAY 2025

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

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

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

The Depositary must ensure that:

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

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

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

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

Trustee
HSBC Global Trustee & Fiduciary Services (UK)
Wednesday 10th September 2025

Report of the Independent Auditor

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

OPINION

We have audited the financial statements of AXA UK Sustainable Equity Fund for the year ended 15 May 2025, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Fund, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 15 May 2025 and of the net revenue and net capital losses on the scheme property of the Fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

BASIS FOR OPINION

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

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

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

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the FCA and the Trust Deed; and

- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and

- the information given in the Manager's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

RESPONSIBILITIES OF THE MANAGER

As explained more fully in the Manager's responsibilities statement set out on page 38, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Fund and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP), Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the Fund's Trust Deed and the Prospectus.

- We understood how the Fund is complying with those frameworks through discussions with the Manager and the Fund's administrators and a review of the Fund's documented policies and procedures.

- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified a fraud risk with respect to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. We tested the appropriateness of management's classification for a sample of special dividends as either a capital or revenue return.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Manager with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Fund.

- Due to the regulated nature of the Fund, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

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

USE OF OUR REPORT

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

Ernst & Young LLP
Statutory Auditor
Edinburgh
Wednesday 10th September 2025

DocuSigned by:
Ernst & Young LLP
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Further Information (Unaudited)

REMUNERATION POLICY OF THE MANAGER

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

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

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

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

In line with the requirements of the Undertakings for Collective Investments in Transferable Securities (UCITS) V, AXA Investment Managers UK Limited is required to make quantitative disclosures of remuneration. These disclosures are made in line with the currently available guidance on quantitative remuneration disclosures. The amounts shown below reflect payments made in respect of the financial year 1 January 2024 to 31 December 2024:

Total amount of remuneration paid and / or allocated globally to all staff for the year ended December 31, 2024 (1)	
Fixed Pay (1)(2)(3) (£'000)	262,827
Variable Pay (4) (£'000)	161,439
Number of employees (5)	2,944

(1) Excluding social charges
(2) Fixed Pay amount is based on based on Staff list as of 31/12/2024
(3) Fixed Pay amount is based on based FTE 1
(4) 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 "DIP" paid over the financial year under review,
- and long-term incentives set up by the AXA Group. For shares, in this reporting are included the shares that have effectively vested over the financial year under review
- special awards paid during the year

(5) Number of employees includes Permanent and Temporary contracts excluding internships, VIE, apprentices and contractors (based on Staff list as of 31/12/2024)

Further Information (Unaudited) (continued)

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)	85,026	57,145	142,171
Number of employees	294	101	395

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)	1,877	1,262	3,139
Number of employees	69	11	80

THE SECURITIES FINANCING TRANSACTIONS REGULATION

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) or total return swaps will be required on all reports & accounts published after 13 January 2017. During the year to 15 May 2025, , the Fund did use SFTs or total return swaps. As such please see below disclosure.

SECURITIES FINANCING TRANSACTIONS (SFTs)

As at the Balance Sheet date, the fund had no open positions. As such, only the return and cost over the reporting period are shown below.

1. Return and Cost

	Collective Investment £	Manager of Collective £	Third Parties £	Total £
Securities lending				
Gross return	1,428.58	0.00	357.13	1,785.71
% of total gross return	75.00%	0.00%	25.00%	100.00%
Cost	0.00	0.00	0.00	0.00

Further Information (Unaudited) (continued)

VALUE ASSESSMENT

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

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

The Value Statement report is available on the AXA IM website:
https://retail.axa-im.co.uk/fund-centre

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
Chelmsford, CM99 2UT

Telephone Dealing & Enquiries 0345 777 5511
If you are calling from outside the UK, please call +44 1268 448667
Our lines are open Monday to Friday between 9am and 5:30pm
As part of our commitment to quality service, telephone calls are recorded.